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SECURITIES **11019760**
Washington, D.C. 20549

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

SEC FILE NUMBER
8- 67402

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: JRH Master Fund, LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
3033 E. First Avenue, Suite 405

OFFICIAL USE ONLY
FIRM I.D. NO.

Denver Colorado 80206
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Jacqueline Sloan 312-431-0014
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
StarkSchenkein, LLP
(Name - if individual, state last, first, middle name)
3600 S. Yosemite Street, Suite 600 Denver Colorado 80237
(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, John Holena, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JRH Master Fund, LLC, as of December 31, 2010, 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:

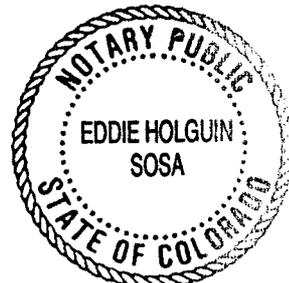
Signature
Title

Eddie Holguin
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).



My Comm. Exp. 09-15-2013

JRH Master Fund, LLC
(A Delaware Limited Liability Company)

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Stark Schenkein, LLP

BUSINESS ADVISORS & CPAs

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of
JRH Master Fund, LLC

We have audited the accompanying statement of financial condition of JRH Master Fund, LLC as of December 31, 2010. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement referred to above present fairly, in all material respects, the financial position of JRH Master Fund, LLC as of December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

Stark Schenkein, LLP

Denver, Colorado
February 10, 2011

JRH Master Fund, LLC
(a Delaware Limited Liability Company)
Statement of Financial Condition
December 31, 2010

ASSETS

Current assets	
Due from clearing broker	\$ 1,729,303
Equities owned, at market	604,282
Other assets	<u>10,000</u>
	<u>\$ 2,343,585</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities	
Equities sold, not yet purchased, at market	\$ 641,090
Dividends payable	894
Accounts payable and accrued expenses	<u>10,000</u>
Total liabilities	651,984
Members' Equity	<u>1,691,601</u>
	<u>\$ 2,343,585</u>

See accompanying notes to the statement of financial condition.

JRH Master Fund, LLC
(A Delaware Limited Liability Company)
Notes to Statement of Financial Condition
December 31, 2010

NOTE 1. NATURE OF BUSINESS

JRH Master Fund, LLC (the "Company"), is a Delaware limited liability Company, organized on July 6, 2006. It engages in trading strategies involving primarily equities on a proprietary basis. The Company is registered as a broker/dealer with the Securities and Exchange Commission (SEC).

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America and in the format prescribed by Rule 17a-5 under the Securities Exchange Act of 1934 for brokers and dealers in securities.

Revenue Recognition

Securities transactions and related commission revenue and expenses are recorded on a trade date basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 reporting period. Actual results could differ from those estimates.

Income taxes

The Company is a limited liability company ("LLC") that is taxed as a partnership for federal and state income tax purposes. Generally, the taxable income or losses of a partnership is reported by the individual owners of the partnership and the owners are responsible for income tax liabilities or benefits associated with the taxable activities of the partnership. Accordingly, the Company's financial statements do not reflect any provisions for federal or state income taxes.

Fair Value of Financial Instruments

Financial instruments recorded at fair value on the Company's statement of financial condition include securities owned and securities sold, not yet purchased. Other financial instruments are recorded by the Company at contract amounts and include receivables from and payables to clearing broker. Financial instruments carried at contract amounts, which approximate fair value, either have short-term maturities, are repriced frequently, or bear market interest rates and, accordingly, are carried at amounts approximating fair value.

Securities owned and securities sold, not yet purchased, held in firm trading and investment accounts are carried at market value. Securities transactions are recorded on the trade date and, accordingly, gains and losses are recorded on unsettled transactions.

JRH Master Fund, LLC
(A Delaware Limited Liability Company)
Notes to Statement of Financial Condition
December 31, 2010

NOTE 3. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND CONCENTRATIONS OF CREDIT RISKS

Market Risk

Market risk is the potential change in an instrument's value caused by fluctuations in interest rates, equity prices, credit spreads, volatilities, correlations, liquidity, or other risks. Exposure to market risk is influenced by a number of factors, including the relationships between financial instruments and the volatility and liquidity in the markets in which the financial statements are traded. In many cases, the use of derivative financial instruments serves to modify or offset market risk associated with other transactions and, accordingly, serves to decrease the Company's overall exposure to market risk. The Company utilizes various analytical monitoring techniques to control its exposure to market risk.

Credit Risk

Credit risk arises from the possible inability of counterparties to meet the terms of their contracts. For exchange-traded financial instruments, clearing corporations act as the counterparties of specific transactions and therefore, bear the risk of delivery to and from counterparties of specific positions.

Concentration of Credit Risk

As of December 31, 2010, a credit concentration with the Company's clearing broker, representing the market value of its trading account, existed which approximated the equity of the Company. The Company monitors the credit worthiness of the clearing broker to mitigate the Company's exposure to credit risk.

NOTE 4. FAIR VALUE MEASUREMENTS

The Company adheres to the provisions of ASC 820-10, "Fair Value Measurements", which defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. "exit price") in an orderly transaction between market participants at the measurement date.

ASC 820-10 established a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In determining fair value, the Company uses valuation approaches based on this hierarchy, categorizing them into three levels based on the inputs as follow:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities. Valuation adjustments and block discounts are not applied to Level 1 investments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2: Inputs other than Level 1 that is observable, either directly or indirectly.

JRH Master Fund, LLC
(A Delaware Limited Liability Company)
Notes to Statement of Financial Condition
December 31, 2010

NOTE 4. FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flows methodologies and similar techniques that use significant unobservable inputs.

The Company's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820-10.

As of December 31, 2010, all investments of the Company are listed and actively traded and, accordingly, are classified as Level 1.

NOTE 5. NET CAPITAL REQUIREMENTS

The Company is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1"), under the Securities and Exchange Act of 1934 which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2010, the Company had net capital of \$1,523,143, which was in excess of its required net capital of \$1,423,143. The Company's ratio of aggregate indebtedness to net capital was 1 to 1.

NOTE 6. SUBSEQUENT EVENTS

Management of the Company has evaluated all subsequent transactions through February 10, 2011, the date the financial statements were available to be issued. It has been determined that there are no subsequent events that require disclosure.

**JRH MASTER FUND, LLC
(A Delaware Limited Liability Company)**

REPORT PURSUANT TO RULE 17a-5

**STATEMENT OF FINANCIAL CONDITION
AND
REPORT OF INDEPENDENT AUDITORS**

**AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2010**