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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

OMB APPROVAL	
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SEC FILE NUMBER	
2016	8-66964

REPORT FOR THE PERIOD BEGINNING April 1, 2015 AND ENDING March 31, 2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**US Arma Partners, LP**

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

**Four Palo Alto Square, Suite 100, 3000 El Camino Real**

OFFICIAL USE ONLY
FIRM ID NO.

<b>Palo Alto</b>	(No. and Street) <b>CA</b>	<b>94306</b>
<small>(City)</small>	<small>(State)</small>	<small>(Zip Code)</small>

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

**James Schroder** **(650) 328-8207**  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

**EisnerAmper, LLP**

<b>One Market, Landmark, Suite 620</b>	<b>San Francisco</b>	<b>CA</b>	<b>94105</b>
<small>(Address)</small>	<small>(City)</small>	<small>(State)</small>	<small>(Zip Code)</small>

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).

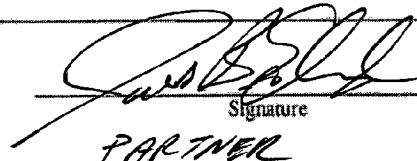
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## OATH OR AFFIRMATION

I, James Schroder swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of US Arma Partners LP as of March 31, 2016, 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:

  
Signature  
PARTNER  
Title

Subscribed and sworn to before me  
this \_\_\_\_ day of \_\_\_\_\_ 2016

*see Surat attached*

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 Securities Investor Protection Corporation (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) Management Statement Regarding Compliance with the Exemption Provision for SEC Rule 15c3-3.
- (p) Report of Independent Registered Public Accounting Firm Regarding SEC Rule 15c3-3 Exemption Report.

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

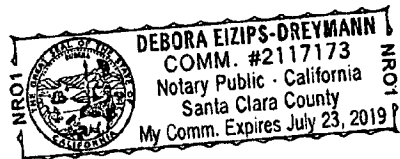
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**State of California**  
**County of Santa Clara**

Subscribed and sworn to (or affirmed) before me on this 27th day of May, 2016, by James Brian Schroder,  
proved to me on the basis of satisfactory evidence to be the person(s) who  
appeared before me.

Signature Debora Drey

Seal





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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the General Partner of  
US Arma Partners, LP

We have audited the accompanying statement of financial condition of US Arma Partners, LP (the "Company") as of March 31, 2016. This financial statement is the responsibility of the Company'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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of US Arma Partners, LP as of March 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

*EisnerAmper LLP*

San Francisco, California  
May 27, 2016

US ARMA PARTNERS, LP  
Statement of Financial Condition  
March 31, 2016

<i>Assets</i>	
Cash	\$ 1,920,567
Accounts receivable	123,239
Accounts receivable from affiliate	9,148
Deposits	274
Other current assets	89,034
Fixed assets, net	<u>74,516</u>
 <i>Total assets</i>	 <u>\$ 2,216,778</u>
 <i>Liabilities and Partners' Capital</i>	
 <i>Liabilities</i>	
Accounts payable and accrued liabilities	\$ 188,213
Bonus payable	<u>837,946</u>
 <i>Total liabilities</i>	 1,026,159
 Partners' capital	 <u>1,190,619</u>
 <i>Total liabilities and partners' capital</i>	 <u>\$ 2,216,778</u>

*See Accompanying Notes to Statement of Financial Condition*

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2016

1. Business and Summary of Significant Accounting Policies

Business

US Arma Partners, LP (the "Partnership") is a Delaware limited partnership formed in 2006. The Partnership is registered with the Securities and Exchange Commission ("SEC") as a fully disclosed securities broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Partnership is subject to various governmental rules and regulations including the Net Capital Rule set forth in Rule 15c3-1 of the Securities Exchange Act of 1934. Arma Partners, LLC serves as the general partner of the Partnership. All limited partners of the Partnership are also the members of Arma Partners, LLP ("UK Arma or Affiliate"), a United Kingdom-based limited liability partnership formed in March 2004. UK Arma is a broker-dealer regulated by the Financial Conduct Authority in the United Kingdom. Arma Partners, LLC does not have any capital balance in the Partnership.

