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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER
2668

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: Transmittal Securities Corp.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

82 Wall St.
(No. and Street)
New York NY 10005
(City) (State) (Zip Code)

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

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Bernath & Rosenberg PC
(Name - if individual, state last, first, middle name)
1430 Broadway New York NY 10018
(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 01 2006
THOMSON
FINANCIAL

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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)

4/28/06

OATH OR AFFIRMATION

I, Aniva Jakubowitz, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Transmittal Securities Corp., as of 12/21, 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:

Aniva Jakubowitz
Signature
PRINCIPAL
Title

[Signature]
Notary Public

MIRIAM JOHN
NOTARY PUBLIC, STATE OF NEW YORK
NO. 41-091003
QUALIFIED IN ROCKLAND COUNTY
COMMISSION EXPIRES NOV. 2, ~~1998~~ 2009

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).

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

OMB APPROVAL	
OMB Number:	3235-0123
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Form
X-17A-5

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)
PART II 11

(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

Transmittal Securities Corp. 13

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

82 Wall St. 20

(No. and Street)

New York 21

(City)

NY 22

(State)

10005 23

(Zip Code)

SEC FILE NO.

12-003602 14

FIRM I.D. NO.

13-5629920 15

FOR PERIOD BEGINNING (MM/DD/YY)

1/1/05 24

AND ENDING (MM/DD/YY)

12/31/05 25

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

Jacob I. Rosenberg 30

(Area Code) — Telephone No.

212-221-1140 31

NAMES OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

32

OFFICIAL USE

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 _____, _____

Manual signatures of:

1) _____
Principal Executive Officer or Managing Partner

2) _____
Principal Financial Officer or Partner

3) _____
Principal Operations Officer or Partner

ATTENTION — Intentional misstatement 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)

Bernath & Eisenberg P.C.

70

ADDRESS

1130 Broadway

Number and Street

71

NY

City

72

NY

State

73

10018

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 II

BROKER OR DEALER Transmittal Securities Corp. as of 12/31/05

STATEMENT OF FINANCIAL CONDITION

		ASSETS		
		Allowable	Non-Allowable	Total
E. Stocks and warrants	\$ 4,761	410		
F. Options		420		
G. Arbitrage		422		
H. Other securities		424		
I. Sport commodities		430		\$ 4,761 850
8. Securities owned not readily marketable:				
A. At Cost	\$ 130	440	\$ 450 610	450 860
9. Other investments not readily marketable:				
A. At Cost	\$ 140			
B. At estimated fair value		450	620	870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:				
A. Exempted securities	\$ 150			
B. Other	\$ 160	460	630	890
11. Secured demand notes-market value of collateral:				
A. Exempted securities	\$ 170			
B. Other	\$ 180	470	640	890
12. Memberships in exchanges:				
A. Owned, at market value	\$ 190			
B. Owned at cost			650	
C. Contributed for use of company, at market value			660	900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	670	910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:				
At cost (net of accumulated depreciation and amortization)		490	680	920
15. Other Assets:				
A. Dividends and interest receivable		500	690	
B. Free shipments		510	700	
C. Loans and advances		520	710	
D. Miscellaneous		530	720	2,957 930
16. TOTAL ASSETS	\$ 336,322	540	\$ 3,407 740	\$ 337,729 940

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/05

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	1470
18. Securities sold under repurchase agreement...		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	1490
2. Other	1060	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		1510
2. Other	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1560
E. Other:	1110	1320	1570
20. Payable to customers:			
A. Securities accounts-including free credits of\$ 950	283 1120		283 1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value-including arbitrage of\$ 960		1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	1170		1640
C. Income taxes payable	350 1180		350 1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities	5,910 1190		5,910 1670
F. Other	1200	1380	1680

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*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of 6/19/05

