



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

SEC
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Washington DC

SEC FILE NUMBER
8- 53202

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**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: Taylor Financial Services, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

1667 K Street NW, Suite 200

(No. and Street)

Washington

DC

20006

(City)

(State)

(Zip Code)

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

Walter Costenbader

732-533-5074

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Alperin, Nebbia & Associates, CPA, PA

375 Passaic Avenue, Suite 200 (Name - if individual, state last, first, middle name)
Fairfield NJ 07004

(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)

Handwritten initials and date: 2/24/15

TAYLOR FINANCIAL SERVICES, LLC

(S.E.C. NO. 8-53202)

**STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2014**

AND

INDEPENDENT AUDITOR'S REPORT

AND

SUPPLEMENTAL EXEMPTION REPORT

TAYLOR FINANCIAL SECURITIES, LLC

DECEMBER 31, 2014

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Fairfield, NJ 07004
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Steven J. Alperin, CPA
Vincent S. Nebbia, CPA
Jeffrey M. Seligmuller, CPA
Roger J. Hitchuk, CPA

INDEPENDENT AUDITOR'S REPORT

To the Members of
Taylor Financial Services, LLC
Washington, DC

We have audited the accompanying statement of financial condition of Taylor Financial Services, LLC as of December 31, 2014, that you are filing pursuant to rule 17a-5 under the Securities Exchange Act 1934. This financial statement is the responsibility of 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 the 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 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 statement of financial condition presents fairly, in all material respects, the financial position of Taylor Financial Services, LLC at December 31, 2014 in conformity with principles generally accepted in the United States.

Alperin, Nebbia & Associates, CPA, PA

Alperin, Nebbia & Associates, CPA, PA

Fairfield, New Jersey
February 9, 2015

**TAYLOR FINANCIAL SERVICES, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2014**

ASSETS

Assets:

Cash and cash equivalents	\$ 69,003
Prepaid expense	<u>2,825</u>
Total Assets	<u><u>\$ 71,828</u></u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Accounts payable	\$ 342
Accrued expenses	6,500
Due to related party	<u>1,050</u>
Total liabilities	7,892

Commitments and Contingencies

Members' Equity

	<u>63,936</u>
Total Liabilities and Members' Equity	<u><u>\$ 71,828</u></u>

TAYLOR FINANCIAL SERVICES, LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2014

Note A – Summary of Significant Accounting Policies

Nature of Business

Taylor Financial Services, LLC (the "Company"), is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company provided strategic business services to major corporations and businesses globally. Since the Company is an LLC, the member is not liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

Basis of Presentation

The company keeps its books and prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The presentation of the financial statements in conformity with U.S. 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 that period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Company maintains a cash account with PNC Bank. The balance is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2014, the company did not have an uninsured cash balance.

Revenue Recognition

The Company generates its revenues primarily by advising clients on mergers, acquisitions and divestitures. Revenues for these services are transaction based. Revenues and expenses are recorded on the accrual basis. In 2014, the Company generated no revenue.

Cash and Cash Equivalents

Cash and cash equivalents include investments in money market funds and certificates of deposit with maturities of less than 90 days.

Income Taxes

The Company is a limited liability company and has chosen to be treated as a partnership for federal and state income tax purposes. A partnership is not a taxpaying entity for federal and state income tax purposes. All income or losses will be reported on the individual members' income tax returns.

TAYLOR FINANCIAL SERVICES, LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
YEAR ENDED DECEMBER 31, 2014

Note B – 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 (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 December 31, 2014, the Company had net capital of \$61,111 which was \$56,311 in excess of its required net capital of \$5,000. The Company's net capital ratio was .129 to 1.

Note C – Related Party Transactions

From January 2014 through November 2014, the Company rented office space from an affiliate under a month-to-month sublease agreement for \$500 per month. The balance due to the related party at December 31, 2014 is \$0 and the total expense for the year then ended is \$5,500.

In December 2014, the Company entered into an expense sharing agreement with its parent (the "Parent"), wherein the Company reimburses the Parent for expenses paid on its behalf. These expenses include, but are not limited to, rent and administrative supplies. The amount outstanding to the Parent under the agreement as of December 31, 2014 is \$1,050 and is reflected in the accompanying Statement of Financial Condition.

Note D – Commitments and Contingencies

The Company has evaluated commitments and contingencies in accordance with Accounting Standards Codification 450, *Contingencies* (ASC 450) and Accounting Standards Codification 440, *Commitments* (ASC 440). Management has determined that no significant commitments and contingencies exist as of December 31, 2014.

Note E – Subsequent Events

The Company has evaluated subsequent events through February 9, 2015, the date that its financial statements were issued, and determined that there are no material subsequent events requiring adjustment to or disclosure in its financial statements.

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Report of Independent Registered Public Accounting Firm

Taylor Financial Services, LLC
Washington, DC

We have reviewed management's statements, included in the accompanying exemption report, in which Taylor Financial Services, LLC identified the following provisions of 17 C.F.R §15c3-3(k) under which Taylor Financial Services, LLC claimed an exemption from 17 C.F.R. §240.15c3-3 under Section (k)(2)(i) and Taylor Financial Services, LLC stated that Taylor Financial Services, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Taylor Financial Services, 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 Taylor Financial Services, 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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Alperin, Nebbia & Associates, CPA, PA

Alperin, Nebbia & Associates, CPA, PA

Fairfield, New Jersey
February 9, 2015

TAYLOR FINANCIAL SERVICES, LLC

EXEMPTION REPORT

YEAR ENDED DECEMBER 31, 2014

We, as members of management of Taylor Financial Services, LLC (the Company) are responsible for complying with 17 C.F.R §240.17a-5, "Reports to be made by certain brokers and dealers". We have performed an evaluation of the Company's compliance with the requirements of 17 C.F.R §240.17a-5 and the exemption provisions in 17 C.F.R §240.15c3-3(k) (the "exemption provisions"). Based on this evaluation we make the following statements to the best knowledge and belief of the Company:

1. We identified the following provisions of 17 C.F.R §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R §240.15c3-3: (k)(2)(i).
2. We met the identified exemption provisions throughout the most recent fiscal year ended December 31, 2014 without exception.

The Company is exempt from the provisions of 17 C.F.R §240.15c3-3 of the Securities Exchange Act of 1934 (pursuant to paragraph (k)(2)(i) of such Rule) as the Company carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and its customers through one or more bank accounts, each to be designated as "Special Account for the Exclusive Benefit of Customers of (name of the broker or dealer)".

Taylor Financial Services, LLC



Walter R Costenbader

CEO/CCO