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

SEC FILE NUMBER  
8- 39592

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

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Enclave Capital, L.L.C.

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

153 East 53rd Street, 29th Floor

(No. and Street)

New York

NY

10022

(City)

(State)

(Zip Code)

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

Ray Tellini

212-433-1360

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Rosenberg Rich Baker Berman & Company

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

111 Dunnell Road

Maplewood

NJ

07040

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

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

**PROCESSED**

**APR 09 2007**

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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)

AB  
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OATH OR AFFIRMATION

I, Ray Tellini, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Enclave Capital, L.L.C., 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ANNE K. EVERS  
NOTARY PUBLIC OF NEW JERSEY  
My Comm. Expires July 27, 2009

Anne K Evers  
Notary Public

Ray Tellini  
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).

**Enclave Capital, L.L.C.**  
**Financial Statements and Supplementary Schedules**  
**Pursuant to Rule 17a-5 of the**  
**Securities and Exchange Commission**  
**Year Ended December 31, 2006**

**Enclave Capital, L.L.C.**  
**Index to the Financial Statements**  
**December 31, 2006**

|  | Page |
|--|------|
| Independent Auditors' Report .....   | 1    |
| Financial Statements   |      |
| Statement of Financial Condition .....   | 2    |
| Statement of Operations .....  | 3    |
| Statement of Changes in Members' Equity .....  | 4    |
| Statement of Cash Flows .....  | 5    |
| Notes to the Financial Statements .....  | 6-7  |
| Additional Information   |      |
| Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission.....                                | 8    |
| Computation for Determination of Reserve Requirements Under Rule 15c3-3<br>of the Securities and Exchange Commission ..... | 9    |

# Rosenberg Rich Baker Berman & COMPANY

A PROFESSIONAL ASSOCIATION OF  
CERTIFIED PUBLIC ACCOUNTANTS

111 Dunnell Road • Maplewood, NJ 07040  
Phone: 973-763-6363 • FAX: 973-763-4430  
Website: www.rrbb.com • E-Mail: info@rrbb.com

## Independent Auditors' Report

To the Board of Directors and Members of

Enclave Capital, L.L.C.

We have audited the accompanying statement of financial condition of Enclave Capital, L.L.C. (the "Company") as of December 31, 2006 and the related statements of operations, changes in members' 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. 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 Enclave Capital, L.L.C. as of December 31, 2006, and the results of their operations and their 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 the additional information is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is additional information required by rule 17a-5 under the 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.

*Rosenberg Rich Baker Berman & Company*

Maplewood, New Jersey  
February 21, 2007

Aaron A. Rich, CPA●  
Alvin P. Levine, CPA+  
Frank S. LaForgia, CPA  
Carl S. Schwartz, CPA\*  
David N. Roth, CPA  
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Leonard M. Friedman, CPA◆◆  
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**Enclave Capital, L.L.C.**  
**Statement of Financial Condition**  
**December 31, 2006**

|                                       |                   |
|---------------------------------------|-------------------|
| Assets                                |                   |
| Current Assets                        |                   |
| Cash                                  | \$ 173            |
| Money market funds                    | <u>116,300</u>    |
| Total Current Assets                  | <u>\$ 116,473</u> |
| Liabilities and Members' Equity       |                   |
| Current Liabilities                   |                   |
| Accounts payable                      | \$ 24,095         |
| Due to related party                  | <u>18,500</u>     |
| Total Current Liabilities             | <u>42,595</u>     |
| Members' Equity                       | <u>73,878</u>     |
| Total Liabilities and Members' Equity | <u>\$ 116,473</u> |

The accompanying notes form an integral part of these financial statements.

**Enclave Capital, L.L.C.**  
**Statement of Operations**  
**Year Ended December 31, 2006**

|                   |  |                    |
|-------------------|--|--------------------|
| Revenues          |  |                    |
| Interest income   |  | <u>4,776</u>       |
| Total Revenues    |  | <u>4,776</u>       |
| Expenses          |  |                    |
| Professional fees |  | 10,000             |
| Regulatory fees   |  | 3,457              |
| Administrative    |  | <u>13,198</u>      |
| Total Expenses    |  | <u>26,655</u>      |
| Net Loss          |  | <u>\$ (21,879)</u> |

The accompanying notes form an integral part of these financial statements.

**Enclave Capital, L.L.C.**  
**Statement of Changes in Members' Equity**  
**Year Ended December 31, 2006**

|                             | <u>Total<br/>Members'<br/>Equity</u> |
|-----------------------------|--------------------------------------|
| Balance - January 1, 2006   | \$ 95,757                            |
| Net loss                    | <u>(21,879)</u>                      |
| Balance - December 31, 2006 | <u>\$ 73,878</u>                     |

The accompanying notes form an integral part of these financial statements.

