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16001631

FORM X-17A-5  
PART III

EC  
Accession No.

section

FEB 22 2016

Washington DC

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

SEC FILE NUMBER  
8- 68513

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

RMS

REPORT FOR THE PERIOD BEGINNING 1/1/2015 AND ENDING 12/31/2015  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Achates Capital Advisors LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
3201 New Mexico Avenue, N.W. Suite 247  
(No. and Street)  
Washington D.C 20016  
(City) (State) (Zip Code)

OFFICIAL USE ONLY  
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Roger W. Mehle (202) 887-0552  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
Steven G. Hirshenson, Chartered  
(Name - if individual, state last, first, middle name)

50 W. Edmonston Drive Suite 603 Rockville MD 20852  
(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)

JG

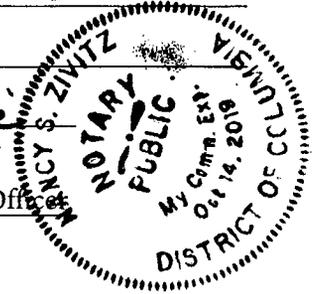
OATH OR AFFIRMATION

I, Roger W. Mehle, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Achates Capital Advisors LLC, as of December 31, 2015, 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:

No exceptions

Roger W. Mehle
Signature

Chairman and Chief Executive Officer
Title



Notary Public

DISTRICT OF COLUMBIA SS
SUBSCRIBED AND SWORN TO BEFORE ME
THIS 16th DAY OF Feb, 2016
NOTARY PUBLIC
My Commission Expires 10-14-2019

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).

ACHATES CAPITAL ADVISORS LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

ACHATES CAPITAL ADVISORS LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

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STEVEN G. HIRSHENSON

CHARTERED

CERTIFIED PUBLIC ACCOUNTANT

50 W. EDMONSTON DRIVE

SUITE 603

ROCKVILLE, MD 20852

TEL: 301-738-8803

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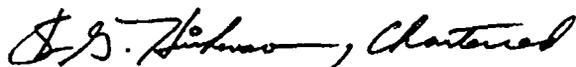
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To The Members  
Achates Capital Advisors LLC  
Washington, DC

We have audited the accompanying statement of financial condition of Achates Capital Advisors LLC, as of December 31, 2015. This financial statement is the responsibility of Achates Capital Advisors LLC's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 statement referred to above presents fairly, in all material respects, the financial position of Achates Capital Advisors LLC, as of December 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

 *Steven G. Hirshenson, Chartered*

Steven G. Hirshenson, Chartered

February 1, 2016

ACHATES CAPITAL ADVISORS LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

ASSETS

Cash and cash equivalents	\$ 16,989
Prepaid expenses	408
Furniture and equipment, net of accumulated depreciation of \$558	904
Security deposit	<u>1,258</u>
TOTAL ASSETS	<u>\$ 19,559</u>

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities

Accounts payable and accrued expenses	\$ 7,726
Members' Equity	<u>11,833</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 19,559</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

## ACHATES CAPITAL ADVISORS LLC

### NOTES TO FINANCIAL STATEMENTS

#### 1 - Nature of Business and Summary of Significant Accounting Policies

Achates Capital Advisors LLC (the Company) is a broker-dealer registered with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority.

The accounts of the Company are maintained and the financial statements are prepared on the accrual basis of accounting. The accounting and reporting policies of the Company conform to general practices within the brokerage industry.

Cash and cash equivalents consist of a checking account and a deposit account with FINRA. For purposes of the statement of cash flows, the Company considers all highly liquid instruments with original maturities of three months or less to be cash equivalents.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from the estimates made in the preparation of the financial statements.

#### 2 - Property and Equipment

Property and equipment are recorded at acquisition cost. Depreciation is provided for using the straight-line method over estimated useful lives of 10 years. Expenditures for minor repairs and maintenance are charged to expense as incurred.

#### 3 - Income Taxes

The Company is organized as a limited liability company and is therefore not a taxable entity. The members are taxed on their proportionate share of the Company's taxable income. Accordingly, no provision for Federal income taxes is included in the financial statements.

#### 4 - Net Capital Requirements

As a broker-dealer, 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 and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2015, the Company had net capital of \$9,263, which was \$4,263 in excess of its required net capital of \$5,000. Its ratio of aggregate indebtedness to net capital was .8341 to 1. No material differences exist between the net capital as set forth herein and the net capital as set forth in the Company's most recent filing of Part IIA of Form X-17A-5.

5 - Related Party Transactions

The payment for most of the Company's operating expenses is advanced by a company controlled by its current majority member. Under an expense sharing arrangement, the related company bills the Company for 25% of certain specified costs incurred. These costs include such items as secretarial services, telephone and Internet charges, and rent (Note 6). Other expenses that relate directly to the Company that have been advanced are reimbursed in full.

6 - Commitments

Effective February 2012, the Company, along with other related parties, jointly and severally executed a five-year lease for office space at an annual base rent of \$30,195. One of the joint tenants, an entity which is controlled by the Company's majority member, has agreed to assume 75% of the rent and related charges under the lease. The lease contains an escalation clause of 3% per year. Rent expense was \$8,314 for the year ended December 31, 2015.

7 - Subsequent Events

Management has evaluated events through January 7, 2016, the date on which the financial statements were available to be issued.