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	\$ 1211	\$ 1390	\$ 1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders ²⁴ \$ 970		1400	1710
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		²⁶ 1430	1740
E. Accounts and other borrowings not qualified for net capital purposes			
26. TOTAL LIABILITIES	\$ 6,543 1230	\$ - 0 - 1450	\$ 6,543 1760
Ownership Equity			
27. Sole Proprietorship			\$ 1770
28. Partnership-limited partners	\$ 1020		\$ 1780
29. Corporation:			
A. Preferred stock			1791
B. Common stock		²⁸ 50,000	1792
C. Additional paid-in capital		270,000	1793
D. Retained earnings		13,186	1794
E. Total		333,186	1795
F. Less capital stock in treasury			1796
30. TOTAL OWNERSHIP EQUITY			\$ 333,186 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 339,729 1810

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER

Transmittal Securities Corp

as of 12/1/05

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition - Item 1800	\$ <u>333,186</u>	3480	
2. Deduct Ownership equity not allowable for Net Capital	()	3490	
3. Total ownership equity qualified for Net Capital	<u>333,186</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	\$	3530	
6. Deductions and/or charges:			
A. Total nonallowable assets from			
Statement of Financial Condition (Notes B and C)	\$ <u>3,407</u>	3540	
1. Additional charges for customers' and non-customers' security accounts	\$	3550	
2. Additional charges for customers' and non-customers' commodity accounts		3560	
B. Aged fail-to-deliver		3570	
1. Number of items	29 <u>3450</u>		
C. Aged short security differences-less reserve of	\$ <u>3460</u>	30 <u>3580</u>	
number of items	<u>3470</u>		
D. Secured demand note deficiency		3590	
E. Commodity futures contracts and spot commodities - proprietary capital charges		3600	
F. Other deductions and/or charges		3610	
G. Deductions for accounts carried under Rule 15c3-1 (a)(6), (a)(7) and (c)(2)(x)		3615	
H. Total deductions and/or charges	(<u>3,407</u>)	3620	
7. Other additions and/or allowable credits (List)		3630	
8. Net capital before haircuts on securities positions	\$	<u>329,779</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. Bankers' acceptances, certificates of deposit and commercial paper	31 <u>48</u>	3680	
2. U.S. and Canadian government obligations		3690	
3. State and municipal government obligations		3700	
4. Corporate obligations		3710	
5. Stocks and warrants	<u>714</u>	3720	
6. Options		3730	
7. Arbitrage		3732	
8. Other securities	32	3734	
D. Undue Concentration		3650	
E. Other (List)		3736	
10. Net Capital	\$	<u>329,017</u>	3750

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 10-31-05

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19)	\$	<u>434</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>250,000</u>	3758
13. Net capital requirement (greater of line 11 or 12)	\$	<u>250,000</u>	3760
14. Excess net capital (line 10 less 13)	\$	<u>79,017</u>	3770
15. Excess net capital at 100% (line 10 less 10% of line 19)	3%		3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	<u>6518</u>	3790
17. Add:			
A. Drafts for immediate credit	3%	<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. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))	\$		3838
19. Total aggregate indebtedness	\$	<u>6518</u>	3840
20. Percentage of aggregate indebtedness to net capital (line 19 + by line 10)	%	<u>0.02</u>	3850
21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 + by line 10 less item 4880 page 25)	%		3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debt items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	3%	<u>3870</u>	
23. 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>	3760
24. Net capital requirement (greater of line 22 or 23)	\$	<u>3910</u>	3851
25. Excess net capital (line 10 less 24)	\$	<u>3854</u>	3920
26. Percentage of Net Capital to Aggregate Debits (line 10 + by line 17 page 8)	%		
27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits (line 10 less item 4880 page 11 + by line 17 page 8)	%		
28. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000	\$	<u>3920</u>	

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	<u>3860</u>	
30. Options deductions/Net Capital ratio (100% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) + Net Capital	%	<u>3852</u>	

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 2% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes 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.

