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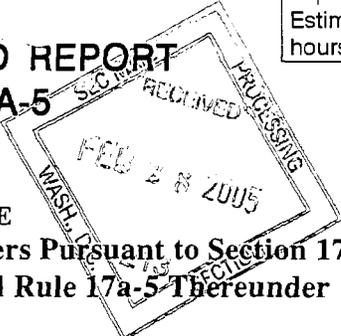
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MISSION

OMB APPROVAL
 OMB Number: 3235-0123
 Expires: January 31, 2007
 Estimated average burden
 hours per response..... 12.00

SEC FILE NUMBER
 8- 52947

**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 1/1/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: CONSILIUM PARTNERS, LLC

OFFICIAL USE ONLY
 FIRM I.D. NO.

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

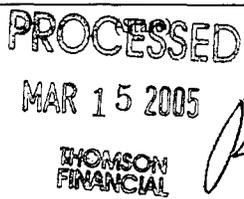
399 BOYLSTON STREET
(No. and Street)
BOSTON MA 02116
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
MARK DENOMME 617-267-0600
(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) (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)

THA 3/11

OATH OR AFFIRMATION

I, MARK DENOMME, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CONSILIUM PARTNERS, LLC, 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:



JENNIFER PISANO
Notary Public
Commonwealth of Massachusetts
My Commission Expires
September 11, 2009

J. Pisano
Notary Public

Mark Denomme
Signature
Managing Director
Title

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 15c3-3 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).

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (B)

Statement of Financial Condition

CONSILIUM PARTNERS, LLC

Balance Sheets

December 31, 2004 and 2003

Assets

	<u>2004</u>	<u>2003</u>
Current assets:		
Cash	\$ 78,956	\$ 59,735
Accounts receivable	17,209	13,549
Prepaid expenses	<u>16,782</u>	<u>24,996</u>
Total current assets	<u>112,947</u>	<u>98,280</u>
Property and equipment, at cost:		
Equipment	61,258	61,258
Leasehold improvements	12,815	12,815
Furniture and fixtures	<u>19,989</u>	<u>19,989</u>
	94,062	94,062
Less: accumulated depreciation	<u>72,248</u>	<u>61,702</u>
Net property and equipment	<u>21,814</u>	<u>32,360</u>
Other assets:		
Rental deposits	<u>12,135</u>	<u>17,735</u>
Total assets	<u>\$ 146,896</u>	<u>\$ 148,375</u>

See accompanying notes to financial statements
and independent auditors' report.
WALD & INGLE, P.C.

CONSILIUM PARTNERS, LLC

Balance Sheets

December 31, 2004 and 2003

Liabilities and Members' Equity

	<u>2004</u>	<u>2003</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 27,975	\$ 14,825
Guarentee payments to members payable	<u>26,175</u>	<u>11</u>
Total current liabilities	<u>54,150</u>	<u>14,836</u>
Commitments		
Members' equity:		
Members' equity	92,746	136,350
Accumulated other comprehensive income (loss)		
Unrealized loss on marketable securities	<u>0</u>	<u>(2,811)</u>
Total members' equity	<u>92,746</u>	<u>133,539</u>
Total liabilities and stockholder's equity members' equity	<u>\$ 146,896</u>	<u>\$ 148,375</u>

See accompanying notes to financial statements
and independent auditors' report.
WALD & INGLE, P.C.

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (C)

Statement of Income (Loss)

CONSILIUM PARTNERS, LLC
 Statements of Loss
 Years ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Revenues:		
Consulting fees	\$ 639,500	\$ 680,000
Reimbursed expenses	<u>11,997</u>	<u>33,714</u>
Total revenues	<u>651,497</u>	<u>713,714</u>
Cost and expenses:		
Sales and marketing	46,489	72,739
General and administrative	169,423	216,405
Guaranteed payments to partners	<u>526,625</u>	<u>574,501</u>
Total costs and expenses	<u>742,537</u>	<u>863,645</u>
Income (loss) from operations	<u>(91,040)</u>	<u>(149,931)</u>
Other income:		
Interest income	236	1,355
Realized loss on investments	<u>0</u>	<u>(82,486)</u>
Total other income, net	<u>236</u>	<u>(81,131)</u>
Net loss	<u>\$ (90,804)</u>	<u>\$ (231,062)</u>

See accompanying notes to financial statements
 and independent auditors' report.
WALD & INGLE, P.C.

