



14041052

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

SEC
Mail Processing
Section

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

Washington, DC

FACING PAGE

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

OMB APPROVAL

OMB Number: 3235-0123
Expires: March 31, 2016
Estimated average burden
Hours per response...12.00

SEC FILE NUMBER

8-66964

90
7/23/14

REPORT FOR THE PERIOD BEGINNING April 1, 2013 AND ENDING March 31, 2014
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

US Arma Partners, LP

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

Four Palo Alto Square, Suite 100, 3000 El Camino Real

OFFICIAL USE ONLY

FIRM ID NO.

Palo Alto (No. and Street) **CA** **94306**
(City) (State) (Zip Code)

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

James Schroder **(650) 328-8207**

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this report*

EisnerAmper, LLP

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

One Market, Landmark, Suite 620 San Francisco CA 94105
(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

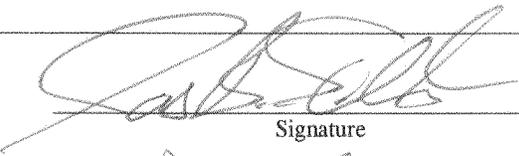
* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

SEC 1410 (06-02) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless this form displays a currently valid OMB control number.

90
7/24/14

OATH OR AFFIRMATION

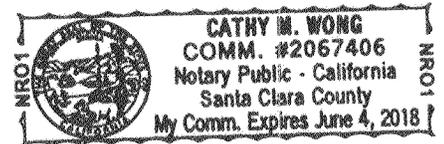
I, **James Schroder** swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of **US Arma Partners LP** as of **March 31, 2014**, and are true and correct. I further swear (or affirm) that neither the company 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:


 Signature
PARTNER

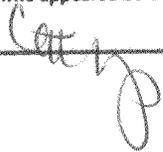
 Title

Subscribed and sworn to before me
 this ____ day of _____ 2014

State of California, County of Santa Clara
 Subscribed and sworn to (or affirmed) before me
 on this 12th day of June, 2014,
 by JAMES B. SCHRODER,
 proved to me on the basis of satisfactory evidence
 to be the person(s) who appeared before me.



 Notary Public

Signature: 

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' Equity or Members' Equity or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital for Broker and Dealers pursuant to Rule 15c3-1.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or control Requirements for Brokers and Dealers 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 Securities Investor Protection Corporation Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (o) Independent auditor's report on internal control.
- (p) Schedule of Segregation Requirements and Funds in Segregation- Customer Regulated Commodity Futures account pursuant to Rule 171-5.

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

JURAT

State of : California

County of: SANTA CLARA

Subscribed and sworn to (or affirmed) before me

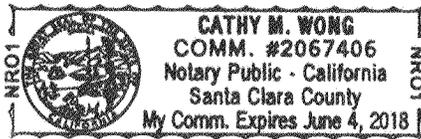
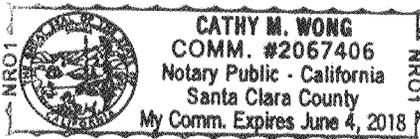
on this 12th day of JUNE, 2014, by
Date Month Year

(1) JAMES SCARDNER
Name of Signer (s)

(2) N/A
Name of Signer (s)

Proved to me on the basis of satisfactory evidence to be the person (s) who appeared before me.

WITNESS my hand and official seal



Cathy Wong
Signature of Notary Public

Place Notary Seal Above

This Certificate is attached to: DATA OR AFFIRMATION - US ARMY PARTNERS, LP

Title or type of document: FINANCIAL STATEMENTS EXHIBIT W/ SUPPLEMENT

Number of pages: 26 SCHEDULES AND ADDITIONAL REPORT MARCH 31, 2014

Date of document: MARCH 31, 2014

Signer(s) other than named above: NONE

Notary Phone Number: 650-290-3550 or 408-355-3700

SEC
Mail Processing
Section

MAR 11 2014

Washington, DC
124

US ARMA PARTNERS, LP
STATEMENT OF FINANCIAL CONDITION
MARCH 31, 2014

INDEPENDENT AUDITORS' REPORT

To the General Partner of
US Arma Partners, LP

Report on the Statement of Financial Condition

We have audited the accompanying statement of financial condition of US Arma Partners, LP (the "Company") as of March 31, 2014.

Management's Responsibility for the Statement of Financial Condition

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

Auditors' Responsibility

Our responsibility is to express an opinion on the statement of financial condition 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 statement of financial condition. 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 entity'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 entity'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 statement of financial condition.

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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of US Arma Partners, LP as of March 31, 2014, in accordance with accounting principles generally accepted in the United States of America.



