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

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

SEC FILE NUMBER  
8-66467

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: EQUUS FINANCIAL CONSULTING, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

257 RIVERSIDE AVENUE

(No. and Street)

WESTPORT

(City)

CT

(State)

06880

(Zip Code)

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

SUSAN SANTORY

203-454-2210

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

REYNOLDS & ROWELL, LLP

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

51 LOCUST AVENUE

(Address)

NEW CANAAN

(City)

CT

(State)

06840

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

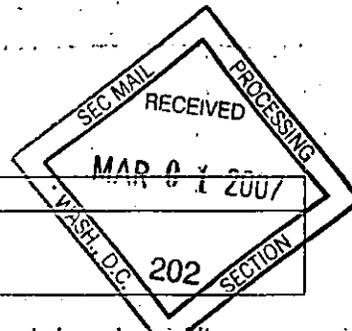
Accountant not resident in United States or any of its possessions.

PROCESSED

APR 04 2007

THOMSON

FINANCIAL



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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)

SEC 1410 (06-02)

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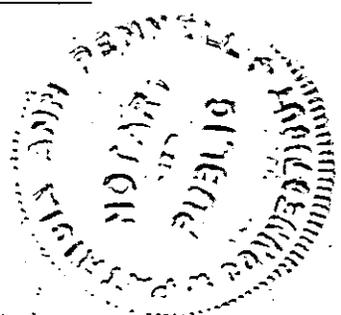
OATH OR AFFIRMATION

I, DARREYL J. GLATHORN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of EQUUS FINANCIAL CONSULTING, LLC, as of DECEMBER 31, 2006, 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:

Subscribed and sworn to before me  
this 28 day of Feb, 2007  
PATRICIA A. PENNELL  
NOTARY PUBLIC  
MY COMMISSION EXPIRES OCT. 31, 2010

[Signature]  
Signature  
MANAGING PARTNER  
Title

Patricia A. Pennell  
Notary Public



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).

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# Reynolds & Rowella<sup>LLP</sup>

Full Service Accounting & Financial Solutions  
expect more from us

*Partners:*

Thomas F. Reynolds, CPA  
Frank A. Rowella, Jr., CPA  
Steven I. Risbridger, CPA  
Scott D. Crane, CPA  
Ben Maini, CPA

*Principal,*

Richard J. Proctor, CPA, CVA, CGFM

## INDEPENDENT AUDITOR'S REPORT

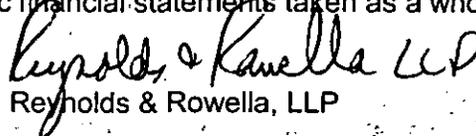
To the Members  
Equus Financial Consulting, LLC

We have audited the accompanying statement of financial condition of Equus Financial Consulting, LLC (a Delaware limited liability company) as of December 31, 2006, and the related statements of operations and changes in members' capital, and cash flows for the year then ended, that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the 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 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 Equus Financial Consulting, LLC as of December 31, 2006, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 1 and 2 on pages vii and viii 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.

  
Reynolds & Rowella, LLP

New Canaan, Connecticut  
February 20, 2007

90 Grove Street  
Ridgefield, CT 06877  
(203) 438-0161

87 Old Ridgefield Road  
Wilton, CT 06897  
(203) 762-2419

51 Locust Avenue  
New Canaan, CT 06840  
(203) 972-5191

Fax: (203) 431-3570

e-mail info@reynoldsrowella.com

website: www.reynoldsrowella.com

EXHIBIT A

EQUUS FINANCIAL CONSULTING, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2006

ASSETS

Cash	\$ 13,125
Accounts receivable	43,633
Prepaid expenses	<u>6,059</u>
 TOTAL ASSETS	 <u>\$ 62,817</u>

LIABILITIES AND MEMBERS' CAPITAL

LIABILITIES	
Accrued liabilities	<u>\$ 41,106</u>
 TOTAL LIABILITIES	 41,106
 MEMBERS' CAPITAL	 <u>21,711</u>
 TOTAL LIABILITIES AND MEMBERS' CAPITAL	 <u>\$ 62,817</u>

See notes to financial statements.

EXHIBIT B

EQUUS FINANCIAL CONSULTING, LLC  
STATEMENT OF OPERATIONS AND CHANGES IN MEMBERS' CAPITAL  
FOR THE YEAR ENDED DECEMBER 31, 2006

<u>REVENUES</u>	
Marketing	\$ 413,882
Service	<u>223,921</u>
TOTAL REVENUES	637,803
<u>OPERATING EXPENSES</u>	
Marketing	557,828
Professional fees	35,911
Travel and entertainment	20,170
Filing fees	3,892
Rent	4,235
Office expense and telephone	8,361
Dues and subscriptions	3,589
Administrative expenses	<u>5,881</u>
TOTAL OPERATING EXPENSES	<u>639,867</u>
NET LOSS	(2,064)
MEMBERS' CAPITAL, BEGINNING	<u>23,775</u>
MEMBERS' CAPITAL, ENDING	<u>\$ 21,711</u>

See notes to financial statements.

