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



SEC FILE NUMBER
8-48743

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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 04/01/05 AND ENDING 03/31/06
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

OFFICIAL USE ONLY

Beanpot Financial Services, Inc
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
1073 Gage Street

FIRM ID. NO.

(No. and Street)

Winnetka Illinois 60093
(City) (State) (Zip Code)

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

John J. O' Callahan 312-930-6666
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Robert Cooper & Company CPAs, P.C.
(Name - if individual, state last, first, middle name)

401 S. La Salle Street Suite 302 Chicago IL 60605
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED

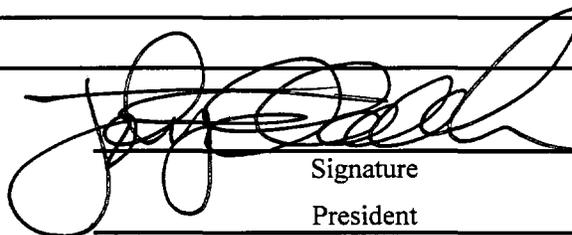
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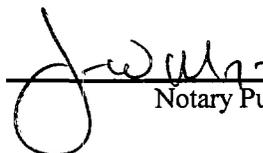
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OATH OR AFFIRMATION

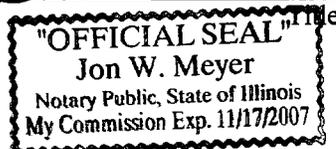
I, John O'Callahan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Beanpot Financial Services, Inc, as of March 31, 2006, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal, officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



Signature
President



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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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 of 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).*

BEANPOT FINANCIAL SERVICES, INC.

FINANCIAL STATEMENTS

MARCH 31, 2006

Beanpot Financial Services, Inc.

Annual Report

For the Year Ended March 31, 2006

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Robert Cooper & Company CPAs P.C.

401 South La Salle Street Suite 302.

Chicago, Illinois 60605

312-322-2238

Fax: 312-322-2238

REPORT OF INDEPENDENT PUBLIC ACCOUNTANT

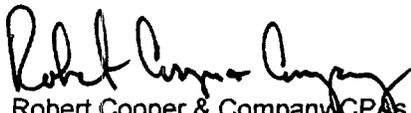
**Board of Directors
Beanpot Financial Services, Inc**

We have audited the accompanying consolidated statement of financial condition of **Beanpot Financial Services, Inc.** (the Company) as of March 31, 2006, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. 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 **Beanpot Financial Services, Inc.** as of March 31, 2006 above present fairly, in all material respects, the consolidated financial position of, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 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 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Robert Cooper & Company CPAs P.C.
Chicago, Illinois 60605
May 15, 2006

Beanpot Financial Services, Inc.
Statement of Financial Condition
March 31, 2006

ASSETS

Cash	\$	205,201
		<hr/>
	\$	<u>205,201</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities		
Salaries payable	\$	60,000
Due to Broker Dealer		6,102
Due to shareholders		<hr/>
		66,102
Stockholders Equity		
Common Stock - no par value		
1000 shares authorized 500		
issued and outstanding		1,000
Preferred Stock - 100 Par value 8% Non-cummulative		
1000 shares authorized 500 issued and outstanding		50,000
Additional paid in capital		44,566
Retained earnings		43,533
		<hr/>
		139,099
	\$	<u>205,201</u>
		0

The accompanying notes should be read in
conjunction with the financial statements

Beanpot Financial Services, Inc.
Statement of Income
For the Year Ended March 31, 2006

REVENUES

Commissions on SEC	\$ 750,663
Other income	<u>1,317</u>
Total Revenues	751,980

EXPENSES

Payroll Expense	864,558
Professional fees	8,400
Insurance	49,459
Data services, on-line fees and quote fees	15,752
Telephone and communication charges	14,364
Other operating expenses	<u>92,444</u>
Total Expenses	1,044,977
Net income before provision of income taxes	<u>(292,997)</u>
Provisions for taxes tax benefit	<u>45,425</u>
Net Income for year	<u>\$ (247,572)</u>

The accompanying notes should be read in
conjunction with the financial statements

Beanpot Financial Services, Inc.
Statement of Changes of Stockholder's Equity
For the year ended March 31, 2006

