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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

REPORT FOR THE PERIOD BEGINNING 01/01/14 AND ENDING 12/31/14  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Battery East Group LLC

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

OFFICIAL USE ONLY
FIRM I.D. NO.

One Ferry Building, Suite 255

(No. and Street)

San Francisco

California

94111

(City)

(State)

(Zip Code)

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

Dennis Azary

(415) 671-7606

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Eisner Amper LLP

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

1 Market Street, Suite 620

San Francisco

California

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)

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*Handwritten notes and signatures:*  
3/12  
[Signature]

**OATH OR AFFIRMATION**

I, Michael Sobel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Battery East Group LLC, as of December 31, 2014, 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:

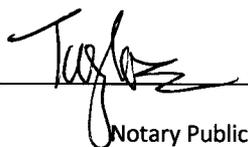
None



Signature

CCO/Managing Member

Title

  
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 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.

**BATTERY EAST GROUP LLC**  
(SEC ID. No. 8-69383)

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**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

December 31, 2014



# BATTERY EAST GROUP LLC

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EisnerAmper LLP  
One Market, Landmark, Suite 620  
San Francisco, CA 94105  
T 415.974.6000  
F 415.974.5488

www.eisneramper.com

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Members of  
Battery East Group LLC

We have audited the accompanying statement of financial condition of Battery East Group LLC (the "Company") as of December 31, 2014, and the related statements of operations, changes in members' capital, and cash flows for the year then ended. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Battery East Group LLC as of December 31, 2014 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The information contained in Schedules I, II, and III (the "supplemental information") has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the information contained in Schedules I, II, and III is fairly stated, in all material respects, in relation to the financial statements as a whole.

**EisnerAmper LLP**

San Francisco, CA  
February 25, 2015

New York | New Jersey | Pennsylvania | California | Cayman Islands

EisnerAmper is an independent member of PKF International Limited

**BATTERY EAST GROUP LLC**  
**STATEMENT OF FINANCIAL CONDITION**

December 31, 2014

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**ASSETS**

Cash	\$ 192,646
Accounts receivable	502
Prepays and deposits	18,115
Furniture and equipment, net of accumulated depreciation of \$2,935	<u>25,562</u>
Total assets	<u>\$ 236,825</u>

**LIABILITIES AND MEMBERS' EQUITY**

Liabilities:	
Accounts payable and accrued liabilities	\$ 12,655
Members' equity	<u>224,170</u>
Total liabilities and members' equity	<u>\$ 236,825</u>

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

**BATTERY EAST GROUP LLC**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2014

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Revenues:		
Success fees/commission income		<u>\$ 301,539</u>
Expenses:		
Professional fees		70,476
Members' compensation and benefits		99,599
Occupancy expenses		97,500
Marketing		52,216
Travel and entertainment		40,567
Regulatory fees		18,770
Data, IT, and communications		13,650
Other expenses		<u>25,502</u>
Total expenses		<u>418,280</u>
Net loss		<u>\$ (116,741)</u>

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

**BATTERY EAST GROUP LLC**  
**STATEMENT OF CHANGES IN MEMBER'S CAPITAL**

For the year ended December 31, 2014

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Member's capital, beginning of year	\$ 40,911
Contributions	300,000
Net loss	<u>(116,741)</u>
Member's capital, end of year	<u>\$ 224,170</u>

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

# BATTERY EAST GROUP LLC

## STATEMENT OF CASH FLOWS

For the year ended December 31, 2014

Cash flows used in operating activities:	
Net loss	\$ (116,741)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	2,935
Changes in assets and liabilities:	
Prepaid expenses and other assets	(13,372)
Accounts payable and accrued liabilities	12,655
	<u>          </u>
Net cash used in operating activities	<u>(114,523)</u>
Cash flows used in investing activities:	
Purchase of property and equipment	<u>(28,498)</u>
	<u>          </u>
Net cash used in investing activities	<u>(28,498)</u>
Cash flows from financing activities:	
Member contributions	<u>300,000</u>
	<u>          </u>
Net cash provided in financing activities	<u>300,000</u>
	<u>          </u>
Net increase in cash and cash equivalents	156,979
Cash and cash equivalents, beginning of fiscal year	<u>35,667</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 192,646</u>

