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

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 01/01/2020 AND ENDING 12/31/2020
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Beaconsfield Financial Services, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

160 Technology Drive Suite 101

(No. and Street)

Canonsburg
(City)

PA
(State)

15317
(Zip Code)

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

Betty H Rainier

724-745-6800

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Evans Mehlhorn & Miller PC

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

1195 Washington Pike Suite 350

Bridgeville

PA

15017

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

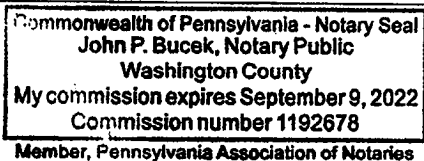
Accountant not resident in United States or any of its possessions.

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*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)

OATH OR AFFIRMATION

I, Betty H Rainier, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Beaconsfield Financial Services, Inc. of December 31, 2020, 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:



Betty H. Rainier
Signature
Secretary Treasurer
Title

John P. Bucek 02-26-2021
Notary Public

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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- (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).

Beaconsfield Financial Services, Inc.
Financial Statements and Supplemental Information
Year Ended December 31, 2020

Beaconsfield Financial Services, Inc.
Financial Statements and Supplemental Information
Year Ended December 31, 2020

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Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Beaconsfield Financial Services, Inc.
Canonsburg, Pennsylvania

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Beaconsfield Financial Services, Inc. (a Pennsylvania corporation) as of December 31, 2020, the related statements of income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Beaconsfield Financial Services, Inc. as of December 31, 2020, 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.

Basis for Opinion

These financial statements are the responsibility of Beaconsfield Financial Services, Inc.'s management. Our responsibility is to express an opinion on Beaconsfield Financial Services, Inc.'s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Beaconsfield Financial Services, Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Auditor's Report on Supplemental Information

The Computations of Net Capital and Aggregate Indebtedness and the Schedule of Operating and General and Administrative Expenses have been subjected to audit procedures performed in conjunction with the audit of Beaconsfield Financial Services, Inc.'s financial statements. The supplemental information is the responsibility of Beaconsfield Financial Services, Inc.'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, the Computations of Net Capital and Aggregate Indebtedness and the Schedule of Operating and General and Administrative Expenses are fairly stated, in all material respects, in relation to the financial statements as a whole.

EVANS MEHLHORN + MILLER PC

Evans Mehlhorn & Miller PC
Certified Public Accountants

We have served as Beaconsfield Financial Services, Inc.'s auditor since 2009

Bridgeville, Pennsylvania

February 19, 2021

Financial Statements

Beaconsfield Financial Services, Inc.

Statement of Financial Condition

December 31, 2020

Assets

Cash and cash equivalents	\$	73,165
Accounts receivable		298,985
Deposit with clearing organization		25,000
Deferred income tax asset		12,000
Prepaid income taxes		711
Securities owned		149,975
Furniture and fixtures, at cost, less accumulated depreciation of \$71,289		1,445
Operating lease ROU asset, less accumulated lease cost of \$55,672		<u>75,121</u>
	\$	<u><u>636,402</u></u>

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

Liabilities and Stockholders' Equity

Liabilities:

Commissions payable	\$	227,308
Accrued payroll and related withholdings		1,387
Deferred income taxes payable		31,300
Accounts payable and accrued expenses		48,061
Operating lease liability		<u>75,121</u>
Total Liabilities		<u>383,177</u>

Stockholders' Equity:

Common stock, \$0.50 par value; 100,000 shares authorized, 38,000 shares issued and outstanding		19,000
Retained earnings		<u>234,225</u>
		<u>253,225</u>
	\$	<u><u>636,402</u></u>

Beaconsfield Financial Services, Inc.

Statement of Income

Year Ended December 31, 2020

Revenues:	
Mutual fund and 12b-1 fees	\$ 1,258,787
Commission income	1,224,700
Other revenues	5,361
PPP loan forgiveness	89,797
	<u>2,578,645</u>
Expenses:	
Operating expenses:	
Commissions, exchange fees, and other clearance expenses	1,728,097
Occupancy and equipment expenses	33,196
Employee compensation and benefits expense	535,366
Technology and communications expense	17,889
Insurance	28,939
Licenses	18,688
	<u>2,362,175</u>
General and administrative expenses	173,823
Depreciation expense	609
	<u>2,536,607</u>
Net Income From Operations	<u>42,038</u>
Other Income:	
Unrealized gain on securities owned	19,686
Other investment income	4,530
	<u>24,216</u>
Net Income Before Income Taxes	66,254
Income Taxes	<u>(6,500)</u>
Net Income	<u>\$ 72,754</u>

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

Beaconsfield Financial Services, Inc.
Statement of Changes in Stockholders' Equity
Year Ended December 31, 2020

Common Stock:	
Balance, January 1 and December 31	<u>\$ 19,000</u>
Retained Earnings:	
Balance, January 1	161,471
Net income for the year	<u>72,754</u>
Balance, December 31	<u>234,225</u>
	<u><u>\$ 253,225</u></u>

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

Beaconsfield Financial Services, Inc.

