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

SEC
Mail Processing
Section
MAR 02 2015
Washington DC

| SEC FILE NUMBER |
|-----------------|
| 8- 066685 |

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 January 1, 2014 AND ENDING December 31, 2014
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: The Kelt Group LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
3757 State Street, Suite 3A
(No. and Street)
Santa Barbara, CA 93105
(City) (State) (Zip Code)

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO. |

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Derek Brumfield (805)962-2900
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Breard & Associates, Inc.

(Name - if individual, state last, first, middle name)
9221 Corbin Avenue, Suite 170 Northridge CA 91324
(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)

3/5/15

OATH OR AFFIRMATION

I, Derek Brumfield, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of The Kelt Group, LLC, as of December 31, 2014, 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:

State of California
County of Santa Barbara

Subscribed and sworn to (or affirmed) before me on this day of by proved to me on the basis of satisfactory evidences to be the person who appeared before me.

[Handwritten Signature]

Signature

Partner

Title

See attached.

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).

JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

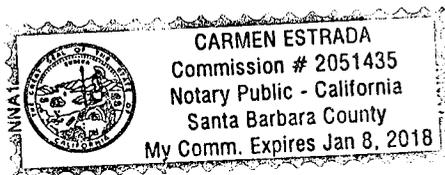
State of California
County of Santa Barbara

Subscribed and sworn to (or affirmed) before me on
this 25 day of February, 20 15,
by Derek Wayne Brumfield

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

Signature C Estrada

(Seal)



The Kelt Group, LLC
Statement of Financial Condition
December 31, 2014

Assets

| | |
|------------------------------------|----------------------------|
| Cash and cash equivalents | \$ 202,466 |
| Deposit with clearing organization | 50,000 |
| Commissions receivable | 135,195 |
| Investments | 646,763 |
| Property and equipment, net | 276,126 |
| Prepaid expense | 79,911 |
| Deposits | 86,736 |
| Total assets | <u>\$ 1,477,197</u> |

Liabilities

| | |
|---------------------------------------|-------------------|
| Accounts payable and accrued expenses | <u>\$ 128,020</u> |
| Total liabilities | 128,020 |

Commitments and contingencies

Members' equity

| | |
|--|----------------------------|
| Members' equity | <u>1,349,177</u> |
| Total members' equity | <u>1,349,177</u> |
| Total liabilities and members' equity | <u>\$ 1,477,197</u> |

The accompanying notes are an integral part of these financial statements.

The Kelt Group, LLC
Statement of Income
For the Year Ended December 31, 2014

| | |
|--|--------------------------|
| Revenues | |
| Commission income | \$ 4,613,773 |
| Interest and dividend income | 36,428 |
| Other income | 57,332 |
| Net investment gains (losses) | <u>(11,341)</u> |
| Total revenues | 4,696,192 |
| Expenses | |
| Employee compensation and benefits | 1,807,215 |
| Commissions and floor brokerage expenses | 1,636,235 |
| Occupancy and equipment rental | 181,886 |
| Taxes, other than income taxes | 239 |
| Other operating expenses | <u>522,648</u> |
| Total expenses | <u>4,148,223</u> |
| Net income (loss) before income tax provision | 547,969 |
| Income tax provision | <u>6,800</u> |
| Net income (loss) | <u><u>\$ 541,169</u></u> |

The accompanying notes are an integral part of these financial statements.

The Kelt Group, LLC
Statement of Changes in Members' Equity
For the Year Ended December 31, 2014

| | <u>Members'</u> <u>Equity</u> |
|-------------------------------------|----------------------------------|
| Balance at December 31, 2013 | \$ 808,008 |
| Net income (loss) | <u>541,169</u> |
| Balance at December 31, 2014 | <u><u>\$ 1,349,177</u></u> |

The accompanying notes are an integral part of these financial statements.

The Kelt Group, LLC
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash flow from operating activities:

| | | |
|--|------------------|------------------|
| Net income (loss) | | \$ 541,169 |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities: | | |
| Depreciation expense | \$ 7,187 | |
| (Increase) decrease in assets: | | |
| Commissions receivable | 59,131 | |
| Investments | (127,381) | |
| Prepaid expense | (21,022) | |
| Deposits | (500) | |
| Increase (decrease) in liabilities: | | |
| Accounts payable and accrued expenses | <u>(204,437)</u> | |
| Total adjustments | | <u>(287,022)</u> |
| Net cash and cash equivalents provided by (used in) operating activities | | 254,147 |

Cash flow from investing activities:

| | | |
|---|------------------|------------------|
| Purchase of equipment | <u>(128,662)</u> | |
| Net cash and cash equivalents provided by (used in) investing activities | | (128,662) |

Cash flow from financing activities:

| | | |
|---|----------|-----------------|
| Capital distributions | <u>-</u> | |
| Net cash and cash equivalents provided by (used in) financing activities | | <u>-</u> |

| | | |
|--|--|--------------------------|
| Net increase (decrease) in cash and cash equivalents | | 125,485 |
| Cash and cash equivalents at beginning of year | | <u>76,981</u> |
| Cash and cash equivalents at end of year | | <u><u>\$ 202,466</u></u> |

Supplemental disclosure of cash flow information:

Cash paid during the year for:

| | | |
|--------------|----------|--|
| Interest | \$ - | |
| Income taxes | \$ 6,800 | |

The accompanying notes are an integral part of these financial statements.

