

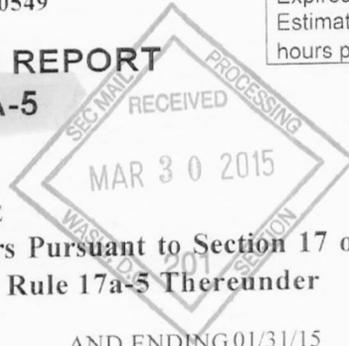


UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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



SEC FILE NUMBER
8- 43828

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 02/01/14 AND ENDING 01/31/15
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: EarlyBirdCapital, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

One Huntington Quadrangle, Suite 4C18
(No. and Street)

Melville NY 11747
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Eileen Moore (631) 770-0608
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

805 Third Avenue New York NY 10022
(Address) (City) (State) (Zip Code)

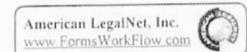
CHECK ONE:

- 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) Potential persons who are to 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.



3/31/15

OATH OR AFFIRMATION

I, Eileen Moore, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of EarlyBirdCapital, Inc., as of January 31, 2015, 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

COLEEN MCGLYNN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MC6210748
Qualified in Queens County
My Commission Expires August 31, 2017

[Handwritten signature of Coleen McGlynn]
Notary Public

[Handwritten signature of Eileen Moore]
Signature

Chief Financial Officer
Title

- 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).

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Financial Statements and Schedules
January 31, 2015

RBSM_{LLP}

Accountants & Advisors

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Financial Statements and Schedules
January 31, 2015

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Accountants & Advisors

805 Third Avenue
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholder of
EarlyBirdCapital, Inc.

We have audited the accompanying financial statements of EarlyBirdCapital, Inc, which comprise the statement of financial condition as of January 31, 2015, and the related statements of operations, changes in stockholder's equity, changes in liabilities subordinated to claims of creditors 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 and supplemental information. EarlyBirdCapital, Inc's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 condition of EarlyBirdCapital, Inc. as of January 31, 2015, and the results of its operations and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

The Schedule I, Computation of Net Capital Under Rule 15c3-1 has been subjected to audit procedures performed in conjunction with the audit of EarlyBirdCapital, Inc.'s financial statements. The supplemental information is the responsibility of EarlyBirdCapital, Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the information in Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.

RBSM LLP

New York, NY
March 25, 2015

New York, NY Washington DC Mumbai, India San Francisco, CA Beijing, China Athens, Greece

Member: ANTEA International with affiliated offices worldwide

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Statement of Financial Condition
January 31, 2015

Assets		
Cash and cash equivalents	\$	13,707,764
Certificates of deposit		797,708
Restricted cash - clearing account		500,696
Clearing firm receivable		1,935
Investments		3,877,741
Property and equipment, net		176,934
Other assets		180,149
Total assets	\$	<u>19,242,927</u>
Liabilities and Stockholder's Equity		
Liabilities:		
Accounts payable and accrued expenses	\$	456,076
Commissions payable		70,192
Deferred expenses		62,475
Deferred rent		158,132
Due to related party		603,000
Subordinated loans		2,900,000
Total liabilities		<u>4,249,875</u>
Stockholder's equity:		
Common stock, no par value, 1,500 shares authorized 500 shares issued and outstanding		14,009,379
Retained earnings		983,673
Total stockholder's equity		<u>14,993,052</u>
Total liabilities and stockholder's equity	\$	<u>19,242,927</u>

See accompanying notes to financial statements

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Statement of Operations
Year ended January 31, 2015

Revenue:

Commissions	\$ 321,373
Investment banking and underwriting	11,207,951
Syndicate commissions	5,057,484
Net realized gain on the sale of marketable securities	14,000
Net unrealized loss on marketable securities	(2,074,982)
Interest and dividends	276,259
Other revenue	559,992

Total revenue 15,362,077

Expenses:

Compensation and benefits	10,164,105
Syndicate and underwriting expense	957,005
Clearing and floor brokerage	144,338
Occupancy and equipment	637,040
Communications	116,074
Professional fees	556,236
Depreciation	49,692
Interest	295,957
Other general and administrative	1,104,162

Total expenses 14,024,609

Net income before income taxes 1,337,468

Income tax expense 603,000

Net income \$ 734,468

See accompanying notes to financial statements

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Statement of Changes in Stockholder's Equity
Year ended January 31, 2015

