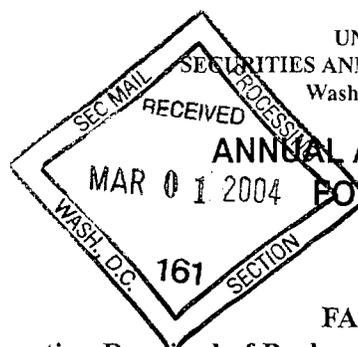


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UN SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
04004063

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: October 31, 2004  
Estimated average burden hours per response . . . 12.00

SEC FILE NUMBER  
8- 50833

**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 01/01/03 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

Promethean Capital Group, LLC

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

750 Lexington Avenue

(No. and Street)

New York

New York

10022

(City)

(State)

(Zip Code)

OFFICIAL USE ONLY  
FIRM ID. NO.

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

Steve Miller

(212) 702-5221

(Area Code- Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Goldstein Golub Kessler LLP

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

1185 Avenue of the Americas

New York

NY

10036

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

**PROCESSED**  
MAR 30 2004

FOR OFFICIAL USE ONLY  
THOMSON FINANCIAL

\* 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: 1/19/04

OATH OR AFFIRMATION

I, James F. O'Brien, Jr. swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Promethean Capital Group, LLC, as of December 31, 2003, 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:

Subscribed and sworn to before me this 27th day of February 2004. Laura R. Caldera Notary Public

Manager Signature Title

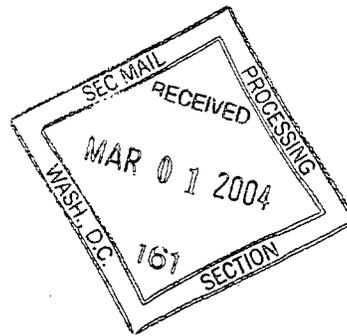
Laura R. Caldera Notary Public

LAURA R. CALDERA NOTARY PUBLIC, STATE OF NEW YORK #01CA5073745 QUALIFIED IN ROCKLAND COUNTY MY COMMISSION EXPIRES 03/03/07

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

- (a) Facing Page. (b) Statement of Financial Condition. (c) Statement of Operations. (d) Statement of Changes in Cash Flows. (e) Statement of Changes in Member's Equity. (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).



**PROMETHEAN CAPITAL GROUP LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2003**

**GOLDSTEIN GOLUB KESSLER LLP**  
Certified Public Accountants and Consultants

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# GOLDSTEIN GOLUB KESSLER LLP

Certified Public Accountants and Consultants



## INDEPENDENT AUDITOR'S REPORT

To the Member of  
Promethean Capital Group LLC

We have audited the accompanying statement of financial condition of Promethean Capital Group LLC (a wholly owned subsidiary of Promethean Investment Group LLC) as of December 31, 2003. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Promethean Capital Group LLC as of December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

*Goldstein Golub Kessler LLP*

**GOLDSTEIN GOLUB KESSLER LLP**

February 11, 2004

**PROMETHEAN CAPITAL GROUP LLC**

**STATEMENT OF FINANCIAL CONDITION**

**December 31, 2003**

**ASSETS**

Cash	\$226,784
Due from Broker	122,283
Prepaid Expenses	2,616
<b>Total Assets</b>	<b>\$351,683</b>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities - accrued expenses	\$ 38,603
Member's Equity	313,080
<b>Total Liabilities and Member's Equity</b>	<b>\$351,683</b>

See Notes to Statement of Financial Condition

# PROMETHEAN CAPITAL GROUP LLC

## NOTES TO STATEMENT OF FINANCIAL CONDITION December 31, 2003

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- 1. ORGANIZATION:** Promethean Capital Group LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the National Association of Securities Dealers, Inc. The Company is a wholly owned subsidiary of Promethean Investment Group LLC (the "Parent").

The Company acts as the agent in the private placements of securities and trades for its own account.

- 2. SIGNIFICANT ACCOUNTING POLICIES:** This financial statement has been prepared in conformity with accounting principles generally accepted in the United States of America which require the use of estimates by the Company's management.

No provision for federal and state income taxes has been made for the Company since, as a limited liability company, it is not subject to income taxes. The Company is subject to and has provided for New York City unincorporated business tax (see Note 3).

- 3. RELATED PARTY TRANSACTIONS:** For the period from January 1, 2003 to October 31, 2003, the Company had an agreement with the Parent, whereby the Parent paid all charges incurred by the Company, without reimbursement from the Company, for rent, office supplies, equipment costs, compensation and general operating expenses. Effective November 1, 2003, the Company entered into a new agreement with an affiliate (the "Affiliate") to reimburse the Affiliate for the aforementioned expenses paid by the Affiliate. The Parent will continue to pay income taxes incurred by the Company.

During 2003, the Company sold non-readily marketable securities to the Parent for \$100,000, at cost, which approximated the fair value of the securities as determined by management at the time of sale.

- 4. CONCENTRATIONS OF CREDIT RISK:** The Company maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

The clearing and depository operations for the Company's proprietary transactions are provided by one broker, which is a member of major securities exchanges. At December 31, 2003, the amount due from broker reflected in the statement of financial condition is due from this broker.

## PROMETHEAN CAPITAL GROUP LLC

### NOTES TO STATEMENT OF FINANCIAL CONDITION December 31, 2003

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5. **NET CAPITAL REQUIREMENT:** As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule 15c3-1 of the SEC, which requires the maintenance of minimum net capital, as defined, of 6-2/3% of aggregate indebtedness, as defined, or \$100,000, whichever is greater. Net capital and aggregate indebtedness change from day to day, but as of December 31, 2003, the Company had net capital of \$310,464, which exceeded the requirement by \$210,464.