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

SEC FILE NUMBER
8- 065941

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 10/01/03 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: BLUE VISTA CAPITAL, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

1 NORTH FRANKLIN STREET, SUITE 450
(No. and Street)

CHICAGO ILLINOIS 60606
(City) (State) (Zip Code)

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

LESLIE J. PRINDEVILLE, C.P.A. (630) 968-8897
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

HANSEN, PLAHM & COMPANY

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

8180 SOUTH CASS AVENUE DARIEN ILLINOIS 60561
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED
MAR 15 2005
THOMSON FINANCIAL

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)

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

Handwritten initials/signature



HANSEN PLAHM

& COMPANY

Certified Public Accountants and Consultants

8180 S. Cass Avenue, Darien, IL 60561

www.hansenplahm.com

Phone: 630-968-8897

Fax: 630-968-8927

INDEPENDENT AUDITORS' REPORT

February 24, 2005

To the Members
BLUE VISTA CAPITAL, LLC
Chicago, Illinois

We have audited the accompanying statement of financial condition of **BLUE VISTA CAPITAL, LLC** (the Company) of December 31, 2004, and the related consolidated statements of income, changes in members' equity, changes in subordinated borrowings and cash flows for the fifteen months then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **BLUE VISTA CAPITAL, LLC** at December 31, 2004, and the results of their operations and their cash flows for the fifteen months then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Hansen, Plahm + Company

Hansen, Plahm & Company
Darien, Illinois

Member,
American Institute of Certified Public Accountants
The Illinois CPA Society

BLUE VISTA CAPITAL, LLC

STATEMENT OF FINANCIAL CONDITION

at December 31, 2004

ASSETS

ASSETS

Cash

\$ 165,385

TOTAL ASSETS

\$ 165,385

LIABILITIES AND MEMBER' EQUITY

LIABILITIES

Accounts Payable

\$ 1,881

TOTAL LIABILITIES

\$ 1,881

MEMBERS' EQUITY

Members' Contributions

21,000

Net Income for the Period

142,504

TOTAL MEMBERS' EQUITY

163,504

TOTAL LIABILITIES AND MEMBERS' EQUITY

\$ 165,385

See Independent Auditors' Report
and Notes to the Financial Statements.

BLUE VISTA CAPITAL, LLC

STATEMENT OF INCOME

for the Fifteen Month Period Ended December 31, 2004

REVENUES

Fee Revenue	\$	100,000
Success Fees		107,780
Reimbursed Expenses		199
Other Income		<u>613</u>

TOTAL REVENUES **\$ 208,592**

EXPENSES

Dues and Subscriptions		450
License & Fees		16,677
Insurance		467
Outside Services		2,500
Professional Fees		38,755
Occupancy & Administrative Expenses		6,657
Travel		538
Other Expenses		<u>44</u>

TOTAL EXPENSES **66,088**

INCOME BEFORE TAXES **142,504**

Provision for Income Taxes **-**

NET INCOME **\$ 142,504**

BLUE VISTA CAPITAL, LLC

STATEMENT OF CHANGES IN MEMBERS' EQUITY

for the Fifteen Month Period Ended December 31, 2004

	<u>Total Members' Equity</u>
Balance at October 1, 2003	\$ -
Members' Contribution	21,000
Net Income	<u>142,504</u>
Balance at December 31, 2004	<u>\$ 163,504</u>

See Independent Auditors' Report
and Notes to the Financial Statements.

BLUE VISTA CAPITAL, LLC

STATEMENT OF CHANGES IN SUBORDINATED BORROWINGS

for the Fifteen Month Period Ended December 31, 2004

Subordinated Borrowings at October 1, 2003	\$ -
Increases:	
Issuances of Subordinated Notes	-
Decreases:	
Payment of Subordinated Notes	<u>-</u>
Subordinated Borrowings at December 31, 2004	<u>\$ -</u>

See Independent Auditors' Report
and Notes to the Financial Statements.

BLUE VISTA CAPITAL, LLC
STATEMENTS OF CASH FLOWS

for the Fifteen Months Ended December 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income		\$ 142,504
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:		
Depreciation and Amortization	\$ -	
Increase (Decrease) in Operating Activities:		
Accounts Payable and Accrued Expenses	<u>1,881</u>	
Total Adjustments		<u>1,881</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		144,385

CASH FLOWS FROM FINANCING ACTIVITIES:

Members' Contribution	<u>\$ 21,000</u>	
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>21,000</u>
Increase in Cash		165,385
Cash at Beginning of Period		<u>-</u>
Cash at End of Period		<u><u>\$ 165,385</u></u>

Supplemental Cash Flows Disclosures:

Income Tax Payments	\$ -
Interest Payments	\$ -

See Independent Auditors' Report
and Notes to the Financial Statements.

BLUE VISTA CAPITAL, LLC

NOTES TO THE FINANCIAL STATEMENTS

Fifteen Months Ended December 31, 2004

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS:

The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). The Company's primary focus is on raising capital for real estate ventures and is limited to private placement of securities. They do not carry customers' accounts or clear customers' securities transactions. The Company is an Illinois Limited Liability Company.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Investment Banking

Investment banking revenues include fees and expenses arising from securities offerings in which the Company acts as an agent. Depending on the terms of the actual contract, investment banking success fees are customarily recorded on the date of closing and retainer fees are recorded upon execution of the agreement by the Company and/or upon the final acceptance by the customer.

Income Taxes

The Company has elected to be treated as a partnership for tax purposes. Therefore, no provision for income taxes has been reflected.

Statement of Cash Flows

The Company has adopted cash flow reporting in accordance with Statement of Financial Accounting Standards No. 95 – Statement of Cash Flows.

Use of Estimates

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

NOTE 3 – CASH AND SECURITIES SEGREGATED UNDER FEDERAL AND OTHER REGULATIONS:

Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, they do not have to comply with the reserve requirement as stated in Rule 15c3-3 of the Securities and Exchange Commission. Therefore, no segregation of cash has been made.

BLUE VISTA CAPITAL, LLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

Fifteen Months Ended December 31, 2004

NOTE 4 – COMMITMENTS AND CONTINGENT LIABILITIES:

The Company entered into an agreement with an affiliated company to provide administrative services and furnished office space and supplies for a fee of \$450 per month. The agreement expires on November 1, 2005 and will automatically renew for one year, unless either party gives notice at least 180 days prior to the termination date.

NOTE 5 – 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 shall not exceed 15 to 1. At December 31, 2004, the Company had net capital of \$163,504, which was \$158,504 in excess of its required net capital of \$5,000. The Company's net capital ratio was 0.01 to 1.

SCHEDULE I

BLUE VISTA CAPITAL, LLC

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

for the Fifteen Month Period Ended December 31, 2004

Net Capital

Total Members' Equity	\$ 163,504
Deduct: Members' Equity Not Allowable for Net Capital	<u>-</u>
Total Members' Equity Qualified for Net Capital	<u>163,504</u>
 TOTAL NET CAPITAL	 <u>\$ 163,504</u>

Aggregate Indebtedness

Items Included in Statement of Financial Condition	
Accounts Payable	\$ 1,881
Items Not Included in Statement of Financial Condition	
Other Unrecorded Amounts	<u>-</u>
 TOTAL AGGREGATE INDEBTEDNESS	 <u>\$ 1,881</u>

Computation of Basic Net Capital Requirement

Minimum Net Capital Required	<u>\$ 5,000</u>
 Ratio: Aggregate Indebtedness to Net Capital	 <u>0.01 to 1</u>

See Independent Auditors' Report
and Notes to the Financial Statements.



HANSEN PLAHM

& COMPANY

Certified Public Accountants and Consultants

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www.hansenplahm.com

Phone: 630-968-8897

Fax: 630-968-8927

REPORT ON INTERNAL CONTROL

February 24, 2005

To the Members
BLUE VISTA CAPITAL, LLC
Chicago, Illinois

In planning and performing our audit of the financial statements and supplemental schedule of **BLUE VISTA CAPITAL, LLC** (the Company) for the fifteen month period ended December 31, 2004, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on 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 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 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.
2. Recordation of differences required by rule 17a-13.
3. 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 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

REPORT ON INTERNAL CONTROL (CONT'D.)

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 or 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.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control that we consider to be material weaknesses as defined above.

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 were adequate at December 31, 2004, to meet the SEC's objectives.

This report is intended solely for the information and use of the limited liability company members, 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.

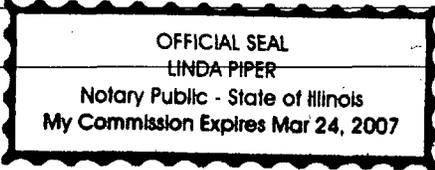
Hansen, Plahm + Company

Hansen, Plahm & Company
Darien, Illinois

OATH OR AFFIRMATION

I, PETER STELIAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BLUE VISTA CAPITAL, LLC, as of DECEMBER 31, 20 04, 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



Peter Stelian
Signature
MANAGING PRINCIPAL
Title

Linda Piper
Notary Public
2/24/05

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 15c3-3 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).