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

ANNUAL AUDITED REPORT

FORM X-17A-5
PART III

RECEIVED
FEB 28 2007
WASH. D.C. SECTION

SEC FILE NUMBER
8-53738

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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 1/1/2006¹ AND ENDING 12/31/2006²
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Equiland LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
17 State Street³
(No. and Street)

New York New York 10004⁴
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Brian P. Lamb (212) 901-2254⁵
(Area Code - Telephone Number)

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FIRM I.D. NO.

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCoopers LLP⁶
(Name - if individual, state last, first, middle name)

300 Madison Avenue New York, NY 10017⁷
(Address) (City) (State) (Zip Code)

CHECK ONE:

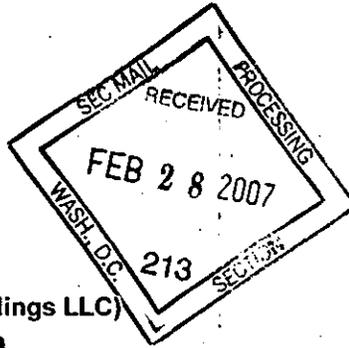
- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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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)

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EquiLend LLC

(A wholly owned subsidiary of EquiLend Holdings LLC)

Statement of Financial Condition

December 31, 2006

PricewaterhouseCoopers LLP
PricewaterhouseCoopers Center
300 Madison Avenue
New York NY 10017
Telephone (646) 471 3000
Facsimile (813) 286 6000

Report of Independent Auditors

To the Member of
EquiLend LLC

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of EquiLend LLC (the "Company") at December 31, 2006 in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit of this statement 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

The Company, as disclosed in Notes 1 and 4 to the financial statements, has extensive transactions and relationships with its Parent, affiliate and members or affiliates of members of the Parent. Because of these relationships, it is possible that the terms of these transactions are not the same as those that would result from transactions among wholly unrelated parties.

PricewaterhouseCoopers LLP

February 23, 2007

EquiLend LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)
Statement of Financial Condition
December 31, 2006

Assets	
Cash and cash equivalents	\$ 1,426,226
Accounts receivable	594,527
Due from affiliate	<u>38,860</u>
Total assets (Note 4)	<u>\$ 2,059,613</u>
Liabilities and Member's Equity	
Liabilities	
Deferred revenue	\$ 362,620
Due to Parent	<u>214,770</u>
Total liabilities (Note 4)	<u>577,390</u>
Member's Equity	
Member's contributions	18,800,000
Accumulated deficit	<u>(17,317,777)</u>
Total member's equity	<u>1,482,223</u>
Total liabilities and member's equity	<u>\$ 2,059,613</u>

The accompanying notes are an integral part of this statement.

EquiLend LLC

(A wholly owned subsidiary of EquiLend Holdings LLC)

Notes to Statement of Financial Condition

December 31, 2006

1. Organization and Description of Business

EquiLend LLC (the "Company"), a Delaware limited liability company, was formed on October 12, 2001. On June 24, 2002, the Company was approved as a broker-dealer registered with the Securities and Exchange Commission ("SEC") and as a member of the National Association of Securities Dealers ("NASD"), and commenced operation on June 25, 2002. EquiLend Holdings LLC ("Parent") has developed a global platform (the "Platform") for the automation and negotiation of securities financing transactions between securities lenders and borrowers. The Company, through a service agreement with the Parent, offers services to users through the Platform along with the Company's affiliate, EquiLend Europe Limited ("Affiliate"). The Company and the Affiliate are wholly owned subsidiaries of the Parent.

The Company maintains an office in New York.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue Recognition

The Company earns user fees from facilitating securities lending and borrowing transactions on the Platform. User fees are earned over the period the services are performed. In addition, the Company collects and remits revenue on behalf of the affiliate. User fees received in advance are recorded as deferred revenue on the Statement of Financial Condition and recognized over the period to which the fees relate, generally three months. Integration fees include services for technical and business integration, testing and training for new users and are recognized over the term of the relative user agreement, generally one year.

Brokerage fees represent transaction fees earned from the Affiliate for the facilitation of securities lending and borrowing transactions executed by the users of the Affiliate. Such brokerage fees are earned in the month for which services are performed for the Affiliate.

Income Tax

The Company is a limited liability company, which is taxed as a partnership and, accordingly, the taxable income or loss of the Company is included in the New York City Unincorporated Business Tax ("UBT") tax return of the Parent. The Company and the Parent are both subject to UBT. At December 31, 2006, the Company had a UBT net loss carryover of approximately \$17 million. The net loss carryover provides for a deferred tax asset of approximately \$712,000, which will be available for offset against future profits, if and when they arise. At the present time, the Company believes it is more likely than not that the deferred tax asset will not be recognized. Accordingly, the Company has provided a full valuation allowance against its deferred tax asset and no deferred tax asset has been reflected in the Statement of Financial Condition.

EquiLend LLC
(A wholly owned subsidiary of EquiLend Holdings LLC)
Notes to Statement of Financial Condition
December 31, 2006

The UBT net loss carryover expires in the years 2022 to 2026.

Fair Value of Financial Instruments

SFAS No. 107, *Disclosure about Fair Value of Financial Instruments*, requires the disclosure of fair value of financial instruments, including assets and liabilities recognized in the Statement of Financial Condition. Management estimates that the carrying value of financial instruments recognized in the Statement of Financial Condition approximates their fair value, as such financial instruments are short-term in nature or bear interest at current market rates.

3. Net Capital Requirement

The Company is subject to the Securities and Exchange Commission ("SEC") Uniform Net Capital Rule (the "Rule"), which requires the maintenance of minimum net capital. The Company has elected to use the basic method, permitted by the Rule, which requires that the Company maintain net capital equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, as defined. At December 31, 2006, the Company had net capital of \$825,320 which was \$786,828 in excess of its required net capital of \$38,492. The ratio of aggregate indebtedness to net capital was 0.7 to 1.

The Company is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(i) of the Rule as it does not hold customer funds or safekeep customer securities.

4. Related Parties

All of the Company's revenue from user fees, with the exception of \$895,660 was earned from members or affiliates of members of the Parent. Deferred revenue of \$362,620 includes user fees paid in advance from one member of the Parent. Accounts receivable includes \$311,130 owed to the Company by affiliates of members of the Parent.

Included in cash and cash equivalents is \$1,175,967 invested in a Money Market Fund and \$250,259 in a bank account with an affiliate of a member of the Parent.

The Company has entered into a Securities Service Agreement (the "Agreement") with its Affiliate under which the Company performs services including the facilitation of securities lending and borrowing transactions on behalf of the Affiliate. Also under the Agreement, the Company acts as a billing agent for user fees on behalf of the Affiliate. User fees are allocated to the Affiliate when the Affiliate is designated as operating entity in the underlying user agreement between the Company, the Affiliate and the user. As at December 31, 2006, the Affiliate owed the Company \$38,860.

The Company has entered into a services agreement with the Parent (the "Services Agreement") under which the Parent allocates substantially all operating costs to the Company. The Parent also allocates certain expenses to the Company under the Services Agreement for use of the Platform developed by the Parent. The Company reimburses the Parent for allocated expenses and service fees on a monthly basis.

5. Parent Support Letter

The Parent has agreed to provide the Company financial support as necessary in order for the Company to meet its business obligations and maintain compliance with the SEC Uniform Net Capital Rule for the foreseeable future, a period of not less than one year from the date of the independent auditor's report.