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

CM  
3-23

SEC FILE NUMBER
8- <del>                    </del>

37924

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

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CAPITAL MANAGEMENT CONSULTANTS, INC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

3400 DUNDEE RD. SUITE 200

(No. and Street)

NORTHBROOK

(City)

IL

(State)

60062

(Zip Code)

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

MARC DAVIS

847-498-8899

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

CHARLES GRIGSBY + Co.

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

8605 W. BRYN MAWR

(Address)

CHICAGO

(City)

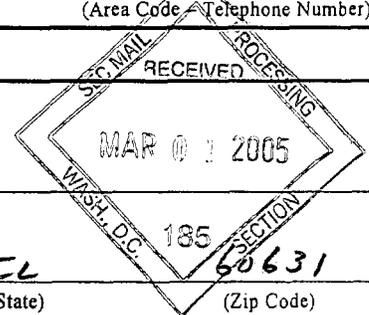
IL

(State)

185

60631

(Zip Code)



CHECK ONE:

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

**PROCESSED**

B MAR 29 2005

<b>FOR OFFICIAL USE ONLY</b>	<b>THOMSON FINANCIAL</b>
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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)

SEC 1410 (06-02)

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3/29

OATH OR AFFIRMATION

I, MARC DAVIS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAPITAL MANAGEMENT CONSULTANTS, INC, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
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 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).

# CAPITAL MANAGEMENT CONSULTANTS, INC.

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**CHARLES GRIGSBY & CO.**

---

CERTIFIED PUBLIC ACCOUNTANTS  
8605 W. BRYN MAWR SUITE 305 CHICAGO, IL 60631

January 25, 2005

National Association of Securities Dealers, Inc.  
55 West Monroe Suite 2700  
Chicago, IL 60603-5001

RE: Capital Management Consultants, Inc.  
Northbrook, IL

Supervisors or Examiners,

Per your request, we are hereby reporting no differences in the computation of net capital between unaudited Part IIA as previously submitted by Capital Management Consultants, Inc. and the audited Part IIA for the audit period January 1 through December 31, 2004.

No material inadequacies existed for the audit period January 1 through December 31, 2004.

Very Truly Yours,



Charles Grigsby

cc. Marc Davis

**CHARLES GRIGSBY & CO.**

CERTIFIED PUBLIC ACCOUNTANTS  
8605 W. BRYN MAWR SUITE 305 CHICAGO, IL 60631

**INDEPENDENT AUDITORS' REPORT**

Board of Directors

Capital Management Consultants, Inc.  
Northbrook, Illinois

We have audited the accompanying statement of financial condition of Capital Management Consultants, Inc. (the "Company") as of December 31, 2004 and the related statements of income, changes in stockholder's equity and cash flows for the year then ended. 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 generally accepted auditing standards. 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 the Company as of December 31, 2004, and the results of their operations and their cash flows for the year then ended in conformity with generally accepted accounting principles.



Chicago, Illinois

January 25, 2005

**CAPITAL MANAGEMENT CONSULTANTS, INC.**  
**BALANCE SHEET**  
**DECEMBER 31, 2004**

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**ASSETS**

Current Assets:		
Cash-Checking Account	\$9,728	
Short-Term Investments	21,897	
Accounts Receivable	17,935	
Prepaid Expenses	9,297	
Total Current Assets		<u>58,857</u>
Other Assets:		
Equipment Net of Accumulated Depreciation		<u>-</u>
<b>TOTAL ASSETS</b>		<b><u><u>\$58,857</u></u></b>

**LIABILITIES & SHAREHOLDERS' EQUITY**

**LIABILITIES**

Current Liabilities:		
Advisory Fee Payable	\$13,488	
Accrued Income Taxes	940	
Total Current Liabilities		<u>14,428</u>
<b>TOTAL LIABILITIES</b>		<b>14,428</b>

**SHAREHOLDERS' EQUITY**

Common Stock	14,500	
Paid-in-Capital	6,500	
Retained Earnings	23,429	
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b><u>44,429</u></b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b><u><u>\$58,857</u></u></b>

See Notes to Financial Statements

**CAPITAL MANAGEMENT CONSULTANTS, INC.  
STATEMENT OF EARNINGS FROM OPERATIONS AND RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31, 2004**

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**REVENUES:**

Commission and Advisory Income	\$494,257
Dividend and Interest Income	760
(Gain) Loss on Securities Investment Account	<u>(1,501)</u>
<b>Total Revenues</b>	<b>493,516</b>

