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

FORM 10-QSB

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended August 31, 2006

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Transition Period from __________ To _________

Commission file number 0-9879

CAPITAL SOLUTIONS I, INC.

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	13-2648442
(State or Other Jurisdiction of Incorporation	(I.R.S. Employer Identification Number)

ONE N.E. FIRST AVENUE, SUITE 306
OCALA, FLORIDA 34470

(Address of principal executive offices)

(352) 867-5183

Issuer's telephone number

(Former Name, former address and former fiscal year, if changed since last report)

Check whether the Registrant (1) has filed all reports required by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days: Yes |X| No |_|

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant filed all documents and reports required by Section 12, 13, or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court
Yes [_] No [_]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
Yes [X] No [_]

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

As of October 17, 2006, there were 66,732 shares of the Registrant's Common Stock, $0.0000001 par value per share, outstanding.

Transitional Small Business Disclosure Format Yes [_] No [X]

CAPITAL SOLUTIONS I, INC.
FOR THE QUARTERLY PERIOD ENDED AUGUST 31, 2006

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PART I - FINANCIAL INFORMATION

THIS REPORT CONTAINS FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. SUCH STATEMENTS ARE BASED ON CURRENT EXPECTATIONS, ASSUMPTIONS, ESTIMATES AND PROJECTIONS ABOUT THE COMPANY AND ITS INDUSTRY. FORWARD-LOOKING STATEMENTS ARE SUBJECT TO KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, LEVELS OF ACTIVITY, PERFORMANCE, ACHIEVEMENTS AND PROSPECTS TO BE MATERIALLY DIFFERENT FROM THOSE EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE PUBLICLY ANY FORWARD-LOOKING STATEMENTS FOR ANY REASON EVEN IF NEW INFORMATION BECOMES AVAILABLE OR OTHER EVENTS OCCUR IN THE FUTURE.

PART I
FINANCIAL INFORMATION

Item 1. Financial Statements

CAPITAL SOLUTIONS I, INC.
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS ENDED AUGUST 31, 2006 AND 2005

INDEX TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

CAPITAL SOLUTIONS I, INC.
CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AUGUST 31, 2006

ASSETS		
		2006
CURRENT ASSETS		
Cash and cash equivalents	$	396
Total current assets		396
FIXED ASSETS, net		-
OTHER ASSETS		
Goodwill		-
Total other assets		-
TOTAL ASSETS	$	396
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$	-
Debentures payable		-
Short-term notes payable and advances		-
Lines of credit		-
Total current liabilities		-
STOCKHOLDERS' EQUITY		
Preferred stock, $.0000001 par value, 20,000,000 shares authorized, 50,000 issued and outstanding at August 31, 2006		
Common stock, $.0000001 par value, 900,000,000 shares authorized, 96,732 issued and outstanding at August 31, 2006		
Additional paid-in capital		451,450
Accumulated deficit		(451,054)
Total stockholders' equity		396
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	396

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

CAPITAL SOLUTIONS I, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE THREE MONTHS ENDED AUGUST 31, 2006 AND 2005

	2006	2005
REVENUES	$ -	$ -
COST OF REVENUES	-	-
GROSS PROFIT	-	-
OPERATING EXPENSES		
Professional fees and consulting	-	-
Accounting and audit fees	-	-
Stock transfer fees	-	-
Administrative and other	36	36
Total operating expenses	36	36
LOSS BEFORE OTHER INCOME (EXPENSE)	(36)	(36)
OTHER INCOME (EXPENSE)		
Debt forgiveness	629,707	
Interest expense	-	(8,004)
Total other Income (expense)	629,707	(8,004)
NET INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES:	(36)	(8,040)
Provision for income taxes	-	-
NET INCOME (LOSS) APPLICABLE TO COMMON SHARES	$ 629,671	$ (8,040)
NET INCOME (LOSS) PER BASIC AND DILUTED SHARES		
From continuing operations	$ 6.5094	$ (0.0005)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	96,732	3,349

