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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

SEC FILE NUMBER table with 8 - 68876

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 01/01/13 AND ENDING 12/31/2013 MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Vega-Chi US Limited

OFFICIAL USE ONLY table with FIRM ID. NO.

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

641 Lexington Avenue, Suite 1320 (No. and Street)

New York NY 10022 (City) (State) (Zip Code)

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

Charlie Klein 732-536-4646 (Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Rothstein Kass

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

4 Becker Farm Road Roseland NJ 07068 (Address) (City) (State) (Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY table

*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).

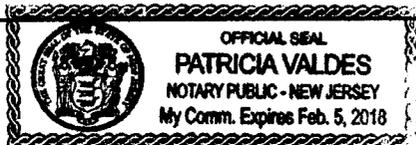
SEC 1410 (06-02)

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Handwritten date 3/31/14

OATH OR AFFIRMATION

I, Charlie Klein, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Vega-Chi US Limited, 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:



Charlie Klein
Signature
FINOP
Title

Patricia Valdes
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. pursuant to Rule 171-5.

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

VEGA-CHI US LIMITED

STATEMENT OF FINANCIAL CONDITION
AND
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2013

VEGA-CHI US LIMITED

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INDEPENDENT AUDITORS' REPORT

To:
VEGA-CHI US LIMITED

We have audited the accompanying statement of financial condition of VEGA-CHI US LIMITED (the "Company") as of December 31, 2013 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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 statement of financial condition is free of 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 statement of financial condition, 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 statement of financial condition 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 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 VEGA-CHI US LIMITED as of December 31, 2013 in accordance with accounting principles generally accepted in the United States of America.



Roseland, New Jersey
February 27, 2014

VEGA-CHI US LIMITED

STATEMENT OF FINANCIAL CONDITION

December 31, 2013

ASSETS

Cash	\$	40,566
Receivables from clearing brokers		14,549
Deposit with clearing organization		300,000
Other assets		<u>40,541</u>
	\$	<u>395,656</u>

LIABILITIES AND STOCKHOLDER'S DEFICIT

Liabilities, accounts payable and accrued expenses	\$	<u>67,162</u>
Liabilities subordinated to claims of general creditors		<u>947,500</u>
Stockholder's deficit		
Common stock, \$1 par value, authorized, issued, and outstanding 1,000 shares		1,000
Additional paid-in capital		1,595,847
Accumulated deficit		<u>(2,215,853)</u>
Total stockholder's deficit		<u>(619,006)</u>
	\$	<u>395,656</u>

VEGA-CHI US LIMITED

NOTES TO FINANCIAL STATEMENT

1. Nature of business

VEGA-CHI US LIMITED (the "Company") is a corporation organized under the laws of the state of Delaware on February 10, 2011. The Company primarily operates an alternative trading system ("ATS") designed to facilitate the trading of high yield bonds between buy-side institutional investors. The Company is a wholly owned subsidiary of VEGA-CHI LIMITED (the "Parent") located in London, United Kingdom.

The Company is a registered broker-dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA").

Basis of Presentation

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

These financial statements were approved by management and available for issuance on February 27, 2014. Subsequent events have been evaluated through this date.

2. Summary of significant accounting policies

Revenue Recognition

Securities transactions and the related revenues and expenses are recorded on a trade-date basis.

Income Taxes

The Company complies with the accounting and reporting requirements of ASC 740, "Income Taxes," which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. At December 31, 2013, the Company had recorded a full valuation allowance of approximately \$987,000, related to the Company's deferred tax assets. The deferred tax asset is primarily comprised of net operating loss carryforwards. Effective tax rates differ from statutory rates due to timing differences in the deductibility of expenses.

There were no unrecognized tax benefits as of December 31, 2013. ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties at December 31, 2013. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states and foreign jurisdictions. Generally, the Company is subject to income tax examinations by major taxing authorities during the three year period prior to the period covered by these financial statements.

VEGA-CHI US LIMITED

NOTES TO FINANCIAL STATEMENT

2. Summary of significant accounting policies (continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

3. Liabilities subordinated to claims of general creditors

At December 31, 2013, the Company had three subordinated loan agreements with its parent which were in accordance with agreements approved by the FINRA. The terms of the subordinated loan agreements are as follows:

\$ 490,000 loan agreement maturing on April 23, 2015 and bearing interest at 4% per annum.

\$ 157,500 loan agreement maturing on August 31, 2015 and bearing interest at 8% per annum.

\$ 300,000 loan agreement maturing on December 31, 2016 and bearing interest at 4% per annum.

The parent has waived the accumulated interest, which has been included in additional paid-in capital.

4. Net capital requirement

The Company, as a member of FINRA, is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This Rule requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1 or as in this case of a first year broker dealer 8 to 1. At December 31, 2013, the Company's net capital was approximately \$288,000, which was approximately \$283,000 in excess of its minimum requirement of \$5,000.

5. Off-balance sheet risk

Pursuant to clearance agreements, the Company introduces all of its securities transactions to clearing brokers on a fully-disclosed basis. All of the customers' money balances and long and short security positions are carried on the books of the clearing brokers. In accordance with the clearance agreements, the Company has agreed to indemnify the clearing brokers for losses, if any, which the clearing brokers may sustain from carrying securities transactions introduced by the Company. In accordance with industry practice and regulatory requirements, the Company and the clearing brokers monitor collateral on the customers' accounts.

The amount owed to the Company from the clearing broker as of December 31, 2013 was \$14,549.

VEGA-CHI US LIMITED

NOTES TO FINANCIAL STATEMENT

6. Concentrations of credit risk

The Company maintains its cash balances in various financial institutions. These balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution.

7. Exemption from Rule 15c3-3

The Company is exempt from the Securities and Exchange Commission Rule 15c3-3 and, therefore, is not required to maintain a "Special Reserve Bank Account for the Exclusive Benefit of Customers".

8. Commitments and contingencies

The Company executed an office service agreement to occupy an office in New York City which was extended and expires March 2015. The remaining future minimum lease payments including telecoms and internet related costs approximates as follows:

Year Ending December 31,

2014	\$ 68,000
2015	18,000
	<u>\$ 86,000</u>

9. Related party transactions

A security deposit with the clearing broker of \$300,000 for the benefit of the Company was made by and in the name of the Parent and not the Company and was recorded on the Parent's financial statements in 2012. In 2013, this was transferred to the Company as part of the subordinated agreement entered into on December 31, 2013.