

VF 3-24-05



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REGISTERED 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

SEC. B.D.O.
MAR 1 - 2005
1088

REPORT FOR THE PERIOD BEGINNING January 1, 2004 AND ENDING December 31, 2004
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Millenco

OFFICIAL USE ONLY
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
666 Fifth Avenue, 8th Floor

New York (No. and Street) New York 10103
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Robert A. Williams 212 - 841 - 4125
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Ernst & Young LLP

5 Times Square (Name - of individual, state last, first, middle name) New York NY 10036
(Address) (City) (State) (Zip Code)

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

PROCESSED
APR 11 2005
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).

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten signature

VF 3-24-05

OATH OR AFFIRMATION

I, _____, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of _____, as of _____, 20_____, 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

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 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 or 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) Supplementary Report of Independent Registered Public Accounting Firm on Internal Control Required by SEC Rule 17a-5.

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

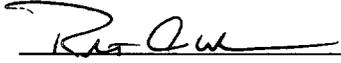
OATH OR AFFIRMATION

To the best of our knowledge and belief, the accompanying financial statements and supplemental information pertaining to Millenco, L.P. at and for the year ended December 31, 2004 are true and correct. I further 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.

**Millennium Management, L.L.C.
General Partner**



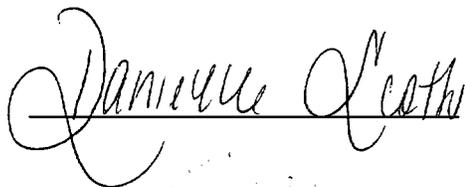
**Israel A. Englander
Chief Executive Officer**



**Robert A. Williams
Chief Financial Officer**

Sworn to before me

This 18th day of February, 2005



**Danielle Scotto
Notary Public, State of New York
No. 01SC6119482
Qualified in Kings County
Commission Expires Nov 29, 2008** 

Millenco, L.P.

Statement of Financial Condition

December 31, 2004

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Report of Independent Registered Public Accounting Firm

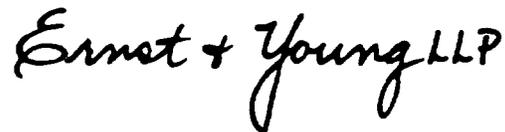
To the Partners of Millenco, L.P.

We have audited the accompanying statement of financial condition of Millenco, L.P. (the "Partnership") as of December 31, 2004. This statement of financial condition is the responsibility of the Partnership's management. Our responsibility is to express an opinion on the statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition, assessing the accounting principles used and significant estimates made by management, and 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 Millenco, L.P. at December 31, 2004 in conformity with accounting principles generally accepted in the United States.

February 18, 2005



Millenco, L.P.

Statement of Financial Condition

December 31, 2004
(In thousands)

Assets

Cash	\$ 5,000
Receivable from clearing organizations	1,350,903
Securities owned, at market value	3,407,027
Securities borrowed	1,311,849
Other assets	13,006
	<u>\$ 6,087,785</u>

Liabilities and partners' capital

Securities sold, not yet purchased, at market value	\$ 2,411,993
Securities loaned	981,777
Payable to Millennium Partners, L.P.	945,523
Other liabilities	9,133
	<u>4,348,426</u>
Partners' capital	1,739,359
	<u>\$ 6,087,785</u>

See accompanying notes.

Millenco, L.P.

Notes to Statement of Financial Condition

December 31, 2004

(In thousands)

1. Organization

Millenco, L.P. (the "Partnership"), a Delaware limited partnership, is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the American Stock Exchange. The Partnership engages in proprietary securities transactions and clears all trades on a fully disclosed basis through its clearing brokers.

Millennium Management, LLC ("Management") is the general partner and Millennium Partners, L.P. ("MLP") is the limited partner.

2. Significant Accounting Policies

Transactions in securities and related revenue and expenses are recorded on a trade date basis.

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the statement of financial condition and accompanying notes. Actual results could differ from those estimates.

Securities owned and securities sold, not yet purchased are recorded at market or fair value. Market value is generally based on quoted market prices. If quoted market prices are not available, fair value is determined based upon other relevant factors including cost, valuation of similar instruments, and the financial condition of the issuer.

Dividends are accrued on ex-dividend date. Included in other assets and other liabilities on the statement of financial condition are dividends receivable and dividends payable, respectively.

Securities borrowed and loaned result from transactions with other broker-dealers or financial institutions and are recorded at the amount of cash collateral advanced or received. Securities borrowed transactions require the Partnership to deposit cash with the lender. Securities loaned transactions require the borrower to deposit cash with the Partnership. The Partnership monitors the market value of securities borrowed and loaned on a daily basis, with additional collateral obtained or refunded as necessary.

Cash of \$5,000 is on deposit with a major financial institution as collateral at December 31, 2004.

Millenco, L.P.

Notes to Statement of Financial Condition (continued)

3. Receivable from Clearing Organizations

Receivable from clearing organizations represent net cash and margin debt balances with the Partnership's clearing brokers, proceeds from securities sold short, and amounts receivable or payable for securities transactions that have not settled at December 31, 2004. The cash at the clearing brokers related to securities sold short is restricted.

