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

SEC FILE NUMBER
8-52685

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 01/01/2013 AND ENDING 12/31/2013
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MIDTOWN PARTNERS & CO., LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
380 LEXINGTON AVE, SUITE 3000

OFFICIAL USE ONLY
FIRM I.D. NO.

NEW YORK NY 10168
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
JOHN CLARKE (212) 939-6420
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
RUBIO CPA, PC

900 CIRCLE 75 PARKWAY, SUITE 1100 ATLANTA GA 30339
(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)

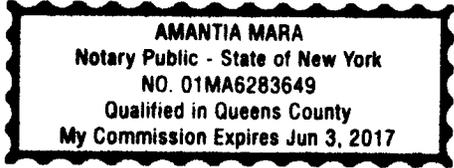
Signature

OATH OR AFFIRMATION

I, JOHN CLARKE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MIDTOWN PARTNERS & CO., LLC, as of DECEMBER 31, 2013, 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:

[Handwritten Signature]
Signature
CEO
Title

Amantia Mara
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).

MIDTOWN PARTNERS & CO., LLC
Financial Statements
For the Year Ended
December 31, 2013
With
Independent Auditor's Report

Contents

Independent Auditor's Report

Financial Statements

Statement of Financial Condition

Statement of Operations

Statement of changes in Member's Equity

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Computation of Net Capital Pursuant to Rule 15c3-1

**Computation for Determination of Reserve Requirements and Information
Relating to Possession and Control Requirements Under Rule 15c3-3**

Independent Auditor's Report on Internal Control

To the Member
Midtown Partners & Co., LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Midtown Partners & Co., LLC which comprise the statement of financial condition as of December 31, 2013 and the related statements of operations, member's equity, and cash flows, and the related notes to the financial statements, that are to be filed pursuant to Rule 17a-5 of the Securities Exchange Act of 1934.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity'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 statements.

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 financial statements referred to above present fairly, in all material respects, the financial position of Midtown Partners & Co., LLC as of December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Supplemental Information

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 Schedules I, II and III 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

February 15, 2014
Atlanta, Georgia



RUBIO CPA, PC

MIDTOWN PARTNERS & CO., LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

ASSETS

Cash and cash equivalents	\$ 79,587
Accounts receivable	55,752
Employee advances	86,235
Securities owned, at estimated fair market value	48,376
Office furniture and equipment, net of accumulated depreciation of \$31,558	42,454
Prepaid expenses	20,624
Deposits	<u>3,547</u>
 Total Assets	 <u>\$ 336,575</u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Accounts payable	\$ 15,417
Commissions payable	<u>10,200</u>

Total Liabilities 25,617

MEMBER'S EQUITY 310,958

Total Liabilities and Member's Equity \$ 336,575

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

MIDTOWN PARTNERS & CO., LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2013

REVENUES	
Investment banking	\$ 435,773
Loss from securities owned	(20,158)
Other	<u>998</u>
Total revenues	<u>416,613</u>
OPERATING EXPENSES	
Compensation and benefits	422,968
Communications	31,477
Occupancy	59,030
Interest	143
Other operating expenses	<u>143,465</u>
Total expenses	<u>657,083</u>
NET (LOSS)	<u>\$ (240,470)</u>

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

MIDTOWN PARTNERS & CO., LLC
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income (loss)	\$ (240,470)
Adjustments to reconcile net loss to net cash used by operations:	
Depreciation expense	4,449
Write off of accounts receivable	21,000
Net loss on securities	20,158
Decrease in securities owned, net	7,864
Increase in employee advances	(86,235)
Increase in receivables	(31,750)
Decrease in accounts payable and accrued expenses	(543,816)
Decrease in prepaid expenses and other assets	<u>7,440</u>
NET CASH USED BY OPERATING ACTIVITIES	(841,360)
CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of office equipment	<u>(41,753)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(41,753)</u>
CASH FLOW FROM FINANCING ACTIVITIES:	
Contributions by member	140,201
Distributions to member	<u>(65,377)</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>74,824</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(808,289)
CASH AND CASH EQUIVALENTS BALANCE:	
Beginning of year	<u>887,876</u>
End of year	<u><u>\$ 79,587</u></u>
SUPPLEMENTAL CASH FLOW INFORMATION	
Interest paid	<u><u>\$ 143</u></u>