	COMMON STOCK	PREFERRED STOCK	ADDITIONAL PAID IN CAPITAL	RETAINED EARNINGS	TOTAL
Balances					
April 1, 2005	\$1,000	\$50,000	\$44,566	\$291,105	\$386,671
				0	
Net Income for year				(247,572)	(\$247,572)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
March 31, 2006	<u>\$1,000</u>	<u>\$50,000</u>	<u>\$44,566</u>	<u>\$43,533</u>	<u>\$139,099</u>

The accompanying notes should be read in
conjunction with the financial statements

Beanpot Financial Services, Inc.
Statement of Cash Flows
For the Year Ended March 31, 2006

Cash flows from operations	
Net Income	\$ (247,572)
Adjustments to reconcile net income to cash used in operations:	
Decrease in accounts receivable	141,716
Increase in salaries payable	60,000
Decrease in Accounts payable	<u>(39,322)</u>
Net cash provided by operating activities	162,394
Cash flows from financing activities	
decrease in loans from shareholders	188,300
Increase in loans/advances	<u> </u>
Net cash provided from financing activities	188,300
Change in Cash	\$ <u>103,122</u>
Cash at beginning of year	102,079
Cash at end of year	<u>\$ 205,201</u>

0

The accompanying notes should be read in
conjunction with the financial statements

BEANPOT FINANCIAL SERVICES, INC.
(An Illinois corporation)
Notes to Financial Statements
March 31, 2006

1. COMPANY ORGANIZATION

Beanpot Financial Services, Inc. ("The Company") was incorporated under the laws of the State of Illinois on November 16, 1991. The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). The Company is also a guaranteed introducing broker (IB). The guarantor is Man Financial, Inc. a registered Futures Commission Merchant (FCM) and a registered broker-dealer. The Company will try to match up a potential client to a primary broker dealer so that that broker dealer will do the execution that customers business. In return the Company earns a commission.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Receivables from brokers and dealers

The Company clears certain of its proprietary and commission transactions through another broker-dealer on a fully disclosed basis. The amounts receivable from the broker dealer are positive cash balances. Trailing commissions are booked as earned at the end of the month.

Commissions

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur. Trailing commissions are paid to the Company for the referral of business to the primary broker dealer in return for getting the execution business.

Cash Equivalents

The Company has defined cash equivalents as highly liquid investments, with original maturities of less than ninety days.

3. INCOME TAXES

The Company is taxed as a Personal Service Corporation for federal income tax purposes. The Company files on a calendar year for tax purposes. For the year ending March 31, 2006 the Company incurred a tax benefit of \$45,424.

BEANPOT FINANCIAL SERVICES, INC.
(An Illinois corporation)
Notes to Financial Statements
March 31, 2006

4. NET CAPITAL REQUIREMENTS

As a registered NASD broker-dealer, Beanpot Financial Services, Inc. is subject to the net capital requirements of the Securities and Exchange Commission's "Uniform Net Capital Rule" (Rule 15c3-1). Beanpot Financial Services, Inc. is required to maintain minimum net capital, as defined, equal to the greater of \$30,000 or 6 2/3% of aggregate indebtedness. At March 31, 2006 the Company had net capital of \$139,099. The net capital was \$109,099 in excess of the required minimum net capital.

5. Loan to shareholder

The Company had an advance carried on the books as a loan to shareholder in the amount of \$188,300. The loan was treated as compensation to the shareholders and expensed during the year.

6. Preferred stock

The preferred stock is an 8% non-commutative dividend paying stock.

