

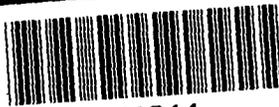
SECURITIES AND EXCHANGE COMMISSION

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

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OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response ..... 12.00

**SEC FILE NUMBER**

8-8511

**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 3/1/2012

AND ENDING 2/28/2013

MM/DD/YY

MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: First Mutual Planning Corp.

**OFFICIAL USE ONLY**

309

FIRM I.D. NO.

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

7370 S. Oriole Blvd. #6010

(No. and Street)

Delray Beach

(City)

FL

(State)

33446

(Zip Code)

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

Herbert Abelow

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

D'Arelli Purzansky, P.A.

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

7280 W. Palmetto Park Rd. Suite 308-N

(Address)

Boca Raton

(City)

FL

(State)

33433

(Zip Code)

**CHECK ONE:**

Certified Public Accountant

Public Accountant

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

**FOR OFFICIAL USE ONLY**

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

SEC 1410 (06-02)

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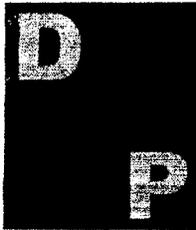
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# D'Arelli Pruzansky, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

### Independent Auditor's Report

To the Stockholder  
First Mutual Planning Corp.

#### **Report on the Financial Statements**

We have audited the accompanying statement of financial condition of First Mutual Planning Corp., (the Company) as of February 28, 2013, and the related statements of operations, changes in Stockholder's equity and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of First Mutual Planning Corp., as of February 28, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained in the supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information in the supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Boca Raton, Florida  
April 9, 2013

*D'Arelli Pruzansky, P.A.*  
Certified Public Accountants

**FIRST MUTUAL PLANNING CORP.  
STATEMENT OF FINANCIAL CONDITION  
FEBRUARY 28, 2013**

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**ASSETS**

Cash & Cash Equivalents	\$ 13,349
Total assets	<u>\$ 13,349</u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

Liabilities	
Accrued expenses	\$ 7,300
Total liabilities	<u>7,300</u>
Stockholder's equity	
Common Stock, \$1.00 par value, 2,000 shares authorized, issued and outstanding	2,000
Additional Paid In Capital	110,180
Accumulated Deficit	<u>(106,131)</u>
Total stockholder's equity	<u>6,049</u>
Total liabilities and stockholder's equity	<u>\$ 13,349</u>

See accompanying notes to financial statements

**FIRST MUTUAL PLANNING CORP.**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2013**

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Income:		
Commissions	\$	5,461
Total income		<u>5,461</u>
Expenses:		
Salary, benefits and related payroll expenses		2,756
Professional Fees		7,700
Communication Expense		360
Regulatory Fees		1,459
Insurance		1,000
Rent		350
Other Expense		241
Total expenses		<u>13,866</u>
Net loss		<u>(8,405)</u>

See accompanying notes to financial statements

**FIRST MUTUAL PLANNING CORP.  
STATEMENT OF STOCKHOLDER'S EQUITY  
FOR THE YEAR ENDED FEBRUARY 28, 2013**

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	<b>Common Stock - \$1 Par Value</b>		<b>Additional</b>	<b>Accumulated</b>	
	<b>Shares</b>	<b>Amount</b>	<b>Paid-in Capital</b>	<b>Deficit</b>	<b>Total</b>
Balance, February 28, 2012	<u>2,000</u>	<u>\$ 2,000</u>	<u>\$ 110,180</u>	<u>\$ (97,726)</u>	<u>\$ 14,454</u>
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,405)</u>	<u>(8,405)</u>
Balance, February 28, 2013	<u>2,000</u>	<u>\$ 2,000</u>	<u>\$ 110,180</u>	<u>\$ (106,131)</u>	<u>\$ 6,049</u>

See accompanying notes to financial statements

**FIRST MUTUAL PLANNING CORP.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2013**

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Cash flows from operating activities:	
Net loss	\$ (8,405)
Adjustment to reconcile net loss to net cash used in operating activities	
Changes in assets and liabilities:	
Decrease in Accrued Expenses	(243)
Net cash used in operating activities	<u>(8,648)</u>
Cash flows from investing activities:	
Net cash provided by investing activities	<u>-</u>
Cash flows from financing activities:	
Net cash provided by financing activities	<u>-</u>
Net cash decrease	(8,648)
Cash, beginning of year	21,997
Cash, end of year	<u>\$ 13,349</u>
Supplemental disclosure of cash flow information:	
Cash paid during the year for interest	<u>\$ -</u>
Cash paid during the year for taxes	<u>\$ -</u>

See accompanying notes to financial statements

**First Mutual Planning Corp.  
Notes to the Financial Statement  
As at February 28, 2013**

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**NOTE 1 – DESCRIPTION OF THE BUSINESS**

First Mutual Planning Corp. (the "Company"), is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company was organized under the laws of the State of New York on March 28, 1960 and is registered to be in business as a broker/ and or dealer in securities of all types, including all types of Mutual Funds.

