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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER  
8- 1003

FACING PAGE

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 10/01/07 AND ENDING 9/30/08  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Birkelbach & Company

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

7791 Balfort Parkway

(No. and Street)

Jacksonville  
(City)

Florida  
(State)

32256  
(Zip Code)

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

James G. Hutchens, Jr. CPA 904-280-1223

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

PROCESSED

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

DEC 24 2008

James G. Hutchens, Jr.

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

THOMSON REUTERS

106 Canal Blvd.  
(Address)

Ponte Vedra Beach  
(City)

Florida 32082  
(State) (Zip Code)

CHECK ONE:

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

Mail Processing  
Section

DEC 19 2008

Washington, DC

**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)

SEC 1410 (06-02)

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.

OATH OR AFFIRMATION

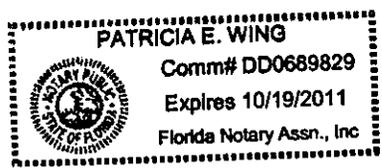
I, Craig Birkelbach, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Birkelbach & Company, as of September 30, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Craig Birkelbach  
Signature

President  
Title

Patricia E. Wing  
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).

BIRKELBACH & COMPANY  
Jacksonville, Florida

FINANCIAL STATEMENTS  
September 30, 2008 AND 2007

BIRKELBACH & COMPANY

C O N T E N T S

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**James G. Hutchens, Jr.**

Certified Public Accountant

P.O. Box 889

Ponte Vedra Beach, Florida 32004-0889

904-280-1228

FAX 904-280-0928

**INDEPENDENT AUDITOR'S REPORT**

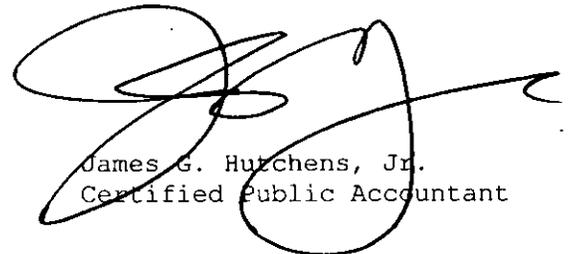
Board of Directors  
Birkelbach & Company  
Jacksonville, Florida

I have audited the accompanying balance sheets of Birkelbach & Company as of September 30, 2008 and 2007 and the related statements of operations and retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's Board of Directors. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 and significant estimates made by management as well as evaluating the overall financial statement presentation. I believe that the audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Birkelbach & Company as of September 30, 2008 and 2007 and the results of its operations for the years then ended in conformity with accounting principles accepted in the United States of America.

December 10, 2008



James G. Hutchens, Jr.  
Certified Public Accountant

BIRKELBACH & COMPANY  
Jacksonville, Florida

BALANCE SHEETS  
September 30, 2008 and 2007

	2008	2007
ASSETS		
Cash	\$ 8,106	\$ 8,415
Commissions Receivable	<u>2,626</u>	<u>18,694</u>
TOTAL ASSETS - all current	<u>\$ 10,732</u>	<u>\$ 27,109</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts Payable	\$ 0	\$ 0
Deferred Revenue	<u>0</u>	<u>17,500</u>
Total Liabilities	<u>0</u>	<u>17,500</u>
SHAREHOLDERS' EQUITY		
Common Stock, par value \$ 10 per share authorized 500 shares, issued and outstanding 300 shares	3,000	\$ 3,000
Retained Earnings	<u>7,732</u>	<u>6,609</u>
Total Shareholders Equity	<u>10,732</u>	<u>9,609</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 10,732</u>	<u>\$ 27,109</u>

The Notes to the Financial Statements  
Are an Integral Part of the Financial Statements.

BIRKELBACH & COMPANY  
Jacksonville, Florida

STATEMENTS OF OPERATIONS AND RETAINED EARNINGS  
Years Ended September 30, 2008 and 2007

	2008	2007
REVENUES		
Commission Revenue	\$ 131,371	\$ 214,672
Less Commission Expenses	<u>125,000</u>	<u>211,000</u>
Net Revenue	<u>6,371</u>	<u>3,672</u>
EXPENSES		
Professional Fees	750	0
Licenses, Dues, & Registration	945	3,598
Charitable Contributions		1,000
Office Overhead	4,632	4,372
Miscellaneous	<u>60</u>	<u>0</u>
Total Operating Expenses	<u>6,387</u>	<u>8,970</u>
INCOME (LOSS) FROM OPERATIONS	( 16)	( 5,298)
OTHER INCOME	<u>1,139</u>	<u>3,212</u>
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	1,123	( 2,086)
PROVISION FOR INCOME TAXES	( 168)	0
TAX BENEFIT FROM NET OPERATING LOSS CARRYFORWARD	<u>168</u>	<u>0</u>
NET INCOME (LOSS)	1,123	( 2,086)
RETAINED EARNINGS, Beginning of Year	<u>6,609</u>	<u>8,695</u>
RETAINED EARNINGS, End of Year	<u>\$ 7,732</u>	<u>\$ 6,609</u>

The Notes to the Financial Statements  
Are an Integral Part of the Financial Statements.

