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

SEC FILE NUMBER

8-49342

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 January 1, 2004 ENDING December 31, 2004

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
Trident Partners, Ltd

OFFICIAL USE ONLY

FIRM ID. NO.

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

500 North Broadway

(No. and Street)

Jericho

NY

11753

(City)

(State)

(Zip Code)

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

Brian Schantz

PROCESSED

516-681-9100

(Area Code - Telephone No.)

MAR 23 2005

THOMSON
FINANCIAL

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Lilling & Company LLP

(Name - If Individual, State Last, First, Middle Name)

10 Cutter Mill Road

Great Neck

NY

11021

(Address)

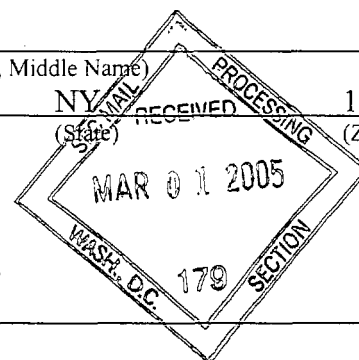
(City)

(State)

(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 exemption. See section 240.17a-5(e)(2).

Sec 1410 (6-02)

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OATH OR AFFIRMATION

I, Brian Schantz swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of

Trident Partners, Ltd., as of

December 31, 2004, 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:

Signature

Title

Lisa Lee Herbert 2/28/2005

Notary Public

LISA LEE HERBERT
NOTARY PUBLIC, STATE OF NEW YORK
No. 01HE5084655
QUALIFIED IN NASSAU COUNTY
MY COMMISSION EXPIRES SEPT. 8, 2005

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

- ☒ (a) Facing Page
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss)
- ☒ (d) Statement of Cash Flows.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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.
- ☒ (o) A report on internal control.

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

Lilling & Company LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Trident Partners, Ltd.
Jericho, New York

We have audited the accompanying statement of financial condition of Trident Partners, Ltd. as of December 31, 2004, and the related statements of operations, changes in stockholders' equity 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 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. 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 Trident Partners, Ltd. at 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 1 and 2 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 under the Securities Exchange Act of 1934. 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.



CERTIFIED PUBLIC ACCOUNTANTS

February 1, 2005

TRIDENT PARTNERS, LTD.

STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2004

ASSETS

Cash	\$ 40,114
Due from clearing brokers	607,243
Securities owned	2,943
Other assets	69,042
	\$ 719,342

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities

Commission payable	\$ 191,283
Accounts payable and accrued expenses	253,681
	444,964

Stockholders' equity

Capital stock, no par value; 200 shares authorized; 10 shares issued and outstanding	15,000
Paid-in capital	554,825
Retained earnings (deficit)	(295,447)
	274,378
	\$ 719,342

See notes to financial statements

TRIDENT PARTNERS, LTD.

STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2004

REVENUES

Commissions	\$ 4,242,855
Trading and other income	<u>809,546</u>
	<u>5,052,401</u>

EXPENSES

Commissions expense	\$ 1,907,406
Salaries and payroll related expenses	1,426,647
Management fees	70,961
Occupancy	186,655
Professional fees	128,495
Operating expenses	<u>1,424,110</u>
	<u>5,144,274</u>

<i>NET LOSS</i>	<u><u>\$ (91,873)</u></u>
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See notes to financial statements

TRIDENT PARTNERS, LTD.**STATEMENT OF CASH FLOWS**
YEAR ENDED DECEMBER 31, 2004***Cash flows from operating activities***

Net loss	\$ (91,873)
Adjustments to reconcile net loss to net cash used in operating activities:	
(Increase) decrease in assets:	
Due from clearing brokers	(255,002)
Securities owned	(2,943)
Other assets	491
Increase (decrease) in liabilities:	
Commission payable	(1,744)
Accounts payable and accrued expenses	91,417
Total adjustments	(167,781)
<i>Net cash used in operating activities</i>	(259,654)

Cash flows from investing activities

Proceeds from loans receivable, related parties	30,000
<i>Net cash provided by investing activities</i>	30,000

Cash flows from financing activities

Distribution from paid-in capital	(44,000)
<i>Net cash used in financing activities</i>	(44,000)

NET DECREASE IN CASH (273,654)

CASH - BEGINNING 313,768
CASH - END \$ 40,114

Supplemental disclosures of cash flow information:**Cash paid during the year for:**

Interest expense	\$ -
Income taxes	\$ 580

See notes to financial statements

TRIDENT PARTNERS, LTD.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
YEAR ENDED DECEMBER 31, 2004

	<i>COMMON STOCK</i>	<i>PAID-IN CAPITAL</i>	<i>RETAINED EARNINGS (DEFICIT)</i>	<i>TOTAL</i>
<i>Balance - beginning</i>	\$ 15,000	\$ 598,825	\$ (203,574)	\$ 410,251
Return of paid-in capital	-	(44,000)	-	(44,000)
Net loss	-	-	(91,873)	(91,873)
<i>Balance - end</i>	<u>\$ 15,000</u>	<u>\$ 554,825</u>	<u>\$ (295,447)</u>	<u>\$ 274,378</u>

See notes to financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Trident Partners, Ltd. (the "Company") is a registered broker-dealer and clears its securities transactions on a fully disclosed basis with another broker-dealer. The Company had no liabilities subordinated to claims of creditors during the year ended December 31, 2004.

