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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III
FACING PAGE

SEC FILE NUMBER
8-65354

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 12/31/06
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

Saratoga Capital, LLC

OFFICIAL USE ONLY

FIRM ID. NO.

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

99 Wall Street, Suite 1200

(No. and Street)

PROCESSED

New York

(City)

New York

(State)

APR 03 2007

10005

(Zip Code)

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

Kevin Tingley

(212) 607-2690

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Robert J. Wilson Certified Public Accountant

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

23 Grand Avenue

(Address)

Farmingdale

(City)

NY

(State)

11735

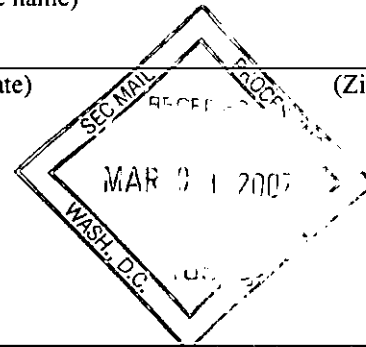
(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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



FOR OFFICIAL USE ONLY


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

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OATH OR AFFIRMATION

I, Kevin Tingley, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Saratoga Capital, LLC (Company), as of December 31, 2006, 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:

BINEETA SINGH
 Notary Public, State of New York
 No. 01SI6051108
 Qualified in Ontario County
 Commission Expires November 20, 20 10

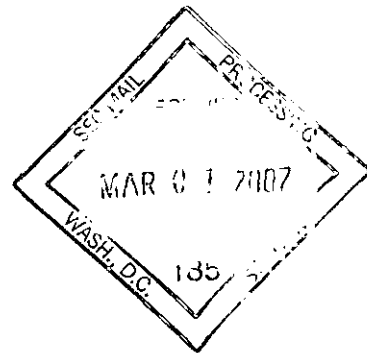

 Kevin Tingley, Managing Member

Sworn and subscribed to before me this 27th day of February, 2007.

This report contains (check all applicable boxes):	Page
<input type="checkbox"/> (a) Independent Certified Public Accountants' Report.	1
<input checked="" type="checkbox"/> (x) (a) Facing page.	
<input checked="" type="checkbox"/> (x) (b) Balance Sheet.	2
<input checked="" type="checkbox"/> (x) (c) Statement of Operations.	3
<input checked="" type="checkbox"/> (x) (d) Statement of Cash Flows.	4
<input checked="" type="checkbox"/> (x) (e) Statement of Changes in Member's Equity.	5
<input type="checkbox"/> (f) Statement of Changes in Subordinated Liabilities (not applicable).	
<input checked="" type="checkbox"/> (x) Notes to Financial Statements.	6 - 8
<input checked="" type="checkbox"/> (x) (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.	9
<input type="checkbox"/> (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.	
<input type="checkbox"/> (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).	
<input type="checkbox"/> (j) A Reconciliation, including Appropriate Explanations, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Rule 15c3-3 (not required).	
<input type="checkbox"/> (k) A Reconciliation Between the Audited and Unaudited Consolidated Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).	
<input checked="" type="checkbox"/> (l) An Affirmation.	
<input type="checkbox"/> (m) A Copy of the SIPC Supplemental Report (not required).	
<input checked="" type="checkbox"/> (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).	10 - 11

SARATOGA CAPITAL, LLC
(SEC I.D. No. 8-65354)

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2006
AND
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT
AND
SUPPLEMENTAL REPORT ON INTERNAL CONTROL**



Robert J. Wilson, CPA
23 Grand Avenue
Farmingdale, NY 11735

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT

To the Members of
Saratoga Capital, LLC

We have audited the accompanying balance sheet of Saratoga Capital, LLC as of December 31, 2006 and the related statements of operations, changes in member's equity, and cash flows for the year then ended. 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 U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 Saratoga Capital, LLC at December 31, 2006, and the results of its operations, changes in member's equity, and cash flows for year then ended in conformity with U.S. generally accepted accounting principals.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained on page 9 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 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the examination 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.

