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

SEC FILE NUMBER
8- 52947

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 1/1/01 AND ENDING 12/31/01
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: CONSILIUM PARTNERS, LLC

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

100 CITY HALL PLAZA

(No. and Street)

BOSTON

MA

02108

(City)

(State)

(Zip Code)

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

MARK DENOMME

617-742-3720 Ext. 203

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

WALD & INGLE, P.C.

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

200 HIGH STREET

BOSTON

MA

02110

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

APR 12 2002

THOMSON FINANCIAL

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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)

SEC 1410 (05-01)

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Consilium Partners LLC – 2001 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (B)

Statement of Financial Condition

CONSILIIUM PARTNERS LLC

Balance Sheets
December 31, 2001 and 2000

Assets

	<u>2001</u>	<u>2000</u>
Current assets:		
Cash	\$ 319,474	\$ 281,669
Accounts receivable	45,000	0
Marketable securities	37,327	0
Prepaid expenses	<u>9,558</u>	<u>8,217</u>
Total current assets	<u>411,359</u>	<u>289,886</u>
Property and equipment, at cost:		
Equipment	55,717	53,657
Leasehold improvements	8,185	7,765
Furniture and fixtures	<u>10,987</u>	<u>0</u>
	74,889	61,422
Less: accumulated depreciation	<u>30,416</u>	<u>6,268</u>
Net property and equipment	<u>44,473</u>	<u>55,154</u>
Other assets:		
Rental deposits	<u>15,000</u>	<u>16,257</u>
Total assets	<u>\$ 470,832</u> =====	<u>\$ 361,297</u> =====

See accompanying notes to financial statements
and independent auditors' report.

CONSILIIUM PARTNERS LLC

Balance Sheets
December 31, 2001 and 2000

Liabilities and Members' Equity

	<u>2001</u>	<u>2000</u>
Current liabilities:		
Accounts payable	\$ 16,920	\$ 7,570
Guarantee payments to partners payable	63,612	0
Distributions payable	<u>50,000</u>	<u>0</u>
Total current liabilities	<u>130,532</u>	<u>7,570</u>
Commitments		
Members' equity:		
Members' equity	385,473	353,727
Unrealized loss on marketable securities	(45,173)	<u>0</u>
Total members' equity	<u>340,300</u>	<u>353,727</u>
Total liabilities and members' equity	\$ <u>470,832</u>	\$ <u>361,297</u>

See accompanying notes to financial statements
and independent auditors' report.

Consilium Partners LLC – 2001 Annual Audit

SEC File Number: 8-52947

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Item (C)

Statement of Income (Loss)

CONSILIUM PARTNERS LLC

Statements of Income (loss)
For the year ended December 31, 2001 and the
Initial period from March 14, 2000 through December 31, 2000

	<u>2001</u>	<u>2000</u>
Revenues:		
Consulting fees	\$ 1,687,500	\$ 246,250
Reimbursed expenses	<u>34,461</u>	<u>7,581</u>
Total revenues	<u>1,721,961</u>	<u>253,831</u>
Costs and expenses:		
Sales and marketing	110,878	39,532
General and administrative	221,298	134,205
Guaranteed payments to partners	<u>1,315,612</u>	<u>166,876</u>
Total costs and expenses	<u>1,647,788</u>	<u>340,613</u>
Income (loss) from operations	74,173	(86,782)
Other income:		
Interest income	<u>7,574</u>	<u>7,176</u>
Net income (loss)	<u>\$ 81,747</u>	<u>\$(79,606)</u>

See accompanying notes to financial statements
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Consilium Partners LLC – 2001 Annual Audit

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Item (D)

Statement of Changes in Financial Condition

CONSILIIUM PARTNERS LLC

Statements of Cash Flows
For the year ended December 31, 2001 and the
Initial period from March 14, 2000 through December 31, 2000

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Net income (loss)	\$ 81,747	\$(79,606)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation	24,148	6,268
Marketable securities	(82,500)	0
Changes in:		
Accounts receivable	(45,000)	0
Prepaid expenses	(1,340)	(8,217)
Rental deposits	1,255	(16,257)
Accounts payable	9,350	7,570
Guaranteed payments payable	<u>63,612</u>	<u>0</u>
Net cash used by operating activities	<u>51,272</u>	<u>(90,242)</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>(13,467)</u>	<u>(61,422)</u>
Cash flows from financing activities:		
Capital contributions	<u>0</u>	<u>433,333</u>
Increase in cash	37,805	281,669
Cash, beginning of year	<u>281,669</u>	<u>0</u>
Cash, end of year	\$ 319,474 =====	\$ 281,669 =====

See accompanying notes to financial statements
and independent auditors' report.

Consilium Partners LLC – 2001 Annual Audit

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Item (E)

Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital

CONSILIUM PARTNERS LLC

Statement of Members' Equity
 For the year ended December 31, 2001 and the
 Initial period from March 14, 2000 through December 31, 2000

	<u>Members'</u> <u>Equity</u>	<u>Accumulated</u> <u>Other Comprehensive</u> <u>Income</u>	<u>Total</u>
Members' contribution	\$ 433,333		\$ 433,333
Net loss	(79,606)		(79,606)
Other comprehensive income	_____	\$ <u>---</u>	_____0
Balance, December 31, 2000	353,727		353,727
Net income	81,747		81,747
Distributions	(50,000)		(50,000)
Other comprehensive loss:			
Unrealized loss on marketable securities	_____	(<u>45,173</u>)	\$(<u>45,173</u>)
Balance, December 31, 2001	\$ 385,474 =====	\$(45,173) =====	\$ 340,301 =====

See accompanying notes to financial statements
and independent auditors' report.

Consilium Partners LLC – 2001 Annual Audit

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Item (F)

Statement of Changes in Liabilities Subordinated to Claims of Creditors

(Not applicable)

Consilium Partners LLC – 2001 Annual Audit

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Item (G)

Computation of Net Capital

Reconciliation of Amended FOCUS Report for the 12/31/01 Reporting Period
 Filed on March 21, 2002

Net Capital as previously reported	\$340,816
Less: Total Non-allowable Assets	<u>(114,434)</u>
Net Capital	\$226,382

Auditors' Reconciliation Items:

Accounts Payable ^(a)	(9,920)
Guaranteed Payments ^(b)	22,480
Distribution Payable ^(c)	<u>(50,000)</u>
	(37,440)

Revised Net Capital as per Amended FOCUS Report **\$188,942**

<u>Proof:</u>	
Total Ownership Equity (per Audit Report)	340,300
Less: Total Non-Allowable Assets	<u>(151,358)</u>
Net Capital	\$188,942

- (a) Subsequent review of disbursements revealed additional year-end liabilities - American Express (\$4,878) and Other Items (\$5,042).
 (b) Recomputation of Guaranteed Payments to Partners on final fee allocation of Partnership Income based on specific project worksheets.
 (c) Declared Distribution Payable on Partnership Income.