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

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: February 28, 2010  
Estimated average burden  
hours per response..... 12.00

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

SEC FILE NUMBER  
8- 22338

FACING PAGE

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

REPORT FOR THE PERIOD BEGINNING 01/01/08 AND ENDING 12/31/08 **MAR 05 2009**  
MM/DD/YY MM/DD/YY

Washington, DC  
111

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CFC Equities, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
2 Bay Club Drive, Apt. 4LE

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)

Bayside NY 11360  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Neil Sumner (212) 938-1930  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Sumner, Neil

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

115 West 29th St., Ste 603 New York NY 10001  
(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)

SEC 1410 (06-02)

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KY  
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OATH OR AFFIRMATION

I, Samuel Weiss, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CFC Equities, LLC 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:

Signature of Notary Public

RAJENDRA PERSAUD  
Notary Public, State of New York  
No. 01PE6030502

Qualified in Queens County

Commission Expires September 13, 2009

Signature of Samuel Weiss

Signature

Member

Title

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 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).



P:212-938-1930  
F:212-695-4434  
www.sumnercpa.com

INDEPENDENT AUDITOR'S REPORT

SEC Mail Processing  
Section

MAR 05 2009

Washington, DC  
111

Mr. Samuel Weiss, Sole Member  
CFC Equities, LLC  
2 Bay Club Drive  
Bayside, New York 11360

Dear Mr. Weiss:

I have audited the financial statements of CFC Equities, LLC, a single member limited liability company, as set forth in the accompanying FOCUS Report, Form X-17A-5, as of December 31, 2008 and the related statement of cash flows for the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on our audit.

I have conducted my audit in accordance with 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 misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosure 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. I believe that my audit provides a reasonable basis for my opinion.

Based upon the scope of my audit, no material inadequacies have been found to exist in the accounting system, the internal accounting control and in procedures for safeguarding securities.

In my opinion, the financial statements referred to above and as contained in the FOCUS Report, Form X-17A-5, and the accompanying statement of cash flows and notes present fairly in all material respects the financial position of CFC Equities, LLC as of December 31, 2008 and the result of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

New York, New York  
February 10, 2009

Handwritten signature of Neil Sumner CPA in cursive.  
NEIL SUMNER, CPA

115 West 29<sup>th</sup> Street – Suite 603 – New York, NY 10001

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response.....	12.00

Form  
X-17A-5

**FOCUS REPORT**  
(Financial and Operational Combined Uniform Single Report)  
**PART IIA** 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a)  16      2) Rule 17a-5(b)  17      3) Rule 17a-11  18  
4) Special request by designated examining authority  19      5) Other  26

NAME OF BROKER-DEALER

CFC Equities, LLC  13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

2 Bay Club Drive, Apt. 4LE  20

(No. and Street)

Bayside  21

NY  22

11360  23

(City)

(State)

(Zip Code)

SEC FILE NO.

8-22338  14

FIRM I.D. NO.

11-3579179  15

FOR PERIOD BEGINNING (MM/DD/YY)

01/01/08  24

AND ENDING (MM/DD/YY)

12/31/08  25

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

Neil Sumner  30

(Area Code) — Telephone No.

(212) 938-1930  31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Manual signatures of:

- 1) \_\_\_\_\_  
Principal Executive Officer or Managing Partner
- 2) \_\_\_\_\_  
Principal Financial Officer or Partner
- 3) \_\_\_\_\_  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

Persons who 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.

**TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (if individual, state last, first, middle name)

Sumner, Neil

70

ADDRESS

115 W. 29th Street, #603

71

City

72

State

73

10001-

Zip Code

74

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States  
or any of its possessions

77

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DO NOT WRITE UNDER THIS LINE . . . FOR SEC USE ONLY

WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				



# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

CFC Equities, LLC

as of 12/31/08

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable .....	\$ 1045	\$ 1255	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115	1305	1540
15. Payable to non-customers .....	1155	1355	1610
16. Securities sold not yet purchased, at market value .....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other .....	1,589 1205	1385	1,589 1685
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211	1390	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1710
1. from outsiders, \$	970		
2. includes equity subordination (15c3-1(d)) of ... \$	980		
B. Securities borrowings, at market value from outsiders \$	990	1410	1720
C. Pursuant to secured demand note collateral agreements		1420	1730
1. from outsiders \$	1000		
2. includes equity subordination (15c3-1(d)) of ... \$	1010		
D. Exchange memberships contributed for use of company, at market value .....		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 1,589 1230	\$ 1450	\$ 1,589 1760
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			109,215 1770
22. Partnership (limited partners) .....	1020		1780
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....			1792
C. Additional paid-in capital .....			1793
D. Retained earnings .....			1794
E. Total .....			1795
F. Less capital stock in treasury .....			1796
24. TOTAL OWNERSHIP EQUITY .....			\$ 109,215 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 110,804 1810

