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

SEC FILE NUMBER
8-66153

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 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Starr Strategic Partners, LLC**  
 ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**399 PARK AVENUE, 2ND FLOOR**

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)  
**NY** **10022**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
 PAUL EBERT 201-738-9373  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**BAKER TILLY VIRCHOV KRAUSE, LLP**

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

**20 Stanwix Street (Suite 800) Pittsburgh PA 15222**  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

SEC  
 Mail Processing  
 Section  
 FEB 27 2019  
 Washington DC  
 413

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

I, Rick Niu, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Starr Strategic Partners, LLC, as of DECEMBER 31, 2018, 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
PRESIDENT
Title

Rongrong Li
Notary Public - State of New York
No. 01LI6264544
Qualified in Queens County
My Commission Expires July 2, 2020

Notary Public

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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
(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).

# **Starr Strategic Partners, LLC**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Sole Member of Starr Strategic Partners, LLC

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Starr Strategic Partners, LLC (the "Company") as of December 31, 2018, and the related notes (collectively referred to as the "statement of financial condition"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company as of December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's statement of financial condition based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the statement of financial condition, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the statement of financial condition. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of financial condition. We believe that our audit provides a reasonable basis for our opinion.

*Baker Tilly Virchow Krause, LLP*

We have served as the Company's auditor since 2013.

Pittsburgh, Pennsylvania  
February 25, 2019

**Starr Strategic Partners, LLC****Statement of Financial Condition**

December 31, 2018

**Assets****Assets**

Cash	\$ 376,713
Other assets	<u>8,003</u>

Total assets	<u>\$ 384,716</u>
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**Liabilities and Member's Equity****Liabilities**

Accounts payable and accrued expenses	\$ 125,200
Deferred Revenue	<u>24,000</u>

Total liabilities	<u>149,200</u>
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**Member's Equity**

Member's equity	<u>235,516</u>
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Total liabilities and member's equity	<u>\$ 384,716</u>
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*See notes to financial statements*

# **Starr Strategic Partners, LLC**

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Notes to Financial Statements  
December 31, 2018

## **1. Nature of Business**

Starr Strategic Partners, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission ("SEC"), and the Financial Industry Regulatory Authority. The Company is a single-member limited liability company, owned entirely by Starr Strategic Holdings, Inc. ("Starr Strategic Holdings") which is wholly owned by Starr Global Financial, Inc. ("Starr Global Financial").

The Company operates under the exemptive provisions of paragraph (k)(2)(i) of rule 15c3-3 of the SEC. Therefore, the Company does not have customer accounts, and thus does not carry margin accounts or receive customer funds or securities, which it would have to transmit promptly in connection with its activities as a broker or dealer. The Company does not otherwise hold funds or securities for or owe money to customers, nor does it have financial transactions between the broker or dealer and customers through which bank accounts have been designated as Special Accounts for the Exclusive Benefit of Customers of the Company.

## **2. Summary of Significant Accounting Policies**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

### **Basis of Presentation**

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

### **Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The Company does not have any significant estimates at December 31, 2018.

### **Concentrations of Credit Risk**

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash. The Company maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. Company's management performs periodic reviews of the relative credit rating of its banks to lower its risk. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

**Revenue Recognition**

On January 1, 2018 the Company adopted the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606 by applying the modified retrospective method. The adoption of FASB ASC Topic 606 did not have an impact on the recognition of our primary sources of revenue such as advisory services income, and therefore the Company did not record any cumulative effect adjustment to opening equity.

The Company recognizes service income revenues on the accrual basis as earned. Service income revenue includes fees earned from providing merger-and-acquisition and financial restructuring advisory services and such fees are recognized as income when the Company renders the related services. Amounts billed or collected which will be earned in future months are shown as deferred revenues. The Company has deferred revenues of \$24,000 whose future earning period does not exceed one year as of December 31, 2018.

**Disaggregated Revenue**

<u>Revenue Stream</u>	<u>Income Statement Classification</u>	<u>Total Revenue</u>
Advisory services	Services Income	<u>\$676,000</u>
Total Revenue		<u>\$676,000</u>

**Receivables from Customers**

Receivables from customers are stated at their outstanding balances. The Company considers these receivables to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to expense when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received. The Company did not have any outstanding receivables from customers at December 31, 2018.

**Income Taxes**

As a single-member limited liability company, the Company is treated as a “disregarded entity” for federal, state and local income tax purposes. As a result, the Company’s results of operations are included in the federal, state and local tax filings of Starr Global Financial and as such no tax provision is provided for in these financial statements.

**Statement of Changes in Liabilities Subordinated to Claims of General Creditors**

The Company had no liabilities subordinated to the claims of general creditors for the year ended December 31, 2018; consequently, the financial statements have not included the Statement of Changes in Liabilities Subordinated to Claims of General Creditors.

**Subsequent Events**

The Company has evaluated events and transactions occurring subsequent to the statement of financial condition date of December 31, 2018 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through the date the financial statements were issued, noting none.

**3. Net Capital Requirement**

The Company is subject to the SEC's 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 in Rule 15c3-1, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. As of December 31, 2018, the Company had net capital of \$227,513, which was \$217,566 in excess of its required net capital of \$9,947. The Company's aggregate indebtedness to net capital ratio was .66 to 1 at December 31, 2018.

The Company does not carry securities accounts for customers or perform custodial functions related to customer securities. This allows the Company to claim an exemption from SEC Rule 15c3-3, which relates to the maintenance of special accounts for the exclusive benefits of customers.

**4. Related Party Transactions**

Pursuant to an administrative cost sharing agreement, renewable on a year-to-year basis, the Company shares the cost of overhead expenses with Starr Strategic Holdings, based on management estimates of time allocation. The shared overhead expenses pertain to rent, employee compensation and benefits, professional fees, utilities, travel and other miscellaneous expenses. As of December 31, 2018, the Company owed Starr Strategic Holdings \$99,312 towards shared costs. This amount is included on the accompanying statement of financial condition under accounts payable and accrued expenses. The Company incurred shared costs of \$570,480 for the year ended December 31, 2018 from Starr Strategic Holdings representing 25% of their total shared expenses.