PART II - FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

BROKER OR DEALER Transmittal Securities Corp. For the period (MMDDYY) from 11/1/05 3932 to 12/31/05 3933
 Number of months included in this statement 12 3931

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			3935
a. Commissions on transactions in listed equity securities executed on an exchange	\$		3937
b. Commissions on transactions in exchange listed equity securities executed over-the-counter			3938
c. Commissions on listed option transactions			3939
d. All other securities commissions			3940
e. Total securities commissions	✓0		3941
2. Gains or losses on firm securities trading accounts			
a. From market making in over-the-counter equity securities		3943	3944
1. Includes gains or (losses) OTC market making in exchange listed equity securities		3945	3949
b. From trading in debt securities			3950
c. From market making in options on a national securities exchange			64,554
d. From all other trading			64,554
e. Total gains or (losses)			3952
3. Gains or losses on firm securities investment accounts			
a. Includes realized gains (losses)		4235	3955
b. Includes unrealized gains (losses)		4236	
c. Total realized and unrealized gains (losses)	✓1		3960
4. Profits or (losses) from underwriting and selling groups			3970
a. Includes underwriting income from corporate equity securities		4237	3975
5. Margin interest			3980
6. Revenue from sale of investment company shares			3990
7. Fees for account supervision, investment advisory and administrative services			3985
8. Revenue from research services			3995
9. Commodities revenue			8,149
10. Other revenue related to securities business	✓2		72,703
11. Other revenue			4030
12. Total revenue	\$		

EXPENSES

13. Registered representative's compensation			4110
14. Clerical and administrative employees' expenses			4120
15. Salaries and other employment costs for general partners, and voting stockholder officers			4055
a. Includes interest credited to General and Limited Partners capital accounts		4130	4145
16. Floor brokerage paid to certain brokers (see definition)			4135
17. Commissions and clearance paid to all other brokers (see definition)	✓3		4060
18. Clearance paid to non-brokers (see definition)			4080
19. Communications			4150
20. Occupancy and equipment costs			4075
21. Promotional costs			4170
22. Interest expense			4186
a. Includes interest on accounts subject to subordination agreements		4070	4190
23. Losses in error account and bad debts			4195
24. Data processing costs (including service bureau service charges)	✓4		4100
25. Non-recurring charges			15,509
26. Regulatory fees and expenses			55,037
27. Other expenses			152,983
28. Total expenses	\$		4200

NET INCOME

29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)			4210
30. Provision for Federal income taxes (for parent only)			4220
31. Equity in earnings (losses) of unconsolidated subsidiaries not included above	✓5		4222
a. After Federal income taxes of		4238	
32. Extraordinary gains (losses)			4224
a. After Federal income taxes of		4239	
33. Cumulative effect of changes in accounting principles			4225
34. Net income (loss) after Federal income taxes and extraordinary items	\$		4230

MONTHLY INCOME

35. Income (current month only) before provision for Federal income taxes and extraordinary items			4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

Transmittal Securities Corp

as of 12/31/05

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (See Rule 15c3-3, Exhibit A and Related Notes)

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3)	746 \$	<u>283</u>	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (see Note B)			4350
3. Monies payable against customers' securities loaned (see Note C)			4360
4. Customers' securities failed to receive (see Note D)			4370
5. Credit balances in firm accounts which are attributable to principal sales to customers			4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days			4390
7. **Market value of short security count differences over 30 calendar days old			4400
8. **Market value of short securities and credits (not to be offset by logs or by debits) in all suspense accounts over 30 calendar days			4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days			4420
10. Other (List)			4425
11. TOTAL CREDITS	\$	<u>283</u>	4430

DEBIT BALANCES

12. **Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3	\$	<u>25</u>	4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver			4450
14. Failed to deliver of customers' securities not older than 30 calendar days			4460
15. Margin required and on deposit with Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)			4465
16. Other (List)			4469
17. **Aggregate debit items	\$	<u>25</u>	4470
18. **Less 3% (for alternative method only—see Rule 15c3-1(f)(5)(i))			4471
19. **TOTAL 14c3-3 DEBITS	\$	<u>25</u>	4472