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (D)

Statement of Changes in Financial Condition

CONSILIUM PARTNERS, LLC
Statements of Cash Flows
Years ended December 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Cash flows from operating activities:		
Net loss	\$ (90,804)	\$ (231,062)
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Depreciation	10,546	12,802
Loss from sale of investments	0	82,486
Changes in:		
Accounts receivable	(3,660)	(1,513)
Prepaid expenses	8,214	(5,565)
Rental deposits	5,600	15,000
Accounts payable	13,150	668
Guaranteed payments payable	26,164	(2,246)
	(30,790)	(129,430)
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchase of property and equipment	0	0
Proceeds from investments	0	14
	0	14
Net cash provided (used) by investing activities		
Cash flow from financing activities:		
Payment of distributions payable	0	0
Capital contributions	50,011	50,000
	50,011	50,000
Net cash provided by financing activities		
Decrease in cash	19,221	(79,416)
Cash at beginning of year	59,735	139,151
Cash at end of year	\$ 78,956	\$ 59,735

See accompanying notes to financial statements
and independent auditors' report.
WALD & INGLE, P.C.

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (E)

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

CONSILIUM PARTNERS, LLC
 Statements of Members' Equity
 Years ended December 31, 2004 and 2003

	Members' Equity	Accumulated Other Comprehensive Income (loss)	Total Members' Equity
Balance, December 31, 2002	\$ 314,601	\$ (79,675)	\$ 234,926
Net loss	(231,062)		(231,062)
Member contributions	50,000		50,000
Other comprehensive loss: Reclassification adjustments		79,675	79,675
Balance, December 31, 2003	133,539	0	133,539
Net loss	(90,804)		(90,804)
Member contributions	50,011		50,011
	\$ 92,746	\$ 0	\$ 92,746

See accompanying notes to financial statements
 and independent auditors' report.
WALD & INGLE, P.C.

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (F)

Statement of Changes in Liabilities Subordinated to Claims of Creditors

(Not applicable)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (G)

Computation of Net Capital

FORM X-17A-5	<h1 style="margin: 0;">FOCUS REPORT</h1> <p style="margin: 0;">(Financial and Operational Combined Uniform Single Report)</p> <p style="margin: 0;">Part IIA Quarterly 17a-5(a)</p> <p style="margin: 0; font-size: small;">INFORMATION REQUIRED OF BROKERS AND DEALERS PURSUANT TO RULE 17</p>
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COVER

Select a filing method:

Basic Alternate [0011]

Name of Broker Dealer:	<u>CONSILIUUM PARTNERS LLC</u> [0013]	SEC File Number: 8- <u>52947</u> [0014]
Address of Principal Place of Business:	<u>399 BOYLSTON STREET</u> [0020]	
	<u>BOSTON MA</u> <u>02116</u> [0021] [0022] [0023]	Firm ID: <u>104486</u> [0015]

For Period Beginning 10/01/2004 And Ending 12/31/2004
[0024] [0025]

Name and telephone number of person to contact in regard to this report:

Name: Mark S. Denomme Phone: (617) 267-0600
[0030] [0031]

Name(s) of subsidiaries or affiliates consolidated in this report:

Name: _____ Phone: _____
[0032] [0033]

Name: _____ Phone: _____
[0034] [0035]

Name: _____ Phone: _____
[0036] [0037]

Name: _____ Phone: _____
[0038] [0039]

Does respondent carry its own customer accounts? Yes [0040] No [0041]Check here if respondent is filing an audited report [0042]

ASSETSConsolidated [0198] Unconsolidated [0199]

