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

**FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

<b>OMB APPROVAL</b>
OMB Number: 3235-0123 Expires: August 31, 2020 Estimated average burden Hours per response...12.00

<b>SEC FILE NUMBER</b>
8-67314

REPORT FOR THE PERIOD BEGINNING January 1, 2019 AND ENDING December 31, 2019  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**Partnership Capital Growth, LLC**

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

**2 North Santa Cruz Ave Suite 201**

<b>OFFICIAL USE ONLY</b>
<hr/> FIRM ID NO.

<b>Los Gatos</b>	(No. and Street) <b>CA</b>	<b>95030</b>
<small>(City)</small>	<small>(State)</small>	<small>(Zip Code)</small>

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

**Brent R. Knudsen** **(415) 407-2700**

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

**Joseph Yafeh CPA Inc.**

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

<b>11300 W. Olympic Blvd., Suite 875 Los Angeles</b>	<b>CA</b>	<b>90064</b>
<small>(Address)</small>	<small>(City)</small>	<small>(State) (Zip Code)</small>

**CHECK ONE:**

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

**SEC Mail Processing**

**MAR 02 2020**

**Washington, DC**

<b>FOR OFFICIAL USE ONLY</b>

\* 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) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless this form displays a currently valid OMB control number.

## OATH OR AFFIRMATION

I, **Brent R. Knudsen**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of **Partnership Capital Growth, LLC**, as of **December 31, 2019**, 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

Subscribed and sworn to before me  
this \_\_\_ day of \_\_\_\_\_ 2020

See Attached Notary  
~~Acknowledgement / Jurat Certificate~~

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 proprietor's 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 Securities Investor Protection Corporation (SIPC) supplemental report.
- (n) A report describing any material weaknesses 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).

Note: Various exchanges may require an additional letter of attestation.

**CALIFORNIA JURAT WITH AFFIANT STATEMENT**

**GOVERNMENT CODE § 8202**

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], not Notary)

\_\_\_\_\_  
 \_\_\_\_\_  
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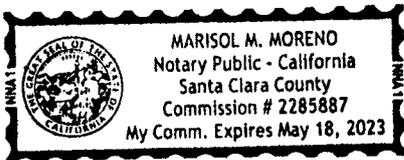
Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
 County of Santa Clara

Subscribed and sworn to (or affirmed) before me  
 on this 27<sup>th</sup> day of February, 2020  
 by Brent R. Knudsen  
 (1) \_\_\_\_\_



(and (2) \_\_\_\_\_),  
 Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence  
 to be the person(s) who appeared before me.

Signature \_\_\_\_\_  
 Signature of Notary Public

Seal  
 Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Oath or Affirmation Document Date: none  
 Number of Pages: 1 Signer(s) Other Than Named Above: \_\_\_\_\_

**Joseph Yafeh CPA, Inc.**  
*A Professional Accounting Corporation*  
PCAOB Registered # 3346  
11300 W. Olympic Blvd., Suite 875  
Los Angeles CA 90064  
310-477-8150 ~ Fax 310-477-8152

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members  
of Partnership Capital Growth, LLC

**Opinion on the Financial Statements**

I have audited the accompanying statement of financial condition of Partnership Capital Growth, LLC as of December 31, 2019, and the related notes for the year then ended. In my opinion, the financial condition present fairly, in all material respects, the financial position of Partnership Capital Growth, LLC as of December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of Partnership Capital Growth, LLC's management. My responsibility is to express an opinion on Partnership Capital Growth, LLC's financial statements based on my audit. I am a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and am required to be independent with respect to Partnership Capital Growth, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

I conducted my audit in accordance with the standards of the PCAOB. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. My audit included performing procedures to assess the risks of material misstatement of the financial statements, 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 financial statements. My audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. I believe that my audit provides a reasonable basis for my opinion.



Joseph Yafeh, CPA

I have served as Partnership Capital Growth, LLC's auditor since 2015.

