

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

Mail Processing  
Section  
MAR 30 2009

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 January 1, 2008 AND ENDING December 31, 2008  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: March Group Financial, LLC

OFFICIAL USE ONLY  
FIRM ID. NO.

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

4685 MacArthur Court, Suite 170

(No. and Street)

Newport Beach

California

92660

(City)

(State)

(Zip Code)

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

Sara Sheldon

(949) 274-9171

(Area Code — Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Breard & Associates, Inc., Certified Public Accountants

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

9221 Corbin Avenue, Suite 170

Northridge

California

91324

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

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

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).

OATH OR AFFIRMATION

I, Sara Sheldon, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of March Group Financial, LLC, as of December 31, 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:

State of CA
County of Orange
Subscribed and sworn (or affirmed) to before me this 18 day of 2009, March by Sara Sheldon proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature: [Handwritten Signature]
Title: Manager

[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. Cash Flows
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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).

**BREARD & ASSOCIATES, INC.**  
Certified Public Accountants

Independent Auditor's Report

Board of Directors  
March Group Financial, LLC:

We have audited the accompanying statement of financial condition of March Group Financial, LLC (A Development Stage Company) (the Company), as of December 31, 2008, and the related statements of operations, changes in member's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 audit provides 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 March Group Financial, LLC (A Development Stage Company) as of December 31, 2008, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on Schedules I, II and III is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit 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.



Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
March 25, 2009

***We Focus & Care<sup>SM</sup>***

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Statement of Financial Condition**  
**December 31, 2008**

**Assets**

Cash	\$ <u>17,038</u>
<b>Total assets</b>	<b>\$ <u>17,038</u></b>

**Liabilities and Member's Equity**

**Liabilities**

Accounts payable	\$ 4,500
Related party payable	1,866
Income tax payable	<u>1,600</u>
<b>Total liabilities</b>	7,966

<b>Member's equity</b>	<u>9,072</u>
<b>Total liabilities and member's equity</b>	<b>\$ <u>17,038</u></b>

*The accompanying notes are an integral part of these financial statements.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Statement of Operations**  
**For the year ended December 31, 2008**

**Expenses**

Taxes, other than income taxes	\$ 919
Other operating expenses	<u>8,444</u>
<b>Total expenses</b>	<u>9,363</u>
<b>Net income (loss) before income tax provision</b>	(9,363)
<b>Income tax provision</b>	<u>1,600</u>
<b>Net income (loss)</b>	<u><u>\$ (10,963)</u></u>

*The accompanying notes are an integral part of these financial statements.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Statement of Changes in Member's Equity**  
**For the year ended December 31, 2008**

	<u>Member's Equity</u>
Balance at December 31, 2007	\$ 19,035
Member's contributions	1,000
Net income (loss)	<u>(10,963)</u>
Balance at December 31, 2008	<u>\$ 9,072</u>

*The accompanying notes are an integral part of these financial statements.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Statement of Cash Flows**  
**For the year ended December 31, 2008**

**Cash flows from operating activities:**

Net income (loss)		\$ (10,963)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
(Decrease) increase in:		
Accounts payable	\$ 4,500	
Related party payable	1,866	
Income taxes payable	<u>1,600</u>	
Total adjustments		<u>7,966</u>
<b>Net cash provided by (used in) operating activities</b>		<b>(2,997)</b>
<b>Cash flows from investing activities:</b>		<b>—</b>
<b>Cash flows from financing activities:</b>		
Member's contributions	<u>1,000</u>	
<b>Net cash provided by (used in) financing activities</b>		<b><u>1,000</u></b>
<b>Net increase (decrease) in cash</b>		<b>(1,997)</b>
<b>Cash at beginning of year</b>		<b><u>19,035</u></b>
<b>Cash at end of year</b>		<b><u><u>\$ 17,038</u></u></b>

**Supplemental disclosure of cash flow information:**

Cash paid during the period for:

Interest	\$	—
Income taxes	\$	—

*The accompanying notes are an integral part of these financial statements.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Notes to Financial Statements**  
**December 31, 2008**

**Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*General*

March Group Financial, LLC (A Development Stage Company)(the "Company") was organized as a California Single Member Limited Liability Company on June 27, 2006. On August 25, 2008, the Company became a registered broker/dealer in securities under the Securities Exchange Act of 1934. The Company is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

The Company is engaged to provide services in the private placement of securities, mergers, acquisitions, and other financial advisory services. The Company does not carry security accounts for customers and does not perform custodial functions relating to customer securities.

*Summary of Significant Accounting Policies*

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Financial advisory fees are recognized as earned according to the fee schedule stipulated in the client's engagement contracts.

The Company is treated as a disregarded entity for federal tax purposes, in accordance with single member limited liability rules. All tax effects of the Company's income or loss are passed through to the member. Therefore no federal tax provision has been provided. However the Company is subject to a minimum franchise tax and a gross receipts fee in California for limited liability companies.

