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

**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 01/01/2012 AND ENDING 12/31/2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**Meadowvale Advisors, LLC**

OFFICIAL USE ONLY

FIRM I.D. NO.

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

**521 Fifth Avenue 17<sup>th</sup> Floor**

(No. and Street)

**New York**

**New York**

**10175**

(City)

(State)

(Zip Code)

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

**Chris Matchett**

**(646) 873-6271**

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Keith K. Zhen, CPA**

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

**2070 West 6<sup>th</sup> Street**

**Brooklyn**

**New York**

**11223**

(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).

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SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Paul Ehrenstein, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Meadowvale Advisors, LLC, as of December 31, 2012, 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:

Handwritten signature of Paul Ehrenstein

Signature

FINOP

Title

DIERDRE STEINHAUS AINBINDER
Notary Public, State of New York
No. 01A14899711
Qualified in Nassau County
Commission Expires July 6, 2015

Handwritten signature of Dierdre Steinhaus Aimbinder
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 Proprietor's 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).

**MEADOWVALE ADVISORS, LLC**

**Statement of Financial Condition**

**December 31, 2012**

**(With Independent Auditors' Report Thereon)**

**MEADOWVALE ADVISORS, LLC**

**DECEMBER 31, 2012**

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# **KEITH K. ZHEN**

**CERTIFIED PUBLIC ACCOUNTANT**

**2070 WEST 6<sup>TH</sup> STREET, BROOKLYN, NY 11223 TEL (347)408-0693 FAX (347)602-4686**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Meadowvale Advisors, LLC  
New York, New York

### **Report on the Financial Statements**

We have audited the accompanying statement of financial condition of Meadowvale Advisors, LLC, as of December 31, 2012.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

#### ***Opinion***

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of Meadowvale Advisors, LLC, at December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

February 28, 2013  
Keith K. Zhen

**MEADOWVALE ADVISORS, LLC**

**STATEMENT OF ASSETS, LIABILITIES AND MEMBERS' EQUITY**

**DECEMBER 31, 2012**

**ASSETS**

Cash	\$	22,998
Due from broker dealers		12,419
Loans		<u>33</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>35,450</u></b>

**LIABILITIES AND MEMBERS' EQUITY**

**LIABILITIES**

Accounts payable and accrued expenses	\$	<u>8,250</u>
<b>TOTAL LIABILITIES</b>		8,250
Commitments and contingent liabilities (Note 5)		-
Members' equity		<u>27,200</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$</b>	<b><u>35,450</u></b>

**The accompanying notes are an integral part of these financial statements.**

**MEADOWVALE ADVISORS, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2012**

**NOTE 1- ORGANIZATION AND NATURE OF BUSINESS**

Organization

Meadowvale Advisors, LLC (formerly Matchett Capital, LLC) (the "Company"), was formed as a New York limited liability company on September 7, 2006, is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and became a member of the Financial Industry Regulatory Authority ("FINRA") on May 7, 2007.

Nature of Business

The Company earns commission income by referring customers to another broker-dealer. The Company also earns fees from doing private placements of securities on a best efforts basis.

**NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Concentration of Credit Risk

The Company is engaged in various investment and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Fees earned by business directed to AVM, L.P. are recorded as they are earned. Private placement fee income is recorded upon the closing of each deal.

Recent Accounting Pronouncements

The Company does not expect the adoption of recent accounting pronouncements to have any material impact on its financial condition or results of operations.

**MEADOWVALE ADVISORS, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2012**

**NOTE 3- FAIR VALUE OF INSTRUMENTS**

Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). Fair value measurements are not adjusted for transaction cost. Fair value measurement under generally accepted accounting principles provides for the use of a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available. Observable inputs reflect the assumptions that market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Company.
- Level 3: Unobservable inputs. Unobservable inputs reflect the assumptions that the Company develops based on available information about what market participants would use in valuing the asset or liability.

The Company has no assets or liabilities that are measured at fair value on a recurring basis.

**NOTE 4- INCOME TAXES**

No provisions for federal and state income taxes are made in the financial statements as the Company is a limited liability company and these taxes are the responsibility of the members.

**NOTE 5- COMMITMENTS AND CONTINGENCIES**

For a portion of 2012 the Company used office space provided by an affiliate at no cost to the Company. Certain fixed expenses of the Company were also paid by an affiliate of the Company under common ownership. However, during 2012 the affiliate, who ceased operations during the year, and the Company agreed to separate offices whereby the Company would pay for its own office space and associated costs from that point forward. It was also agreed that there would be no expenses allocated to the Company by the affiliate.

**MEADOWVALE ADVISORS, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2012**

**NOTE 6- NET CAPITAL REQUIREMENTS**

The Company is a member of the Financial Industry Regulatory Authority ("FINRA") and is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This Rule requires that the ratio of aggregate indebtedness to net capital may not exceed 15 to 1 and equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2012, the Company's net capital was \$27,167 which was \$22,167 in excess of its required net capital of \$5,000. The Company's aggregate indebtedness to net capital ratio was 0.3 to 1.

**NOTE 8- SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through February 25, 2013, the date that its financial statements were ready to be issued. The Company believes that there are no subsequent events requiring further disclosure.