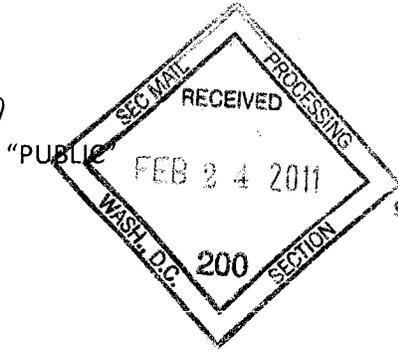


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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response..... 12.00

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

SEC FILE NUMBER  
8-66690

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 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Western Reserve Partners, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
200 Public Square, Suite 3750

(No. and Street)

Cleveland  
(City)

Ohio  
(State)

44114  
(Zip Code)

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

Goodill, William E. (216) 574-2100 (Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

SS&G Financial Services, Inc.

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

301 Springside Drive  
(Address)

Akron  
(City)

Ohio  
(State)

44333  
(Zip Code)

**CHECK ONE:**

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



11015718

**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)

AB  
3/3

"PUBLIC"

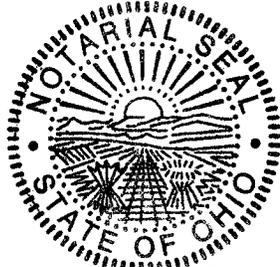
OATH OR AFFIRMATION

I, William E. Goodill, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Western Reserve Partners LLC, as of December 31, 2010, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

William E. Goodill  
Signature  
CEO/CFO  
Title

[Signature]  
Notary Public



ANTE TURCINOV  
NOTARY PUBLIC  
STATE OF OHIO  
Recorded in  
Cuyahoga County  
My Comm. Exp. 6/16/15

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).

# WESTERN RESERVE PARTNERS LLC

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**Akron Office**

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(330) 668-9696

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www.SSandG.com

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
Western Reserve Partners LLC

We have audited the accompanying statement of financial condition of Western Reserve Partners LLC as of December 31, 2010 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of financial condition. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Western Reserve Partners LLC as of December 31, 2010 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 statement of financial condition taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the statement of financial condition, 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 statement of financial condition and, in our opinion, is fairly stated in all material respects in relation to the statement of financial condition taken as a whole.

*SS&G Financial Services, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**

February 8, 2011

*Providing the  
services that  
bring solutions.*

member of:  
OSCPA, PCAOB, the AICPA's  
Center for Audit Quality, and  
The Leading Edge Alliance.

# WESTERN RESERVE PARTNERS LLC

## STATEMENT OF FINANCIAL CONDITION

---

	DECEMBER 31, <u>2010</u>
<b>ASSETS</b>	
Cash	\$ 1,640,658
Accounts receivable	99,072
Income tax receivable	11,500
Prepaid expenses	26,338
Investments	458,576
Property and equipment at cost, less accumulated depreciation of \$246,466	130,386
Interest receivable - related party	19,873
Short term receivable – related party	50,000
Long term receivable – related party	4,000
Other assets	<u>32,094</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,472,497</u></b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 1,011
Accrued expenses	97,552
Accrued payroll	273,530
Deferred rent	<u>105,000</u>
<b>TOTAL LIABILITIES</b>	<b>477,093</b>
<b>MEMBERS' EQUITY</b>	<b><u>1,995,404</u></b>
	<b><u>\$ 2,472,497</u></b>

*See accompanying notes to financial statement.*

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

---

### **NOTE A – Organization and nature of business**

Western Reserve Partners LLC (the "Company") provides customized investment banking solutions for middle market companies. The Company is a limited liability company organized under the laws of Ohio and was incorporated on June 14, 2004. The Company is registered as a broker-dealer under the Securities Exchange Act of 1934, and is a member of the Financial Industry Regulatory Authority (FINRA).

WRP Management, Inc. (WRP), a related party through common ownership of the majority member, is the Manager of the Company. WRP provides management services to the Company for which it earns a fee as defined in the agreements.

