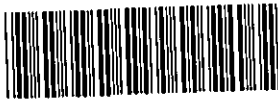
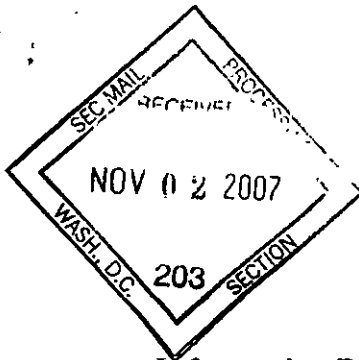


BB 12/13



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COMMISSION 19

OMB APPROVAL
OMB Number: 3235-0123
Expires: February 28, 2010
Estimated average burden hours per response... 12.00

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

SEC FILE NUMBER
8-32709

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 09/01/2006 AND ENDING 08/31/2007
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Pavek Investments, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
2419 W. Brantwood Avenue

Glendale WI 53209
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Douglas Pavek 414-352-4434
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Gary Hoffman

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

7670 North Port Washington Road Milwaukee WI 53217
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED
B
DEC 14 2007
THOMSON FINANCIAL

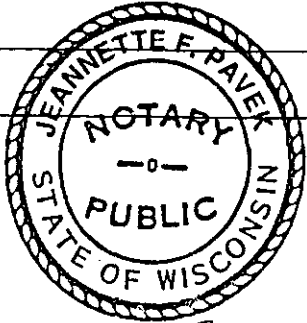
FOR OFFICIAL USE ONLY

*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)

TDIA

OATH OR AFFIRMATION

I, Douglas Pavek, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Pavek Investments, Inc., as of August 31, 2007, 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:



Douglas
Signature
President
Title

Jeannette E. Pavek
Notary Public

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~~ Cash Flows.
- (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).

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

Name (If individual, state last, first, middle name)

Hoffman, Gary L. 70

ADDRESS Number and Street City State Zip Code

1670 N. Port Washington Road Milwaukee Wisconsin 53217

71 72 73 74

Check One

- Certified Public Accountant 75
- Public Accountant 76
- Accountant not resident in United States or any of its possessions 77

FOR SEC USE

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PAVEK INVESTMENTS, INC.

ANNUAL REPORT

AUGUST 31, 2007

PAVEK INVESTMENTS, INC.
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2.

GARY HOFFMAN
Certified Public Accountant
7670 North Port Washington Road
Milwaukee, Wisconsin 53217

Phone: (414) 247-1411

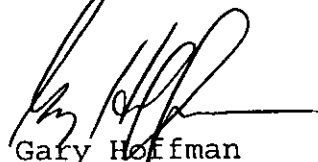
Fax: (414) 716-7671

Board of Directors
Pavek Investments, Inc.

I have examined the statement of financial condition of Pavek Investments, Inc., as of August 31, 2007 and the related statements of income, changes in stockholder's equity, and statement of cash flows for the year then ended. My examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and other such auditing procedures as I considered necessary in the circumstances.

In my opinion, the financial statements referred to above present fairly the financial position of Pavek Investments, Inc., as of August 31, 2007 and the results of their operations for the year then ended in conformity with generally accepted accounting principles applied on a consistent basis.

My examination was made for the purpose of forming an opinion on the basic financial statements, taken as a whole. The information in Part IIA is presented for the 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 and Exchange Commission. Such information has been subjected to the Auditing procedures applied in the examination of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Gary Hoffman
October 15, 2007

PAVEK INVESTMENTS, INC.
STATEMENT OF FINANCIAL CONDITION

August 31, 2007

| | |
|--|-------------------|
| ASSETS | |
| Current Assets | |
| Cash | \$ 61,960 |
| Accounts Receivable | 127,986 |
| Marketable Securities | 49,522 |
| Prepaid Taxes | 677 |
| NASD Stock Subscription | <u>3,300</u> |
| Total Current Assets | \$ 243,445 |
| Fixed Assets | |
| Furniture & Equipment | 14,415 |
| Less: Accumulated Depreciation | <u>12,936</u> |
| Net Fixed Assets | \$ 1,479 |
| Other Assets | |
| Deposit — License | \$ 140 |
| Other Assets | 1,615 |
| Security Deposit | 1,354 |
| Advances to Representative | <u>32,238</u> |
| Total Other Assets | \$ 35,347 |
| TOTAL ASSETS | <u>\$ 280,271</u> |
| LIABILITIES | |
| Current Liabilities | |
| Commissions Payable | 80,405 |
| Accrued Payroll Taxes | 57,581 |
| Accounts Payable | <u>430</u> |
| Total Current Liabilities | \$ 138,416 |
| TOTAL LIABILITIES | <u>\$ 138,416</u> |
| Stockholder's Equity | |
| Common Stock | \$ 5,000 |
| Additional Paid-in Capital | 31,600 |
| Retained Earnings | <u>105,255</u> |
| Total Stockholder's Equity | \$ 141,855 |
| TOTAL LIABILITIES & STOCKHOLDER'S EQUITY | <u>\$ 280,271</u> |