RESERVE COMPUTATION

20. Excess of total debits over total credits (line 19 less line 11)	745 \$		4480
21. Excess of total credits over total debits (line 11 less line 19)		<u>258</u>	4490
22. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits		<u>270</u>	4500
23. Amount held on deposit in "Reserve Bank Account(s)," including value of qualified securities, at end of reporting period		<u>99,564</u>	4510
24. Amount of deposit (or withdrawal) including \$ <u>4515</u> value of qualified securities			4520
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ <u>4525</u> value of qualified securities	\$		4530
26. Date of deposit (MMDDYY)			4540

FREQUENCY OF COMPUTATION

27. Daily 4332 Weekly 4333 Monthly 4334

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 12/31/05

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (continued)

EXEMPTIVE PROVISIONS

28. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based (check only one)

- 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 4560
- C. (k)(2) (B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.
Name of clearing firm⁵¹ 4335 4570
- D. (k)(3) — Exempted by order of the Commission 4580

Information for Possession or Control Requirements Under Rule 15c3-3

State the market valuation and number of items of:

- 1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frame specified under Rule 15c3-3. Notes A and B \$ 4586
 - A. Number of items 4587
 - 2. Customers' fully paid securities and excess margin securities for which instructions to reduce possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B, C and D \$ 4588
 - A. Number of items 4589
- OMIT PENNIES
- 3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 Yes 4584 No 4585

NOTES

- A—Do not include in item one customers' fully paid and excess margin securities required by Rule 15c3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent with the time frames specified under Rule 15c3-3.
- B—State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C—Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.
- D—Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER Transmittal Securities Corp as of 12/31/05

SCHEDULE OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

CUSTOMER'S REGULATED COMMODITY FUTURES ACCOUNTS

SEGREGATION REQUIREMENTS

1. Net ledger balance:		
A. Cash		7010
B. Securities (at market)		7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		7030
3. Exchange traded options:		
A. Add: Market Value of an open option contracts purchased on a contract market		7032
B. Deduct: Market Value of an open option contracts granted (sold) on a contract market		7033
4. Net equity (deficit) (total of 1, 2 and 3)		7040
5. Add accounts liquidating to a deficit and accounts with debit balances with no open trades		7050
6. Amount required to be segregated (total of 5 and 4)		7060

FUNDS ON DEPOSIT IN SEGREGATION

7. Deposited in segregated funds bank accounts:		
A. Cash		7070
B. Securities representing investments of customers' fund (at market)		7080
C. Securities held in particular customers or option customers in lieu of cash (at market)		7090
8. Margin on deposits with clearing organizations of contract markets:		
A. Cash		7100
B. Securities representing investments of customers' fund (at market)		7110
C. Securities held in particular customers or option customers in lieu of cash (at market)		7120
9. Settlement due from (to) clearing organizations of contract markets		7130
10. Exchange traded options:		
A. Add: Unrealized receivables for option contracts purchased on contract markets		7132
B. Deduct: Unrealized obligations for option contracts granted (sold) on contract markets		7133
11. Net equities with other FCMs		7140
12. Segregated funds on hand:		
A. Cash		7150
B. Securities representing investments of customers' funds (at market)		7160
C. Securities held for particular customers in lieu of cash (at market)		7170
13. Total amount in segregation *total of 7 through 12)		\$ 7180
14. Excess (insufficiency) funds in segregation (13 minus 6)		\$ 7190

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

as of 10/31/05

Transmittal Securities Corp

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 Proposal Withdrawal or Accrual See below for code to enter	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)	
54	4600	4601	4602 \$	4603	4604	4605
55	4610	4611	4612	4613	4614	4615
56	4620	4621	4622	4623	4624	4625
57	4630	4631	4632	4633	4634	4635
58	4640	4641	4642	4643	4644	4645
59	4650	4651	4652	4653	4654	4655
60	4660	4661	4662	4663	4664	4665
61	4670	4671	4672	4673	4674	4675
62	4680	4681	4682	4683	4684	4685
63	4690	4691	4692	4693	4694	4695
Total \$						4699*

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* To agree with the total on Recap (Item No. 4880)

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 payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals
4.	15c3-1(c)(2)(iv) Liabilities

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

Capital Withdrawals

PART II

BROKER OR DEALER

Transmittal Securities Corp.

as of 10/2/05

RECAP

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.