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

MIDTOWN PARTNERS & CO., LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
For the Year Ended December 31, 2013

Balance, December 31, 2012	\$ 476,604
Contributions by member	140,201
Net (loss)	(240,470)
Distributions to member	<u>(65,377)</u>
Balance, December 31, 2013	<u>\$ 310,958</u>

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

MIDTOWN PARTNERS & CO., LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business: Midtown Partners & Co., LLC (the “Company”) was formed May 2000 as Cross Bow Capital, LLC. The Company changed its name to Midtown Partners & Co., LLC in 2004. Midtown Partners & Co., LLC is a securities broker-dealer registered with the Securities and Exchange Commission (“SEC”) and the Financial Industry Regulatory Authority (“FINRA”).

The Company provides advisory and investment banking services for customers located throughout the United States.

Cash and Cash Equivalents: The Company considers all cash and money market instruments with a maturity of ninety days or less to be cash and cash equivalents.

The Company maintains its demand deposits in high credit quality financial institutions. Balances at times may exceed federally insured limits.

Office Furniture and Equipment: Office furniture and equipment is recorded at cost. Depreciation is provided by use of straight-line methods over the estimated useful lives of the respective assets of five to ten years.

Income Taxes: The Company is a proprietorship that is wholly-owned by a corporation for income tax reporting purposes. Therefore, the member will report the entire taxable income on its corporate income tax return and no income taxes are recorded in the accompanying financial statements.

The Parent has adopted the provisions of FASB ASC 740-10, Accounting for Uncertainty in Income Taxes. Under FASB ASC 740-10, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

The Parent, which files income tax returns in the U.S. federal jurisdiction and various state jurisdictions, is no longer subject to U.S. federal income tax examination by tax authorities for years before 2010.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

MIDTOWN PARTNERS & CO., LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Banking Revenues: Investment banking revenues include fees from securities offerings in which the Company acts as an agent. Investment banking revenues also include fees earned from providing merger and acquisition and financial advisory services. Investment banking fees and sales commissions are recorded upon settlement.

Securities Owned: Securities owned, which consist of common stocks and warrants received as compensation for services provided, are recorded at fair market value in accordance with SFAS No. 157, "Fair Value Measurements".

Date of Management's Review: Subsequent events were evaluated through February 15, 2014, which is the date the financial statements were available to be issued.

NOTE B — NET CAPITAL

The Company, as a registered broker dealer is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2013, the Company had net capital of \$64,170, which was \$59,170 in excess of its required net capital of \$5,000 and its ratio of aggregate indebtedness to net capital was .40 to 1.0.

NOTE C — RELATED PARTY TRANSACTIONS

During 2013, the Company reimbursed the member \$55,416 for certain operating expenses paid by the member.

NOTE D – CONCENTRATIONS

Approximately 71% of the investment banking revenues were earned from one customer in 2013.

NOTE E – SECURITIES OWNED

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value

MIDTOWN PARTNERS & CO., LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE E – SECURITIES OWNED (CONTINUED)

is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management’s own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following table presents the Company’s fair value hierarchy for securities owned as of December 31, 2013.

	<u>Fair Value</u> <u>Measurements</u>	<u>Level 1</u> <u>Valuation</u>	<u>Level 2</u> <u>Valuation</u>	<u>Level 3</u> <u>Valuation</u>
Common stock, not readily marketable	\$ 20,246	\$ 20,246	\$ -	\$ -
Warrants for purchase of common stock	<u>28,130</u>	<u>-</u>	<u>28,130</u>	<u>-</u>
	<u>\$ 48,376</u>	<u>\$ 20,246</u>	<u>\$28,130</u>	<u>\$ -</u>

Fair value of investments in securities owned is determined by obtaining quoted prices on nationally recognized securities exchanges when available. If quoted prices are not available, fair value is determined using matrix pricing, which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather relying on the securities’ relationship to other benchmark quotes securities.

