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

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

SEC FILE NUMBER
8-45673

**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 January 01, 2008 AND ENDING December 31, 2008  
MONDAY MONDAY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Newbury Street Capital Limited Partnership

OFFICIAL USE ONLY
FIRM I.D. NO.

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

372 Washington Street

(No. and Street)

**PROCESSED**  
MAR 1-2 2009

Wellesley

MA

02481

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN EMERGENCY:  
Mark O'Keefe (617) 536-0333

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Moody, Famiglietti & Andronico, LLP

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

1 Highwood Drive

Tewksbury

SECURITIES AND EXCHANGE COMMISSION 876  
**RECEIVED** (Zip Code)  
FEB 18 2009  
BRANCH OF REGISTRATIONS AND EXAMINATIONS  
SEC Mail Processing  
FEB 18 2009  
Washington, DC 111

(Address)

(City)

CHECK ONE:

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

**FOR OFFICIAL USE ONLY**

Washington, DC 111

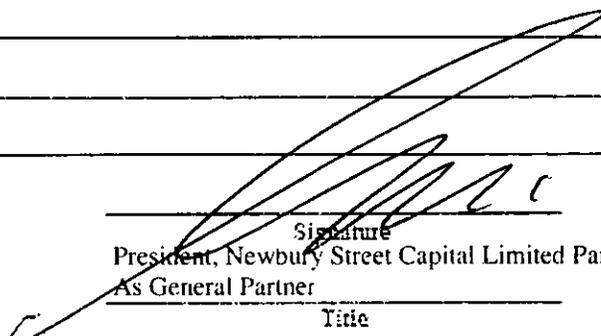
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 140.17a-5(e)(2)

JP 3/9/09

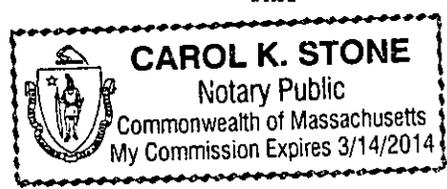
OATH OR AFFIRMATION

I, Samuel E. Bain, Jr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Newbury Street Capital Limited Partnership, as of December 31, 2008, 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  
President, Newbury Street Capital Limited Partnership  
As General Partner  
\_\_\_\_\_  
Title

Carol K. Stone  
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 15c3-1 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.

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



To the Partners  
Newbury Street Capital Limited Partnership  
Wellesley, Massachusetts

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial condition of Newbury Street Capital Limited Partnership as of December 31, 2008 and 2007, and the related statements of income, changes in partners' capital and cash flows for the years then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. 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 financial statements, 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 our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Newbury Street Capital Limited Partnership as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of computation of net capital under Rule 15c3-1 of the Securities and Exchange Commission is presented for purposes 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 Commission. Such information has been subjected to the auditing procedures applied in the audits 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.

*Moody, Famiglietti & Andronico, LLP*

Moody, Famiglietti & Andronico, LLP  
February 2, 2009

December 31	2008	2007
<b>Assets</b>		
Current Assets:		
Cash and Equivalents	\$ 399,571	\$ 197,367
Commissions Receivable	36,685	10,545
Prepaid Expenses and Other Current Assets	8,943	10,103
Total Current Assets	445,199	218,015
Clearing Broker Deposit	150,000	150,000
<b>Total Assets</b>	<b>\$ 595,199</b>	<b>\$ 368,015</b>
<b>Liabilities and Partners' Capital</b>		
Liabilities:		
Accounts Payable and Accrued Expenses	\$ 15,000	\$ 15,146
Due to Affiliated Entity	67,059	41,866
Total Liabilities	82,059	57,012
Partners' Capital	513,140	311,003
<b>Total Liabilities and Partners' Capital</b>	<b>\$ 595,199</b>	<b>\$ 368,015</b>

For the Years Ended December 31	2008	2007
Revenues:		
Commissions	\$ 1,037,606	\$ 513,373
Interest	259,349	318,390
Net Gain on Investments	3,416	-
FINRA Rebate	-	35,000
<b>Total Revenues</b>	<b>1,300,371</b>	<b>866,763</b>
Expenses:		
Commissions and Clearing	353,056	202,344
Management Fees	120,000	120,000
Professional Fees	30,550	27,415
Equity-Based Compensation	29,091	18,586
Broker Dealer and Agent Fees	15,031	13,253
Insurance - Bonding	12,609	12,669
Quote Service	4,800	4,800
Miscellaneous	3,202	3,123
Interest Expense	2,461	3,881
Computer Expense	2,099	2,100
Training	600	1,200
Net Loss on Investments	-	11,327
<b>Total Expenses</b>	<b>573,499</b>	<b>420,698</b>
<b>Net Income</b>	<b>\$ 726,872</b>	<b>\$ 446,065</b>

Statements of Changes in Partners' Capital

Newbury Street Capital Limited Partnership

<u>For the Years Ended December 31</u>	<u>2008</u>	<u>2007</u>
Partners' Capital, Beginning	\$ 311,003	\$ 217,582
Net Income	726,872	446,065
Distributions to Partners	(534,527)	(358,662)
Equity-Based Compensation	9,792	6,018
Partners' Capital, Ending	<u>\$ 513,140</u>	<u>\$ 311,003</u>

