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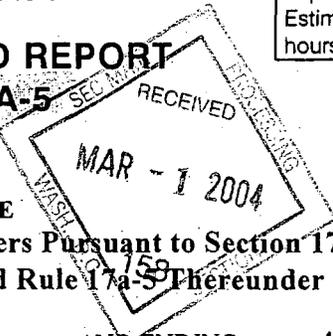
MISSION

Washington, D.C. 20549

OMB APPROVAL

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III



SEC FILE NUMBER

8- 51124

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 01/01/03 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: GROWTH PARTNERS MC DBA THE GROWTH GROUP  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
22187 CARISSA

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)

WOODLAND HILLS  
(City)

CA  
(State)

91367  
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
JEFFREY R. KWAKAL 818-713-8000  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

BONFIGLIO & ASSOCIATES

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

900 SOUND AVENUE (#101), STONEY ISLAND, NY, 10314  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

PROCESSED

MAR 29 2004

THOMSON  
FINANCIAL

FOR OFFICIAL USE ONLY

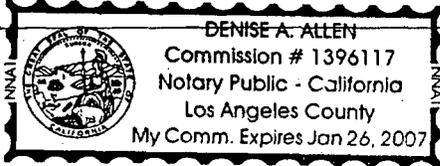
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

BB

OATH OR AFFIRMATION

I, JEFFREY R. KNATKAL, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GROWTH PARTNERS INC, DBA, THE GROWTH GROUP, as of December 31, 20 03, 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:

N/A



[Signature]  
Signature

PRINCIPAL

Title

Denise A. Allen 2/21/04

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 15c3-3 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).

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**FINANCIAL STATEMENT**

**DECEMBER 31, 2003**

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**BONFIGLIO & ASSOCIATES, LLC**

CERTIFIED PUBLIC ACCOUNTANTS

900 SOUTH AVENUE, SUITE 101

STATEN ISLAND, NEW YORK 10314

(718) 370-9779

TELEFAX (718) 370-2910

www.bonfiglioassociates.com

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors and Stockholders  
The Growth Group  
Los Angeles, CA

We have audited the accompanying balance sheet of The Growth Group as of December 31, 2003 and the related statements of income, retained earnings, and cash flows for the year then ended. These 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 generally accepted auditing standards. 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 The Growth Group as of December 31, 2003 and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principals.



Thomas J. Bonfiglio  
Staten Island, New York  
February 16, 2004

**GROWTH PARTNERS, INC dba THE GROWTH GROUP**

**BALANCE SHEET**

**DECEMBER 31, 2003**

Current Assets

Cash \$ 15,662

Total Current Assets 15,662

**TOTAL ASSETS 15,662**

Current Liabilities 0

**TOTAL LIABILITIES 0**

Equity

Paid in Capital 403,023

Retained Earnings 100,108

Draw (487,469)

TOTAL EQUITY 15,662

**TOTAL LIABILITIES & EQUITY \$ 15,662**

**See Auditor's Report**

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**INCOME STATEMENT**

**FOR THE YEAR ENDED DECEMBER 31, 2003**

**Income**

Sales	\$ 68,750
Total Income	68,750
Gross Profit	68,750

**General & Administrative Expenses**

(See Schedule A)	(67,241)
<b>Net Income (Loss)</b>	<b><u>\$ 1,509</u></b>

**SCHEDULE A**

**G&A Expenses**

Consulting	\$ 556
Credit Card Fees	275
Postage	1,289
Entertainment	3,692
Other Transportation Expenses	4,350
Information & Research	687
License & Fees	1,168
Employee Benefits	7,495
Professionals Fees	4,012
Rent	25,540
Taxes Paid	846
Telephone	4,906
Travel	5,853
Printing	1,986
Supplies & Maintenance	3,988
Donations	100
<u>Utilities</u>	<u>498</u>
<b>Total G &amp; A</b>	<b><u>\$67,241</u></b>

**See Auditor's Report**

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2003**

**Cash Flow From Operating Activities**

Net Income 1,509

**Cash Flow From Financing Activities**

Distribution Paid (20,800)  
Increase in Capital 22,000  
Total Cash Flow-Financing Activity 1,200

**Net Increase in Cash** 2,709

**Cash: Beginning of Period** 12,953

**Cash: End of Period** \$ 15,662

See Auditor's Report

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**  
**STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<b>December 31, 2002</b>	<b>Changes</b>	<b>December 31, 2003</b>
Paid in Capital	\$381,023	\$22,000	\$403,023
Retained Earnings	98,599	1,509	100,108
Drawings	(466,669)	(20,800)	(487,469)
<b>Total Equity</b>	<u>12,953</u>	<u>2,709</u>	<u>15,662</u>

See Auditor's Report

GROWTH PARTNERS, INC. dba THE GROWTH GROUP

COMPUTATION OF NET CAPITAL

DECEMBER 31, 2003

1) Total Ownership Equity	15,662
2) Deduct: Ownership Equity Not Allowable	0
<b>3) Total Ownership Equity for Net Capital</b>	<b>15,662</b>
4) Additions: (Subordinated liabilities, other deductions, etc.)	0
<b>5) Total Capital</b>	<b>15,662</b>
6) Deduction and/or Charges	0
7) Other Additional and Credits	0
<b>8) Net Capital (before haircuts)</b>	<b>15,662</b>
9) Haircuts	0
<b>10) Net Capital</b>	<b>15,662</b>
11) Minimum Net Capital Required (Aggregate Indebtedness)	0
12) Minimum Net Capital Requirement	5,000
13) Net Capital Requirement (greater of line 11 or 12)	5,000
14) Excess Net Capital (line 10 less 13)	10,662
<b>15) Excess Net Capital at 1000% (line 10 less 10% of Agg. Ind.)</b>	<b>15,662</b>

See Auditor's Report

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**STATEMENT REGARDING MATERIAL DIFFERENCES**

“In accordance with Rule 17a-5(d)(4), NO material differences exist between the audited Computation of Net Capital and the broker-dealer’s (Growth Partners, Inc.) corresponding un-audited part II and Part 11A. As such, no reconciliation is needed or required.”

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO**

**GENERAL CREDITORS**

“There were no changes in Subordinated Liabilities since no Subordinated Liabilities exist.”

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**STATEMENT REGARDING MATERIAL INADEQUACIES**

“Upon a comprehensive audit of Growth Partners, Inc., no material inadequacies were found to exist in these financial statements, information, accounting system or representations since the date of the last audit.”

**GROWTH PARTNERS, INC. dba THE GROWTH GROUP**

**STATEMENT OF POSSESSION OF CONTROL**

**REQUIREMENTS UNDER RULE 15C3-3**

“Growth Partners, Inc. dba The Growth Group, being purely a mergers & acquisitions firm otherwise known as an Introducing Firm, does not receive or hold customer accounts, funds, securities, or otherwise, and does not function as a custodian in any form, and as such, operates under the K2ii exemption, or equivalent exemptions related to the Possession or Control Requirement provisions under Rule 15c3-3.

Given the content of the above statement, the Possession and Control Requirements are not subject to the accounting firm’s review and audit.”