Statement of Cash Flows

Year Ended December 31, 2020

Increase (Decrease) in Cash and Cash Equivalents:

Cash flows from operating activities:	
Net income	\$ 72,754
Adjustments to reconcile net income to net cash used by operating activities:	
Depreciation expense	609
Deferred income taxes	(6,500)
Reinvested investment income	(2,784)
Unrealized gain on securities owned	(19,686)
(Increase) decrease in:	
Accounts receivable	(7,335)
Prepaid expenses	8,000
Operating lease ROU asset	28,531
Increase (decrease) in:	
Commissions payable	(40,561)
Accrued payroll and related withholdings	(848)
Accounts payable and accrued expenses	(39,888)
Operating lease liability	(28,531)
Net cash used by operating activities	<u>(36,239)</u>
Net Decrease in Cash and Cash Equivalents	(36,239)
Cash and Cash Equivalents, beginning of year	<u>109,404</u>
Cash and Cash Equivalents, end of year	<u>\$ 73,165</u>

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

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

1. Organization and Nature of Operations

Beaconsfield Financial Services, Inc. (Company) was organized on October 25, 1983 and incorporated under the laws of Pennsylvania. The Company is a non-carrying broker-dealer registered with the Securities and Exchange Commission (SEC) and is headquartered in Canonsburg, Pennsylvania. The Company is a member of the Financial Industry Regulatory Authority (FINRA), and the Securities Investors Protection Corporation (SIPC).

2. Summary of Significant Accounting Policies

The summary of significant accounting policies is presented to assist in understanding these financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. The accounting policies used conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of these financial statements.

Method of Accounting

These financial statements have been prepared using the accrual method of accounting, recognizing income when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash consists of deposits with banks and all highly liquid investments, with maturities of three months or less, that are not segregated and deposited for regulatory purposes.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

2. Summary of Significant Accounting Policies (Continued)

Fully Disclosed Basis

The Company is associated with RBC Correspondent Services, a division of RBC Capital Markets, LLC (RBC) (Clearing Broker), a member of the New York Stock Exchange, Inc., on a fully disclosed basis in connection with the execution and clearance of the securities transactions effected by the Company. In accordance with the Clearing Agreement, the Company is required to provide a clearing deposit in the amount of \$25,000 as of December 31, 2020, upon which the Clearing Broker pays interest at prevailing rates. As of December 31, 2020, the clearing deposit account amounted to \$25,000, and is listed separately on the statement of financial condition.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Company accounts for bad debts using the direct charge-off method, directly expensing receivables which management deems uncollectible, or realizable at less than full value. The direct charge-off method provides results similar to the reserve method in all material respects. Based on management's assessment of the credit history with its customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end will be immaterial. Receivable from contracts with customers amounted to \$298,985 and \$291,650 for the years ended December 31, 2020 and 2019, respectively.

Commissions Payable

A substantial portion of our commission revenue is ultimately paid to our registered representatives. We record an estimate for commissions payable based upon payout ratios for each product for which we have accrued commission revenue. Such amounts are recorded by us as commission expense.

Securities Owned

The Company carries securities primarily to help meet its net capital requirement under the Securities Exchange Act. Equity securities with readily determinable fair values are reported in accordance with FASB ASC 820, *Fair Value Measurement*, based upon quoted market prices. Equity securities with no readily available market are carried at cost. The change in unrealized gains and losses are reported in

earnings. Realized gains and losses are computed based on specific identification of the securities sold.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

2. Summary of Significant Accounting Policies (Continued)

Capitalization and Depreciation

Fixed assets, in excess of \$5,000 are recorded at acquisition cost and depreciated over the estimated useful lives of the related assets using the straight-line method and accelerated cost recovery system for financial and tax reporting, respectively.

Leases

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company is a lessee in an operating lease for office space. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Company uses its incremental borrowing rate. The implicit rates of our leases are not readily determinable and accordingly, we use our incremental borrowing rate based on the information available at the commencement date for all leases. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Company has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. We recognize lease cost associated with our short-term leases on a straight-line basis over the lease term.

