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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

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**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING October 1, 2007 AND ENDING September 30, 2008
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

OFFICIAL USE ONLY
8658
FIRM I.D. NO.

NAME OF BROKER-DEALER: Great Circle Financial.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

675 Sierra Rose Drive

(No. and Street)

Reno

(City)

NV

(State)

89511

(Zip Code)

B PROCESSED

DEC 18 2008

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Daniel L. Pancake 775-852-5350

THOMSON REUTERS
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wilson Markle Stuckey Hardesty & Bott

(Name - if individual, state last, first, middle name)

101 Larkspur Landing Circle, Ste. 200

(Address)

Larkspur

(City)

CA

(State)

SEC
Mail Processing
Section

94939

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

NOV 19 2008

Washington, DC
103

FOR OFFICIAL USE ONLY

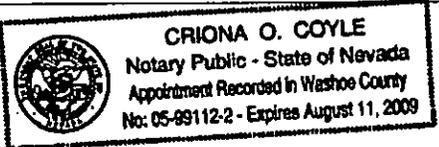
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten initials/signature

OATH OR AFFIRMATION

I, Daniel L. Pancake, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Great Circle Financial, as of September 30, 2007 are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



[Handwritten Signature]

Signature

President

Title

[Handwritten Signature]

Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page.
-
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Great Circle Financial
Financial Statements
and
Supplemental Information
Years ended September 30, 2008 and 2007
with
Reports of the Independent Auditors

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WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT

Report of Independent Auditors

Board of Directors
Great Circle Financial

We have audited the accompanying statement of financial condition of Great Circle Financial as of September 30, 2008 and 2007, and the related statements of operations, changes in stockholder's equity and cash flows for the years then ended. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements, based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Great Circle Financial as of September 30, 2008 and 2007, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Wilson Markle Stuckey Hardesty & Bott

Wilson Markle Stuckey Hardesty & Bott
Larkspur, California
November 6, 2008

Great Circle Financial
Statement of Financial Condition
September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Current assets		
Cash	\$ 20,200	\$47,475
Accounts receivable	2,890	3,260
Commissions receivable from clearing broker	17,530	19,603
	<hr/>	<hr/>
Total current assets	40,620	70,338
Property and equipment, at cost, net of accumulated depreciation of \$48,053 (2007 - \$47,127)	3,558	1,305
Deposits and other assets	1,425	—
	<hr/>	<hr/>
Total assets	<u>\$45,603</u>	<u>\$71,643</u>
Current liabilities		
Accounts payable	\$10,269	\$4,287
Accrued employee expenses	14,023	14,914
	<hr/>	<hr/>
Total current liabilities	24,292	19,201
Stockholder's equity		
Common stock, no par value; 10,000 shares authorized, 1,000 shares issued and outstanding	352,144	352,144
Retained earnings (accumulated deficit)	(330,833)	(299,702)
	<hr/>	<hr/>
Total stockholder's equity	21,311	52,442
Total liabilities and stockholder's equity	<u>\$45,603</u>	<u>\$71,643</u>

See accompanying notes.

Great Circle Financial
Statement of Operations
Years ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Revenue		
Commissions	\$ 321,425	\$403,542
Miscellaneous	1,146	35,985
Interest	642	1,066
	<hr/>	<hr/>
Total revenue	323,213	440,593
Expenses		
Commissions and salaries	187,803	208,962
Payroll taxes	3,329	7,062
Transaction clearing and quotation charges	79,660	115,675
Accounting and audit	4,152	3,700
Dues and subscriptions	462	694
Insurance	364	924
Meals, travel and entertainment	5,915	4,787
Other outside services	28,104	19,224
Other taxes and fees	335	200
Regulatory fees and assessments	3,582	4,384
Rent	18,220	18,274
Supplies	7,903	13,425
Telephone	10,860	12,042
Depreciation	926	430
Miscellaneous	1,929	559
	<hr/>	<hr/>
Total expenses	353,544	410,342
Income (loss) before income taxes	(30,331)	30,251
Income taxes	800	1,600
	<hr/>	<hr/>
Net income (loss)	<u>(\$31,131)</u>	<u>\$28,651</u>

See accompanying notes.

Great Circle Financial
Statement of Changes in Stockholder's Equity
Years ended September 30, 2008 and 2007

	Common stock Shares	Amount	Retained earnings (accumulated deficit)	Total stock- holder's equity
Balances, September 30, 2006	1,000	\$357,144	(\$328,353)	\$28,791
Dividends		(5,000)	--	(5,000)
Net income	--	--	28,651	28,651
Balances, September 30, 2007	1,000	352,144	(299,702)	52,442
Net loss	--	--	(31,131)	(31,131)
Balances, September 30, 2008	1,000	\$352,144	(\$330,833)	\$21,311

See accompanying notes.

