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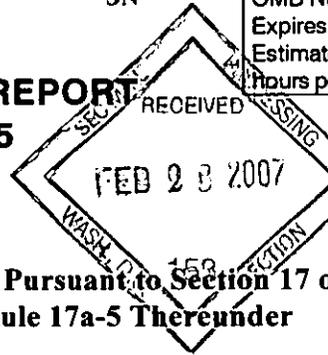
SECURITY

07004250

ON

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

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



SEC FILE NUMBER
616402

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 01/01/06 AND ENDING 12/31/06  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: AccessNet, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

One Cranberry Hill, Ste 6

(No. and Street)

Lexington  
(City)

MA  
(State)

02421  
(Zip Code)

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

Eyal Shavit

781-674-1010

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Greenberg, Rosenblatt, Kull & Bitsoli, P.C.

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

306 Main Street, Suite 400 Worcester  
(Address) (City)

MA  
(State)

01608  
(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 21 2007 E

THOMSON FINANCIAL

<b>FOR OFFICIAL USE ONLY</b>

\*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)

Om

OATH OR AFFIRMATION

I, Eyal Shavit, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AccessNet, LLC, as of December 31, 20 06, 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:



EDWARD BRANCO  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
JULY 14, 2011

Edward Branco

Notary Public

Eyal Shavit

Signature

president

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 15c3-1 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).



Independent Auditors' Report

The Members  
AccessNet, LLC  
Lexington, Massachusetts

We have audited the accompanying statements of financial condition of AccessNet, LLC (a limited liability company) as of December 31, 2006 and 2005, and the related statements of operations and changes in members' equity and cash flows for the years 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 audits provide 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 AccessNet, LLC at December 31, 2006 and 2005, 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 audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplemental schedule on page 8 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 audits 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.

*Greenberg, Rosenblatt, Kull & Bitsoli, P.C.*  
GREENBERG, ROSENBLATT, KULL & BITSOLI, P.C.

Worcester, Massachusetts  
February 23, 2007

AXCESSNET, LLC  
STATEMENTS OF FINANCIAL CONDITION  
DECEMBER 31,

<u>ASSETS</u>	<u>2006</u>	<u>2005</u>
Cash	\$ 43,211	\$ 37,344
Due from related party	75,000	-
Note receivable	<u>26,167</u>	<u>-</u>
 Total assets	 <u>\$ 144,378</u>	 <u>\$ 37,344</u>

LIABILITIES AND MEMBERS' EQUITY

Accounts payable and accrued liabilities	\$ 23,000	\$ 7,887
Members' equity	<u>121,378</u>	<u>29,457</u>
 Total liabilities and members' equity	 <u>\$ 144,378</u>	 <u>\$ 37,344</u>

The accompanying notes are an integral part of the financial statements

AXCESSNET, LLC  
 STATEMENTS OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY  
 YEARS ENDED DECEMBER 31,

	<u>2006</u>	<u>2005</u>
Revenues:		
Success fees	\$ 258,516	\$ 611,747
Management fees	75,000	-
Investment advisory fees	65,000	32,500
Interest income	<u>1,666</u>	<u>992</u>
Total revenues	<u>400,182</u>	<u>645,239</u>
Expenses:		
Administrative fees	220,000	240,000
Guaranteed payment to member	15,000	-
Payroll	144,000	168,448
Payroll taxes	8,367	10,997
Employee benefits	11,945	15,484
Rent	-	5,168
Professional fees	30,279	18,469
Regulatory fees	1,600	2,718
Travel and selling	3,071	7,500
Office expenses	799	1,336
Miscellaneous	<u>600</u>	<u>501</u>
Total expenses	<u>435,661</u>	<u>470,621</u>
Net income (loss)	(35,479)	174,618
Members' equity - beginning	29,457	43,774
Members' contributions	285,400	12,500
Members' distributions	<u>(158,000)</u>	<u>(201,435)</u>
Members' equity - ending	<u>\$ 121,378</u>	<u>\$ 29,457</u>

