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

SEC Mail Processing Section

FEB 25 2011

SEC FILE NUMBER
8- 52675

FACING PAGE

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

Washington, DC 20000

REPORT FOR THE PERIOD BEGINNING 01/01/2010 AND ENDING 12/31/2010  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Jacques Financial, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
15430 Avery Road

Rockville (No. and Street) MD 20855  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Joseph Jacques / Anne Jeffress (301) 738-1303  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

William Batdorf & company, P.C.

1750 K Street, NW; Suite 375 Washington DC 20006  
(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)

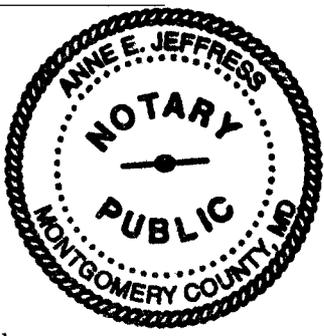
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OATH OR AFFIRMATION

I, Joseph W. Jacques, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Jacques Financial, LLC, as of December 31, 20 10, 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]  
Signature  
Operations Manager  
Title

Anne E. Jeffress 2-21-2011  
Notary Public  
Anne E. Jeffress Notary Expires 08-29-2013



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).

**JACQUES FINANCIAL, LLC**  
**FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT**  
**DECEMBER 31, 2010**

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**WILLIAM BATDORF & COMPANY, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS  
1750 K STREET, N.W., SUITE 375  
WASHINGTON, DC 20006  
TELEPHONE: (202) 331-1040

**INDEPENDENT AUDITORS' REPORT**

Member  
Jacques Financial, LLC  
Rockville, MD

We have audited the accompanying statement of financial condition of Jacques Financial, LLC (the Company) as of December 31, 2010, 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 and 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 Jacques Financial, LLC at December 31, 2010, and the results of its operations and its 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 in Schedules I, II and III 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 under the Securities and Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in our 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.

*William Batdorf & Company, P.C.*

Washington, DC  
February 9, 2011

**JACQUES FINANCIAL, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**AT DECEMBER 31, 2010**

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**ASSETS**

**CURRENT ASSETS**

Cash	\$ 24,533
Commissions Receivable	<u>158,098</u>
Total Current Assets	182,631

**OTHER ASSETS**

Investment Securities Available for Sale	<u>88,650</u>
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Total Assets	<u>\$ 271,281</u>
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**LIABILITIES AND MEMBER'S EQUITY**

**CURRENT LIABILITIES**

Commissions Payable to Related Party	<u>\$ 172,703</u>
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Total Current Liabilities	172,703
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**MEMBER'S EQUITY**

98,578

Total Liabilities and Member's Equity	<u>\$ 271,281</u>
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**JACQUES FINANCIAL, LLC**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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**REVENUES**

Commissions	\$ 3,607,333
Interest Income	339
Unrealized Gain on Investments	<u>14,099</u>
 Total Revenues	 <u>3,621,771</u>

**EXPENSES**

Commissions	3,577,093
Licenses and Permits	11,984
Insurance	5,713
Other Expenses	<u>12,543</u>
 Total Expenses	 <u>3,607,333</u>
 Net Income	 <u>\$ 14,438</u>

**JACQUES FINANCIAL, LLC**  
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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Balance at January 1, 2010	\$ 98,578
Net Income	14,438
Member's Withdrawal	<u>(14,438)</u>
Balance at December 31, 2010	<u>\$ 98,578</u>

See accompanying notes to financial statements.

**JACQUES FINANCIAL, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income	\$ 14,438
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Changes in Other Assets and Liabilities	
Increase in Commissions Receivable	(19,421)
Increase in Investment Securities	(14,099)
Increase in Commissions Payable to Related Party	<u>31,357</u>
Net Cash Provided by Operating Activities	<u>12,275</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Member Withdrawals from Equity	<u>(14,438)</u>
Net Decrease in Cash	<u>(2,163)</u>

**CASH**

Cash at Beginning of Year	<u>26,696</u>
Cash at End of Year	<u>\$ 24,533</u>

**JACQUES FINANCIAL, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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**NOTE 1 – ORGANIZATION**

Jacques Financial, LLC, a Maryland single member limited liability company (the Company), was formed on January 24, 2000 for the purpose of providing clients with customized financial solutions to their retirement and short-term asset protection needs. Operations began on December 19, 2000. The services provided are for individual and institutional customers in the Mid-Atlantic region, and other states. The sole proprietorship operates its broker/dealer business on a fully disclosed basis.

For the year ended December 31, 2010, the broker/dealer business accounted for 99% of total revenue. Remaining revenues were generated by unrealized gain on investments and interest income.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Use of Estimates** - The preparation 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 revenues and expenses during the reported period. Actual results could differ from these estimates.

