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

Processing Section

FEB 29 2012

Washington, DC

OMB APPROVAL DC  
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  
8-67111

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**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/11 AND ENDING 12/31/11  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Bandon Partners, LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

San Francisco (No. and Street) CA 94118  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Carol Ann Kinzer 678-525-0992  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

WADE J. BOWDEN & COMPANY CPAS, P.C.

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

1720 EPPS BRIDGE PARKWAY, SUITE 108-381 ATHENS GA 30606  
(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)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, SHAWN K. NEILL, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BANDS PARTNERS LLC, as of Dec 31, 20 11, 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: N/A

[Signature]  
Signature  
President  
Title

[Signature]  
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.

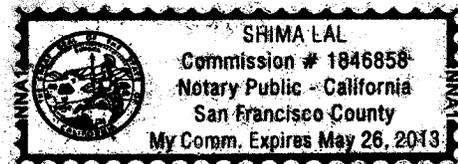
\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

State of California )  
County of SAN FRANCISCO )

Subscribed to and sworn to (or affirmed) before me this 28 day of Feb, 2012 by

Shawn K. Neill  
proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]



**BANDON PARTNERS, LLC**  
**(A LIMITED LIABILITY COMPANY)**

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
DECEMBER 31, 2011 AND INDEPENDENT  
AUDITORS' REPORT

**Wade J Bowden & Company, P.C.**

# **BANDON PARTNERS, LLC**

**(A LIMITED LIABILITY COMPANY)**

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**WADE J BOWDEN & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITORS' REPORT**

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To the Member  
BANDON PARTNERS, LLC

We have audited the statement of financial condition of Bandon Partners, LLC as of December 31, 2011 and the related statements of operations, changes in member's equity 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 Bandon Partners, LLC as of December 31, 2011 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 the supplementary schedule 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.

*Wade J Bowden & Company*

Atlanta, Georgia  
February 16, 2012

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ATHENS, GEORGIA 30606

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FAX 678-868-1411

WBOWDEN@VOLCPA.COM

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **STATEMENT OF FINANCIAL CONDITION**

December 31, 2011

### **ASSETS**

<b>CURRENT ASSETS:</b>	
Cash	\$ 10,883
Accounts receivable	15,000
Prepaid expenses	5,136
Total current assets	<b>31,019</b>
<b>FURNITURE AND EQUIPMENT</b>	
Less accumulated depreciation	5,828
Furniture and equipment - net	<b>(3,838)</b>
<b>OTHER ASSET - CRD account</b>	
	468
<b>TOTAL</b>	<b>\$ 33,477</b>

### **LIABILITIES AND MEMBER'S EQUITY**

<b>CURRENT LIABILITIES:</b>	
Accounts payable and accrued expenses	\$ 4,977
<b>TOTAL LIABILITIES</b>	<b>4,977</b>
<b>MEMBER'S EQUITY</b>	
	<b>28,500</b>
<b>TOTAL</b>	<b>\$ 33,477</b>

See Independent Auditors' Report and  
Notes to Financial Statements.

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>CONSULTING REVENUE</b>	<b>\$ 25,000</b>
<b>OPERATING EXPENSES:</b>	
Insurance	22,379
Auto	17,218
Travel	16,103
Legal and professional fees	12,340
Meals and entertainment	11,226
Commissions	7,000
Taxes, licenses and regulatory fees	6,091
Computer and technology	4,764
Telephone	2,849
Utilities	1,412
Office	1,069
Depreciation	587
Bank charges	25
Total expenses	<b>103,063</b>
Net loss before other income	<b>(78,063)</b>
<b>OTHER INCOME - gain on disposition of asset</b>	<b>7,241</b>
<b>NET LOSS</b>	<b>\$ (70,822)</b>

See Independent Auditors' Report and  
Notes to Financial Statements.

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **STATEMENT OF CHANGES IN MEMBER'S EQUITY FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>MEMBER'S EQUITY, JANUARY 1</b>	<b>\$</b>	<b>118,153</b>
Net loss		(70,822)
Member's distributions		(41,831)
Member's contributions		23,000
<b>MEMBER'S EQUITY, DECEMBER 31</b>	<b>\$</b>	<b>28,500</b>

See Independent Auditors' Report and  
Notes to Financial Statements.

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2011**

<b>OPERATING ACTIVITIES:</b>	
Net loss	\$ (70,822)
Adjustments to reconcile net loss to net cash flow used by operating activities:	
Depreciation	587
Increase in prepaid expenses	(1,071)
Increase in accounts payable and accrued expenses	4,306
Net cash used by operating activities	(67,000)
<b>INVESTING ACTIVITY - disposition of fixed assets</b>	34,121
<b>FINANCING ACITIVIES:</b>	
Member distributions	(41,831)
Member contributions	23,000
Net cash used by financing activities	(18,831)
<b>NET DECREASE IN CASH</b>	(51,710)
<b>CASH AT BEGINNING OF YEAR</b>	62,593
<b>CASH AT END OF YEAR</b>	\$ 10,883

See Independent Auditors' Report and  
Notes to Financial Statements.

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **NOTES TO FINANCIAL STATEMENTS**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Nature of Business

Bandon Partners, LLC (the Company) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and FINRA. The Company was organized as a California limited liability company (LLC).

Since the Company is a limited liability company, the members are not liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort or otherwise, unless the member has signed a specific guarantee.

#### Basis of Presentation

The firm engages in the business of structuring private placements of both debt and equity securities, on the client's behalf, and acts as a mergers and acquisitions consultant on a fee for service basis.

