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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**SEC**  
**ANNUAL AUDITED REPORT** *Mail Processing*  
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**PART III** *FEB 26 2013*

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**FACING PAGE** *Washington DC*  
**Information Required of Brokers and Dealers Pursuant to Section 17 of the**  
**Securities Exchange Act of 1934 and Rule 17a-5 Thereunder** *400*

REPORT FOR THE PERIOD BEGINNING 01/01/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:  
**CROSSBOW INVESTMENTS, LLC**

OFFICIAL USE ONLY

FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**1430 BROADWAY, SUITE 901**

(No. and Street)

**NEW YORK**

**NY**

**10018**

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**DEBRA SCHINASI** **(212) 582-3044**

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
**CITRIN COOPERMAN & COMPANY, LLP**

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

**529 FIFTH AVENUE**

**NEW YORK**

**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.

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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)

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Washington DC  
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**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2012**

**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**DECEMBER 31, 2012**

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**CITRINCOOPERMAN**

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## INDEPENDENT AUDITORS' REPORT

To the Members  
Crossbow Investments L.L.C.  
New York, New York

We have audited the accompanying statement of financial condition of Crossbow Investments L.L.C. (the "Company") (a limited liability company) as of December 31, 2012, and the related notes to the statement of financial condition.

### Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

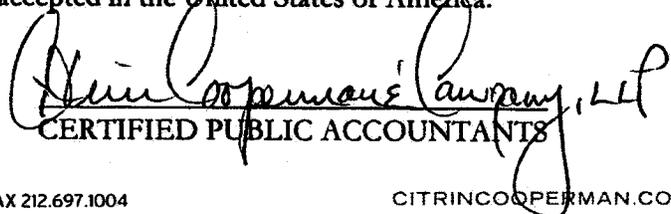
Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Crossbow Investments L.L.C. as of December 31, 2012, in accordance with accounting principles generally accepted in the United States of America.

  
CITRINCOOPERMAN & COMPANY, LLP  
CERTIFIED PUBLIC ACCOUNTANTS

February 19, 2013  
CITRINCOOPERMAN & COMPANY, LLP  
529 FIFTH AVENUE NEW YORK, NY 10017 | TEL 212.697.1000 | FAX 212.697.1004

CITRINCOOPERMAN.COM

AN INDEPENDENT FIRM ASSOCIATED WITH MOORE STEPHENS

**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2012**

**Assets**

|                           |                  |
|---------------------------|------------------|
| Cash                      | \$ 45,776        |
| Securities, at fair value | 7,497            |
| Other assets              | <u>7,935</u>     |
| Total assets              | <u>\$ 61,208</u> |

**Liabilities and Members' Equity**

**Liabilities:**

|  |                  |
|--|------------------|
| Accounts payable, accrued expenses and other liability | \$ 16,426        |
| Commitment (Note 4)                                    |                  |
| Members' equity  | <u>44,782</u>    |
| Total liabilities and members' equity                  | <u>\$ 61,208</u> |

See accompanying notes to financial statement

**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2012**

**NOTE 1. ORGANIZATION**

Crossbow Investments, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company acts as a broker in connection with introducing institutional and accredited investors to persons or entities seeking to raise capital from such prospective investors. The Company is under common control with Crossbow Investments International (UK) Limited, a company that is registered with the United Kingdom Securities and Futures Authority.

In accordance with the Company's agreement, the Company will dissolve in 2026 (unless extended). The Company has no plans to dissolve sooner.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Use of estimates**

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

**Revenue recognition**

The Company recognizes revenues as earned. Commissions are recorded on a trade-date basis as securities transactions occur. Consulting, placement and other fees are recognized as income when the Company renders the related service.

**Income taxes**

The Company is not subject to federal or state income taxes. Taxes payable, if any, are the responsibilities of the individual members. The Company is subject to New York City Unincorporated Business Tax.

The Company files income tax returns in the United States federal jurisdiction and in a state and local jurisdiction. With few exceptions, the Company is no longer subject federal, state or local income tax examinations by tax authorities for years before 2009.

The Company recognizes and measures its unrecognized tax benefits in accordance with GAAP. The Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2012**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fair value measurements

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Under the standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under GAAP are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, inputs which are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**NOTE 3. REGULATORY REQUIREMENTS**

The Company is subject to SEC's Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, both as defined, not exceed 15 to 1. Net capital and aggregate indebtedness change from day to day. At December 31, 2012, the Company had net capital of \$35,722, which exceeded the required net capital by \$30,722. The Company operates under the exemptive provisions of paragraph (k)(2)(i) of SEC Rule 15c3-3.

**NOTE 4. COMMITMENT**

The Company leases its office premises under an operating lease expiring on February 28, 2014. Rent expense during 2012 amounted to \$30,572. The Company subleases a portion of its office space and received sublease income of \$17,200 during 2012. The sublease arrangements are on a month-to-month basis.

**CROSSBOW INVESTMENTS L.L.C.**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2012**

**NOTE 4. COMMITMENT (CONTINUED)**

The future rental payments required under this lease as of December 31, 2012, are as follows:

**Year Ending December 31,**

|           |                      |
|-----------|----------------------|
| 2013      | \$ 26,445            |
| 2014      | <u>4,408</u>         |
| <br>Total | <br><u>\$ 30,853</u> |

**NOTE 5. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the table below. The valuation techniques are as follows:

- (a) Market approach. Prices and other relevant information generated by Market transactions involving identical or comparable assets or liabilities;
- (b) Cost approach. Amount that would be required to replace the service capacity of an asset (replacement cost);
- (c) Income approach. Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models).

The following table presents the Company's financial assets required to be measured at fair value on a recurring basis as of December 31, 2012:

|   | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>   | <u>Valuation<br/>Technique</u> |
|---|----------------|----------------|----------------|----------------|--------------------------------|
| Assets:                                   |                |                |                |                |                                |
| Equity securities<br>owned, at fair value | <u>\$7,497</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$7,497</u> | <u>(a)</u>                     |

Equity securities are valued at the closing price reported on the active market on which the individual securities are traded. The equity security stated above represents shares owned of one company in the securities industry.

**NOTE 6. CONCENTRATION**

Substantially all of the assets of the Company are held by a single bank. The Company does not consider itself at risk in this regard.