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

CAPITAL SOLUTIONS I, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE THREE MONTHS ENDED AUGUST 31, 2006 AND 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	$ 629,671	$ (36)
Adjustments to reconcile net loss to net cash		
provided by (used in) operating activities:		
Issuance of common stock - fees	-	-
Forgiveness of debt	(629,707)	
Changes in assets and liabilities		
Increase in accounts payable and accrued expenses	-	8,004
Total adjustments	(629,707)	8,004
Net cash provided by (used in) operating activities	(36)	7,968
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments from short-term notes payable and advances	-	-
Net cash (used in) provided by financing activities	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(36)	7,968
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	432	137
CASH AND CASH EQUIVALENTS - END OF PERIOD	$ 396	$ 8,105

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

NOTE 1 - ORGANIZATION

The condensed consolidated unaudited interim financial statements included herein have been prepared by Capital Solutions I, Inc. (formerly Vacation Ownership Marketing, Inc.) (the "Company") without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in the condensed consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted as allowed by such rules and regulations, and the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed consolidated financial statements be read in conjunction with the May 31, 2006 audited consolidated financial statements and the accompanying notes thereto. While management believes the procedures followed in preparing these condensed consolidated financial statements are reasonable, the accuracy of the amounts are in some respects dependent upon the facts that will exist, and the procedures that will be accomplished by the Company later in the year.

The management of the Company believes that the accompanying unaudited condensed consolidated financial statements contain all adjustments including normal recurring adjustments necessary to present fairly the operations, changes in stockholders' equity (deficit), temporary equity, and cash flows for the period presented.

Capital Solutions I, Inc., "CSI" (formerly Vacation Ownership Marketing, Inc.) (the "Company") was incorporated in Delaware as Magnum Communications Corp in 1969. It changed names to its present name on May 10, 2004. Before changing its name to Capital Solutions I, Inc. they changed to Vacation Ownership Marketing, Inc. Coinciding with the name change, the Company did not change its business structure, which was the development and marketing of time-shared condominiums, which it continued until 1983. During the year 1983, the Company experienced financial difficulties and encountered adverse litigation. The Company's charter expired until May 7, 2000, when a certificate of renewal was issued.

NOTE 1 - ORGANIZATION (CONTINUED)

On January 21, 2004, the Company took the following actions in lieu of an annual meeting of the stockholders pursuant to Section 228 of the Delaware General Corporation Law: re-election of directors; the Company increased its authorized common stock from 50,000,000 to 1,000,000,000 shares; the ratification of the issuance of common stock; the ratification of the assignment of Encore Builders common stock; and the approval of the Amended and Restated Articles of Incorporation. An Amended and Restated Certificate of Incorporation was filed with the Secretary of State on January 22, 2004.

As of May 10, 2004, the Company merged with Vacation Ownership Marketing, Inc. A 1:50 reverse stock split of the company's common stock became effective. As a result of the reverse stock split, Vacation Ownership Marketing, Inc. changed its name to Capital Solutions I, Inc. "the Company". The stock split decreased the issued and outstanding common stock from 61,110,595 to 1,222,005. Capital Solutions I, Inc. had no assets or liabilities. After the consummation of the merger, Capital Solutions I, Inc. will cease to exist. Additionally, the authorized shares of common stock increased from 1 billion to 20 billion and the authorized shares of preferred stock increased from 10 million to 200 million. The par value of the common stock and preferred stock authorized was reduced from $.001 par value per share to $.0000001 par value per share. The Company does not believe the merger will have any effect on the Company of its finances other than the amendment and restatement of the Company's Certificate of Incorporation.

On June 17, 2005 the Company took the following actions in lieu of an annual meeting of the stockholders pursuant to Section 228 of the Delaware General Corporation Law: the Company decreased its authorized common stock from 20,000,000,000 to 900,000,000 shares; decreased its authorized preferred stock from 200,000,000 to 20,000,000; engaged in a 1:10 reverse stock split of its common stock, decreasing the Company's issued outstanding common stock from 783,667,072 to 78,366,672; and the approval of the Amended and Restated Articles of Incorporation. An amended and Restate Certificate of Incorporation was filed with the Delaware Secretary of State on June 17, 2005.

