

ION

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden	
hours per response.....	12.00

SEC FILE NUMBER
8- 30977

**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**

REPORT FOR THE PERIOD BEGINNING 1/1/05 AND ENDING 12/31/05
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: FIRST SECURITIES NORTHWEST, INC.

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

18824 SE. Mildred Street

(No. and Street)

Milwaukie, Oregon 97267

(City)

(State)

(Zip Code)

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

Ben Johnson

503/723-4404

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

MORRISON & LIEBSWAGER, PC

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

15405 SW 116th Avenue, Suite 105 King City, Oregon 97224

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

MAY 10 2006

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)

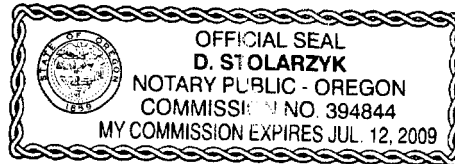
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, Ben Johnson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of FIRST SECURITIES NORTHWEST, INC., as of December 31, 20 05, 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:

Ben Johnson
Signature
President
Title

[Signature]
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.
 - ☒ (o) Report of independent certified public accountants on internal
- **For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3). accounting control.

FIRST SECURITIES NORTHWEST, INC.
STATEMENTS OF FINANCIAL CONDITION

	At December 31	
	<u>2005</u>	<u>2004</u>
ASSETS		
Cash	\$ 16,600	\$110,724
Receivables from broker dealers	13,381	22,935
Receivables, inventory positions at clearing corporation	236,054	89,149
Deposits with clearing organizations	235,887	114,004
Furniture, equipment at cost - net of accumulated depreciation of \$75,025 and \$81,017 respectively	1,996	1,250
Prepaid expenses	8,910	11,695
Deferred tax benefit	13,525	19,661
Investments (at cost)	<u>20,104</u>	<u>20,104</u>
TOTAL ASSETS	<u>\$546,457</u>	<u>\$389,522</u>
 LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable and accrued liabilities	\$ 1,582	\$ 288
Payables, inventory positions at clearing corporation	<u>236,054</u>	<u>89,149</u>
TOTAL LIABILITIES	237,636	89,437
STOCKHOLDER'S EQUITY		
Common stock, no par value, 1,000 shares authorized and issued	11,500	11,500
Additional paid-in capital	379,280	379,280
Retained earnings	<u>(81,959)</u>	<u>(90,695)</u>
Total stockholder's equity	<u>308,821</u>	<u>300,085</u>
	<u>\$546,457</u>	<u>\$389,522</u>

See accompanying notes and accountants' audit report.