The Company made an accounting policy election by class of underlying asset, for computers and other office equipment, to account for each separate lease component of a contract and its associated non-lease

components (lessor-provided maintenance) as a single lease component.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

2. Summary of Significant Accounting Policies (Continued)

Advertising

The Company expenses the cost of advertising as incurred. Advertising expense was \$500 for the year ended December 31, 2020.

Compensated Absences

The Company has a vacation policy allowing for paid time off based on years of service. The vacation policy does not allow for the accumulation or carryover of unused vacation to future periods. Accordingly, the Company recognizes the costs of compensated absences when actually paid to employees and has not accrued a liability for unused vacation time at December 31, 2020.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences (described in Note 9) between the basis of asset and liabilities for financial statement and income tax purposes. It is the Company's policy not to take uncertain tax positions.

3. Revenue From Contracts With Customers

Significant Judgments

Revenue from contracts with customers includes commission income. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company's progress under the contract; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

3. Revenue From Contracts With Customers (Continued)

Commissions

Brokerage Commissions. The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date that the Company fills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership of the securities have been transferred to/from the customer.

Distributions Fees. The Company enters into arrangements with managed accounts or other pooled investment vehicles (funds) to distribute shares to investors. The Company may receive distributions fees paid by the fund up front, over time, upon the investor's exit from the fund (that is, a contingent deferred sales charge), or as a combination thereof. The Company believes that its performance obligation is the sale of securities to investors and as such this is fulfilled on the trade date. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares at future points in time as well as the length of time the investor remains in the fund, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe that it can overcome this constraint until the market value of the fund and the investor activities are known, which are usually monthly or quarterly. Distributions fees recognized in the current period are primarily related to performance obligations that have been satisfied in prior periods.

Disaggregated Revenue From Contracts With Customers

The following table represents revenue by major source:

Commissions:

Brokerage commissions	\$ 1,224,700
Distribution fees	1,258,787
	<hr/>
Total commission revenue	2,483,487
	<hr/>
Total Revenue From Contracts With Customers	\$ 2,483,487
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Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

4. Concentration of Credit Risk

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

5. Regulatory Filings

The statement of financial condition filed pursuant to Rule 17a-5 of the Securities and Exchange Commission is available for inspection at the principal office of the Corporation and at the Washington D.C. and Regional Office of the Commission.

6. SEC Rule 15c3-3 Exemption

The Company claims exemption (k)(2)(ii) from Rule 15c3-3 of the Securities and Exchange Commission as a limited business, engaged in the sale of mutual funds and variable annuities. The Company does not carry securities for customers or perform custodial functions relating to customer securities, therefore the following schedules required under Rule 15c3-3 of the Securities and Exchange Commission have not been included in these financial statements: Schedule II - Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3, Schedule III - Information Relating to Possession or Control Requirements Under Rule 15c3-3, and Schedule IV - Schedule of Segregation Requirements and Funds in Segregation for Customers' Regulated Commodities Futures and Options Accounts.

7. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15-c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, should 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, 2020, the Company had net capital of \$181,687, which was \$131,687 in excess of its required net capital of \$50,000. The Company's net capital ratio was 2.11 to 1.

Pursuant to Rule 17a-5, the Company is required to file a computation of net capital as of the audit date. Rule 17a5(d)(4) requires reporting on any material differences between the audited computation and the

Company's computation. At December 31, 2020, there were no material differences.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

8. Securities Owned

Securities owned consist of shares of NASDAQ OMX Group, Inc. common stock and shares of Franklin Utilities A Fund and are classified by the Company as investments in equity securities with readily determinable fair values. Cost, unrealized gain, and fair value, as of December 31, 2020, are as follows:

Securities owned, at cost	\$ 43,025
Gross unrealized gains - prior year	87,264
Gross unrealized gains - current year	<u>19,686</u>
Fair value	<u>\$ 149,975</u>

9. Income Taxes

The Company accounts for deferred taxes using the asset and liability method. The objective of the asset and liability method is to establish deferred tax assets and liabilities for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The asset and liability as computed for these financial statements assumes that the current tax rates and regulations will be in effect for the year the temporary differences reverse. Accordingly, adjustments to the asset and liability will be necessary in the future should the tax laws change.

