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

SEC FILE NUMBER  
8-67033

**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 01/01/06 AND ENDING 31/12/06  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CAPITAL & CREDIT INTERNATIONAL, INC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

20401 N.W. 2ND AVENUE, SUITE 307

(No. and Street)

MIAMI

FL

33169

(City)

(State)

(Zip Code)

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

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

WATSON & COMPANY, P.A

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

20401 N.W. 2ND AVENUE, #300, MIAMI

FL

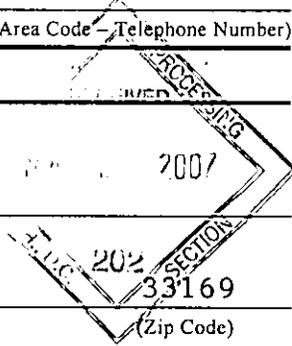
33169

(Address)

(City)

(State)

(Zip Code)



**CHECK ONE:**

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

PROCESSED

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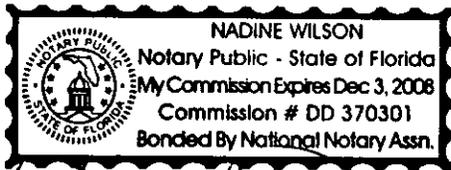
**FOR OFFICIAL USE ONLY**  
THOMSON  
FINANCIAL

\*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)

MA

OATH OR AFFIRMATION

I, JOHN FOLEY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAPITAL & CREDIT INTERNATIONAL, INC, as of DECEMBER 31,, 20 06, 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:



2-28-07

*Nadine Wilson*

Notary Public

*John Foley*  
Signature  
PRESIDENT  
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).

**CAPITAL & CREDIT INTERNATIONAL, INC.**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2006**

**CAPITAL & CREDIT INTERNATIONAL, INC.  
FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2006**

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# Watson & Company, P.A.

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Certified Public Accountants

20401 N.W. 2nd Avenue, Suite 300  
(State Road 441)  
Miami, Florida 33169  
(305) 653-8865  
(305) 653-8866  
Fax: (305) 654-7751

watsonpa@aol.com  
watson\_info@watsonpa.com

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Capital & Credit International, Inc.  
Miami, Florida

We have audited the accompanying statement of financial position of Capital & Credit International, Inc. as of December 31, 2006, and the related statements of operations, changes in member's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 position of Capital & Credit International, Inc. as of December 31, 2006, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under Securities Exchange Act of 1934.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

February 27, 2007

*Watson + Company, P.A.*

**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2006**

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**ASSETS**

Cash and cash equivalents	\$	38,253
Accounts receivable		3,500
Marketable securities, owned, at market value		-
Not readily marketable securities, owned, at estimated fair value		-
Property and equipment, net accumulated depreciation		-
Security deposit		11,234
Other assets		10,154
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>63,141</b>

**LIABILITIES AND MEMBER'S EQUITY**

Accounts payable, accrued expenses, and other liabilities	\$	6,977
Member's equity		56,164
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b>\$</b>	<b>63,141</b>

The accompanying notes are an integral part of the financial statements

**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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**REVENUE**

Interest and dividend	\$ 234
Total Revenue	<u>234</u>

**OPERATING EXPENSES**

Commissions and employee compensation	124,338
Communications	1,108
Licenses and taxes	4,508
Occupancy	6,536
Other administrative expenses	11,255
Professional fees	<u>32,505</u>
Total Operating Expenses	<u>180,250</u>

<b>NET LOSS</b>	<b><u>\$ 180,016</u></b>
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The accompanying notes are an integral part of the financial statements

**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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Balance, December 31, 2005	\$	34,180
Contribution by member		202,000
Net loss		<u>(180,016)</u>
Balance, December 31, 2006	\$	<u>56,164</u>

The accompanying notes are an integral part of the financial statements

**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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**OPERATING ACTIVITIES**

Net Loss	\$ (180,016)
Adjustments to reconcile net loss to net cash and cash equivalents used by operating activities:	
Changes in operating assets and liabilities:	
Accounts receivable	(13,654)
Security deposit	(11,234)
Accounts payable, accrued expenses, and other liabilities	<u>6,977</u>
Total adjustments	<u>(17,911)</u>
<b>NET CASH AND CASH EQUIVALENTS USED BY OPERATING ACTIVITIES</b>	<b><u>(197,927)</u></b>

**FINANCING ACTIVITIES**

Additional Paid-In-Capital	<u>202,000</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	4,073
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>34,180</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b><u>\$ 38,253</u></b>

The accompanying notes are an integral part of the financial statements

**CAPITAL & CREDIT INTERNATIONAL, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Activity**

Capital & Credit International, Inc., was incorporated on January 14, 2005 as a Florida corporation, but filed for a name change on May 17, 2006 from Stainton Bradley International, Inc. to its current name.