The accompanying notes are an integral part of the financial statements

AXCESSNET, LLC  
 STATEMENTS OF CASH FLOWS  
 YEARS ENDED DECEMBER 31,

	<u>2006</u>	<u>2005</u>
Operating activities:		
Net income (loss)	\$ (35,479)	\$ 174,618
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Note receivable for services rendered	(26,167)	
Changes in assets and liabilities:		
Due from related party	(75,000)	35,000
Accounts payable and accrued liabilities	<u>15,113</u>	<u>1,788</u>
Net cash provided by (used in) operating activities	<u>(121,533)</u>	<u>211,406</u>
 Financing activities:		
Members' contributions	285,400	12,500
Members' distributions	<u>(158,000)</u>	<u>(201,435)</u>
Net cash provided by (used in) financing activities	<u>127,400</u>	<u>(188,935)</u>
 Net increase in cash	5,867	22,471
 Cash - beginning	<u>37,344</u>	<u>14,873</u>
 Cash - ending	<u>\$ 43,211</u>	<u>\$ 37,344</u>

The accompanying notes are an integral part of the financial statements

AXCESSNET, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006 AND 2005

(1) ORGANIZATION AND NATURE OF BUSINESS

Nature of Business:

AccessNet, LLC (the Company) is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD).

The Company provides advisory services in connection with financial transactions to domestic and foreign companies, primarily Israeli companies in the information technology industry. The Company's services include private placements of securities, advisory services regarding services regarding mergers and acquisitions, and introductions to investment banks and other brokers and dealers to facilitate financing transactions.

Organization:

The Company is organized as a limited liability company (LLC). The terms of the LLC's operating agreement limit the members' liability for losses, debts and obligations to their equity contributions. The members may, under certain circumstances, be liable to the LLC to the extent of previous distributions made to them in the event that the LLC does not have sufficient assets to discharge its liabilities. The Company does not have a formal termination date, although there are events described in the operating agreement that would cause immediate dissolution.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash:

At times, cash on deposit with financial institutions is in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits.

Revenue Recognition:

Success fees are recognized upon the successful completion of private placements of securities or other financing transactions. Investment advisory, management fee and interest income are recognized when earned.

Guaranteed Payments to Member(s):

Guaranteed payments to member(s) are designed to represent reasonable compensation for services rendered and are accounted for as an expense rather than a distribution from members' equity.

Federal and State Income Taxes:

The Company, as an LLC, is taxed as a partnership. The members are responsible for reporting their share of the Company's net earnings (losses) on their individual income tax returns. Therefore, no provision for income taxes is reflected in these statements.

AXCESSNET, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006 AND 2005

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

(3) BUSINESS RELATIONSHIPS AND REVENUES

Success fees in 2006 were for the completion of a business combination/merger under the terms of a business development and strategic consulting agreement entered into in 2005.

In 2006, the Company entered into two of these agreements. In general, the Company provides consulting and facilitation services to assist its clients in procuring relationships for business combination/merger activities. The Company receives advisory fees for these services and success fees in the event a related business combination occurs. The agreements define the terms under which these fees and additional success fees may be earned. The advisory fees reported in 2006 were earned under the terms of these two contracts.

In 2006, the Company received a convertible note in the amount of \$25,000 for advisory fees earned during the year. The note accrues interest at 8%, compounded annually, which is being added to the balance of the note. The balance of the note plus accrued interest may be converted into preferred stock of the client any time prior to the earlier of the maturity date of note in February 2009 or a business combination. Interest income earned on the note was \$1,167 in 2006.

The Company had an agreement with an investment bank through July 2005 to provide exclusive representation of the bank's services to Israeli related and other companies. The success fees in 2005 and \$12,500 of the investment advisory fees in 2005 were earned under this agreement. The Company may receive additional success fees pursuant to this relationship in the event that certain financial transactions under the agreement occur by July 2007.

The Company occupied an office facility leased from the bank until early 2005. Rent expense of approximately \$5,000 was charged to operations in 2005.

AXCESSNET, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006 AND 2005

(4) RELATED PARTY TRANSACTIONS

The Company has an administrative services agreement with an entity related through common ownership that provides the Company with office space, telecommunications, information technology, and other administrative services for fees of \$10,000 per month, adjusted for additional services and expenses. Administrative fees charged to expense in 2006 and 2005 totaled \$220,000 and \$240,000, respectively.

The balance in due from related party represents fees receivable from this related entity for services provided by the Company's key employee in 2006. Management fees included in revenue were \$75,000

In 2006, the Company's key employee provided various management services to this related entity. The balance in due from related party and Management fees revenue of \$75,000 were accrued in 2006.