Robert J. Wilson, CPA

Farmingdale, NY
February 23, 2007

SARATOGA CAPITAL, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2006

ASSETS

Cash	\$ 370,423
Receivable from clearing broker	153,250
Clearing deposit	156,675
Prepaid expense	25,052
Receivable from affiliate	
Furniture and fixtures, net of accumulated depreciation of \$56,984	53,597
Security deposit	69,827
Other receivable	47,378
Total Assets	<u>\$ 876,202</u>

LIABILITIES AND MEMBER'S EQUITY

Accounts payable and accrued expenses	\$ 512,570
Other liabilities	8,218
Total Liabilities	<u>520,788</u>
Contingencies	-
Member's equity	<u>355,414</u>
Total Liabilities and Member's Equity	<u>\$ 876,202</u>

See accompanying notes.

SARATOGA CAPITAL, LLC
STATEMENT OF OPERATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006

Revenues:	
Commissions	\$ 5,035,235
Interest and dividends	<u>6,826</u>
Total Revenues	<u>5,042,061</u>
Costs and Expenses:	
Salaries and related taxes	2,507,852
Clearing expenses	790,275
Research expenses	429,953
Travel and entertainment	300,768
Quote	160,071
Rent	116,687
Professional fees	87,505
Telephone	61,068
Employee benefits	58,102
Loss on error and riskless account-net	54,260
Office	49,135
Dues and subscriptions	34,268
Computer expenses	31,057
Repairs	25,619
Taxes	16,225
Depreciation	14,344
Utilities	12,331
Regulatory fees	10,539
Insurance	10,284
Other	<u>7,135</u>
Total Costs and Expenses	<u>4,777,478</u>
Net income	<u><u>\$ 264,583</u></u>

See accompanying notes.

SARATOGA CAPITAL, LLC
STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006

Cash Flows From Operating Activities:	
Net income	\$ 264,583
Depreciation	14,344
Adjustment to reconcile net income to net cash provided by operating activities:	
Decrease in receivable from clearing broker	104,427
(Increase) in clearing deposit	(5,242)
(Increase) in prepaid expense	(19,007)
Decrease in receivable from affiliate	2,688
(Increase) in other receivable	(47,379)
Increase in commissions, accounts payable and accrued expenses	77,129
Increase in other liabilities	8,218
	<hr/>
Net Cash Provided By Operating Activities	399,761
Cash Flows From Investing Activities:	
Purchase of furniture	(50,243)
Net Cash (Used) by Investing Activities	(50,243)
Cash Flows From Financing Activities:	
Member's distributions (net of contributions)	(128,639)
Net Cash (Used) by Financing Activities	(128,639)
Net Increase In Cash	220,879
Cash at beginning of the year	149,544
	<hr/>
Cash at end of the year	<u>\$ 370,423</u>

See accompanying notes.

SARATOGA CAPITAL, LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006

	Total Member's Equity
Balance, January 1, 2006	\$ 219,470
Member's distributions	(128,639)
Net income	<u>264,583</u>
Balance, December 31, 2006	<u><u>\$ 355,414</u></u>

See accompanying notes.

SARATOGA CAPITAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

1. ORGANIZATION AND NATURE OF BUSINESS

The Company was organized on May 31, 2001 as a New York Limited Liability Company that conducts business as a registered broker-dealer under the Securities Exchange Act of 1934. As a Limited Liability Company the member's liability is limited to the member's investment. It was founded to provide low-risk securities brokerage services to its institutional clients. The sole owner of Saratoga Capital, LLC is RCM Saratoga Capital, LLC.

The Company clears all of its transactions through a securities clearing broker. The Company acts as a broker-dealer and is exempt from Securities and Exchange Commission Rule 15c3-3 under paragraph (k)(2)(ii) since it uses other securities firms for clearing.

Pursuant to an agreement between the Company and Jefferies & Company, securities transactions of the Company are cleared through Jefferies & Company and its customers are introduced and cleared on a fully disclosed basis. The Company is not responsible for compliance with Section 4(c) of Regulation T of the Board of Governors of the Federal Reserve System, as all customers' accounts, as defined by such rules, are carried by Jefferies & Company.

