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

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Section

AUG 27 2012

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

AUG 27 2012

Washington DC  
483

Washington DC  
402

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 JULY 1, 2011 AND ENDING JUNE 30, 2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

G-W Brokerage Group, Inc.  
NAME OF BROKER-DEALER:

OFFICIAL USE ONLY

FIRM ID. NO. 128045

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

215 WARREN STREET

(No. and Street)

BEVERLY

(City)

NEW JERSEY

(state)

08010

(Zip Code)

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

EDWARD JOSEPH WOOTERS

(609) 386-3800

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Michael T. Remus, CPA

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

3673 Quakerbridge Road PO Box 2555

(Address)

Hamilton Square

(City)

NJ

(state)

08690

Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240-17a-5(e)(2).

SEC 1410 (3-91)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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OATH OR AFFIRMATION

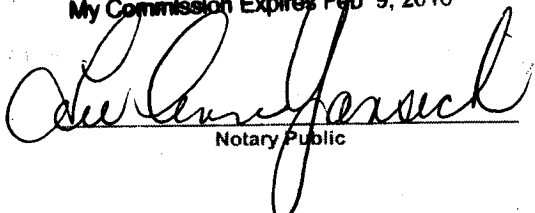
I Edward Joseph Wooters swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of G-W Brokerage Group, Inc. as of June 30 20 12 are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

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

LUANN YANSICK

Notary Public of New Jersey

My Commission Expires Feb 9, 2016

  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Signature

President

\_\_\_\_\_  
Title

This report\*\* contains (check all applicable boxes):

- (a) Facing page
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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**G-W Brokerage Group, Inc.**

*FINANCIAL STATEMENTS*

*AND*

*SUPPLEMENTARY INFORMATION*

**For the Year Ended**

**June 30, 2012**

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**G-W BROKERAGE GROUP, INC.**

**FINANCIAL HIGHLIGHTS**

June 30, 2012

	<u>2012</u>
NET LOSS	\$ (1,017)
NET WORTH	34,439
CASH AND CASH EQUIVALENTS	38,382
CURRENT RATIO	9.7 : 1.0

**MICHAEL T. REMUS**  
*Certified Public Accountant*  
3673 Quakerbridge Road, Suite 3  
P.O. Box 2555  
Hamilton Square, NJ 08690  
Tel: 609-540-1751  
Fax: 609-838-2297

Independent Auditor's Report

To: The Stockholders  
**G-W Brokerage Group, Inc.**

I have audited the accompanying statement of financial condition of G-W Brokerage Group, Inc. As of June 30, 2012, and the related statement of operations and retained earnings, changes in liabilities subordinated to claims of creditors, changes in stockholders' equity and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of G-W Brokerage Group, Inc. as of June 30, 2012 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.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplemental schedules 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 my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Michael T. Remus*

Michael T. Remus, CPA  
August 8, 2012  
Hamilton Square, New Jersey

**G-W BROKERAGE GROUP, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
June 30, 2012

**ASSETS**

Current Assets	
Cash and cash equivalents	\$ 38,382
Total Current Assets	<u>38,382</u>
 Total Assets	 <u><u>\$ 38,382</u></u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current Liabilities	
Accounts payable and accrued expenses	\$ 2,443
Due to GW Financial Group Inc	500
Corporate tax payable	1,000
Total Current Liabilities	<u>3,943</u>
 Total Liabilities	 <u>3,943</u>
 Stockholders' Equity	
Common stock, no par value, 100 shares outstanding, 1,000 shares authorized	300
Additional Paid-In Capital	41,950
Retained earnings (deficit)	(7,811)
	<u>34,439</u>
 Total Liabilities and Stockholders' Equity	 <u><u>\$ 38,382</u></u>

See accompanying notes.

**G-W BROKERAGE GROUP, INC.**  
**STATEMENT OF OPERATIONS AND RETAINED EARNINGS (DEFICIT)**  
Year Ended June 30, 2012

REVENUES

Commission income	\$ 28,349
Interest income	35
	<u>28,384</u>

OPERATING EXPENSES

Commission expense	11,712
Management fees	16,846
Office expense	43
Regulatory fees	300
	<u>28,901</u>

Loss From Operations	(517)
Corporate income tax	<u>(500)</u>
Net Loss	(1,017)
Retained Earnings (deficit) - July 1, 2011	(6,794)
	<u>Retained Earnings (deficit) - June 30, 2012</u>
	<u>\$ (7,811)</u>

See accompanying notes.

