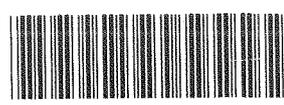


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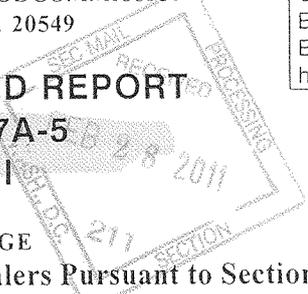


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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

11018770  
OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response..... 12.00

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



SEC FILE NUMBER  
8- 30993

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 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: ~~Beaconsfield~~ Beaconsfield Financial Services, Inc.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
160 Technology Drive, Suite 1

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)

Canonsburg PA 15317  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Richard King Rainier 724-745-6800  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Damratoski & Company PC  
(Name - if individual, state last, first, middle name)

1195 Washington Pike, Suite 350 Bridgeville PA 15017  
(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, Richard King Rainier, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Beaconsfield Financial Services, Inc., 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:

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

Richard King Rainier  
Signature

President  
Title

\_\_\_\_\_  
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).

**Beaconsfield Financial Services, Inc.**

Financial Statements  
and Additional Information

Years Ended  
December 31, 2010 and 2009

## **Beaconsfield Financial Services, Inc.**

### Financial Statements and Additional Information

Years Ended  
December 31, 2010 and 2009

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## Independent Auditor's Report

Board of Directors and Stockholders  
Beaconsfield Financial Services, Inc.  
Canonsburg, Pennsylvania

We have audited the accompanying statements of financial condition of Beaconsfield Financial Services, Inc. as of December 31, 2010 and 2009 and the related statements of operations, changes in stockholders' equity and cash flows for the years 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Beaconsfield Financial Services, Inc. as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with the filing requirements of Securities and Exchange Commission Rule 17a-5(g)(1), we have also issued a report dated February 00, 2011, on our consideration of Beaconsfield Financial Services, Inc.'s internal control to the extent considered necessary to evaluate the system as required by generally accepted auditing standards and Rule 17a-5 of the Securities and Exchange Commission.

Damratoski & Company PC  
Certified Public Accountants

February 15, 2011

## **Financial Statements**

**Beaconsfield Financial Services, Inc.**

Statements of Financial Condition

|                               | December 31       |                   |
|-------------------------------|-------------------|-------------------|
|                               | <u>2010</u>       | <u>2009</u>       |
| <b>Assets</b>                 |                   |                   |
| Current Assets:               |                   |                   |
| Cash and cash equivalents     | \$ 120,996        | \$ 115,935        |
| Accounts receivable           | 43,002            | 37,851            |
| Due from related party        | 1,155             | 3,204             |
| Prepaid expenses              | 4,844             | 9,750             |
| Prepaid income taxes          | 390               | 130               |
| Marketable securities         | <u>42,741</u>     | <u>35,547</u>     |
| Total Current Assets          | <u>213,128</u>    | <u>202,417</u>    |
| Equipment and Fixtures:       |                   |                   |
| Furniture and fixtures        | 70,914            | 69,514            |
| Less accumulated depreciation | <u>58,356</u>     | <u>53,934</u>     |
|                               | <u>12,558</u>     | <u>15,580</u>     |
| Other Asset:                  |                   |                   |
| Mesirow risk deposit account  | <u>25,000</u>     | <u>25,000</u>     |
|                               | <u>\$ 250,686</u> | <u>\$ 242,997</u> |

See Notes to Financial Statements.

|   | December 31       |                   |
|---|-------------------|-------------------|
|   | <u>2010</u>       | <u>2009</u>       |
| <b>Liabilities and Stockholders' Equity</b>   |                   |                   |
| Current Liabilities:  |                   |                   |
| Commissions payable   | \$ 81,009         | \$ 66,708         |
| Accrued payroll and related withholdings  | -                 | 48                |
| Deferred income taxes payable   | 2,900             | 1,200             |
| Accounts payable and accrued expenses   | <u>42,363</u>     | <u>54,399</u>     |
| Total Current Liabilities   | <u>126,272</u>    | <u>122,355</u>    |
| Deferred Income Taxes Payable   | <u>2,600</u>      | <u>3,100</u>      |
| Stockholders' Equity:   |                   |                   |
| Common stock, \$0.50 par value; 100,000<br>shares authorized, 38,000 shares<br>issued and outstanding | 19,000            | 19,000            |
| Retained earnings   | 93,458            | 94,680            |
| Accumulated other comprehensive income:<br>Unrealized gain on marketable securities                   | <u>9,356</u>      | <u>3,862</u>      |
|   | <u>121,814</u>    | <u>117,542</u>    |
|   | <u>\$ 250,686</u> | <u>\$ 242,997</u> |

## Beaconsfield Financial Services, Inc.

### Statements of Operations

|                                     | Year Ended December 31 |                  |
|-------------------------------------|------------------------|------------------|
|                                     | 2010                   | 2009             |
| Revenues:                           |                        |                  |
| Commission revenues                 | \$ 1,824,023           | \$ 1,157,367     |
| Other revenues                      | 5,261                  | 3,021            |
|                                     | <u>1,829,284</u>       | <u>1,160,388</u> |
| Operating Expenses:                 |                        |                  |
| Operating expenses                  | 1,730,164              | 1,062,666        |
| General and administrative expenses | 96,307                 | 95,400           |
| Depreciation expense                | 4,423                  | 5,327            |
|                                     | <u>1,830,894</u>       | <u>1,163,393</u> |
| Net Loss From Operations            | <u>(1,610)</u>         | <u>(3,005)</u>   |
| Other Income:                       |                        |                  |
| Interest and dividend income        | 188                    | 202              |
| Loss Before Income Taxes            | (1,422)                | (2,803)          |
| Income Tax Benefit                  | <u>(200)</u>           | <u>(2,380)</u>   |
| Net Loss                            | <u>\$ (1,222)</u>      | <u>\$ (423)</u>  |

See Notes to Financial Statements.

