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ANNUAL REPORT
FORM X-17 A-5
PART III

SEC FILE NUMBER
8-47498

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 01/01/2004 AND ENDING 12/31/2004
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Almarc Trading, LP

OFFICIAL USE ONLY

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

FIRM I.D. NO.

2215 Renaissance Drive, Suite 5

(No. and Street)

Las Vegas

(City)

Nevada

(State)

89119

(Zip Code)

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

Jesse Gerstel

(561) 994-7475

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Kaufman Rossin & Co.

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

2699 S. Bayshore Drive

(Address)

Miami

(City)

Florida

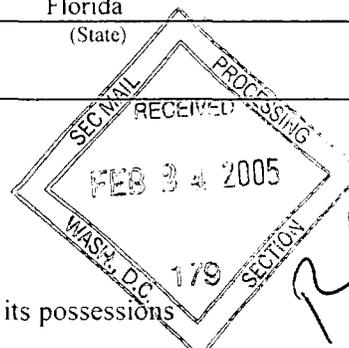
(State)

33133

(Zip Code)

CHECK ONE:

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



PROCESSED

MAR 14 2005

THOMSON FINANCIAL

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17 a-5(e) (2)

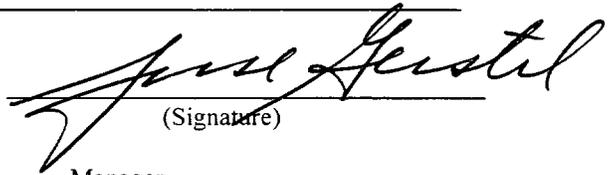
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Handwritten signature

OATH OR AFFIRMATION

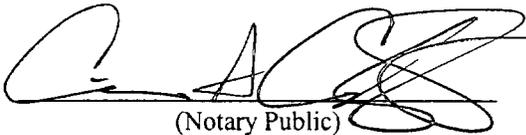
I, Jesse Gerstel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Almarc Trading, LP, as of December 31, 20 04, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No exceptions


(Signature)

Manager

(Title)


(Notary Public)



Camille A. Coolidge
Commission #DD272133
Expires: Dec 03, 2007
Bonded Thru
Atlantic Bonding Co., Inc.

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. (Cash Flows)
- (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 15c3-3
- (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.
- (o) Independent auditors' report on internal control required by SEC Rule 17a-5.

** For conditions of confidential treatment of certain portions of this filing. See section 240.17a-5(e)(3).

A report containing a statement of financial condition has been included; accordingly it is requested that this report be given confidential treatment.

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INDEPENDENT AUDITORS' REPORT

To the Partners
Almarc Trading, LP
Las Vegas, Nevada

We have audited the accompanying statement of financial condition of Almarc Trading, LP as of December 31, 2004, and the related statements of operations, changes in partners' capital and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Almarc Trading, LP as of December 31, 2004, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 10 and 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Miami, Florida
January 27, 2005



**KAUFMAN
ROSSIN &
CO.** PROFESSIONAL
ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS

ALMARC TRADING, LP
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2004

ASSETS

CASH	\$	57,911
SECURITIES OWNED, AT MARKET (NOTE 5)		11,712,526
NOTES RECEIVABLE (NOTE 3)		527,011
INTEREST AND DIVIDENDS RECEIVABLE		34,837
PROPERTY AND EQUIPMENT		33,370
	\$	12,365,655

LIABILITIES AND PARTNERS' CAPITAL

LIABILITIES		
Securities sold, but not yet purchased, at market (Note 5)	\$	8,742,283
Accrued liabilities		28,250
Payable to broker (Note 2)		1,085,616
Interest payable (Note 2)		8,868
Total liabilities		9,865,017
PARTNERS' CAPITAL		2,500,638
	\$	12,365,655

See accompanying notes.

ALMARC TRADING, LP
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2004

REVENUES

Interest and dividends	\$	218,831
Net trading gains		530,093
Other income		114,188
Total revenues		863,112

EXPENSES

Clearing charges		52,109
Depreciation and amortization		15,618
Interest (Note 2)		226,916
Management fees (Note 3)		558,300
Meals and entertainment		14,383
Other general and administrative		56,187
Professional fees		59,580
Research and marketing		24,414
Taxes and licenses		14,184
Total expenses		1,021,691

NET LOSS \$(158,579)

See accompanying notes.