**G-W BROKERAGE GROUP, INC.**  
**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED**  
**TO CLAIMS OF CREDITORS**  
Year Ended June 30, 2012

Subordinated Liabilities at July 1, 2011	\$ -
Increases	-
Decreases	-
Subordinated Liabilities at June 30, 2012	<u><u>\$ -</u></u>

See accompanying notes.



**G-W BROKERAGE GROUP, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
Year Ended June 30, 2012

	<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Retained Earnings (Deficit)</u>	<u>Total</u>
	<u>Number of Shares</u>	<u>Amount</u>			
Balance at July 1, 2011	100	\$ 300	\$ 41,950	\$ (6,794)	\$ 35,456
Current year activity	-	-	-	-	-
Net Loss	-	-	-	(1,017)	(1,017)
Balance at June 30, 2012	<u>100</u>	<u>\$ 300</u>	<u>\$ 41,950</u>	<u>\$ (7,811)</u>	<u>\$ 34,439</u>

See accompanying notes.

**G-W BROKERAGE GROUP, INC.**

**STATEMENT OF CASH FLOWS**

Year Ended June 30, 2012

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Loss \$ (1,017)

Adjustments to Reconcile Net Income to Net  
Cash Provided By Operating Activities:

Depreciation -

(Increase) Decrease in:

Receivables -

Increase (Decrease) in:

Accounts payable and accrued expenses 543

Net cash provided by operating activities (474)

**Cash Flows From Investing Activities -**

**Cash Flows From Financing Activities -**

Net decrease in cash (474)

Cash and cash equivalents at Beginning of Year 38,856

Cash and cash equivalents at End of Year \$ 38,382

**Supplemental Disclosures**

Cash paid for income taxes \$ -

Cash paid for interest -

See accompanying notes.

**G-W BROKERAGE GROUP, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
Year Ended June 30, 2012

**1 Nature of Business Operations**

G-W Brokerage Group, Inc. (the Company) was organized in May 1988 under the laws of the State of New Jersey. The Company engages in the business of selling mutual funds, municipal securities, variable life insurance or annuities, oil and gas interests, limited partnerships, private placements and other securities on a commission basis. The Company is registered with the Securities and Exchange Commission and is a member of FINRA.

**2 Accounting Policies**

*(a) Basis of Presentation*

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") unless otherwise disclosed.

*(b) 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

*(c) Cash*

For purposes of the statement of cash flows, the Company considers all investments with a term to maturity of three months or less at the time of acquisition to be cash equivalents. The company has adopted the indirect method of presenting the statement of cash flows in accordance with current authoritative pronouncements. There were no cash equivalents at June 30, 2012.

*(d) Revenue Recognition*

The Company recognizes revenue from commissions in the period they are received.

*(e) Income Taxes*

The amount of current and deferred taxes payable or refundable is recognized as of the date of the financial statements, utilizing currently enacted tax laws and rates. No recognition for uncertain tax provisions have been included because the Company believes there are none.

Certain transactions of the Company's may be subject to accounting methods for federal and state income tax purposes which differ significantly from the accounting methods used in preparing the financial statements. Accordingly, the net income or loss of the Company and the resulting balances in the shareholders' capital account reported for federal and state income tax purposes may differ from the balances reported for those same items in these financial statements

## G-W BROKERAGE GROUP, INC

### Notes to Financial Statements

Year Ended June 30, 2012

#### *(e) Income Taxes - continued*

FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the year ended June 30, 2012 management has determined that there are no material uncertain income tax positions and there are no open tax years prior to 2007.

#### *(f) Fair Value Measurements*

The Financial Accounting Standards Board ("FASB") issued under Topic 820 under the FASB Accounting Standards Codification which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard provides a consistent definition of fair value, which focuses on a exit price between market participants in an orderly transaction. The standard also prioritizes, within the measurement of fair value, the use of market based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date.