## Beaconsfield Financial Services, Inc.

### Statements of Changes in Stockholders' Equity

|  | Year Ended December 31 |                   |
|--|------------------------|-------------------|
|  | 2010                   | 2009              |
| Common Stock:  |                        |                   |
| Balance, January 1 and December 31   | <u>\$ 19,000</u>       | <u>\$ 19,000</u>  |
| Retained Earnings:   |                        |                   |
| Balance, January 1   | 94,680                 | 95,103            |
| Net loss for the year  | <u>(1,222)</u>         | <u>(423)</u>      |
| Balance, December 31   | <u>93,458</u>          | <u>94,680</u>     |
| Accumulated Other Comprehensive Income,<br>net of income tax:                      |                        |                   |
| Balance, January 1   | 3,862                  | 11,306            |
| Unrealized holding gain (loss) arising during<br>the year on marketable securities | <u>5,494</u>           | <u>(7,444)</u>    |
| Balance, December 31   | <u>9,356</u>           | <u>3,862</u>      |
|  | <u>\$ 121,814</u>      | <u>\$ 117,542</u> |

See Note to Financial Statements.

**Beaconsfield Financial Services, Inc.**

Statements of Cash Flows

|   | Year Ended December 31 |            |
|---|------------------------|------------|
|   | 2010                   | 2009       |
| <b>Increase (Decrease) in Cash and Cash Equivalents:</b>                        |                        |            |
| Cash flows from operating activities:   |                        |            |
| Net loss  | \$ (1,222)             | \$ (423)   |
| Adjustments to reconcile net loss to net cash provided by operating activities: |                        |            |
| Depreciation expense  | 4,423                  | 5,327      |
| Deferred income taxes   | (500)                  | (3,470)    |
| (Increase) decrease in:   |                        |            |
| Accounts receivable   | (5,151)                | (12,467)   |
| Prepaid expenses  | 4,906                  | (9,250)    |
| Prepaid income taxes  | (260)                  | (130)      |
| Increase (decrease) in:   |                        |            |
| Commissions payable   | 14,301                 | 30,481     |
| Accrued payroll and related withholdings  | (48)                   | 48         |
| Accounts payable and accrued expenses   | (12,036)               | 7,517      |
| Net cash provided by operating activities                                       | 4,413                  | 17,633     |
| Cash flows from investing activities:   |                        |            |
| Capital expenditures  | (1,401)                | (1,413)    |
| Due from related party, net   | 2,049                  | (3,204)    |
| Net cash provided (used) by investment activities                               | 648                    | (4,617)    |
| <b>Net Increase in Cash and Cash Equivalents</b>                                | 5,061                  | 13,016     |
| <b>Cash and Cash Equivalents, beginning of year</b>                             | 115,935                | 102,919    |
| <b>Cash and Cash Equivalents, end of year</b>                                   | \$ 120,996             | \$ 115,935 |

See Notes to Financial Statements.

Year Ended December 31

2010

2009

**Supplemental Disclosure of Cash Flows:**

Cash paid during year for:

Income Taxes Paid:

Federal  
State

|           |            |           |            |
|-----------|------------|-----------|------------|
| \$        | 300        | \$        | 150        |
|           | <u>260</u> |           | <u>570</u> |
| <u>\$</u> | <u>560</u> | <u>\$</u> | <u>720</u> |

## **Beaconsfield Financial Services, Inc.**

### Notes to Financial Statements

Years Ended

December 31, 2010 and 2009

#### **A. Organization and Nature of Operations**

Beaconsfield Financial Services, Inc. (Company) was organized on October 25, 1983 and incorporated under the laws of Pennsylvania. The Company is a full-service brokerage and investment management firm headquartered in Canonsburg, Pennsylvania. The Company is a member of the Financial Industry Regulatory Authority (FINRA), and the Securities Investors Protection Corporation (SIPC).

#### **B. Summary of Significant Accounting Policies**

The summary of significant accounting policies is presented to assist in understanding these financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. The accounting policies used conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of these financial statements.

*Method of Accounting.* These financial statements have been prepared using the accrual method of accounting, recognizing income when earned and expenses when incurred. Securities transactions and related commission revenues are recorded on a settlement date basis, generally the third business day after the trade date.

*Fully Disclosed Basis.* The Company is associated with Mesirow Financial, Inc. (Clearing Broker), a member of the New York Stock Exchange, Inc., on a fully disclosed basis in connection with the execution and clearance of the securities transactions effected by the Company. As such, the Company is exempt from the requirements to maintain a special reserve bank account for the exclusive benefit of customers, as prescribed by SEC Rule 15c3-3. In accordance with the Clearing Agreement, the Company is required to provide a clearing deposit in the amount of \$25,000 upon which the Clearing Broker pays interest at prevailing rates.

*Use of Estimates.* The preparation of financial statements in conformity with U.S. 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.

*Date of Management's Review.* The Company has evaluated subsequent events through February 15, 2011, which is the date the financial statements were available to be issued.