1. Equity Capital			
A. Partnership Capital:			
1. General Partners	¶ ₆₅ \$	4700	
2. Limited		4710	
3. Undistributed Profits		4720	
4. Other (describe below)		4730	
5. Sole Proprietorship		4735	
B. Corporation Capital:			
1. Common Stock		4740	
2. Preferred Stock		4750	
3. Retained Earnings (Dividends and Other)	¶ ₆₆	4760	
4. Other (describe below)		4770	
2. Subordinated Liabilities			
A. Secured Demand Notes		4780	
B. Cash Subordinates		4790	
C. Debentures		4800	
D. Other (describe below)		4810	
3. Other Anticipated Withdrawals			
A. Bonuses		4820	
B. Voluntary Contributions to Pension or Profit Sharing Plans	¶ ₆₇	4860	
C. Other (describe below)		4870	
Total			4880
4. Description of Other			
.....			
.....			
.....			

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

1. Balance, beginning of period	\$	323,466	4240
A. Net income (loss)		(89,280)	4250
B. Additions (includes non-conforming capital of	\$	90,000	4260
C. Deductions (includes non-conforming capital of	\$	4272	4270
2. Balance, end of period (From Item 1800)	\$	333,186	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 II

BROKER OR DEALER

Transmittal Securities Corp.

as of 11/1/05

FINANCIAL AND OPERATIONAL DATA

1. Month end total number of stock record breaks unresolved over three business days

	Valuation	Number
A. breaks long	\$ 4890	0 4900
B. breaks short	\$ 4910	0 4920
2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter?
(Check one) Yes 4930 No 4940
3. Personnel employed at end of reporting period:

A. Income producing personnel		1 4950
B. Non-income producing personnel (all other)		3 4960
C. Total		4 4970
4. Actual number of tickets executed during current month of reporting period 22 4980
5. Number of corrected customer confirmations mailed after settlement date 0 4990

	No. of Items	Debit (Short Value)		No. of Items	Credit (Long Value)
6. Money differences	5000	\$ 5010		5020	\$ 0 5030
7. Security suspense accounts	5040	\$ 5050		5060	\$ 0 5070
8. Security difference accounts	5080	\$ 5090		5100	\$ 0 5110
9. Commodity suspense accounts	5120	\$ 5130		5140	\$ 0 5150
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and inter-company accounts which could result in a charge — unresolved amounts over 30 calendar days	5160	\$ 5170		5180	\$ 0 5190
11. Bank account reconciliations — unresolved amounts over 30 calendar days	5200	\$ 5210		5220	\$ 0 5230
12. Open transfers over 40 calendar days, not confirmed	5240	\$ 5250		5260	\$ 0 5270
13. Transactions in reorganization accounts — over 60 calendar days	5280	\$ 5290		5300	\$ 0 5310
14. Total	5320	\$ 5330		5340	\$ 0 5350

	No. of Items	Leger Amount		Market Value
15. Failed to deliver 11 business days or longer (21 Business Days or longer in the case of Municipal Securities)	5360	\$ 5361		0 5362
16. Failed to receive 11 business days or longer (21 business Days or longer in the case of Municipal Securities)	5363	\$ 5364		0 5365
17. Security concentrations (See instructions in Part I):				
A. Proprietary positions			NIA	5370
B. Customers' accounts under Rule 15c3-3			0	5374
18. Total of personal capital borrowings due within six months			0	5378
19. Maximum haircuts on underwriting commitments during the period			0	5380
20. Planned capital expenditures for business expansion during next six months			0	5382
21. Liabilities of other individuals or organizations guaranteed by respondent			0	5384
22. Lease and rentals payable within one year			15,509	5386
23. Aggregate lease and rental commitments payable for entire term of the lease				
A. Gross				5388
B. Net				5390