**OPERATING EXPENSES:**

Commissions	411,155
Office Costs	17,247
Professional Fees	12,717
Computer Usage	8,589
Occupancy Expense	7,400
Filing Fees	7,390
Salary-Officers	6,000
Insurance	5,435
Promotion & Travel	3,575
Dues & Subscriptions	3,145
Depreciation & Amortization	3,024
Newsletter, Postage & Printing	1,721
Telephone	1,311
Payroll Tax	557
Seminars	295
Advertising & Brochures	200
Other Taxes	<u>153</u>
<b>Total Operating Expenses</b>	<b>489,914</b>

Net Income From Operations Before Income Tax	3,602
Provision For Income Tax	<u>940</u>
<b>Net Income from Operations</b>	<b>2,662</b>
Retained Earnings - Beginning of Year	<u>20,767</u>
<b>Retained Earnings - End of Year</b>	<b><u><u>\$23,429</u></u></b>

See Notes to Financial Statements

**CAPITAL MANAGEMENT CONSULTANTS, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD JANUARY 1, 2004 THROUGH DECEMBER 31, 2004**

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**Cash Resources Provided By:**

Net Income for the Year \$2,662

**Items Not Requiring the Use of Cash**

Depreciation 3,024

(Gain) Loss on Securities Investment Account 1,501

**Changes in Operating Assets & Liabilities**

Increase in Accounts Receivable (14,977)

Increase in Prepaid Expenses (1,121)

Acquisition of Equipment (568)

Increase in Advisory and Commissions Payable 11,268

Increase in Short-Term Investments (656)

Decrease in Income Tax Payable 828

(701)

Cash (Used) From Operating Activities 1,961

Cash Balance - Beginning of Year 7,767

**Cash Balance - End of Year \$9,728**

See Notes to Financial Statements

**CAPTITAL MANAGEMENT CONSULTANTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-BUSINESS ACTIVITY**

The Company is a registered broker dealer and a member of the National Association of Securities Dealers, Inc. It has been registered with the Securities and Exchange Commission and the State of Illinois Securities Department. The Company was incorporated under laws of the state of Illinois on September 1, 1987.

**NOTE 2 - FEDERAL INCOME TAX EXPENSE**

The Company has provided for \$940 of Income Tax Expense. The current period income of \$3,602 at a 22.5% marginal tax rate for income tax purposes adjusted for 50% of promotion expenses.

**NOTE 3 - SHORT-TERM INVESTMENTS**

The Company is subject to rule 15c 3-1 of the Securities Exchanges Act of 1934 which requires the Company to maintain a ratio of aggregate indebtedness to net capital, as defined, not to exceed 8 to 1. In addition, net capital shall not be less than \$5,000. At December 31, 2004, net capital was \$15,664 and the ratio of aggregate indebtedness to net capital was 92%.

**NOTE 4 - SHORT-TERM INVESTMENTS**

The Company has an investment in a money market account the principal investments of which consist of government obligations. The asset is valued at market value which is equal to \$21,897 at December 31, 2004.

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: January 31, 2007  
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Form  
X-17A-5

**FOCUS REPORT**  
(Financial and Operational Combined Uniform Single Report)  
**PART IIA**  12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a)  16

2) Rule 17a-5(b)  17

3) Rule 17a-11  18

4) Special request by designated examining authority  19

5) Other  26

NAME OF BROKER-DEALER

SEC FILE NO.

8-37924  14

CAPITAL MANAGEMENT CONSULTANTS, INC  13

FIRM I.D. NO.

19935  15

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FOR PERIOD BEGINNING (MM/DD/YY)

3400 DUNDIE RD SUITE 200  20

01/01/04  24

(No. and Street)

NOTTABROOK  21

IL  22

60062  23

AND ENDING (MM/DD/YY)

12/31/04  25

(City)

(State)

(Zip Code)

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

(Area Code) — Telephone No.