On October 19, 2005, the company took the following actions based on the Rescission Agreement to cancel 30,000,000 shares of common stock, which had been issued to the Bedrock Shareholders, and certain other individuals have been cancelled and returned to the treasury.

NOTE 1 - ORGANIZATION (CONTINUED)

Principles of Consolidation

The condensed consolidated financial statements for 2006 and 2005 include the accounts of the Company and all of its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments and other short-term investments with an initial maturity of three months or less to be cash or cash equivalents.

The Company maintains cash and cash equivalent balances at several financial institutions, which are insured by the Federal Deposit Insurance Corporation up to $100,000.

Start-Up Costs

The Company adopted Statement of Position No. 98-5 (“SOP 98-5”), “Reporting the Costs of Start-Up Activities.” SOP 98-5 requires that all non-governmental entities expense the cost of start-up activities, including organizational costs as those costs are incurred.

Revenue and Cost Recognition

The Company records its transactions under the accrual method of accounting whereby income gets recognized when the services are rendered and collection is reasonably assured.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Income taxes are computed on the pretax loss based on the current tax law. Deferred income taxes are recognized for the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory tax rates. All deferred tax assets that arose from the carryforward of net operating losses have been offset by a valuation allowance due to the uncertainty of the realization of these tax assets.

Fair Value of Financial Instruments

The carrying amounts reported in the consolidated balance sheet for cash and cash equivalents, and accounts payable approximate fair value because of the immediate or short-term maturity of these condensed consolidated financial instruments.

Stock-Based Compensation

The Company has elected to follow ("SFAS 123"), "*Accounting for Stock-Based Compensation*". SFAS 123 requires companies to provide a pro-forma disclosure of net income and earnings per share. The accounting for both fixed and variable awards is compensation expense at least equal to a defined minimum value over the service period. SFAS 123 measures compensation with reference to "fair value", which equals the sum of three elements; intrinsic value, time value of money, and time value associated with the stock's volatility.

Earnings (Loss) Per Share of Common Stock

Historical net income (loss) per common share is computed using the weighted average number of CSI Common Stock outstanding. Diluted earnings per share (EPS) include additional dilution from CSI Common Stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. CSI Common Stock equivalents were not included in the computation of diluted earnings per share when the Company reported a loss because to do so would be antidilutive for periods presented.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings (Loss) Per Share of Common Stock (Continued)

The following is a reconciliation of the computation for basic and diluted EPS:

	August 31, 2006	August 31, 2005
Net Income (Loss)	$ 629,671	$ (8,040)
Weighted-average common shares Outstanding (Basic)	96,732	3,349
Weighted-average common stock Equivalents		
Stock options	-	-
Warrants	-	-
Weighted-average common shares Outstanding (Diluted)	96,732	3,349

There are no options and warrants outstanding to purchase stock at August 31, 2006 and 2005.

NOTE 3 - STOCKHOLDERS' EQUITY

There were no stock transactions for the period ended August 31, 2006.

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NOTE 4 - PROVISION FOR INCOME TAXES

The Company did not provide for income taxes in the three months ended August 31, 2006 and 2005. Additionally, the Company established a valuation allowance equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

At August 31, 2006 and 2005, the deferred tax assets consists of the following:

	2006	2005
Deferred taxes due to net operating loss carryforwards	$ 135,316	$ 337,187
Less: Valuation allowance	(135,316)	(337,187)
Net deferred tax asset	$ -	$ -

NOTE 5 - GOING CONCERN

As shown in the accompanying condensed consolidated financial statements the Company incurred net operating losses for the three months ended August 31, 2006 and 2005. The Company has no revenues to support itself.

In view of these matters, continuing as a going concern is dependent upon the Company's ability to raise additional capital, and to secure a future business combination. Management believes that actions planned and presently being taken to revise the Company's operating and financial requirements provide the opportunity for the Company to continue as a going concern.