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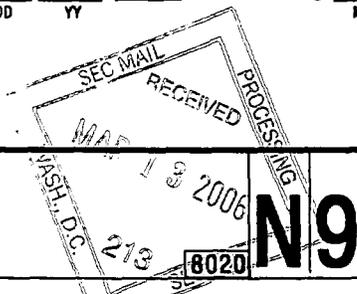
Form
X-17A-5

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)
Schedule I

INFORMATION REQUIRED OF BROKERS AND DEALERS PURSUANT TO RULE 17a-5
Report for the Calendar Year 2005, [8004]
of if less than 12 months

Report for the period beginning MM/DD/YY [8005] and ending MM/DD/YY [8006]

SEC FILE NUMBER
8-12-003602 [8011]



1. NAME OF BROKER DEALER
[2] Transmittal Securities Corp [8020] N9 [8021]
Firm No. M M Y Y

2. Name(s) of Broker-dealer(s) merging with respondent during reporting period:

	NAME:	Code	OFFICIAL USE ONLY	Code
3		[8053]	40	[8057]
4		[8054]		[8058]
5		[8055]		[8059]
6		[8056]		[8060]

3. Respondent conducts a securities business exclusively with registered broker-dealers:
(enter applicable code: 1 = Yes 2 = No) [2] [8073]

4. Respondent is registered as a specialist on a national securities exchange.
(enter applicable code: 1 = Yes 2 = No) [2] [8074]

5. Respondent is registered as a specialist on a national securities exchange.

(a) equity securities	(enter applicable code: 1 = Yes 2 = No)	[2]	[8075]
(b) municipals	(enter applicable code: 1 = Yes 2 = No)	[2]	[8076]
(a) other debt instruments	(enter applicable code: 1 = Yes 2 = No)	[2]	[8077]

6. Respondent is registered solely as a municipal bond dealer:
(enter applicable code: 1 = Yes 2 = No) [2] [8078]

7. Respondent is an insurance company or an affiliate of an insurance company:
(enter applicable code: 1 = Yes 2 = No) [2] [8079]

8. Respondent carries its own public customer accounts:
(enter applicable code: 1 = Yes 2 = No) [1] [8084]

9. Respondent's total number of public customer accounts:
(carrying firms filing X-17A-5 Part II only)

(a) Public customer accounts	[147]	[8080]
(b) Omnibus accounts	[0]	[8081]

10. Respondent clears its public customer and/or proprietary accounts:
(enter applicable code: 1 = Yes 2 = No) [1] [8085]

FOCUS REPORT

Schedule I

page 2

11. Respondent clears its public customer accounts in the following manner:

(enter a "1" in appropriate boxes)

- (a) Direct Mail (New York Stock Exchange Members Only) 8086
- (b) Self-Clearing 8087
- (c) Omnibus 8088
- (d) Introducing 8089
- (e) Other 8090

If Other please describe:

- (f) Not applicable 8091

12. (a) Respondent maintains membership(s) on national securities exchange(s):

(enter applicable code: 1 = Yes 2 = No)

8100

(b) Names of national securities exchange(s) in which respondent maintains memberships:

(enter a "1" in appropriate boxes)

- (1) American 8120
- (2) Boston 8121
- (3) CBOE 8122
- (4) Midwest 8123
- (5) New York 8124
- (6) Philadelphia 8125
- (7) Pacific Coast 8126
- (8) Other 8129

13. Employees:

- (a) Number of full-time employees 8101

- (b) Number of full-time registered representatives employed by respondent included in 13(a) 8102

14. Number of NASDAQ stocks respondent makes market 8103

15. Total number of underwriting syndicates respondent was a member 8104

(Carrying or clearing firms filing X-17A-5 Part II)

16. Number of respondent's public customer transactions: Actual 8105

Estimate 8106

- (a) equity securities transactions effected on a national securities exchange 8107

- (b) equity securities transactions effected other than on a national securities exchange 8108

- (c) commodity, bond, option, and other transactions effected on or off a national securities exchange 8109