**Enclave Capital, L.L.C.**  
**Statement of Cash Flows**  
**Year Ended December 31, 2006**

|   |                |
|---|----------------|
| -   |                |
| Cash Flows From Operating Activities  |                |
| Net Loss  | \$ (21,879)    |
|   |                |
| Adjustments to Reconcile Net Loss to Net Cash Provided by<br>Operating Activities |                |
|   |                |
| Changes in Assets and Liabilities   |                |
| Increase in money market funds  | (116,300)      |
| Decrease in due from clearing broker  | 123,370        |
| Increase in accounts payable  | <u>12,500</u>  |
| Total Adjustments   | <u>19,570</u>  |
| Net Cash Used by Operating Activities   | <u>(2,309)</u> |
|   |                |
| Net Decrease in Cash  | (2,309)        |
|   |                |
| Cash - January 1, 2006  | <u>2,482</u>   |
| Cash - December 31, 2006  | <u>\$ 173</u>  |

The accompanying notes form an integral part of these financial statements.

**Enclave Capital, L.L.C.**  
**Notes to the Financial Statements**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

Enclave Capital, L.L.C. (the "Company") is a limited liability company under the laws of the state of Delaware. The Company is a registered as a broker-dealer with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers, Inc. The Company acts as a broker primarily in marketing private placements.

**Basis of Income Realization and Securities Transactions**

Marketable securities are valued at market value and securities not readily marketable are valued at fair value as determined by management. Securities transactions of the Company are recorded on a trade date basis. Realized and unrealized gains and losses are included in earnings.

**Income Taxes**

The Company is formed as a limited liability company. As such, federal and state income is taxed to the members personally. Accordingly, no provision for federal or state income taxes have been made in the accompanying financial statements.

**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 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.

**CONCENTRATION OF CREDIT RISK**

The Company has a significant amount of money that is invested in a money market fund held at its carrying broker. The Company does not believe that it bears any significant risk with respect to this investment.

**OFF-BALANCE SHEET RISK**

The Company enters into transactions that may have off-balance sheet risk. Off-balance sheet risk exists when the maximum potential loss is greater than the value reflected in the Company's financial statements.

The Company is subject to certain risks arising from its transactions with counterparties if the counterparty fails to perform its obligations under the contractual terms.

**RELATED PARTY TRANSACTIONS**

Imperium Partners Group, LLC, pursuant to an agreement with the Company, provides office space and administrative services. Imperium Partners Group, LLC waived all amounts due under this agreement.

At December 31, 2006, \$18,500 was due to The Palladin Group, L.P. with no interest or set repayment terms.

**ENCLAVE CAPITAL, L.L.C.**  
**Notes to the Financial Statements**

**NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (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 15 to 1. The rule of the 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 had net capital of \$71,552, which was \$66,552 in excess of its required net capital of \$5,000.

**Enclave Capital, L.L.C.**  
**Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission**  
**As of December 31, 2006**

|  |                   |
|--|-------------------|
| NET CAPITAL  |                   |
| Total Members' Equity                              | \$ 73,878         |
| NET CAPITAL BEFORE HAIRCUT ON SECURITY POSITION    |                   |
| HAIRCUT ON SECURITY POSITION                       |                   |
| Money market funds                                 | <u>2,326</u>      |
| Net Capital  | <u>\$ 71,552</u>  |
| AGGREGATE INDEBTEDNESS                             |                   |
| Items included in statement of financial condition |                   |
| Due to related party                               | \$ 18,500         |
| Accounts payable                                   | <u>24,095</u>     |
| Total Aggregate Indebtedness                       | <u>42,595</u>     |
| COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS      |                   |
| Minimum dollar net capital requirement             | <u>\$ 5,000</u>   |
| Net Capital Requirement                            | <u>5,000</u>      |
| Excess Net Capital                                 | <u>\$ 66,552</u>  |
| Ratio of Aggregate Indebtedness to Net Capital     | <u>.5956 to 1</u> |

There were no material differences between the amounts present above and the amounts reported in Company's unaudited FOCUS report as of December 31, 2006

**Enclave Capital, L.L.C.**  
**Computation for Determination of Reserve Requirements**  
**Under Rule 15c3-3 of the Securities Exchange Commission**  
**As of December 31, 2006**

The Company claims an exemption from the reserve requirement under paragraph (k)(2)(i) of Rule 15c3-3.

# Rosenberg Rich Baker Berman & C O M P A N Y

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE

### The Members Enclave Capital, L.L.C.

In planning and performing our audit of the financial statements and additional information of Enclave Capital, L.L.C. 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 the 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 rule 17a-5(g), in making the periodic computations of aggregate indebtedness (or aggregate debits) 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
3. 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

The 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 judgements 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 that transactions are executed in accordance with management's authorization and recorded properly to permit 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.

The Members  
Enclave Capital, L.L.C.  
Page 2

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 the 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 component 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 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 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, Inc. and other regulatory agencies which 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.

*Rosenberg Rich Baker Berman & Company*

Maplewood, New Jersey  
February 21, 2007