NOTE 6 - FORGIVENESS OF DEBT

The company has recognized $629,707 of debt forgiveness for the quarter. The company had outstanding convertible debentures in the amount of $400,202 which matured August 27, 2003. The debentures had been reported as a current liability in previous quarters. Under Colorado Law, these debentures along with the associated interest accrued and expenses of $229,505 have expired.

Item 2. Management's Discussion and Analysis or Plan of Operation.

THE FOLLOWING DISCUSSION SHOULD BE READ IN CONJUNCTION WITH THE COMPANY'S FINANCIAL STATEMENTS AND THE NOTES TO THOSE STATEMENTS AND OTHER FINANCIAL INFORMATION APPEARING ELSEWHERE IN THIS REPORT.

OVERVIEW

The Company was incorporated in Delaware as "Magnum Communications Corp." in 1969 and changed its name to Vacation Ownership Marketing, Inc. in 1980. Coinciding with the name change, the Company changed its business to the development and marketing of time-shared condominiums which it continued until 1983. From 1983 until August 29, 2001, the Company was not engaged in any business. On August 29, 2001, the Company acquired Encore Builders, Inc., a construction company, through what was then a subsidiary of the Company. Beginning on August 29, 2001 the Company was engaged in the construction of Conquistador Plaza Apartments in Miami, Florida, pursuant to a lump sum construction contract with Conquistador Plaza. These operations ceased with the separation of Encore Builders from the Company in the first quarter of 2002. The Company changed names to its present name on May 10, 2004.

RESULTS OF OPERATIONS

THREE MONTHS ENDED August 31, 2006 COMPARED TO THREE MONTHS ENDED August 31, 2005

Revenues

Revenues were $0 for the three months ended August 31, 2006 and for the three months ended August 31, 2005.

Operating Expenses

Operating expenses for the three months ended August 31, 2006 were $36.

Other Income

Other income was $629,707 for the three months ended August 31, 2006. This $629,707 represents the benefit received by the Company from the write off of the VAOM Debentures as discussed in further detail under “Continuing Operations, Liquidity and Capital Resources.”

Interest Expense

Interest expense was $0 and $8,004 for the three months ended August 31, 2006 and 2005, respectively. The decline in interest expense was the result of the write off of the VAOM Debentures and the debt and interest expense associated therewith.

Net Income (Loss) Applicable To Common Stock

Net income applicable to Common Stock was $629,671 for the three months ended August 31, 2006, compared to a net loss of ($8,040) for the three months ended August 31, 2005. Net income per common share was $6.5094 for the three months ended August 31, 2006 compared to a net loss of ($.0005) for the three months ended August 31, 2005.

CONTINUING OPERATIONS, LIQUIDITY AND CAPITAL RESOURCES

The Company does not have any ongoing business operations or revenue sources. Accordingly, the Company's remaining operations will be limited to business combination with an existing business. The Board of Directors of the Company has determined that, subject to stockholder approval, the best course of action for the Company is to complete a business combination with an existing business. The Company has limited liquidity or capital resources. In the event that the Company cannot complete a merger or acquisition and cannot obtain capital needs for ongoing expenses, including expenses related to maintaining compliance with the Securities laws and filing requirements of the Securities Exchange Act of 1934, the Company could be forced to cease operations.

The Company currently plans to satisfy its cash requirements for the next 12 months by borrowing from affiliated company's with common ownership or control or directly from its officers and directors and believes it can satisfy its cash requirements so long as it is able to obtain financing from these affiliated companies. The Company currently expects that money borrowed will be used during the next 12 months to satisfy the Company's operating costs, professional fees and for general corporate purposes. The Company has also been exploring alternative financing sources. The Company currently has no plans to conduct any research and development, to purchase or sell any significant equipment or to make any significant changes in its number of employees.

The Company will use its limited personnel and financial resources in connection with seeking new business opportunities, including seeking an acquisition or merger with an operating company. It may be expected that entering into a new business opportunity or business combination will involve the issuance of a substantial number of restricted shares of common stock. If such additional restricted shares of common stock are issued, the shareholders will experience a dilution in their ownership interest in the Company. If a substantial number of restricted shares are issued in connection with a business combination, a change in control may be expected to occur.

