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

400  
SEC FILE NUMBER  
8-68649

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 06/15/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MAR Associates dba Williams & Henry Associates

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
1901 Avenue of the Stars Suite 200  
(No. and Street)  
Los Angeles CA 90067  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Paul Jannini 310-461-1355  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
LaRue, Corrigan, McCormick & Teasdale LLP  
(Name - if individual, state last, first, middle name)  
5959 Topanga Canyon Blvd. Suite 180 Woodland Hills, CA 91367  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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*CLM/B*  
*3/13*

OATH OR AFFIRMATION

I, David J. Fayyumi, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MAR & Associates dba Williams & Henry Associates, as of December 31, 2012, 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:

See Attached  
NOTARIZED Paperwork

[Signature]  
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).

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**MAR & ASSOCIATES, INC.**  
**dba WILLIAM AND HENRY ASSOCIATES**  
**(an S-Corporation)**


**STATEMENT OF FINANCIAL CONDITION**

*December 31, 2012*  
*with Independent Auditors' Report*

**CALIFORNIA JURAT WITH AFFIANT STATEMENT**

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

  
 \_\_\_\_\_  
 Signature of Document Signer No. 1

\_\_\_\_\_  
 Signature of Document Signer No. 2 (if any)

State of California  
 County of Los Angeles

Subscribed and sworn to (or affirmed) before me  
 on this 14 day of Feb., 2013.  
Date Month Year

by (1) David J. Iannini  
Name of Signer

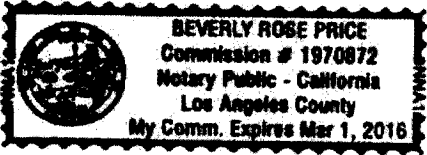
proved to me on the basis of satisfactory evidence  
 to be the person who appeared before me (.) (.)

(and

(2) \_\_\_\_\_  
Name of Signer

proved to me on the basis of satisfactory evidence  
 to be the person who appeared before me.)

Signature Beverly Rose Price  
Signature of Notary Public



Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Further Description of Any Attached Document**

Title or Type of Document: \_\_\_\_\_  
 Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_  
 Signer(s) Other Than Named Above: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER #1**  
 Top of thumb here

**RIGHT THUMBPRINT OF SIGNER #2**  
 Top of thumb here

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## INDEPENDENT AUDITORS' REPORT

To the Shareholder  
MAR & Associates, Inc.  
dba William and Henry Associates

We have audited the accompanying statement of financial condition of MAR & Associates, Inc. dba William and Henry Associates (an S Corporation) (the "Company"), as of December 31, 2012 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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.

### Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of MAR & Associates, Inc. dba William and Henry Associates as of December 31, 2012 in conformity with accounting principles generally accepted in the United States of America.

*LaRue, Corrigan, McCormick & Teasdale LLP*

February 13, 2013

**MAR & ASSOCIATES, INC.**  
**dba WILLIAM AND HENRY ASSOCIATES**  
**STATEMENT OF FINANCIAL CONDITION**  
**As of December 31, 2012**

**Assets**

Current assets:

Cash (Note 2)	\$ 105,940
Prepaid expenses and other current assets (Note 2)	<u>7,607</u>
Total current assets	<u>113,547</u>

Total assets	<u><u>\$ 113,547</u></u>
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**Liabilities and shareholder's equity**

Current liabilities:

Accounts payable	<u>\$ 17,833</u>
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**Commitments (Note 4)**

Shareholder's equity:

Common stock, no par value	
50,000,000 shares authorized;	
100 shares issued and outstanding	-
Additional paid in capital	1,792,884
Accumulated deficit	<u>(1,697,170)</u>
Total shareholder's equity	<u>95,714</u>

Total liabilities and shareholder's equity	<u><u>\$ 113,547</u></u>
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See independent auditors' report and accompanying notes

**MAR & Associates, Inc.**  
**dba William and Henry Associates**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2012**

**Note 1 – Organization**

MAR & Associates, Inc. dba William & Henry Associates (the “Company”) was formed as an Arizona Corporation on February 15, 2001 for the purpose of providing various financial advisory services. On June 15, 2012 (the “Registration Date”), the Company became registered as a Broker-Dealer with the Financial Industry Regulatory Authority (FINRA).

**Note 2 – Summary of Significant Accounting Policies**

Basis of Accounting - The Company presents its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Balances - The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on its cash balances. The Company did not have cash on deposit exceeding the insured limit at December 31, 2012.

Prepaid Expenses - Prepaid expenses primarily include prepaid registration fees, which are expensed monthly over the registration period.

Fair Value of Financial Instruments - The Company’s statement of financial condition includes the following financial instruments: cash and accounts payable. The Company considers the carrying amounts of cash and accounts payable to approximate fair value because of the short maturity of these instruments.

Income Taxes - The Company elected S Corporation status for federal and state purposes. Accordingly, the individual shareholder reports the earnings or losses before income taxes on their individual income tax returns, and therefore, no accrual has been made for federal income taxes in the accompanying financial statements. State income taxes were not accrued for as of December 31, 2012 due to their immateriality.



**MAR & Associates, Inc.**  
**dba William and Henry Associates**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2012**

**Note 2 – Summary of Significant Accounting Policies (Continued)**

The Company follows ASC 740-10-25, which provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in an enterprise's financial statements in accordance with ASC 740, "Accounting for Income Taxes". ASC 740-10-25 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The application of ASC 740-10-25 did not have a material impact on the Company's financial statements.

**Note 3 – Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (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 or a minimum of \$5,000.

The following summarizes the Company's net capital surplus at December 31, 2012:

Net capital	\$ 88,089
Required net capital	<u>5,000</u>
Excess net capital	<u><u>\$ 83,089</u></u>
Net capital ratio	<u>0.2 to 1</u>

**Note 4 – Commitments**

In December 2011, the Company adopted a Bonus Plan (the "Plan") whereby the Company has the ability to issue to its team members Bonus Units (the "Units") that vest over a timeframe determined by the Company and entitle the holder to a potential bonus payment. This payment is calculated pursuant to a specific formula as described in the Plan and upon the occurrence of specified triggering events. The triggering events are either 1) the sale of substantially all of the Company's assets, or 2) the date that the sole shareholder no longer owns at least 50% of the outstanding voting securities of the Company. The total Units issued by the Plan as of December 31, 2012 are 9,000,000 and vest over various time periods ending July 1, 2018.

The Company rents office space based on a month-to-month agreement at \$1,070 per month as of December 31, 2012.

**MAR & Associates, Inc.**  
**dba William and Henry Associates**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2012**

**Note 5 – Subsequent Events**

The Company has evaluated subsequent events through February 13, 2013, the date the financial statements were available to be issued and determined that no matters required disclosure.