There were no securities impaired at December 31, 2013.

MIDTOWN PARTNERS & CO., LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE F – LEASES

Operating leases:

The Company leases office facilities under operating leases. Operating lease expense for 2013 was approximately \$54,000.

At December 31, 2013 the future minimum lease payments under office facilities leases are as follows:

2014	<u>\$ 4,300</u>
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NOTE G – CONTINGENCIES

The Company is subject to litigation in the normal course of business. The Company has no litigation in progress at December 31, 2013

NOTE H - NET LOSS AND SUBSEQUENT EVENT

The Company has incurred a significant loss for the year ended December 31, 2013 and the Company has been dependent upon capital contributions for working capital and to meet its net capital requirements. The Company closed a revenue transaction during January 2014 that resulted in over \$500,000 of revenue. In addition, management believes that the Company's member will make capital infusions if and when needed to maintain adequate net capital and working capital through at least January 2015. Also, the Parent has entered into an agreement to sell the Company, see Note I.

NOTE I –SALE OF COMPANY

The Parent has entered into an agreement with a non-traded publicly-held company to sell the Company in a stock for stock transaction. The non-traded purchaser is to file a registration statement for the purpose of selling \$10,000,000 of its stock. If the capital raise by the purchaser is successful, the Company is to receive approximately \$750,000 of paid-in-capital.

SUPPLEMENTAL INFORMATION

SCHEDULE I
MIDTOWN PARTNERS & CO., LLC

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION ACT OF 1934
AS OF DECEMBER 31, 2013

NET CAPITAL:

Total member's equity	<u>\$ 310,958</u>
Less nonallowable assets:	
Non-marketable securities	(38,176)
Office furniture and equipment	(42,454)
Prepaid expenses and other assets	(24,171)
Accounts receivable	(55,752)
Advances to employees	<u>(86,235)</u>
	<u>(246,788)</u>
Net capital before haircuts	64,170
Less haircuts on securities positions	<u>-</u>
Net capital	64,170
Minimum net capital required	<u>5,000</u>
Excess net capital	<u>\$ 59,170</u>
Aggregate indebtedness	<u>\$ 25,617</u>
Net capital based on aggregate indebtedness	<u>\$ 1,708</u>
Ratio of aggregate indebtedness to net capital	<u>.40 to 1.0</u>

RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL INCLUDED
IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2013

There is no significant difference between net capital as reported in Form X-17A-5 and net capital stated above.

MIDTOWN PARTNERS & CO., LLC

**SCHEDULE II
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2013**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

**SCHEDULE III
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2013**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY RULE 17a-5

To the Member
Midtown Partners & Co., LLC

In planning and performing our audit of the financial statements of Midtown Partners & Co., LLC, for the year ended December 31, 2013, we considered its internal control structure, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including test of compliance with such practices and procedures) followed by Midtown Partners & Co., LLC, that we considered relevant to the objective stated in Rule 17a-5(g). We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the procedure for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company related to the following: (1) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13; (2) in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System; and (3) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

The management of the Company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company 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 preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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

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 control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure 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 Commission 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 Company's practices and procedures were adequate at December 31, 2013 to meet the Commission's objectives.

This report recognizes that it is not practicable in an organization the size of the Company to achieve all the division of duties and cross-checks generally included in a system of internal accounting control, and that alternatively, greater reliance must be placed on surveillance by management.

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 in their regulation of registered brokers and dealers and should not be used for any other purpose.

February 15, 2014
Atlanta, Georgia

A handwritten signature in black ink that reads "Rubio CPA, PC". The signature is written in a cursive, flowing style.

RUBIO CPA, PC