As of August 31 2006, the Company had current assets consisting of cash and cash equivalents in the amount of $396. As of August 31, 2006, the Company had no current liabilities.

On August 27, 2001, the Company's former parent, Acquisition Corp., offered Acquisition Corp. Debentures. The Acquisition Corp. Debentures were exchanged for Vacation Ownership Marketing, Inc. Debentures ("VAOM Debentures"). The Debentures were one year debentures and became due August 27, 2002. The Company did not repay the Debentures and accordingly, defaulted on the Debentures on August 27, 2002. The Debentures were issued in Colorado and pursuant to their terms, are governed by Colorado law which provides for a three year statute of limitations to pursue a claim under the Debentures. As of August 27, 2006 the Company had $400,202 in VAOM Debentures outstanding and $170,005 in accrued interest expense on the Debentures. The Company has determined that the statute of limitations to file a claim to seek repayment on the VAOM Debentures has passed and that no such claim has been filed. Accordingly, On August 27, 2006, the Company wrote off the Debenture balance of $400,202 and accrued interest of $229,005.

During the three-month period ended August 31, 2006, the Company did not generate any cash and used $36 for operations.

In connection with the plan to seek new business opportunities and/or effecting a business combination, the Company may determine to seek to raise funds from the sale of restricted stock or debt securities. The Company has no agreements to issue any debt or equity securities and cannot predict whether equity or debt financing will become available at acceptable terms, if at all.

There are no limitations in the certificate of incorporation on the Company's ability to borrow funds or raise funds through the issuance of restricted common stock to effect a business combination. The Company's limited resources and lack of recent operating history may make it difficult to borrow funds or raise capital. Such inability to borrow funds or raise funds through the issuance of restricted common stock required to effect or facilitate a business combination may have a material adverse effect on the Company's financial condition and future prospects, including the ability to complete a business combination. To the extent that debt financing ultimately proves to be available, any borrowing will subject the Company to various risks traditionally associated with indebtedness, including the risks of interest rate fluctuations and insufficiency of cash flow to pay principal and interest, including debt of an acquired business.

PLAN OF OPERATIONS

The Company currently plans to satisfy its cash requirements for the next 12 months by borrowing from affiliated company's with common ownership or control or directly from its officers and directors and believes it can satisfy its cash requirements so long as it is able to obtain financing from these affiliated companies. The Company currently expects that money borrowed will be used during the next 12 months to satisfy the Company's operating costs, professional fees and for general corporate purposes. The Company currently has no plans to conduct any research and development, to purchase or sell any significant equipment or to make any significant changes in its number of employees.

RECENT ACCOUNTING PRONOUNCEMENTS

The Company continues to assess the effects of recently issued accounting standards. The impact of all recently adopted and issued accounting standards has been disclosed in the Notes to the audited Consolidated Financial Statements.

CRITICAL ACCOUNTING ESTIMATES

The Company is a shell company and, as such, the Company does not employ critical accounting estimates. Should the Company resume operations it will employ critical accounting estimates and will make any disclosures that are necessary and appropriate.

RISK FACTORS

IN ADDITION TO OTHER INFORMATION IN THIS REPORT, YOU SHOULD CONSIDER THE FOLLOWING RISK FACTORS CAREFULLY. THESE RISKS MAY IMPAIR THE COMPANY'S OPERATING RESULTS AND BUSINESS PROSPECTS AS WELL AS THE MARKET PRICE OF THE COMPANY'S COMMON STOCK.

RISKS RELATED TO THE COMPANY'S FINANCIAL CONDITION AND BUSINESS MODEL

THE COMPANY'S LIQUIDITY IS LIMITED AND IT MAY NOT BE ABLE TO OBTAIN SUFFICIENT FUNDS TO FUND ITS BUSINESS

The Company's cash is currently very limited and may not be sufficient to fund future operations. Although future operations are limited, the Company does incur expenses in maintaining its filing requirements in accordance with the Securities Exchange Act of 1934. If the Company is unable to raise additional capital, any future operations could be impeded. If the Company obtains additional funding, the issuance of additional capital stock may be dilutive to the Company's stockholders.

