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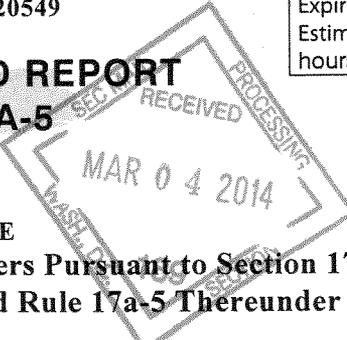
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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



SEC FILE NUMBER
8- 66236

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 01/01/13 AND ENDING 12/31/13
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: G & L PARTNERS, INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

8 HIGHLAND PLACE

(No. and Street)

SEA CLIFF

NEW YORK

11579

(City)

(State)

(Zip Code)

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

DANIEL LEPORIN

212-269-2403

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

MANDEL, FEKETE & BLOOM, CPAs

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

30 MONTGOMERY STREET

JERSEY CITY

NEW JERSEY

07302

(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)

DD
3/24/14

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OATH OR AFFIRMATION

I, DANIEL LEPORIN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of G & L PARTNERS, INC., 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:

NONE

[Handwritten Signature]
Signature

PRESIDENT

Title

[Handwritten Signature: Christine A. Reilly]
Notary Public

FEB 21 2014

CHRISTINE A. REILLY
A Notary Public of New Jersey
My Commission Expires 08/11/2015

This report** contains (check all applicable boxes):

- [X] (a) Facing Page.
[X] (b) Statement of Financial Condition.
[X] (c) Statement of Income (Loss).
[X] (d) Statement of Changes in Financial Condition.
[X] (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
[X] (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
[X] (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.
[X] (l) An Oath or Affirmation.
[X] (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).

MANDEL, FEKETE & BLOOM
CERTIFIED PUBLIC ACCOUNTANTS

MILTON E. MANDEL, (1932-1984)
FRANK L. FEKETE
BERNARD BLOOM, (1959-1989)
MARK J. BANN
DANIEL G. KAROSEN

30 MONTGOMERY STREET - SUITE 685
JERSEY CITY, NEW JERSEY 07302-3834
(201) 434-6875
FAX (201) 434-8759

ACCOUNTANT'S REPORT OF INTERNAL CONTROL

G & L Partners, Inc.
8 Highland Place
Sea Cliff, New York 11579

In planning and performing our audit of the financial statements of G & L Partners, Inc., as of and for the year ended December 31, 2013 in accordance with auditing standards generally accepted in the United States of America, we considered the Company'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 Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included 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 Company 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 Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
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 Company 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

continued

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 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 the 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 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.

A deficiency in internal control 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented, or detected and corrected, 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 previously.

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 Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2013, to meet the SEC's objectives.

continued

This report recognizes that it is not practical in an organization the size of this company to achieve all divisions of duties and cross checks generally included in a system of internal control and that alternatively greater reliance must be placed on surveillance by management.

This report is intended solely for the information and use of the Board of Directors, 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.

Mandel, Fekete & Bloom

Mandel, Fekete & Bloom, CPAs
Jersey City, New Jersey

February 21, 2014

EXHIBIT C

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G & L PARTNERS, INC.

ANNUAL REPORT

DECEMBER 31, 2013

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APPLYING AGREED-UPON PROCEDURES

MANDEL, FEKETE & BLOOM
CERTIFIED PUBLIC ACCOUNTANTS

MILTON E. MANDEL, (1932-1984)
FRANK L. FEKETE
BERNARD BLOOM, (1959-1989)
MARK J. BANN
DANIEL G. KAROSEN

30 MONTGOMERY STREET - SUITE 685
JERSEY CITY, NEW JERSEY 07302-3834
(201) 434-6875
FAX (201) 434-8759

INDEPENDENT AUDITOR'S REPORT

G & L Partners, Inc.
8 Highland Place
Sea Cliff, New York 11579

We have audited the accompanying financial statements of G & L Partners, Inc. (the Company) which comprise the state of financial condition as of December 31, 2013, and the related statements of income, changes in stockholders' equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

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 Company'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 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 statements.

continued

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 G & L Partners, Inc. 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. 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 in Schedule I 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 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 in Schedule I is fairly stated in all materials respects in relation to the financial statements as a whole.