BIRKELBACH & COMPANY  
Jacksonville, Florida

STATEMENTS OF CASH FLOWS  
Years Ended September 30, 2008 and 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income(Loss)	\$ 1,123	\$( 2,086)
Adjustment to reconcile net income (loss) to net cash provided(used) by operating activities:		
(Increase)Decrease in Commissions Receivable	16,068	( 11,006)
Increase(Decrease) in Accounts Payable		( 4,137)
Increase(Decrease) in Deferred Revenue	<u>( 17,500)</u>	<u>17,500</u>
Net Cash Provided (Used) By Operating Activities	<u>( 309)</u>	<u>271</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 ( 309)	 271
 CASH AND CASH EQUIVALENTS, Beginning of Year	 <u>8,415</u>	 <u>8,144</u>
 CASH AND CASH EQUIVALENTS, End of Year	 <u>\$ 8,106</u>	 <u>\$ 8,415</u>

SUPPLEMENTAL DISCLOSURES

Cash Paid During Year for:

Interest	<u>\$ 0</u>	<u>\$ 0</u>
Income Taxes	<u>\$ 0</u>	<u>\$ 0</u>

The Notes to the Financial Statements  
Are an Integral Part of the Financial Statements.

BIRKELBACH & COMPANY  
Jacksonville, Florida

NOTES TO FINANCIAL STATEMENTS  
September 30, 2008 and 2007

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*OPERATIONS*

The Company is a member of the National Association of Securities Dealers and conducts its operations in accordance with membership requirements of that organization and the Securities and Exchange Commission. The Company does not carry customer accounts.

*METHOD OF ACCOUNTING*

The Company's records are maintained on the accrual basis of accounting for both financial and tax reporting purposes. Generally accepted accounting principles require management under certain circumstances to use accounting estimates. Actual results could differ from these estimates.

*CASH AND CASH EQUIVALENTS*

The Company considers cash and cash equivalents to include checking accounts, money market accounts, and certificates of deposit maturing in six months or less.

The majority of the Company's cash is placed with one local banking institution. At times, the balances on deposit exceed federally insured limits. To date, the Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Note 2. INCOME TAXES

The Company had federal and state net operating loss carryforwards of \$ 1,209, which it used \$ 168 to offset current taxable income.

SUPPLEMENTARY INFORMATION

**James G. Hutchens, Jr.**

Certified Public Accountant

P.O. Box 889

Ponte Vedra Beach, Florida 32004-0889

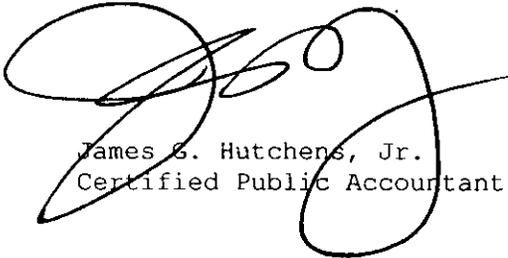
904-280-1228

FAX 904-280-0928

Board of Directors  
Birkelbach & Company  
Jacksonville, Florida

The accompanying supporting information required pursuant to Rule 17a-5(a) is presented for supplementary purposes and is not considered necessary for a fair presentation of the basic financial statements. My examination of the basic financial statements for the years ended September 30, 2008 and 2007, were made for the primary purpose of formulating an opinion on those statements. This supplementary data has been subjected to the applicable audit procedures I performed in my examination of the related basic financial statements.

In my opinion, all of the supporting information required by Rule 17a-5(a) is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



James G. Hutchens, Jr.  
Certified Public Accountant

December 10, 2008

BIRKELBACH & COMPANY  
Computation of Net Capital  
September 30, 2008

6. NET CAPITAL COMPUTATION

Total Assets.....	\$ 10,732
Less Total Liabilities.....	<u>0</u>
Capital.....	10,732
Less Other Assets.....	<u>0</u>
Current Capital.....	10,732
Less Appropriate "Haircuts".....	<u>0</u>
Adjusted Net Capital.....	10,732
Minimum Capital Required.....	<u>5,000</u>
Excess Capital.....	<u>\$ 5,732</u>
Amount of Aggregate Indebtedness.....	-0-
Ratio of Adjusted Net Capital to Aggregate Indebtedness.....	-0-

**BIRKELBACH & COMPANY**  
**Net Capital Reconciliation**  
**September 30, 2008**

7. NET CAPITAL RECONCILIATION

Computation of Net Capital	
As presented in audited financial statements	<u>\$ 10,732</u>
Computation of Net Capital	
As presented on Form X-17A-5 Focus Report	<u>\$ 10,732</u>

The Company hereby states that no differences exist between the Company's September 30, 2008 Focus Report(audited) and the Company's September 30, 2008 audited financial statements(SEC Rule 17a-5(d)(4)).

**END**