### **NOTE B – Summary of significant accounting policies**

#### Recent accounting pronouncement

In January 2010, the Financial Accounting Standards Board (FASB) issued guidance to improve the disclosures related to fair value measurements. The new guidance requires expanded fair value disclosures, including the reasons for significant transfers between Level 1 and Level 2 and the amount of significant transfers into each level disclosed separately from transfers out of each level. For Level 3 fair value measurements, information in the reconciliation of recurring Level 3 measurements about purchases, sales, issuances and settlements shall be presented separately on a gross basis, rather than as one net number. In addition, clarification is provided about existing disclosure requirements, such as presenting fair value measurement disclosures for each class of assets and liabilities that are determined based on their nature and risk characteristics and their placement in the fair value hierarchy (that is, Level 1, 2, or 3), as opposed to each major category of assets and liabilities, as required in the previous guidance. Disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements will be required for fair value measurements that fall in either Level 2 or Level 3. The new guidance is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures related to the gross presentation of purchases, sales, issuances and settlements for Level 3 fair value measurements, which are effective for reporting periods beginning after December 15, 2010. The expanded disclosures will be included in the Company's financial statements effective December 31, 2010, except for the disclosures related to the gross Level 3 presentation, which will be included in the Company's financial statements effective December 31, 2011.

#### Basis of accounting

The financial statements of the Company have been prepared on the accrual basis of accounting.

#### Concentration of credit risk

The Company maintains its cash balances in one financial institution located in Cleveland, Ohio. Through December 31, 2012, all noninterest-bearing transaction accounts are fully insured, regardless of the balance of the account, at all Federal Deposit Insurance Corporation insured institutions.

The Company's two largest customers accounted for approximately 56% of net fees revenue for the year-ended December 31, 2010. The Company performs periodic credit evaluations of its customers' financial condition but generally does not require collateral. There have been no credit losses to date.

As of December 31, 2010, the Company had no other significant concentrations of risk.

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE B – Summary of significant accounting policies, continued

#### Accounts receivable

The Company reports trade receivables at net realizable value. Management determines the allowance for doubtful accounts based on historical losses and current economic conditions. On a continuing basis, management analyzes delinquent receivables and, once these receivables are determined to be uncollectible, they are written off through a charge against an existing allowance account or against earnings.

#### Investments

In general, the Company will no longer participate directly in investments which result from transactions it helps complete. Typically, new investment opportunities will be referred to Public Square Partners I LLC, a co-investment fund also managed by the Principals of the Company. The Company owns Membership Units of the fund and is committed to making capital contributions, as requested, aggregating up to \$1 million.

The Company also received shares of DPAC common stock as partial payment for services rendered during 2006 and 2008. These shares have been classified as available-for-sale and are carried at fair market value, with unrealized holding gains and losses included in other comprehensive income.

#### Property and equipment

Property and equipment consisted of the following at December 31, 2010:

Automobile	\$	43,369
Furniture and fixtures		99,478
Office equipment		200,033
Leasehold improvements		<u>33,972</u>
		376,852
Less accumulated depreciation		<u>(246,466)</u>
	\$	<u>130,386</u>

The straight-line method is generally used to provide for depreciation over the estimated useful lives of the assets, primarily 5 years for automobiles, 7 years for furniture and fixtures, 3 or 5 years for computer equipment, and 10 years for leasehold improvements.

#### Income taxes

The Company, with the consent of its members, has elected to be formed as a limited liability company. The operating agreement, construed under Ohio laws, states that the Company will be treated as a partnership for federal and state income tax purposes. In lieu of paying taxes at the company level, the members of a limited liability company are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in these financial statements.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of Accounting Standards Codification 740, *Income Taxes* (ASC 740). Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities.

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE B – Summary of significant accounting policies, continued

#### Income taxes, continued

As of December 31, 2010, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years that remain subject to examination are the years ended December 31, 2007 and thereafter.

#### Use of estimates

The preparation of 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, the 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 those estimates.

#### Events occurring after reporting date

The Company has evaluated events and transactions that occurred between December 31, 2010 and February 8, 2011, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

### NOTE C – Line of credit

The Company renewed its bank line of credit in 2010 with a borrowing limit of \$500,000. There were no borrowings on the line as of December 31, 2010. Interest is charged on any outstanding balances monthly at 1 Month LIBOR (0.26% at December 31, 2010) plus 2.5%. The credit facility is secured by guarantees of the majority member of the Company, which is an LLC, and its members.