7. Firm commitments

The company has a lease commitment for their office space in Winnetka. The Future minimum lease payments are as follows:

April 1, 2006- June 30, 2006	\$1,890
June 1, 2006- June 30 2007	\$7,620

8. Subsequent events

The Company has nothing to report

SCHEDULE I

Beanpot Financial Services, Inc.
Computation of Net capital Under 15C 3-1
of the Securities and Exchange Commission
March 31, 2006

Total stockholder's equity	\$ 139,099
Haircut's required	0
Non allowable assets	0
Net Capital	<u>139,099</u>
Minimum net capital requirement	30,000
Excess Net capital	<u>\$ 109,099</u>
Excess net capital at 1000%	<u>\$ 132,489</u>

The accompanying notes should be read in
conjunction with the financial statements

SCHEDULE I

Beanpot Financial Services, Inc.
 Computation of Net capital Under 15C 3-1 (continued)
 of the Securities and Exchange Commission
 March 31, 2006

OF AGGREGATE INDEBTEDNESS

Aggregate Indebtedness

Items included in the balance sheet:

Due to broker dealer	\$	6,102
Salaries payable		60,000
	\$	<u>66,102</u>

Ratio: Aggregate Indebtedness
 to Net Capital

47.5215%
 to 1

Statement pursuant to paragraph (d) (4) of rule 17a-5
 are no material differences between the amount presented in the computation of net capital
 above and the amount as reported in the Company's unaudited Part IIA Focus reported as
 of March 31, 2006.

The accompanying notes should be read in
 conjunction with the financial statements

**BEANPOT FINANCIAL SERVICES, INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
AND INFORMATION RELATING TO POSSESSION AND CONTROL
REQUIREMENTS PURSUANT TO RULE 15c3-3**

MARCH 31, 2006

**RESERVE COMPUTATION
(See note below)**

**INFORMATION FOR POSSESSION AND CONTROL REQUIREMENTS
(See note below)**

Note: THE COMPANY, is exempt from Rule 15c3-3, it does not transact a business in securities with, or for, other than members of a national securities exchange and does not carry margin amounts, credit balances or securities for any person defined as a "customer" pursuant to Rule 17a-5(c)(4). Accordingly, there are no amounts reportable under these sections.

Board of Directors
Beanpot Financial Services, Inc:

In planning and performing our audit of the consolidated financial statements and supplemental schedules of Beanpot Financial Services, Inc (the Company), for the year ended March 31, 2006, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by rule 17a-13
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

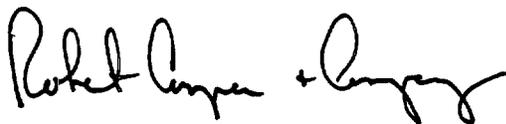
The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at March 31, 2006, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, National Association of Securities Dealers, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Robert Cooper + Company". The signature is written in a cursive, flowing style.

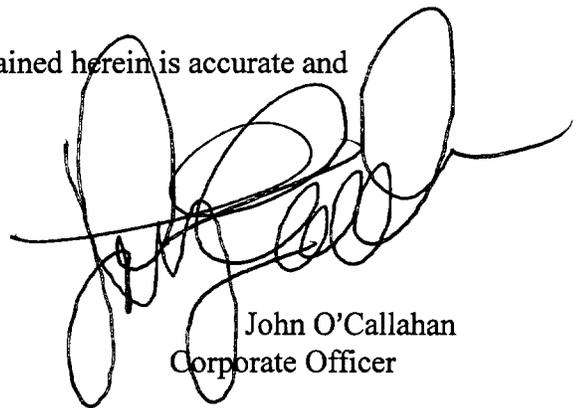
Beanpot Financial Services, Inc.
Reconciliation from audit report to FOCUS
For the year ended March 31, 2006

Balance Sheet

Assets per audit report	\$	205,201.00
Assets per FOCUS filing		407,584.00
difference		202,383.00
reclass of due to shareholder to loan to shareholder		(188,300.00)
reconciliation of trading account to zero balance		(2,428.00)
reconciliation of Refco Account to actual balance		(11,655.00)
Liabilities per audit report		66,102.00
Liabilities		60,000.00
difference		(6,102.00)
reclass of Refco Account balance		6,102.00
expense of payroll tax receivable		
difference		0.00
Income statement per audit report		(247,572.00)
Annual Income per FOCUS filing		(84,509.83)
Difference is due to loan to shareholders being expensed & tax benefit		(163,062.17)

OATH OR AFFIRMATION
REGARDING ACCURACY AND COMPLETENESS
OF FINANCIAL STATEMENTS AS OF FOR
THE YEAR ENDING March 31, 2006.

To the best of my knowledge and belief, the information contained herein is accurate and complete.



John O'Callahan
Corporate Officer