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

**BATTERY EAST GROUP LLC**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2014

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**1. Organization and Summary of Accounting Policies**

***Organization and Nature of Business***

Battery East Group LLC (the "Company") is a Delaware Limited Liability Company formed on August 29, 2013, and its principal place of business is located in San Francisco, California. The Company is a private placement broker-dealer registered with the U.S. Securities and Exchange Commission ("SEC"), on August 15, 2014 and is regulated by the Financial Industry Regulatory Authority ("FINRA"). The Company is a registered broker-dealer in the state of California effective August 20, 2014, and also registered with 15 additional states. Michael Sobel and Barrett Cohn are the two managing members of the Company.

In accordance with the Company's operating agreement, the Company will continue in existence unless dissolved by its member.

The Company is an investment banking advisory firm providing advice to corporations, private equity investors, partnerships and institutions. The Firm provides high quality independent advice and transaction execution capabilities to corporations and investors in connection with secondary market transactions in private company shares.

The Company does not hold customer funds or safe keep customer securities and is therefore exempt from SEC Rule 15c3-3 under the provisions provided for in subparagraph (k)(2)(i).

***Basis of Presentation***

The financial statements of the Company have been prepared using accounting principles generally accepted in the United States of America ("U.S. GAAP"). Financial statements prepared on a U.S. GAAP-basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

***Investment Banking Success Fees***

Investment banking services are performed pursuant to engagement letters that specify the services to be provided and fees and reimbursements to be paid. Success fees are recognized upon completion of the transaction process. Costs associated with transaction fees are expensed as incurred.

***Cash***

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents. Deposits held by commercial bank may, at times, exceed federally insured limits. The Company has never experienced any losses related to this balance. As of December 31, 2014, there were no cash equivalents.

***Fair Value of Financial Instruments***

The carrying amounts of certain of the Company's financial instruments, including cash, other assets and accounts payable approximate fair value because of their short-term maturities.

Continued

**BATTERY EAST GROUP LLC**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2014

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**1. Organization and Summary of Accounting Policies, continued**

***Accounting Policies for Furniture and Equipment***

The Company has established accounting policies which establish the minimum cost (capitalization amount) that is used to capitalize assets above certain thresholds. Capitalized assets are depreciated over their useful lives of three years to five years.

***Income Taxes***

The Company was formed as a Delaware Limited Liability Company ("LLC"). LLC's are not taxable entities and are treated in the same manner as a partnership for federal and state income tax purposes. Federal and state income tax statutes require that the income or loss of the LLC be included in the tax returns of the individual members.

The Company recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, *Income Taxes*. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. There are no uncertain tax positions as of December 31, 2014.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state, local, and foreign jurisdictions, where applicable. As of December 31, 2014, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations is from the year 2013 (year of inception) forward.

***Significant Customers***

For the year ended December 31, 2014, one customer accounted for 100% of total revenue.

**2. Member's Capital**

The Company is a limited liability company and, as such, no member shall have any personal liability to the Company, any other member or to any creditor of the Company for the debts of the Company beyond the amount contributed by the member to the Company.

Contributions and withdrawals by the member may be made from time to time with the consent and approval of the managing members as set forth in the Company's LLC Agreement.

Continued

**BATTERY EAST GROUP LLC**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2014

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**3. Net Capital Requirements**

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1) (the "Rule"), which, among other items, requires the maintenance of minimum net capital and the maintenance of a maximum ratio of aggregate indebtedness to net capital, both as defined by the Rule, of 8 to 1 for the first year and 15 to 1 thereafter. The Rule also restricts the timing and amounts of capital withdrawals or dividends paid. At December 31, 2014, the Company had net regulatory capital of \$179,991, which was \$174,991 in excess of its minimum required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .07 to 1.0 as of December 31, 2014.