For Federal and state income tax purposes, the Company has net operating loss carryforwards of approximately \$42,000 and \$43,000, respectively, that may be offset against future taxable income. The Company estimates that the entire amount of both of these net operating loss carryforwards will be utilized prior to expiration beginning in 2037. At December 31, 2020, deferred assets of \$12,000 have been recognized. Deferred tax liabilities have been recognized for depreciation timing differences (\$400) and unrealized gains on securities owned (\$30,900).

Current standards require companies to recognize, measure, present, and disclose uncertain tax positions that have been or are expected to be taken. As such, financial statements will reflect expected future tax consequences of uncertain tax positions presuming the tax authorities' full knowledge of the position and all relevant facts. It is the Company's policy not to take uncertain tax positions. The Company's federal and state income tax returns are subject to possible examination by the taxing authorities until expiration of the related statutes of limitations on those tax returns. As of December 31, 2020, the Company's open audit periods are 2017 through 2020 for both federal and state purposes. In evaluating the Company's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Company believes their estimates are appropriate based

on current facts and circumstances.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

9. Income Taxes (Continued)

Differences in total income tax expense and the amount of income tax that would result from applying statutory rates to pretax income are due to permanent differences, primarily meals and entertainment, which are either 50% deductible or nondeductible for Federal and state income tax purposes, as well as a capital loss carryover which the Company estimates will not expire prior to utilization and forgiveness of the Payroll Protection Program loan.

The provision for income taxes in the statement of income for the year ended December 31, 2020, consists of the following components:

Deferred Income Taxes:	
Tax consequences of temporary differences in depreciation and securities	\$ 5,500
Tax benefit of net operating loss carryforwards	<u>(12,000)</u>
	<u>\$ (6,500)</u>

10. Pension Plan

The Company has a SEP retirement plan which covers all of its employees that have achieved three continuous years of employment. Total pension expense amounted to \$65,981 for the year ended December 31, 2020.

11. Lease Commitments

The Company has an obligation as a lessee for office space, with initial noncancelable terms in excess of one year. The Company classified this lease as an operating lease. This lease contains a renewal option for a five year period. Because the Company is not reasonably certain to exercise the renewal option, the optional period is not included in determining the lease term, and associated payments under the renewal option is excluded from lease payments. The Company's lease does not include termination options for either party to the lease or restrictive financial or other covenants.

The Company leases office space under a non-cancellable operating lease, which was extended for an additional five-year term beginning in June 2018 and provides for monthly lease payments of \$2,744. For

the year ended December 31, 2020, rent expense under this lease amounted to \$32,928.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

11. Lease Commitments (Continued)

The components of lease cost for the year ended December 31, 2020 are as follows:

Operating lease cost	<u>\$ 32,928</u>
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Amounts reported in the statement of financial condition as of December 31, 2020 were as follows:

Operating leases:

Operating lease ROU assets	\$ 75,121
Operating lease liabilities	75,121

Other information related to leases as of December 31, 2020 was as follows:

Supplemental cash flow information:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flow from operating leases	\$ 32,928
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ROU assets obtained in exchange for lease obligations

Operating leases	\$ 130,794
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Reductions to ROU assets resulting from reductions to lease obligations:

Operating leases	\$ 55,673
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Discount rate on operating leases: 5%

Amounts disclosed for ROU assets obtained in exchange for lease obligations and reductions to ROU assets resulting from reductions to lease obligations include amounts added to or reduced from the carrying amount of ROU assets resulting from new leases, lease modifications or reassessments.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

11. Lease Commitments (Continued)

Maturities of lease liabilities under noncancellable operating leases as of December 31, 2020 are as follows:

2021	\$	32,928
2022		32,928
2023		<u>13,720</u>
Total undiscounted cancellable lease payments		79,576
Less imputed interest		<u>4,455</u>
Total lease liabilities	\$	<u><u>75,121</u></u>

12. Fair Value Measurements

FASB ASC 820 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.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

12. Fair Value Measurements (Continued)

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.

The following table presents the Company's fair value hierarchy for those securities measured at fair value on a recurring basis as of December 31, 2020:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Securities owned:				
Mutual funds	\$ 30,509	\$ 30,509	\$ -	\$ -
Domestic equities	119,466	119,466	-	-
	<u>\$ 149,975</u>	<u>\$ 149,975</u>	<u>\$ -</u>	<u>\$ -</u>

13. Subsequent Events

The Company has evaluated subsequent events through February 19, 2021, which is the date the financial statements were available to be issued.

Beaconsfield Financial Services, Inc.