FOCUS REPORT

Schedule I

page 3

17. Respondent is a member of the Securities Investor Protection Corporation
(enter applicable code: 1 = Yes 2 = No) ... 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1041 1042 1043 1044 1045 1046 1047 1048 1049 1050 1051 1052 1053 1054 1055 1056 1057 1058 1059 1060 1061 1062 1063 1064 1065 1066 1067 1068 1069 1070 1071 1072 1073 1074 1075 1076 1077 1078 1079 1080 1081 1082 1083 1084 1085 1086 1087 1088 1089 1090 1091 1092 1093 1094 1095 1096 1097 1098 1099 1100 1101 1102 1103 1104 1105 1106 1107 1108 1109 1110 1111 1112 1113 1114 1115 1116 1117 1118 1119 1120 1121 1122 1123 1124 1125 1126 1127 1128 1129 1130 1131 1132 1133 1134 1135 1136 1137 1138 1139 1140 1141 1142 1143 1144 1145 1146 1147 1148 1149 1150 1151 1152 1153 1154 1155 1156 1157 1158 1159 1160 1161 1162 1163 1164 1165 1166 1167 1168 1169 1170 1171 1172 1173 1174 1175 1176 1177 1178 1179 1180 1181 1182 1183 1184 1185 1186 1187 1188 1189 1190 1191 1192 1193 1194 1195 1196 1197 1198 1199 1200 1201 1202 1203 1204 1205 1206 1207 1208 1209 1210 <

TRANSMITTAL SECURITIES CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2005



BERNATH & ROSENBERG, P.C.
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL PLANNERS

James H. Bernath CPA/PFS, CFP
Jacob I. Rosenberg CPA/PFS, CFP

1430 Broadway, 13th Floor
New York, NY 10018-3308
Tel: (212) 221-1140
Fax: (212) 221-1944

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
TRANSMITTAL SECURITIES CORP.
New York, NY

We have audited the accompanying statement of financial condition of **TRANSMITTAL SECURITIES CORP.**, a New York corporation, as of December 31, 2005 and the related statements of income and retained earnings 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 auditing standards generally accepted in the United States of America. 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 **TRANSMITTAL SECURITIES CORP.**, 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 of America.

Bernath & Rosenberg, P.C.

BERNATH & ROSENBERG, P.C.
Certified Public Accountant

New York, NY
February 23, 2006

TRANSMITTAL SECURITIES CORP.
Statement of Financial Condition
As at December 31, 2005

ASSETS

Current Assets	
Cash in Banks	\$ 231,972
Securities Owned at Market Value	5,210
Receivable From Customers	(258)
Prepaid Expenses	2,957
	<hr/>
Total Current Assets	239,881
Other Assets:	
Special Reserve Account for Exclusive Benefit of Customers (Note 2)	99,564
	<hr/>
Total Other Assets	99,564
	<hr/>
TOTAL ASSETS	\$ 339,445
	<hr/> <hr/>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Payable to Customers	
Accrued Expenses and Taxes Payable	6,260
	<hr/>
Total Current Liabilities	6,260
	<hr/>
Total Liabilities	6,260
Stockholders' Equity	
Common Stock, No Par Value	
200 Shares Authorized and Issued	50,000
Additional Paid-in Capital	270,000
Retained Earnings	13,185
	<hr/>
Total Stockholder's Equity	333,185
	<hr/>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 339,445
	<hr/> <hr/>

See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
Statement of Income and Retained Earnings
For the Year Ended December 31, 2005

INCOME:	
Trading Income	\$ 64,554
Service Fee and Commission	902
Dividends and interest	7,247
	72,703
Total Income	72,703
EXPENSES:	
Office Salaries	67,592
Registration and Filing Fees	14,845
Rent	15,509
Subscriptions	133
Professional Fees	16,865
Office Expense	2,662
Utilities	4,466
Payroll Taxes	8,006
Bank Charges and Fees	1,582
Insurance	7,577
Employee Benefits	11,460
Miscellaneous	1,531
	152,228
Total Expenses	152,228
Net loss Before Provision for Taxes	(79,525)
Provision for State and Local Corporate Income Taxes	598
	(80,123)
Net Loss	(80,123)
Retained Earnings - Beginning	93,308
Retained Earnings - Ending	\$ 13,185