	Allowable	Non-Allowable	Total
1. Cash	78,956 [0200]		78,956 [0750]
2. Receivables from brokers or dealers:			
A. Clearance account	[0295]		0
B. Other	[0300]	[0550]	[0810]
3. Receivables from non- customers	[0355]	[0600]	0 [0830]
4. Securities and spot commodities owned, at market value:			
A. Exempted securities	[0418]		
B. Debt securities	[0419]		
C. Options	[0420]		
D. Other securities	[0424]		
E. Spot commodities	[0430]		0 [0850]
5. Securities and/or other investments not readily marketable:			
A. At cost			
	[0130]		
B. At estimated fair value	[0440]	[0610]	0 [0860]
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities			
	[0150]		
B. Other securities			
	[0160]		

7.	Secured demand notes market value of collateral:	[0470]	[0640]	0 [0890]
	A. Exempted securities			
		[0170]		
	B. Other securities			
		[0180]		
8.	Memberships in exchanges:			
	A. Owned, at market			
		[0190]		
	B. Owned, at cost		[0650]	
	C. Contributed for use of the company, at market value		[0660]	0 [0900]
9.	Investment in and receivables from affiliates, subsidiaries and associated partnerships	[0480]	[0670]	0 [0910]
10.	Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	[0490]	21,814 [0680]	21,814 [0920]
11.	Other assets	[0535]	46,127 [0735]	46,127 [0930]
12.	TOTAL ASSETS	78,956 [0540]	67,941 [0740]	146,897 [0940]

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
			0
13. Bank loans payable	[1045]	[1255]	[1470]
14. Payable to brokers or dealers:			0
A. Clearance account	[1114]	[1315]	[1560]
B. Other	[1115]	[1305]	[1540]
			0
15. Payable to non-customers	[1155]	[1355]	[1610]
16. Securities sold not yet purchased, at market value		[1360]	[1620]
17. Accounts payable, accrued liabilities, expenses and other	54,150 [1205]	[1385]	54,150 [1685]
18. Notes and mortgages payable:			0
A. Unsecured	[1210]		[1690]
B. Secured	[1211]	[1390]	[1700]
19. Liabilities subordinated to claims of general creditors:			0
A. Cash borrowings:		[1400]	[1710]
1. from outsiders			
	[0970]		
2. Includes equity subordination (15c3-1(d)) of			
	[0980]		
B. Securities borrowings, at market value:		[1410]	[1720]
from outsiders			
	[0990]		
C. Pursuant to secured demand note collateral agreements:		[1420]	[1730]
1. from outsiders			

[1000]

2. Includes
equity
subordination
(15c3-1(d)) of

[1010]

D. Exchange memberships contributed for use of company, at market value		<u>0</u>	<u>0</u>
	[1430]		[1740]
E. Accounts and other borrowings not qualified for net capital purposes	<u>0</u>	<u>0</u>	<u>0</u>
	[1220]	[1440]	[1750]
20. TOTAL LIABILITIES	<u>54,150</u>	<u>0</u>	<u>54,150</u>
	[1230]	[1450]	[1760]

Ownership Equity

	Total
21. Sole proprietorship	<u>0</u>
	[1770]
22. Partnership (limited partners [1020])	<u>92,746</u>
	[1780]
23. Corporations:	
A. Preferred stock	<u>0</u>
	[1791]
B. Common stock	<u>0</u>
	[1792]
C. Additional paid-in capital	<u>0</u>
	[1793]
D. Retained earnings	<u>0</u>
	[1794]
E. Total	<u>0</u>
	[1795]
F. Less capital stock in treasury	<u>0</u>
	[1796]
24. TOTAL OWNERSHIP EQUITY	<u>92,746</u>
	[1800]
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY	<u>146,896</u>
	[1810]

STATEMENT OF INCOME (LOSS)Period Beginning 10/01/2004
[3932]Period Ending 12/31/2004
[3933]Number of months 3
[3931]**REVENUE**