### NOTE D – Membership interests

Effective January 1, 2009, the Principals of WRP Management Inc. authorized the issuance and sale of 6.25 new Common units of the Company to WesRes Management LLC (WesRes) at the FMV of \$340,000. In lieu of cash, WesRes entered into a loan agreement with the Company for the payment of principal and interest. Since then, WesRes has made two prepayments to the Company in the amounts of \$20,000 on August 18, 2009 and \$10,000 on May 3, 2010. On the statement of financial condition, the loan balance outstanding is offset against Member's Equity in accordance with Accounting Standards Codification 505, *Equity*.

Loan balance outstanding, January 1, 2010	\$ 320,000
Cash paid	<u>(10,000)</u>
Loan balance outstanding, December 31, 2010	<u>\$ 310,000</u>

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

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### NOTE E – Fair value measurements

The Company follows the provisions of Accounting Standards Codification 820, *Fair Value Measurements* (ASC 820). This standard defines fair value and provides guidance for measuring fair value and expands disclosures about fair value measurements in accordance with accounting principles generally accepted in the United States of America. ASC 820 does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

ASC 820 enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values.

ASC 820 requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The Company's financial assets as of December 31, 2010 include available-for-sale investments and venture capital investments. The Company determines the fair values of the available-for-sale securities using quoted market prices. The fair values of the Company's venture capital investments were determined based on valuations of recent private placement offerings completed by these investments.

Fair values of assets and liabilities measured on a recurring basis at December 31, 2010 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices In Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Assets</u>				
Available-for-sale securities	\$ 51,653	\$ 51,653	\$ -	\$ -
Venture capital investments	<u>406,923</u>	<u>-</u>	<u>-</u>	<u>406,923</u>
Total Assets	<u>\$ 458,576</u>	<u>\$ 51,653</u>	<u>\$ -</u>	<u>\$ 406,923</u>

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

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### NOTE E – Fair value measurements, continued

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Balance, January 1, 2010	\$ 150,000
Additional capital calls from Public Square Partners I LLC	<u>256,923</u>
Balance, December 31, 2010	<u>\$ 406,923</u>
The amount of total gains or losses (realized and unrealized) for the year ended December 31, 2010 included in earnings attributable to the change in unrealized gains or losses relating to assets still held at the reporting date.	<u>\$ -</u>

### NOTE F – Investments

At December 31, 2010, investments consisted of the following:

Public Square Partners I LLC:	
Initial capital call	\$ 150,000
2 <sup>nd</sup> capital call	71,048
3 <sup>rd</sup> capital call	<u>185,875</u>
	406,923
 DPAC Technologies, Inc.	 <u>51,653</u>
	 <u>\$ 458,576</u>

In September 2008, the Company purchased four (4) Membership Units in a private placement offering of Public Square Partners I LLC. At the Initial Closing, it invested \$150,000 which represented 15% of the Company's total capital commitment to the co-investment fund. Since then, Public Square Partners I LLC has requested two additional capital calls allowing it to participate in other investment opportunities. The second capital call for \$71,048 took place on September 15, 2010 and the third capital call for \$185,875 on December 22, 2010. To date, the Company has invested approximately 41% of its total capital commitment.

The Company also received compensation from the fund's manager, PSP Managers I LLC, for administrative support services it rendered during 2010.

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE F – Investments, continued

The Company also holds common stock in DPAC Technologies Corp (ticker: DPAC). In addition to the shares it has owned since 2006, the Company received more common stock during 2008 as partial payment of their advisory fee. The additional shares were originally valued at \$50,000. These shares are classified as available-for-sale and carried at fair market value.

The following is a summary of available-for-sale securities at December 31, 2010:

<u>Description of Assets</u>	<u>Cost</u>	<u>Accumulated Unrealized Loss</u>	<u>Fair Value</u>
DPAC Common Stock	\$ 160,835	\$ (109,182)	\$ 51,653

Unrealized net holding losses on available-for-sale securities included as a separate component of members' equity totaled \$109,182 at December 31, 2010.