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Kelt Group, LLC (“the Company”) is a California Limited Liability Company (“LLC”) registered as a broker/dealer in securities under the Securities Exchange Act of 1934, as amended. The Company was organized on May 19, 2004, and began operations on January 1, 2005. The Company is a privately held full-service brokerage firm that specializes in individual portfolio management. The Company is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). The Company is also a registered investment advisor licensed in the state of California.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3(k)(2)(ii), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Summary of Significant Accounting Policies

The presentation 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

For purposes relating to the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business.

Commissions receivable are stated at face amount with no allowance for doubtful accounts. An allowance for doubtful accounts is not considered necessary because probable uncollectible accounts are immaterial.

The Company has adopted FASB ASC 320, Investments — Debt and Equity Securities. As such, marketable securities held by the Company are classified as trading securities and stated at their fair market value based on quoted market prices. Realized gains or losses from the sale of marketable securities are computed based on specific identification of historical cost. Unrealized gains or losses on marketable securities are computed based on specific identification of recorded cost, with the change in fair value during the period included in income.

Securities transactions are recorded on a trade date basis with related commission income and expenses also recorded on a trade date basis.

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Property and equipment are stated at cost. Repairs and maintenance to these assets are charged to expense as incurred; major improvements enhancing the function and/or useful life are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized.

Advertising costs are expensed as incurred. For the year ended December 31, 2014, advertising expense was \$14,828.

The Company, with the consent of its Members, has elected to be a California Limited Liability Company. For tax purposes the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company's taxable income. Accordingly, no provision or liability for Federal Income Taxes is included in these financial statements.

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

Note 2: DEPOSIT WITH CLEARING ORGANIZATION

The Company has a brokerage agreement with National Financial Services, LLC ("Clearing Broker") to carry its account and the accounts of its clients as customers of the Clearing Broker. The Clearing Broker has custody of the Company's cash balances which serve as collateral for any amounts due to the Clearing Broker as well as collateral for securities sold short or securities purchased on margin. Interest is paid monthly on these cash deposits at the average overnight repurchase rate. The balance at December 31, 2014 was \$50,000.

Note 3: INVESTMENTS

Investments consist of public non-traded Real Estate Investment Trust units. This investment is valued at cost. At December 31, 2014, the value was \$646,763.

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 4: PROPERTY AND EQUIPMENT, NET

Property and equipment are recorded net of accumulated depreciation and summarized by major classification as follows:

| | | Useful Life |
|--------------------------------|-------------------|-------------|
| Automobile | \$ 44,955 | 5 |
| Computer | 55,919 | 5 |
| Leasehold Improvements | 133,225 | 15 |
| Office Décor | 50,000 | 5 |
| Furniture | 59,622 | 5 |
| Equipment | <u>2,423</u> | 5 |
| | 346,144 | |
| Less: accumulated depreciation | <u>(70,018)</u> | |
| Property & equipment, net | <u>\$ 276,126</u> | |

Depreciation expense for the year ended December 31, 2014 was \$7,187.

Note 5: INCOME TAXES

As discussed in the Summary of Significant Accounting Policies (Note 1), the Company operates as a limited liability company treated as a partnership for tax purposes. As such, the Company is subject to a limited liability company gross receipts tax, with a minimum franchise tax. The Company files its tax returns using the accrual method of accounting. As of December 31, 2014, the income tax provision consists of the following:

| | |
|----------------------------|-----------------|
| Franchise tax | \$ 800 |
| Gross receipts tax | <u>6,000</u> |
| Total income tax provision | <u>\$ 6,800</u> |

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 5: INCOME TAXES
(Continued)

The Company is required to file income tax returns in both federal and state tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. For federal purposes, the statute of limitations is three years. Accordingly, the company is no longer subject to examination of federal returns filed more than three years prior to the date of these financial statements. The statute of limitations for state purposes is generally three years, but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of December 31, 2014, the IRS has not proposed any adjustment to the Company's tax position.

