

19  
3/16



06004586

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

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

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

SEC FILE NUMBER  
8- 22338

FACING PAGE

RECD S.E.C.  
FEB 27 2006  
505

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 01/01/05 AND ENDING 12/31/05  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: CFC EQUITIES, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

2 Bay Club Drive, Apt 4LE

(No. and Street)

Bayside

NY

11360

(City)

(State)

(Zip Code)

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

Samuel Weiss

718-229-3779

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Neil Sumner

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

130 West 42nd Street, Ste 904

New York

NY

10036

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

JUL 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)

*[Handwritten signature]*

Neil Sumner

*Certified Public Accountant*

130 West 42<sup>nd</sup> Street, Suite 904  
New York, New York 10036

Tel: (212) 938-1930  
Fax: (347) 328-0628

INDEPENDENT AUDITOR'S REPORT

Mr. Samuel Weiss, Manager- Member  
CFC Equities, LLC  
2 Bay Club Drive  
Bayside, New York 11360

Dear Mr. Weiss:

I have audited the financial statements of CFC Equities, LLC, a single member limited liability company, as set forth in the accompanying Focus Report Form X-17A-5 as of December 31, 2005 and the related statement of 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 our audit.

I have conducted my audit in accordance with auditing standards generally accepted in the United States of America. 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 disclosure 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. I believe that my audit provides a reasonable basis for my opinion.

Based upon the scope of our audit, no material inadequacies have been found to exist in the accounting system, the internal accounting control and in procedures for safeguarding securities.

In my opinion, the financial statements referred to above and as contained in the Focus Report Form X-17A-5 and the accompanying statement of cash flows and notes present fairly in all material respects the financial position of CFC Equities, LLC as of December 31, 2005 and the result of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

New York, New York  
February 17, 2006

  
NEIL SUMNER, CPA

OATH OR AFFIRMATION

I, Samuel Weiss, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CFC EQUITIES, LLC of December 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:

Three horizontal lines for listing exceptions to the oath.

Signature
Member
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. Cash Flows
(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).

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

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

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.

CFC Equities, LLC

8-22338  14

FIRM I.D. NO.

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

11-3579179  15

2 Bay Club Drive, Apt 4LE

FOR PERIOD BEGINNING (MM/DD/YY)

(No. and Street)

01/01/05  24

Bayside

21

NY

22

11360

23

AND ENDING (MM/DD/YY)

12/31/05  25

(City)

(State)

(Zip Code)

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

(Area Code) — Telephone No.

Neil Sumner

30

212-938-1930  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))

Persons who 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.

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

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

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

Sumner, Neil

70

ADDRESS

130 West 42nd St., #904

71

New York

72

NY

73

10036

74

Number and Street

City

State

Zip Code

CHECK ONE

Certified Public Accountant

75

FOR SEC USE

Public Accountant

76

--	--

Accountant not resident in United States  
or any of its possessions

77

DO NOT WRITE UNDER THIS LINE . . . FOR SEC USE ONLY

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 CFC Equities, LLC	N3		100
---------------------------------------	----	--	-----

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

as of (MM/DD/YY)	12/31/05	99
SEC FILE NO.	8-22338	98
	Consolidated	198
	Unconsolidated	199