Notes to Financial Statements

Year Ended December 31, 2020

14. Payroll Protection Program Loan

In April 2020, the Company applied for funds from the Paycheck Protection Program (PPP) administered by the Small Business Administration (SBA), as provided by the CARES Act. This SBA program provides funds to qualifying business based on established criteria. In May 2020, the Company received PPP funding of \$89,797. If the Company used the funds for stated qualifying expenses, the amount of those qualifying expenses would be forgiven. The Company spent 100% of the PPP funds on qualifying expenses by the end of the covered period. As such, the amount forgiven has been included in revenues on the statement of income for the year ended December 31, 2020.

Supplemental Information

Beaconsfield Financial Services, Inc.

Computations of Net Capital and Aggregate Indebtedness

Year Ended December 31, 2020

Net Capital:	
Total stockholders' equity	\$ 253,225
Deductions:	
Accounts receivable	38,862
Prepaid income taxes	711
Property and equipment	1,445
Deferred income tax asset	<u>12,000</u>
Total non-allowable assets	<u>53,018</u>
Other Deductions	<u>155</u>
Net Capital Before Haircuts on Security Positions	200,052
Haircuts on Securities:	
Other securities	22,556
Undue concentrations	<u>7,964</u>
Total Haircuts on Securities	<u>30,520</u>
Net Capital	169,532
Net Capital Requirements	<u>50,000</u>
Net Capital in Excess of Minimum Requirements	<u>\$ 119,532</u>
Aggregate Indebtedness	<u>\$ 308,056</u>
Ratio of Aggregate Indebtedness to Net Capital	<u>1.82</u>

See Report of Independent Registered Public Accounting Firm.

**Reconciliation of Audited Net Capital with the
Broker/Dealer's Unaudited Part II:**

Net Capital Per Audit Report	\$ 169,532
Changes to Non-Allowable Assets:	
Prepaid income taxes	711
Deferred tax asset	<u>12,000</u>
	12,711
Post-Closing Tax Provision	(11,500)
Changes to Haircuts on Securities	8
Miscellaneous Difference	<u>(343)</u>
Total Differences	<u>876</u>
Net Capital Per Broker/Dealer's Unaudited Part II	<u><u>\$ 170,408</u></u>

Beaconsfield Financial Services, Inc.

Schedule of Operating and General and Administrative Expenses

Year Ended December 31, 2020

Operating Expenses:

Advertising	\$	500
Commissions		1,725,737
Insurance		28,939
Internet access		7,966
Payroll taxes		29,215
Regulatory expenses		18,688
Operating lease cost		32,928
Repairs and maintenance		268
Retirement plan		65,981
Selling expense		1,860
Telephone		9,923
Wages		440,170
		<u>\$ 2,362,175</u>

General and Administrative Expenses:

Auto expense	\$	8,109
Contributions		1,667
Cyber security		3,063
Dues and subscriptions		7,215
Employee benefits		50,558
Legal and accounting		18,240
Miscellaneous		903
Printing reproduction		2,526
Office supplies and expense		21,257
Postage		3,961
Quotes - exchange fees		7,884
Clearing fees		50,642
Travel and entertainment		6,798
Overhead allocation		<u>(9,000)</u>
		<u>\$ 173,823</u>

See Report of Independent Registered Public Accounting Firm.



Exemption Review Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Beaconsfield Financial Services, Inc.
Canonsburg, Pennsylvania

We have reviewed management's statements, included in the accompanying Statement of Exemption from SEC Rule 15c3-(k)(2)(ii), in which (1) Beaconsfield Financial Services, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Beaconsfield Financial Services, Inc. claimed an exemption from 17 C.F.R § 240.15c3-3: (k)(2)(ii) - (exemption provision) and (2) Beaconsfield Financial Services, Inc. stated that Beaconsfield Financial Services, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Beaconsfield Financial Services, Inc.'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 Beaconsfield Financial Services, Inc.'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.

Evans Mehlhorn & Miller PC

Evans Mehlhorn & Miller PC
Certified Public Accountants

Bridgeville, Pennsylvania

February 19, 2021



Beaconsfield Financial Services, Inc.

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BeaconsfieldFinancial.com • Member: FINRA & SIPC

Beaconsfield Financial Services, Inc.

Statement of Exemption from SEC Rule 15c3-3(k)(2)(ii)

Beaconsfield Financial Services, Inc. (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

1. The Company claimed exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3 (k)(2)(ii).
2. The Company met the identified exemption provisions in 17 C.F.R. §240.15.c3-3(k) throughout the most recent fiscal year without exception.
3. The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited to: (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company.

I, Betty Rainier, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By: *Betty H. Rainier*

Title: *Secretary / Treasurer*
February 19, 2021