Note 6: FAIR VALUE MEASUREMENT - ACCOUNTING PRONOUNCEMENT

On January 1, 2009, the Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income, or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 - Quoted prices in an active market for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1, quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, and model derived prices whose inputs are observable or whose significant value drivers are observable;

Level 3 - Assets and liabilities whose significant value drivers are unobservable.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2014:

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 6: FAIR VALUE MEASUREMENT - ACCOUNTING PRONOUNCEMENT
(Continued)

| Assets | <u>Fair Value</u> | <u>Level 1 Inputs</u> | <u>Level 2 Inputs</u> | <u>Level 3 Inputs</u> |
|---------------|--------------------------|------------------------------|------------------------------|------------------------------|
| Investments | \$ 646,763 | \$ - | \$ 646,763 | \$ - |
| Total | <u>\$ 646,763</u> | <u>\$ -</u> | <u>\$ 646,763</u> | <u>\$ -</u> |

| Liabilities | <u>Fair Value</u> | <u>Level 1 Inputs</u> | <u>Level 2 Inputs</u> | <u>Level 3 Inputs</u> |
|--------------------|--------------------------|------------------------------|------------------------------|------------------------------|
| | \$ - | \$ - | \$ - | \$ - |
| Total | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Note 7: CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counter-parties primarily include broker-dealers, banks, and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter-party.

Note 8: COMMITMENTS AND CONTINGENCIES

Commitments

In December 2013, the Company entered into an operating lease which commenced February 15, 2014. This lease contains provisions for rent escalation based on increases in certain costs incurred by the leaser.

At December 31, 2014, the minimum annual payments are as follows:

| | |
|--------------------------|-------------------|
| Year Ending December 31, | |
| 2015 | \$ 124,020 |
| 2016 | 124,020 |
| 2017 | 124,020 |
| 2018 | 124,020 |
| 2019 & thereafter | <u>15,503</u> |
| | <u>\$ 512,303</u> |

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 8: COMMITMENTS AND CONTINGENCIES
(Continued)

Contingencies

The Company maintains several bank accounts at financial institutions. These accounts are insured either by the Federal Deposit Insurance Commission (“FDIC”), up to \$250,000, or the Securities Investor Protection Corporation (“SIPC”), up to \$500,000. At times during the year ended December 31, 2014, cash balances held in financial institutions were in excess of the FDIC and SIPC’s insured limits. The Company has not experienced any losses in such accounts and management believes that it has placed its cash on deposit with financial institutions which are financially stable.

Note 9: RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board (the “FASB”) has established the Accounting Standards Codification (“Codification” or “ASC”) as the authoritative source of generally accepted accounting principles (“GAAP”) recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates (“ASUs”).

For the year ending December 31, 2014, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has reviewed the following ASU releases to determine relevance to the Company’s operations:

| <u>ASU</u> | | |
|---------------|--|-----------------------|
| <u>Number</u> | <u>Title</u> | <u>Effective Date</u> |
| | | |
| 2013-02 | Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income <i>(February 2013)</i> . | After 12/15/13 |
| | | |
| 2013-11 | Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists <i>(July 2013)</i> . | After 12/15/14 |
| | | |

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

| | | |
|---------|---|----------------|
| 2014-08 | <i>Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity (April 2014).</i> | After 12/15/14 |
| | | |
| 2014-09 | <i>Revenue from Contracts with Customers (Topic 606): Revenue from Contracts with Customers (May 2014).</i> | After 12/15/17 |
| | | |
| 2014-15 | <i>Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern (August 2014).</i> | After 12/15/16 |

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

Note 10: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission 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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2014, the Company had net capital of \$257,007 which was \$207,007 in excess of its required net capital of \$50,000; and the Company's ratio of aggregate indebtedness (\$128,020) to net capital was 0.5 to 1.

The Kelt Group, LLC
Notes to Financial Statements
December 31, 2014

Note 11: Guarantees

FASB ASC 460, Guarantees, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others.

The Company has issued no guarantees at December 31, 2014 or during the year then ended.

The Kelt Group, LLC
Schedule I - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
As of December 31, 2014

Computation of net capital

| | | |
|---|-----------------|--------------------|
| Members' equity | \$ 1,349,177 | |
| | | |
| Total members' equity | | \$ 1,349,177 |
| | | |
| Less: Non-allowable assets | | |
| Investments | (646,763) | |
| Property, plan & equipment | (276,126) | |
| Prepaid expense | (79,911) | |
| Deposits | <u>(86,736)</u> | |
| Total non-allowable assets | | <u>(1,089,536)</u> |
| | | |
| Net capital before haircuts | | 259,641 |
| | | |
| Less: Haircuts and undue concentration | | |
| Haircut on mutual funds | <u>(2,634)</u> | |
| Total haircuts & undue concentration | | <u>(2,634)</u> |
| | | |
| Net Capital | | 257,007 |

Computation of net capital requirements

| | | |
|---|------------------|-------------------|
| Minimum net capital requirements | | |
| 6 2/3 percent of net aggregate indebtedness | \$ 8,535 | |
| Minimum dollar net capital required | <u>\$ 50,000</u> | |
| | | |
| Net capital required (greater of above) | | <u>(50,000)</u> |
| | | |
| Excess net capital | | <u>\$ 207,007</u> |

Ratio of aggregate indebtedness to net capital 0.5:1

There was no material difference between net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2014 (See Note 10).