Mandel, Fekete + Bloom

Mandel, Fekete & Bloom, CPAs
Jersey City, New Jersey

February 21, 2014

G & L PARTNERS, INC.

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2013

ASSETS

Current

Cash

Signature Bank - checking account
JP Morgan Chase Bank - checking account

\$ 2,492
94,095
 \$ 96,587

Escrow account - clearing broker
Commissions Receivable
Rebates Receivable
Other assets

100,021
133,938
1,366
5,258

Total Current Assets

337,170

Property and equipment, at cost
Accumulated Depreciation

27,758
26,978

780

Organization expense
Accumulated amortization

6,080
6,080

0

Other Assets

Loan Receivable

60,000

TOTAL ASSETS

\$ 397,950

See notes to financial statements

G & L PARTNERS, INC.

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2013

LIABILITIES

| | |
|------------------------|-----------|
| Accounts Payable | \$ 20,406 |
| Accrued Expenses | 34,985 |
| Line of credit payable | 98,947 |

TOTAL CURRENT LIABILITIES 154,338

LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

| | |
|-------------------|----------------|
| Subordinated loan | <u>250,000</u> |
|-------------------|----------------|

TOTAL LIABILITIES 404,338

STOCKHOLDERS' EQUITY

| | |
|-----------------------------|------------|
| Common stock - no par value | |
| Authorized - 200 shares | |
| Issued - 20 shares | \$ 350,000 |
| Additional paid-in-capital | 410,000 |

| | |
|---------------------------------|------------------|
| Accumulated adjustments account | <u>(766,388)</u> |
|---------------------------------|------------------|

TOTAL STOCKHOLDERS' EQUITY (6,388)

TOTAL LIABILITIES & STOCKHOLDERS' EQUITY \$ 397,950

See notes to financial statements

G & L PARTNERS, INC.

STATEMENT OF INCOME

FOR THE YEAR 2013

REVENUE

Commission Income

\$ 1,062,035

EXPENSES

Officer's salaries

\$ 240,749

Office salaries

236,261

Payroll taxes

38,617

Employee benefits

4,767

Clearance charges

57,453

Error account

5,145

Commission expenses

22,715

NYSE dues and expenses

94,211

Office expense

8,713

Quotation services

124,244

Rebates

40,050

Insurance

14,897

Interest expense

30,487

Travel and automobile expenses

7,376

Meals and entertainment

37,972

Professional fees

30,272

Charitable contributions

4,500

Telephone

21,211

SIPC fees

2,355

Dues and subscriptions

6,774

Miscellaneous

4,999

1,033,768

OPERATING INCOME

28,267

Other Income

Interest Income

1

Other Expenses

Depreciation

(310)

(309)

INCOME BEFORE TAXES

27,958

Income and Franchise taxes

Federal

0

New York State

1,000

New York City

2,161

3,161

NET INCOME

\$ 24,797

See notes to financial statements

G & L PARTNERS, INC.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEAR 2013

CAPITAL STOCK

| | | |
|----------------------------------|----|----------------|
| Common | \$ | 350,000 |
| Balance at beginning of the year | | <u>0</u> |
| Issuance of shares | \$ | <u>350,000</u> |
| Balance at end of year | | |

ADDITIONAL PAID-IN CAPITAL

| | | |
|------------------------------|----|----------------|
| Balance at beginning of year | \$ | 410,000 |
| Paid-in capital | | <u>0</u> |
| Balance at end of year | \$ | <u>410,000</u> |

ACCUMULATED ADJUSTMENT ACCOUNT

| | | |
|--|----|-----------------------|
| Balance at beginning of year | \$ | (793,288) |
| Net income (loss) | | 24,797 |
| Contributions (Distributions) | | <u>2,103</u> |
| Balance at end of year | \$ | <u>(766,388)</u> |
| TOTAL STOCKHOLDERS' EQUITY AT END OF YEAR | \$ | <u><u>(6,388)</u></u> |

See notes to financial statements

G & L PARTNERS, INC.

