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**SEC**  
Mail Processing  
Section

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

<b>SEC FILE NUMBER</b>
8-68370

MAR 1 - 2013

Washington DC

FACING PAGE

**400**  
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 01/01/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER - DEALER:

Brookfield Private Advisors LLC

<b>OFFICIAL USE ONLY</b>
FIRM ID. NO.

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

4 World Financial Center, 250 Vesey Street, 15<sup>th</sup> Floor

(No. and Street)

New York NY 10281-1021  
(City) (State) (Zip Code)

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

Michael Stupay (212) 509-7800  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Deloitte LLP

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

Brookfield Place, 181 Bay Street, Suite 1400 Toronto Ontario M5J2V1  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

<b>FOR OFFICIAL USE ONLY</b>

\*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 (3-91)

KH 3/12

# **Brookfield Private Advisors LLC**

**(A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)**

**Statement of Financial Condition  
Pursuant to Rule 17a-5 under the  
Securities Exchange Act of 1934  
December 31, 2012**

**778**  
**December 31, 2012**

## Brookfield Private Advisors LLC

(A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)

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This report \*\* contains (check all applicable boxes):

- Independent Auditors' Report.
- Facing Page.
- Statement of Financial Condition.
- Statement of Operations.
- Statement of Changes in Member's Equity.
- Statement of Cash Flows.
- Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable).
  
- Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- A Reconciliation, including appropriate explanations, of the Computation of Net Capital Pursuant to Rule 15c3-1 (included with item (g)) and the Computation for Determination of Reserve Requirements Under Rule 15c3-3 (included in item (g)).
- A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- An Affirmation.
- A copy of the SIPC Supplemental Report.
- A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).

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

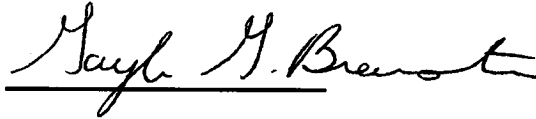
**AFFIRMATION**

**I, Michael Stupay, affirm that, to the best of my knowledge and belief, the accompanying statement of financial condition pertaining to Brookfield Private Advisors LLC at December 31, 2012, is true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.**

  
\_\_\_\_\_  
Signature

**CFO and Financial and Operations Principal**  
Title

**Subscribed and sworn  
to before me**

  
\_\_\_\_\_

**GAYLE G. BRAUNSTEIN  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires 8/19/2015**

**Brookfield Private Advisors LLC**  
**(a wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)**  
**Index**  
**December 31, 2012**

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Brookfield Place  
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www.deloitte.ca

## Independent Auditors' Report

To the Member of  
Brookfield Private Advisors LLC

We have audited the accompanying statement of financial condition of Brookfield Private Advisors LLC (the "Company") (A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC) as of December 31, 2012, and the related notes (the "financial statement"), that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement 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 the financial statement that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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 financial statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Brookfield Private Advisors LLC as of December 31, 2012, in accordance with accounting principles generally accepted in the United States of America.

Chartered Professional Accountants, Chartered Accountants  
Licensed Public Accountants  
February 27, 2013

**Brookfield Private Advisors LLC**  
**(A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)**

**Statement of Financial Condition**  
**December 31, 2012**

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<b>Assets</b>	
Cash	\$ 3,601,207
Fees receivable	5,685,168
Fixed assets, net of accumulated depreciation of \$25,925	1,169,035
Other assets	<u>12,595</u>
Total assets	<u>\$ 10,468,005</u>

**Liabilities and Member's Equity**

<b>Liabilities</b>	
Due to affiliates	\$ 1,276,346
Compensation payable	2,354,730
Accounts payable and accrued expenses	<u>237,735</u>
Total liabilities	3,868,811
Member's equity	<u>6,599,194</u>
Total liabilities and member's equity	<u>\$ 10,468,005</u>

STATEMENT OF FINANCIAL CONDITION  
December 31, 2012

Assets

Cash

Fees receivable

Fixed assets, net of accumulated depreciation of \$25,925

Other assets

Total assets

Liabilities and Member's Equity

Liabilities

Due to affiliates

Compensation payable

Accounts payable and accrued expenses

Total liabilities

Member's equity

Total liabilities and member's equity

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

**Brookfield Private Advisors LLC**  
(A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)

**Notes to Financial Statement**  
**For the year ended December 31, 2012**

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**1. Organization and Business**

Brookfield Private Advisors LLC (the "Company"), a wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC (the "Parent"), is a limited liability company and was formed under the laws of the State of Delaware. The Company is a broker-dealer and is registered with the Securities and Exchange Commission (the "SEC") and a member of the Financial Industry Regulatory Authority.