	<u>Common Stock</u> <u>(no par value)</u>	<u>Retained</u> <u>Earnings</u>	<u>Stockholder's</u> <u>Equity</u>
Balance at February 1, 2014	\$ 14,009,379	\$ 249,205	\$ 14,258,584
Net income	<u>-</u>	<u>734,468</u>	<u>734,468</u>
Balance at January 31, 2015	<u>\$ 14,009,379</u>	<u>\$ 983,673</u>	<u>\$ 14,993,052</u>

See accompanying notes to financial statements

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Statement of Changes in Liabilities Subordinated to Claims of Creditors
Year ended January 31, 2015

	<u>Total Subordinated Loans</u>
Balance at February 1, 2014	\$ -
Proceeds	22,900,000
Repayments	<u>(20,000,000)</u>
Balance at January 31, 2015	\$ <u>2,900,000</u>

See accompanying notes to financial statements

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Statement of Cash Flows
Year ended December 31, 2015

Cash flows from operating activities:	
Net income	\$ 734,468
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	49,692
(Increase) decrease in operating assets:	
Clearing firm receivable	85,646
Fees receivable, net	1,100,782
Marketable securities	(1,378,191)
Other assets	(26,103)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	(543,992)
Commissions payable	46,406
Deferred expenses	62,475
Deferred rent	135,666
Due to related party	603,000
Net cash provided by operating activities	<u>869,849</u>
Cash flows from investing activities:	
Purchase of property and equipment	(190,255)
Certificates of deposit	(276,538)
Certificates of deposit - restricted	95,453
Restricted cash - clearing account	(271)
Net cash used in investing activities	<u>(371,611)</u>
Cash flows from financing activities:	
Proceeds from subordinated loans	22,900,000
Repayments of subordinated loans	(20,000,000)
Net cash provided by financing activities	<u>2,900,000</u>
Net increase in cash and cash equivalents	3,398,238
Cash and cash equivalents at beginning of year	<u>10,309,526</u>
Cash and cash equivalents at end of year	<u>\$ 13,707,764</u>
Supplemental disclosure of cash flow information:	
Cash paid during the year for:	
Interest	\$ <u>273,482</u>
Income taxes	\$ <u>-</u>

See accompanying notes to financial statements

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

1. Organization

EarlyBirdCapital, Inc. (the "Company"), is a wholly owned subsidiary of EBC Holdings, Inc. (the "Parent") which, in turn is a 87.5% owned subsidiary of Firebrand Financial Group, Inc. ("FFGI"). The Company is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA").

The Company's primary activities include the origination, underwriting and distribution of equity securities for early stage, emerging growth companies to investors in public and private offerings, as well as the generation of commission income from the securities brokerage business.

All customer accounts are cleared through and carried with Wedbush Securities, Inc., on a fully disclosed basis.

2. Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents

The Company considers highly liquid financial instruments with maturities of three months or less at the time of purchase to be cash equivalents.

The Company maintains its cash in bank accounts at high credit quality financial institutions. The balances at times may exceed federally insured limits.

The Company maintains a cash account required by the brokerage clearing company utilized by the Company. This amount is classified as restricted cash – clearing account, on the accompanying financial statements.

(b) Estimates

The preparation of the 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Fair Value of Financial Instruments

Substantially all of the Company's financial assets and liabilities are carried at market or fair value, or at amounts which approximate current fair value due to their short-term nature.

Effective June 1, 2008, the Company adopted the guidance for assets and liabilities measured at fair value on a recurring basis. The guidance establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, the guidance requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The fair values of financial assets of the Company were determined using the following categories at January 31, 2015:

	Quoted prices in active markets (Level 1)	Observable market based inputs (Level 2)	Value at January 31, 2015
Corporate stocks	\$ 1,544,667	\$ 1,748,300	\$ 3,292,967
Unit purchase options	-	584,774	584,774
Total Investments	<u>1,544,667</u>	<u>2,333,074</u>	<u>3,877,741</u>
Cash equivalents	<u>10,534,971</u>	-	<u>10,534,971</u>
Total	\$ <u>12,079,638</u>	\$ <u>2,333,074</u>	\$ <u>14,412,712</u>

Cash and cash equivalents of approximately \$13,707,764 include money market securities of \$10,534,971 that are considered to be highly liquid and easily tradable as of January 31, 2015. These securities are valued using inputs observable in active markets for identical securities and are therefore classified as Level 1 within our fair value hierarchy.