(5) SECURITIES AND EXCHANGE COMMISSION REQUIREMENTS

As a registered broker-dealer, the Company is subject to the "Uniform Net Capital Rule", rule 15c3-1 of the Securities and Exchange Commission (SEC). The rule requires the Company to maintain "net capital" of at least \$5,000 and a ratio of "aggregate indebtedness" to "net capital" not to exceed 15 to 1.

At December 31, the Company's aggregate indebtedness, net capital and the related ratio, as defined by the SEC, are as follows:

	<u>2006</u>	<u>2005</u>
Aggregate indebtedness	\$ 23,000	\$ 7,887
Net capital	20,211	29,457
Ratio of aggregate indebtedness to net capital	1.14 to 1	.268 to 1

AXCESSNET, LLC  
 COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE  
 SECURITIES AND EXCHANGE COMMISSION  
 DECEMBER 31, 2006

Net capital:	
Total members' equity	<u>\$ 121,378</u>
Less - nonallowable assets:	
Due from related party	75,000
Note receivable	<u>26,167</u>
Total nonallowable assets	<u>101,167</u>
 Net capital:	 <u>\$ 20,211</u>
 Aggregate indebtedness:	
Accounts payable and accrued liabilities	<u>\$ 23,000</u>
 Computation of basic net capital requirement:	
Minimum net capital required	<u>\$ 5,000</u>
 Excess net capital at 1,000 percent	 <u>\$ 17,911</u>
 Ratio: Aggregate indebtedness to net capital	 <u>1.14 to 1</u>
 Reconciliation with Company's computation (included in Part II of Form X-17A-5):	
Non-allowable assets, as reported in Company's Part II (unaudited) FOCUS report	\$ 26,167
Adjustment for amount due from related party	<u>75,000</u>
 Non-allowable assets per above	 <u>\$ 101,167</u>

Note: The adjustment for amount due from related party represents fees accrued for services performed by the Company on behalf of a related entity.

See independent auditors' report

AXCESSNET, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2006 AND 2005

AXCESSNET, LLC  
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DECEMBER 31, 2006 AND 2005

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Oath or Affirmation

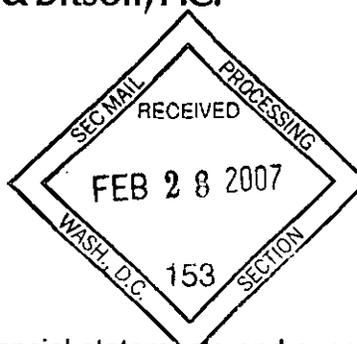
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Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	8



# Greenberg, Rosenblatt, Kull & Bitsoli, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

The Members  
AcessNet, LLC



## Corporate Officers

Agnes E. Kull, CPA  
Norman Bitsoli, CPA  
Diane L. Leclair, CPA  
Robert P. Turnan, CPA  
William E. Philbrick, CPA  
Michael J. Hayes, CPA  
Richard F. Powell, CPA  
Wanda L. Cantlin, CPA  
John E. Wornham, CPA  
Jacqueline M. Jones, CPA  
Deborah A. Morang, CPA  
Laurence M. Hurwitz, CPA  
David J. Mayotte, CPA

Nathan Greenberg, CPA  
Founder

Melvin M. Rosenblatt, CPA  
Past Chairman

In planning and performing our audit of the financial statements and supplemental schedule of AccessNet, LLC (the Company), as of and for the year ended December 31, 2006, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's 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 consideration of control activities for safeguarding securities. This study included 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 and recordation of differences required by rule 17a-13.
2. 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 judgements 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 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.

The Members  
Page 2

Because of inherent limitations in internal control, and 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.

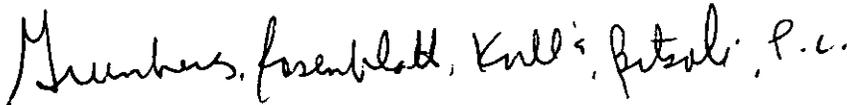
A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and 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 Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2006, to meet the SEC's objectives.

This report is intended solely for the information and use of the Members, management, the Securities Exchange Commission, and other regulatory agencies which 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.

  
GREENBERG, ROSENBLATT, KULL & BITSOLI, PC.

