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

SEC FILE NUMBER
8-49155

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 1/1/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: YOUNG & PARTNERS LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

230 PARK AVENUE, SUITE 1145

(No. and Street)

NEW YORK
(City)

NEW YORK
(State)

10169
(Zip Code)

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

PETER YOUNG

(212) 682-5555
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

WAI ENG CPA, P.C.

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

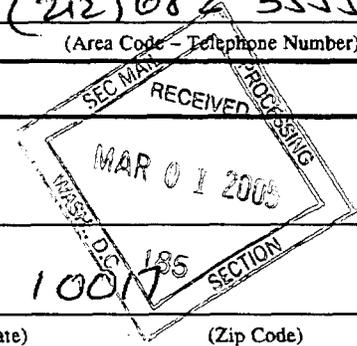
800 Second Avenue, 8th Floor, NY NY 10017

(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)

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SEC 1410 (06-02)

AM 3/31/2005

AM 3/24

OATH OR AFFIRMATION

I, PETER YOUNG, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of YOUNG & PARTNERS LLC, 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:

ROSE M. SMALL
Notary Public, State of New York
No. 01SM6108336
Qualified in New York County
My Commission Expires April 12, 2008

Peter Young
Signature
PRESIDENT
Title

Rose M. Small
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.
- (o) Reconciliation of Net capital between audited computation and

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

Corresponding focus Part IIa

Items (h), (i), (j) and (k) are not applicable to Young & Partners or Young & Partners is exempt in accordance with our membership agreement and restrictive agreements dated Sept 15, 1999 and June 11, 1996, respectively.

Peter Young

YOUNG & PARTNERS LLC

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2004

Wai G. Eng, CPA, P.C.

Certified Public Accountants

Young & Partners LLC

Financial Statements
December 31, 2004

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Wai G Eng, CPA, P.C.
Certified Public Accountants

800 Second Avenue, 8th Floor
New York, NY 10017
Tel: (212) 692-9888
Fax: (212) 692-9191

INDEPENDENT AUDITOR'S REPORT

To the Members of
Young & Partners LLC

We have audited the accompanying statement of financial position of Young & Partners LLC (the "LLC") as of December 31, 2004, and the related statement of operations, changes in members' equity, and cash flows for the year then ended. These financial statements are the responsibility of the LLC'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 Young & Partners LLC as of December 31, 2004, and the results of its operations and its cash flows for the year 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 Schedules I and II is the responsibility of the LLC's management and is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Act of 1934. 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.

Wai G. Eng, CPA, P.C.

Wai G. Eng, CPA, P.C.
February 17, 2005

Young & Partners LLC

Statement of Financial Position December 31, 2004

ASSETS

CURRENT ASSETS

Cash	\$ 1,836,029	
Accounts receivable	115,060	
Prepaid expenses and deposit	<u>29,229</u>	
Total current assets		\$ 1,980,318

PROPERTY AND EQUIPMENT (Note 1)

Equipment	153,666	
Furniture and fixtures	<u>45,283</u>	
	198,949	
Less: accumulated depreciation	<u>(171,089)</u>	
Property and equipment - net		27,860

OTHER ASSETS

Investment in securities (Notes 1 and 4)	11,100	
Security deposit	<u>12,473</u>	
Total other assets		<u>23,573</u>

TOTAL ASSETS		<u>\$ 2,031,751</u>
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LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 46,545	
Taxes payable & accrued taxes	<u>327</u>	
Total current liabilities		\$ <u>46,872</u>

TOTAL LIABILITIES		46,872
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MEMBERS' EQUITY		<u>1,984,879</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY		<u>\$ 2,031,751</u>
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The accompanying notes are an integral part of the financial statements.

Young & Partners LLC

Statement of Operations Year Ended December 31, 2004

REVENUES:

Fee income	\$ 1,142,500	
Other income	80,000	
Interest income	<u>12,545</u>	
Total revenues		\$ 1,235,045

EXPENSES:

Rent	141,835	
Utilities	4,225	
Insurance and employee benefits	24,107	
Advertising & promotion	73,726	
Professional fees	14,487	
Consulting expenses	60,134	
Salary expense	206,085	
Payroll & other taxes	21,838	
Telephone	12,496	
Information & research services	74,856	
Postage and delivery	6,242	
Filing & registrations	17,457	
Entertainment and meals	25,765	
Travel and transportation	19,358	
Office expenses	8,550	
Office supplies	8,747	
Printing and copying	3,461	
Dues and subscriptions	3,559	
Repair and maintenance	2,399	
Temporary help	15,121	
Settlement fee	4,204	
Miscellaneous	205	
Depreciation	<u>11,524</u>	
Total expenses		<u>760,381</u>

INCOME BEFORE PROVISION FOR INCOME TAX 474,664

PROVISION FOR INCOME TAX (Note 2) 18,962

NET INCOME \$ 455,702

The accompanying notes are an integral part of the financial statements.

Young & Partners LLC

Statement of Changes in Members' Equity Year Ended December 31, 2004

	<u>Paid in Capital</u>	<u>Accumulated Earnings/ (Deficits)</u>	<u>Total Members' Equity</u>
BEGINNING MEMBERS' EQUITY	\$ 120,000	\$ 1,759,184	\$ 1,879,184
Contribution of capital	-	-	-
Net income	-	455,702	455,702
Distribution to members	-	(350,007)	(350,007)
ENDING MEMBERS' EQUITY	<u>\$ 120,000</u>	<u>\$ 1,864,879</u>	<u>\$ 1,984,879</u>

The accompanying notes are an integral part of the financial statements.

