

6/17/2005

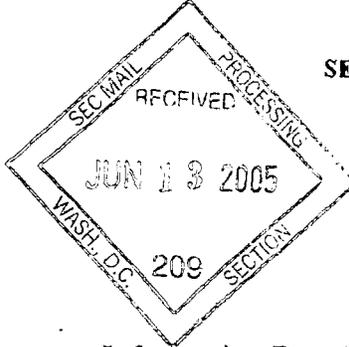


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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
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K9  
6/16



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

(A)

SEC FILE NUMBER  
8-53649

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 March 1, 2004 AND ENDING March 31, 2005  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: DAE Enterprises, LTD

OFFICIAL USE ONLY  
118286  
FIRM I.D. NO.

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

9725 S.E. 36<sup>th</sup> ST. #300

(No. and Street)

Merrin Island

(City)

Wa

(State)

98040

(Zip Code)

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

Donald H. Ellis

(206) 795-0395

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Jack W. Brown Inc., PC

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

419 Occidental Ave. So. #600 Seattle, Wa. 98104

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

B

JUN 20 2005

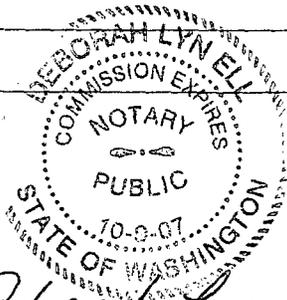
**FOR OFFICIAL USE ONLY**

\*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)

6/17

OATH OR AFFIRMATION

I, Donald A. Ellis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of DAE Enterprises, LTD, as of March 31, 2005, 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:



Deborah Lynn Ell  
Notary Public

[Signature]  
Signature  
President  
Title

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).

DAE ENTERPRISES, LTD  
(RULE 17a-5 (j) )

No material inadequacies were found to exist at March, 2005.

DAE ENTERPRISES, LTD

RECONCILIATION of AUDITED & UNAUDITED COMPUTATION of NET  
CAPITAL

March 31, 2005

	Unaudited Form X-17A-5 Part II Prepared by DAE Enterprises LTD	Audited Form X17A	
<u>Differences</u>	<u>Filed on</u>	<u>Part IIA</u>	<u>Differences</u>
Page 3			
Lines 1 & 3	<u>\$9,250</u>	<u>\$9,500</u>	<u>\$250</u>
<u>Explanations</u>			
Lines 1 & 3	Overstated payable to non-customers		<u>\$250</u>

DAE ENTERPRISES, LTD  
 STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
 February 29, 2004 to March 31, 2005  
 (SEC Rule 17a-5 (d) (2) )

	Common Stock	Additional Paid-in Capital	Retained Earnings (deficit)	Totals
Balances February 29, 2004	\$7,000	\$10,000	(\$255)	\$16,745
Changes for the year ended February 28, 2005	0	32,247	-31,684	563
Balances February 28, 2005	7,000	42,247	-31,939	17,308
Changes for the month ended March 31, 2005	0	0	-805	-805
Balances March 31, 2005	\$7,000	\$42,247	(\$32,744)	\$16,503