A source of the Partnership's short-term financing is provided by its clearing brokers from which it can borrow against its proprietary inventory positions, subject to collateral maintenance requirements.

4. Related Party Transactions

Certain affiliates provide trading and accounting services and incur other administrative expenses on the Partnership's behalf without charge. In addition, MLP advances funds to the Partnership. These advances totaled \$945,523 at December 31, 2004 and are payable upon demand and are non-interest bearing.

5. Securities Owned and Securities Sold, Not Yet Purchased

Securities owned and securities sold, not yet purchased consist of the following at December 31, 2004:

	<u>Owned</u>	<u>Sold, Not Yet Purchased</u>
Equities	\$ 3,188,595	\$ 2,336,375
Corporate bonds	110,518	17,455
Options	107,914	58,163
	<u>\$ 3,407,027</u>	<u>\$ 2,411,993</u>

Securities owned may be pledged to the clearing brokers on terms which permit the clearing brokers to sell or repledge the securities to others subject to certain limitations.

Millenco, L.P.

Notes to Statement of Financial Condition (continued)

6. Net Capital Requirement

The Partnership is subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1 (the "Rule") which specifies, among other requirements, minimum net capital requirements for registered broker-dealers. The Partnership has elected to compute its net capital under the alternative method permitted by the Rule which requires, among other things, that the Partnership maintain minimum net capital, as defined, of \$250. At December 31, 2004, the Partnership had net capital of \$875,351 which exceeded its requirement by \$875,101.

Certain advances, payments and other equity withdrawals are restricted by the provisions of the Rules of the Securities and Exchange Commission.

Under arrangements with clearing brokers, the Partnership is required to maintain certain minimum levels of capital and comply with other financial ratio requirements. At December 31, 2004, the Partnership was in compliance with all such requirements.

7. Income Taxes

No federal, state or local income taxes have been provided at the Partnership level since the partners are individually liable for the taxes on their share of the Partnership's income.

8. Contingencies

MLP and its affiliates ("the Companies") are currently cooperating with regulatory bodies, including the office of the Attorney General of the State of New York (the "NY Attorney General") and the United States Securities and Exchange Commission (the "SEC"), in connection with investigations (the "Investigations") relating to certain practices that have been characterized as "late trading" and "market timing" of mutual fund shares. The Investigations are a part of broader investigations by state and federal regulators and self-regulatory organizations into activities involving mutual funds. The Companies' prior mutual fund activities are being examined as a part of the Investigations.

Millenco, L.P.

Notes to Statement of Financial Condition (continued)

8. Contingencies (continued)

A former trader of the Companies who was responsible for certain trading in mutual fund shares pled guilty in 2003 to criminal charges brought by the NY Attorney General relating to late trading. That former trader has entered into a consent decree with the SEC relating to civil charges brought against him arising from the same conduct. Neither Management nor its principals know at this time whether any of the regulatory bodies will take any further action in relation to the Companies' involvement in this matter or what, if any, the damages, fines or penalties from the Investigations and any related litigation might be.

9. Commitments

Securities sold, not yet purchased represent obligations of the Partnership to deliver securities at a future date. These transactions result in off-balance sheet risk in an amount by which future market values may exceed the amount reflected in the statement of financial condition. The Partnership may, at its discretion, purchase the securities at prevailing market prices at anytime.

In the normal course of business, the Partnership enters into transactions in order to reduce its exposure to market risk in connection with its proprietary trading activities. These transactions include futures and the writing of option contracts. These contracts are valued at market. The Partnership monitors its positions to reduce the risk of potential loss due to changes in market value or failure of counterparties to perform.

As a writer of options, the Partnership receives a premium at the outset and then bears the risk of unfavorable changes in the price of the financial instrument underlying the option. As a result of writing option contracts, the Partnership is obligated to purchase or sell at the holder's option, the underlying financial instrument.

Millenco, L.P.

Notes to Statement of Financial Condition (continued)

9. Commitments (continued)

Futures contracts are executed on an exchange, and cash settlement is made on a daily basis for market movements. Accordingly, futures contracts generally do not have credit risk. The amounts disclosed below represent the end of year fair value of the Partnership's derivative financial instruments.

	Fair Value at December 31, 2004	
	Asset	Liability
Futures contracts	\$ 20,111	\$ 19,922
Options purchased	107,914	—
Options written	—	58,163

The Partnership had margin requirements for futures contracts of \$52,989 at December 31, 2004, which were satisfied by cash on deposit.

The Partnership clears its securities transactions through major financial services firms. Trades pending at December 31, 2004 were settled without adverse effect on the Partnership's financial condition.

10. Fair Value of Financial Instruments

The fair value of the Partnership's assets and liabilities which qualify as financial instruments under SFAS No. 107, "Disclosures About Fair Value of Financial Instruments" approximates the carrying amounts presented in the statement of financial condition.