MARC DAVIS  30

847-498-8899  31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

36

37

38

39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Manual signatures of:

1) \_\_\_\_\_  
Principal Executive Officer or Managing Partner

2) \_\_\_\_\_  
Principal Financial Officer or Partner

3) \_\_\_\_\_  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

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**TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:**

CHARLES GRIGSBY & Co. CPAs

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (if individual, state last, first, middle name)

CHARLES GRIGSBY

70

ADDRESS

8605 W. BRYN MAWR

Number and Street

71

CHICAGO

City

72

IL

State

73

60631

Zip Code

74

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States  
or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER <b>CAPITAL MANAGEMENT CONSULTANTS, INC</b>	N3			100
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### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY) <u>12/31/04</u>	99
SEC FILE NO. <u>019935</u>	98
Consolidated	198
Unconsolidated	199

	Allowable	Non-Allowable		Total
1. Cash .....	\$ 9,728		\$ 9,728	750
2. Receivables from brokers or dealers:				
A. Clearance account .....	295			
B. Other .....	300			
		\$ 17,935	\$ 17,935	810
3. Receivable from non-customers .....	355	600		830
4. Securities and spot commodities owned at market value:				
A. Exempted securities .....	21,897			
B. Debt securities .....	418			
C. Options .....	420			
D. Other securities .....	424			
E. Spot commodities .....	430		21,897	850
5. Securities and/or other investments not readily marketable:				
A. At cost $\frac{1}{2}$ \$ .....	130			
B. At estimated fair value .....	440	610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:				
A. Exempted securities \$ .....	150			
B. Other securities \$ .....	160			
	470	640		890
7. Secured demand notes:				
Market value of collateral:				
A. Exempted securities \$ .....	170			
B. Other securities \$ .....	180			
8. Memberships in exchanges:				
A. Owned, at market \$ .....	190			
B. Owned, at cost .....		650		
C. Contributed for use of the company, at market value .....		660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships .....	480	670		910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization .....	490	680		920
11. Other assets .....	535	9,297	9,297	930
12. TOTAL ASSETS .....	\$ 31,625	\$ 27,232	\$ 58,857	940

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

as of 12/31/04

**CAPITAL MANAGEMENT CONSULTANTS, INC**

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable .....	\$ 1045	\$ 1255	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115	1305	1540
15. Payable to non-customers .....	1155	1355	1610
16. Securities sold not yet purchased, at market value .....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other .....	14,428 1205	1385	14,428 1685
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211	1390	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders \$	970		
2. includes equity subordination (15c3-1(d)) of ... \$	980		
B. Securities borrowings, at market value from outsiders \$	990	1410	1720
C. Pursuant to secured demand note collateral agreements		1420	1730
1. from outsiders \$	1000		
2. includes equity subordination (15c3-1(d)) of ... \$	1010		
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 14,428 1230	\$ 1450	\$ 14,428 1760
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			1770
22. Partnership (limited partners) .....	1020		1780
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....			14,500 1792
C. Additional paid-in capital .....			6,500 1793
D. Retained earnings .....			23,429 1794
E. Total .....			44,429 1795
F. Less capital stock in treasury .....			( ) 1796
24. TOTAL OWNERSHIP EQUITY .....			\$ 44,429 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 58,857 1810

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

as of 12/31/04

*CAPITAL MANAGEMENT CONSULTANTS, INC*

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	<u>44,429</u>	3480
2. Deduct ownership equity not allowable for Net Capital .....			3490
3. Total ownership equity qualified for Net Capital .....	19	<u>44,429</u>	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			3520
B. Other (deductions) or allowable credits (List) .....			3525
5. Total capital and allowable subordinated liabilities .....	\$	<u>44,429</u>	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	17	<u>27,232</u>	3540
B. Secured demand note delinquency .....			3590
C. Commodity futures contracts and spot commodities –			
proprietary capital charges .....			3600
D. Other deductions and/or charges .....			3610
7. Other additions and/or allowable credits (List) .....		<u>( 27,232 )</u>	3620
8. Net capital before haircuts on securities positions .....	20	<u>17,197</u>	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments .....	\$		3660
B. Subordinated securities borrowings .....			3670
C. Trading and investment securities:			
1. Exempted securities .....	18	<u>1,533</u>	3735
2. Debt securities .....			3733
3. Options .....			3730
4. Other securities .....			3734
D. Undue Concentration .....			3650
E. Other (List) .....			3736
10. Net Capital .....	\$	<u>15,664</u>	3750