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

## Beaconsfield Financial Services, Inc.

### Notes to Financial Statements

Years Ended

December 31, 2010 and 2009

#### B. Summary of Significant Accounting Policies (Continued)

*Accounts Receivable.* Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company accounts for bad debts using the direct charge-off method, directly expensing receivables which management deems uncollectible, or realizable at less than full value. The direct charge-off method provides results similar to the reserve method in all material respects. Based on management's assessment of the credit history with its customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end will be immaterial.

*Marketable Securities.* Equity securities are classified as "available-for-sale" and are reported at their fair values based upon quoted market prices. Unrealized gains and losses are excluded from earnings and reported as a separate component of stockholders' equity. Realized gains and losses are computed based on specific identification of the securities sold.

*Capitalization and Depreciation.* Equipment and fixtures is recorded at acquisition cost and depreciated over the estimated useful lives of the related assets using the straight-line and accelerated method for financial and tax reporting, respectively. Maintenance and repairs, which extend the life of such assets, are also capitalized and depreciated over the estimated remaining useful lives.

*Advertising.* The Company expenses the cost of advertising as incurred. Advertising expense was \$11,016 and \$5,007 for the years ended December 31, 2010 and 2009, respectively.

*Compensated Absences.* The Company has a vacation policy allowing for paid time off based on years of service. The vacation policy does not allow for the accumulation or carryover of unused vacation to future periods. Accordingly, the Company recognizes the costs of compensated absences when actually paid to employees and has not accrued a liability for unused vacation time at December 31, 2010 and 2009.

*Income Taxes.* Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences (described in Note G) between the basis of asset and liabilities for financial statement and income tax purposes. The deferred tax liability represents future tax consequences of these differences, which will be taxable when the liabilities are recovered or settled. It is the Company's policy not to take uncertain tax positions.

## Beaconsfield Financial Services, Inc.

### Notes to Financial Statements

Years Ended

December 31, 2010 and 2009

#### C. Concentration of Credit Risk

The Company maintains their cash in bank deposit accounts at high quality financial institutions. The balances, at times, may exceed federally insured limits. At December 31, 2010, the Company did not exceed the insured limit.

#### D. Net Capital Requirements

The Company is subject to the net capital rule of the Securities and Exchange Commission, Rule 15c3-1 (Rule). Under the computation, the Company is required to maintain net capital equal to the greater of \$50,000 or 6 2/3% of aggregate indebtedness and not to permit its aggregate indebtedness to exceed 1,500% of its net capital, as those terms are defined in the Rule. At December 31, 2010 and 2009, the Company had net capital of \$92,896 and \$80,586, respectively, and a net capital ratio (aggregate indebtedness divided by net capital) of 1.39 to 1 and 1.56 to 1, respectively.

Pursuant to Rule 17a-5, the Company is required to file a computation of net capital as of the audit date. Rule 17a-5(d)(4) requires reporting on any material differences between the audited computation and the Company's computation. At December 31, 2010 and 2009, there were no material differences.

#### E. Marketable Securities

Marketable securities consist of 440 shares of ESB Financial Corporation and 1,500 shares of NASDAQ OMX Group, Inc. common stock and are classified by the Company as "available-for-sale". Cost, unrealized gain, and fair value are as follows:

|                                | 2010             | 2009             |
|--------------------------------|------------------|------------------|
| Marketable securities, as cost | \$ 30,485        | \$ 30,485        |
| Net unrealized gains           | 12,256           | 5,062            |
| Fair Value                     | <u>\$ 42,741</u> | <u>\$ 35,547</u> |

The unrealized gains are reported, net of tax, as accumulated other comprehensive income in stockholders' equity. The marketable securities are included in current assets on the balance sheets.

## Beaconsfield Financial Services, Inc.

### Notes to Financial Statements

Years Ended

December 31, 2010 and 2009

#### F. Regulatory Filings

The statement of financial condition filed pursuant to Rule 17a-5 of the Securities and Exchange Commission is available for inspection at the principal office of the Corporation and at the Washington D.C. and Regional Office of the Commission.

#### G. Income Taxes

The Company accounts for deferred taxes using the asset and liability method. The objective of the asset and liability method is to establish deferred tax assets and liabilities for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The asset and liability as computed for these financial statements assumes that the current tax rates and regulations will be in effect for the year the temporary differences reverse. Accordingly, adjustments to the asset will be necessary in the future should the tax laws change.

Current standards require companies to recognize, measure, present, and disclose uncertain tax positions that have been or are expected to be taken. As such, financial statements will reflect expected future tax consequences of uncertain tax positions presuming the tax authorities' full knowledge of the position and all relevant facts. It is the Company's policy not to take uncertain tax positions. The Company's federal and state income tax returns are subject to possible examination by the taxing authorities until expiration of the related statutes of limitations on those tax returns. As of December 31, 2010, the Company's open audit periods are 2007 through 2010 for both federal and state purposes. In evaluating the Company's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances.

Differences in total income tax expense and the amount of income tax that would result from applying statutory rates to pretax income are due to permanent differences, primarily meals and entertainment, which are only 50% deductible for Federal and state income tax purposes.

The provision for income taxes in the statements of operations consists of the following components:

|                   | <u>2010</u>     | <u>2009</u>       |
|-------------------|-----------------|-------------------|
| Currently payable | \$ 300          | \$ 1,090          |
| Deferred          | (500)           | (3,470)           |
|                   | <u>\$ (200)</u> | <u>\$ (2,380)</u> |

## Beaconsfield Financial Services, Inc.

### Notes to Financial Statements

Years Ended

December 31, 2010 and 2009

#### G. Income Taxes (Continued)

At December 31, 2010 and 2009, a long-term deferred tax liability was recognized for a taxable temporary difference totaling \$2,600 and \$3,100, respectively. This difference relates to using different depreciation methods (modified accelerated cost recovery system for tax purposes versus straight-line method for financial statement reporting).

At December 31, 2010 and 2009, a current deferred tax liability of \$2,900 and \$1,200, respectively, was recorded for a taxable temporary difference due to an unrealized holding gain on marketable securities and netted with accumulated other comprehensive income in stockholders' equity on the balance sheets.

#### H. Pension Plan

The Company has a SEP retirement plan which covers all of its employees. Total pension expense amounted to \$64,613 and \$39,611 for the years ended December 31, 2010 and 2009, respectively.

#### I. Lease Commitments

The Company leases office space under a non-cancellable operating lease, which began in May 2008 and expires April 2013 and provides for monthly lease payments of \$2,439. The lease is renewable for an additional five years following the initial termination date, at a lease rate mutually agreeable. For the years ended December 31, 2010 and 2009, rent expense under this lease amounted to \$26,880.

During 2010 and 2009, the Company was reimbursed \$2,400 by Summit Advisors LLC, an entity controlled by the shareholders of the Company, for use of its office space.

The future minimum lease payments required by this office lease are as follows:

| Year ending December 31 |                  |
|-------------------------|------------------|
| 2011                    | \$ 29,268        |
| 2012                    | 29,268           |
| 2013                    | <u>9,756</u>     |
|                         | <u>\$ 68,292</u> |

Also, the Company leased a vehicle under a non-cancellable operating lease. This lease, which was entered into in July 2006, provided for monthly lease payments of \$539 and expired August 2009. Total rent expense under this lease amounted to \$3,797 for the year ended December 31, 2009.

**Supplementary Information**



**Damratowski & Company PC**  
Certified Public Accountants

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Suite 350  
Bridgeville, PA 15017  
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Fax (412) 257-2888  
[www.damratowski.com](http://www.damratowski.com)

**Independent Auditor's Report on  
Supplementary Information Required  
by Rule 17a-5 of the Securities and  
Exchange Commission**

Board of Directors and Shareholders  
Beaconsfield Financial Services, Inc.  
Canonsburg, Pennsylvania

We have audited the accompanying financial statements of Beaconsfield Financial Services, Inc. as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated February 15, 2011. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on pages 12 through 15 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 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.

Damratowski & Company PC  
Certified Public Accountants

February 15, 2011

## Beaconsfield Financial Services, Inc.

### Computations of Net Capital and Aggregate Indebtedness

|   | Year Ended December 31 |            |
|---|------------------------|------------|
|   | 2010                   | 2009       |
| Net Capital:                                      |                        |            |
| Total stockholders' equity                        | \$ 121,814             | \$ 117,542 |
| Deductions:                                       |                        |            |
| Prepaid expenses                                  | 4,844                  | 9,750      |
| Receivables from non-customers                    | 1,155                  | 3,204      |
| Prepaid income taxes                              | 390                    | 130        |
| Property and equipment                            | 12,558                 | 15,580     |
| Total non-allowable assets                        | 18,947                 | 28,664     |
| Net Capital Before Haircuts on Security Positions | 102,867                | 88,878     |
| Haircuts on Securities:                           |                        |            |
| Other securities                                  | 6,411                  | 5,332      |
| Undue concentrations                              | 3,560                  | 2,960      |
| Total Haircuts on Securities                      | 9,971                  | 8,292      |
| Net Capital                                       | 92,896                 | 80,586     |
| Net Capital Requirements                          | 50,000                 | 50,000     |
| Net Capital in Excess of Minimum Requirements     | \$ 42,896              | \$ 30,586  |
| Aggregate Indebtedness                            | \$ 128,872             | \$ 125,455 |
| Ratio of Aggregate Indebtedness to Net Capital    | 1.39                   | 1.56       |

See Independent Auditor's Report.

|  | <u>Year Ended December 31</u> |                  |
|--|-------------------------------|------------------|
|  | <u>2010</u>                   | <u>2009</u>      |
| <b>Reconciliation of Audited Net Capital with the<br/>Broker/Dealer's Unaudited Part II:</b> |                               |                  |
| Net Capital Per Audit Report   | \$ 92,896                     | \$ 80,586        |
| Audit Adjustments:   |                               |                  |
| Deferred tax provision   | 1,200                         | (2,270)          |
| Prepaid expenses   | (4,844)                       | (9,250)          |
| Prepaid income taxes   | (260)                         | (130)            |
| Due from related party   | (1,155)                       | (3,204)          |
| Property and equipment   | (1,400)                       | (1,413)          |
| Depreciation   | -                             | 5,328            |
| Accounts payable and accrued expenses  | 6,190                         | 14,191           |
|  | <u>(269)</u>                  | <u>3,252</u>     |
| Changes to Non-Allowable Assets:   |                               |                  |
| Prepaid expenses   | 4,844                         | 9,250            |
| Prepaid income taxes   | 260                           | 130              |
| Property and equipment   | 1,400                         | (3,915)          |
| Due from related party   | 1,155                         | 3,204            |
|  | <u>7,659</u>                  | <u>8,669</u>     |
| Change in Haircut on Securities - Undue Concentration  | <u>-</u>                      | <u>12</u>        |
| Net Capital Per Broker/Dealer's Unaudited Part II  | <u>\$ 100,286</u>             | <u>\$ 92,519</u> |

**Beaconsfield Financial Services, Inc.**

**Statement of Exemption from  
SEC Rule 15c3-3(k)(2)(ii)**

Beaconsfield Financial Services, Inc. is a non-clearing (fully disclosed) broker-dealer and does not carry customers' accounts on its book and is therefore claiming exemption from the reserve requirements as stated in SEC Rule 15c3-3(k)(2)(ii).

