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

| SEC FILE NUMBER |
|-----------------|
| 65311           |

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 01/01/2004 AND ENDING 12/31/2004  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: MAYMONT PARTNERS, INC.

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO.     |

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

5 SOUTH ADAMS, SUITE 200

(No. and Street)

RICHMOND

(City)

VA

(State)

23220

(Zip Code)

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

RICHARD RHOADS

(804) 497-3956

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

LIBMAN & FUTERMAN, P.C.

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

116 NEW SOUTH ROAD

(Address)

HICKSVILLE

(City)

NY

(State)

11801

CHECK ONE:

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

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**PROCESSED**  
MAR 31 2005  
THOMSON FINANCIAL

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|                       |

\*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]*

OATH OR AFFIRMATION

I, RICHARD A RHOADS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MAYMONT PARTNERS, INC., as of DECEMBER 31, 2004, 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:

City/County of Goodland  
Commonwealth/State of Virginia  
The foregoing statement was acknowledged before me 25th of FEBRUARY 2005  
Richard Rhoads  
Name of person seeking acknowledgement  
Notary Public [Signature]  
My commission expires 5/31/08

[Signature]  
Signature  
CEO  
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 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).

**MAYMONT PARTNERS, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2004 and 2003**

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MAYMONT PARTNERS, INC.

STATEMENTS OF FINANCIAL CONDITION  
AS OF DECEMBER 31, 2004 AND 2003

|  | <u>2004</u>       | <u>2003</u>       |
|--|-------------------|-------------------|
| ASSETS:  |                   |                   |
| Cash   | \$ 161,747        | \$ 125,111        |
| Commissions Receivable   | 432,545           | 117,846           |
| Accounts Receivable  | <u>2,311</u>      | <u>400</u>        |
| Total Current Assets   | 596,603           | 243,357           |
| Fixed Assets   | 1,772             | 2,380             |
| Organization Costs   | 17,359            | 23,672            |
| Prepaid Expenses   | <u>1,876</u>      | <u>0</u>          |
| Total Assets   | <u>\$ 617,610</u> | <u>\$ 269,409</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY:                                  |                   |                   |
| LIABILITIES:   |                   |                   |
| Commissions Payable  | \$ 166,647        | \$ 95,996         |
| Operating Expenses Payable   | 8,574             | 6,178             |
| Shareholder Loans Payable  | <u>100,000</u>    | <u>100,000</u>    |
| Total Liabilities  | 275,221           | 202,174           |
| STOCKHOLDERS' EQUITY:  |                   |                   |
| Common Stock (\$1 par value,<br>100 shares authorized and outstanding) | 100               | 100               |
| Retained Earnings  | <u>342,289</u>    | <u>67,135</u>     |
| Total Stockholders' Equity   | <u>342,389</u>    | <u>67,235</u>     |
| Total Liabilities and Stockholders' Equity                             | <u>\$ 617,610</u> | <u>\$ 269,409</u> |

See accompanying notes to financial statements.

MAYMONT PARTNERS, INC.

STATEMENT OF OPERATIONS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

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|                          | <u>2004</u>       | <u>2003</u>       |
|--------------------------|-------------------|-------------------|
| REVENUES:                |                   |                   |
| Commissions              | \$1,660,738       | \$ 494,781        |
| Total Revenues           | <u>1,660,738</u>  | <u>494,781</u>    |
| EXPENSES:                |                   |                   |
| Commissions              | 582,725           | 140,919           |
| Compensation             | 132,848           | 41,744            |
| Occupancy                | 10,500            | 3,551             |
| MIS & Telecommunications | 14,830            | 14,487            |
| Travel & Entertainment   | 53,394            | 24,375            |
| Professional Fees        | 27,423            | 13,430            |
| Regulatory Fees          | 11,265            | 7,148             |
| Organization Costs       | 6,312             | 6,312             |
| Other Expenses           | <u>21,287</u>     | <u>17,255</u>     |
| Total Expenses           | <u>860,584</u>    | <u>269,221</u>    |
| NET INCOME               | <u>\$ 800,154</u> | <u>\$ 225,560</u> |

See accompanying notes to financial statements.

MAYMONT PARTNERS, INC.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003

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|   | <u>Common<br/>Stock</u> | <u>Retained<br/>Earnings</u> | <u>Total<br/>Equity</u> |
|---|-------------------------|------------------------------|-------------------------|
| Beginning Balance at<br>January 1, 2003 | \$ 100                  | \$ ( 6,626)                  | \$ ( 6,526)             |
| Net Income                              | 0                       | 225,560                      | 225,560                 |
| Dividends                               | <u>0</u>                | <u>(151,799)</u>             | <u>(151,799)</u>        |
| Ending Balance at<br>December 31, 2003  | 100                     | 67,135                       | 67,235                  |
| Net Income                              | 0                       | 800,154                      | 800,154                 |
| Dividends                               | <u>0</u>                | <u>(525,000)</u>             | <u>( 525,000)</u>       |
| Ending Balance at<br>December 31, 2004  | <u>\$ 100</u>           | <u>\$ 342,289</u>            | <u>\$ 342,389</u>       |

See accompanying notes to financial statements.

**MAYMONT PARTNERS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

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|  | <u>2004</u>       | <u>2003</u>     |
|--|-------------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES:  |                   |                 |
| Net Income   | \$ 800,154        | \$ 225,560      |
| Adjustments to Reconcile Net Income to<br>Net Cash Provided by Operating Activities: |                   |                 |
| Depreciation & Amortization  | 7,258             | 6,740           |
| (Increase)/Decrease in Operating Assets:   |                   |                 |
| Commissions Receivable   | ( 314,699)        | ( 82,686)       |
| Accounts Receivable  | ( 1,910)          | ( 300)          |
| Prepaid Expenses   | ( 1,876)          | 0               |
| Increase/(Decrease) in Operating Liabilities:  |                   |                 |
| Commissions Payable  | 70,651            | 95,996          |
| Operating Expenses Payable   | <u>2,396</u>      | <u>( 374)</u>   |
| Total Adjustments to Net Income  | <u>( 238,180)</u> | <u>19,376</u>   |
| Net Cash (Used)/Provided by Operating Activities                                     | <u>561,974</u>    | <u>244,936</u>  |
| CASH FLOWS FROM INVESTING ACTIVITIES:  |                   |                 |
| Purchase of Fixed Assets   | <u>( 338)</u>     | <u>( 2,808)</u> |
| Net Cash (Used)/Provided by Investing Activities                                     | <u>( 338)</u>     | <u>( 2,808)</u> |

See accompanying notes to financial statements.

**MAYMONT PARTNERS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003**

---

|  | <u>2004</u>       | <u>2003</u>       |
|--|-------------------|-------------------|
| CASH FLOWS FROM FINANCING ACTIVITIES:            |                   |                   |
| Shareholder Distributions                        | <u>(525,000)</u>  | <u>(151,799)</u>  |
| Net Cash (Used)/Provided by Financing Activities | <u>(525,000)</u>  | <u>(151,799)</u>  |
| Net Change in Cash                               | 36,636            | 90,329            |
| Cash at Beginning of Year                        | <u>125,111</u>    | <u>34,782</u>     |
| Cash at End of Year                              | <u>\$ 161,747</u> | <u>\$ 125,111</u> |

See accompanying notes to financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### MAYMONT PARTNERS, INC. AS OF DECEMBER 31, 2004

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### ORGANIZATION AND BASIS OF PRESENTATION

Maymont Partners, Inc. (the "Company") was incorporated in the State of Virginia in December 2001. The Company was granted registration by the National Association of Securities Dealers (the "NASD") as a broker/dealer under the rules and regulations of the Securities and Exchange Commission (the "SEC") in October 2002. The broker/dealer registration with NASD is limited in that the Company is only permitted to introduce clients to other broker/dealers, private partnerships and other select securities issuers and conduct business in the sale of variable annuity contracts and privately placed variable life insurance. The Company does not hold customer funds or safe-keep customer securities. Maymont Partners, Inc. employs brokers for the purpose of marketing securities. Each broker is compensated based on a percentage of the revenue they generated for Maymont Partners. Their out of pocket business expenses are reimbursed by the Company.

##### SIGNIFICANT ACCOUNTING POLICIES

###### **Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### 2. CONCENTRATIONS OF CREDIT RISK

The Company maintains a non-interest bearing demand deposit account at a U.S. banking institution for all cash transactions. The cash balance is insured by the Federal Deposit Insurance Corporation up to a maximum of \$100,000.

## NOTES TO THE FINANCIAL STATEMENTS

### MAYMONT PARTNERS, INC. AS OF DECEMBER 31, 2004

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#### 3. SHAREHOLDER LOANS

The Company has received non interest bearing loans from two shareholders totaling \$100,000 that are evidenced by a Promissory Note dated February 4, 2002 and a subsequent Subordinated Loan Agreement dated March 25, 2002. Within the Subordinated Loan Agreement the shareholders agree to a scheduled maturity date repayment no earlier than October 8, 2005 thereby qualifying the loan as equity subordination in relation to the Company's net capital requirements (SEC Rule 15c3-1).