### NOTE G – Profit sharing plan

The Company has a 401(k) profit sharing plan that covers substantially all employees. Employees may elect to contribute pre-tax a portion of their pay up to limits established by the IRS. The Company makes contributions to each employee's account for 3% of the employee's salary each pay cycle.

### NOTE H – Lease commitments

The Company leases office space and equipment under non-cancelable operating leases that expire at various dates through April 2014.

Future minimum lease payments under lease agreements as of December 31, 2010 are as follows:

2011	\$ 273,228
2012	277,238
2013	283,128
2014	<u>94,444</u>
	<u>\$ 928,038</u>

The office space lease agreement provides for escalating rent payments at various times during the lease term. Generally accepted accounting principles require that rent be recorded on a straight-line basis over the life of the lease. An aggregate difference of \$105,000 at December 31, 2010 has been recorded on the statement of financial condition relating to the difference between actual rent payments and the amount which would have been paid if payments were made on the straight-line basis.

# WESTERN RESERVE PARTNERS LLC

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE I – Net capital requirements**

As a member organization of the FINRA, the Company is subject to the Uniform Net Capital rule 15c3-1 adopted by the SEC and administered by the FINRA, 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. The Company's minimum net capital requirement as of December 31, 2010 was \$31,806. At December 31, 2010, the Company's net capital was \$1,163,565 and exceeded the minimum net capital requirement by \$1,131,759. The Company's ratio of aggregate indebtedness to net capital at December 31, 2010 was 0.41 to 1.

## Supplemental Information

# WESTERN RESERVE PARTNERS LLC

## COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1

**DECEMBER 31, 2010**

---

Total Members' Equity from Statement of Financial Condition	\$ 1,995,404
Nonallowable assets:	
Accounts receivable	99,072
Income tax receivable	11,500
Investments, at cost	406,923
Property and equipment, net	130,386
Interest receivable – related party	19,873
Short-term receivable – related party	50,000
Long-term receivable – related party	4,000
Other assets	<u>58,432</u>
Total nonallowable assets	780,186
Haircuts on securities:	
DPAC Stock (100%)	<u>51,653</u>
Total haircuts on securities	<u>51,653</u>
Net Capital	1,163,565
Net capital requirement (6 2/3% of aggregate indebtedness)	<u>31,806</u>
Excess net capital	<u>\$ 1,131,759</u>
Total aggregate indebtedness	<u>\$ 477,093</u>
Percentage of aggregate indebtedness to net capital	41%

### Statement Pursuant to Paragraph (d)(4) Rule 17a-5

The above computation of net capital agrees with the corresponding computation prepared by the Company for inclusion on its Part II FOCUS Report filing as of December 31, 2010.

**WESTERN RESERVE PARTNERS LLC**

**STATEMENT REGARDING RULE 15c3-3**

**DECEMBER 31, 2010**

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The Company is exempt from rule 15c3-3 of the Securities and Exchange Commission under paragraph (k)(2)(i) of that rule.

## Supplementary Report

INDEPENDENT AUDITORS' SUPPLEMENTARY  
REPORT ON INTERNAL CONTROL

**Akron Office**

301 Springside Drive  
Akron, Ohio 44333  
(330) 668-9696  
fax (330) 668-2538  
www.SSandG.com

To the Members of  
Western Reserve Partners LLC

In planning and performing our audit of the financial statements of Western Reserve Partners LLC (the Company), as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) 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 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 conformity with generally accepted

*Providing the  
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The Leading Edge Alliance.

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 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 deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected and corrected on a timely basis.

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, 2010, to meet the SEC's objectives.

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

**SS&G** Financial Services  
Certified Public Accountants & Advisors

www.SSandG.com

*SS&G Financial Services, Inc*

CERTIFIED PUBLIC ACCOUNTANTS

February 8, 2011

**WESTERN RESERVE  
PARTNERS LLC**

***STATEMENT OF  
FINANCIAL  
CONDITION***

***DECEMBER 31, 2010***