Assets and liabilities, subject to the standard, measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 - Inputs that reflect quoted prices are available in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date .
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the assets or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs are unobservable for the assets or liability and include situations where there is little, if any, market activity for the asset or liability.

For further discussion of fair value, see "Note 9 Fair Value"

#### *(g) Comprehensive Income*

Comprehensive income (loss) is the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It requires unrealized gains or losses on available-for-sale securities, foreign currency translation adjustments, minimum pension liability adjustments and changes in the market value of certain futures contracts that qualify as a hedge to be included in other comprehensive income. As of the date of these financial statements the company had no components of comprehensive income.

## **G-W BROKERAGE GROUP, INC.**

Notes to Financial Statements

Year Ended June 30, 2012

### **3 Liabilities Subordinated to Claims of General Creditors**

As of June 30, 2012 the Company had not entered into any subordinated liability agreements.

### **4 Net Capital Requirements**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At June 30, 2012, the Company had net capital of \$34,109, which was \$29,109 in excess of its required minimum net capital of \$5,000. The Company's net capital ratio was 0.1156 to 1.

### **5 Concentrations**

The Company's revenues are derived entirely from commissions.

### **6 Related Party Transactions**

The Company is wholly owned by its parent company G-W Financial Group, Inc. (the parent). The Company has a management agreement with the parent company in which the parent provides all management and operating services. These include but are not limited to rent, office expense, supplies, postage, accounting fees, indemnity against errors and omissions and telephone and utilities. The Company pays the commissions earned by its salesmen. In addition, the Company pays the Parent Company a management fee based on excess commissions earned, however the fee cannot exceed \$250,000.

### **7 Commitments and Contingencies**

Pursuant to Securities and Exchange Commission Rule 15c3-1(e)(2) the Company may not authorize distributions to its member if such distributions cause the Company's net capital to fall below 120% of the Company's minimum net capital requirement. As of June 30, 2012 the Company was not in violation of this requirement.

### **8 Income Taxes**

The Company has net operating loss carryforwards that may be offset against future taxable income. The loss carryforwards at June 30, 2012 total \$33,089 and will expire on June 30, 2032.

## **G-W BROKERAGE GROUP, INC.**

### Notes to Financial Statements

Year Ended June 30, 2012

#### **9 Fair Value**

Cash and cash equivalents, accounts payable and other current liabilities are reflected in the financial statements at carrying value which approximates fair value because of the short-term maturity of these instruments.

#### **10 Anti-Money Laundering Program**

The Company is required to have a program to actively prevent and prohibit money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. At June 30, 2012 the Company was in compliance with this program.

#### **11 Subsequent Events**

Events have been evaluated through the date of August 8, 2012 the date the financial statements were available to be issued and no further information is required to be disclosed.

**Supplementary Information**

**Pursuant to Rule 17a-5 of the**

**Securities Exchange Act of 1934**

**As of June 30, 2012**

**MICHAEL T. REMUS**  
*Certified Public Accountant*

3673 Quakerbridge Road, Suite 3  
P.O. Box 2555  
Hamilton Square, NJ 08690

Tel: 609-540-1751  
Fax: 609-838-2297

Independent Auditors Report on  
Internal Accounting Control

To: The Stockholders  
**G-W Brokerage Group, Inc.**

In planning and performing my audit of the financial statements of G-W Brokerage Group, Inc. (the Company), as of and for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I 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), I have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities (if applicable). This study included tests of such practices and procedures that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) 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, I 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 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 previously 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 above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected and corrected on a timely basis.

My 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. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I 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 my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at June 30, 2012, to meet the SEC's objectives.

This report is intended solely for the information and use of the stockholders, management, the SEC, 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.

*Michael T. Remus*

Michael T. Remus, CPA  
August 8, 2012  
Hamilton Square, New Jersey

**G-W BROKERAGE GROUP, INC.**

**INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS  
PURSUANT TO RULE 15c 3-3 of the Securities and Exchange Commission**

As of June 30, 2012

Pursuant to rule 15c 3-3 relating to possession or control requirements, G-W Brokerage Group, Inc. has not engaged in the clearing or trading of any securities and did not hold customer funds or securities during the year ended June 30, 2012 and therefore is claiming exemption to this schedule pursuant to paragraph K(2)(i) of SEC Rule 15c3-3. The firm's minimum net capital requirement pursuant to paragraph (a)(2)(vi) of SEC Rule 15c3-1 will be \$5,000..