Level 2 investments represent restricted marketable securities and unit purchase options, which are valued based upon quoted market prices of identical unrestricted securities. The Company values such securities at a) cost, which is adjusted if the market value of the identical security declines; b) market value of the identical security, discounted to account for the restriction, or; c) undiscounted market value of the identical security.

(d) Revenue and Expense Recognition

The Company earns revenue (commissions) from brokerage activities, which are recognized on the day of trade – trade date basis. Investment banking income includes fees earned for financial advisory, underwriting and placement services. Financial advisory fees are earned throughout the term of the financial advisory agreement.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

Fees for underwriting and placement services are recognized when the deal is completed and the income is reasonably determinable. M&A fees are recognized upon the consummation of a business combination. Selling concessions from initial public offerings are included in syndicate commissions.

The Company may receive equity instruments which include unit purchase options and common and preferred stock from companies as part of its compensation for investment-banking services that are classified as investments on the balance sheet, if still held at the financial reporting date. These instruments are stated at fair value in accordance with the guidance for “certain investments in debt and equity securities” and the guidance for “Accounting by a grantee for an equity instrument to be received in conjunction with providing goods or services.” Primarily all of the equity instruments are received from small public companies. The stock and the unit purchase options received are typically restricted as to resale, though the Company generally receives a registration right within one year. Company policy is to resell these securities in anticipation of short – term market movements. The Company recognizes revenue for such unit purchase options when received based on the Black Scholes valuation model. On a monthly basis the Company recognizes unrealized gains or losses in the statement of operations based on the changes in value in the unit purchase options as determined by the Black Scholes valuation model. Realized gains or losses are recognized in the statement of operations when the related unit purchase option is exercised and sold.

(e) Investments

The Company classifies its existing marketable equity securities as Trading Securities in accordance with the guidance for “Accounting for Certain Investments in Debt and Equity Securities.” These securities are carried at fair market value. Realized gains or losses are recognized in the statement of operations when securities are sold. Gains or losses on securities sold are based on the specific identification method. Unrealized gains or losses are recognized in the statement of operations on a monthly basis based on changes in the fair value of the security as quoted on national or inter-dealer stock exchanges.

(f) Depreciation and Amortization

Office furniture, equipment and leasehold improvements are stated at cost, net of accumulated depreciation. Office furniture and equipment are depreciated using either an accelerated or straight- line method, where applicable, over their estimated useful lives. Leasehold improvements are amortized over the lesser of the life of the lease or estimated useful life per management.

(g) Income Taxes

Deferred income taxes 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 be recovered or settled. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

(h) Certificates of Deposit

Certificates of deposit of \$797,708 as of January 31, 2015 mature on various dates from August 2015 to April 2016. Included in this amount is a restricted security deposit securing a letter of credit of \$196,764.

3. Investments

Investments, as shown in the accompanying statement of financial condition, consist primarily of marketable trading securities, restricted stocks, warrants and unit purchase options. Their cost and estimated fair market value at January 31, 2015 are as follows:

	<u>Cost</u>	<u>Unrealized Loss</u>	<u>Value</u>
Investments	\$ 6,509,585	\$ (2,631,844)	\$ 3,877,741

4. Property and Equipment

Property and equipment consists of the following at January 31, 2015:

	<u>Life</u>		
Furniture	5 years	\$	94,291
Equipment	5 years		366,908
Leasehold improvements	5 years		<u>68,398</u>
			529,597
Accumulated depreciation			<u>(352,663)</u>
Property and equipment, net		\$	<u>176,934</u>

Depreciation and amortization expense for the year ended January 31, 2015 was \$49,692.

5. Income Taxes

The Company is included in the consolidated income tax returns of FFGI. The years open for IRS, state and local examination for FFGI are years 2012 – 2014.

Taxes are reported as if the Company files on a stand-alone basis.

The components of the provision for taxes at January 31, 2015, are as follows:

Current	\$	1,499,000
Deferred		<u>(896,000)</u>
Net	\$	<u>603,000</u>

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

The reconciliation between the expected income tax expense computed using the statutory federal rate of 35%, and the actual income tax expense is as follows:

Federal tax expense	\$ 407,000
State and local tax expense, net of federal benefit	175,000
Permanent differences	<u>21,000</u>
Tax expense per financial statements	\$ <u>603,000</u>

The net tax expense attributable to the Company per the financial statements was included as due to related party on the Statement of Financial Condition as FFGI is responsible for the consolidated tax provisions. The deferred tax asset will be utilized at the FFGI level.