For the Years Ended December 31	2008	2007
Cash Flows from Operating Activities:		
Net Income	\$ 726,872	\$ 446,065
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Equity-Based Compensation	29,091	18,586
(Increase) Decrease in Commissions Receivable	(26,140)	8,816
Decrease in Prepaid Expenses and Other Current Assets	1,160	2,142
(Decrease) Increase in Accounts Payable and Accrued Expenses	(146)	96
Increase in Due to Affiliated Entity	25,193	32,590
Net Cash Provided by Operating Activities	<u>756,030</u>	<u>508,295</u>
Net Cash Used in Financing Activities:		
Distributions to Partners	(553,826)	(371,230)
Net Increase in Cash and Equivalents	<u>202,204</u>	<u>137,065</u>
Cash and Equivalents, Beginning	<u>197,367</u>	<u>60,302</u>
Cash and Equivalents, Ending	<u>\$ 399,571</u>	<u>\$ 197,367</u>
<u>Supplemental Disclosures of Cash Flow Information:</u>		
Cash Paid During the Years for Interest	<u>\$ 2,461</u>	<u>\$ 3,881</u>

**1. Significant Accounting Policies:**

*Reporting Entity:* Newbury Street Capital Limited Partnership (the Partnership) was formed on March 16, 1993, as a Massachusetts limited partnership and is registered under the Securities Exchange Act of 1934 as a broker/dealer providing securities brokerage, placement and underwriting services. The Partnership utilizes a clearing/carrying broker to execute brokerage transactions and to perform custodial functions relating to customer securities.

*Revenue Recognition:* The Partnership recognizes revenues and expenses relating to commissions on a trade date basis.

The Partnership shares in interest earned by the clearing broker on debit and credit balances of the Partnership's clients' accounts carried by the clearing broker. Interest income is accrued as earned.

*Cash and Equivalents:* The Partnership maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Partnership has a cash management program which provides for investment of excess cash balances primarily in federally insured interest-bearing accounts. The Partnership considers such highly liquid investments with maturities of three months or less when invested to be cash equivalents.

*Income Taxes:* No provision for federal or state income taxes is presented in these financial statements as Newbury Street Capital Limited Partnership is a partnership and, accordingly, the Partnership's taxable income is allocated to its partners for income tax reporting purposes.

*Uses of Estimates:* Management has used estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities in its preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Actual results experienced by the Partnership may differ from those estimates.

**2. Clearing Broker Deposit:**

The Partnership is a party to a fully disclosed clearing agreement with a clearing broker. The terms of the agreement require that the Partnership maintain a deposit in the amount of \$150,000.

Furthermore, the Partnership is required to notify the clearing broker in advance of partnership distributions in excess of ten percent of its net capital. The Partnership was in compliance with this contractual provision during 2008.

**3. Net Capital:**

The Partnership is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of not less than the greater of 6 2/3% of aggregate indebtedness or \$5,000. As of December 31, 2008 and 2007, the Partnership's net capital amounted to \$499,197 and \$295,451, respectively.

Rule 15c3-1 also requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The Partnership's aggregate indebtedness to net capital ratio amounted to 0.16 to 1 and 0.19 to 1, as of December 31, 2008 and 2007, respectively.

**4. Equity-Based Compensation:**

On April 1, 2005, the Partnership admitted one new limited partner through the issuance of a profits interest to such partner. The new limited partner's interests are subject to certain vesting arrangements. Equity compensation expense recorded in connection with this profits interest amounted to \$29,091 and \$18,586 for the years ended December 31, 2008 and 2007, respectively.

**5. Related Party Transactions:**

The Partnership acts as a broker in security transactions for an entity affiliated through common ownership. All commission revenues are derived from transactions initiated by the affiliated entity.

The affiliated entity provides certain administrative and management services to the Partnership. Management fees incurred by the Partnership with the affiliated entity for these services amounted to \$120,000 during each of the years ended December 31, 2008 and 2007.

Additional expenses incurred by the Partnership with the affiliated entity for training, computer, office, legal and research expenses amounted to \$38,064 and \$27,502, during the years ended December 31, 2008 and 2007, respectively.

Due to affiliated entity represents amounts due to the affiliated entity for management fees, training, computer, and research expenses. As of December 31, 2008 and 2007, such amounts due to the affiliated entity amounted to \$67,059 and \$41,866, respectively.

For the Year Ended December 31	2008
Aggregate Indebtedness	<u>\$ 82,059</u>
Partners' Capital	<u>\$ 513,140</u>
Deductions for Nonallowable Assets:	
Prepaid Expenses and Other Current Assets	(8,943)
Portion of Insurance Deductible above \$5,000 Limit	(5,000)
Net Capital	499,197
Minimum Net Capital Requirement to be Maintained	5,471
Net Capital in Excess of Requirements	<u>\$ 493,726</u>
Ratio of Aggregate Indebtedness to Net Capital	<u>0.16 to 1</u>

To the Partners  
Newbury Street Capital Limited Partnership  
372 Washington Street  
Wellesley, MA 02481

**Independent Auditors' Report on Internal Control Structure Required by  
SEC Rule 17a - 5**

In planning and performing our audit of the financial statements and supplemental schedule of Newbury Street Capital Limited Partnership as of and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Partnership's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Partnership including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Partnership does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Partnership in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13 and
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Partnership is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Partnership has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud 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.

To the Partners  
Newbury Street Capital Limited Partnership  
Page Two

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the entity's financial reporting.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's annual or interim financial statements will not be prevented or detected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Partnership's practices and procedures were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

*Moody, Famiglietti & Andronico, LLP*

Moody, Famiglietti & Andronico, LLP  
February 2, 2009

*END*