Young & Partners LLC

Statement of Cash Flows Year Ended December 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income \$ 455,702

Adjustments to reconcile net income to changes
in assets and liabilities:

Depreciation expense 11,524

Source (use) of cash from operating assets
and liabilities:

Accounts receivable \$ (52,290)

Prepaid expenses and deposit (2,875)

Other assets (17)

Accounts payable and accrued expenses 29,826

Taxes payable and accrued taxes (11,673)

Unearned income (20,000)

(57,029)

Net cash provided by operating activities 410,197

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of equipments & furniture (10,876)

Net cash used in investing activities (10,876)

CASH FLOWS FROM FINANCING ACTIVITIES:

Distribution to members (350,007)

Net cash used in financing activities (350,007)

NET INCREASE IN CASH 49,314

CASH AT BEGINNING OF PERIOD 1,786,715

CASH AT END OF PERIOD \$ 1,836,029

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year for:

Interest \$ -

Taxes 17,962

Total \$ 17,962

The accompanying notes are an integral part of the financial statements.

Young & Partners LLC

Notes to Financial Statements
December 31, 2004

Young & Partners LLC ("the LLC") was formed on November 16, 1995 under the Delaware Limited Liability Company Act (6 Del. C. Section 18-101, et seq.) for the purpose of engaging in investment banking activities. The address of the registered office of the LLC in the State of Delaware is c/o The Company Corporation, Three Christina Center, 201 N. Walnut Street, Wilmington, New Castle County, Delaware 19801. The name and address of the registered agent for service of process on the LLC in the State of Delaware is The Company Corporation, Three Christina Center, 201 N. Walnut Street, Wilmington, New Castle County, Delaware 19801.

The latest date on which the LLC is to dissolve is November 16, 2015.

The LLC is a securities broker/dealer registered with the Securities and Exchange Commission and the National Association of Securities Dealers.

Note 1. Summary of Significant Accounting Policies

The LLC's accounting policies are in accordance with generally accepted accounting principles. Outlined below are those policies considered particularly significant.

1. The financial statements are prepared on an accrual basis.
2. Property and equipment is capitalized at cost at the time of purchase and depreciation is recorded on a straight-line basis over the estimated useful lives of the assets, which range from 5 to 7 years.
3. The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Young & Partners LLC

Notes to Financial Statements
December 31, 2004

4. Marketable securities are valued at market value and securities not readily marketable are valued at fair value as determined by the Board of Members.

Note 2. Provision for Income Tax

The LLC is an unincorporated entity and is treated as a partnership for Federal and State income tax purposes. Therefore, no provision for Federal or State income taxes has been provided for. The Members are taxed individually on their share of LLC's earnings. A provision for local tax was made for New York City unincorporated business tax.

Note 3. Net Capital Requirement

Pursuant to the net capital provision of Rule 15c3-1 of the Securities Exchange Act of 1934, the LLC is required to maintain a minimum net capital of \$5,000. As of December 31, 2004, the LLC had net capital of \$1,789,157, which was \$1,784,157 in excess of its required minimum net capital.

Note 4. Investment in Securities

The LLC has investments in not-readily marketable securities consisting of warrants and common stocks. Since these securities are not readily marketable, they are valued by management at cost in the amount of \$11,100.

Note 5. Lease Commitment

The LLC has leased space at 230 Park Avenue, New York, New York under an operating lease expiring on February 28, 2008 with an option to terminate the lease effective February 28, 2004.

Young & Partners LLC

Notes to Financial Statements
December 31, 2004

The following is a schedule of future minimum rental payments required under the above operating lease as of December 31, 2004:

<u>Year Ending Dec 31</u>	<u>Amount</u>
2005	\$ 122,100
2006	\$ 122,100
2007	\$ 122,100
2008	\$ 20,350

The rent expense was \$ 141,835 in 2004.

Young & Partners LLC

Net Capital Calculation - Schedule I December 31, 2004

Credits		
Members' equity		\$ 1,984,879
Debits		
Nonallowable assets		
Accounts receivable	\$ 115,060	
Prepaid expenses and deposit	29,229	
Property and equipment - net	27,860	
Investments in securities	11,100	
Security deposit	<u>12,473</u>	
Total nonallowable assets		<u>195,722</u>
Net Capital at December 31, 2004		<u><u>\$ 1,789,157</u></u>

The accompanying notes are an integral part of the financial statements.

Young & Partners LLC

Reconciliation of Net Capital Between Audited Computation And Corresponding Focus Part II A - Schedule II December 31, 2004

Reconciliation of Net Capital:

Net Capital per unaudited Focus Part II A	\$ 1,789,157
Audit adjustment	<u>-</u>
Net Capital Per Audited Report	<u>\$ 1,789,157</u>

The accompanying notes are an integral part of the financial statements.

Wai G Eng, CPA, P.C.
Certified Public Accountants

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New York, NY 10017
Tel: (212) 692-9888
Fax: (212) 692-9191

INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING
CONTROL AND MATERIAL INADEQUACIES

To the Members of
Young & Partners LLC

In planning and performing our audit of the financial statements of Young & Partners LLC (the "LLC") for the year ended December 31, 2004, we obtained an understanding of its internal control structure and accounting system in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure.

The LLC's management is responsible for establishing and maintaining an internal control structure and the practices and procedures. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and of the practices and procedures. Because of inherent limitations in any internal control structure or the practices and procedures, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. In addition, our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

We have also made a study of the practices and procedures that accomplished the objectives as referred in Rule 17a-5(g).

Based on the above, we believe that there are no material inadequacies at December 31, 2004 with respect to the LLC's internal control structure, accounting system, and its practices and procedures.

This report is intended solely for the use of management, the Securities and Exchange Commission, the New York Stock Exchange and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 and should not be used for any other purpose.

Wai G. Eng, CPA, P.C.
February 17, 2005

Wai G. Eng, CPA, P.C.