



SECU

17008745

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

CM

SEC  
 ANNUAL AUDITED REPORT  
 FORM X-17A-5  
 PART III  
 MAR - 1 2017

SEC FILE NUMBER
8- 67002

FACING PAGE Washington DC  
 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 01/01/16 AND ENDING 12/31/16  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Dalmore Group, LLC  
 ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
 525 Green place

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)  
 Woodmere NY 11598  
 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
 Jack Faller 973-769-6253  
 (Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Bryant A. Gaudette, Inc.

(Name - if individual, state last, first, middle name)  
 21320 Provincial Blvd., #100 Katy TX 77450  
 (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)

20

3

OATH OR AFFIRMATION

I, Oscar Seidel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Dalmore Group, LLC, as of December 31, 2016, 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:

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

*Oscar Seidel*

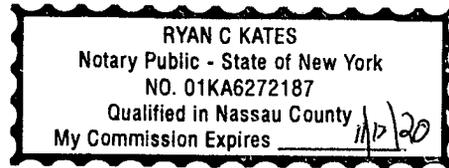
Signature

CEO

Title

*Ryan Kates*

Notary Public



2/27/17

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).

**Dalmore Group, LLC**

**Financial Statements and Supplemental Schedules  
Required by the U.S. Securities and Exchange Commission**

**For the Year-Ended December 31, 2016**

## Contents

Independent Auditors Report .....	3
<b>Financial Statements</b> .....	<b>4</b>
Statement of Financial Condition.....	4
Statement of Operations .....	5
Statement of Cash Flows.....	6
Statement of Changes in Ownership Equity .....	7
Statement of Changes in Subordinated Liabilities .....	8
<b>Notes to Financial Statements</b> .....	<b>8</b>
<b>Supplementary Schedules Pursuant to SEA Rule 17a-5</b> .....	<b>11</b>
Computation of Net Capital .....	11
Computation of Net Capital Requirement .....	11
Computation of Aggregate Indebtedness.....	11
Computation of Reconciliation of Net Capital .....	11
Statement Related to Uniform Net Capital Rule.....	12
Statement Related to Exemptive Provision (Possession and Control).....	12
Statement Related to SIPC Reconciliation .....	12
Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2) .....	13
Auditors Review of Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2).....	15

# BRYANT A. GAUDETTE, CPA

## INDEPENDENT AUDITOR'S REPORT

**To the Managers and/or Directors**  
**Dalmore Group, LLC**  
**525 Green place**  
**Woodmere NY 11598**

### **Report on the Financial Statements**

I have audited the accompanying financial statements of **Dalmore Group, LLC** (the "Company") which comprise the statement of financial condition as of **December 31, 2016**, and the related statements of operations and other comprehensive income, changes in stockholders' equity and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities and Exchange Act of 1934, and the related notes to the financial statements and supplemental information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements 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.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on the audit. I conducted the audit in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion.

# BRYANT A. GAUDETTE, CPA

## **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dalmore Group, LLC as of December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

The audit was conducted to form an opinion on the financial statements as a whole. The supplementary information contained in the supplemental schedules required by Rule 17a-5 under the Securities Exchange Act of 1934, including the Computation of Net Capital under Rule 15c-3, Computation for Determination of Reserve Requirements and information relating to Possession or Control Requirements Under 15c3-3, is presented for additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures to test the completeness and accuracy of the supplemental information presented. In forming my opinion on the supplemental information, I evaluated whether the supplemental information, in form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934 and in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## **BRYANT A. GAUDETTE, INC.**



\_\_\_\_\_  
Bryant A. Gaudette  
21320 Provincial Blvd. #100  
Katy, TX 77450  
bgaudette@aol.com

Katy, TX  
February 24, 2017

**Dalmore Group, LLC**  
**Financial Statements**  
**Statement of Financial Condition**  
**As of and for the Year-Ended December 31, 2016**

**Assets**

**Current Assets**

Cash and Equivalents	\$	27,727
PrePaid Expenses		9,519
Total Assets	<u>\$</u>	<u>37,246</u>

**Liabilities and Member's Equity**

**Current Liabilities**

Accounts Payable	\$	3,204
Accrued Expenses		3,500
Total Current Liabilities		<u>6,704</u>

**Member's Equity** 30,542

Total liabilities and member's equity \$ 37,246

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

**Dalmore Group, LLC**  
**Financial Statements**  
**Statement of Operations**  
As of and for the Year-Ended December 31, 2016