The Accompanying Notes Are An Integral Part Of These Financial Statements.

PAVEK INVESTMENTS, INC.
STATEMENT OF INCOME
FOR THE YEAR ENDED AUGUST 31, 2007

| | |
|------------------------|-------------|
| Revenues | |
| Commissions | \$1,395,335 |
| Interest and Dividends | 514 |
| | <hr/> |
| Total Revenue | \$1,395,849 |

| | |
|----------------------------|-------------|
| Expenses | |
| Commissions | \$1,008,001 |
| Automobile Expense | 242 |
| Salaries | 188,000 |
| Regulatory Fees | 15,957 |
| Employee Benefits | 7,637 |
| Professional Fees | 44,766 |
| Dues & Subscriptions | 3,325 |
| Insurance | 2,981 |
| Education | 437 |
| Advertising & Donations | 6,640 |
| Office Expense | 9,879 |
| Postage | 1,143 |
| Utilities | 2,397 |
| Payroll Taxes | 14,669 |
| Bank Charges & Filing Fees | 141 |
| Personal Property Tax | 64 |
| Telephone | 4,909 |
| Sales Meetings & Travel | 15,205 |
| Depreciation | 306 |
| Rent | 22,348 |
| Retirement Plans | 47,000 |

| | |
|--------------------------|--------------------|
| Total Operations Expense | <u>\$1,396,047</u> |
| Operating Income <Loss> | \$ <198> |

| | |
|--------------------------------|--------|
| Other Income <Expense> | |
| Gain on Marketable Securities | 18,257 |
| Gain on Disposal of Securities | 15,309 |

| | |
|-------------------------------------|------------------|
| Net Income/<Loss> Before Income Tax | <u>\$ 33,368</u> |
| Income Tax | 447 |

| | |
|-------------------|------------------|
| Net Income/<Loss> | <u>\$ 32,921</u> |
|-------------------|------------------|

The Accompanying Notes Are An Integral Part of These Financial Statements.

PAVEK INVESTMENTS, INC.
 STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
 FOR THE YEAR ENDED AUGUST 31, 2007

| | <u>Common Stock</u> | <u>Additional Paid-in Capital</u> | <u>Retained Earnings</u> |
|-----------------------------------|-------------------------|---|------------------------------|
| Balances as of September 1, 2006 | \$ 5,000 | \$ 31,100 | \$ 46,838 |
| Net Profit <Loss> Contribution | | 500 | 32,921 |
| Balances at August 31, 2007 | <u>\$ 5,000</u> | <u>\$ 31,600</u> | <u>\$ 79,759</u> |

The Accompanying Notes Are An Integral Part Of These Financial Statements.

PAVEK INVESTMENTS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2007

Operating Activities

| | |
|---|-----------|
| Net Profit | \$ 32,921 |
| Increase in Accounts Receivable | <126,759> |
| Increase in Accounts Payable | 430 |
| Increase in Commissions Payable | 61,771 |
| Decrease in Accrued Income Tax | <146> |
| Increase in Payroll Taxes payable | 31,158 |
| Decrease in Prepaid Taxes | 580 |
| Depreciation | 306 |
| Net cash provided by Operating Activities | \$ 261 |
| Investing Activities | |
| Decrease in Marketable Securities | \$ 7,822 |
| Increase in Additional Paid Capital | 500 |
| Net cash used in Investing Activities | \$ 8,322 |
| Financing Activities | |
| Increase in Cash | \$ 8,583 |
| Cash — Beginning of Year | 53,377 |
| Cash — End of Year | \$ 61,960 |

The Accompanying Notes Are An Integral Part Of These Financial Statements.