	Allowable	Non-Allowable	Total
1. Cash	\$ 126,065 <span style="border: 1px solid black; padding: 2px;">200</span>		\$ 126,065 <span style="border: 1px solid black; padding: 2px;">750</span>
2. Receivables from brokers or dealers:			
A. Clearance account	<span style="border: 1px solid black; padding: 2px;">295</span>		
B. Other	16,980 <span style="border: 1px solid black; padding: 2px;">300</span>	550	16,980 <span style="border: 1px solid black; padding: 2px;">810</span>
3. Receivable from non-customers	<span style="border: 1px solid black; padding: 2px;">355</span>	600	<span style="border: 1px solid black; padding: 2px;">830</span>
4. Securities and spot commodities owned at market value:			
A. Exempted securities	<span style="border: 1px solid black; padding: 2px;">418</span>		
B. Debt securities	<span style="border: 1px solid black; padding: 2px;">419</span>		
C. Options	<span style="border: 1px solid black; padding: 2px;">420</span>		
D. Other securities	<span style="border: 1px solid black; padding: 2px;">424</span>		
E. Spot commodities	<span style="border: 1px solid black; padding: 2px;">430</span>		<span style="border: 1px solid black; padding: 2px;">850</span>
5. Securities and/or other investments not readily marketable:			
A. At cost \$	<span style="border: 1px solid black; padding: 2px;">130</span>		
B. At estimated fair value	<span style="border: 1px solid black; padding: 2px;">440</span>	<span style="border: 1px solid black; padding: 2px;">610</span>	<span style="border: 1px solid black; padding: 2px;">860</span>
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:	<span style="border: 1px solid black; padding: 2px;">460</span>	<span style="border: 1px solid black; padding: 2px;">630</span>	<span style="border: 1px solid black; padding: 2px;">880</span>
A. Exempted securities \$	<span style="border: 1px solid black; padding: 2px;">150</span>		
B. Other securities \$	<span style="border: 1px solid black; padding: 2px;">160</span>		
7. Secured demand notes:	<span style="border: 1px solid black; padding: 2px;">470</span>	<span style="border: 1px solid black; padding: 2px;">640</span>	<span style="border: 1px solid black; padding: 2px;">890</span>
Market value of collateral:			
A. Exempted securities \$	<span style="border: 1px solid black; padding: 2px;">170</span>		
B. Other securities \$	<span style="border: 1px solid black; padding: 2px;">180</span>		
8. Memberships in exchanges:			
A. Owned, at market \$	<span style="border: 1px solid black; padding: 2px;">190</span>		
B. Owned, at cost		<span style="border: 1px solid black; padding: 2px;">650</span>	
C. Contributed for use of the company, at market value		<span style="border: 1px solid black; padding: 2px;">660</span>	<span style="border: 1px solid black; padding: 2px;">900</span>
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships	<span style="border: 1px solid black; padding: 2px;">480</span>	<span style="border: 1px solid black; padding: 2px;">670</span>	<span style="border: 1px solid black; padding: 2px;">910</span>
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	<span style="border: 1px solid black; padding: 2px;">490</span>	<span style="border: 1px solid black; padding: 2px;">680</span>	<span style="border: 1px solid black; padding: 2px;">920</span>
11. Other assets	<span style="border: 1px solid black; padding: 2px;">535</span>	<span style="border: 1px solid black; padding: 2px;">735</span>	<span style="border: 1px solid black; padding: 2px;">930</span>
12. TOTAL ASSETS	\$ 143,045 <span style="border: 1px solid black; padding: 2px;">540</span>	\$ 740	\$ 143,045 <span style="border: 1px solid black; padding: 2px;">940</span>

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

CFC Equities, LLC

as of 12/31/05

## 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 .....	556 1205	1385	556 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:		1400	1710
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 .....	\$ 556 1230	\$ 1450	\$ 556 1760
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			\$ 142,489 1770
22. Partnership (limited partners) .....	(\$ 1020)		1780
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....			1792
C. Additional paid-in capital .....			1793
D. Retained earnings .....			1794
E. Total .....			1795
F. Less capital stock in treasury .....			( ) 1796
24. TOTAL OWNERSHIP EQUITY .....			\$ 142,489 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 143,045 1810

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

CFC Equities, LLC

as of 12/31/05

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	<u>142,489</u>	<u>3480</u>
2. Deduct ownership equity not allowable for Net Capital .....	19	( )	<u>3490</u>
3. Total ownership equity qualified for Net Capital .....		<u>142,489</u>	<u>3500</u>
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			<u>3520</u>
B. Other (deductions) or allowable credits (List) .....			<u>3525</u>
5. Total capital and allowable subordinated liabilities .....	\$	<u>142,489</u>	<u>3530</u>
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	17	\$	<u>3540</u>
B. Secured demand note delinquency .....			<u>3590</u>
C. Commodity futures contracts and spot commodities – proprietary capital charges .....			<u>3600</u>
D. Other deductions and/or charges .....			<u>3610</u>
7. Other additions and/or allowable credits (List) .....			( ) <u>3620</u>
8. Net capital before haircuts on securities positions .....	20	\$	<u>142,489</u>
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments .....	\$		<u>3660</u>
B. Subordinated securities borrowings .....			<u>3670</u>
C. Trading and investment securities:			
1. Exempted securities .....	18		<u>3735</u>
2. Debt securities .....			<u>3733</u>
3. Options .....			<u>3730</u>
4. Other securities .....			<u>3734</u>
D. Undue Concentration .....			<u>3650</u>
E. Other (List) .....			( ) <u>3740</u>
10. Net Capital .....	\$	<u>142,489</u>	<u>3750</u>

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

CFC Equities, LLC

as of 12/31/05

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) .....	\$	37	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) .....	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	5,000	3760
14. Excess net capital (line 10 less 13) .....	\$	137,489	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	22 \$	142,433	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	556	3790
17. Add:			
A. Drafts for immediate credit .....	21 \$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	3810	3830
C. Other unrecorded amounts (List) .....	\$	3820	3830
18. Total aggregate indebtedness .....	\$	556	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	.3902	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	.3888	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 .....	\$	3970	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	23 \$	3880	3880
23. Net capital requirement (greater of line 21 or 22) .....	\$	3970	3970
24. Excess capital (line 10 less 23) .....	\$	3910	3910
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$	3920	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 $\frac{2}{3}$ % 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	CFC Equities, LLC
------------------	-------------------