#### Income Taxes

The Company is a limited liability company for income tax reporting purposes, and as such, is not subject to income tax. Accordingly, no provision for income taxes is provided in the financial statements.

#### Depreciation and Amortization

Depreciation is provided on a straight-line basis using an estimated useful life of seven years.

#### Estimates

The presentation of financial statements in conformity with U.S. 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Revenue Recognition

The Company recognizes revenue when fees are billed to clients for services rendered, and has determined the fees to be collectible.

**2. REVENUE**

Consulting revenue is derived by the Company when clients hire the Company to provide strategic planning and consulting services to clients' management and/or board of directors. Consulting revenue for the year ended December 31, 2011 is \$25,000.

**3. 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 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2011, the Company had net capital of \$5,906, which was \$906 in excess of its required net capital of \$5,000. The Company's percentage of aggregate indebtedness to net capital was 84.25%.

**4. RELATED PARTY TRANSACTIONS**

The sole member was paid \$7,000 for the year ended December 31, 2011 which is reflected on the statement of operations as commissions.

The LLC distributed an automobile to the member reducing fixed assets by \$61,692. The fair market value of the vehicle was greater than its adjusted basis and is included on the statement of operations as gain on disposition of fixed assets of \$7,241.

The member contributed \$23,000 in 2011 which is reflected on the statement of changes in member's equity. The member also received distributions totaling \$41,831 which is reflected on the statement of changes in member's equity.

**5. COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS UNDER RULE 15C3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

The Company is exempt from the provisions of Rule 15c3-3 under the Security Exchange Act of 1934 pursuant to paragraph (k)(2)(i) of the rule.

**6. INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

The Company is exempt from the provisions of Rule 15c3-3 under the Security Exchange Act of 1934 pursuant to paragraph (k)(2)(i) of the rule.

**7. SIPC ASSESSMENT RECONCILIATION**

The Company has revenue of \$25,000 for the year ended December 31, 2011, below the minimum needed for inclusion of the SIPC-7 and Accountants' report on the SIPC Assessment Reconciliation. Those reports are not included in this filing.

**8. GOING CONCERN**

The Company has incurred significant losses in 2011. The Company may become dependent upon capital contributions from its Member for working capital and to meet its regulatory requirements for maintaining net capital as defined in Rule 15c3-1. The Member has represented that the Member intends to make any capital contributions, as needed, to insure the Company's survival and regulatory requirements through January 1, 2013.

Management expects the Company to continue as a going concern and the accompanying financial statements have been prepared on a going-concern basis without adjustments for realization in the event that the Company ceases to continue as a going concern.

**9. SUBSEQUENT EVENT**

On January 4, 2012, it was discovered that the Company was no longer in compliance with net capital requirements - see note 3. When this was discovered, a member's contribution was made on January 20, 2012 to bring the Company back in compliance with minimum net capital. The Company did not conduct any business from January 4, 2012 to January 20, 2012.

# **BANDON PARTNERS, LLC**

(A LIMITED LIABILITY COMPANY)

## **COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION AS OF DECEMBER 31, 2011**

<b>SCHEDULE 1</b>	
<b>TOTAL MEMBER'S EQUITY QUALIFIED FOR NET CAPITAL</b>	<b>\$ 28,500</b>
<b>DEDUCTIONS AND/OR CHARGES:</b>	
Nonallowable assets:	
Furniture and equipment - net	(1,990)
Accounts receivable	(15,000)
Prepaid expenses	(5,136)
CRD account	(468)
<b>NET CAPITAL</b>	<b>\$ 5,906</b>
<b>AGGREGATE INDEBTEDNESS:</b>	
Accounts payable and accrued expenses	4,976
<b>COMPUTATION OF BASIC NET CAPITAL REQUIREMENT -</b>	
Minimum net capital required	5,000
Excess net capital	906
Percentage of aggregate indebtedness to net capital	84.25%

There is no difference in the above computation and the Company's net capital, as reported in Company's Part II (unaudited) FOCUS report as of December 31, 2011.

See Independent Auditors' Report

**WADE J BOWDEN & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**REPORT ON INTERNAL CONTROL**

**REQUIRED BY  
SECURITIES EXCHANGE COMMISSION (SEC) RULE 17A-5  
FOR A BROKER-DEALER CLAIMING AN EXEMPTION FROM  
(SEC) RULE 15C3-3**

To the Member  
Bandon Partners, LLC

In planning and performing our audit of the financial statements and supplementary schedule of Bandon Partners, LLC (the "Company"), as of and for the year ended December 31, 2011, we considered its internal control, including control activities 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 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 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;
2. Recordation of differences required by Rule 17a-13;
3. 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 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 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.

See Independent Auditors' Report and  
Notes to Financial Statements

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Because of inherent limitations in any internal control or the practices and procedures referred to above, errors 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 the effectiveness of their design and operation may deteriorate.

Our consideration of the 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 the specific 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 the internal control, including control activities for safeguarding securities that we consider to be a material weakness 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 as of December 31, 2011 to meet the SEC's objectives.

This report recognizes that it is not practicable in an organization the size of the Company to achieve all the division of duties and cross-checks generally included in a system of internal control, and that alternatively, greater reliance must be placed on surveillance by management.

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 used by anyone other than these specified parties.



Atlanta, Georgia  
February 16, 2012

See Independent Auditors' Report and  
Notes to Financial Statements.