PAVEK INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

1. Significant Accounting Policies Business Activity:

The company is engaged primarily in selling of securities for a commission. The company does not buy or sell investments for its clients and acts only as a salesman for the investment companies.

2. Capital Stock:

The authorized, issued and outstanding shares of capital stock at August 31, 2007 were as follows:

Common Stock, no par value; authorized 2,800 shares; issued 1,000 shares.

3. Net Capital Requirement:

The company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (rule cm3-3), which requires the maintenance of minimum net capital. At August 31, 2007, the company had net capital of \$90,929, which was \$81,697 in excess of its required net capital of 9,232.

4. Income Taxes:

The federal income tax liability for the year ended August 31, 2007 was \$272. The Wisconsin income tax liability for the year was \$155.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

Pavek Investments, Inc.

as of 08/31/07

COMPUTATION OF NET CAPITAL

| | | | |
|--|----|-----------|------|
| 1. Total ownership equity from Statement of Financial Condition | \$ | 141,855 | 3480 |
| 2. Deduct ownership equity not allowable for Net Capital | 19 | () | 3490 |
| 3. Total ownership equity qualified for Net Capital | | 141,855 | 3500 |
| 4. Add: | | | |
| A. Liabilities subordinated to claims of general creditors allowable in computation of net capital | | | 3520 |
| B. Other (deductions) or allowable credits (List) | | | 3525 |
| 5. Total capital and allowable subordinated liabilities | \$ | 141,855 | 3530 |
| 6. Deductions and/or charges: | | | |
| A. Total non-allowable assets from | | | |
| Statement of Financial Condition (Notes B and C) | 17 | \$ 50,926 | 3540 |
| B. Secured demand note delinquency | | | 3590 |
| C. Commodity futures contracts and spot commodities – | | | |
| proprietary capital charges | | | 3600 |
| D. Other deductions and/or charges | | | 3610 |
| 7. Other additions and/or allowable credits (List) | | | |
| 8. Net capital before haircuts on securities positions | 20 | \$ 90,929 | 3630 |
| 9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)): | | | |
| A. Contractual securities commitments | \$ | | 3660 |
| B. Subordinated securities borrowings | | | 3670 |
| C. Trading and investment securities: | | | |
| 1. Exempted securities | 18 | | 3735 |
| 2. Debt securities | | | 3733 |
| 3. Options | | | 3730 |
| 4. Other securities | | | 3734 |
| D. Undue Concentration | | | 3650 |
| E. Other (List) | | | 3736 |
| 10. Net Capital | \$ | 90,929 | 3750 |

Line 6A – Non-Allowable Assets

OMIT PENNIES

| | |
|-----------------------------|---------------|
| Accounts Receivable | 10,800 |
| Other Assets | 1,615 |
| NASD Deposit Account | 140 |
| Security Deposit | 1,354 |
| NASD Stock Subscription | 3,300 |
| Fixed Assets – Net | 1,479 |
| Advances to Representatives | 32,238 |
| TOTAL | 50,926 |

Reconciliation between company-filed Unaudited Focus Report and this audited report.

The company-filed unaudited report did not reflect Federal and Wisconsin income tax for the year end 08/31/07 in the amount of \$447.

| | Audit Report | Unaudited Focus Report | Difference |
|--|--------------|------------------------|------------|
| Prepaid Taxes | \$ 677 | \$ 1,124 | <477> |
| Total Assets | 280,271 | 280,718 | <477> |
| Retained Earnings | 105,255 | 105,702 | <477> |
| Stockholders Equity | 141,855 | 142,302 | <477> |
| Total Liabilities & Stockholder Equity | 280,271 | 280,718 | <477> |

There were no material inadequacies found to exist since the date of the last audit.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

Pavek Investments, Inc.

as of 08/31/07

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

| | | |
|---|-----------|------|
| 11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) | \$ 9,232 | 3756 |
| 12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | \$ 5,000 | 3758 |
| 13. Net capital requirement (greater of line 11 or 12) | \$ 9,232 | 3760 |
| 14. Excess net capital (line 10 less 13) | \$ 81,697 | 3770 |
| 15. Excess net capital at 1000% (line 10 less 10% of line 19) | \$ 77,087 | 3780 |