For the period (MMDDYY) from 12/24/01 to 12/31/05  
 Number of months included in this statement 12

## 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			3952
4. Profit (loss) from underwriting and selling groups	26		3955
5. Revenue from sale of investment company shares		95,916	3970
6. Commodities revenue			3990
7. Fees for account supervision, investment advisory and administrative services			3975
8. Other revenue		745	3995
9. Total revenue		\$ 96,661	4030

### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers			4120
11. Other employee compensation and benefits			4115
12. Commissions paid to other broker-dealers			4140
13. Interest expense			4075
a. Includes interest on accounts subject to subordination agreements		4070	
14. Regulatory fees and expenses		1,578	4195
15. Other expenses		31,848	4100
16. Total expenses		\$ 33,426	4200

### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16)			63,235
18. Provision for Federal income taxes (for parent only)	28		4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4222
a. After Federal income taxes of		4338	
20. Extraordinary gains (losses)			4224
a. After Federal income taxes of		4239	
21. Cumulative effect of changes in accounting principles			4225
22. Net income (loss) after Federal income taxes and extraordinary items		\$ 63,235	4230

### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items			N/A
			4211

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

CFC Equities, LLC

For the period (MMDDYY) from 010105 to 123105

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

1. Balance, beginning of period .....	\$	110,735	4240
A. Net income (loss) .....			4250
B. Additions (Includes non-conforming capital of .....	\$	63,235	4260
C. Deductions (Includes non-conforming capital of .....	\$	(31,481)	4270
Distributions .....			4272
2. Balance, end of period (From item 1800) .....	\$	142,489	4290

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

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

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER **CFC Equities, LLC**

as of 12/31/05

### 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 .....  | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained ..... <b>Organization is exempt</b> | 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 |
| Name of clearing firm <sup>30</sup> .....  | 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)
31	4600	4601	4602	4603	4604	4605
32	4610	4611	4612	4613	4614	4615
33	4620	4621	4622	4623	4624	4625
34	4630	4631	4632	4633	4634	4635
35	4640	4641	4642	4643	4644	4645
Total \$ <sup>36</sup>				4699		

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

**CFC Equities, LLC**  
Statement of Cash Flows  
Year Ended December 31, 2005

*Cash flows from operating activities:*

Cash received from principals	92,658
Interest received	746
Operating expenses	<u>(34,013)</u>
Net cash provided by operating activities	<u>59,391</u>

*Cash flows from financing activities:*

Withdrawals by member	<u>(31,481)</u>
Net cash used by financing activities	<u>(31,481)</u>
Net increase in cash	27,910
Cash and cash equivalents - beginning of year	<u>98,155</u>
Cash and cash equivalents - end of year	<u><u>126,065</u></u>

Reconciliation of net income to net cash provided (used) by operating assets:

Net income	63,235
Adjustment to reconcile net income to net cash provided (used) by operating activities:	
Decrease (increase) in Receivables	(3,258)
Increase (decrease) in Accrued expenses	<u>(586)</u>
Net cash provided by operating activities	<u><u>59,391</u></u>

See accountant's report and notes to financial statements.

CFC EQUITIES, LLC  
Notes to Financial Statements  
December 31, 2005

- Note 1 - Respondent has no liabilities subordinated to claims of general creditors.
- Note 2 - Respondent is exempt from computation for determination of reserve requirements.
- Note 3 - Respondent is exempt from submitting information relating to possession or control requirements.
- Note 4 - Respondent has complied with exemptive provision from Rule 15C3-3 during year under audit.
- Note 5 - Respondent is exempt from membership in the Securities Investor Protections Corporation, and therefore, a supplemental report pursuant to Rule 17a5(e)(4) is not applicable.
- Note 6 - Financial instruments that potentially subject the Respondent to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 2004, the Respondent was within the FDIC insured limits.
- Note 7 - Reconciliation - Computation of Net Capital
- Focus Report - December 31, 2005 submitted by CFC Equities, LLC
- |   |                   |
|---|-------------------|
| Net capital as reported                     | \$133,725.        |
| Add: Commission receivable                  | 8,980.            |
| Deduct: Misposting of cash disbursement     | .. (10.)          |
| Deduct: Accrued Expenses                    | <u>(206.)</u>     |
| Net capital - Accrual basis, audited report | <u>\$142,489.</u> |
- Note 8 - On December 6, 2000 Respondent formed a sole member limited liability company which is a disregarded entity for income tax purposes. Accordingly, no provision has been made for income taxes in the attached statement of income. Respondent which prior to the formation of his limited liability company operated as a sole proprietorship conducts all business in the name of his limited liability company, CFC Equities, LLC which operations are otherwise unchanged.