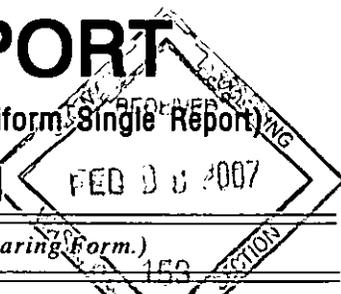
Worcester, Massachusetts  
February 23, 2007

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

Form  
X-17A-5

**FOCUS REPORT**  
(Financial and Operational Combined Uniform Single Report)  
**PART IIA** [12]



(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a)  16      2) Rule 17a-5(b)  17      3) Rule 17a-11  18  
4) Special request by designated examining authority  19      5) Other  26

NAME OF BROKER-DEALER

AXCESSNET, LLC

SEC FILE NO.

8-66402

FIRM I.D. NO.

130883

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

ONE CRANBERRY HILL, SUITE 6

(No. and Street)

LEXINGTON

(City)

MA

(State)

02421

(Zip Code)

FOR PERIOD BEGINNING (MM/DD/YY)

10-01-06

AND ENDING (MM/DD/YY)

12-31-06

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

DAN JEKEL

(Area Code) — Telephone No.

(781) 674-1010

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 27 day of February 20 07

Manual signatures of:

1) [Signature]  
Principal Executive Officer or Managing Partner

2) [Signature]  
Principal Financial Officer or Partner

3) [Signature]  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

GREENBERG, ROSENBLATT, KULL & BITSOLI, P.C. 70

ADDRESS

306 MAIN STREET 71 WORCESTER 72 MA 73 01608 74

Number and Street City State Zip Code

CHECK ONE

- Certified Public Accountant 75
- Public Accountant 76
- Accountant not resident in United States  
or any of its possessions 77

**FOR SEC USE**

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DO NOT WRITE UNDER THIS LINE . . . FOR SEC USE ONLY

WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER	ACCESSNET, LLC	N3								100
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### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY)	12-31-06	99
SEC FILE NO.		98
Consolidated		198
Unconsolidated		199

	Allowable		Non-Allowable		Total
1. Cash .....	\$ 43,211	200			\$ 43,211 750
2. Receivables from brokers or dealers:					
A. Clearance account .....		295			
B. Other .....		300	\$ 550		810
3. Receivable from non-customers .....		355	600		955
4. Securities and spot commodities owned at market value:					
A. Exempted securities .....		418			
B. Debt securities .....		419			
C. Options .....		420			
D. Other securities .....		424			
E. Spot commodities .....		430			850
5. Securities and/or other investments not readily marketable:					
A. At cost \$ .....	130				
B. At estimated fair value .....		440	610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities \$ .....	150				
B. Other securities \$ .....	160				
7. Secured demand notes: Market value of collateral:					
A. Exempted securities \$ .....	170				
B. Other securities \$ .....	180				
8. Memberships in exchanges:					
A. Owned, at market \$ .....	190				
B. Owned, at cost .....			650		
C. Contributed for use of the company, at market value .....			660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships .....		480	75,000	670	75,000 910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization .....		490		680	920
11. Other assets .....		535	26,167	735	26,167 930
12. TOTAL ASSETS .....	\$ 43,211	540	\$ 101,167	740	\$ 144,378 940

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **AXCESSNET, LLC**

as of 12-31-06

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable .....	\$ 1045	\$ 1255 <sup>13</sup>	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115 <sup>10</sup>	1305	1540
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 .....	23,000	1205	23,000
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211 <sup>12</sup>	1390 <sup>14</sup>	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings: .....		1400	1710
1. from outsiders, \$ .....	970		
2. includes equity subordination (15c3-1(d)) of ... \$ .....	980		
B. Securities borrowings, at market value from outsiders \$ .....		1410	1720
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 .....		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 23,000	\$ 1230	\$ 23,000
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			1770 <sup>15</sup>
22. Partnership (limited partners) .....	1020 <sup>11</sup>		121,378
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....			1792
C. Additional paid-in capital .....			1793
D. Retained earnings .....			1794
E. Total .....			1795
F. Less capital stock in treasury .....			1796 <sup>16</sup>
24. TOTAL OWNERSHIP EQUITY .....			\$ 121,378
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 144,378