ALMARC TRADING, LP
STATEMENT OF CHANGES IN PARTNERS' CAPITAL
YEAR ENDED DECEMBER 31, 2004

PARTNERS' CAPITAL AS OF DECEMBER 31, 2003	\$ 3,034,217
CAPITAL WITHDRAWALS	(375,000)
NET LOSS	(158,579)
<hr/>	
PARTNERS' CAPITAL AS OF DECEMBER 31, 2004	\$ 2,500,638

See accompanying notes.

ALMARC TRADING, LP
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$(158,579)
<hr/>	
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation and amortization	15,618
Changes in operating assets and liabilities:	
Securities owned, at market	4,281,732
Interest and dividends receivable	(10,106)
Other assets	5,700
Securities sold, but not yet purchased, at market	(5,468,309)
Accrued liabilities	(153,780)
Receivable from/payable to broker	1,673,336
Interest payable	1,846
<hr/>	
Total adjustments	(1,329,145)
<hr/>	
Net cash provided by operating activities	(1,487,724)

CASH FLOWS FROM INVESTING ACTIVITIES:

Repayment of notes receivable	139,330
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CASH FLOWS FROM FINANCING ACTIVITIES:

Capital withdrawals	(375,000)
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NET DECREASE IN CASH (1,723,394)

CASH - BEGINNING 106,123

CASH - ENDING \$(1,617,271)

Supplemental Disclosure of Cash Flow Information:

Interest paid	\$ 225,070
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See accompanying notes.

ALMARC TRADING, LP
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business and Organization

Almarc Trading, LP (the Partnership) is a broker-dealer of various types of equities, debt instruments, and option contracts. The broker-dealer acts in a principal capacity, buying and selling for its own account, engaging primarily in convertible and risk arbitrage trading strategies.

Government and Other Regulation

The Partnership's business is subject to significant regulation by various governmental agencies and self-regulatory organizations. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Partnership is conducting and reporting its operations in accordance with the applicable requirements of these organizations.

Securities Transactions

Securities transactions are reported on a trade date basis, and securities owned or sold, but not yet purchased are valued at market. Securities for which quotations are not readily available are valued at fair market value as determined by the General Partner. The resulting difference between cost and market for all securities is included in operating results.

Cash

The Partnership may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for major betterments and additions are charged to the asset accounts while replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are charged to expense currently.

Depreciation is computed using the straight-line method based upon an estimated useful life of four years.

Income Taxes

The Partnership is not subject to income taxes since the income or loss is includible in the tax returns of the partners.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 the reporting period. Actual results could differ from those estimates.

Derivative Instruments

The following information is presented in compliance with Financial Accounting Standards Board Statement 133, "Accounting for Derivative Instruments and Hedging Activities," which requires disclosures with respect to the purpose of and risks associated with using derivatives.

The Partnership invests in equity-related derivative contracts (derivatives), primarily options. In the normal course of business, the Partnership enters into derivative contracts for trading purposes, and sometimes as a hedge of other securities market risks. Typically, derivative contracts serve as components of the Partnership's investment strategies and are utilized primarily to structure the portfolio or individual investments to economically match the investment objectives of the Partnership.

Generally, the Partnership purchases and sells equity put and call options. Options represent the opportunity to sell or buy the underlying equity securities at specified prices and future dates.

The Partnership's exposure to credit risk associated with counterparty nonperformance on any derivatives that are not exchange traded is typically limited to the unrealized gains reported as assets associated with such contracts. Generally, the Partnership trades in only exchange traded derivatives.

Interest and Dividend Income Recognition

Interest income is recognized on the accrual basis of accounting and is recorded as it is earned. Dividend income is recognized on the ex-dividend date.

NOTE 2. RECEIVABLE FROM BROKER AND PAYABLE TO BROKER

Receivable from broker, when applicable, represents amounts due from the Partnership's clearing broker, Bear Stearns Securities Corp. (Bear Stearns). Amounts receivable from broker represent cash balances at Bear Stearns and amounts owed the Partnership for unsettled transactions.

NOTE 2. RECEIVABLE FROM BROKER AND PAYABLE TO BROKER (Continued)

Payable to broker, when applicable, represents amounts due to Bear Stearns and is collateralized by securities owned by the Partnership and securities awaiting receipt on uncompleted transactions. Interest is payable monthly at the prevailing variable rate, which was 3.0625% at December 31, 2004. All amounts due are payable on demand. Interest expense related to the amounts due to broker amounted to \$226,916 for 2004.