6. Commitments and Contingencies

(a) In the normal course of business, the Company enters into underwriting agreements, letters of intent to underwrite and other Investment banking commitments. The Company does not anticipate any material adverse effect on its financial position resulting from these commitments.

(b) The Company leases office space in two locations in New York. Rent expense totaled \$449,265 for the year ended January 31, 2015.

<u>Year ended January 31,</u>	
2016	\$ 454,759
2017	\$ 454,759
2018	\$ 454,759
2019	\$ 454,759
2020	\$ 458,219

(c) The Company has commenced arbitration against Universal Business Payment Solutions Acquisitions Corp. (“UBPS”, which changed its name to JetPay Corporation on August 1, 2013) to recover for UBPS’s breach of a May 9, 2011 agreement which provided for the Company to be paid a fee of \$2,070,000 for being available to consult with UBPS about companies it identified as potential targets for a business combination by UBPS. The Company acted as a lead underwriter for UBPS’s \$72 million initial public offering (“IPO”) which closed on May 9, 2011. UBPS closed a business combination on December 28, 2012 but failed and refused to pay the Company the fee of \$2,070,000 plus reimbursement of \$65,700 in expenses. In defense of the arbitration and as part of a counterclaim, UBPS has alleged that the Company orally agreed not only to raise the \$72 million at the time of its IPO but that the entire \$72 million would be available for UBPS to use in connection with its business combination. However, as allowed under the terms of UBPS’s certificate of incorporation, many of its stockholders elected to redeem their shares. UBPS was then required to use a substantial portion of the proceeds from its IPO to accomplish such redemption.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

Based on these facts, UBPS alleged that the Company breached its alleged agreement to make certain the entire \$72 million was available to UBPS for its prospective business combination. The Company denies that it ever agreed to make certain that the entire IPO proceeds or any portion thereof would be available to UBPS at the time of its business combination. In its public filings made at the time of the closing of its IPO and at the time of the closing of its business combination, UBPS not only failed to disclose this alleged agreement with the Company, it represented it was fully aware that stockholders could redeem their shares, that the proceeds of the IPO would be dissipated by such redemption and that it had no agreements in place to provide any replacement financing. UBPS has not indicated an amount of damages it is seeking in its counterclaim and therefore the Company cannot reasonably estimate a possible loss or range of loss, if any. The arbitration was commenced in February 2013. In March 2014, the arbitrators awarded the Company \$2,070,000 plus interest and attorney's fees, and dismissed Universal's counterclaim against the Company.

As of January 31, 2014, the Company has recorded fees receivable, net of a reserve, in the amount of \$1,100,782. During the year ended January 31, 2015, the Company reversed the reserve of \$1,035,000 and recognized in income upon receipt of the entire receivable. This amount is included in investment banking and underwriting in the statement of operations. The reimbursement of attorney fees of \$557,959 is included in other revenue.

7. Off-Balance Sheet Risk

The Company is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers, banks and other financial institutions. The Company's transactions are cleared by other securities broker-dealers under clearing agreements. Although the Company clears its transactions through other securities broker-dealers, the Company is exposed to off-balance-sheet risk in the event that customers or other parties fail to satisfy their obligations. Should a customer or other party fail to deliver cash or securities as agreed, the Company may be required to purchase or sell securities at unfavorable market prices. The Company seeks to minimize this risk through procedures designed to monitor the creditworthiness of its customers and to ensure that customer transactions are executed properly by the clearing broker-dealer. However, the Company does not require collateral from its customers or the clearing broker-dealer and potential losses could be material to the Company. At January 31, 2015, there were no amounts to be indemnified to the clearing brokers

8. Related Party Transactions

In connection with its initial public offering deals, the Company accepted temporary subordinated loans from certain officers for gross proceeds of \$3,000,000. At January 31, 2015, the Company has repaid \$3,000,000. The loans accrue interest of 12% per annum. The loans were disclosed to and approved by FINRA.