See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
Statement of Cash Flows
For the Year Ended December 31, 2005

Cash flows from operating activities:

Net income		\$(80,125)
Changes in assets and liabilities:		
Prepaid Expenses		(2,957)
Inventory of Securities		334
Receivable from Customers		415
Due from Broker		844
Sundry Assets		1,689
Accrued Expenses, Taxes & Sundry Taxables		2,225
Total adjustments		<u>2,550</u>
Net Cash Used in Operations		<u>(77,575)</u>

Cash flows from financing activities:

Additional Paid in Capital		<u>90,000</u>
Net cash provided (used) by financing activities		<u>90,000</u>
Net Decrease in Cash		12,425
Cash at January 1, 2005		<u>319,111</u>
Cash at December 31, 2005		<u><u>\$ 331,536</u></u>

Supplementary Disclosures:

Cash paid during the year for:

Income Taxes		448
--------------	--	-----

See Notes to Financial Statements

TRANSMITTAL SECURITIES CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its financial statements and its income tax reports on the accrual basis. Securities on hand is recorded at market value as required for broker-dealers.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Company is engaged in brokerage activities whose counter parties consist of registered brokers or dealers. In the event, counter parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party. It is the Company's policy to review, as necessary, the credit standing of each counter-party with which it conducts business.

The Company has cash balances in banks in excess of the maximum amount insured by the Federal Deposit Insurance Corporation as of December 31, 2005.

NOTE 2 - SPECIAL RESERVE ACCOUNT

The reserve account of \$99,564 is in excess of reserve requirements.

NOTE 3 - CAPITAL REQUIREMENTS

The concept of the Net Capital Rule of the Securities Exchange Commission is liquidity, and requires a broker dealer to have sufficient liquid assets to cover liabilities. At December 31, 2005, the firm's net capital of \$329,017 computed in accordance with the Rule, exceeded the minimum requirement of \$250,000.

NOTE 4 - INTERNAL CONTROL

No material inadequacies in the firm's internal control were found to exist.

NOTE 5 - SECURITIES

Securities consist of marketable equity securities at quoted market values.

NOTE 6 - FORM X-17A-5

Part II of the most recent annual report on Form X-17A-5 of the corporation is available for examination and copying at its principal office at 82 Wall Street, New York, New York 10005, and at the Securities Exchange Commission.

NOTE 7 -

The Company leases space at 82 Wall Street, New York, N.Y. on a month to month basis, no formal lease exists.

See Auditors' Report .



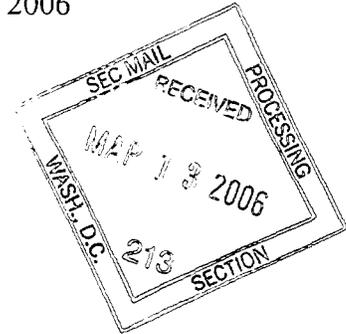
BERNATH & ROSENBERG, P.C.
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1430 Broadway, 13th Floor
New York, NY 10018-3308
Tel: (212) 221-1140
Fax: (212) 221-1944

February 23, 2006

NASD Regulation, Inc.
District 10
NASD Financial Center
33 Whitehall Street
New York, NY 10004-2193



RE: Transmittal Securities Corporation

Gentlemen:

Please be advised that no material differences exist within the audited computation of net capital and the firm's corresponding unaudited FOCUS Report Part II.

Also, please be advised that no material differences exist between the audited computation of 15c3-3 reserve requirements and the firm's corresponding unaudited FOCUS Report Part II.

Also, please be advised that the company meets the requirements under SEC Rule 15c3-3 with respect to the information relating to the possession or control requirements.

Sincerely,

BERNATH & ROSENBERG, P.C.

Jacob I. Rosenberg,
Certified Public Accountant

cc: Transmittal
sb
enclosure