

BPA

SECURITIE



SSION

06003505

OMB Number: 3235-0123  
Expires: September 30, 1998  
Estimated average burden  
hours per response...12.00

M.K  
2/25

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

SEC FILE NUMBER  
8-47069

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, 2005 ENDING December 31, 2005

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER

OFFICIAL USE ONLY

Beekman Securities, Inc

FIRM ID. NO.

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

575 Lexington Ave. Suite 410

(No. and Street)

New York

NY

10022

(City)

(State)

(Zip Code)

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

Lynette Federer

(212)-572-8320

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

JOHN, JACOB, & VAYALUMKAL, LLP

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

11 Broadway

New York

NY

10004

(Address)

(City)

(State)

(Zip Code)

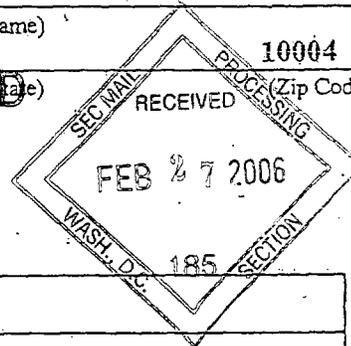
CHECK ONE

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

PROCESSED

MAR 17 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 exemption. See section 240.17a-5(e)(2).

Sec 1410 (3-91)

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, Lynette Federer, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Beekman Securities, Inc, as of Feb 23, 2006, 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:

JOEY KOTICK  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01KO6137790  
Qualified in New York County  
My Commission Expires December 05, 2009

Joey Kotick  
Notary Public

Lynette Federer  
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).

**BEEKMAN SECURITIES, INC.**  
**REPORT ON AUDIT OF FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**REPORT ON INTERNAL CONTROL**  
**DECEMBER 31, 2005**

# JOHN, JACOB & VAYALUMKAL, LLP

CERTIFIED PUBLIC ACCOUNTANTS

11 Broadway, Suite 1166  
New York, NY 10004  
Tel: 212-635-4155 Fax: 212-635-4156

## INDEPENDENT AUDITOR'S REPORT

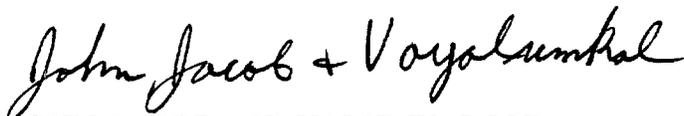
February 24, 2006

Board of Directors and Stockholders  
Beekman Securities, Inc.  
New York, New York

We have audited the accompanying statement of financial condition of Beekman Securities, Inc as of December 31, 2005 and the related statements of operations, stockholders' equity and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. The financial statements are the responsibility of 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. 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 Beekman Securities, Inc. as of December 31, 2005 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.



JOHN, JACOB & VAYALUMKAL LLP

New York, New York 10004

February 24, 2006

**BEEKMAN SECURITIES INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2005**

**ASSETS**

<b><u>Current Assets - Cash</u></b>	<b><u>\$ 38,248</u></b>
<b><u>Other assets</u></b>	
Security Deposits & Prepaids	1,500
Art Work	<u>2,024</u>
Total Other assets	<u>3,524</u>
<b>Total Assets</b>	<b><u><u>\$ 41,772</u></u></b>

**LIABILITIES & EQUITY**

<b><u>Current Liabilities</u></b>	<b><u>\$ 3,432</u></b>
<b><u>Stockholders' Equity</u></b>	
Capital Stock	1,225
Paid in Capital	152,857
Deficit	<u>(115,742)</u>
Total Stockholders' Equity	<u>38,340</u>
<b>Total Liabilities &amp; Equity</b>	<b><u><u>\$ 41,772</u></u></b>

See Notes to Financial Statements

**BEEKMAN SECURITIES INC.  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

<b><u>Revenue</u></b>	<b><u>\$ 152,750</u></b>
<b><u>General &amp; Administrative</u></b>	
Salaries & Payroll Costs	110,805
Occupancy	17,700
Communications	2,832
Other Operating Expenses	<u>36,370</u>
Total General & Administrative	<u>167,707</u>
Loss from Operations	(14,957)
<b><u>Income Taxes</u></b>	<u>1,249</u>
<b>Net Loss</b>	<b><u><u>\$ (16,206)</u></u></b>

See Notes to Financial Statements

**BEEKMAN SECURITIES INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

<b><u>Cash flows from operating activities</u></b>	
Net Loss	\$ (16,206)
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>	
Increase (decrease) in accrued liabilities	<u>(3,624)</u>
Total adjustments	<u>(3,624)</u>
Net cash provided (used) by operating activities	<u>(19,830)</u>
<b><u>Cash flow from financing activities:</u></b>	
Increase in Paid in Capital	<u>4,000</u>
Net cash provided (used) by financing activities	<u>4,000</u>
Net increase (decrease) in cash and equivalents	(15,830)
Cash and equivalents, beginning of year	<u>54,078</u>
Cash and equivalents, end of year	<u><u>\$ 38,248</u></u>
<b><u>Supplemental disclosures of cash flow information:</u></b>	
<b>Cash paid during the year for:</b>	
Income Tax	\$ 2,148