OMIT PENNIES

## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER **CFC Equities, LLC**

as of 12/31/08

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	109,215	3480
2. Deduct ownership equity not allowable for Net Capital .....			
3. Total ownership equity qualified for Net Capital .....	<sup>19</sup> (		3490
4. Add:		109,215	3500
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			3520
B. Other (deductions) or allowable credits (List) .....			3525
5. Total capital and allowable subordinated liabilities .....	\$		3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	<sup>17</sup> \$	12,392	3540
B. Secured demand note delinquency .....			3590
C. Commodity futures contracts and spot commodities – proprietary capital charges .....			3600
D. Other deductions and/or charges .....			3610
7. Other additions and/or allowable credits (List) .....		( 12,392 )	3620
8. Net capital before haircuts on securities positions .....	<sup>20</sup> \$		3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):		96,823	3640
A. Contractual securities commitments .....	\$		3660
B. Subordinated securities borrowings .....			3670
C. Trading and investment securities:			
1. Exempted securities .....	<sup>18</sup>		3735
2. Debt securities .....			3733
3. Options .....			3730
4. Other securities .....			3734
D. Undue Concentration .....			3650
E. Other (List) .....			3736
			( 3740 )
10. Net Capital .....	\$	96,823	3750

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

CFC Equities, LLC

as of 12/31/08

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) .....	\$	106	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	5,000	3760
14. Excess net capital (line 10 less 13) .....	\$	91,823	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$	96,664	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	1,589	3790
17. Add:			
A. Drafts for immediate credit .....	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	3810	
C. Other unrecorded amounts (List) .....	\$	3820	
18. Total aggregate indebtedness .....	\$	1,589	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	1.6413	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	1.6146	3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$	3970	
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	3880	3910
23. Net capital requirement (greater of line 21 or 22) .....	\$	3760	3910
24. Excess capital (line 10 less 23) .....	\$	3920	3920
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$	3920	3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
  2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **CFC Equities, LLC**

For the period (MMDDYY) from 010108 <sup>24</sup> 3932 to 123108 3933  
 Number of months included in this statement 12 3931

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$		3935
b. Commissions on listed option transactions .....	25		3938
c. All other securities commissions .....			3939
d. Total securities commissions .....			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange .....			3945
b. From all other trading .....			3949
c. Total gain (loss) .....			3950
3. Gains or losses on firm securities investment accounts .....			3952
4. Profit (loss) from underwriting and selling groups .....			3955
5. Revenue from sale of investment company shares .....		26	3970
6. Commodities revenue .....		124,111	3990
7. Fees for account supervision, investment advisory and administrative services .....			3975
8. Other revenue .....		358	3995
9. Total revenue .....		\$	4030
		<del>124,469</del>	

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....			4120
11. Other employee compensation and benefits .....			4115
12. Commissions paid to other broker-dealers .....			4140
13. Interest expense .....			4075
a. Includes interest on accounts subject to subordination agreements .....		4070	
14. Regulatory fees and expenses .....		13,162	4195
15. Other expenses .....		39,578	4100
16. Total expenses .....		\$	4200
		<del>52,740</del>	

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....		\$	71,729	4210
18. Provision for Federal income taxes (for parent only) .....		28		4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....				4222
a. After Federal income taxes of .....		4338		
20. Extraordinary gains (losses) .....				4224
a. After Federal income taxes of .....		4239		
21. Cumulative effect of changes in accounting principles .....				4225
22. Net income (loss) after Federal income taxes and extraordinary items .....		\$	71,729	4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....		\$	N/A	4211
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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER **CFC Equities, LLC**

For the period (MMDDYY) from 010108 to 123108

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	156,080	4240
A. Net income (loss) .....		71,729	4250
B. Additions (Includes non-conforming capital of .....	\$	4262	4260
C. Deductions (Includes non-conforming capital of <u>Distributions</u> .....	\$	4272	4270
		(118,594)	4270
2. Balance, end of period (From item 1800) .....	\$	109,215	4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$	4300	4300
A. Increases .....		4310	4310
B. Decreases .....		4320	4320
4. Balance, end of period (From item 3520) .....	\$	4330	4330

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## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER **CFC Equities, LLC**

as of 12/31/08

### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 ..... Organization is exempt 4550
- B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained ..... 4560
- C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.  
Name of clearing firm<sup>30</sup> ..... 4335 4570
- D. (k)(3) — Exempted by order of the Commission (include copy of letter) ..... 4580

### Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
31 <span style="border: 1px solid black; padding: 2px;">4600</span>	<span style="border: 1px solid black; padding: 2px;">4601</span>	<span style="border: 1px solid black; padding: 2px;">4602</span>	<span style="border: 1px solid black; padding: 2px;">4603</span>	<span style="border: 1px solid black; padding: 2px;">4604</span>	<span style="border: 1px solid black; padding: 2px;">4605</span>
32 <span style="border: 1px solid black; padding: 2px;">4610</span>	<span style="border: 1px solid black; padding: 2px;">4611</span>	<span style="border: 1px solid black; padding: 2px;">4612</span>	<span style="border: 1px solid black; padding: 2px;">4613</span>	<span style="border: 1px solid black; padding: 2px;">4614</span>	<span style="border: 1px solid black; padding: 2px;">4615</span>
33 <span style="border: 1px solid black; padding: 2px;">4620</span>	<span style="border: 1px solid black; padding: 2px;">4621</span>	<span style="border: 1px solid black; padding: 2px;">4622</span>	<span style="border: 1px solid black; padding: 2px;">4623</span>	<span style="border: 1px solid black; padding: 2px;">4624</span>	<span style="border: 1px solid black; padding: 2px;">4625</span>
34 <span style="border: 1px solid black; padding: 2px;">4630</span>	<span style="border: 1px solid black; padding: 2px;">4631</span>	<span style="border: 1px solid black; padding: 2px;">4632</span>	<span style="border: 1px solid black; padding: 2px;">4633</span>	<span style="border: 1px solid black; padding: 2px;">4634</span>	<span style="border: 1px solid black; padding: 2px;">4635</span>
35 <span style="border: 1px solid black; padding: 2px;">4640</span>	<span style="border: 1px solid black; padding: 2px;">4641</span>	<span style="border: 1px solid black; padding: 2px;">4642</span>	<span style="border: 1px solid black; padding: 2px;">4643</span>	<span style="border: 1px solid black; padding: 2px;">4644</span>	<span style="border: 1px solid black; padding: 2px;">4645</span>
			Total \$ <sup>36</sup> <span style="border: 1px solid black; padding: 2px;">4699</span>		

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

**CFC Equities, LLC**  
Statement of Cash Flows  
Year Ended December 31, 2008

<i>Cash flows from operating activities:</i>	
Cash received from principals	132,945
Interest received	358
Operating expenses	<u>(51,678)</u>
Net cash provided by operating activities	<u>81,625</u>
<i>Cash flows from financing activities:</i>	
Withdrawals by member	<u>(118,594)</u>
Net cash used by financing activities	<u>(118,594)</u>
Net increase in cash	(36,969)
Cash and cash equivalents - beginning of year	<u>135,381</u>
Cash and cash equivalents - end of year	<u><u>98,412</u></u>
Reconciliation of net income to net cash provided (used) by operating assets:	
Net income	71,730
Adjustment to reconcile net income to net cash provided (used) by operating activities:	
Depreciation	276
Decrease (increase) in Receivables from brokers or dealers	8,831
Increase (decrease) in Accrued expenses	<u>788</u>
Net cash provided by operating activities	<u>81,625</u>

See accountant's report and notes to financial statements.

CFC EQUITIES, LLC  
Notes to Financial Statements  
December 31, 2008

Note 1 - The financial statements have been prepared on the accrual basis of accounting. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

These financial statements were prepared in a format prescribed by the United States Securities and Exchange Commission (FOCUS Report) on Form X-17A-5 required of brokers or dealers subject to any minimum net capital requirement set forth in Rule 15c3-1. This report's format is designed to comply with this regulatory filing requirement which differs in format from conventional financial statements. Accordingly, these financial statements are not designed for those who are not familiar with these regulatory requirements.

Note 2 - Respondent has no liabilities subordinated to claims of general creditors.

Note 3 - Respondent is exempt from computation for determination of reserve requirements.

Note 4 - Respondent is exempt from submitting information relating to possession or control requirements.

Note 5 - Respondent has complied with exemptive provision from Rule 15c3-3 during the year under audit.

Note 6 - Respondent is exempt from membership in the Securities Investor Protections Corporation, and therefore, a supplemental report pursuant to Rule 17a5(e)(4) is not applicable.

Note 7 - Financial instruments that potentially subject the Respondent to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Note 8 - Reconciliation - Computation of Net Capital

Focus Report - December 31, 2008 submitted by CFC Equities, LLC

Net capital as reported	\$111,030.
Audit adjustments:	
Deduct: Receivables from broker dealers	(299.)
Deduct: Fixed assets net of depreciation	(277.)
Deduct: Accrued Expenses	<u>(1,239.)</u>
Net capital - Accrual basis, audited report	<u>\$109,215.</u>

CFC EQUITIES, LLC  
Notes to Financial Statements  
December 31, 2008

Note 9 - Respondent is a sole member limited liability company which is a disregarded entity for income tax purposes. Accordingly, no provision has been made for income taxes in the attached statement of income.