1. Commissions:		
a. Commissions on transactions in exchange listed equity securities executed on an exchange		[3935]
b. Commissions on listed option transactions		[3938]
c. All other securities commissions		[3939]
d. Total securities commissions		<u>0</u> [3940]
2. Gains or losses on firm securities trading accounts		
a. From market making in options on a national securities exchange		[3945]
b. From all other trading		[3949]
c. Total gain (loss)		<u>0</u> [3950]
3. Gains or losses on firm securities investment accounts		[3952]
4. Profit (loss) from underwriting and selling groups		[3955]
5. Revenue from sale of investment company shares		[3970]
6. Commodities revenue		[3990]
7. Fees for account supervision, investment advisory and administrative services		[3975]
8. Other revenue		<u>96,197</u> [3995]
9. Total revenue		<u>96,197</u> [4030]

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers		[4120]
11. Other employee compensation and benefits		<u>71,850</u> [4115]
12. Commissions paid to other broker-dealers		[4140]
13. Interest expense		<u>-28</u> [4075]
a. Includes interest on accounts subject to subordination agreements		[4070]
14. Regulatory fees and expenses		[4195]
15. Other expenses		<u>51,752</u> [4100]
16. Total expenses		<u>123,574</u>

[4200]

NET INCOME

17. Net Income(loss) before Federal Income taxes and items below (Item 9 less Item 16)	<u>-27,377</u>
	[4210]
18. Provision for Federal Income taxes (for parent only)	<u></u>
	[4220]
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above	<u></u>
	[4222]
a. After Federal income taxes of	<u></u>
	[4238]
20. Extraordinary gains (losses)	<u></u>
	[4224]
a. After Federal income taxes of	<u></u>
	[4239]
21. Cumulative effect of changes in accounting principles	<u></u>
	[4225]
22. Net income (loss) after Federal income taxes and extraordinary items	<u>-27,377</u>
	[4230]
MONTHLY INCOME	
23. Income (current monthly only) before provision for Federal income taxes and extraordinary items	<u>-10,000</u>
	[4211]

EXEMPTIVE PROVISIONS

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based

A. (k) [4550]
 (1)--Limited business (mutual funds and/or variable annuities only)

B. (k) [4560]
 (2)(i)--"Special Account for the Exclusive Benefit of customers" maintained

C. (k) [4570]
 (2)(ii)--All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm(s)

Clearing Firm SEC#s	Name	Product Code
8- _____ [4335A]	_____ [4335A2]	_____ [4335B]
8- _____ [4335C]	_____ [4335C2]	_____ [4335D]
8- _____ [4335E]	_____ [4335E2]	_____ [4335F]
8- _____ [4335G]	_____ [4335G2]	_____ [4335H]
8- _____ [4335I]	_____ [4335I2]	_____ [4335J]

D. (k) [4580]
 (3)--Exempted by order of the Commission

COMPUTATION OF NET CAPITAL

1.	Total ownership equity from Statement of Financial Condition		92,746
			[3480]
2.	Deduct ownership equity not allowable for Net Capital		[3490]
3.	Total ownership equity qualified for Net Capital		92,746
			[3500]
4.	Add:		
	A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		0
			[3520]
	B. Other (deductions) or allowable credits (List)		
		[3525A]	[3525B]
		[3525C]	[3525D]
		[3525E]	[3525F]
			0
			[3525]
5.	Total capital and allowable subordinated liabilities		92,746
			[3530]
6.	Deductions and/or charges:		
	A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)	67,941	
			[3540]
	B. Secured demand note deficiency		[3590]
	C. Commodity futures contracts and spot commodities - proprietary capital charges		[3600]
	D. Other deductions and/or charges		-67,941
		[3610]	[3620]
7.	Other additions and/or credits (List)		
		[3630A]	[3630B]
		[3630C]	[3630D]
		[3630E]	[3630F]
			0
			[3630]
8.	Net capital before haircuts on securities positions		24,805
			[3640]
9.	Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):		
	A. Contractual securities commitments		[3660]
	B. Subordinated securities borrowings		[3670]
	C. Trading and investment securities:		

	[3820A]	[3820B]		
	[3820C]	[3820D]		
	[3820E]	[3820F]		
		0		0
		[3820]		[3830]
19. Total aggregate indebtedness				54,150
				[3840]
20. Percentage of aggregate indebtedness to net capital (line 19 / line 10)			%	218
				[3850]

