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

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

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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 01/01/13 AND ENDING 12/31/13  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Achelous Partners, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

405 Lexington Avenue, 9th Floor

(No. and Street)

New York

New York

10174

(City)

(State)

(Zip Code)

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

Mark R. Saunders

212 660 7250

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Arnold G. Greene, CPA

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

866 United Nations Plaza

New York

New York

10017

(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)

3/25/14

OATH OR AFFIRMATION

I, Mark R. Saunders, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Achelous Partners, LLC, as of December 31, 2013, 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:

EDWARD BRANDWEIN
Notary Public, State of New York
No. 02BR6016873
Qualified in Queens County
Certificate Filed in New York County
Commission Expires November 30, 2014

[Signature]
Notary Public

[Signature]
Signature
[Signature]
Title

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).

**ACHELOUS PARTNERS, LLC**  
**(A Limited Liability Company)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2013**

**ACHELOUS PARTNERS, LLC**  
**(A Limited Liability Company)**  
**DECEMBER 31, 2013**

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**ARNOLD G. GREENE**  
CERTIFIED PUBLIC ACCOUNTANT  
866 UNITED NATIONS PLAZA  
NEW YORK, N. Y. 10017

(516) 742-2198  
FAX (516) 742-5813

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**Achelous Partners, LLC**

***Report on the Financial Statements***

I have audited the accompanying statement of Financial condition of Achelous Partners, , LLC (the "Company") as of December 31, 2013, filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934 and the related notes to the financial statements.

***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***

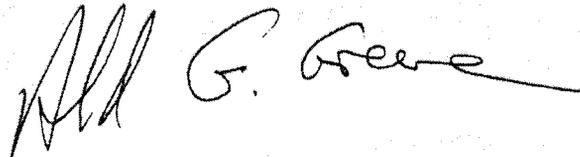
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditors' 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Achelous Partners, LLC as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Arnold G. Greene". The signature is written in a cursive, flowing style.

February 21, 2014

ARNOLD G. GREENE  
CERTIFIED PUBLIC ACCOUNTANT

**ACHELOUS PARTNERS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2013**

**ASSETS**

Cash and cash equivalents	\$ 259,426
Accounts receivable	59,034
Prepaid expenses	5,672
Due from brokerage firms	<u>694</u>
 Total Assets	 <u>\$ 324,826</u>

**LIABILITIES AND MEMBER'S EQUITY**

Accrued expenses	\$ 43,110
Commitments and contingencies	
Member's equity	<u>281,716</u>
 Total Liabilities and Member's Equity	 <u>\$ 324,826</u>

See independent auditor's report.

**ACHELOUS PARTNERS, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**

**1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

Achelous Partners, LLC (the "Company") is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of both the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). The Company provides advisory services to businesses, providing valuations and strategic planning with a focus on merger and acquisition advice. Clients are both public and private most notably the origination and execution of cross-border transactions.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***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 the 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***

Revenues are recognized when earned and arise from financial advisory services provided by the Company to its clients. The capital raising and financial restructuring advisory fees are recognized at the closing of the respective transaction.

***Income Taxes***

No provision for federal or state income taxes has been recorded because the Company is a limited liability company. Accordingly, the individual members report their share of the Company's income or loss on their income tax returns. The Company is subject to New York City unincorporated business tax and has accrued such taxes for the year ended December 31, 2013.

***Uncertain tax position***

The Company adopted the provisions of the *Financial Accounting Standards Board's ("FASB") Accounting Standards Codification No. 740 ("ASC 740") Subtopic 05 "Accounting for Uncertainty in Income Taxes"*. As a result of the implementation, the Company was not required to recognize any amounts from uncertain tax positions.

The Company'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. Generally, federal, state and local authorities may examine the Company's tax returns for three years from the date of filing; consequently, the respective tax returns for years prior to 2010 are no longer subject to examination by tax authorities.

See independent auditor's report.

**ACHELOUS PARTNERS, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**

**3. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital, as defined, of 6 2/3% of aggregate indebtedness, or \$5,000 whichever is greater and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2013, the Company's net capital was \$216,316, which was \$211,316 in excess of its required minimum net capital of \$5,000. The Company's net capital ratio was .20 to 1 at December 31, 2013.

**4. CONCENTRATION OF RISK**

The Company maintains its cash accounts in high credit quality financial institutions which are insured up to \$250,000 by the FDIC. The Company has not experienced any losses on such accounts.

**5. COMMITMENTS AND CONTINGENCIES**

The Company operates on a month-to-month sublease at the rate of \$3,000.

**6. SUBSEQUENT EVENTS**

Management of the Company has evaluated events and transactions that may have occurred since December 31, 2013 and determined that there are no material events that would require disclosures in the Company's financial statements.