

U.S. SE



07007658

MISSION

Handwritten initials

ANNUAL REPORT
FORM 17A-5
PART III

Information Required of Brokers and Dealers
Pursuant to Section 17 of the Securities
Exchange Act of 1934

SEC FILE NO.
8-1361

and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING

01/01/06
MM/DD/YY

AND ENDING

12/31/06
MM/DD/YY

A. REGISTRANT
IDENTIFICATION

NAME OF BROKER-DEALER:

Scott & Stringfellow, Inc

Official Use Only
FIRM ID NO.

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAR 2 2007
BRANCH OF REGISTRATIONS
AND EXAMINATIONS
04

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

909 East Main Street

(No. and Street)

Richmond

(City)

Virginia

(State)

23219

(Zip Code)

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

Randall Saufley, Chief Accounting Officer

804-649-3965

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

PricewaterhouseCoopers LLP

214 N. Tryon St. Suite 3600
(ADDRESS) Number and Street

Charlotte
City

North Carolina
State

28202
Zip Code

PROCESSED

AUG 24 2007

THOMSON
FINANCIAL

CHECK ONE:

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


FOR OFFICIAL USE ONLY

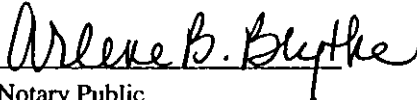
Handwritten signature

*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).

Oath or Affirmation

I, Randall Saufley, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Scott & Stringfellow, Inc., 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.


 Randall Saufley
 Chief Accounting Officer


 Notary Public

My Commission Expires January 31, 2010

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

(x) (a) Facing Page.....	i
(x) (b) Statement of Financial Condition	2
(x) (c) Statement of Operations.....	3
(x) (f) Statement of Changes in Stockholder's Equity.....	4
(x) (g) Statement of Liabilities Subordinated to Claims of General Creditors.....	5
(x) (d) Statement of Cash Flows	6
(x) (e) Statement of Cash Flows – Supplemental Disclosure.....	7
(x) Notes to Financial Statements.....	8
(x) (h) Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	19
(x) (i) Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	20
(x) (j) Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	21
() (k) 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 Exhibit A of Rule 15c3-3 (not required)	
() (l) A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable)	
(x) (m) Oath or Affirmation	ii
() (n) A Copy of the SIPC Supplemental Report	
() (o) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit	
(x) (p) Independent Auditors report on internal control (Report of Independent Auditors on Internal Control Required by SEC Rule 17a-5).....	22

** For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Report of Independent Auditors

To the Board of Directors and Stockholder of
Scott & Stringfellow, Inc.
(a subsidiary of BB&T Corporation):

In our opinion, the accompanying statement of financial condition and the related statements of operations, changes in stockholder's equity, liabilities subordinated to claims of general creditors, and cash flows, present fairly, in all material respects, the financial position of Scott & Stringfellow, Inc. (the Company) at 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. 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 of these statements 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, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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, II and III 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 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 whole.

PricewaterhouseCoopers LLP

February 27, 2007

Scott & Stringfellow, Inc.
Statement of Financial Condition
December 31, 2006

Assets

Cash	\$	11,149,491
Cash segregated under federal regulations		152,636,747
Securities purchased under agreements to resell		236,985,027
Securities owned, at estimated fair value		301,959,983
Securities owned, pledged to counterparties, at estimated fair value		415,381,833
Securities borrowed		6,611,246
Receivable from customers		149,696,973
Receivable from brokers, dealers and clearing organizations		164,283,959
Furniture, equipment and leasehold improvements, at cost (less accumulated depreciation and amortization of \$25,766,938)		6,626,374
Goodwill		85,154,874
Notes receivable		973,174
Deferred tax asset		2,938,654
Other assets		49,782,438

Total assets	\$	1,584,180,773
---------------------	-----------	----------------------

Liabilities and stockholder's equity

Securities sold under agreements to repurchase	\$	437,028,097
Securities sold, not yet purchased, at estimated fair value		309,767,659
Short-term borrowing with affiliate		150,000,000
Other short-term borrowings		66,213,000
Payable to customers		264,598,168
Payable to brokers, dealers and clearing organizations		17,765,914
Payable to fully-disclosed clearing firms		312,623
Accrued interest payable		3,249,690
Accrued expenses, compensation and other liabilities		59,134,087

Total liabilities	1,308,069,238
--------------------------	----------------------

Commitments and contingencies (Notes 16 and 17)

Liabilities subordinated to claims of general creditors	100,000,000
---	-------------

Stockholder's equity

Common stock, no par value; 2,400,000 shares authorized; 168 shares issued and outstanding	842,756
Additional paid-in capital	160,953,667
Retained earnings	14,315,112

Total stockholder's equity	176,111,535
-----------------------------------	--------------------

Total liabilities and stockholder's equity	\$	1,584,180,773
---	-----------	----------------------

END