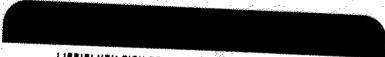


* AB
3/19

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

OMB APPROVAL
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Expires: March 31, 2016
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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

MAR 04 2014

SEC FILE NUMBER
8-51992

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: Broadband Capital Management LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

712 Fifth Avenue, 22th Floor

(No. and Street)

New York

New York

10019

(City)

(State)

(Zip Code)

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

Michael Rapoport

212 759 2020

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Lilling & Company LLP

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

10 Cutter Mill Road

Great Neck

New York

11021

(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)

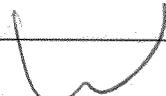
SEC 1410 (06-02)

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3/24/14

OATH OR AFFIRMATION

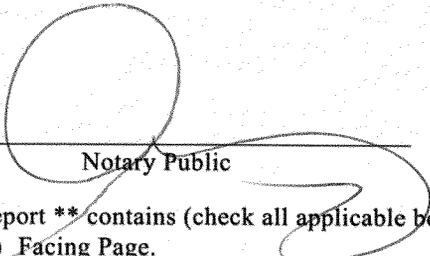
I, Michael Rapoport, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Broadband Capital Management LLC, as of December 31, 2013, are true and correct. I further swear (or affirm) that neither the company 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:



Signature

Chairman

Title



Notary Public

Amy Galanti
Notary Public New York
No. 01GA6000994
Qualified in Nassau County
Commission Exp 12/29/16

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).

BROADBAND CAPITAL MANAGEMENT, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2013

BROADBAND CAPITAL MANAGEMENT LLC

DECEMBER 31, 2013

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FINANCIAL STATEMENTS:

Statement of Financial Condition	1
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Lilling & Company LLP

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members
Broadband Capital Management LLC
New York, New York

We have audited the accompanying financial statement of Broadband Capital Management LLC, (the Company), which comprise the statement of financial condition as of December 31, 2013, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the statement of financial condition.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of financial condition, 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 statement of financial condition 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 statement of financial condition.

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 Broadband Capital Management LLC as of December 31, 2013, in accordance with accounting principles generally accepted in the United States.

A handwritten signature in cursive script that reads "Silling & Company".

CERTIFIED PUBLIC ACCOUNTANTS
Great Neck, New York
February 26, 2014

BROADBAND CAPITAL MANAGEMENT LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

ASSETS

Cash and cash equivalents	\$ 485,600
Due from clearing broker	300,896
Securities owned, at fair value	8,957
Loan receivable, related parties	1,706,406
Other assets	<u>165,861</u>
 Total Assets	 <u><u>\$ 2,667,720</u></u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities

Accrued expenses and other liabilities	\$ 132,983
Commitments and contingencies	

Members' equity 2,534,737

Total Liabilities and Members' Equity \$ 2,667,720

See notes to financial statement

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

1. ORGANIZATION AND NATURE OF BUSINESS

Broadband Capital Management, LLC (the "Company") is a broker-dealer registered with the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC) that clears its securities transactions on a fully disclosed basis with National Financial Services LLC. The Company primarily services retail accounts and earns fees from investment banking transactions. There are no liabilities subordinated to the claims of general creditors during the year ended December 31, 2013.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Securities Transactions and Commissions

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

Securities owned and securities sold, not yet purchased are recorded at current market value. Securities, not readily marketable are valued at current market value or at fair value as determined by management.

Investment Banking

Investment banking revenues include gains, losses, and fees, net of syndicate expenses, arising from securities offerings in which the Company acts as an underwriter or agent. Investment banking revenues also include fees earned from providing merger-acquisition and financial restructuring advisory services. Investment banking fees are recorded on offering date, sales concessions on settlement date, and underwriting fees at the time the underwriting is completed and the income is reasonably determinable.

