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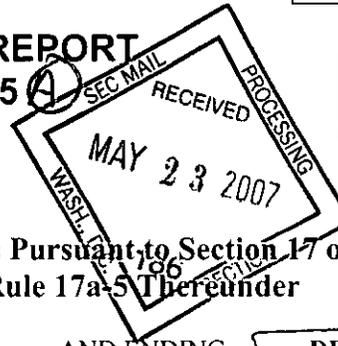
MISSION

Washington, D.C. 20549

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

SEC FILE NUMBER  
 8-49996



FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2006 AND ENDING DECEMBER 31, 2006  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER DEALER: **J W RICHARDS, INC.**

OFFICIAL USE ONLY

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

FIRM ID. NO.

**1385 WEST STATE ROAD 434**

(No. and Street)

**LONGWOOD**

**FLORIDA**

**32750**

(City)

(State)

(Zip Code)

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

**TIMOTHY WARD**

**407-774-6281**

(Area Code - Telephone No.)

**B. ACCOUNTANT DESIGNATION**

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

**OHAB AND COMPANY, PA**

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

**100 E. SYBELIA AVENUE, SUITE 130**

**FLORIDA**

**32751**

(Address and City)

(State)

(Zip Code)

CHECK ONE:

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

**PROCESSED**

**MAY 30 2007**

FOR OFFICIAL USE ONLY	<b>THOMSON FINANCIAL</b>
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\*Claims for exemption from the requirement that the annual audit 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).

Potential persons who are to respond to the collection of information contained in this form are required to respond unless the form displays a current valid OMB control number.

SEC 1410 (06-02)

*Handwritten signature/initials*

OATH OR AFFIRMATION

I, TIMOTHY WARD, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm or J W RICHARDS, INC., as of December 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]  
Signature  
CHIEF FINANCIAL OFFICER  
Title

[Signature]  
Public Notary



**SHERYL KISLING**  
NOTARY PUBLIC - STATE OF FLORIDA/  
COMMISSION # DD464072  
EXPIRES 8/21/2009  
BONDED THRU 1-888-NOTARY1

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 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 15c3-1.
- (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).

**J.W. RICHARDS, INC.**  
**COMPUTATION AND RECONCILIATION OF NET CAPITAL UNDER**  
**RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION**  
**AS OF DECEMBER 31, 2006**

**Computation of Basic Net Capital requirement:**

Total stockholder's equity qualified for net capital	\$ 89,428
Non -allowable assets:	
Property and equipment	5,431
Deposits	13,788
Goodwill	<u>38,999</u>
Total non -allowable assets	58,218
Haircuts	<u>-</u>
Net capital	\$ 31,210
Minimum net capital requirements:	
6 2/3% of total aggregate indebtedness (\$1,052)	
Minimum dollar net capital requirement (\$5,000)	
Net capital requirement (greater of above two minimum requirement amounts)	<u>5,000</u>
Net capital in excess of required minimum	<u>\$ 26,210</u>
Excess net capital at 1000%	<u>\$ 29,860</u>
Reconciliation:	
Net capital, per pages 9-10 of the December 31, 2006 unaudited FOCUS Report, as filed	\$ 15,685
Audit adjustments:	
Accounts payable	(1,576)
Accounts receivable	12,742
Accrued expenses	2,301
Accumulated depreciation	(46)
Property and equipment	895
Cash	<u>1,209</u>
Net capital	<u>\$ 31,210</u>

END

*The accompanying notes are an integral part of these financial statements.*