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

FOR THE YEAR 2013

| | |
|------------------------------|--------------------------|
| Balance-beginning of period | \$ 250,000 |
| 2013 Activity | <u>0</u> |
| BALANCE - END OF YEAR | <u><u>\$ 250,000</u></u> |

See notes to financial statements

G & L PARTNERS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR 2013

Cash Flows from Operating Activities:

| | | |
|--|----|----------|
| Net Income | \$ | 24,797 |
| Adjustments to Reconcile Net Income to Net Cash provided by Operating Activities: | | |
| Depreciation Expense | | 310 |
| Increase in commissions receivable | | (13,226) |
| Decrease in rebates receivable | | 13,055 |
| Increase in prepaid expenses | | (2,266) |
| Decrease in accounts payable | | (14,195) |
| Decrease in accrued liabilities | | (1,805) |
| Net Cash provided by Operating Activities | \$ | 6,670 |

Cash Flows from Financing Activities:

| | | |
|--|-----------|-----------------------------|
| Capital Contributed | | <u>2,103</u> |
| Net Cash provided by Financing Activities | | <u>2,103</u> |
| NET INCREASE (DECREASE) IN CASH | | 8,773 |
| CASH AND EQUIVALENTS AT JANUARY 1, 2013 | | <u>87,814</u> |
| CASH AND EQUIVALENTS AT DECEMBER 31, 2013 | \$ | <u><u>96,587</u></u> |

Supplemental Cash Flow Disclosures:

| | | |
|-----------------------------------|----|----------------------|
| Income tax payments (overpayment) | \$ | <u><u>2,161</u></u> |
| Interest payments | \$ | <u><u>30,487</u></u> |

See notes to financial statements

G & L PARTNERS, INC.

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND NATURE OF BUSINESS

G & L Partners, Inc. (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of Financial Industry Regulatory Authority ("FINRA"). The Company is a New York S-Corporation.

2. SIGNIFICANT ACCOUNTING POLICIES

Securities Transactions

Customers' securities and commodities transactions are reported on a settlement date basis with related commissions income and expenses reported on a trade date basis. Amounts received and payable for securities and transactions that have not reached their contractual settlement date are recorded net on the statement of financial condition.

Commissions

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur.

Income Taxes

The Company is an S-Corporation for federal income tax purposes and is not subjected to federal income taxes at the corporate level. The Company is also an S-Corporation for New York State tax purposes and accordingly these financial statements reflect income taxes at the reduced level. The amount of current and deferred state and city income taxes payable is recognized as of the date of the financial statements, utilizing currently enacted laws and rates.

The Company evaluates each tax position taken on its tax returns and recognizes a liability for any tax position deemed less likely than not to be sustained under examination by the relevant taxing authorities. The Company's open tax years subject to examination by the relevant taxing authorities are 2010, 2011 and 2012.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

Depreciation

Depreciation of property and equipment is provided over the estimated useful life on a straight-line basis.

Statement of Cash Flows

For the purposes of the Statement of Cash Flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than ninety (90) days, which are not held for sale in the ordinary course of business.

Subsequent Events

The Company has evaluated events and transactions that occurred between January 1, 2014 and February 21, 2014, which is the date the financial statements were to be issued, for possible disclosure and recognition in the financial statements.

3. CONCENTRATIONS OF CASH

The Company at times during operations has cash deposits that exceed \$250,000 in one account in individual banks. The Federal Deposit Insurance Corporation (FDIC) insures only the first \$250,000 in member banks. At December 31, 2013, the Company's uninsured cash balance totaled \$0.

4. CREDIT LINE PAYABLE

The Company has a \$100,000 line of credit from Chase Bank. The principal balance due as of December 31, 2013 is \$98,947. Interest rate as of December 31, 2013 was 4.25%. The line which matures each February has an automatic one year renewal.

5. LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

Subordinated liabilities in the amount of \$250,000 consisted of a note covered by a subordinated loan agreement, which was approved by FINRA. The note matured and was renewed on October 25, 2013 and bears interest at the rate of 10%.

6. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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 \$137,454 which was \$127,166 in excess of its required net capital of \$10,288.

7. INCOME TAXES

The current and deferred portions of the income tax expense (benefit) included in the statement of operations of determined in accordance with FASB Statement No. 109, *Accounting for Income Taxes*, are as follows:

December 31, 2013

| | | |
|----------------|----|--------------|
| Federal | \$ | 0 |
| New York State | | 1,000 |
| New York City | | 2,161 |
| | | <u>2,161</u> |
| | \$ | <u>3,161</u> |

The Company evaluates each tax position taken on its tax returns and recognizes a liability for any tax position deemed less likely than not to be sustained under examination by the relevant taxing authorities. The Company's open tax years subject to examination by the relevant taxing authorities are 2010, 2011 and 2012.

EXHIBIT D

G & L PARTNERS, INC.

SCHEDULE 1

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

As of December 31, 2013

| | | |
|---|-----------|-----------------------|
| Total ownership equity from Statement of Financial Condition | \$ | (6,388) |
| Deduct ownership equity not allowable for Net Capital | | <u>0</u> |
| Total ownership equity qualified for Net Capital | | (6,388) |
| Add: | | |
| Liabilities subordinated to claims of general creditors allowable | | |
| In computation of net capital | | 250,000 |
| Other (deductions) or allowable liabilities | | <u>0</u> |
| Total capital and allowable subordinated liabilities | \$ | 243,612 |
| Deductions and/or charges: | | |
| Total non-allowable assets from Statement of Financial Condition (See List A) | \$ | 106,158 |
| Secured demand note deficiency | | 0 |
| Commodity futures contracts and spot commodities-proprietary capital charges | | 0 |
| Other deductions and/or charges | | <u>0</u> |
| | | (106,158) |
| Other additions and/or allowable credits | | |
| Total non-allowable accrued liabilities from Statement of Financial Condition | | <u>0</u> |
| Net Capital before haircuts on securities positions | \$ | 137,454 |
| Haircuts on securities (computed, where applicable, pursuant to 13c301(f): | | |
| Contractual securities commitments | \$ | 0 |
| Subordinated securities borrowings | | 0 |
| Trading and investment securities: | | |
| Exempted securities | | 0 |
| Debt securities | | 0 |
| Options | | 0 |
| Other securities | | 0 |
| Undue concentration | | 0 |
| Other | | <u>0</u> |
| | | <u>0</u> |
| NET CAPITAL | \$ | <u>137,454</u> |

See notes to financial statements

G & L PARTNERS, INC.

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

As of December 31, 2013

| | | |
|---|----|---------|
| Minimum net capital required | \$ | 10,288 |
| Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | \$ | 5,000 |
| Net capital requirement | \$ | 10,288 |
| Excess net capital | \$ | 127,166 |
| Excess net capital at 120% of minimum net capital requirement | \$ | 122,020 |

COMPUTATION OF AGGREGATE INDEBTEDNESS

| | | |
|---|----|----------|
| Total A.I. liabilities from Statement of Financial Condition | \$ | 154,338 |
| Add: | | |
| Drafts for immediate credit | \$ | 0 |
| Market value of securities borrowed for which no equivalent value is paid or credited | \$ | 0 |
| Other unrecorded indebtedness | \$ | 0 |
| | | <u>0</u> |
| Total aggregate indebtedness | \$ | 154,338 |
| Percentage of aggregate indebtedness to net capital | | 112.28% |
| Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) | | 102.62% |

See notes to financial statements

G & L PARTNERS, INC.

