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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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ANNUAL REPORTS
FORM X-17A-5
PART III

FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 04/01/2025 AND ENDING 03/31/2026
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Capital Portfolio Management, Inc.

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer Security-based swap dealer Major security-based swap participant
 Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

9515 Deereco Rd, Suite 1010

(No. and Street)

Timonium

MD

21093

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Patrick Dyer

410-667-4575

pdyer@cpminvestments.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

RW Group

(Name – if individual, state last, first, and middle name)

PO Box 114

Landenberg

PA

19350

(Address)

(City)

(State)

(Zip Code)

5020

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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.

OATH OR AFFIRMATION

I, Patrick V Dyer, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Capital Portfolio Management, Inc, as of March 31, 2026, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Signature:

Title:

President

This filing** contains (check all applicable boxes):

- (a) Statement of financial condition.
- (b) Notes to consolidated statement of financial condition.
- (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- (d) Statement of cash flows.
- (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- (f) Statement of changes in liabilities subordinated to claims of creditors.
- (g) Notes to consolidated financial statements.
- (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (t) Independent public accountant's report based on an examination of the statement of financial condition.
- (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- (z) Other: _____

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

CAPITAL PORTFOLIO MANAGEMENT, INC.
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES

(Pursuant to Rule 17a-5 of the Securities and Exchange Commission)

for the year ended March 31, 2026

CAPITAL PORTFOLIO MANAGEMENT, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Capital Portfolio Management, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial position of Capital Portfolio Management, Inc., as of March 31, 2026, and the related statements of income, changes in stockholders' equity, and cash flows for the year ended March 31, 2026 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Capital Portfolio Management, Inc. as of March 31, 2026, and the results of its operations and its cash flows for the year ended March 31, 2026 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Capital Portfolio Management, Inc.'s management. Our responsibility is to express an opinion on Capital Portfolio Management, Inc.'s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Capital Portfolio Management, Inc. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The computation of computation of net capital under rule 15c3-1 of the Securities and Exchange Commission, computation for determination of reserve requirements under Rule 15c3-3 of the Securities and Exchange Commission, and information relating to possession or control requirements under Rule 15c3-3 of the Securities and Exchange Commission has been subjected to audit procedures performed in conjunction with the audit of Capital Portfolio Management, Inc.'s financial statements. The supplemental information is the responsibility of Capital Portfolio Management, 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 17 C.F.R. §240.17a-5. In our

opinion, the computation of net capital, computation of net capital requirements, and computation of aggregate indebtedness, computation of reserve requirements, and information relating to possession or control is fairly stated, in all material respects, in relation to the financial statements as a whole.

RW Group, LLC

We have served as Capital Portfolio Management, Inc.'s auditor since 2025.
Landenberg, Pennsylvania
June 29, 2026

CAPITAL PORTFOLIO MANAGEMENT, INC.
STATEMENT OF FINANCIAL CONDITION
March 31, 2026

ASSETS

Cash	\$ 72,396
Deposits with clearing organization	52,751
Commissions receivable	219,726
Employee advance	181,925
Prepaid expenses	82
Rental security deposit	7,125
Right of use asset	178,252
Furniture and equipment (at cost, less accumulated depreciation of \$28,159)	-

TOTAL ASSETS	\$ 712,257
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LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Accounts payable and accrued expenses	\$ 79,666
Lease liability	178,252
Deferred tax liability	48,812
Total liabilities	\$ 306,730

STOCKHOLDERS' EQUITY

Nonconvertible preferred stock, \$1 par value, 283,000 shares authorized, 98,600 shares issued (Note #4)	\$ 98,600
Common stock, \$1 par value, 200,000 shares authorized, 25,000 shares issued	25,000
Additional paid-in capital	29,941
Retained earnings	251,986
Total stockholders' equity	\$ 405,527

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 712,257
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The accompanying notes are an integral part of these financial statements.