#### 4. NET CAPITAL REQUIREMENTS

The Company is required to maintain minimum net capital, as defined, equal to the greater of \$5,000 or six and two-thirds percent of aggregate indebtedness under SEC Rule 15c3-1. At December 31, 2004 the Company has net capital, as defined, of \$153,173 and a net capital surplus of \$141,492.

#### 5. PROVISION FOR INCOME TAXES

The Company has elected to be taxed as a partnership, under Subchapter "S" of the Internal Revenue Code and under relevant state statutes. Accordingly, each shareholder will report his proportionate share of the income of the Company on his individual return.

#### 6. FAIR VALUE OF FINANCIAL INSTRUMENTS

In December 1991, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments." This statement extends existing fair value disclosure practices for some instruments by requiring all entities to disclose the fair value of financial instruments, both assets and liabilities recognized and not recognized in the statement of financial condition, for which it is practicable to estimate fair value. If estimating fair value is not practicable, this Statement requires disclosures of descriptive information pertinent to estimating the value of a financial instrument. At December 31, 2004 and 2003, all of the Company's financial instruments, as defined, were carried at amount which approximated fair value.

MAYMONT PARTNERS, INC.

STATEMENT OF THE COMPUTATION OF THE  
MINIMUM CAPITAL REQUIREMENT  
AS OF DECEMBER 31, 2004

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|                       | <u>2004</u>       |
|-----------------------|-------------------|
| CURRENT ASSETS:       |                   |
| Cash                  | \$ 161,747        |
| ADJUSTED LIABILITIES  | <u>175,221</u>    |
| NET CAPITAL           | ( 13,474)         |
| ALLOWABLE RECEIVABLES | 166,647           |
| TOTAL CHARGES         | <u>0</u>          |
| ADJUSTED NET CAPITAL  | 153,173           |
| NET CAPITAL REQUIRED  | <u>11,681</u>     |
| NET CAPITAL SURPLUS   | <u>\$ 141,492</u> |

See accompanying notes to financial statements.

MAYMONT PARTNERS, INC.

COMPUTATION OF NET CAPITAL AND  
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

RECONCILIATION OF AUDITED FINANCIAL STATEMENTS TO  
UNAUDITED FOCUS REPORT FILED JANUARY 21, 2005

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|                                    | <u>AUDIT</u><br><u>2/24/05</u> | <u>FOCUS</u><br><u>1/21/05</u> | <u>DIFFERENCE</u> |
|------------------------------------|--------------------------------|--------------------------------|-------------------|
| Total Ownership Equity             | \$ 342,389                     | \$ 340,078                     | \$ 2,311          |
| Allowable Subordinated Liabilities | 100,000                        | 100,000                        | 0                 |
| Total Non-allowable Assets         | (289,216)                      | (286,905)                      | 2,311             |
| Haircuts                           | <u>0</u>                       | <u>0</u>                       | <u>0</u>          |
| Net Capital                        | 153,173                        | 153,173                        | 0                 |
| Minimum Net Capital Required       | <u>11,681</u>                  | <u>11,681</u>                  | <u>0</u>          |
| Excess Net Capital                 | <u>\$ 141,492</u>              | <u>\$ 141,492</u>              | <u>\$ 0</u>       |

The difference in total ownership equity and total non-allowable assets between the audited financial statements with opinion dated February 24, 2005 and the unaudited focus report filed January 21, 2005 is due to \$2,311 that was originally classified as expenses in the focus report, but determined to be reimbursable to the Company during the final audit review. Therefore, it is included in total non-allowable assets.

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Robert J. Futerman, CPA  
Arthur Libman, CPA

The Board of Directors and Stockholders  
Maymont Partners, Inc.  
5 South Adams  
Suite 200  
Richmond, VA. 23220

We have audited the accompanying statements of financial condition of Maymont Partners, Inc. as of December 31, 2004 and 2003, and the related statements of operations, changes in stockholders' equity and cash flows for the years 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 audits.

We conducted our audits 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 audits provide a reasonable basis for opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maymont Partners, Inc. as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the Statement of the Computation of the Minimum Capital Requirements, as of December 31, 2004 pursuant to section 1.17 of the Commodity Exchange Act, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Libman & Futerman, P.C.

Hicksville, NY

February 24, 2005

**MAYMONT PARTNERS, INC.**

**OATH OR AFFIRMATION  
AS OF DECEMBER 31, 2004**

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To the best of my knowledge and belief, the information contained in these financial statements is accurate and complete.

  
Richard A. Rhoads, CEO  
Maymont Partners, Inc.