COMPUTATION OF AGGREGATE INDEBTEDNESS

| | | |
|--|------------|------|
| 16. Total A.I. liabilities from Statement of Financial Condition | \$ 138,416 | 3790 |
| 17. Add: | | |
| A. Drafts for immediate credit | \$ 3800 | 3800 |
| B. Market value of securities borrowed for which no equivalent value is paid or credited | \$ 3810 | 3810 |
| C. Other unrecorded amounts (List) | \$ 3820 | 3820 |
| 18. Total aggregate indebtedness | \$ 138,416 | 3840 |
| 19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) | % | 3850 |
| 20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) | % | 3860 |

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

Not Applicable

| | | |
|--|----|------|
| 21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits | \$ | 3970 |
| 22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | \$ | 3880 |
| 23. Net capital requirement (greater of line 21 or 22) | \$ | 3760 |
| 24. Excess capital (line 10 less 23) | \$ | 3910 |
| 25. Net capital in excess of the greater of: | | |
| A. 5% of combined aggregate debit items or \$120,000 | \$ | 3920 |

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
 1. Minimum dollar net capital requirement, or
 2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

| Type of Proposed withdrawal or Accrual See below for code to enter | Name of Lender or Contributor | Insider or Outsider (In or Out) | Amount to be Withdrawn (Cash amount and/or Net Capital Value of Securities) | (MMDDYY) Withdrawal or Maturity Date | Expect to Renew (Yes or No) |
|---|-------------------------------|------------------------------------|---|---|--------------------------------|
| Y 4600 | | 4601 | 4603 | 4604 | 4605 |
| Y 4610 | | 4611 | 4613 | 4614 | 4615 |
| Y 4620 | | 4621 | 4623 | 4624 | 4625 |
| Y 4630 | | 4631 | 4633 | 4634 | 4635 |
| Y 4640 | | 4641 | 4643 | 4644 | 4645 |
| Y 4650 | | 4651 | 4653 | 4654 | 4655 |
| Y 4660 | | 4661 | 4663 | 4664 | 4665 |
| Y 4670 | | 4671 | 4673 | 4674 | 4675 |
| Y 4680 | | 4681 | 4683 | 4684 | 4685 |
| Y 4690 | | 4691 | 4693 | 4694 | 4695 |
| TOTAL \$ | | | 0 | 4699 | |

UNIT DENOMINATED

Instructions: Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. This schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

- WITHDRAWAL CODE: DESCRIPTION**
1. Equity Capital
 2. Subordinated Liabilities
 3. Accruals
 4. 15c3-1(c)(2)(iv) Liabilities

EXEMPTIVE PROVISIONS

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based

A. (k) (1)–Limited business (mutual funds and/or variable annuities only)

[4550]

B. (k) (2)(i)–“Special Account for the Exclusive Benefit of customers” maintained

[4560]

C. (k) (2)(ii)–All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm(s)

[4570]

| Clearing Firm SEC#s | Name | Product Code |
|---------------------|----------------|---------------|
| 8- _____ [4335A] | _____ [4335A2] | _____ [4335B] |
| 8- _____ [4335C] | _____ [4335C2] | _____ [4335D] |
| 8- _____ [4335E] | _____ [4335E2] | _____ [4335F] |
| 8- _____ [4335G] | _____ [4335G2] | _____ [4335H] |
| 8- _____ [4335I] | _____ [4335I2] | _____ [4335J] |

D. (k) (3)–Exempted by order of the Commission

[4580]

EXEMPTIVE PROVISIONS

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based

- A. (k) (1)–Limited business (mutual funds and/or variable annuities only) [4550]
- B. (k) (2)(i)–“Special Account for the Exclusive Benefit of customers” maintained [4560]
- C. (k) (2)(ii)–All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm(s) [4570]

| Clearing Firm SEC#s | Name | Product Code |
|---------------------|----------------|---------------|
| 8- _____ [4335A] | _____ [4335A2] | _____ [4335B] |
| 8- _____ [4335C] | _____ [4335C2] | _____ [4335D] |
| 8- _____ [4335E] | _____ [4335E2] | _____ [4335F] |
| 8- _____ [4335G] | _____ [4335G2] | _____ [4335H] |
| 8- _____ [4335I] | _____ [4335I2] | _____ [4335J] |

- D. (k) (3)–Exempted by order of the Commission [4580]

END