OTHER RATIOS

21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)		%	0
			[3860]

SCHEDULED WITHDRAWALS

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

<u>Type of Proposed Withdrawal or Accrual</u>	<u>Name of Lender or Contributor</u>	<u>Insider or Outsider</u>	<u>Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)</u>	<u>Withdrawal or Maturity Date (MMDDYYYY)</u>	<u>Expect to Renew</u>
_[4600]		[4601]	[4602]	[4603]	[4604] [4605]
_[4610]		[4611]	[4612]	[4613]	[4614] [4615]
_[4620]		[4621]	[4622]	[4623]	[4624] [4625]
_[4630]		[4631]	[4632]	[4633]	[4634] [4635]
_[4640]		[4641]	[4642]	[4643]	[4644] [4645]
_[4650]		[4651]	[4652]	[4653]	[4654] [4655]
_[4660]		[4661]	[4662]	[4663]	[4664] [4665]
_[4670]		[4671]	[4672]	[4673]	[4674] [4675]
_[4680]		[4681]	[4682]	[4683]	[4684] [4685]
_[4690]		[4691]	[4692]	[4693]	[4694] [4695]
		TOTAL		0	
		\$			
				[4699]	
				Omit Pennies	

Instructions Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

Withdrawal Code	Description
1	Equity Capital
2	Subordinated Liabilities
3	Accruals
4	15c3-1(c)(2)(iv) Liabilities

STATEMENT OF CHANGES

**STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)**

1.	Balance, beginning of period		70,114
			[4240]
	A. Net income (loss)		-27,377
			[4250]
	B. Additions (includes non-conforming capital of	[4262]	50,000
			[4260]
	C. Deductions (includes non-conforming capital of	[4272]	[4270]
			[4270]
2.	Balance, end of period (From item 1800)		92,737
			[4290]

**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS**

3.	Balance, beginning of period		[4300]
	A. Increases		[4310]
	B. Decreases		[4320]
			[4320]
4.	Balance, end of period (From item 3520)		0
			[4330]

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (H)

Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3

(Not applicable)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (I)

Information Relating to the Possession or Control Requirements Under Rule 15c3-3

(Not applicable)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (J)

Reconciliation, including appropriate explanation of the Computation of Net Capital under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3

(Not applicable)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item K

Reconciliation between the audited and unaudited Statement of Financial Condition with respect to methods of consolidation

(Not applicable)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (L)

An Oath or Affirmation

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (M)

Copy of the SIPC Supplemental Report

(Not required as per NASD Regulation letter dated January 4, 2002)

Consilium Partners LLC – 2004 Annual Audit

SEC File Number: 8-52947

Firm ID: 104486

Item (N)

Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit

(None reported)

WALD & INGLE, P.C.

Certified Public Accountants

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INDEPENDENT ACCOUNTANTS' REPORT

Consilium Partners, LLC
Boston, Massachusetts

We have examined management's assertion included in its representation letter dated February 12, 2004 that Consilium Partners, LLC maintained effective internal control over financial reporting and safeguarding securities as of December 31, 2004.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included obtaining an understanding of the internal control structure over financial reporting, testing and evaluating the design and operating effectiveness of the internal control structure, and such other procedures that we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

Because of inherent limitations in any 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 the internal control would not necessarily disclose all matters in the 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 one or more of the specific internal control components does not reduce to a relatively low level the risks that errors 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 the internal control, including procedures 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 purpose 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 Company'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 and other regulatory agencies that reply 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.

Sincerely,

A handwritten signature in cursive script that reads "Wald & Ingle P.C.".

Wald & Ingle, P.C.
Boston, Massachusetts

February 12, 2005

WALD & INGLE, P.C.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Partners
Consilium Partners, LLC
Boston, Massachusetts

We have audited the accompanying balance sheets of Consilium Partners, LLC as of December 31, 2004 and 2003 and the related statements of loss, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company'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 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 Consilium Partners, LLC as of December 31, 2004 and 2003 and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on page 12 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the 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.



WALD & INGLE, P.C.
Boston, Massachusetts

February 12, 2005

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