Cash

Cash consists of cash in deposit accounts and a money market savings account with two commercial banks which at times may exceed federally insured limits. The Partnership has not experienced any losses in such accounts. At March 31, 2016, the Company held £43,929 in a US bank account denominated in British Pounds equivalent to \$63,117 US Dollars.

Accounts Receivable, net

Accounts receivable are recorded at the invoiced amount and generally do not bear interest. To the extent deemed necessary, the Company maintains an allowance for estimated losses from the inability of clients to make required payments. The collectability of outstanding invoices is continually assessed. In estimating the allowance, the Company considers factors such as historical collections, a client's current creditworthiness, age of the receivable balance and general economic conditions that may affect a client's ability to pay.

Fixed Assets

Fixed assets are stated at cost and are depreciated using the straight-line method over estimated useful lives of three to five years.

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2016

1. Business and Summary of Significant Accounting Policies (continued)

Income Taxes

The Partnership elects to be treated as a pass-through entity for all relevant jurisdictions and therefore files informational income tax returns which attribute taxable income and taxes paid, if any, to the partners. Management has concluded that the Partnership is not subject to income taxes in any jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. Accordingly, no provision for income taxes is reflected in the accompanying financial statements. If the Partnership were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes.

Management'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.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Translation of Foreign Currencies

The books and records of the Partnership are maintained in U.S. dollars. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the statement of financial condition.

2. Indemnification

The Partnership enters into contracts that contain a variety of indemnifications for which the maximum exposure is unknown. The Partnership has no current claims or losses pursuant such contracts.

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2016

3. Fixed Assets, net

Fixed assets, net consists of the following:

Computer and office equipment	\$251,174
Furniture	<u>61,799</u>
	312,973
Accumulated depreciation	<u>(238,457)</u>
Fixed assets, net	<u>\$74,516</u>

4. Net Capital Requirements

The Partnership is subject to the SEC Uniform Net Capital Rule (SEC 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 March 31, 2016, the Partnership had net capital of \$890,621 which was \$822,210 in excess of its required net capital of \$68,411. The Partnership's net capital ratio was 1.1522 to 1.

5. Lease Obligation

On April 18, 2016, the Partnership renewed its lease agreement to extend the period of lease until May 31, 2017 for premises in Palo Alto. The lease agreement for premises in New York was also extended on May 23, 2016 to September 30, 2019. Future minimum lease payments under these leases are as follows:

Year Ending	
<u>March 31</u>	
2017	404,471
2018	269,290
2019	<u>98,542</u>
Total	<u>\$772,302</u>



US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2016

6. Related Party Transactions

The Partnership is party to an expense-sharing agreement with UK Arma, under which the Partnership is responsible for a portion of direct and indirect costs incurred in the provision of support services. The direct and indirect costs include a proportion of the office costs and supplies, marketing, legal, professional, and wages of the financial and administrative staff incurred by UK Arma that relate to providing the services to the partnership in accordance with the agreement.

The agreement also provides for the Partnership to reimburse UK Arma for any direct costs and time spent by UK Arma staff and members for performing any services on behalf of the Partnership. The agreement also provides for the Partnership to reimburse UK Arma for the services of consultants who are independent contractors of UK Arma for performing any services on behalf of the Partnership. Similarly, UK Arma also reimburses the Partnership for time spent by the Partnership's staff and partners or for the services of consultants engaged by US Arma for performing any services on behalf of UK Arma. For the year ended March 31, 2016 only direct costs were billed under the expense-sharing agreement.

At March 31, 2016 the Partnership had a payable to the affiliate of \$17,041 representing the amounts due to UK Arma for services provided in accordance with the expense sharing agreement.

7. Subordinated Borrowings

The subordinated notes payable of \$750,000 bear interest of 4 percent. The interest is payable at the end of the loan term. The subordinated notes are unsecured and subordinated to other creditors.

The subordinated borrowings are with related parties and are available in computing the net capital under the SEC's uniform net capital rule. To the extent that such borrowings are required for the Partnership's continued compliance with minimum net capital requirements, they may not be repaid.

The subordinated borrowings including interest were repaid as of March 31, 2016.