Loans Receivable, Related Parties

Loans receivable, related parties are due from the Company's majority owner and other entities controlled by officers of the Company for expenses paid on their behalf and advances. The loans are due on demand without interest.

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company is organized as a limited liability company and is recognized as a partnership for income tax purposes. No provision has been made for federal and state income taxes, since these taxes are the personal responsibility of the members. The Company is subject to New York City unincorporated business taxes. Local income tax of \$1,500 was paid for the year ended December 31, 2013.

In accordance with ASC 740, Income Taxes, the Company is required to disclose unrecognized tax benefits resulting from uncertain tax positions. At December 31, 2013 the Company did not have any unrecognized tax benefits or liabilities. The Company operates in the United States and in state and local jurisdictions, and the previous three years remain subject to examination by tax authorities. There are presently no ongoing income tax examinations.

Significant Credit Risk and Estimates

The Company's clearing and execution agreement provides that its clearing firm National Financial Service's credit losses relating to unsecured margin accounts receivable of the Company's customers are charged back to the Company.

In accordance with industry practice, National Financial Service records customer transactions on a settlement date basis, which is generally three business days after the trade date. National Financial Service is therefore exposed to risk of loss on these transactions in the event of the customer's inability to meet the terms of its contracts, in which case National Financial Service may have to purchase or sell the underlying financial instruments at prevailing market prices in order to satisfy its customer-related obligations. Any loss incurred by National Financial Service is charged back to the Company.

The Company, in conjunction with National Financial Service, controls off-balance-sheet risk by monitoring the market value and marking securities to market on a daily basis and by requiring adjustments of collateral levels. National Financial Service establishes margin requirements and overall credit limits for such activities and monitors compliance with the applicable limits and industry regulations on a daily basis.

The Company is located in New York City, New York and its customers are located throughout the United States.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management of the Company to use estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Financial instruments that potentially subject the Company to credit risk consist primarily of cash and cash equivalents and amounts due from broker dealers. The Company maintains cash and money market balances with commercial banks and other major institutions. At times, such amounts exceeded Federal Deposit Insurance Corporation insurance limits.

Valuation of Investments

All investment in securities are recorded at their estimated fair value, as described in note 3.

3. FAIR VALUE MEASUREMENT

Fair Value Hierarchy

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. Fair value 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 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

3. FAIR VALUE MEASUREMENT (continued)

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The Company establishes valuation processes and procedures to ensure that the valuation techniques for investments that are categorized within level 3 of the fair value hierarchy are fair consistent and verifiable. The Company reviews its valuation policies monthly or more frequently as needed to determine whether the current valuation techniques are still appropriate. At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted as necessary based on current market conditions and other third party information. There are no level 3 assets as of December 31, 2013.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that the Company believes market participants would use in pricing the asset or liability at the measurement date.

A description of the valuation techniques applied to the company's major categories of assets and liabilities measured at fair value on a recurring basis follows.

Exchange-Traded Equity Securities - Exchange-traded equity securities are generally valued based on quoted prices from the exchange. To the extent these securities are actively traded, valuation adjustments are not applied, and they are categorized in level 1 of the fair value hierarchy; otherwise, they are categorized in level 2 of the fair value hierarchy.

Warrants - Warrants are generally valued based on quoted prices from the exchange. To the extent these securities are actively traded, valuation adjustments are not applied, and they are categorized in level 1 of the fair value hierarchy; otherwise, they are categorized in level 2 of the fair value hierarchy.

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

3. FAIR VALUE MEASUREMENT (continued)

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2013.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Securities owned:				
Equities – small cap	\$ 519	\$ 7,171	\$ -	\$ 7,690
Warrants – small cap	-	1,267	-	1,267
Securities owned	<u>\$ 519</u>	<u>\$ 8,438</u>	<u>\$ -</u>	<u>\$ 8,957</u>

There were no transfers between level 1 and level 2 during the year.