February 27, 2020

PARTNERSHIP CAPITAL GROWTH, LLC

Statement of Financial Condition

December 31, 2019

***Assets***

Cash	\$	217,708
Prepaid expenses		<u>1,885</u>
<b><i>Total assets</i></b>	<b>\$</b>	<b><u>219,593</u></b>

***Liabilities and Members' Equity***

***Liabilities***

Distributions payable	\$	72,000
Due to affiliate		8,844
Accrued expenses		<u>14,181</u>
<b><i>Total liabilities</i></b>		<b><u>95,025</u></b>

Members' equity		<u>124,568</u>
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<b><i>Total liabilities and members' equity</i></b>	<b>\$</b>	<b><u>219,593</u></b>
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***See Accompanying Notes to Statement of Financial Condition***

PARTNERSHIP CAPITAL GROWTH, LLC  
Notes to the Statement of Financial Condition  
December 31, 2019

1. Business and Summary of Significant Accounting Policies

Business

Partnership Capital Growth, LLC (the “Company”) is a Delaware Limited Liability Company formed on February 24, 2006. The Company is registered with the Securities and Exchange Commission as a securities broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. The Company’s primary source of revenue is from transaction and consulting fees generated through private placement transactions executed in the Healthy, Active, and Sustainable Living marketplace.

The Company has one managing member. As a limited liability company, the members’ liability is limited to amounts reflected in the members’ capital account.

Cash

The Company maintains its cash in bank deposit accounts, which at times may exceed federally-insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Revenue Recognition

In accordance with ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended, revenue from contracts with customers is recognized when, or as, the Company satisfies performance obligations by transferring the promised goods or services to the customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognized by measuring progress in satisfying the performance obligation in a manner that depicts the transfer of the goods or services to the customer. Revenue from a performance obligation satisfied at a point in time is recognized when it is determined the customer obtains control over the promised good or service. The amount of revenue recognized reflects the consideration the Company expects to be entitled to in exchange for those promised goods or services (i.e., the “transaction price”). In determining the transaction price, the Company considers multiple factors, including the effects of variable consideration. Variable consideration is included in the transaction price only to the extent it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainties with respect to the amount are resolved. In determining when to include variable consideration in the transaction price, the Company considers the range of possible outcomes, the predictive value of past experiences, the time period of when uncertainties expect to be resolved and the amount

PARTNERSHIP CAPITAL GROWTH, LLC  
Notes to the Statement of Financial Condition  
December 31, 2019

Business and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

of consideration that is susceptible to factors outside of the Company's influence, such as market volatility or the judgment and actions of third parties.

Private Placement Fees

Private placement services are performed pursuant to engagement letters that specify the services to be provided and fees and reimbursements to be paid. These contracts result in a single performance obligation upon completion of the transaction process. Private placement fees are contingent on the completion of the contracts and are calculated based on closing price.

*Significant judgments* – The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time and when to recognize revenue based on the appropriate measure of the Company's progress under the contract.

Income Taxes

The Company is treated as a single member limited liability company for all relevant jurisdictions and its taxable income and taxes paid, if any, are included with the income tax return of the member. Management has concluded that the Company is not subject to income taxes for the open tax years (current and prior three tax years as applicable) in any jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. Accordingly, no provision for income taxes is reflected in the financial statements. Such open tax years remain subject to examination by tax authorities. If the Company were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Management'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.

Business and Summary of Significant Accounting Policies (continued)

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

PARTNERSHIP CAPITAL GROWTH, LLC  
Notes to the Statement of Financial Condition  
December 31, 2019

2. 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, 2019, the Company had net capital of \$122,683, which was \$116,348 in excess of its required net capital of \$6,335. The Company's aggregate indebtedness to net capital ratio was 0.7746 to 1.

3. Leases

The Company operates out of office premises of an affiliate. The Company is not a party to any leases nor is the Company obligated to pay any rent to the affiliate or any other party. As a result, there is no lease activity reported in the accompanying financial statements.

4. Indemnification

The Company enters into contracts that contain a variety of indemnifications for which the maximum exposure is unknown but for which management expects the risk of loss, if any, to be remote. The Company has no current claims or losses pursuant such contracts.

5. Subsequent Event

During the period from January 1, 2020 to February 27, 2020, no events have occurred outside the normal course of operations which would require additional disclosure or adjustment.

PARTNERSHIP CAPITAL GROWTH, LLC  
STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2019