## Beaconsfield Financial Services, Inc.

### Schedules of Operating & General and Administrative Expenses

|                             | Year Ended December 31 |                     |
|-----------------------------|------------------------|---------------------|
|                             | <u>2010</u>            | <u>2009</u>         |
| Operating Expenses:         |                        |                     |
| Advertising                 | \$ 11,016              | \$ 5,007            |
| Commissions                 | 1,288,792              | 774,884             |
| Equipment rental            | -                      | 1,199               |
| Insurance                   | 7,195                  | 4,135               |
| Internet access             | 1,998                  | 1,891               |
| Payroll taxes               | 20,473                 | 13,543              |
| Regulatory expenses         | 21,855                 | 5,525               |
| Rent                        | 26,880                 | 26,880              |
| Repairs and maintenance     | 747                    | 1,181               |
| Retirement plan             | 64,613                 | 39,611              |
| Selling expense             | 13,937                 | 20,879              |
| Telephone                   | 10,342                 | 9,561               |
| Wages                       | 262,316                | 158,370             |
|                             | <u>\$ 1,730,164</u>    | <u>\$ 1,062,666</u> |
| General and Administrative: |                        |                     |
| Auto expense                | \$ 11,735              | \$ 12,096           |
| Contributions               | 204                    | 706                 |
| Dues and subscriptions      | 3,625                  | 5,182               |
| Employee benefits           | 37,464                 | 29,135              |
| Legal and accounting        | 8,158                  | 14,296              |
| Miscellaneous               | 152                    | -                   |
| Office supplies and expense | 17,033                 | 17,232              |
| Postage                     | 4,943                  | 5,519               |
| Travel and entertainment    | 12,993                 | 11,234              |
|                             | <u>\$ 96,307</u>       | <u>\$ 95,400</u>    |

See Independent Auditor's Report.



# Damratoski & Company PC

Certified Public Accountants

1195 Washington Pike  
Suite 350  
Bridgeville, PA 15017  
Tel (412) 257-2882  
Fax (412) 257-2888  
www.damratoski.com

## **Independent Auditor's Report on Internal Control Required by SEC 17a-5(g)(1) For a Broker-Dealer Claiming an Exemption From SEC Rule 15c3-3**

Board of Directors and Shareholders  
Beaconsfield Financial Services, Inc.  
Canonsburg, Pennsylvania

In planning and performing our audit of the financial statements of Beaconsfield Financial Services, Inc. (Company), as of and for the years ended December 31, 2010 and 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by rule 17a-13;
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal 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 controls 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 SEC's above-mentioned objectives. Two of the objectives of internal control 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 management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to previously, 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.

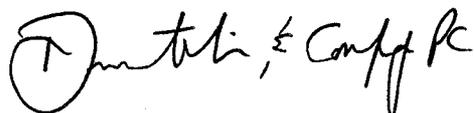
A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control 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, 2010 and 2009, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority (FINRA), 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.



Damratoski & Company PC  
Certified Public Accountants

February 15, 2011



# Damratoski & Company PC

Certified Public Accountants

1195 Washington Pike  
Suite 350  
Bridgeville, PA 15017  
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## Independent Accountant's Report on Applying Agreed-Upon Procedures Related to an Entity's SIPC Assessment Reconciliation

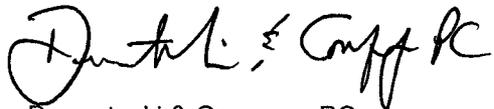
Board of Directors and Shareholders  
Beaconsfield Financial Services, Inc.  
Canonsburg, Pennsylvania

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation (SIPC) for the years ended December 31, 2010 and 2009, which were agreed to by Beaconsfield Financial Services, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Beaconsfield Financial Services, Inc.'s compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). Beaconsfield Financial Services, Inc.'s management is responsible for Beaconsfield Financial Services, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7T with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2010 and 2009, with the amounts reported in Form SIPC-7T for the year ended December 31, 2010 and 2009 noting no differences;
3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Damratowski & Company PC". The signature is stylized and cursive.

Damratowski & Company PC  
Certified Public Accountants

February 15, 2011

**SIPC-7**

(33-REV 7/10)

P.O. Box 92185 Washington, D.C. 20090-2100  
202-371-8300

**General Assessment Reconciliation**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended 12-31, 2010  
(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

*Amended*

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

030993 FINRA Dec  
Beaconsfield Financial Services, Inc. NY  
Southpointe Business Park  
160 Technology Drive  
Canonsburg, PA 15317-7508

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Betty H. Rainier 724-745-6800

2. A. General Assessment (item 2e from page 2)

\$ 366.00

B. Less payment made with SIPC-6 filed (exclude interest)

( 348.00 )

7-29-2010 and 1-31-2011  
Date Paid

C. Less prior overpayment applied

( 0 )

D. Assessment balance due or (overpayment)

18.00

E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum

0

F. Total assessment balance and interest due (or overpayment carried forward)

\$ 18.00

G. PAID WITH THIS FORM:

Check enclosed, payable to SIPC  
Total (must be same as F above)

\$ 18.00

H. Overpayment carried forward

\$( 0 )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

\_\_\_\_\_

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Beaconsfield Financial Services, Inc  
(Name of Corporation, Partnership or other organization)  
Betty H. Rainier  
(Authorized Signature)  
Secretary / Treasurer  
(Title)

Dated the 4 day of February, 2011.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Dates: Postmarked Received Reviewed

Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_

Exceptions:

Disposition of exceptions:

**AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 1-1, 2010  
and ending 12-31, 2010  
Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 1,836,666

2b. Additions:

(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.

0

(2) Net loss from principal transactions in securities in trading accounts.

0

(3) Net loss from principal transactions in commodities in trading accounts.

0

(4) Interest and dividend expense deducted in determining item 2a.

0

(5) Net loss from management of or participation in the underwriting or distribution of securities.

0

(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.

0

(7) Net loss from securities in investment accounts.

0

Total additions

1,836,666

2c. Deductions:

(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.

1,340,046

(2) Revenues from commodity transactions.

0

(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.

0

(4) Reimbursements for postage in connection with proxy solicitation.

0

(5) Net gain from securities in investment accounts.

7194

(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.

0

(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).

9591

(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):

333,455

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ 0

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ 0

Enter the greater of line (i) or (ii)

0

Total deductions

1,690,286

2d. SIPC Net Operating Revenues

\$ 146,380

2e. General Assessment @ .0025

\$ 366

(to page 1, line 2.A.)

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

BEACONSFIELD FINANCIAL SERVICES, INC. 13

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

SOUTHPOINTE INDUSTRIAL PARK, 160 TECHNOLOGY DR., SUITE 101 (No. and Street) 20

CANONSBURG 21 PA 22 15317 23 (City) (State) (Zip Code)

SEC. FILE NO.

8-30993 14

FIRM ID NO.

14634 15

FOR PERIOD BEGINNING (MM/DD/YY)

10/01/10 24

AND ENDING (MM/DD/YY)

12/31/10 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

Betty H Rainier 30

(724) 745-6800 31

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

OFFICIAL USE

32 34 36 38

33 35 37 39

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

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT X 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 25 day of February 20 11

Manual Signatures of:

- 1) Richard K. Rainier Principal Executive Officer or Managing Partner 2) Betty H. Rainier 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) )



BROKER OR DEALER

BEACONSFIELD FINANCIAL SERVICES, INC.

as of

12/31/10

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING,  
NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS  
LIABILITIES AND OWNERSHIP EQUITY

| <u>Liabilities</u>   | <u>A.I.<br/>Liabilities</u> | <u>Non-A.I.<br/>Liabilities</u> | <u>Total</u>   |
|--|-----------------------------|---------------------------------|----------------|
| 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 .....   | 81,009 1155                 | 1355                            | 81,009 1610    |
| 16. Securities sold not yet purchased,<br>at market value .....                  |                             | 1360                            | 1620           |
| 17. Accounts payable, accrued liabilities,<br>expenses and other .....           | 47863 1205                  | 1385                            | 47863 1685     |
| 18. Notes and mortgages payable:   |                             |                                 |                |
| A. Unsecured .....   | 1210                        |                                 | 1690           |
| B. Secured .....   | 1211                        | 1390                            | 1700           |
| 19. Liabilities subordinated to claims<br>of general creditors:                  |                             |                                 |                |
| A. Cash borrowings:  |                             | 1400                            | 1710           |
| 1. from outsiders \$ .....   | 970                         |                                 |                |
| 2. Includes equity subordination (15c3-1(d))<br>of .....                         | 980                         |                                 |                |
| B. Securities borrowings, at market value<br>from outsiders \$ .....             | 990                         | 1410                            | 1720           |
| C. Pursuant to secured demand note<br>collateral agreements .....                |                             | 1420                            | 1730           |
| 1. from outsiders \$ .....   | 1000                        |                                 |                |
| 2. includes equity subordination (15c3-1(d))<br>of .....                         | 1010                        |                                 |                |
| D. Exchange memberships contributed for<br>use of company, at market value ..... |                             | 1430                            | 1740           |
| E. Accounts and other borrowings not<br>qualified for net capital purposes ..... | 1220                        | 1440                            | 1750           |
| 20. TOTAL LIABILITIES .....  | \$ 128872 1230              | \$ 1450                         | \$ 128872 1760 |
| <br><u>Ownership Equity</u>  |                             |                                 |                |
| 21. Sole proprietorship .....  |                             |                                 | \$ 1770        |
| 22. Partnership (limited partners) .....   | 1020                        |                                 | 1780           |
| 23. Corporation:   |                             |                                 |                |
| A. Preferred stock .....   |                             |                                 | 1791           |
| B. Common stock .....  |                             | 19,000                          | 1792           |
| C. Additional paid-in capital .....  |                             |                                 | 1793           |
| D. Retained earnings .....   |                             | 102814                          | 1794           |
| E. Total .....   |                             | 121814                          | 1795           |
| F. Less capital stock in treasury .....  |                             | ( )                             | 1796           |
| 24. TOTAL OWNERSHIP EQUITY .....   |                             |                                 | \$ 121814 1800 |
| 25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....                                 |                             |                                 | \$ 250686 1810 |

OMIT PENNIES

PART IIA

BROKER, OR DEALER

BEACONSFIELD FINANCIAL SERVICES, INC.