San Francisco, California
June 12, 2014

US ARMA PARTNERS, LP
Statement of Financial Condition
March 31, 2014

<i>Assets</i>	
Cash	\$ 1,871,901
Accounts receivable	6,187
Deposits	20,035
Other current assets	9,106
Fixed assets, net	<u>184,959</u>
 <i>Total assets</i>	 <u>\$ 2,092,188</u>
 <i>Liabilities and Partners' Capital</i>	
 <i>Liabilities</i>	
Accounts payable and accrued liabilities	\$ 82,429
Bonus payable	750,481
Payable to affiliate	<u>105,356</u>
 <i>Total liabilities</i>	 938,266
 Partner's capital	 <u>1,153,922</u>
 <i>Total liabilities and partners' capital</i>	 <u>\$ 2,092,188</u>

See Accompanying Notes to Statement of Financial Condition

US ARMA PARTNERS, LP
Notes to Statement of Financial Condition
March 31, 2014

1. Business and Summary of Significant Accounting Policies

Business

US Arma Partners, LP (the "Partnership") is a Delaware limited partnership formed in 2006. The Partnership is registered with the Securities and Exchange Commission ("SEC") as a fully disclosed securities broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Partnership is subject to various governmental rules and regulations including the Net Capital Rule set forth in Rule 15c3-1 of the Securities Exchange Act of 1934. Arma Partners, LLC serves as the general partner of the Partnership. All limited partners of the Partnership are also the members of Arma Partners, LLP ("UK Arma or Affiliate"), a United Kingdom-based limited liability partnership formed in March 2004. UK Arma is a broker-dealer regulated by the Financial Conduct Authority in the United Kingdom. Arma Partners, LLC does not have any capital balance in the Partnership.

Cash

Cash consists of cash in deposit accounts and a money market savings account with two commercial banks which at times may exceed federally insured limits. The Partnership has not experienced any losses in such accounts. At March 31, 2014, the Company held £143,545 in a US bank account denominated in British Pounds equivalent to \$238,816 US Dollars.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and generally do not bear interest. To the extent deemed necessary, the Company maintains an allowance for estimated losses from the inability of clients to make required payments. The collectability of outstanding invoices is continually assessed. In estimating the allowance, the Company considers factors such as historical collections, a client's current creditworthiness, age of the receivable balance and general economic conditions that may affect a client's ability to pay. During the year, \$473,626 of accounts receivable were written off as bad debt as these amounts were deemed to be uncollectable.

Fixed Assets

Fixed assets are stated at cost and are depreciated using the straight-line method over estimated useful lives of three to five years.

US ARMA PARTNERS, LP
Notes to Statement of Financial Condition
March 31, 2014

1. Business and Summary of Significant Accounting Policies (continued)

Income Taxes

The Partnership elects to be treated as a pass-through entity for all relevant jurisdictions and therefore files informational income tax returns which attribute taxable income and taxes paid, if any, to the partners. Management has concluded that the Partnership is not subject to income taxes in any jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. Accordingly, no provision for income taxes is reflected in the accompanying financial statements. If the Partnership were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes.

Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. With few exceptions, the Partnership is no longer subject to examination by tax authorities for years before 2009.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Translation of Foreign Currencies

The books and records of the Partnership are maintained in U.S. dollars. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the statement of financial condition.

2. Indemnification

The Partnership enters into contracts that contain a variety of indemnifications for which the maximum exposure is unknown. The Partnership has no current claims or losses pursuant such contracts.

US ARMA PARTNERS, LP
Notes to Statement of Financial Condition
March 31, 2014

3. Fixed Assets, net

Fixed assets, net consists of the following:

Computer and office equipment	\$ 224,082
Furniture	<u>60,952</u>
	285,034
Accumulated depreciation	<u>(100,075)</u>
Fixed assets, net	<u>\$ 184,959</u>

4. Net Capital Requirements

The Partnership is subject to the SEC 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. At March 31, 2014, the Partnership had net capital of \$933,635, which was \$871,084 in excess of its required net capital of \$62,551. The Partnership's net capital ratio was 1.005 to 1.

5. Lease Obligation

On April 27, 2012, the Partnership renewed its lease agreement for its California office to extend the period of lease until May 31, 2015. In May 2013, the Partnership signed a lease agreement for office space in New York City for a three year term. The guarantor for the lease is the affiliate Arma Partners LLP. The guarantor has paid the deposit on the lease. Future minimum lease payments under these leases are as follows:

Year Ending <u>March 31</u>	
2015	358,374
2016	<u>96,505</u>
Total	<u>\$ 454,879</u>

US ARMA PARTNERS, LP
Notes to Statement of Financial Condition
March 31, 2014

6. Related Party Transactions

The Partnership is party to an expense-sharing agreement with UK Arma, under which the Partnership is responsible for a portion of direct and indirect costs incurred in the provision of support services. The direct and indirect costs include a proportion of the office costs and supplies, marketing, legal, professional, and wages of the financial and administrative staff incurred by UK Arma that relate to providing the services to the partnership in accordance with the agreement.

The agreement also provides for the Partnership to reimburse UK Arma for any direct costs and time spent by UK Arma staff and members for performing any services on behalf of the Partnership. The agreement also provides for the Partnership to reimburse UK Arma for the services of consultants who are independent contractors of UK Arma for performing any services on behalf of the Partnership. Similarly, UK Arma also reimburses the Partnership for time spent by the Partnership's staff and partners or for the services of consultants engaged by US Arma for performing any services on behalf of UK Arma.

At March 31, 2014, the Partnership had a payable to the affiliate of \$105,356, representing the net amounts due to and due from UK Arma for services provided or received and amounts payable in accordance with the expense sharing agreement.

7. Subsequent Events

Management evaluated subsequent events through June 12, 2014, the date these financial statements were available to be issued. There were no material subsequent events that required disclosure in these financial statements.