See independent auditor's report

The Kelt Group, LLC
Schedule II- Computation for Determining of Reserve
Requirements Pursuant to Rule 15c3-3
As of December 31, 2014

A computation of reserve requirements is not applicable to The Kelt Group, LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(ii).

See independent auditor's report

The Kelt Group, LLC
**Schedule III - Information Relating to Possession or Control
Requirements Pursuant to Rule 15c3-3
As of December 31, 2014**

Information relating to possession or control requirements is not applicable to The Kelt Group, LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(ii).

See independent auditor's report

The Kelt Group, LLC
Report on Exemption Provisions
Report Pursuant to Provisions of 17 C.F.R. § 15c3-3(k)
For the Period June 1, 2014 through December 31, 2014



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) The Kelt Group, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which The Kelt Group, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3(k)(2)(ii) (the "exemption provisions") and (2) The Kelt Group, LLC stated that The Kelt Group, LLC meets the identified exemption provisions from June 1, 2014 through December 31, 2014 without exception. The Kelt Group, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about The Kelt Group, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Breard & Associates, Inc.
Certified Public Accountants

Northridge, California
February 23, 2015



3757 State Street
Suite 3A
Santa Barbara, CA 93105
P 800.472.9918
805.962.2900
F 805.962.2911

Assertions Regarding Exemption Provisions

We, as members of management of The Kelt Group, LLC (“the Company”), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer’s designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(ii).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period ending June 1, 2014 through December 31, 2014.

The Kelt Group, LLC

By 

Derek Brumfield, Partner
February, 17, 2015

The Kelt Group, LLC
Report on the SIPC Annual Assessment
Pursuant to Rule 17a-5(e)4
For the Year Ended December 31, 2014



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
The Kelt Group, LLC

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 [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2014, which were agreed to by The Kelt Group, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., SIPC, solely to assist you and the other specified parties in evaluating The Kelt Group, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). The Kelt Group, LLC's management is responsible for The Kelt Group, LLC'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-7 with respective cash disbursement records entries contained in the client general ledger noting no differences;
2. Compared amounts reported on the unaudited Form X-17A-5 for the year ended December 31, 2014, with the amounts reported in General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2014, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with client prepared supporting schedules and working papers contained in our "A" work papers noting no differences;
4. Proved the arithmetical accuracy of the calculations in the Form SIPC-7 and in the related schedules and working papers prepared by The Kelt Group, LLC supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 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 cursive script, appearing to read "Breard & Associates, Inc.", written in black ink.

Breard & Associates, Inc.
Certified Public Accountants

Northridge, California
February 23, 2015

The Kelt Group
Schedule of Securities Investor Protection Corporation
Assessments and Payments
For the Year Ended December 31, 2014

| | <u>Amount</u> |
|---|--------------------|
| Total assessment | \$ 10,769 |
| SIPC-6 general assessment Payment made on August 12, 2014 | (5,212) |
| Less prior overpayment applied | - |
| SIPC-7 general assessment Payment made on January 30, 2015 | <u>(5,557)</u> |
| Total assessment balance (overpayment carried forward) | <u><u>\$ -</u></u> |

The Kelt Group, LLC
Report Pursuant to Rule 17a-5 (d)
Financial Statements
For the Year Ended December 31, 2014



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

Board of Directors
The Kelt Group, LLC

SEC
Mail Processing
Section
MAR 02 2015
Washington DC
404

We have audited the accompanying statement of financial condition of The Kelt Group, LLC (the "Company") as of December 31, 2014, and the related statement of income changes in members' equity, and cash flows for the year then ended. These financial statements are the responsibility of The Kelt Group, LLC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of Public Company Accounting Oversight Board (United States). 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 also 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 evaluation the overall financial statement presentation. We believe that our audit provides a basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Kelt Group, LLC as of December 31, 2014, 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.

The information contained in Schedule I, II and III (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of The Kelt Group, LLC's financial statements. The supplemental information is the responsibility of The Kelt Group, LLC's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, Schedules I, II and III are fairly stated, in all material respects, in relation to the financial statements as a whole.


Breard & Associates, Inc.
Certified Public Accountants

Northridge, California
February 23, 2015