The Company acts primarily as a broker or dealer selling private placements of securities and performing investment advisory services.

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash**

All cash deposits are held by one financial institution and therefore are subject to the credit risk at that financial institution. The Company has not experienced any losses in such accounts and does not believe there to be any significant credit risk with respect to these deposits.

**Fixed assets**

Fixed assets are recorded at cost, net of accumulated depreciation and amortization, which is calculated on straight-line and accelerated basis over estimated useful lives of two to five years. Leasehold improvements are amortized on a straight-line basis over the lease term.

**Income Taxes**

The Company is a single member limited liability company, and is treated as a disregarded entity for federal income tax reporting purposes. The Internal Revenue Code ("IRC") provides that any income or loss is passed through to the ultimate taxpaying entity for federal, state and certain local income taxes. Accordingly, the Company has not provided for federal and state income taxes.

**3. Transactions with related parties**

The Company maintains an administrative services agreement with two affiliates. Pursuant to the agreements, the affiliates provide accounting, administrative, office space human resources and other services. The Company incurred expenses of which \$831,000 of rent payable remains unpaid, at December 31, 2012 and is included in the accompanying statement of financial condition. Additionally, the Company incurred expenses of which approximately \$1,222,000 remains unpaid at December 31, 2012 and is included in the accompanying statement of financial condition.



**Brookfield Private Advisors LLC**  
(A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)

**Notes to Financial Statement**  
**For the year ended December 31, 2012**

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The Parent provides compensation to certain key employees of the Company in the form of share-based awards which are cash settled and are based on the market price of the Parent's shares. The obligations for the share-based awards are accrued over the vesting period and the accrued obligations are periodically adjusted for fluctuations in the market price of the Parent's shares and dividends accrued. The Parent manages this program for the Company in accordance with the shared services agreement between the Company and the Parent. Stock based compensation in the amount of \$848,750 remains unpaid at December 31, 2012.

All transactions with related parties are settled in the normal course of business. Amounts due to affiliates are non-interest bearing and have no specific terms of repayment. The terms of any of these arrangements may not be the same as those that would otherwise exist or result from agreements and transactions among unrelated parties.

**4. Fixed Assets**

Fixed assets at December 31, 2012 consists of:

Computer equipment and software	\$ 144,917
Furniture and fixtures	270,819
Leasehold improvement	779,224
	<u>1,194,960</u>
Less: Accumulated depreciation and amortization	<u>(25,925)</u>
	<u>\$ 1,169,035</u>

**5. Regulatory Requirements**

The Company is subject to SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, 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, 2012, the Company had net capital of \$232,396 which exceeded the required net capital by \$7,809. The ratio of aggregate indebtedness to net capital, at December 31, 2012 was 14.5 to 1.

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 as the Company does not hold customers' cash or securities.

**Regulatory Requirements**

The Company is subject to SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, 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, 2012, the Company had net capital of \$232,396 which exceeded the required net capital by \$7,809. The ratio of aggregate indebtedness to net capital, at December 31, 2012 was 14.5 to 1.

**Brookfield Private Advisors LLC**  
 (A wholly owned subsidiary of Brookfield Private Advisors Holdings, LLC)

**Notes to Financial Statement**  
**For the year ended December 31, 2012**

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**6. Commitments**

The Company leases office space, from an affiliate, under a non-cancellable lease agreement which expires on May 31, 2024. At December 31, 2012, the annual minimum payments under this agreement are approximately:

Year Ending December 31,	Total Commitments
2013	\$ 223,149
2014	351,075
2015	351,075
2016	351,075
2017	354,987
Thereafter	<u>2,401,379</u>
	<u>\$ 4,032,740</u>

The lease has provisions for escalations.

**7. Going Concern**

Because of the accumulated losses the company is economically dependent on the Parent for ongoing support including meeting working capital requirements and regulatory capital adequacy needs.

**8. Concentration**

Substantially all of the cash of the Company are held by a single bank.