See Notes to Financial Statements

**BEEKMAN SECURITIES INC.**  
**STATEMENT OF STOCKHOLDER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>COMMON STOCK</u>	<u>PAID IN CAPITAL</u>	<u>RETAINED EARNINGS (DEFICIT)</u>	<u>TOTAL</u>
Balance Beginning	\$ 1,225	\$ 148,857	\$ ( 99,536)	\$ 50,546
Capital Contribution		4,000		4,000
Net Loss	_____	_____	( 16,206)	(16,206)
<b>Balance Ending</b>	<u>\$ 1,225</u>	<u>\$152,857</u>	<u>\$(115,742)</u>	<u>\$ 38,340</u>

See Notes to Financial Statements

**BEEKMAN SECURITIES INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2005**

1. **SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Company is organized to be active in various aspects of the securities industry and is registered to be a broker-dealer with the National Association of Securities Dealers and the Securities and Exchange Commission. The Company is a non-clearing broker and does not handle any customer funds or securities. There were no liabilities subordinated to claims of general creditors during the year ended December 31, 2005.

**Income Taxes**

The Company pays income taxes on a "cash" basis.

**Use of Estimates in the Preparation of Financial Statements**

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses.

Actual results could vary from the estimates that management uses.

2. **NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15C3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to .1). At December 31, 2005, the Company had net capital of \$34,816, which was \$29,816 in excess of its required net capital of \$ 5,000. The Company had a percentage of aggregate indebtedness to net capital of 9.9% as of December 31, 2005.

# JOHN, JACOB & VAYALUMKAL, LLP

CERTIFIED PUBLIC ACCOUNTANTS

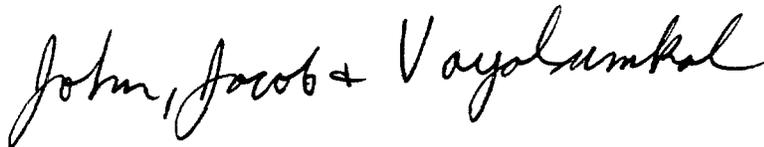
11 Broadway, Suite 1166  
New York, NY 10004  
Tel: 212-635-4155 Fax: 212-635-4156

## INDEPENDENT AUDITOR'S REPORT OF SUPPLEMENTARY INFORMATION REQUIRED BY RULE 17a-5 OF THE SECURITIES AND EXCHANGE COMMISSION

Board of Directors and Stockholders  
Beekman Securities, Inc.  
New York, New York

We have audited the accompanying financial statements of Beekman Securities, Inc. as of and for the year ended December 31, 2005 and have issued our report dated February 24, 2006. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 1 and 2 on the following pages 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.



JOHN, JACOB & VAYALUMKAL LLP  
New York, New York 10004  
February 24, 2006

**BEEKMAN SECURITIES INC.**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c-3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2005**

**Net Capital**

Stockholder's Equity	\$ 38,340
Less: Nonallowable assets	<u>3,524</u>
<b>Net Capital</b>	<b><u>\$ 34,816</u></b>
Aggregate Indebtedness	<u>\$ 3,432</u>
Minimum Net Capital Requirement	<u>\$ 5,000</u>
Excess of Net Capital over Minimum Requirements	<u>\$ 29,816</u>

Percentage of Aggregate indebtedness

to Net Capital 9.9%

Note: There were no material differences between the computation of net capital calculated above and the Company's computation included in Part IIA of Form X-17a-5 as of December 31, 2005.

See Independent Auditor's Report on Supplementary Information

## **BEEKMAN SECURITIES**

### **COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3 DECEMBER 31, 2005**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of the Rule.

See Independent Auditor's Report on Supplementary Information

# JOHN, JACOB & VAYALUMKAL, LLP

CERTIFIED PUBLIC ACCOUNTANTS

11 Broadway, Suite 1166  
New York, NY 10004  
Tel: 212-635-4155 Fax: 212-635-4156

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL REQUIRED BY SEC RULE 17a-5 FOR A BROKER DEALER CLAIMING AN EXEMPTION FROM SEC RULE 15c3-3**

Board of Directors and Stockholders  
Beekman Securities, Inc.  
New York, New York

In planning and performing our audit of the financial statements and supplemental schedules of Beekman Securities, Inc. (the Company), for the year ended December 31, 2005, 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 Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including test 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 (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 13c-3-3. Because the Company does not carry securities accounts for customers or perform custodial function 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, 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 control 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 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 accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures

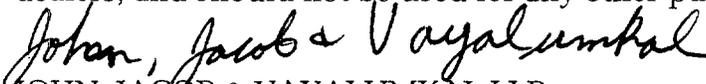
listed in the preceding paragraph. Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because 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 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 component 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 the following matter involving the internal control environment that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statement of Beekman Securities, Inc. for the year ended December 31, 2005 and this report does not affect our report thereon dated February 24, 2006.

The size of the business and resultant limited number of employees imposes practical limitations on the effectiveness of those internal control structure procedures that depend on the segregation of duties. Since this condition is inherent in size of the Company, the specific weaknesses are not described herein and no corrective action has been taken or proposed by the Company.

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 purpose 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, 2005 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and NASD, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered broker dealers, and should not be used for any other purpose.

  
JOHN, JACOB & VAYALUMKAL LLP

New York, New York 10004  
February 24, 2006