EQUUS FINANCIAL CONSULTING, LLC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss	\$ (2,064)
Adjustments to reconcile net loss to net cash used in operating activities:	
Changes in assets and liabilities	
(Increase) decrease in assets:	
Accounts receivable	51,280
Prepaid expenses	(6,059)
Increase (decrease) in liabilities:	
Due to members	(69,544)
Due to registered representative	(10,323)
Accrued expenses	<u>33,215</u>
 NET CASH FLOWS USED IN OPERATING ACTIVITIES	 (3,495)
 NET DECREASE IN CASH	 (3,495)
 <u>CASH AT BEGINNING OF YEAR</u>	 <u>16,620</u>
 <u>CASH AT END OF YEAR</u>	 <u>\$ 13,125</u>

See notes to financial statements.

EQUUS FINANCIAL CONSULTING, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Equus Financial Consulting, LLC, (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). The Company is a limited liability company formed in the State of Delaware. Its members are Brad Bohling and Darryl Glatthorn.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Taxes

The Company is organized as a Limited Liability Company. As a flow-through entity, Federal and state income taxes are the responsibility of the members. Therefore, the Company does not record a provision for income taxes as the members report the Company's income or loss on their income tax returns.

Revenue Recognition

The Company records revenues from transactions as of the transaction's closing date.

Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Company has defined cash equivalents as highly-liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business.

Concentration of Credit Risk

The Company maintains its cash balances in accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes there is little or no exposure to any significant credit risk.

EQUUS FINANCIAL CONSULTING, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2006

NOTE 2 – ACCOUNTS RECEIVABLE

Accounts receivable are carried at the original contract amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. Based on past experience, Management determined that no allowance for doubtful accounts is needed at December 31, 2006.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company paid \$271,314 in marketing expenses to related parties for the year ended December 31, 2006.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

The Company rents office space in Westport, CT on a month to month basis.

Rent expense charged to operations for the year ended December 31, 2006 was \$4,235.

NOTE 5 – NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), 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.

At December 31, 2006, the Company had net capital of \$6,925, which exceeded the minimum requirement of \$5,000 by \$1,925.

NOTE 6 – RULE 15c3-3 EXEMPTION

The Company is exempt from the provisions of Rule 15c3-3 under paragraph (k)(2)(i) in that the Company carries no margin accounts; promptly transmits all customer funds and delivers all securities received; does not otherwise hold funds or securities for, or owe money or securities to customers and effectuates all financial transactions on behalf of customers on a fully disclosed basis.

SUPPLEMENTARY INFORMATION

SCHEDULE 1

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

TOTAL OWNERSHIP EQUITY QUALIFIED FOR NET CAPITAL	\$ 21,711
Deductions and/or charges for non-allowable assets:	
Accounts receivable, net of related accounts payable	8,727
Prepaid expenses	6,059
	<u>14,786</u>
NET CAPITAL	6,925
Minimum net capital required (\$5,000 or 6-2/3% of aggregate indebtedness)	
	<u>5,000</u>
Excess net capital	<u>\$ 1,925</u>

STATEMENT PURSUANT TO PARAGRAPH (d)(4) OF RULE 17a-5

There are no material differences between the computation of net capital presented above and the computation of net capital reported in the Company's unaudited Form X-17A-5, Part II-A filing as of December 31, 2006

SCHEDULE 2

EQUUS FINANCIAL CONSULTING, LLC  
COMPUTATION OF AGGREGATE INDEBTEDNESS  
AS OF DECEMBER 31, 2006

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition:

Accounts payable and accrued expenses	<u>\$ 41,106</u>
Total aggregate indebtedness	<u>\$ 41,106</u>
Excess net capital at 1,000 percent	<u>\$ 2,814</u>
Ratio: Aggregate indebtedness to net capital	<u>5.94 to 1</u>

EQUUS FINANCIAL CONSULTING, LLC  
ACCOUNTANT'S SUPPLEMENTARY REPORT ON  
INTERNAL CONTROL  
FOR THE YEAR ENDED DECEMBER 31, 2006

*Partners:*

Thomas F. Reynolds, CPA  
Frank A. Rowella, Jr., CPA  
Steven I. Risbridger, CPA  
Scott D. Crane, CPA  
Ben Maini, CPA

*Principal,*

Richard J. Proctor, CPA, CVA, CGFM

**ACCOUNTANT'S SUPPLEMENTARY REPORT  
ON INTERNAL CONTROL**

To the Members  
Equus Financial Consulting, LLC

In planning and performing our audit of the financial statements and supplemental schedules of Equus Financial Consulting, LLC (the "Company"); for the year ended December 31, 2006, we considered its internal control structure, including procedures 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 the internal control structure.

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 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.
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

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 control 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.

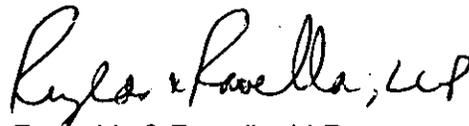
Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. 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 one or more of the internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2006, to meet the SEC's objectives.

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

  
Reynolds & Rowella, LLP

New Canaan, Connecticut  
February 20, 2007

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