2. SIGNIFICANT ACCOUNTING POLICIES

Revenues

The Company earns its revenues from commissions for agency transactions and for risk-less principal transactions; income is earned from mark-ups and mark downs. The transactions are recorded on a settlement date, which is not materially different than recording transactions on a trade date.

Accrual Basis of Accounting

The Company's financial statements are prepared using the accrual method of accounting. The Company's year end is December 31.

Receivable from Clearing Broker

Receivable from clearing broker consists of money due from the Company's clearing firm, Jefferies & Company for income earned on securities transactions. Management has determined that no allowance for doubtful accounts is necessary at December 31, 2006.

SARATOGA CAPITAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

Clearing Deposit

The Company is required and maintains a separate clearing deposit account at Jefferies & Company with a cash balance of \$150,000.

Income Taxes

The Company is a single member limited liability Company taxed as a partnership and therefore, the accompanying financial statements do not include any provision for federal or state income taxes. Each member of the Company is individually responsible for reporting his share of the Company's income or loss. The Company is responsible for New York City Unincorporated Business Taxes. As a single member Limited Liability Company, the Company is not liable for the filing of income tax returns. Rather, its income is included in the income tax returns of its parent.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

Fixed Assets

Furniture and equipment are being depreciated using accelerated methods over their estimated useful lives, ranging from five to seven years.

3. NET CAPITAL

The Company is a member of the NASD and subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000 and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2006, the Company had net capital of \$151,103, which was in excess of its required net capital of \$5,000. The Company's percentage of aggregate indebtedness to net capital was 339%.

SARATOGA CAPITAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

4. AGREEMENT OF LEASE

Saratoga Capital, LLC entered into a lease agreement for office space at 99 Wall Street, NYC on October 10, 2005. The term of the lease is five (5) years and calls for an annual rent of approximately \$12,000 per month and electric charges of \$14,202 per annum. During 2006, there was a one month abatement of rent and there is a one month rent abatement scheduled in 2007. There are also provisions for 2.5% annual increase for the remaining period of the lease.

5. CONTINGENCIES

In the normal course of business, the Company is engaged in various trading and brokerage activities, including agency and risk-less principal transactions through a clearing broker.

In connection with these activities, a customer's unsettled transactions may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contractual obligations.

Significant credit exposure may result in the event that the Company's clearing broker is unable to fulfill its contractual obligation.

SARATOGA CAPITAL, LLC
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2006

NET CAPITAL:

Total member's equity	\$ 355,414
Deductions and/or charges:	
Non-allowable assets:	
Accounts Receivable	47,378
Prepaid expense	25,052
Furniture and fixtures, net	53,597
Security deposit	69,827
Other	16,675
Secured liability - commission	<u>(8,218)</u>
Net capital before haircuts on securities positions	<u>151,103</u>
Haircuts on securities positions	<u>-</u>
Undue concentration	<u>-</u>
Net Capital	<u><u>\$ 151,103</u></u>

AGGREGATE INDEBTEDNESS:

Items included in the statement of financial condition:

Accounts payable and accrued expenses	\$ <u>512,570</u>
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COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:

Minimum net capital required (6-2/3% of aggregate indebtedness)	\$ <u>34,171</u>
Minimum dollar net capital required	<u>\$ 5,000</u>
Excess net capital	<u>\$ 116,932</u>
Excess net capital at 1,000%	<u>\$ 99,846</u>
Percentage of aggregate indebtedness to net capital is	<u>339%</u>

The above computation agree with the December 31, 2006 computation of net capital filed electronically by the company on FOCUS Form X-17A-5 Part IIA.

*Robert J. Wilson, CPA
23 Grand Avenue
Farmingdale, NY 11735*

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL
ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5**

To the Members of
Saratoga Capital, LLC

In planning and performing our audit of the financial statements and supplementary information of Saratoga Capital, LLC (the "Company") for the year ended December 31, 2006, we considered its internal control structure, including procedures 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 the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following: 1) Making quarterly securities examinations, counts, verifications and comparisons; 2) Recordation of differences required by Rule 17a-13, or, 3) Complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining a system of internal accounting control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and 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. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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

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

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

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

Robert J. Wilson, CPA

Farmingdale, NY
February 23, 2007

END