G-W BROKERAGE GROUP, INC.

COMPUTATION OF NET CAPITAL IN ACCORDANCE WITH RULE 15c 3-1  
Year Ended June 30, 2012

NET CAPITAL

Common stock	\$	300
Additional Paid-In Capital		41,950
Retained earnings (deficit)		(7,811)
Total Credits		<u>34,439</u>

Debits

Receivables to non-customers		-
Money Market haircut depreciation		330
Total Debits		<u>330</u>

NET CAPITAL	\$	<u>34,109</u>
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CAPITAL REQUIREMENTS

6 2/3 % of aggregate indebtedness		263
Minimum capital requirement		5,000
Net capital in excess of requirements	\$	<u>29,109</u>

Ratio of Aggregate Indebtedness to Net Capital		0.1156 to 1
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Reconciliation with Company's Computation (included in  
Part II of Form X-17A-5 as of June 30, 2012)

Net Capital, as reported in Company's Part II unaudited Focus Report	\$	35,615
Net Capital, per above		<u>34,109</u>
Difference	\$	<u>1,506</u>

**G-W BROKERAGE GROUP, INC.**

**SCHEDULE OF AGGREGATE INDEBTEDNESS**  
Year Ended June 30, 2012

AGGREGATE INDEBTEDNESS:

Accrued expenses and accounts payable	\$ 2,443
Due to GW Financial Group Inc	500
Corporate income tax payable	<u>1,000</u>
Total Aggregate Indebtedness	<u><u>\$ 3,943</u></u>

**G-W BROKERAGE GROUP, INC..**

**RECONCILIATION BETWEEN AUDITED AND UNAUDITED STATEMENTS  
OF FINANCIAL CONDITION**

**FISCAL YEAR ENDED JUNE 30, 2012**

Pursuant to Rule 17a-5(d) (4) of the audited computations of Net Capital pursuant to Rule 15c 3-1 and computation for Determination of Reserve requirements pursuant to Rule 15c 3-3 submitted by G-W Brokerage Group, Inc.; in my opinion no material differences exist which would materially effect the reserve requirements pursuant to Rule 15c 3-3.

**MICHAEL T. REMUS**  
*Certified Public Accountant*

3673 Quakerbridge Road, Suite 3  
Hamilton Square, NJ 08690

Tel: 609-540-1751

Fax: 609-838-2297

**G-W BROKERAGE GROUP, INC.**

**Independent Accountants Report on Applying Agreed-Upon  
Procedures Related to an Entity's SIPC Assessment Reconciliation  
For the Year Ended June 30, 2012**

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, I 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 year ended June 30, 2012, which were agreed to by G-W Brokerage Group, 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 G-W Brokerage Group, Inc. compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). G-W Brokerage Group, Inc. management is responsible for the firm'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, I 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 listed assessment payments on SIPC-7 with respective cash disbursements journals, noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended June 30, 2012, as applicable, with the amounts reported in Form SIPC-7 for the year ended June 30, 2012, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences, and
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences.

My findings are included on the attached SIPC Transitional Assessment Reconciliation schedule. I was not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my 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.

*Michael T. Remus*

Michael T. Remus, CPA  
Hamilton Square, New Jersey  
August 8, 2012

**G-W BROKERAGE GROUP, INC.**  
**SIPC Transitional Assessment Reconciliation**  
**June 30, 2012**

General Assessment Calculation

Total Revenue	\$ 28,384
Rate	<u>0.0025</u>
General Assessment Due	70.96
Less Payments: SIPC 6	(43.00)
Plus: Interest	<u>          </u>
Remaining Assessment Due	27.96
Paid with SIPC 7	<u>(37.00)</u>
Overpayment	<u><u>\$ (9.04)</u></u>

See Independent Accountants' Report.