In connection with its initial public offering deals, the Company accepted permanent subordinated loans from certain officers for gross proceeds of \$2,900,000. At January 31, 2015, the amounts were still outstanding and mature on September 22, 2015. The loans accrue interest of 9% per annum. The loans were disclosed to and approved by FINRA.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

9. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital rule (SEC 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. At January 31, 2015, the Company had net capital of \$14,494,406 which was \$14,394,406 in excess of its required net capital of \$100,000. The Company's ratio of aggregate indebtedness to net capital was .09 to 1.

10. Subsequent Events

The Company has evaluated all other subsequent events from the balance sheet date through March 25, 2015. There have been no material subsequent events which require recognition or disclosure.

Supplemental Information

Schedule 1

**Computation of Net Capital
Under Rule 15c3-1 of the
Securities and Exchange Commission**

January 31, 2015

Total stockholder's equity qualified for net capital	<u>\$ 14,993,052</u>
Add back:	
Liabilities subordinated to claims of general creditors	2,900,000
Deductions and/or charges:	
Property and equipment, net of accumulated depreciation	176,934
Securities – not readily marketable	2,333,074
Other assets	443,446
Other deductions and/or charges:	
Receivables from non-customers	20,192
Haircuts on securities	<u>425,000</u>
Net capital	<u>\$ 14,494,406</u>
Computation of Basic Net Capital Requirement:	
Minimum net capital required, 6 2/3% of total aggregate indebtedness	<u>\$ 89,992</u>
Minimum dollar net capital requirement of broker and dealer	<u>\$ 100,000</u>
Net capital requirement (greater of above)	<u>\$ 100,000</u>
Excess net capital	<u>\$ 14,394,406</u>
Computation of Ratio of Aggregate Indebtedness to Net Capital:	
Total aggregate indebtedness	<u>\$ 1,349,875</u>
Ratio of aggregate indebtedness to net capital	<u>.09</u>

Statement Pursuant to Paragraph (d)(4) of Rule 17a-5

No material differences exist between the net capital computation above and the computation included in the amended FOCUS Form X-17a-5 Part IIA, as filed by the Company on March 23, 2015.

EarlyBirdCapital, Inc.
(A Wholly Owned Subsidiary of EBC Holdings, Inc.)
Notes to Financial Statements
Year Ended January 31, 2015

Schedule II

Statement of Exemption from Rule 15c3-3

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (ii) of the Rule.

EarlyBirdCapital Inc. is claiming exemption due to the fact that all customer transactions are cleared through Wedbush Securities, Inc. on a fully disclosed basis.

Therefore, the following reports are not presented:

- A) Computation for Determination of Reserve Requirement under Rule 15c3-3.
- B) Information Relating to the Possession or Control Requirements under Rule 15c3-3.

During the period ended January 31, 2015, EarlyBirdCapital, Inc. met without exception the aforementioned exemption provisions of Rule 15c3-3.

I, Eileen Moore, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By: Eileen Moore

Title: CEO

Date: 3/18/15



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholder of
EarlyBirdCapital, Inc.

We have reviewed management's statements, included in the accompanying Statement of Exemption from Rule 15c3-3 (Schedule II), in which (1) EarlyBirdCapital, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which EarlyBirdCapital, Inc. claimed an exemption from 17 C.F.R. §240.15c3-3: (paragraph (k) (2) (ii), the "exemption provisions") and (2) EarlyBirdCapital, Inc. stated that EarlyBirdCapital, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. EarlyBirdCapital, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about EarlyBirdCapital, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2) (ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

RBSM LLP

New York, NY
March 25, 2015



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INDEPENDENT ACCOUNTANT'S AGREED-UPON PROCEDURES REPORT
ON SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)

The Board of Directors and Stockholder
EarlyBirdCapital, Inc.

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended January 31, 2015, which were agreed to by EarlyBirdCapital, Inc., and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating EarlyBirdCapital, Inc's compliance with the applicable instructions of Form SIPC-7. EarlyBirdCapital, Inc's management is responsible for EarlyBirdCapital, Inc's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 for the year ended January 31, 2015, as applicable, with the amounts reported in Form SIPC-7 for the period ended January 31, 2015, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences (if applicable).

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

RBSM LLP

New York, NY
March 25, 2015

New York, NY Washington DC Mumbai, India San Francisco, CA Beijing, China Athens, Greece

Member: ANTEA International with affiliated offices worldwide