CAPITAL PORTFOLIO MANAGEMENT, INC.
STATEMENT OF INCOME
March 31, 2026

Revenues	
Commissions	\$ 1,496,187
Mutual fund fees	421,291
Interest	50,184
Investment Advisory	146,073
Transition management fee	478,692
	<hr/>
Total revenue	\$ 2,592,427
	<hr/>
Expenses	
Compensation and benefits	\$ 2,054,222
Floor brokerage and clearing fees	104,002
Occupancy	96,146
Professional fees	34,579
Communications	11,045
Office expense	15,721
Registration and licenses	16,239
Insurance	27,723
Other	20,045
	<hr/>
Total expenses	\$ 2,379,722
	<hr/>
Income before income taxes	\$ 212,705
Provision for income tax	\$ 58,881
	<hr/>
Net Income	\$ 153,824
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

CAPITAL PORTFOLIO MANAGEMENT, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
March 31, 2026

	Capital Stock		Additional Paid-in Capital	Retained Earnings	Total
	Preferred	Common			
Balance, March 31, 2025	\$98,600	\$25,000	\$29,941	\$132,632	\$286,173
Net income	\$ -	\$ -	\$ -	\$153,824	\$153,824
Dividends paid on preferred stock	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$34,470)</u>	<u>(\$34,470)</u>
Balance, March 31, 2026	\$98,600	\$25,000	\$29,941	\$251,986	\$405,527

The accompanying notes are an integral part of these financial statements

CAPITAL PORTFOLIO MANAGEMENT, INC.
STATEMENT OF CASH FLOWS
March 31, 2026

Cash flows from operating activities:	
Net income	\$153,824
Adjustments to reconcile net income to net cash	
Provided by operating activities	
(Increase) decrease in operating assets:	
Commissions receivable	(49,494)
Right of use asset	85,157
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	28,453
Lease liability	(85,157)
Net cash used by activities	<u>132,783</u>
Cash flows from investing activities:	
Deposits with clearing organizations	(235)
Employee Advance	(119,645)
Net cash used in investing activities	<u>(119,880)</u>
Cash flows from financing activities:	
Dividend on preferred stock	(34,470)
Net cash used in financing activities	<u>(34,470)</u>
Net decrease in cash	(21,567)
Cash, beginning of year	93,963
Cash, end of year	72,396

The accompanying notes are an integral part of these financial statements

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2026

1. Nature of Business and Summary of Significant Accounting Policies

Significant accounting policies followed by Capital Portfolio Management, Inc. (the Company) as summarized below conform to accounting principles generally accepted in the United States of America. The significant accounting policies are summarized as follows:

A. Nature of Operations

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 incorporated in Maryland on August 14, 1991.

The Company is a securities broker-dealer, which comprises several classes of services including principal transactions and agency transactions. The Company is also licensed to sell life insurance and annuity policies.

The Company forwards all security transactions to their clearing firm, which carries and clears such transactions for the Company on a fully disclosed basis. The Company utilizes Hilltop Securities, a Hilltop Holdings Company, as their clearing firm.

B. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Revenue Recognition

Profit and loss arising from all securities transactions entered into for the account and risk of the Company are recorded on a trade date basis at fair value and are reflected in principal transactions in revenues in the statement of income. Trading gains and losses are recorded using the average cost method.

Commission revenue and related clearing expenses are recorded on a trade date basis. Investment advisory fees are received monthly and recognized as earned. Mutual fund fees are recognized as earned based on the underlying agreements.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
March 31, 2026

1. Nature of Business and Summary of Significant Accounting Policies - Continued

D. Office Equipment

Cost of office equipment is \$28,159 as of March 31, 2026 and the assets are fully depreciated as of March 31, 2026. Depreciation of office equipment is determined by use of the straight-line method over five to seven years.

The Company's policy is to capitalize property and equipment expenditures of \$5,000 or more. Maintenance and repairs that do not significantly improve or extend the lives of the respective assets are charged to operations when incurred. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in operations.

E. Allowance for Bad Debts

The carrying amount of receivables from the clearing organization and employees are stated net of current expected credit losses. The Company estimates the allowance based on an analysis of the open transactions with the clearing organization and a review of each employee's outstanding balance and ability to pay. The allowance for credit losses was \$0 at March 31, 2026.

F. Income Taxes

The Company files its tax return using the cash basis of accounting. Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes on temporary differences between the amount of taxable income and pretax income and between the tax bases of assets and liabilities and the corresponding reported amounts in the financial statements. Deferred tax assets and liabilities included in the financial statements are calculated utilizing currently enacted tax laws and rates applicable to the period in which the deferred tax assets and liabilities included in the financial statements are expected to be realized as prescribed in accordance with Financial Accounting Standards Board (FASB) guidance.

