



SECURITIES

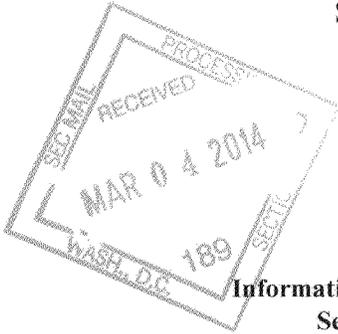
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COMMISSION

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| OMB APPROVAL                                    |                |
| OMB Number:                                     | 3235-0123      |
| Expires:  | March 31, 2016 |
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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

|                 |
|-----------------|
| SEC FILE NUMBER |
| 8-69100         |

REPORT FOR THE PERIOD BEGINNING January 1, 2013 AND ENDING December 31, 2013

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Britannica Capital Partners, LLC

|                   |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM I.D. NO.     |

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

44 Wall Street, 13th floor

(No. and Street)

New York

NY

10005

(City)

(State)

(Zip Code)

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

Richard M. Feldman

212-392-4838

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

Sanville & Company

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

1514 Old York Road

Abington

PA

19001

(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)

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Handwritten initials and date 3/27

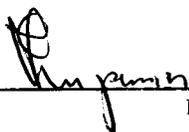
## OATH OR AFFIRMATION

I, Greg Lewis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Britannica Capital 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:

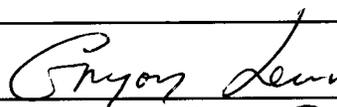
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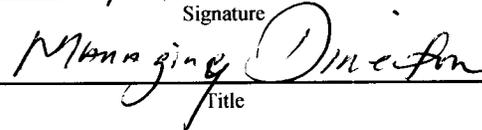
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Notary Public



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.
- (o) Independent Auditors' Report on Internal Accounting Control.

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

**BRITANNICA CAPITAL PARTNERS, LLC**

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Statement of Financial Condition

December 31, 2013

**BRITANNICA CAPITAL PARTNERS, LLC**

**CONTENTS:**

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INDEPENDENT AUDITOR'S REPORT

1

FINANCIAL STATEMENT:

Statement of Financial Condition

2

Notes to Statement of Financial Condition

3-4

# Sanville & Company

CERTIFIED PUBLIC ACCOUNTANTS

ROBERT F. SANVILLE, CPA  
MICHAEL T. BARANOWSKY, CPA  
JOHN P. TOWNSEND, CPA

1514 OLD YORK ROAD ABINGTON, PA 19001  
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MEMBERS OF  
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CERTIFIED PUBLIC ACCOUNTANTS  
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(212) 661-3115 • (646) 227-0268 FAX

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Britannica Capital Partners, LLC

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

We have audited the accompanying financial statement of Britannica Capital Partners, LLC (the "Company") which comprises the statement of financial condition as of December 31, 2013, that is filed 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 Statements***

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 financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's 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 of 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 DMG Securities, Inc. as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.



Abington, Pennsylvania  
February 25, 2014

**Britannica Capital Partners, LLC**  
**Statement of Financial Condition**  
**December 31, 2013**

| <b>Assets</b>                                |                         |
|--|-------------------------|
| Cash   | \$ 10,878               |
| Commission receivable                        | 2,475                   |
| Prepaid expenses                             | 1,212                   |
| Clearing deposit                             | 25,000                  |
| Security deposit                             | 4,500                   |
| Other assets                                 | 1,088                   |
| <b>Total Assets</b>                          | <b><u>\$ 45,153</u></b> |
| <br><b>Liabilities and Member's Equity</b>   |                         |
| Liabilities:                                 |                         |
| Accounts payable and accrued expenses        | <u>\$ 6,772</u>         |
|  | <u>6,772</u>            |
| Commitments and Contingencies                |                         |
| Member's equity                              | <u>38,381</u>           |
| <b>Total Liabilities and Member's Equity</b> | <b><u>\$ 45,153</u></b> |

The accompanying notes are an integral part of this financial statement.