THE COMPANY CURRENTLY HAS NO OPERATIONS

The Company has had no operations since March 20, 2002.

IT MAY BE DIFFICULT TO CONSUMMATE A MERGER OR ACQUISITION WITH A PRIVATE ENTITY

The Company expects its purpose will include locating and consummating a merger or acquisition with a private entity. The Company anticipates the selection of a business opportunity in which to participate will be complex and extremely risky. The Company has, and will continue to have, little or no capital with which to provide the owners of business opportunities with any significant cash or other assets. However, management believes the Company will be able to offer owners of acquisition candidates the opportunity to acquire a controlling ownership interest in a publicly registered company without incurring the cost and time required to conduct an initial public offering. Such an acquisition candidate will, however, incur significant legal and accounting costs in connection with an acquisition of the Company, including the costs of preparing current and periodic reports, various agreements and other documents.

RISKS RELATED TO LEGAL UNCERTAINTIES

THE COMPANY HAS VIOLATED SECTION 5 OF THE SECURITIES ACT

Section 5 of the Securities Act prohibits the sale of securities absent an effective registration statement being filed with the SEC, unless an exemption from registration applies. On August 27, 2001, the Company's former parent, Acquisition Corp., offered and sold Acquisition Corp. Debentures. The Acquisition Corp. Debentures were exchanged for the VAOM Debentures, and the shares of the Company's common stock underlying the converted portion of the VAOM Debentures were sold by the holders of the VAOM Debentures. This series of transactions occurred over an approximate six month time period beginning August 27, 2001.

This series of transactions was performed in a manner thought to be exempt from the registration requirements of Section 5 of the Securities Act. However, the requirements of the exemptions relied on do not appear to have been satisfied. As a result of this uncertainty, the Company classified certain amounts as temporary equity.

Section 13 of the Securities Act provides that no action shall be maintained for offering or selling securities in violation of Section 5 unless that action is brought within one year of the date of the violation. Because actions by the holders of the Company's common stock received upon conversion of the VAOM Debentures are now barred by this statute of limitations, the Company has reclassified the amounts from temporary equity to permanent stockholder equity.

OTHER RISKS

THE COMPANY'S STOCK PRICE HAS DECLINED AND THE STOCK IS THINLY TRADED

The trading price of the Company's common stock has declined significantly since approximately October 2001. Although the stock price recovered for a short period of time after the June, 2005 reverse split, and again after the January, 2006 reverse split, it has since declined again. The market for the Company's common stock is without significant volume and there can be no assurance of a change in the immediate future.

PENNY STOCK REGULATIONS AND REQUIREMENTS FOR LOW PRICED STOCK

The SEC adopted regulations which generally define a "penny stock" to be any non-Nasdaq equity security that has a market price of less than $5.00 per share, subject to certain exceptions. Based upon the price of the Company's common stock as currently traded on the OTC Bulletin Board, the Company's common stock is subject to Rule 15g-9 under the Exchange Act which imposes additional sales practice requirements on broker-dealers which sell securities to persons other than established customers and "accredited investors." For transactions covered by this rule, a broker-dealer must make a special suitability determination for the purchaser and have received a purchaser's written consent to the transaction prior to sale. Consequently, this rule may have a negative effect on the ability of stockholders to sell common shares of the Company in the secondary market.

ADDITIONAL DEBT, CONVERTIBLE DEBT, OR EQUITY FINANCING MAY EFFECT ABILITY OF INVESTORS TO SELL COMMON STOCK

The Company's common stock currently trades on the OTC Bulletin Board. Stocks trading on the OTC Bulletin Board generally attract a smaller number of market makers and a less active public market and may be subject to significant volatility. If the Company raises additional capital from the sale of the Company's common stock, the market price could drop and the ability of investors to sell the Company's common stock could be diminished.