**4. Commitments and Contingencies**

The Company entered into a lease agreement for its location at One Ferry Building, Suite 255, San Francisco, CA 94111. Such lease agreement was entered into on November 1, 2013, and was for a period of 12 months, at a base rate of \$8,000 per month. Effective November 1, 2014, the lease agreement reverted to a month-to-month basis, at a rate of \$8,750 per month.

**5. Indemnifications**

The Company enters into contracts that contain various indemnifications. The Company's maximum exposure under these agreements is not estimable. However, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of material loss to be remote.

**SUPPLEMENTARY INFORMATION**

## BATTERY EAST GROUP LLC

COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS PURSUANT  
TO RULE 15c3-1 UNDER THE SECURITIES AND EXCHANGE ACT OF 1934

For the year ended December 31, 2014

Net capital:		
Total member's capital		<u>\$ 224,170</u>
Deductions and/or charges:		
Nonallowable assets:		
Other assets	<u>(44,179)</u>	
Total deductions and/or charges		<u>(44,179)</u>
Net capital		<u>\$ 179,991</u>
Aggregate indebtedness:		
Items included in statement of financial condition:		
Accounts payable	<u>\$ 12,655</u>	
Total aggregate indebtedness (A.I.)		<u>\$ 12,655</u>
Computation of basic net capital requirement:		
Minimum net capital required (6-2/3% of A.I.)		<u>\$ 844</u>
Minimum dollar requirement		<u>\$ 5,000</u>
Excess net capital		<u>\$ 174,991</u>
Net capital less greater of 10% of A.I. or 120% of minimum dollar requirement		<u>\$ 173,991</u>
Ratio: Aggregate indebtedness to net capital		<u>7.03%</u>

*There was no difference between the audited Computation of Net Capital included in this report and the corresponding schedule included in the Company's unaudited December 31, 2014 Part IIA FOCUS filing.*

**BATTERY EAST GROUP LLC**

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

For the year ended December 31, 2014

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During the year ended December 31, 2014, the Company carried no margin accounts, did not hold funds or securities for, or owe money or securities to, customers. Therefore, the Formula for Determination of Reserve Requirements under Rule 15c3-3 was not applied since the various items required in the formula were nonexistent in the circumstances as described. A weekly determination of the required balance in the Special Reserve Account for the Exclusive Benefit of Customers, under the reserve formula, was not appropriate under these circumstances. No deposits to this special account were required during the year ended December 31, 2014.

**BATTERY EAST GROUP LLC**

**INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS  
UNDER RULE 15C3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

For the year ended December 31, 2014

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The Company is exempt from the requirements of Rule 15c3-3 under Section k (2)(i).



EisnerAmper LLP  
One Market, Landmark, Suite 620  
San Francisco, CA 94105  
T 415.974.6000  
F 415.974.5488

[www.eisneramper.com](http://www.eisneramper.com)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Members of  
Battery East Group LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Battery East Group LLC (the "Company") identified the following provision of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3(2)(i) (the "exemption provision") and (2) the Company stated that it met the identified exemption provision throughout the most recent fiscal year without exception. The Company's management is responsible for compliance with the exemption provision and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about the Company's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

**EisnerAmper LLP**

San Francisco, CA  
February 25, 2015

New York | New Jersey | Pennsylvania | California | Cayman Islands

*EisnerAmper is an independent member of PKF International Limited*

**Battery East Group, LLC's**  
Exemption Report

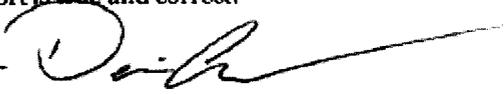
**Battery East Group, LLC** (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

(1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3 (k)(2)(i).

(2) The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k) throughout the most recent fiscal year without exception.

Battery East Group, LLC  
[Name of Company]

I, Dennis Azary, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

BY: 

Title: FINOP/CFO

February 20, 2015