<b>Revenue</b>	
<b>Advisory Fees</b>	\$ 399,542
<b>Referral Fees</b>	5,000
<b>Reimbursement</b>	5,000
<b>Total Revenue</b>	<u>\$ 409,542</u>
<b>Expenses</b>	
<b>Commission Expense</b>	426,611
<b>Consulting Expense</b>	24,724
<b>Email Archiving</b>	760
<b>Insurance</b>	472
<b>Other Expenses</b>	634
<b>Professional Fees</b>	13,500
<b>Regulatory Expense</b>	14,890
<b>Total Expenses</b>	<u>482,133</u>
<b>Net Operating Loss</b>	\$ (72,591)
<b>Other Income</b>	
<b>Other Income</b>	77,771
<b>Net Income</b>	<u>\$ 5,180</u>

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

**Dalmore Group, LLC**  
**Financial Statements**  
**Statement of Cash Flows**  
As of and for the Year-Ended December 31, 2016

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Income	5,179.79
Adjustments to reconcile change in net Income to net cash provided by (used) in operating activities:	
Increase (decrease) in prepaid expenses	(3,362.93)
Increase (decrease) in accounts payable	(222.36)
Increase (decrease) in accrued liabilities	1,234.22
	<u>(2,361.07)</u>
Total Adjustments	
Net Cash Provided by (Used in) Operating Activities	2,818.72
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Retained Earnings - Prior Period Adjustment	(51.00)
Contributions	10,000.00
Net Cash Provided by (Used in) Financing Activities	9,949.00
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	<b>12,767.72</b>
<b>CASH AND EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>14,949.08</b>
<b>CASH AND EQUIVALENTS AT END OF PERIOD</b>	<b>27,726.80</b>

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

**Dalmore Group, LLC**  
**Financial Statements**  
**Statement of Changes in Ownership Equity**  
**As of and for the Year-Ended December 31, 2016**

Balance at December 31, 2015	15,414
Capital Addition	10,000
Prior Period Adjustment	( 52)
Net Gain	5,180
Balance at December 31, 2016	<u>30,542</u>

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

**Dalmore Group, LLC**  
**Financial Statements**  
**Statement of Changes in Subordinated Liabilities**  
**As of and for the Year-Ended December 31, 2016**

<b>Balance at December 31, 2015</b>	<b>\$ -</b>
<b>Increase (decrease)</b>	<b><u>-</u></b>
<b>Balance at December 31, 2016</b>	<b><u>\$ -</u></b>

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

**Dalmore Group, LLC Notes to  
Financial Statements**  
As of and for the Year-Ended December 31, 2016

**NOTE 1 – ORGANIZATION**

Dalmore Group, LLC (“the Company”) is registered as a broker and dealer in securities pursuant to Section 15 (b) of the Securities and Exchange Act of 1934. The Company was formed in April 2005 in the State of New York.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The Company’s financial statements are prepared in accordance accounting principles generally accepted in the United States.

*Cash and cash equivalents*

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

*Accounting basis*

The Company uses the accrual basis of accounting for financial statement and income tax reporting. Accordingly, revenues are recognized when services are rendered and expenses realized when the obligation is incurred.

*Accounts receivable*

The Company extends unsecured credit to its customers in the normal course of business. The determination of the amount of uncollectible amounts is based on the amount of credit extended and the length of time each receivable has been outstanding. The allowance for uncollectible amounts reflects the amount of loss that can be reasonably estimated by management and is included as part of operating expenses in the accompanying statement of operations. As of December 31, 2016, the Company has not recorded an allowance for any potential non-collection.

*Revenue recognition*

The Company typically enters into contracts with clients calling for periodic retainer fees to be paid during the term of the arrangement, and a success fee to be paid out once the merger, acquisition, sale, restricting, or financing (the “transaction”) is successfully completed. This success fee is typically based on a percentage of the total consideration of the transaction, fees in the period earned, with separate revenue recognition once each transaction is finalized.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### *Fair values of financial instruments*

Financial Accounting Standards Board Accounting Standards Codification ("ASC") 825, "Financial Instruments," requires the Company to disclose estimated fair values for its financial instruments. Fair value estimates, methods, and assumptions are set forth below for the Company's financial instruments: The carrying amount of cash, accounts receivable, prepaid expenses and accounts payable and accrued expenses approximate fair value because of the short maturity of those instruments.

### *Income taxes*

The Company is treated as a disregarded entity for federal and state income tax reporting purpose and, thus no federal or state income tax expense has been recorded in the financial statements. Taxable income of the Company is passed through to its member and reported on their individual tax return. The federal and state income tax returns of the individual are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

### *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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results may differ from these estimates.

## **NOTE 3 - SUBSEQUENT EVENTS**

The Company evaluated events occurring between the end of its fiscal year, December 31, 2016, and February, 2017 when the financial statements were issued.