Commissions

Commissions and related clearing charges are recorded on a trade date basis as securities transactions occur.

Significant Credit Risk and Estimates

The Company executes, as agent, securities transactions on behalf of its customers. If either the customer or a counter-party fail to perform, the Company may sustain a loss if the market value of the security is different from the contract value of the transaction. The Company as a non-clearing broker does not handle any customer funds or securities. The responsibility for processing customer activity rests with the Company's clearing firms, Dain Correspondent Services, located in St. Louis, Missouri and First Clearing Corp., located in Richmond Virginia.

The Company main office is located in Jericho, New York with branch offices located in Long Island and New Jersey and its customers are located throughout the United States.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management of the Company to use estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes

The Company accounts for income taxes under the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," which requires the Company to recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

TRIDENT PARTNERS, LTD.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities as measured by the current enacted tax rates which will be in effect when these differences reverse. Deferred tax expense is the result of changes in deferred tax assets and liabilities.

2. RELATED PARTY TRANSACTIONS

The Company is 100% owned by Meka Associates, LLC (Meka). Meka holds the lease for the office, purchases office equipment and supplies, and pays other operating expenses on behalf of the Company. The Company reimburses Meka on a regular basis. The total operating expenses paid to Meka in 2004 were approximately \$163,000.

3. COMMITMENTS AND CONTINGENCIES

Litigation

In the ordinary course of business the Company is subject to various customer complaints. Although there can be no assurances that such matters will not have a material adverse effect on the results of operations or financial condition of the Company in any future period, depending in part on the results for such period, in the opinion of management of the Company and independent counsel the ultimate resolution of such actions against the Company will have no material adverse effect on the Company's financial condition.

4. INCOME TAXES

The Company has net operating losses for tax purposes of approximately \$198,000 that expire by 2016 available to offset future taxable income. Approximately \$5,000 of net operating losses was utilized in 2004 resulting in no current year income tax expense.

Based on the Company's earnings and the amount of income that could be utilized in carry back years, and the uncertainty of future taxable income, it is not possible to determine whether deferred tax assets arising from these losses will be realized. Accordingly, a 100% valuation allowance has been established to reduce deferred tax assets to zero.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004

5. 401(k) RETIREMENT PLAN

The Company established a 401(k) retirement plan in 2002 covering substantially all employees. Eligible participants may make contributions to the plan up to amounts specified in the plan. The Company does not make contributions to the plan.

6. CAPITAL TRANSACTIONS

In December 2004 a return of capital in the amount of \$44,000 was paid to Meka from paid-in capital.

7. NET CAPITAL REQUIREMENT

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c-3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and 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, 2004, the Company had net capital of \$202,393, which was \$102,393 in excess of its required net capital of \$100,000. The Company had a percentage of aggregate indebtedness to net capital of 220% as of December 31, 2004.

***SUPPLEMENTAL INFORMATION
PURSUANT TO RULE 17a-5 OF THE
SECURITIES EXCHANGE ACT OF 1934***

AS OF DECEMBER 31, 2004

**COMPUTATION OF NET CAPITAL UNDER RULE 15c-3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2004**

NET CAPITAL

Stockholders' equity \$ 274,378

Deductions and/or changes

Nonallowable assets 71,985

NET CAPITAL \$ 202,393

AGGREGATE INDEBTEDNESS \$ 444,964

MINIMUM NET CAPITAL REQUIRED \$ 100,000

EXCESS OF NET CAPITAL OVER MINIMUM REQUIREMENTS \$ 102,393

**PERCENTAGE OF AGGREGATE INDEBTEDNESS
TO NET CAPITAL** 220%

Note:

Reconciliation with Company's computation (included in Part II of Form X-17A-5 as of December 31, 2004)

Net capital, as reported in Company's Part II (unaudited) FOCUS report \$ 301,773

Net audit adjustments (99,380)

Net Capital per above \$ 202,393

See independent auditors' report

***COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3
DECEMBER 31, 2004***

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (ii) of the Rule.

See independent auditors' report

Lilling & Company LLP

Certified Public Accountants

***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 Board of Directors
Trident Partners, Ltd.
Jericho, New York

In planning and performing our audit of the financial statements and supplemental schedules of Trident Partners, Ltd. (the Company), 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 Company 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 (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company 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 Company 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 Company 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 Company 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 the preparation of financial statements in accordance with accounting principles generally accepted in the United States Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error 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 a material weakness 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 Company's practices and procedures were adequate at December 31, 2004 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the NASD, 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.



CERTIFIED PUBLIC ACCOUNTANTS

February 1, 2005

TRIDENT PARTNERS, LTD.

***REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION***

REPORT ON INTERNAL CONTROL

DECEMBER 31, 2004