The Company accounts for uncertainty in income taxes in accordance with FASB guidance. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-than-likely-then-not the positions will be sustained upon examination by the tax authorities.

As of March 31, 2026, the Company had no uncertain tax positions, or interest and penalties that qualify for either recognition or disclosure in the financial statements. With limited exceptions, the Company is no longer subject to income tax examination for any years prior to March 31, 2023 for federal and state purposes.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

1. Nature of Business and Summary of Significant Accounting Policies - Continued

G. Statement of Cash Flows

For purposes of the statement of cash flows, the Company has defined cash equivalents as cash in checking accounts and held in cash accounts at the clearing firm. It does not include security deposits held as cash.

H. Retirement Plan

The Company offers a Simple IRA retirement plan for its employees. Each participating employee is permitted to contribute a portion of his compensation to the plan. Within plan limits, the Company is required to contribute on behalf of each eligible participant a matching percentage of the participant's salary. The Company funded \$4,277 to the plan for the year ended March 31, 2026.

I. Advertising

Advertising costs for the fiscal year were \$800. These costs are expensed as incurred.

J. Current Expected Credit Losses

On April 1, 2023, the Company adopted ASC 326-20, Financial Instruments - Measurement of Credit Losses on Financial instruments. The Company accounts for current estimated credit losses ("CECL") on financial assets and certain off-balance sheet items, including receivables from customers in accordance with ASC 326-20. It requires the Company to estimate expected credit losses over the life of its financial assets and certain off-balance sheet items as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts of future events.

The Company evaluated the guidelines of ASC 326-20 and determined that a reserve account for CECL is not necessary at March 31, 2026. In addition, the Company has concluded that there are no material credit losses expected on financial assets measured at amortized cost at March 31, 2026.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

2 Fair Value Measurements

The FASB accounting topic on fair value measurements and disclosures provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy with FASB guidance are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in an active market. This level includes common stocks, corporate bonds, mutual funds, or money market funds based on the closing price reported in the active market where the securities are traded.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation, or other means.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement

The Company’s assets recorded at fair value include certain investments segregated and on deposit with a clearing organization and securities owned. The Company uses prices obtained from an independent clearing firm to measure the fair value of certain investment securities. The Company validates prices received from the clearing firm using various methods including comparison to quoted market prices, where available, and review of other relevant market data including implied yields of major categories of securities. The Company does not adjust the prices received from the independent clearing firm unless such prices are inconsistent with FASB guidance and result in a material difference in the recorded amounts. At March 31, 2026 the Company did not adjust prices received from the independent clearing firm.

The following table presents the Company’s fair value hierarchy as of March 31, 2026:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at Fair Value
Assets				
Deposits with clearing organization -				
Dreyfus money market Class B shares	\$ 52,751	\$ ----	\$ ----	\$ 52,751
Total assets at fair value	\$ 52,751	\$ ----	\$ ----	\$ 52,751

There were no transfers between Level 1 and Level 2 during the year.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

3. Accounts Receivable

Accounts receivable represents commissions and fees due from the clearing organization, mutual fund companies, and insurance companies. The accounts receivable opening balance as April 1, 2025 was \$170,233 and the accounts receivable closing balance was \$219,726 as of March 31, 2026.

4. Preferred Stock

The Board has authorized 283,000 shares of cumulative non-convertible preferred stock at a par value of \$1 per share and has issued 98,600 shares.

Shares Authorized	Shares Outstanding	Interest Rate
100,000	3,600	9%
100,000	12,000	10%
63,000	63,000	7%
16,000	16,000	4%
<u>4,000</u>	<u>4,000</u>	8%
283,000	98,600	

The Company also paid \$34,470 in dividends during the year.

5. Income Taxes

The Company recognized a federal income tax expense of \$32,861 in the income statements for the year ended March 31, 2026:

The following represents the approximate tax effect of each significant type of temporary difference giving rise to the deferred tax liability.