*Development Stage Operations*

The Company was organized in June of 2006 and began operations on August 25, 2008. Since inception, operations have been devoted primarily to obtaining regulatory approvals, capitalization, and other administrative functions.

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Notes to Financial Statements**  
**December 31, 2008**

**Note 2: INCOME TAX PROVISION**

The Company is subject to a limited liability company gross receipts fee with a yearly minimum tax provision of \$800. The Company recorded no gross receipts fee, and the minimum limited liability company income tax provision of \$800 for the year ended December 31, 2008. The Company has accrued an additional \$800 for the 2007 taxable year.

**Note 3: RELATED PARTY TRANSACTIONS**

The Company has an expense sharing agreement with March Group Delaware, LLC (“the Parent”), its single member, whereby the Company pays its Parent for use of its facilities, and other operating costs. At December 31, 2008, the Company owes its Parent \$1,866, in accordance with the terms of the agreement.

**Note 4: RECENTLY ISSUED ACCOUNTING STANDARDS**

For the year ending December 31, 2008, various accounting pronouncements or interpretations by the Financial Accounting Standards Board were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has reviewed the following Financial Interpretation (“FIN”) and Statements of Financial Accounting Standards (“SFAS”) for the year to determine relevance to the Company’s operations:

<u>Statement Number</u>	<u>Title</u>	<u>Effective Date</u>
FIN 48	Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109	After 12/15/06
SFAS 141(R)	Business Combinations	After 12/15/08
SFAS 157	Fair Value Measurements	After 12/15/07
SFAS 160	Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51	After 12/15/07
SFAS 161	Disclosures about Derivative Instruments and Hedging Activities – an Amendment of FASB Statement No. 133	After 12/15/08

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company’s financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Notes to Financial Statements**  
**December 31, 2008**

Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

**Note 5: NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 8 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2008, the Company had net capital of \$9,072, which was \$4,072 in excess of its required net capital of \$5,000; and the Company's ratio of aggregate indebtedness (\$7,966) to net capital was 0.88 to 1, which is less than the 8 to 1 maximum ratio allowed for a first year broker/dealer.

**Note 6: RECONCILIATION OF AUDITED NET CAPITAL TO UNAUDITED FOCUS**

There is \$1,601, difference between the computation of net capital under net capital SEC Rule 15c3-1 and the corresponding unaudited FOCUS part IIA.

Net capital per unaudited schedule	\$	10,673
Adjustments:		
Member's equity	\$	<u>(1,601)</u>
Total adjustments		<u>(1,601)</u>
Net capital per audited statements	\$	<u>9,072</u>

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Schedule I - Computation of Net Capital Requirements**  
**Pursuant to Rule 15c3-1**  
**As of December 31, 2008**

**Computation of net capital**

<b>Member's equity</b>		\$ 9,072
Less: Non-allowable assets		<u>—</u>
<b>Net capital</b>		<b>9,072</b>

**Computation of net capital requirements**

Minimum net capital requirements		
12 ½ percent of net aggregate indebtedness	\$	996
Minimum dollar net capital required	\$	5,000
Net capital required (greater of above)		<u>5,000</u>
<b>Excess net capital</b>		<u><u>\$ 4,072</u></u>

Ratio of aggregate indebtedness to net capital                      0.88:1

There was a \$1,601 difference between net capital shown here and net capital as reported on the Company's unaudited Form X-17A-5 report dated December 31, 2008. See Note 6.

*See independent auditor's report.*

**March Group Financial, LLC  
(A Development Stage Company)  
Schedule II - Computation for Determination of Reserve  
Requirements Pursuant to Rule 15c3-3  
As of December 31, 2008**

A computation of reserve requirements is not applicable to March Group Financial, LLC (A Development Stage Company), as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i).

*See independent auditor's report.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Schedule III - Information Relating to Possession or Control**  
**Requirements Pursuant to Rule 15c3-3**  
**As of December 31, 2008**

Information relating to possession or control requirements is not applicable to March Group Financial, LLC (A Development Stage Company), as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i).

*See independent auditor's report.*

**March Group Financial, LLC**  
**(A Development Stage Company)**  
**Supplementary Accountant's Report**  
**on Internal Accounting Control**  
**Report Pursuant to 17a-5**  
**For the Year Ended December 31, 2008**

**BREARD & ASSOCIATES, INC.**  
Certified Public Accountants

Independent Auditor's Report

Board of Directors  
March Group Financial, LLC:

We have audited the accompanying statement of financial condition of March Group Financial, LLC (A Development Stage Company) (the Company), as of December 31, 2008, and the related statements of operations, changes in member's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 audit provides 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 March Group Financial, LLC (A Development Stage Company) as of December 31, 2008, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on Schedules I, II and III is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit 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.

Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
March 25, 2009

***We Focus & Care<sup>SM</sup>***

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, 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 effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC 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 Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, Financial Industry Regulatory Authority, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
March 25, 2009