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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

AB 4/19

OMB APPROVAL	
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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 1/1/2005 AND ENDING 12/31/2005
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: FIRST CAPITAL EQUITIES, LTD.

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

175 GREAT NECK ROAD

(No. and Street)

GREAT NECK

(City)

NY

(State)

11021

(Zip Code)

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

DAVID H. SCHWARTZ 516-487-8220

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

LAWRENCE J. KAPLAN

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

10 E. MAIN ST

(Address)

E. ISLIP

(City)

NY

(State)

11730

(Zip Code)

CHECK ONE:

Certified Public Accountant

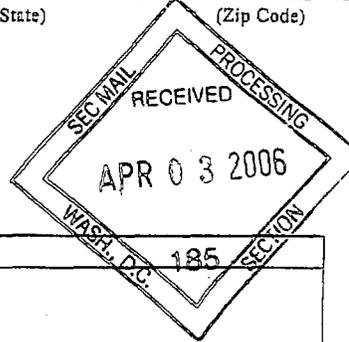
Public Accountant

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

JUL 21 2006

THOMSON FINANCIAL

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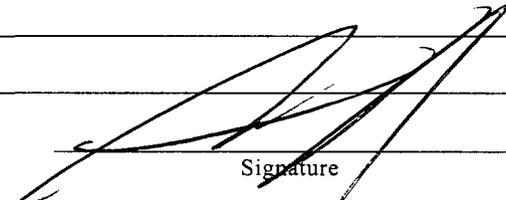
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

AD 7/20/04 6/15

OATH OR AFFIRMATION

I, David H. Schwartz, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of First Capital Equities, Ltd, as of Dec. 31st, 20 05, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE


Signature
president
Title

Christina E. Driscoll

Notary Public

CHRISTINA E. DRISCOLL
NOTARY PUBLIC, STATE OF NEW YORK
No. 01DR30873
Qualified in Queens County
Commission Expires 02/18/2007

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 15c3-1 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).

FIRST CAPITAL EQUITIES, LTD.
REPORT ON FINANCIAL STATEMENTS
JANUARY 1, 2005 to DECEMBER 31, 2005

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LAWRENCE J. KAPLAN, CPA, P.C.
INDEPENDENT AUDITOR'S REPORT

First Capital Equities, Ltd.
Great Neck, New York

I have audited the accompanying statement of financial condition of ~~First Capital Equities, Ltd. as of December 31, 2005, and the related~~ statements of operations, changes in shareholder's equity and 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 my audit.

I 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 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of First Capital Equities, Ltd., 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.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I, II, III, and IV 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 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



East Islip, New York
January 16, 2006

FIRST CAPITAL EQUITIES, LTD.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2005

ASSETS

Current Assets

Cash	\$ 315,464
Interest receivable	4,201
12B-1 Fees receivable	13,300
Commissions receivable	<u>5,898</u>

Total Current Assets \$ 338,863

Furniture and equipment - at cost, less
\$ 11,587 accumulated depreciation (Note 1) - 0 -

Investment in NASDQ Warrants (Note 2) 20,100
Investment in Municipal Bonds - at market 461,480
Security deposits 3,025

TOTAL ASSETS **\$ 823,468**

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities

Accounts payable	\$ 1,565
Accrued franchise tax	<u>425</u>

Total Current Liabilities \$ 1,990

Shareholder's Equity

Common stock, no par value, Authorized - 200 shares	
Issued and outstanding - 100 shares	8,000
Additional paid-in capital	2,000
Retained earnings	<u>811,478</u>

Total Shareholder's Equity 821,478

TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY **\$ 823,468**

FIRST CAPITAL EQUITIES, LTD.
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2005

Revenues		\$ 186,349
Operating Expenses (Note 2)		<u>40,159</u>
 OPERATING INCOME		 146,190
 Interest income	22,417	
Investment management fees	(3,277)	
Unrealized decrease in market value	(<u>13,040</u>)	<u>6,100</u>
 NET INCOME		 \$ <u>152,290</u>

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

	Common Stock		Additional Paid-in Capital	Retained Earnings
	<u>Shares</u>	<u>Amount</u>	<u>Capital</u>	<u>Earnings</u>
Balance - January 1, 2005	100	\$ 8,000	\$ 2,000	\$ 659,188
Net Income for The Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,290</u>
 BALANCE - DECEMBER 31, 2005	<u>100</u>	<u>\$ 8,000</u>	<u>\$ 2,000</u>	<u>\$ 811,478</u>

FIRST CAPITAL EQUITIES, LTD.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2005

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income \$ 152,290

ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

Unrealized decrease in market value 5,086
Increase in commissions receivable \$ (4,533)
Decrease in interest receivable 5,722
Increase in 12B-1 Fees receivable (12,304)
Increase in accounts payable 970

(5,059)

NET CASH PROVIDED BY OPERATING ACTIVITIES

147,231

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of Tax free securities (8,755)

INCREASE IN CASH

138,476

Cash - beginning of year

176,988

CASH - END OF YEAR

\$ 315,464

FIRST CAPITAL EQUITIES, LTD.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

The Corporation has elected, under the applicable provisions of the Internal Revenue Code and the New York State Corporation Tax Act, to be treated as a Small Business Corporation. Accordingly, no provision for taxes based on income has been made in these financial statements.