	<u>Federal</u>	<u>State</u>	<u>Total</u>
Deferred tax liability:			
Book to tax difference between receivables and liabilities	\$33,729	\$ 15,083	\$ 48,812

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

6. Leases

The Company leases office space under an operating lease. The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease ROU assets and lease liabilities on the statement of financial position. Finance leases are included in finance lease ROU assets and finance lease liabilities on the statement of financial position. At March 31, 2026, there were no finance lease ROU assets or liabilities.

Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of future payments over the lease term. The discount rate used to determine the commencement date present value is the interest rate implicit in the lease, or when that is not readily determinable; the company uses its incremental borrowing rate. The company estimates its incremental borrowing rate as the risk-free rate for similar types of investments. The weighted-average discount rate as of March 31, 2026 is 3.96%. Lease expense for net present value of payments is recognized on a straight-line basis over the lease term. The weighted-average remaining lease term for all leases is approximately 3.00 years.

Aggregate annual payments under the lease agreements at March 31, 2026 are approximately as listed in the table below:

Future minimum lease payments under this lease agreement are as follows:

2027	89,999
2028	92,699
2029	<u>7,743</u>
Total	<u>\$ 278,481</u>

The Company has elected to apply the short-term lease exemption to leases of storage space. During the year there was one lease that qualifies for the exemption. The short-term lease cost recognized and disclosed for this lease is \$750.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

7. Credit Risk

In the normal course of business, the Company's securities activities through its clearing firm involve execution, settlement and financing of various securities transactions for customers. These activities may expose the Company to risk in the event customers, other brokers and dealers, bank depositories or clearing organizations are unable to fulfill contractual obligations.

The Company does not have any significant concentration in the value of business with a particular customer, group of customer or product.

The Company has concentrated its credit risk by maintaining deposits in a financial institution of its clearing broker. The deposits at the financial institution may at times exceed amounts covered by the insurance provided by the U.S. Federal Deposit Insurance Company (FDIC). The deposits at the clearing broker may at times exceed amounts covered by insurance provided by the Securities Investment Protection Corporation (SIPC).

8. Related Party Transactions

During the year the Company made advances to one of its common stockholders. These advances are payable on demand and bear no interest.

Beginning balance	\$ 62,280
Total advances	947,126
Total repayments	<u>827,481</u>
Ending balance	181,925

9. Guarantees and Indemnifications

FASB guidance requires the Company to disclose information about its obligations under certain guarantee arrangements. The guidance defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying obligation that is related to an asset, liability or equity security of a guaranteed party. The FASB guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of the indebtedness of others.

The Company guarantees all of the customer margin account balances held by its clearing broker. The Company is responsible for payment to its clearing broker for any loss, liability, damage, cost or expense incurred as a result of customers failing to comply with margin or margin maintenance calls on all margin accounts. The margin account balance held by the clearing broker as of March 31, 2026 was \$658,090. In the event of any customer default, the Company has rights to the underlying collateral provided. Given the existence of underlying collateral provided as well as the negligible historical credit losses, the Company does not maintain any loss reserve.

CAPITAL PORTFOLIO MANAGEMENT, INC.
NOTES TO FINANCIAL STATEMENTS – CONTINUED
March 31, 2026

10. Regulatory Requirements

The Company is subject to the Securities and Exchange Commission's 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 shall not exceed 15 to 1.

As of March 31, 2026, the Company's net capital was \$99,245 which exceeded the capital requirements of \$50,000 by \$49,245 and its net capital ratio was .802 to 1.

11. Single Reportable Segment

The Company operates as a securities broker-dealer, offering services that include principal transactions, agency transactions, investment banking, investment advisory, and venture capital. The President acts as the Chief Operating Decision Maker (CODM), evaluating the Company's performance predominantly using net income, particularly for forecasting purposes, while also utilizing excess net capital (as detailed in Note 10) to make operational decisions such as reinvestment of profits or payment of dividends. Excess net capital, though not a measure of profit and loss, serves to maintain capital adequacy. The Company reports as a single operating segment since the CODM manages and assesses business activities based on the Company as a whole. The accounting policies used to measure profit and loss align with the Company's summary of significant accounting policies.

12 Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through June 29, 2026, the date the financial statements were available to be issued. During the period April 1, 2026 through June 29, 2026, the Company did not have any subsequent events requiring recognitions or disclosure.

