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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  
8-38326

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: Gottbetter Capital Markets, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

488 Madison Avenue, 12th Floor

(No. and Street)

New York

New York

10022

(City)

(State)

(Zip Code)

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

Marc Stoltz

516 222 9111

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Arnold G. Greene, CPA

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

866 United Nations Plaza

New York

New York

10017

(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

OATH OR AFFIRMATION

I, Julio Alfonso Marquez, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Gottbetter Capital Markets, 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 of Julio Alfonso Marquez

Signature

PRESIDENT

Title

Handwritten signature of Barbara J. Glenns

Notary Public

BARBARA J. GLENNIS
NOTARY PUBLIC, State of New York
No. 01GL4727413
Qualified in New York County
Commission Expires: 2-28-2015

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).

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2013**

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**DECEMBER 31, 2013**

**TABLE OF CONTENTS**

<b>Independent Auditors' Report</b>	<b>Page</b>
<b>Financial Statement</b>	
Statement of Financial Condition	1
Notes to financial statement	2 - 5

**ARNOLD G. GREENE**  
CERTIFIED PUBLIC ACCOUNTANT  
866 UNITED NATIONS PLAZA  
NEW YORK, N.Y. 10017

(516) 742-2198  
FAX (516) 742-5813

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**GOTTBETTER CAPITAL MARKETS, LLC**

***Report on the Financial Statements***

I have audited the accompanying statement of Financial condition of Gottbetter Capital Markets, LLC (the "Company") as of December 31, 2013, 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***

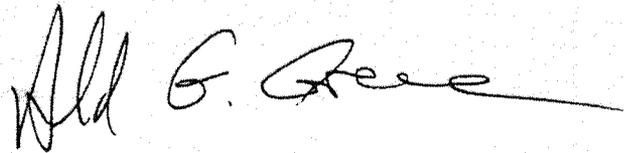
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditors' 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gottbetter Capital Markets, LLC as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Arnold G. Greene". The signature is written in a cursive style with a long horizontal line extending to the right.

February 21, 2014

ARNOLD G. GREENE  
CERTIFIED PUBLIC ACCOUNTANT

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2013**

**ASSETS**

**Assets:**

Cash	\$ 159,270
Prepaid expenses	28,721
Securities owned, not readily marketable	33,344
Deposits	<u>5,164</u>

**Total Assets** **\$ 226,499**

**LIABILITIES AND MEMBERS' EQUITY**

**Liabilities:**

Accrued expenses \$ 16,729

Members' equity 209,770

**Total liabilities and members' equity** **\$ 226,499**

See notes to financial statement.

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2012**

**1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

Gottbetter Capital Markets, LLC (the "Company") is a New York Limited Liability Company formed on November 2, 2007. In April 2008 the Company purchased FMIC Securities, Inc., an existing broker-dealer, registered with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority, Inc. (FINRA). The Company's business activity deals primarily with private placements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Revenue recognition***

Revenues are recognized when earned and arise from financial advisory services provided by the Company to its clients. The capital raising and financial restructuring advisory fees are recognized at the closing of the respective transaction.

***Depreciation***

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

***Income taxes***

No provision for income taxes has been recorded because the Company is a limited liability company. Accordingly, the individual members report their share of the Company's income or loss on their income tax returns. The Company is subject to the New York City unincorporated business tax and has accrued such taxes for the year ended December 31, 2013.

***Uncertain tax position***

The company adopted the provisions of the *Financial Accounting Standards Board's ("FASB") Accounting Standards Codification No. 740 ("ASC 740") Subtopic 05 "Accounting for Uncertainty in Income Taxes*. As a result of the implementation, the Company was not required to recognize any amounts from uncertain tax positions.

The Company's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, federal, state and local authorities may examine the Company's tax returns for three years from the date of filing; consequently, the respective tax returns for years prior to 2010 are no longer subject to examination by tax authorities.

See independent auditors' report.

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

***Use of estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the 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.

**3. 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 as defined of 6 2/3% of aggregate indebtedness or \$5,000, whichever is greater 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's net capital was \$142,541 which was \$115,541 in excess of its required minimum net capital of \$5,000. The Company's net capital ratio was .11 to 1 at December 31, 2013.

**4. CONCENTRATIONS OF CREDIT RISK**

The Company maintains its cash balances in various financial institutions. These balances at times may exceed the amounts insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. Management does not anticipate any losses as a result of this concentration.

**5. RELATED PARTY TRANSACTIONS**

The Company has a lease agreement for office space and administrative services with Gottbetter Capital Management ("Parent") on a month-to-month basis. The Parent charged the Company \$92,780 for the year ended December 31, 2013.

See independent auditors' report.

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**6. FAIR VALUE**

The FASB Accounting Standards Codification No. 820 (“ASC 820”) “*Fair Value Measurements and Disclosures*” establishes an authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. 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 and the lowest priority to unobservable inputs.

The three levels of the fair value hierarchy under ASC 820 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 Partnership has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none"> <li>• Quoted prices for similar assets or liabilities in active markets.</li> <li>• Quoted prices for identical or similar assets or liabilities in inactive markets.</li> <li>• Inputs other than quoted prices that are observable for the asset or liability.</li> <li>• Inputs that are derived principally from or corroborated by observable marked data by correlation or other means.</li> </ul>
Level 3	Inputs to the valuation methodology are unobservable.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any 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.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013.

Securities not readily marketable include investment securities for which there is no market on a securities exchange or no independent publicly quoted market.

See independent auditors’ report.

**GOTTBETTER CAPITAL MARKETS, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

6. **FAIR VALUE** *(continued)*

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Company's investments at fair value as of December 31, 2013:

	<u>Level 3</u>	<u>Total</u>
Securities not readily marketable	<u>\$33,344</u>	<u>\$33,344</u>
Total investments at fair value	<u>\$33,344</u>	<u>\$33,344</u>

There were no Level 1 or Level 2 assets as of December 31, 2013.

7. **SUBSEQUENT EVENTS**

Management of the Company has evaluated events and transactions that may have occurred since December 31, 2013 and determined there are no material events that would require disclosures in the Company's financial statements.

See independent auditors' report.