Revenues are derived primarily from commissions and fees earned upon sale of Mutual Fund investments and Insurance Contracts.

Fixed assets are stated at cost, less accumulated depreciation.

NOTE 2 - COMMITMENTS AND RELATED PARTY TRANSACTION

The Corporation occupies space in an office leased by a related party. Occupancy and other charges, including administrative fees, totalled \$ 24,000, and are included in operating expenses.

NOTE 3 - NET CAPITAL REQUIREMENTS

Pursuant to the basic uniform net capital provisions of the Securities and Exchange Commission, the Company is required to maintain a minimum net capital, as defined. Further, the provisions require that the ratio of aggregate indebtedness, as defined, to net capital shall not exceed 3 to 1. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2005, the Company had net capital and minimum net capital requirements of \$ 738,485 and \$ 5,000 respectively.

SUPPLEMENTARY SCHEDULES

FIRST CAPITAL EQUITIES, LTD.

SCHEDULE I

INFORMATION RELATING TO THE POSSESSION OR CONTROL

REQUIREMENTS UNDER RULE 15c3-3

DECEMBER 31, 2005

The company claims exemption from the requirements of Rule 15c3-3, under Section (k)(2)(i) of the Rule.

FIRST CAPITAL EQUITIES, LTD.
SCHEDULE II
COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1
DECEMBER 31, 2005

Computation of Net Capital

Total shareholder's equity \$ 821,478

Non-allowable assets:

12B-1 Fees receivable	\$ 13,300
Investment in NASDQ warrants	20,100
Other	<u>3,025</u>

36,425

785,053

Haircut - Municipal Bonds

46,568

NET CAPITAL

\$ 738,485

Computation of Basic Net Capital Requirement

Minimum net capital required \$ 133

Minimum net capital requirements of reporting broker-dealer \$ 5,000

Net capital requirement \$ 5,000

EXCESS NET CAPITAL **\$ 733,485**

EXCESS NET CAPITAL AT 1000% **\$ 738,286**

Computation of Aggregate Indebtedness

Total A.I. liabilities \$ 1,990

Ratio of aggregate indebtedness to net capital .0001

FIRST CAPITAL EQUITIES, LTD.

SCHEDULE III

RECONCILIATION PURSUANT TO RULE 17a-5(d) (a)

DECEMBER 31, 2005

Reconciliation of the computation of net capital pursuant to Rule 15c3-1 with the corresponding computation contained in the unaudited part IIa filing of Form X-17A-5 as of December 31, 2005

Net capital per computation contained herein	\$ 738,485
Net capital per computation contained in Part IIa of Form X-17A-5	<u>831,592</u>
DECREASE IN NET CAPITAL	\$ (<u>93,306</u>)
DECREASE IN NET CAPITAL	
Reclassification of haircut on Municipal Bonds	\$ (<u>93,306</u>)

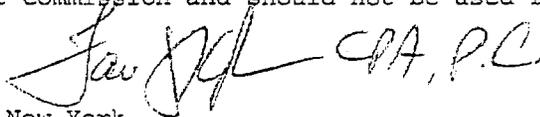
LAWRENCE J. KAPLAN, CPA, P.C.SCHEDULE IV
INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING CONTROLFirst Capital Equities, Ltd.
Great Neck, New York

I have audited the financial statements of First Capital Equities, Ltd. as of and for the year ended December 31, 2005 and have issued my opinion thereon dated January 16, 2006. ~~As part of my audit, I have made an evaluation of the internal control structure of First Capital Equities, Ltd. in effect at December 31, 2005. My evaluation was conducted in accordance with standards established by the American Institute of Certified Public Accountants and Rule 17a-5 of the Securities Exchange Act of 1934. This study and evaluation included the accounting system, and the procedures followed by the company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11). The company is exempt from compliance with Rule 15c-3 and no facts came to my attention indicating that such conditions for exemption had not been complied with during the period. Rule 17a-5 states that the scope of the study and evaluation should be sufficient to provide reasonable assurance that any material weakness existing at the date of my examination would be disclosed. The purpose of my study and evaluation were to determine the nature, timing, and extent of auditing procedures necessary for expressing an opinion on the financial statements and to provide a basis for reporting material weaknesses in internal accounting control under Rule 17a-5. My study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.~~

The management of First Capital Equities, Ltd. is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets 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.

Because of inherent limitations in any internal control structure, errors or irregularities may occur and may not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate. However, my study and evaluation disclosed no condition that I believe to be a material weakness.

This report is intended solely for the use of management and the Securities and Exchange Commission and should not be used for other purposes.



East Islip, New York

January 16, 2006
10 EAST MAIN STREET . SUITE 189 . EAST ISLIP . NY . 11730
TELEPHONE (631) 859-3759 . FAX (631) 859-1246