NOTE 3. RELATED PARTY TRANSACTIONS

Notes Receivable

Notes receivable consisted of two unsecured notes receivable totaling \$527,011 from two owners of the general and limited partners. Interest accrues at 2% and the notes are due on demand.

Management Agreement

The Partnership receives management and administrative services from entities affiliated by virtue of common ownership. In this regard, the affiliates incur significant operating expenses and provide facilities and staff for the Partnership in consideration of a management fee. For the year ended December 31, 2004, the Partnership incurred and paid \$558,300 of management fees, which are comprised of the following:

Communications	\$	10,557
Dues, subscriptions and fees		9,866
Insurance		69,315
Marketing		18,665
Office		14,185
Other		100,398
Payroll and related costs		158,569
Pension		100,000
Professional fees		33,288
Rent and facility use		20,415
Research		16,044
Travel and entertainment		6,998
	\$	558,300

NOTE 4. NET CAPITAL REQUIREMENTS

As a registered broker-dealer, the Partnership is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, which requires that "Net Capital", as defined, shall be at least the greater of \$100,000 or one-fifteenth of "Aggregate Indebtedness", as defined. At December 31, 2004, the Partnership's "Net Capital" was \$798,940 which exceeded requirements by \$698,940, and the ratio of "Aggregate Indebtedness" to "Net Capital" was 0.05 to 1.

NOTE 5. RISK CONCENTRATIONS

Clearing and Depository Concentrations

The clearing and depository operations for the Partnership's securities transactions are provided by Bear Stearns, whose principal office is in New York City.

Securities Owned, at Market

At December 31, 2004, securities owned consisted of the following United States issues:

Exchange listed equities	\$ 11,555,036
Other	157,490
	<hr/>
	\$ 11,712,526

Securities Sold, But Not Yet Purchased, at Market

At December 31, 2004, securities sold, but not yet purchased consisted of the following:

Exchange listed equities	\$ 8,742,283
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Subsequent market fluctuations may require the Partnership to purchase these securities at prices which differ from the above market values.

SUPPLEMENTARY INFORMATION

ALMARC TRADING, LP

COMPUTATION OF NET CAPITAL PER UNIFORM NET CAPITAL RULE 15c3-1

DECEMBER 31, 2004

CREDITS

Partners' capital	\$	2,500,638
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DEBITS

Non-allowable securities owned, at market		157,490
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Notes receivable and related interest receivable		539,377
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Property and equipment		33,370
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Total debits		730,237
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NET CAPITAL BEFORE HAIRCUTS ON SECURITY POSITIONS		1,770,401
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HAIRCUTS ON SECURITY POSITIONS		971,461
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NET CAPITAL		798,940
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MINIMUM NET CAPITAL REQUIREMENT - GREATER OF \$100,000 OR 6 2/3% OF AGGREGATE INDEBTEDNESS OF \$37,118		100,000
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EXCESS NET CAPITAL	\$	698,940
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RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL		0.05 to 1
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SCHEDULE OF AGGREGATE INDEBTEDNESS

Accrued liabilities		28,250
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Interest payable	\$	8,868
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Total aggregate indebtedness	\$	37,118
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There are no material differences that exist between the above computation and the Partnership's corresponding unaudited Form X-17A-5, Part IIA filing.

See independent auditors' report.

ALMARC TRADING, LP

STATEMENT ON EXEMPTION FROM THE COMPUTATION OF
RESERVE REQUIREMENTS AND INFORMATION FOR POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15c3-3
DECEMBER 31, 2004

In accordance with the exemptive provisions of SEC Rule 15c3-3, specifically exemption k(2)(ii), the Partnership is exempt from the computation of reserve requirements and the information relating to the possession or control requirements.

See independent auditors' report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
REQUIRED BY SEC RULE 17a-5 FOR A BROKER-DEALER CLAIMING
AN EXEMPTION FROM SEC RULE 15c3-3**

To the Partners
Almarc Trading, LP
Las Vegas, Nevada

In planning and performing our audit of the financial statements and supplementary information of Almarc Trading, LP (the Partnership) for the year ended December 31, 2004, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Partnership, including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Partnership does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Partnership in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by Rule 17a-13
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Partnership is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Partnership has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

**KAUFMAN
ROSSIN &
CO.** PROFESSIONAL
ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934, and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Partnership's practices and procedures were adequate at December 31, 2004, to meet the SEC's objectives.

This report is intended solely for the use of management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Raymond R. Co.", with a large, stylized flourish underneath.

Miami, Florida
January 27, 2005