Schedule I

CAPITAL PORTFOLIO MANAGEMENT, INC.

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
March 31, 2026

NET CAPITAL	
Total stockholders' equity	\$ 405,527
Deductions and/or charges:	
Officer advance	181,925
Commissions receivable from mutual funds, insurance companies, and clearing firm	117,150
Prepaid expenses	82
Rental security deposit	<u>7,125</u>
Total deductions and/or charges	<u>306,282</u>
 Net capital	 <u><u>99,245</u></u>

There were differences between the audited computation of net capital and the broker dealer's corresponding Unaudited Part IIA relating to the addition of accruals being recorded in the amount of \$57,631.

Schedule I (continued)

CAPITAL PORTFOLIO MANAGEMENT, INC.

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
March 31, 2026

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition:

Accounts payable and accrued expenses	79,666
Other liabilities-none	<u>-</u>

Total aggregate indebtedness	<u>\$79,666</u>
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COMPUTATION OF BASIC NET CAPITAL
REQUIREMENT

Minimum net capital required	<u>\$50,000</u>
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Excess net capital	<u>\$49,245</u>
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Ratio: Aggregate indebtedness to net capital	.802 to 1
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Schedule II

CAPITAL PORTFOLIO MANAGEMENT, INC.

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
March 31, 2026

Capital Portfolio Management, Inc. is exempt from SEC Rule 15c3-3 because it does not carry securities accounts for customers or perform custodial functions relating to customer securities. The Company is exempt pursuant to k(2)(ii). The Company is exempt pursuant to k(2)(i), k(2)(ii) and Footnote 74.

Schedule III

CAPITAL PORTFOLIO MANAGEMENT, INC.

INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
March 31, 2026

Capital Portfolio Management, Inc. is exempt from SEC Rule 15c3-3 because it does not carry securities accounts for customers or perform custodial functions relating to customer securities. The Company is exempt pursuant to k(2)(i), k(2)(ii) and Footnote 74.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors and Shareholders
of Capital Portfolio Management, Inc.

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below on the accompanying General Assessment Reconciliation (Form SIPC-7) for the year ended March 31, 2026. Management of Capital Portfolio Management, Inc. (the Company) is responsible for its Form SIPC-7 and for its compliance with the applicable instructions on Form SIPC-7.

Management of the Company has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting you and SIPC in evaluating the Company's compliance with the applicable instructions on Form SIPC-7 for the year ended March 31, 2026. Additionally, SIPC has agreed to and acknowledged that the procedures performed are appropriate for their intended purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. 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 associated 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 Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended March 31, 2026 with the Total Revenue amount reported in Form SIPC-7 for the year ended March 31, 2026, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting deductions to revenue per the underlying support, noting no differences;
- 4) Recalculated 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 there were no overpayments.

In performing these procedures, management of the Company and SIPC have agreed that only differences which exceed \$25 for procedures 2 and 3, and \$1 for procedures 1, 4 and 5 are deemed to be exceptions. As agreed to in our engagement letter with the Company, exceptions at or below this threshold were not considered findings for the purpose of this report.

We were engaged by the Company to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and in accordance with the standards of the Public Company Accounting Oversight Board (United States). We were not engaged to and did not conduct an examination or a review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's Form SIPC-7 and for its compliance with the

applicable instructions on Form SIPC-7 for the year ended March 31, 2026. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

RW Group, LLC

Landenberg, PA
June 29, 2026



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Capital Portfolio Management, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report pursuant to SEC Rule 17a-5, in which (1) Capital Portfolio Management, Inc. ("the Company") identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed the following exemptions from 17 C.F.R. §240.15c3-3: (k)(2)(i) and (k)(2)(ii) (the "exemption provisions") and (2) Capital Portfolio Management, Inc. stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception.

Capital Portfolio Management, Inc. is also filing this Exemption Report because Capital Portfolio Management, Inc.'s other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited to effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to Capital Portfolio Management, Inc.. The Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to Capital Portfolio Management, Inc.; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year ended March 31, 2026 without exception.

Capital Portfolio Management, 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 Capital Portfolio Management, 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 and the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5, and related SEC Staff Frequently Asked Questions.

RW Group, LLC

Landenberg, Pennsylvania
June 29, 2026