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

as of 12/31/04

*CAPITAL MANAGEMENT CONSULTANTS, INC*

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 2/3% of line 19) .....	\$	<u>962</u>	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	<u>5,000</u>	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	<u>5,000</u>	3760
14. Excess net capital (line 10 less 13) .....	\$	<u>10,664</u>	3770
15. Excess net capital at 1000% (line 10 less 10% of line 13) .....	\$	<u>14,221</u>	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	<u>14,428</u>	3790
17. Add:			
A. Drafts for immediate credit .....	\$	<u>3800</u>	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	<u>3810</u>	
C. Other unrecorded amounts (List) .....	\$	<u>3820</u>	3830
18. Total aggregate indebtedness .....	\$	<u>14,428</u>	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	<u>92</u>	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%		3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$	<u>3970</u>	
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	<u>3880</u>	3880
23. Net capital requirement (greater of line 21 or 22) .....	\$	<u>3760</u>	3760
24. Excess capital (line 10 less 23) .....	\$	<u>3910</u>	3910
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$	<u>3920</u>	3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
  - 1. Minimum dollar net capital requirement, or
  - 2. 6 2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

*CAPITAL MANAGEMENT CONSULTANTS, INC*

For the period (MMDDYY) from <sup>24</sup>01/01/04 3932 to 12/31/04 3933  
 Number of months included in this statement 12 3931

### STATEMENT OF INCOME (LOSS)

**REVENUE**

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$		3935
b. Commissions on listed option transactions .....	25		3938
c. All other securities commissions .....			3939
d. Total securities commissions .....			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange .....			3945
b. From all other trading .....			3949
c. Total gain (loss) .....			3950
3. Gains or losses on firm securities investment accounts .....			<i>&lt;1,501&gt;</i> 3952
4. Profit (loss) from underwriting and selling groups .....		25	3955
5. Revenue from sale of investment company shares .....			<i>96,772</i> 3970
6. Commodities revenue .....			3990
7. Fees for account supervision, investment advisory and administrative services .....			<i>397,589</i> 3975
8. Other revenue .....			<i>656</i> 3995
9. Total revenue .....		\$	<i>493,516</i> 4030

**EXPENSES**

10. Salaries and other employment costs for general partners and voting stockholder officers .....			<i>6,000</i> 4120
11. Other employee compensation and benefits .....			<i>411,155</i> 4115
12. Commissions paid to other broker-dealers .....			4140
13. Interest expense .....			4075
a. Includes interest on accounts subject to subordination agreements .....		<span style="border: 1px solid black; padding: 2px;">4070</span>	
14. Regulatory fees and expenses .....			<i>7,390</i> 4195
15. Other expenses .....			<i>65,653</i> 4100
16. Total expenses .....		\$	<i>490,198</i> 4200

**NET INCOME**

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....		\$	<i>33,18</i> 4210
18. Provision for Federal income taxes (for parent only) .....		25	<i>656</i> 4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....			4222
a. After Federal income taxes of .....		<span style="border: 1px solid black; padding: 2px;">4338</span>	
20. Extraordinary gains (losses) .....			4224
a. After Federal income taxes of .....		<span style="border: 1px solid black; padding: 2px;">4239</span>	
21. Cumulative effect of changes in accounting principles .....			4225
22. Net income (loss) after Federal income taxes and extraordinary items .....		\$	<i>2,662</i> 4230

**MONTHLY INCOME**

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....		\$	<i>&lt;43,498&gt;</i> 4211
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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

*CAPITAL MANAGEMENT CONSULTANTS, INC*

For the period (MMDDYY) from 01/01/04 to 12/31/04

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	<u>41,767</u>	4240
A. Net income (loss) .....		<u>2,662</u>	4250
B. Additions (Includes non-conforming capital of .....	\$	<u>4262</u> )	4260
C. Deductions (Includes non-conforming capital of .....	\$	<u>4272</u> )	4270
2. Balance, end of period (From item 1800) .....		\$	<u>44,429</u> 4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$	<u>N/A</u>	4300
A. Increases .....			4310
B. Decreases .....			4320
4. Balance, end of period (From item 3520) .....		\$	<u>4330</u>

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER CAPITAL MANAGEMENT CONSULTANTS, INC

as of 12/31/04

### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 ..... N/A 4550
- B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained ..... 4560
- C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.  
Name of clearing firm<sup>30</sup> ..... 4335 4570
- D. (k)(3) — Exempted by order of the Commission (include copy of letter) ..... 4580

### Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
<sup>31</sup> 4600	4601	4602	4603	4604	4605
<sup>32</sup> 4610	4611	4612	4613	4614	4615
<sup>33</sup> 4620	4621	4622	4623	4624	4625
<sup>34</sup> 4630	4631	4632	4633	4634	4635
<sup>35</sup> 4640	4641	4642	4643	4644	4645
<b>Total \$<sup>36</sup></b>			<b>4699</b>		

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals