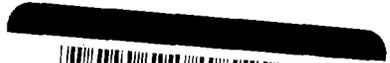


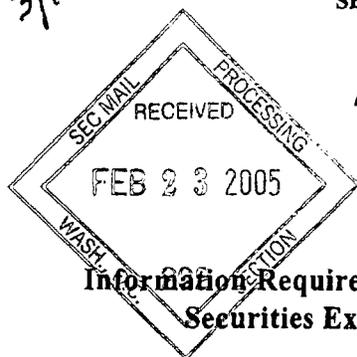
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**ANNUAL AUDITED REPORT
 FORM X-17A-5
 PART III**

SEC FILE NUMBER
 8- 16309

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 January 1, 2004 AND ENDING December 31, 2004
 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Havkit Corporation

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

64-31 Ellwell Crescent

OFFICIAL USE ONLY
 FIRM I.D. NO.

(No. and Street)

Rego Park,

New York

11374

(City)

(State)

(Zip Code)

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

David Kaplan

(718)

897-8552

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Graff, Roger S.

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

27 Concord Road

Port Washington,

NY 11050

(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 11 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.

OATH OR AFFIRMATION

I, David Kaplan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Havkit Corporation, as of December 31, 2004, 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:

David Kaplan
Signature
President
Title

Marie B. Kobettsch
Notary Public 2-15-05

MARIE B. KOBETTSCH
NOTARY PUBLIC, State of New York
No. 01KO6009295
Qualified in Queens County
Commission Expires June 22, 2000 2006

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).

HAVKIT CORP.

FINANCIAL REPORT

DECEMBER 31, 2004

HAVKIT CORP.
FINANCIAL REPORT
DECEMBER 31, 2004

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EXHIBIT "B" - STATEMENT OF INCOME

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EXHIBIT "D" - STATEMENT OF CHANGES IN SUBORDINATED
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EXHIBIT "E" - STATEMENT OF CASH FLOWS

SCHEDULE "1" - NET CAPITAL COMPUTATION

ACCOUNTANT'S REPORT

ROGER S. GRAFF
CERTIFIED PUBLIC ACCOUNTANT
27 CONCORD ROAD
PORT WASHINGTON, N. Y. 11050
—
(516) 944-8558

To the Board of Directors
of Havkit Corp.
c/o David Kaplan
90 West Street
New York, New York 10006

Gentlemen:

I have examined the financial statements of Havkit Corp. for the twelve months ended December 31, 2004, and have issued my report thereon dated February 14, 2005. As part of my examination, I made a study and evaluation of the system of internal control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards and Rule 17-a5 of the Securities and Exchange Commission. This study and evaluation included the accounting system, the procedures for safeguarding securities and the practices and procedures followed by the Company (i) in making the periodic computations of aggregate indebtedness and net capital under Rule 17-3(a)(11) and (ii) compliance with the exemptive provision of Rule 15c3-3. Rule 17a-5 states that the scope of the study and evaluation should be sufficient to provide reasonable assurance that any material weakness existing at the date of my examination would be disclosed. Under generally accepted auditing standards and Rule 17a-5, the purposes of such study and evaluation are to establish a basis for reporting the material weaknesses in internal accounting control.

The objective of internal accounting control is to provide reasonable but not absolute, assurance concerning the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting should not exceed the benefits derived and also recognizes estimates and judgments by management. However, for the purpose of this report under Rule 17a-5, the determination of weaknesses to be reported was made without considering the practicability of corrective action by management within the framework of a cost/benefit relationship.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends on segregation of duties can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may be deteriorated.

My examination of the financial statements was made in accordance with generally accepted auditing standards, including the study and evaluation of the Company's system of internal accounting control for the twelve months ended December 31, 2004, that was made for the purposes set forth in the first paragraph of this report, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. However, such study and evaluation disclosed no conditions that I believe to be material weaknesses.

In the list of the foregoing comment, I declare that I found no material inadequacies in your accounting system, internal accounting control and procedures for safeguarding securities. Further, that no material differences existed between my computation of your net capital and your corresponding Focus Report Part IIA filing.

I hereby attest that the requirements prescribed by the Securities and Exchange Commission for audit, under authority of Rule 17a-5, have been observed by me in the conduct of my examination.

Respectfully submitted,



Certified Public Accountant
(New York)

Port Washington, NY
February 14, 2005

HAVKIT CORP.

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2004

EXHIBIT "A"

ASSETS:

Cash	\$245,575
Receivable from brokers and dealers	8,005
Market value of firm investments	18,675
Fixed assets - net of depreciation	1,495
Other assets	<u>3,300</u>
Total Assets	<u>\$277,050</u>

LIABILITIES AND STOCKHOLDER'S EQUITY:

Accounts and Taxes Payable	\$ <u>539</u>
Total Liabilities	\$ 539

Stockholder's Equity:

Common Stock \$.01 par value - Authorized 2,000,000 shares; Issued and outstanding 889,845 shares	\$ 8,898
Additional paid in capital	47,742
Retained earnings	<u>219,871</u>

Total Liabilities and Stockholder's Equity	<u>\$277,050</u>
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NOTES TO STATEMENT OF FINANCIAL CONDITION:

Note 1: Significant Accounting Policies:

Security transactions and related revenue and expenses are recorded on a trade date basis. Securities owned by the Company are stated at market value.

Note 2: Net Capital Requirement:

The capital ratio as independently computed by our auditor was 1.0% versus an allowable maximum of 1500% under the existing rules of the Securities and Exchange Commission. The Company's Net Capital Requirement under Rule 15c3-1 of the Securities and Exchange Commission was \$100,000 whereas the Net Capital as computed was \$263,337 leaving a capital in excess of requirements of \$163,337.

Note 3: The Firm's office lease expires August 31, 2005; with an option to renew, the monthly rent being \$900, or \$10,800 per year.

HAVKIT CORP.

STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2004
EXHIBIT "A"

Note 4: Financial Instruments With Off-Balance Sheet Credit Risk:

As a securities broker, the Firm is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Firm's transactions are collateralized and are executed with and on behalf of banks, brokers and dealers, and other financial institutions. The Firm introduces these transactions for clearance to another broker/dealer on a fully disclosed basis.

The Firm's exposure to credit risk associates with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Firm and its clearing broker provides that the Firm is obligated to assume any exposure related to such non-performance by its customers. The Firm seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

A copy of the Company's statement of financial condition as of December 31, 2004, pursuant to S.E.C. Rule 17a-5, is available for examination at the Company's office and at the Regional Office of the Securities and Exchange Commission.

HAVKIT CORP.

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2004

EXHIBIT "B"

INCOME:

Commission on securities transactions	\$26,233
Trading and investment	3,455
Interest	<u>5,065</u>
	\$ <u>34,753</u>

EXPENSES:

Rent	\$ 10,695
Regulatory fees and expenses	3,202
Other expenses	43,187
Taxes other than income	400
Employee's compensation	<u>3,343</u>
	\$ <u>60,827</u>

Net (Loss) Before Income Taxes	\$ (26,074)
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The accompanying notes are an integral part of this statement.

HAVKIT CORP.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2004

EXHIBIT "C"

	<u>Common Stock .01 Par Value</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balances, January 1, 2004	\$ 8,898	\$ 47,742	\$245,445	\$302,085
(Loss) for the Year			(26,074)	(26,074)
Prior Year Adjustment			500	500
Balances, December 31, 2004	<u>\$ 8,898</u>	<u>\$ 47,742</u>	<u>\$219,871</u>	<u>\$276,511</u>

The accompanying notes are an integral part of this statement.

HAVKIT CORP.

STATEMENT OF CHANGES IN SUBORDINATED ACCOUNTS

FOR THE YEAR ENDED DECEMBER 31, 2004

EXHIBIT "D"

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The accompanying notes are an integral part of this statement.

HAVKIT CORP.

NET CAPITAL COMPUTATION

DECEMBER 31, 2004

SCHEDULE "1"

CREDIT FACTORS:

Stockholder's Equity		\$276,511
	Total Credit Factors	<u> </u>

DEBIT FACTORS:

Unallowable Asset	\$12,800	
Capital charges pursuant to SEC Rule 15c3-1: Haircuts on Firm Securities		<u>374</u>
	Total Debt Factors	\$ <u>13,174</u>

Net Capital \$263,337

Less: 6 2/3% of aggregate indebtedness
or \$100,000 whichever is greater 100,000

REMAINDER: Capital in excess of SEC
Rule 15C3-1 requirements \$163,337

CAPITAL RATIO: Maximum allowance 1500%

Aggregate Indebtedness	539	
Divided by	<u> </u>	= .01%
Net Capital	\$263,337	

The accompanying notes are an integral part of this statement.

HAVKIT CORP.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2004

EXHIBIT "E"

Cash Flows from Operating Activities:

Net (Loss)	\$ (26,074)
(Increase) in Receivable from brokers and dealers	(6,127)
Decrease in market value of firm securities	43,023
(Decrease) in Operating Liabilities: Accounts and taxes payable	(3,665)
Prior Year Adjustment	<u>500</u>
Cash Flows from Operating Activities	\$ 7,657
Net Increase in Cash	\$ 7,657
Cash at Beginning of Year	<u>237,918</u>
Cash at End of Year	<u>\$ 245,575</u>

The accompanying notes are an integral part of this statement.

ROGER S. GRAFF
CERTIFIED PUBLIC ACCOUNTANT
27 CONCORD ROAD
PORT WASHINGTON, N. Y. 11050

(516) 944-8558
INDEPENDENT AUDITOR'S REPORT

To the Officers and Directors
of Havkit Corp.

I have audited the accompanying statement of financial condition of Havkit Corp. as of December 31, 2004 and the related statements of income, statement of changes in corporation capital and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes the assessing of the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Havkit Corp. as of December 31, 2004, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the basic financial statements, taken as a whole. The information contained in Schedule 1 is presented for purposes of additional analysis and not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Certified Public Accountant (NY)

February 14, 2005