CONFIDENTIAL

## **1. ORGANIZATION**

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Britannica Capital Partners, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company is a wholly owned subsidiary of Britannica Holdings, LLC (the "Parent"). The Company was formed in 2012 as a limited liability company in accordance with the laws of the state of New York, and was approved by FINRA to operate as a registered broker dealer in June, 2013.

The Company has not generated significant revenues to maintain its operations, and thus has been dependent on the Parent to make capital contributions from time to time to support its operations and to maintain compliance with SEC Rule 15c3-1. The Company will likely continue to depend on the Parent for these capital contributions. The Parent has committed to continue providing the necessary capital to maintain compliance with SEC Rule 15c3-1.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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### **Basis of Presentation**

The accounting policies and reporting practices of the Company conform to the practices in the broker-dealer industry and are in accordance with accounting principles generally accepted in the United States of America.

### **Government and Other Regulation**

The Company's business is subject to significant regulation by various governmental agencies and self-regulatory organizations, including the SEC and FINRA. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Company is conducting and reporting its operations in accordance with the applicable requirements of these organizations. As a registered broker dealer, the Company is subject to the SEC's net capital rules (Rule 15c3-1) which require that the Company maintain a minimum net capital, as defined. The Company will operate in accordance with the exemptive provisions of paragraph (k)(2)(ii) of SEC Rule 15c3-3.

### **Cash and Cash Equivalents**

The Company considers all highly liquid debt instruments having original maturities of three months or less at the date of purchase to be cash equivalents. The Company may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits. The Company has not experienced losses on these accounts, and management believes that the Company is not exposed to significant risks on such accounts.

### **Securities Transactions**

Revenues for executing customer securities transactions and associated expenses are recorded as earned and incurred, on a trade date basis.

### **Clearing Arrangements**

The Company has a clearing agreement with Sterne Agee Clearing ("Clearing Broker") to provide execution and clearing services on behalf of its customers on a fully disclosed basis. All customer records and accounts are maintained by the Clearing Broker. Pursuant to the clearing agreement, the Company is required to maintain a deposit of \$25,000 in the Clearing Broker.

### **Use of Estimates**

The preparation of the statement of financial condition 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 assets and liabilities at December 31, 2013. The actual outcome of the estimates could differ from the estimates made in the preparation of this financial statement.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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### **Income Taxes**

The Company is treated as a partnership for Federal income tax purposes and, accordingly, generally would not incur income taxes or have any unrecognized tax benefits. Instead, its earnings and losses are included in the tax return of its member and taxed depending on the Member's tax situation. As a result, the financial statements do not reflect a provision for income taxes.

The Company recognizes and measures tax positions taken or expected to be taken in its tax return based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period.

The U.S. Federal jurisdiction and the State of New York are the major tax jurisdictions where the Company files income tax returns. The Company is subject to U.S. Federal or State examinations by tax authorities since its inception.

## **3. NET CAPITAL REQUIREMENTS**

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The Company, as a registered broker-dealer, is subject to the Securities and Exchange Commission's Net Capital Rule (Rule 15c3-1), which requires that the Company maintain Net Capital (as defined in the Rule) equal to the greater of \$5,000 or 800% of Aggregate Indebtedness, (also as defined), and requires that the ratio of Aggregate Indebtedness to net capital shall not exceed 8 to 1. At December 31, 2013, the Company's Net Capital was \$31,582 and the required Net Capital was \$5,000. At December 31, 2013, the Company's ratio of Aggregate Indebtedness to Net Capital was 0.21 to 1.

## **4. COMMITMENTS AND CONTINGENCIES**

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The Company is exposed to various asserted and unasserted potential claims encountered in the normal course of business. As of December 31, 2013 and thru the date of this report there were no such claims.

## **5. SUBSEQUENT EVENTS**

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The Company has evaluated subsequent events through February 25, 2014, which is the date the statement of financial condition was available to be issued.