Great Circle Financial
Statement of Cash Flows
Years ended September 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Net income (loss)	\$(31,131)	\$28,651
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation	926	430
Changes in current assets and liabilities		
Accounts receivable	370	(3,260)
Commissions receivable	2,073	9,900
Accounts payable	5,982	3,768
Accrued employee expenses	<u>(891)</u>	<u>(6,090)</u>
Cash provided (used) by operating activities	(22,671)	33,399
Cash flows from investing activities		
Purchase of property and equipment	(3,179)	(1,450)
Change in deposits and other assets	<u>(1,425)</u>	<u>--</u>
Cash used by investing activities	(4,604)	(1,450)
Cash flows from financing activities		
Dividend	<u>--</u>	<u>(5,000)</u>
Cash used by financing activities	<u>--</u>	<u>(5,000)</u>
Net increase (decrease) in cash	(27,275)	26,949
Cash, beginning of year	<u>47,475</u>	<u>20,526</u>
Cash, end of year	<u><u>\$20,200</u></u>	<u><u>\$47,475</u></u>
Supplemental disclosure		
Cash paid for income taxes	<u>\$ 800</u>	<u>\$1,600</u>
Cash paid for interest and finance charges	<u>\$ --</u>	<u>\$ --</u>

See accompanying notes.

Great Circle Financial
Notes to Financial Statements
September 30, 2008

Note 1 – Summary of significant accounting policies

Basis of presentation

Great Circle Financial (Company), incorporated in California and located in Reno, NV since April 15, 2006, is registered with the National Association of Securities Dealers (NASD) as a broker-dealer in the sale of securities. The Company is exempt from Securities Exchange Commission Rule 15c3-3 because it does not handle securities or carry customer accounts. A single securities clearing broker clears virtually all transactions executed on behalf of customers of the Company.

Cash

For purposes of the accompanying statement of cash flows, cash consists of cash on deposit with a commercial bank and with the securities clearing broker.

Property and equipment

The Company capitalizes the cost of property and equipment, consisting of office and computer equipment, furniture and leasehold improvements, exceeding \$2,000. The Company computes depreciation using the straight-line method based on the useful lives of office and computer equipment and furniture of five years and of leasehold improvements the shorter of the useful lives or the remaining terms of the related leases. Differences between financial statement and income tax depreciation are not material.

Security transactions and commissions

The Company records revenues and expenses related to security transactions based on the accounting method used by its securities clearing broker, which is on a settlement-date basis. Net commission revenue on unsettled transactions as of September 30, 2008 and 2007 is not material.

Use of estimates

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported in these financial statements, notes and supplemental information. Actual results could differ from those estimated.

Great Circle Financial
Notes to Financial Statements
September 30, 2008

Note 1 – Summary of significant accounting policies (continued)

Estimated fair value of financial instruments

Statement of Financial Accounting Standards No. 107, "Disclosure about Fair Value of Financial Instruments," requires the disclosure of the fair value of financial instruments, including assets and liabilities recognized on the statement of financial condition. Management estimates that the aggregate net fair value of financial instruments recognized on the statement of financial condition (including receivables, payables and accrued expenses) approximates their carrying value, as such financial instruments are short-term in nature or bear interest at current market rates.

Note 2 – Commissions receivable

As of September 30, 2008, the Company had a commission receivable from its securities clearing broker for net commissions due the Company and earned during the month of September 2008 that totaled \$17,530 (2007 - \$19,603). The Company received such net commissions during October 2008 and included the amount as an allowable asset in its net capital computation.

Note 3 – Taxes on income

Current income tax expense during the years ended September 30, 2008 and 2007 reconciles as follows:

	<u>2008</u>	<u>2007</u>
Federal	\$ -	\$ -
State	<u>800</u>	<u>1,600</u>
Total current income tax expense	<u>\$800</u>	<u>\$1,600</u>

During the years ended September 30, 2008 and 2007, statutory income tax rates did not match financial statement rates due to loss carry forwards, carry backs and minimum franchise taxes.

The Company incurred income tax losses in previous years and, after prior carry backs, has approximately \$335,602 to carry forward to future years for federal

Great Circle Financial
Notes to Financial Statements
September 30, 2008

Note 3 – Taxes on income (continued)

purposes (\$311,083 for purposes of California taxes on income). The loss carry forwards expire during the tax years ending September 30, 2021 through 2024 (September 30, 2009 through 2018 for California). The Company has recorded a 100% valuation allowance against the deferred tax asset resulting from the loss carry forward.

Other deferred income tax assets and liabilities arising from timing difference between financial statement and income tax asset, liability, income and expense recognition are not material to the financial condition of the Company.

Note 4 – Commitments

The Company rents its office space through a non-cancellable lease which expires on April 30, 2009. Future rents due on this lease for the year ended September 30, 2009 totaled \$10,185. Of the rent expense for the year ended September 30, 2008, approximately \$10,500 was paid to the Company's President for use of office and storage space.