as of

12/31/10

COMPUTATION OF NET CAPITAL

|  |    |       |        |      |
|--|----|-------|--------|------|
| 1. Total ownership equity from Statement of Financial Condition                                    |    | \$    | 121814 | 3480 |
| 2. Deduct ownership equity not allowable for Net Capital   |    | (     | 0      | 3490 |
| 3. Total ownership equity qualified for Net Capital  |    |       | 121814 | 3500 |
| 4. Add:  |    |       |        |      |
| A. Liabilities subordinated to claims of general creditors allowable in computation of net capital |    |       |        | 3520 |
| B. Other (deductions) or allowable credits (List)  |    |       | 0      | 3525 |
| 5. Total capital and allowable subordinated liabilities  |    | \$    | 121814 | 3530 |
| 6. Deductions and/or charges:  |    |       |        |      |
| A. Total non-allowable assets from   |    |       |        |      |
| Statement of Financial Condition (Notes B and C)   | \$ | 18947 |        | 3540 |
| B. Secured demand note deficiency  |    |       |        | 3590 |
| C. Commodity futures contracts and spot commodities-proprietary capital charges                    |    |       |        | 3600 |
| D. Other deductions and/or charges   |    |       |        | 3610 |
|  |    | (     | 18947  | 3620 |
| 7. Other additions and/or allowable credits (List)   |    |       |        | 3630 |
| 8. Net Capital before haircuts on securities positions   |    | \$    | 102867 | 3640 |
| 9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)) :                    |    |       |        |      |
| A. Contractual securities commitments  | \$ |       |        | 3660 |
| B. Subordinated securities borrowings  |    |       |        | 3670 |
| C. Trading and investment securities:  |    |       |        |      |
| 1. Exempted securities   |    |       |        | 3735 |
| 2. Debt securities   |    |       |        | 3733 |
| 3. Options   |    |       |        | 3730 |
| 4. Other securities  |    |       | 6411   | 3734 |
| D. Undue concentration   |    |       | 3560   | 3650 |
| E. Other (List)  |    |       |        | 3736 |
| 10. Net Capital  |    | \$    | 92896  | 3750 |
|  |    | (     | 9971   | 3740 |

OMIT PENNIES

|  |                       |
|--|-----------------------|
| <b>BROKER OR DEALER</b><br>BEACONSFIELD FINANCIAL SERVICES, INC. | as of <u>12/31/10</u> |
|--|-----------------------|

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

**Part A**

|   |    |              |      |
|---|----|--------------|------|
| 11. Minimum net capital required (6-2/3% of line 19)  | \$ | <u>8583</u>  | 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) | \$ | 50,000       | 3758 |
| 13. Net capital requirement (greater of line 11 or 12)  | \$ | 50,000       | 3760 |
| 14. Excess net capital (line 10 less 13)  | \$ | <u>42896</u> | 3770 |
| 15. Net capital less greater of 10% of line 19 or 120% of line 12   | \$ | <u>80669</u> | 3780 |

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

|  |    |               |      |
|--|----|---------------|------|
| 16. Total A.I. liabilities from Statement of Financial Condition                         | \$ | <u>128872</u> | 3790 |
| 17. Add:   |    |               |      |
| A. Drafts for immediate credit   | \$ | <u>3800</u>   |      |
| B. Market value of securities borrowed for which no equivalent value is paid or credited | \$ | <u>3810</u>   |      |
| C. Other unrecorded amounts (List)   | \$ | <u>3820</u>   | 3830 |
| 19. Total aggregate indebtedness   | \$ | <u>128872</u> | 3840 |
| 20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)     | %  | <u>1.39</u>   | 3850 |
| 21. Percentage of debt to debt-equity total computed in accordance with Rule 15c-3-1(d)  | %  | 0.00          | 3860 |

**COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT**

**Part B**

|  |    |             |      |
|--|----|-------------|------|
| 22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits | \$ | <u>3870</u> |      |
| 23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)  | \$ | <u>3880</u> | 3760 |
| 24. Net capital requirement (greater of line 22 or 23)   | \$ | <u>3760</u> | 3910 |
| 25. Excess net capital (line 10 less 24)   | \$ | <u>3910</u> |      |
| 26. Net capital in excess of the greater of:<br>5% of combined aggregate debit items or 120% of minimum net capital requirement  | \$ | <u>3920</u> |      |

**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. 6-2/3% 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 notes covered by subordination agreements not in satisfactory form and the market values of the 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.

PART IIA

BROKER OR DEALER

BEACONSFIELD FINANCIAL SERVICES, INC.

For the period (MMDDYY) from 10/01/10 3932 to 12/31/10 3933  
 Number of months included in this statement 3 3931

REVENUE

STATEMENT OF INCOME (LOSS)

|   |       |            |      |
|---|-------|------------|------|
| 1. Commissions:   |       |            |      |
| a. Commissions on transactions in exchange listed equity securities executed on an exchange | ..... | \$ 24527   | 3935 |
| b. Commissions on listed option transactions  | ..... | 1582       | 3938 |
| c. All other securities commissions   | ..... | 141497     | 3939 |
| d. Total securities commissions   | ..... | 167606     | 3940 |
| 2. Gains or losses on firm securities trading accounts                                      |       |            |      |
| a. From market making in options on a national securities exchange                          | ..... | 0          | 3945 |
| b. From all other trading   | ..... | 0          | 3949 |
| c. Total gain (loss)  | ..... | 0          | 3950 |
| 3. Gains or losses on firm securities investment accounts                                   | ..... | 7196       | 3952 |
| 4. Profits (losses) from underwriting and selling groups                                    | ..... | 0          | 3955 |
| 5. Revenue from sale of investment company shares   | ..... | 831804     | 3970 |
| 6. Commodities revenue  | ..... | 0          | 3990 |
| 7. Fees for account supervision, investment advisory and administrative services            | ..... | 0          | 3975 |
| 8. Other revenue  | ..... | 823066     | 3995 |
| 9. Total revenue  | ..... | \$ 1829672 | 4030 |