**NOTE 2 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash and Cash Equivalents**

The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

**Revenue Recognition**

The Company recognizes revenue from commissions as the services are performed and cash collection is assured. The company also recognizes revenue for consulting services rendered by its president in the same manner.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Income Taxes**

The Company accounts for income taxes under ASC 740 "Income Taxes". Under ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those assets or liabilities are expected to be recovered or settled. Under ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

**NOTE 3 – INCOME TAXES**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company had no net deferred tax assets as of February 28, 2013 due to the establishment of a full valuation allowance to offset the deferred tax asset of approximately \$33,325 related to its net operating loss carry forwards.

**First Mutual Planning Corp.**  
**Notes to the Financial Statement**  
**As at February 29, 2013**

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**NOTE 3 – INCOME TAXES, CONTINUED**

The reconciliation of the income tax computed at the U.S. federal statutory rate to income tax expense for the period ended February 28, 2013:

Tax provision (benefit) at statutory rates (35%)	\$ (2,942)
State taxes, net of federal tax benefit	(294)
Change in valuation allowance	<u>3,236</u>
Net income tax benefit	<u>\$ -</u>

At February 28, 2013 the Company has tax net operating loss carry forwards of approximately \$128,400 to offset taxable income through tax years ending February 28, 2033. Utilization of these loss carry forwards may be limited in the event of a more than 50% change in ownership pursuant to IRC section 382.

**NOTE 4 – NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1, except for the first 12 months of operations when it shall not exceed 8 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At February 28, 2013, the Company had net capital of \$ 6,049, which was \$ \$1,049, in excess of its required net capital of \$5,000, which is the greater of the minimum of \$5,000 or 6 2/3% of total aggregate indebtedness. The Company's ratio of aggregate indebtedness to net capital computed in accordance with Rule 15c3-1 was 1.21 to 1.

The Company qualifies under the exempt provisions of Rule 15c3-3 under Section (k)(2)(ii) of the Rule, as it does not carry security accounts of customers or perform custodial functions related to customer securities.

**NOTE 5 – SUBSEQUENT EVENTS**

We have evaluated subsequent events through April 9, 2013, the date the financial statements were available to be issued. There are no significant subsequent events as of that date.

**SUPPEMENTARY INFORMATION**

**FIRST MUTUAL PLANNING CORP.**  
**STATEMENT OF NET CAPITAL COMPUTATION**  
**FEBRUARY 28, 2013**

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NET CAPITAL COMPUTATION:

Total Stockholder's Equity	\$ 6,049
Deductions and/or changes	
Non allowable assets:	-
Net capital before haircuts on security positions	<u>6,049</u>
Haircuts on securities	
Net capital	6,049
Required minimum capital	<u>5,000</u>
Excess net capital	<u><u>\$ 1,049</u></u>

AGGREGATE INDEBTEDNESS:

Aggregate indebtedness as included in the Statement of Financial Condition	<u>7,300</u>
Total aggregate indebtedness	<u><u>\$ 7,300</u></u>
Ratio of aggregate indebtedness to net capital	<u>1.21 to 1</u>

RECONCILIATION:

Net Capital, per February 28, 2013 Focus Report	\$ 6,049
Net Audit Adjustments	-
Net Capital, per February 28, 2013 audited report, as filed	<u><u>\$ 6,049</u></u>

**First Mutual Planning Corp.**  
**Computation for Determination of Reserved Requirement**  
**As at February 28, 2013**

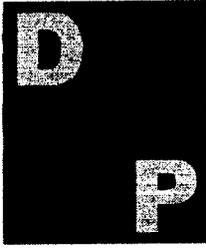
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The Company did not make a computation for determining the reserve requirement to Rule 15c3-3 as they are exempt pursuant to subparagraph (k)(2)(ii) of Rule 15c3-3 due to limited business.

**First Mutual Planning Corp.**  
**Information Relating to the Possession or Control Requirements**  
**As at February 28, 2013**

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The Company did not supply information relating to the possession or control requirements under Rule 15c3-3 as they are exempt pursuant to subparagraph (k)(2)(ii) of Rule 15c3-3 due to limited business.



# D'Arelli Pruzansky, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

### **REPORT ON INTERNAL CONTROL REQUIRED BY SEC RULE 17a-5 FOR A BROKER-DEALER CLAIMING AN EXEMPTION FROM SEC RULE 15c3-3**

To the Stockholders  
First Mutual Planning Corp.  
Delray Beach, FL

In planning and performing our audit of the financial statements and supplemental schedules of First Mutual Planning Corp. for the year ended February 28, 2013, 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 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 exempted 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 related to 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 accordance 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, which 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 February 28, 2013 to meet the SEC's objectives.

This report is intended solely for the information and use of the Member, management, the SEC 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.

*D'Anelli Pruzansky, P.A.*  
Certified Public Accountants

Boca Raton, Florida  
April 9, 2013