**Basis of Accounting** – The accompanying financial statements are prepared on the accrual basis of accounting. As such, income is recognized in the period earned and expenses are recognized in the period incurred.

**Income Recognition**–Commissions revenue is recorded on a trade-date basis.

**Commissions Receivable** – Commissions receivable represent commissions due from various mutual fund families. These receivables are generally fully collected within 30 days. As a result, management has not provided an allowance for doubtful accounts.

**Investment Securities** – Investment securities are valued at market value. The increase or decrease in unrealized appreciation or depreciation is included in income.

**Income Taxes** - As a single member LLC, the entity incurs no income taxes. The member is taxed on the taxable income of the Company. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements.

**Cash and Cash Equivalents**–For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

**JACQUES FINANCIAL, LLC  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

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**NOTE 3—OTHER ASSETS – INVESTMENT SECURITIES**

The costs, gross gains/(losses), and fair value of securities as of December 31, 2010, are as follows:

	<u>Cost</u>	<u>Prior Year Gross Gains</u>	<u>Current Year Gross Gains</u>	<u>Cumulative Member Withdrawals</u>	<u>Fair Value</u>
Mutual Fund Securities	<u>\$67,530</u>	<u>\$47,021</u>	<u>\$14,099</u>	<u>\$(40,000)</u>	<u>\$88,650</u>

**NOTE 4 - NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule, Rule 15c3-1, which requires the maintenance of a minimum amount of net capital and requires that the ratio and aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The Company's ratio of aggregate indebtedness to net capital was 2.12 to 1 at December 31, 2010. Under Rule 15c3-1, the Company is required to maintain net capital of not less than \$50,000. The Company had net capital of \$81,280 at December 31, 2010, which satisfied the net capital requirements.

**NOTE 5 – RELATED PARTY TRANSACTIONS**

**Commissions Payable and Expense-** Pursuant to the management agreement, Joseph W. Jacques, CPA, CFP, an affiliate of the member, will receive from the Company a commission fee in compensation for management services and services rendered as the Registered Representative of the Company. As management agent, Joseph W. Jacques, CPA, CFP, is responsible for rent, utilities, salaries, telephone, equipment, furniture and fixtures, postage, office supplies, accounting services, and other general and administrative and office expenses incurred on behalf of the Company.

The commission fee paid to Joseph W. Jacques, CPA, CFP, is a percentage of the total commission revenue received by the Company. The commission rate is variable from period to period at the discretion of the Company. Joseph W. Jacques, CPA, CFP, retains the right to withdraw from the agreement upon appropriate notice. \$3,577,093 of commission fees have been expensed by the Company for the year ended December 31, 2010. \$3,556,724 was paid during the year. Commission fees payable of \$172,703 remained outstanding at December 31, 2010.

**NOTE 6 – CONCENTRATION OF RISK**

The Company has agreements with numerous independent mutual fund families to originate the purchase and sales of mutual funds and annuities for the Company's clients. The manager of the Company is responsible for the majority of the revenue earned by the Company.

**JACQUES FINANCIAL, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

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**NOTE 7 – OTHER REGULATORY REQUIREMENTS**

The Company does not hold any funds or securities for the accounts of customers and clears all its customers transactions through another broker-dealer on a fully disclosed basis. It is therefore exempt for the customer reserve requirements of the Securities and Exchange Commission Rule 15c3-3 under Section (k)(2)(ii).

**JACQUES FINANCIAL, LLC  
AT DECEMBER 31, 2010**

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**SCHEDULE I**

**COMPUTATION OF NET CAPITAL**

Total Member's Equity from Statement of Financial Condition	\$ 98,578
Deductions and/or Charges	
Non-Allowable Assets	-
Other Deductions and/or Charges	<u>(4,000)</u>
Net Capital before Haircuts on Securities Positions	<u>94,578</u>
Haircuts on Securities	
Other Securities	<u>(13,298)</u>
Net Capital	<u>\$ 81,280</u>

**SCHEDULE II**

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS**

Minimum Net Capital Required	<u>\$ 11,514</u>
Minimum Dollar Net Capital Requirement	<u>\$ 50,000</u>
Net Capital Requirement	<u>\$ 50,000</u>
Excess Net Capital	<u>\$ 31,280</u>
Excess Net Capital at 10% of A.I. or 120% of Minimum Dollar Net Capital Requirement	<u>\$ 21,280</u>

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

Aggregate Indebtedness Liabilities	<u>\$ 172,703</u>
Percentage of Aggregate Indebtedness to Net Capital	<u>212%</u>

**JACQUES FINANCIAL, LLC  
AT DECEMBER 31, 2010**

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**SCHEDULE III**

**STATEMENT RELATING TO REQUIREMENTS OF RULE 17a-5(d)(4)**

There were no differences between the computation of net capital under rule 15c3-1 in this report and such computation in the respondent's original Part IIA unaudited filing.