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (level 3) during the year ended December 31, 2013:

Level 3 Change in Financial Assets and Liabilities

	<u>Beginning Balance</u>	<u>Realized (Losses)</u>	<u>Purchases, Issuances and Settlements</u>	<u>Ending Balance</u>
Assets				
Warrants	529	(529)	-	-
Securities owned	<u>\$ 529</u>	<u>\$ (529)</u>	<u>\$ -</u>	<u>\$ -</u>

4. LOANS RECEIVABLE, RELATED PARTIES

Loans receivable from related parties represent non-interest bearing loans due from entities with common ownership and are due on demand. As of December 31, 2013, the balance was \$1,706,406.

5. SECURITIES OWNED

Securities owned at market value consist of \$8,957 invested in equities and warrants.

BROADBAND CAPITAL MANAGEMENT LLC
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

6. COMMITMENTS AND CONTINGENCIES

Lease

The Company leases office space in New York City, which expires April 16, 2018. Net rent expense for the year ended December 31, 2013 was \$113,852. Minimum future rental payments are approximately as follows for the years ending December 31;

2014	250,000
2015	250,000
2016	250,000
2017	250,000
2018	72,900
	<u>\$ 1,072,900</u>

Legal Proceedings

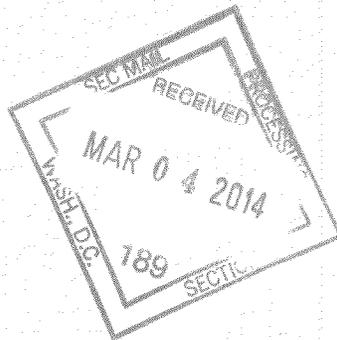
As a regulated securities broker dealer, from time to time the Company may be involved in proceedings and investigations by self-regulatory organizations. Although there can be no assurances that such matters will not have a material adverse effect on the results of operations or financial condition of the Company in any future period, depending in part on the results for such period, in the opinion of management of the Company there are no such actions pending against the Company that will have a material adverse effect on the Company's financial condition.

7. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c-3-1), 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 (and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2013, the Company had net capital of \$660,620, which was \$560,620 in excess of its required net capital of \$100,000. The Company had a percentage of aggregate indebtedness to net capital was 20.1%.

8. SUBSEQUENT EVENTS

The Company has evaluated and noted no events and transactions that have occurred after December 31, 2013 that would require recognition or disclosure in the financial statements.



BROADBAND CAPITAL MANAGEMENT, LLC

SIPC GENERAL ASSESSMENT

DECEMBER 31, 2013

See independent auditors' report

Lilling & Company LLP

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES RELATED TO AN ENTITY'S SIPC ASSESSMENT RECONCILIATION

To the Members
Broadband Capital Management, LLC
New York, New York

In accordance with Rule 17a-5(e)(4) under the Securities Exchange 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 Broadband Capital Management, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., SIPC and other designated examining authority, solely to assist you and the other specified parties in evaluating Broadband Capital Management, LLC

's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Broadband Capital Management, LLC's management is responsible for Broadband Capital Management, LLC'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, 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 reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, 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.

A handwritten signature in cursive script that reads "Silling & Company".

CERTIFIED PUBLIC ACCOUNTANTS
Great Neck, New York
February 26, 2014

SCHEDULE OF ASSESSMENT PURSUANT TO RULE 17a-5(e)(4)
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenue:

Total revenue (FOCUS Line 12/Part II A Line 9) \$ 1,293,815

Deductions:

Commissions, floor brokerage and clearance paid to other SIPC
members in connection with securities transactions. 118,425

Total interest and dividend expense (FOCUS Line 22/Part IIA Line 13)
plus line 2b(4), but not in excess of total interest and dividend income 476

Total Deductions 118,901

SIPC net operating revenue \$ 1,174,914

SIPC general assessment at .0025 2,937
Less: Payment July 2013 (2,003)

Assessment balance due February 2014 \$ 934

See independent auditors' report