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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

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JUN 15 2010  
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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER  
8-66964

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 April 1, 2009 AND ENDING March 31, 2010  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

**US Arma Partners, L.P.**

OFFICIAL USE ONLY  
FIRM ID NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**Four Palo Alto Square, Suite 100, 3000 El Camino Real**

**Palo Alto** (No. and Street) **CA** **94306**  
(City) (State) (Zip)  
Code)

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

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

B. ACCOUNTANT IDENTIFICATION

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

**Harb, Levy & Weiland LLP**

(Name - if individual, state, last, first, middle name)  
**One Market, Suite 620** **San Francisco** **CA** **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 (06-20) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless this form displays a currently valid OMB control number.

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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 pertain to the firm of **US Arma Partners, L.P.** as of **March 31, 2010**, 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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 Signature  
**PARTNER**  
 Title

Subscribed and sworn to before me  
 this \_\_\_ day of \_\_\_\_\_ 2010

State of California, County of Santa Clara  
 Subscribed and sworn to (or affirmed) before me  
 on this 27 day of May, 2010  
 by JAMES SCHRODE

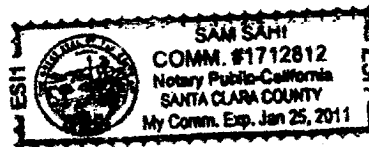
Notary Public

personally known to me or proved to me on the  
 basis of satisfactory evidence to be the person(s)  
 who appeared before me.

Signature: 

This report\*\* contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' Equity or Members' Equity 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.
- (o) Independent auditor's report on internal control required by SEC Rule 17a-5.
- (p) Independent auditor's report on internal control required by SEC Rule 17a-5 for a Broker-Dealer claiming exemption from SEC Rule 15c3-3



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

US ARMA PARTNERS, LP  
STATEMENT OF FINANCIAL CONDITION  
MARCH 31, 2010



Report of Independent Registered Public Accounting Firm

To the Partners  
US Arma Partners, LP

We have audited the accompanying statement of financial condition of US Arma Partners, LP (the "Partnership"), as of March 31, 2010. This financial statement is the responsibility of the Partnership's management. 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition 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, 2010, in conformity with accounting principles generally accepted in the United States of America.

San Francisco, California  
May 25, 2010

*Harb, Levy & Weiland LLP*

One Market, Landmark, Suite 620, San Francisco, CA 94105 Tel: 415 974 6000 Fax: 415 974 5488  
e-mail: [hlw@hlwcpa.com](mailto:hlw@hlwcpa.com) ■ [www.hlwcpa.com](http://www.hlwcpa.com)

*Harb, Levy & Weiland LLP is a member of Nexia International, a worldwide network of independent accounting and consulting firms.*

US ARMA PARTNERS, LP  
Statement of Financial Condition  
March 31, 2010

<b><i>Assets</i></b>	
Cash	\$ 166,609
Receivable from affiliate	89,599
Deposit	5,457
Fixed assets, net	<u>13,971</u>
<b><i>Total assets</i></b>	<b><u>\$ 275,636</u></b>
<b><i>Liabilities and Partners' Capital</i></b>	
Accounts payable and accrued liabilities	\$ 37,308
Partners' capital	<u>238,328</u>
<b><i>Total liabilities and partners' capital</i></b>	<b><u>\$ 275,636</u></b>

***See Accompanying Notes to Statement of Financial Condition***

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2010

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 ("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 partners of Arma Partners, LLP ("UK Arma"), a United Kingdom-based limited liability partnership formed in March 2004. UK Arma is a broker-dealer regulated by the Financial Services Authority in the United Kingdom.

Cash

Cash consists of cash on deposit with a commercial bank which, at times, may exceed federally insured limits. The Partnership has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash balances.

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.

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 statement of financial condition. 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.

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2010

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

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 Partnership bills UK Arma in U.S. Dollars and receives payment in U.S. Dollars.

2. Fixed Assets, net

Net fixed assets includes the following:

Computer and office equipment	\$ 23,460
Furniture	<u>8,739</u>
	32,199
Accumulated depreciation	<u>(18,228)</u>
Fixed assets, net	<u>\$ 13,971</u>

3. Net Capital Requirements

The Partnership is subject to the Securities and Exchange Commission 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, 2010, the Partnership had net capital of \$129,301, which was \$124,301 in excess of its required net capital of \$5,000. The Partnership's aggregate indebtedness to net capital ratio was 0.2885 to 1.

US ARMA PARTNERS, LP  
Notes to Statement of Financial Condition  
March 31, 2010

4. Lease Obligation

The Partnership leases its office facility under the terms of an operating lease that expires on May 31, 2012. Future minimum lease payments under this lease are as follows:

Year Ending <u>March 31</u>	
2011	\$ 99,516
2012	101,647
2013	<u>17,024</u>
Total	<u>\$ 218,187</u>

5. Subsequent Events

Management evaluated subsequent events through May 25, 2010, the date this financial statement was available to be issued. With the exception of those matters described below, there were no material subsequent events that required disclosure in this financial statement.

During the period April 1, 2010 through May 25, 2010, capital redemptions by limited partners totaled \$55,137.