ITEM 2. DESCRIPTION OF PROPERTY

The Company's principal executive offices are located at One NE First Avenue, Suite 306, Ocala, Florida 34470. The Company does not have a lease but rather shares office space with its officers and directors and the Company pays no rent for the leased space. The Company does not own any properties nor does it lease any other properties. The Company does not believe it will need to maintain an office at any time in the foreseeable future in order to carry out its plan of operations as described herein.

ITEM 3. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer, Christopher Astrom, have reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a15(e) and 15d15(e)) as of the end of the period covered by this quarterly report on Form 10QSB. Based on that evaluation, Christopher Astrom determined that he and Richard Astrom, the Company's only two directors and officers, are the only individuals involved in the Company's disclosure process. The Company's system is designed so that information is retained by the Company and relayed to counsel as it becomes available. The Company's Chief Executive Officer and Chief Financial Officer believes that, as of the end of the period covered by this report, the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that it filed or submits under the Exchange Act is recorded, processed, summarized and reported, within the required time periods. Further, the Company's officers have concluded that the disclosure controls and procedures are also effective to ensure that information required to be disclosed in the reports that the Company files and submits pursuant to the Exchange Act of 1934 is accumulated and communicated to management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes in the Company's internal control over financial reporting have come to management's attention during the Company's last fiscal quarter that have materially affected, or are likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is not a party to any pending legal proceedings nor is any of the Company's property the subject of any pending legal proceedings.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

The Company did not submit any matters to a vote of its stockholders, through the solicitation of proxies or otherwise, during the first quarter of fiscal 2007.

ITEM 5. OTHER INFORMATION

GOING CONCERN

The Company has incurred recurring operating losses and does not have any revenue generating activities. These conditions raise substantial doubt about the Company's ability to continue as a going concern. If at any time the Company determines that it does not have sufficient cash in order to execute the foregoing strategy, then the Company intends to endeavor to obtain additional equity or other funding, if it is able do so. However, there can be no assurance that the Company will be able to raise additional funding necessary to operate.

REGISTRATION OF SECURITIES

The Company appears to be a blank check company, as defined by Rule 419 of Regulation C, promulgated under the Securities Act. Generally, a blank check company is a development stage company that has no specific business plan or purpose, is seeking to merge with or acquire an unidentified target, and is issuing "penny stock." So long as the Company continues to be a blank check company, any registration statement filed by the Company will need to comply with Rule 419. Rule 419 requires, among other things, that the proceeds of the offering and the securities issued pursuant to the offering be placed in escrow for the benefit of the investors of the securities. The offering must be made pursuant to an initial registration statement that meets the disclosure requirements of Rule 419, and the company must file and deliver to the investors a post-effective amendment upon execution of any agreement for the acquisition of one or more businesses or assets that will constitute the company's business. The investors must confirm their investments within prescribed time limits following the filing of the post-effective amendment, and the acquisition will be consummated only if the company is in receipt of confirmations from a sufficient number of investors to permit consummation (which must occur not more than 18 months following the effective date of the initial registration statement). However, any investor that does not confirm an investment is entitled to return of escrowed funds.

Additionally, it is the SEC's view that promoters and affiliates of a blank check company may resell their securities only in a registered offering, as Rule 144 promulgated under the Securities Act is not available. As such, the Company believes that any resale of the Company's common stock by a promoter or affiliate of the Company would have to be done in a registered offering that complies with Rule 419.

Item 6. Exhibits

EXHIBIT NUMBER	DESCRIPTION
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Sarbanes-Oxley Section 302
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Sarbanes-Oxley Section 906

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CAPITAL SOLUTIONS I, INC.

/s/ CHRISTOPHER ASTROM

By: Christopher Astrom
CHIEF EXECUTIVE OFFICER
CHIEF FINANCIAL OFFICER
Date: October 18, 2006

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

/s/ CHRISTOPHER ASTROM

By: Christopher Astrom
Director
Date: October 18, 2006

/s/ RICHARD ASTROM

By: Richard Astrom
Director
Date: October 18, 2006