EXPENSES

|  |       |            |      |
|--|-------|------------|------|
| 10. Salaries and other employment costs for general partners and voting stockholder officers | ..... | 245000     | 4120 |
| 11. Other employee compensation and benefits   | ..... | 1306109    | 4115 |
| 12. Commissions paid to other brokers-dealers  | ..... | 0          | 4140 |
| 13. Interest expense   | ..... | 0          | 4075 |
| a. Includes interest on accounts subject to subordination agreements                         | ..... | 0          | 4070 |
| 14. Regulatory fees and expenses   | ..... | 24677      | 4195 |
| 15. Other expenses   | ..... | 249115     | 4100 |
| 16. Total expenses   | ..... | \$ 1830894 | 4200 |

NET INCOME

|   |       |           |      |
|---|-------|-----------|------|
| 17. Net Income (loss) before Federal income taxes and items below (Item 9 less Item 16) | ..... | \$ (1222) | 4210 |
| 18. Provision for Federal income taxes (for parent only)                                | ..... |           | 4220 |
| 19. Equity in earnings (losses) of unconsolidated subsidiaries not included above       | ..... |           | 4222 |
| a. After Federal income taxes of  | ..... | 4238      |      |
| 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                | ..... | \$ (1222) | 4230 |

MONTHLY INCOME

|   |       |          |      |
|---|-------|----------|------|
| 23. Income (current month only) before provision for Federal Income taxes and extraordinary items | ..... | (29,400) | 4211 |
|---|-------|----------|------|

PART IIA

BROKER OR DEALER

BEACONSFIELD FINANCIAL SERVICES, INC.

For the period (MMDDYY) from 10/01/10 to 12/31/10

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

|   |       |    |                |             |             |
|---|-------|----|----------------|-------------|-------------|
| 1. Balance, beginning of period                   | ..... | \$ | <u>117,542</u> | <u>4240</u> |             |
| A. Net income (loss)                              | ..... |    | <u>4,272</u>   | <u>4250</u> |             |
| B. Additions (includes non-conforming capital of  | ..... | \$ | <u>4262</u>    | )           | <u>4260</u> |
| C. Deductions (includes non-conforming capital of | ..... | \$ | <u>4272</u>    | )           | <u>4270</u> |
| 2. Balance, end of period (from item 1800)        | ..... | \$ | <u>121,814</u> | <u>4290</u> |             |

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED  
TO CLAIMS OF GENERAL CREDITORS

|  |       |    |  |             |
|--|-------|----|--|-------------|
| 3. Balance, beginning of period            | ..... | \$ |  | <u>4300</u> |
| A. Increases                               | ..... |    |  | <u>4310</u> |
| B. Decreases                               | ..... |    |  | <u>4320</u> |
| 4. Balance, end of period (from item 3520) | ..... | \$ |  | <u>4330</u> |

OMIT PENNIES

**BROKER OR DEALER**

BEACONSFIELD FINANCIAL SERVICES, INC.

as of 12/31/10

**Exemptive Provision Under Rule 15c3-3**

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based :

- A. (k) (1) - Limited business (mutual funds and/or variable annuities only) ..... \$ 4550
- B. (k) (2) (i) - "Special Account for the Exclusive Benefit of customers" maintained ..... 4560
- C. (k) (2) (ii) - All customer transactions cleared through another broker-dealer on a fully disclosed basis.  
 Name(s) of Clearing Firm(s) - Please separate multiple names with a semi-colon  
Mesirow Financial 4335 X 4570
- D. (k) (3) - Exempted by order of the Commission ..... 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 to enter) | 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) |
|--|-------------------------------|-----------------------------------|---|--------------------------------------|-----------------------------|
| <u>4600</u>  | <u>4601</u>                   | <u>4602</u>                       | <u>4603</u>   | <u>4604</u>                          | <u>4605</u>                 |
| <u>4610</u>  | <u>4611</u>                   | <u>4612</u>                       | <u>4613</u>   | <u>4614</u>                          | <u>4615</u>                 |
| <u>4620</u>  | <u>4621</u>                   | <u>4622</u>                       | <u>4623</u>   | <u>4624</u>                          | <u>4625</u>                 |
| <u>4630</u>  | <u>4631</u>                   | <u>4632</u>                       | <u>4633</u>   | <u>4634</u>                          | <u>4635</u>                 |
| <u>4640</u>  | <u>4641</u>                   | <u>4642</u>                       | <u>4643</u>   | <u>4644</u>                          | <u>4645</u>                 |
| <u>4650</u>  | <u>4651</u>                   | <u>4652</u>                       | <u>4653</u>   | <u>4654</u>                          | <u>4655</u>                 |
| <u>4660</u>  | <u>4661</u>                   | <u>4662</u>                       | <u>4663</u>   | <u>4664</u>                          | <u>4665</u>                 |
| <u>4670</u>  | <u>4671</u>                   | <u>4672</u>                       | <u>4673</u>   | <u>4674</u>                          | <u>4675</u>                 |
| <u>4680</u>  | <u>4681</u>                   | <u>4682</u>                       | <u>4683</u>   | <u>4684</u>                          | <u>4685</u>                 |
| <u>4690</u>  | <u>4691</u>                   | <u>4692</u>                       | <u>4693</u>   | <u>4694</u>                          | <u>4695</u>                 |
| <b>TOTAL</b>   |                               |                                   | <b>\$</b> <u>4699</u>   |                                      |                             |

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 payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c) (2) (iv)), which could be required by the lender on demand or in less than six months.

- WITHDRAWAL CODE:      DESCRIPTION
- 1.                      Equity Capital
  - 2.                      Subordinated Liabilities
  - 3.                      Accruals
  - 4.                      15c3-1(c) (2) (iv) Liabilities