

BB 5/21

SEC  
Mail Processing  
Section

SECUR



09040691

SSION

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: February 28, 2007  
Estimated average burden  
hours per response..... 12.00

MAY 18 2008

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

A

Washington, DC  
100

SEC FILE NUMBER  
8-52440

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 01/01/08 AND ENDING 12/31/08  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Prospero Capital, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
20 Marshall Street - Suite 300

Norwalk, CT 06854  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Daniel J. Donovan 203-354-1529  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Schwartz & Hofflich LLP

37 North Avenue - 3rd Floor Norwalk CT 06851-3832  
(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 basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Daniel J. Donovan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Prospero Capital, LLC

of December 31, 2008, 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:

[Blank lines for additional information]

[Handwritten signature of Ann D. Jevne]

Signature

Managing Member

ANN D. JEVNE

Title

NOTARY PUBLIC

Commission Expires May 31, 2014

[Handwritten signature of Notary Public]

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 15c3-1 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).

**PROSPERO CAPITAL, LLC**  
**RECONCILIATION, INCLUDING APPROPRIATE EXPLANATION, OF THE**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE**  
**SECURITIES AND EXCHANGE COMMISSION**

As of December 31, 2008

<b>Net capital</b>		
Member's equity from original Focus report (10/1/08 - 12/31/08)	\$	369,326
Increase in cash		322
Increase in accounts receivable		18,826
Reduction of prepaid expenses		(50)
Increase in accrued expenses		<u>(1,009)</u>
 Total member's equity per audit		 387,415
Deduct member's equity not allowable for net capital		<u>0</u>
Total member's equity qualified for net capital		387,415
 <b>Add:</b>		
Subordinated borrowings allowable in computation of net capital		0
Other deductions or allowable credits		<u>0</u>
Total capital and allowable subordinated borrowings		387,415
 <b>Deduction and/or charges:</b>		
Non-allowable assets: Accounts receivable and prepaid expenses		<u>(376,403)</u>
 <b>Net capital</b>	<b>\$</b>	<b><u><u>11,012</u></u></b>
 <b>Aggregate indebtedness</b>		
Items included in statement of financial condition		
Accrued expenses	\$	4,500
 Items not included in statement of financial condition:		<u>0</u>
 <b>Total aggregate indebtedness</b>	<b>\$</b>	<b><u><u>4,500</u></u></b>
 <b>Computation of basic net capital requirement</b>		
Minimum net capital required - 6-2/3% of aggregate indebtedness	\$	300
Minimum net capital required	\$	5,000
 Net capital requirement, greater of the above		<u>5,000</u>
 Excess net capital	<b>\$</b>	<b><u><u>6,012</u></u></b>

See independent auditor's report.