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER <b>AXCESSNET, LLC</b>	as of <u>12-31-06</u>
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### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	121,378		3480
2. Deduct ownership equity not allowable for Net Capital .....			19	3490
3. Total ownership equity qualified for Net Capital .....		121,378		3500
4. Add:				
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....				3520
B. Other (deductions) or allowable credits (List) .....				3525
5. Total capital and allowable subordinated liabilities .....	\$	121,378		3530
6. Deductions and/or charges:				
A. Total non-allowable assets from				
Statement of Financial Condition (Notes B and C) .....	17	\$ 101,167		3540
B. Secured demand note delinquency .....				3590
C. Commodity futures contracts and spot commodities –				
proprietary capital charges .....				3600
D. Other deductions and/or charges .....				3610
7. Other additions and/or allowable credits (List) .....			19	3630
8. Net capital before haircuts on securities positions .....	20	\$ 20,211		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:				
1. Exempted securities .....	18			3735
2. Debt securities .....				3733
3. Options .....				3730
4. Other securities .....				3734
D. Undue Concentration .....				3650
E. Other (List) .....				3736
				( ) 3740
10. Net Capital .....	\$	20,211		3750

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **AXCESSNET, LLC**

as of 12-31-06

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 2/3% of line 19) .....	\$ 1,533	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$ 5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$ 5,000	3760
14. Excess net capital (line 10 less 13) .....	\$ 15,211	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$ 17,911	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$ 23,000	3790
17. Add:		
A. Drafts for immediate credit .....	\$ 3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$ 3810	
C. Other unrecorded amounts (List) .....	\$ 3820	
18. Total aggregate indebtedness .....	\$ 23,000	3840
19. Percentage of aggregate indebtedness to net capital (line 18 + by line 10) .....	%	113.80 3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	113.80 3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$ N/A	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$ N/A	3880
23. Net capital requirement (greater of line 21 or 22) .....	\$ N/A	3760
24. Excess capital (line 10 less 23) .....	\$ N/A	3910
25. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000 .....	\$ N/A	3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
  2. 6 2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **AXCESSNET, LLC**

For the period (MMDDYY) from **10-1-06** **3932** to **12-31-06** **3933**  
 Number of months included in this statement **3** **3931**

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....		\$	3935
b. Commissions on listed option transactions .....	25		3938
c. All other securities commissions .....			3939
d. Total securities commissions .....			3940
2. Gains or losses on firm securities trading accounts			3945
a. From market making in options on a national securities exchange .....			3949
b. From all other trading .....			3950
c. Total gain (loss) .....			3952
3. Gains or losses on firm securities investment accounts .....			3955
4. Profit (loss) from underwriting and selling groups .....	26		3970
5. Revenue from sale of investment company shares .....			3990
6. Commodities revenue .....		35,000	3975
7. Fees for account supervision, investment advisory and administrative services .....		74,610	3995
8. Other revenue .....		\$	109,610
9. Total revenue .....			4030

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....			
11. Other employee compensation and benefits .....		15,000	4120
12. Commissions paid to other broker-dealers .....		56,312	4115
13. Interest expense .....			4140
a. Includes interest on accounts subject to subordination agreements .....	4070		4075
14. Regulatory fees and expenses .....		325	4195
15. Other expenses .....		82,339	4100
16. Total expenses .....		\$	153,976
			4200

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....			
18. Provision for Federal income taxes (for parent only) .....		\$	-44,366
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....	28		4210
a. After Federal income taxes of .....	4338		4220
20. Extraordinary gains (losses) .....			4222
a. After Federal income taxes of .....	4239		4224
21. Cumulative effect of changes in accounting principles .....			4225
22. Net income (loss) after Federal income taxes and extraordinary items .....		\$	-44,366
			4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....			
		\$	109,610
			4211

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER	AXCESSNET, LLC	as of <u>12-31-06</u>
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### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- |   |                                     |      |
|---|-------------------------------------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 .....   | <input type="checkbox"/>            | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....  | <input checked="" type="checkbox"/> | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.<br>Name of clearing firm <sup>30</sup> ..... |                                     | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....  |                                     | 4580 |

**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.**

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)	
31	4600 NONE	4601	4602	4603	4604	4605
32	4610 NONE	4611	4612	4613	4614	4615
33	4620 NONE	4621	4622	4623	4624	4625
34	4630 NONE	4631	4632	4633	4634	4635
35	4640 NONE	4641	4642	4643	4644	4645
			Total \$ <sup>36</sup>			4699

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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 anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

<b>WITHDRAWAL CODE:</b>	<b>DESCRIPTIONS</b>
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

END