**Dalmore Group, LLC**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
**As of and for the Year-Ended December 31, 2016**

**Computation of Net Capital**

Stockholder's Equity		\$30,542
Non-Allowable Assets		
Prepaid expenses	\$ 9,519	
Total Non-Allowable Assets	\$ 9,519	
Net Allowable Capital		\$21,023

**Computation of Net Capital Requirement**

Minimum Net Capital Required as a Percentage of Aggregate Indebtedness	\$ 447
Minimum Dollar Net capital Requirement of Reporting Broker-Dealer	5,000
Net Capital Requirement	5,000
Excess Net Capital	\$ 16,023

**Computation of Aggregate Indebtedness**

Total Aggregate Indebtedness	\$6,704
Percentage of Aggregate Indebtedness to Net Capital	.32%

**Computation of Reconciliation of Net Capital**

Net Capital Computed on FOCUS IIA as of 12/31/2016	\$21,023
Adjustments	
Increase (Decrease) in Equity	-
(Increase) Decrease in Non-Allowable Assets	-
Net Capital per Audit	\$21.023
Reconciled Difference	

**Dalmore Group, LLC**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
As of and for the Year-Ended December 31, 2016

**Statement Related to Uniform Net Capital Rule**

The Company is a member of the FINRA and is subject to the SEC Uniform Net Capital Rule 15c3-1. This rule requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500% (15 to 1), or, during its first year of operations, 800% (8:1). Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2016, the Company had net capital of \$21,013 which was \$16,013 in excess of its required net capital of \$5,000. The Company's net capital ratio was 0.32%. The Company has elected to use the basic computation method, as is permitted by the rule, which requires that the Company maintain minimum Net Capital pursuant to a fixed dollar amount or 6-2/3% percent of total aggregate indebtedness, as defined, whichever is greater, and does not, therefore, calculate its net capital requirement under the alternative reserve requirement method.

**Statement Related to Exemptive Provision (Possession and Control)**

The Company does not have possession or control of customer's funds or securities. There were no material inadequacies in the procedures followed in adhering to the exemptive provisions of SEA Rule 15c3-3(k)(2)(i); "Special Account for the Exclusive Benefit of Customers" maintained.

**Statement Related to Material Inadequacies**

This audit did not disclose any material inadequacies since the previous audit of the financial statements contained within the audit report of the Computation of Minimum Net Capital Requirement as reported in the Supplemental Schedules contained within the audit report or the filed Financial and Operational Combined Uniform Single Report filed pursuant to SEA Rule 15c3-1. The firm is exempt from 15c3-3; it does not maintain customer funds or securities and therefore does not maintain customer funds to segregate nor does it maintain separate accounts for customers.

**Statement Related to SIPC Reconciliation**

SEA Rule 17a-5(e)(4) requires a registered broker-dealer to file a supplemental report which includes procedures related to the broker-dealers SIPC annual general assessment reconciliation or exclusion from membership forms. In circumstances where the broker-dealer reports \$500,000 or less in gross revenue they are not required to file the supplemental SIPC report. The Company is not exempt from filing the supplemental report under SEA Rule 17a-5(e)(4) because it is reporting more than \$500,000 in gross revenue.

**Dalmore Group, LLC**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
As of and for the Year-Ended December 31, 2016

Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2)

The Dalmore Group LLC  
525 Green Place Woodmere, NY 11598

February 13, 2017  
Bryant A. Gaudette  
21320 Provincial Blvd., Suite 200  
Katy, TX 77450

Re: Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2)

To the best knowledge and belief, Dalmore Group, LLC

1. Claims exemption **15c3-3(k)(2)(i)** from 15c3-3;
2. We have met the identified exemption from January 1, 2016 through December 31, 2016, without exception, unless, noted in number 3, below;
3. We have no exceptions to report this fiscal year.

Regards,

*Oscar Seidel*

Oscar F. Seidel Date: February 13, 2017  
President & Chief Executive Officer

Dalmore Group, LLC  
Member FINRA/SIPC

# BRYANT A. GAUDETTE, CPA

## EXEMPTION REVIEW REPORT

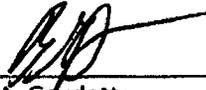
15c3-3 (k)(2)(i)

Oscar Siedel  
Dalmore Group, LLC  
525 Green place  
Woodmere NY 11598

Dear Oscar Siedel:

We have reviewed management's statements, included in the accompanying Representation Letter of Exemptions, in which Dalmore Group, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Dalmore Group, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3. Dalmore Group, LLC stated that it has met the identified exemption provisions of 15c3-3 (k)(2)(i) throughout the most recent fiscal year without exception. Dalmore 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 Dalmore 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 my review, I am 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 Rule 15c3-3 under the Securities Exchange Act of 1934.

**BRYANT A. GAUDETTE, INC.**

  
\_\_\_\_\_  
Bryant A. Gaudette  
21320 Provincial Blvd. #100  
Katy, TX 77450  
bgaudette@aol.com

Katy, Texas  
February 24, 2017