The Company is a broker dealer with approval to specialize in financial securities. It is currently registered with the Securities and Exchange Commission ("SEC"), and is a member of NASD, Inc. ("NASD").

**Method of Accounting**

The financial statements have been prepared using the accrual basis of accounting.

**Revenue**

The principal sources of revenue will be derived from fees and commissions earned from providing financial services, subject to the success of the services provided. However, the company is in its development stage and has not commenced active trading.

**Income Taxes**

As a corporation not exempt from Federal Income Taxes, the company is subject to federal income taxes on non-patronage income or additions to unallocated capital reserves.

**Estimates**

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

**NOTE 2 - DEPOSIT**

In furtherance of its functions as a Broker Dealer, the company has established a Clearing Agreement with North American Clearing, Inc., to clear transactions and maintain the accounts of certain customers. This agreement requires a cash deposit which is redeemable only after the agreement terminates.

**CAPITAL & CREDIT INTERNATIONAL, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006**

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**NOTE 3 - LEASE**

The premises from which the company operates was leased by the parent under a renewable lease agreement which will expire on September 30, 2007. Lease cost is allocated in proportion to space occupied.

**NOTE 4 - NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rules (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 8-to-1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10-to-1. At December 31, 2006, the company's net capital was \$42,510, which was \$37,510 in excess of its required net capital of \$5,000. The company's net capital ratio was 0.16-to-1.

**NOTE 5 - RELATED PARTY TRANSACTIONS**

Capital & Credit International, Inc. is solely owned by Capital & Credit Holding, Inc., a Florida Corporation, which is related to Capital & Credit Merchant Bank Ltd., a Jamaican Company. The holding company has undertaken to provide all the working capital requirements until the reporting company is fully functional.

In addition to the above, the company and its parent operates a cost sharing agreement involving administrative services. This agreement is renewable annually.

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**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2006**

**SCHEDULE I**

**NET CAPITAL**

Total member's equity	\$ 56,164
Total capital and allowable member's equity qualified for net capital	<u>56,164</u>
Deductions and/or charges:	
Non-allowable assets:	
Accounts receivable	3,500
Not readily marketable securities, owned	-
Property and equipment, net of accumulated depreciation	-
Other assets	<u>10,154</u>
Total deductions and/or charges	<u>13,654</u>
<b>NET CAPITAL</b>	<u><u>42,510</u></u>

**AGGREGATE INDEBTEDNESS**

Items included in statement of financial condition:	
Accounts payable, accrued expenses, and other liabilities	\$ <u>6,977</u>

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

Minimum net capital required (based on 12.5% of aggregate indebtedness)	\$ <u>872</u>
Minimum net capital required of reporting broker or dealer	\$ <u>5,000</u>
Net capital required (greater of above)	\$ <u>5,000</u>
Excess capital	\$ <u>37,510</u>
Ratio: Aggregated indebtedness to net capital	<u>0.16-to-1</u>

Pursuant to rul 17a-5(d)(4), no material differences were noted from the Company's computation; therefore, a reconciliation is not considered necessary.

Read independent auditors' report on financial statements.

**CAPITAL & CREDIT INTERNATIONAL, INC.**  
**COMPUTATION FOR DETERMINATION OF THE RESERVE REQUIREMENTS**  
**UNDER SECURITIES AND EXCHANGE COMMISSION RULE 15c3-3 AND**  
**INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS**  
**UNDER SECURITIES AND EXCHANGE COMMISSION RULE 15c3-3**  
**DECEMBER 31, 2006**

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**SCHEDULE II**

The Company is exempt from the requirements of Securities and Exchange Commission Rule 15c3-3 as it is operating under the k(2)(ii) exemption.

Read independent auditors' report on financial statements.

# Watson & Company, P.A.

Certified Public Accountants

20401 N.W. 2nd Avenue, Suite 300  
(State Road 441)  
Miami, Florida 33169  
(305) 653-8865  
(305) 653-8866  
Fax: (305) 654-7751

watsonpa@aol.com  
watson\_info@watsonpa.com

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

To the Board of Directors  
Capital & Credit International, Inc.  
Miami, Florida

In planning and performing our audit of the financial statements and supplemental schedules of Capital & Credit International, Inc. (the "Company") for the year ended December 31, 2006, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission ("SEC"), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in SEC Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under SEC Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of SEC Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customer as required by rule 15c3-3

Management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related cost of controls and of the practices and

procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives.

Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguard against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. SEC Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purpose in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2006, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, and other regulatory agencies that rely on SEC Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

February 27, 2007

*Watson + Company, PA*