Note 5 – Net capital requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1, which requires the maintenance of a minimum net capital of the greater of total aggregate indebtedness times 6 $\frac{2}{3}$ % and \$5,000. As of September 30, 2008, the net capital of the Company exceeded the minimum net capital requirement by \$11,328.

In the opinion of management, the Company maintained the required minimum net capital during the years ended September 30, 2008 and 2007.

Supplemental Information

Pursuant to Rule 17a-5 of the Securities Exchange Act of 1934

WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT

Report of Independent Auditors on Supplemental Information

Board of Directors
Great Circle Financial

We have audited the financial statements of Great Circle Financial for the years ended September 30, 2008 and 2007, and have issued our report thereon dated November 6, 2008. Our audits were made primarily for the purpose of forming an opinion on the basic financial statements, taken as a whole. The accompanying supplemental information presented hereinafter is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Wilson Markle Stuckey Hardesty & Bott

Wilson Markle Stuckey Hardesty & Bott
Larkspur, California
November 6, 2008

Great Circle Financial

**Statement of Changes in Liabilities Subordinated to Claims of the General Creditors
Year ended September 30, 2008**

Balance, beginning of year	\$-
Increase (decrease)	-
Balance, end of year	<u>\$-</u>

Great Circle Financial
 Computation of Net Capital under Rule 15c3-1 of the
 Securities and Exchange Commission
 September 30, 2008

Net Capital

Total stockholder's equity	\$21,311
Adjustments for non-allowable assets	
Deposits	1,425
Property and equipment, net	<u>3,558</u>
Total adjustments	<u>4,983</u>
Net capital	<u>\$16,328</u>

Total Aggregate Indebtedness

Total liabilities	\$24,292
Total aggregate indebtedness	<u>\$24,292</u>

Computation of Basic Net Capital Requirement

Total aggregate indebtedness times 6 $\frac{2}{3}$ %	\$1,619
Minimum net capital requirement for reporting broker	<u>\$5,000</u>
Basic net capital requirement (greater of \$1,619 and \$5,000)	<u>\$5,000</u>
Excess net capital	<u>\$11,328</u>
Excess net capital at 1,000%	
Net capital less 10% of total aggregate indebtedness	<u>\$13,899</u>
Ratio of total aggregate indebtedness to net capital	<u>0.38</u>

Great Circle Financial
Reconciliation Pursuant to Rule 17a-5(d)(4)
September 30, 2008

Reconciliation with the Computation of the Company included in
Part IIA of Form X-17A-5 as of September 30, 2008

Net capital reported in the unaudited Part IIA FOCUS report of the Company	\$20,163
Net audit adjustments	<u>(1,835)</u>
Net capital, as reported herein	<u>\$16,328</u>
Total aggregate indebtedness reported in the unaudited Part IIA FOCUS report of the Company	\$20,457
Net audit adjustments	<u>3,835</u>
Total aggregate indebtedness, as reported herein	<u>\$24,292</u>

Great Circle Financial
Computation for the Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
September 30, 2008

The Company is exempt from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of Rule 15c3-3.

Great Circle Financial
Information Relating to Possession or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
September 30, 2008

A supplementary report pursuant to Rule 17a-5(d)(4) and the information relating to possession or control requirements under Rule 15c3-3 are not required under Rule 17a-5(e)(1)(i)(A) and Rule 15c3-3(k), respectively.

WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT

Report of Independent Auditors on Internal Accounting Control
Required by SEC Rule 17a-5

Board of Directors
Great Circle Financial

We have audited the financial statements of Great Circle Financial (formerly D.R. Mayo & Company, Inc.) for the years ended September 30, 2008 and 2007, and have issued our report thereon dated November 6, 2008. As part of our audits, we made a study and evaluation of the system of internal accounting control of the Company to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States. The purpose of our study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

We also made a study of the practices and procedures followed by the Company in making the periodic computations of net capital and total aggregate indebtedness under rule 17a-3(a)(11) and the procedures for determining compliance with the exemptive provisions of rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications, comparisons and recordation of differences required by rule 17a-13 or in complying with the requirements for prompt payment for securities under section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining a system of internal accounting control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures and of the practices and procedures referred to in the preceding paragraph

and to assess whether those practices and procedures can be expected to achieve the above-mentioned objectives of the Commission. The objectives of a system and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with the authorization of management and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal accounting control procedure or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. In addition, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate. Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Great Circle Financial, taken as a whole. However, our study and evaluation disclosed no condition that we believed to be a material weakness.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the practices and procedures of the Company were adequate as of September 30, 2008 and 2007, to meet the objectives of the Commission.

This report is intended solely for the use of management, the Securities and Exchange Commission and the National Association of Securities Dealers and should not be used for any other purpose.

Wilson Markle Stuckey Hardesty & Bott

Wilson Markle Stuckey Hardesty & Bott
Larkspur, California
November 6, 2008

END