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

December 31, 2013

| | |
|--|--------------------------|
| Net Capital as reported in company's Part IIA (unaudited) focus report | \$ 142,742 |
| Audit adjustments to record additional accrued expenses | <u>(5,288)</u> |
| NET CAPITAL per above | <u>\$ 137,454</u> |

LIST A

| | |
|------------------------|--------------------------|
| Commission Receivable | \$ 38,753 |
| Rebates Receivable | 1,366 |
| Prepaid Expenses | 5,259 |
| Property and equipment | 780 |
| Loan Receivable | <u>60,000</u> |
| | <u>\$ 106,158</u> |

G & L PARTNERS, INC.

NOTES RE: OTHER SCHEDULES

The Company claims an exemption from the Securities and Exchange Commission Rule 15c3-3 based on the following:

All customer transactions cleared through another broker-dealer/clearing organization on a fully disclosed basis. The Company does not carry securities accounts for customers nor does it perform custodial functions relating to customer securities.

Accordingly, the following schedules are not presented as part of these financial statements:

- Computation for determination of reserve requirements
- Information relating to possession or control requirements

EXHIBIT E

MANDEL, FEKETE & BLOOM
CERTIFIED PUBLIC ACCOUNTANTS

30 MONTGOMERY STREET - SUITE 685
JERSEY CITY, NEW JERSEY 07302-3834
(201) 434-6875
FAX (201) 434-8759

MILTON E. MANDEL, (1932-1984)
FRANK L. FEKETE
BERNARD BLOOM, (1959-1989)
MARK J. BANN
DANIEL G. KAROSEN

SCHEDULE II

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

G & L Partners, Inc.
8 Highland Place
Sea Cliff, New York 11579

In accordance with Rule 17a-5(e)(4) under the Securities Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2013, which were agreed to by G & L Partners, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and other specified parties in evaluating G & L Partners, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). G & L Partners, Inc.'s management is responsible for G & L Partners, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries including the general ledger and bank statement noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2013, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2013 noting no differences;
3. Compared any adjustments report in Form SIPC-7 with supporting schedules, working papers, SIPC-7 template and calculation of total assessment noting no differences;

continued

4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules, working papers, SIPC-7 template and calculation of total assessment supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Mandel, Fekete + Bloom

February 21, 2014

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300

General Assessment Reconciliation

SIPC-7

(33-REV 7/10)

For the fiscal year ended 12/31/2013

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

066236 FINRA DEC
G & L PARTNERS INC 11*11
8 HIGHLAND PL
SEA CLIFF NY 11579-2021

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

| | | |
|---|-----|--------------|
| 2. A. General Assessment (item 2e from page 2) | \$ | <u>2,355</u> |
| B. Less payment made with SIPC-6 filed (exclude interest) | (| <u>1,053</u> |
| <u>07-19-13</u> Date Paid | | |
| C. Less prior overpayment applied | (| <u>0</u> |
| D. Assessment balance due or (overpayment) | | <u>1,302</u> |
| E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum | | <u>0</u> |
| F. Total assessment balance and interest due (or overpayment carried forward) | \$ | <u>1,302</u> |
| G. PAID WITH THIS FORM: Check enclosed, payable to SIPC Total (must be same as F above) | \$ | <u>1,302</u> |
| H. Overpayment carried forward | \$(| <u>0</u>) |

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

G & L Partners Inc
(Name of Corporation, Partnership or other organization)
X [Signature]
(Authorized Signature)
President
(Title)

Dated the 28 day of January, 20 14.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER Dates: _____
 Postmarked _____ Received _____ Reviewed _____
 Calculations _____ Documentation _____ Forward Copy _____
 Exceptions: _____
 Disposition of exceptions: _____

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning 1/1/2013
and ending 12/31/2013

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

Eliminate cents
\$ 1,062,036

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.
(See Instruction C):

120,218

(Deductions in excess of \$100,000 require documentation)

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. \$ 1

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). \$ _____

Enter the greater of line (i) or (ii)

Total deductions

120,219

2d. SIPC Net Operating Revenues

\$ 941,817

2e. General Assessment @ .0025

\$ 2,355

(to page 1, line 2.A.)