



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

SEC FILE NUMBER
SEC 8-4469d Mail Processing Section

**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 01/01/07 AND ENDING 12/31/07
MM/DD/YY MM/DD/YY

FEB 26 2008
Washington, DC
104

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Kadick, Incorporated

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
244 East High Street
Charlottesville (City) VA (State) 22902 (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Michael Kadick (434) 923-0799
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Weiser LLP
(Name - if individual, state last, first, middle name)

3000 Marcus Avenue (Address) Lake Success (City) NY (State) 11042-1066 (Zip Code)

- CHECK ONE:**
- Certified Public Accountants
 - Public Accountant
 - Accountant not resident in United States or any of its possessions.

PROCESSED
MAR 14 2008
THOMSON
FINANCIAL

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*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)

3/18/08
mm

OATH OR AFFIRMATION

I Michael Kadick, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kadick Incorporated, as of December 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:

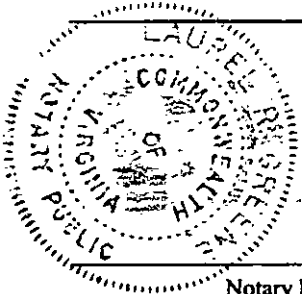
City / County of Albemarle
Commonwealth/State of Virginia
The foregoing instrument was acknowledged before me this 31 day of January, 2008 by J Michael Kadick
(name of person seeking acknowledgement)

Michael Kadick
Signature

President

Title

Notary Public David Bruce #363746
My commission expires: 06-30-2009



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 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.
- (o) Independent Auditors' Report on Internal Accounting Control.

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

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2007

244 East High Street
Charlottesville, VA 22902
Tel (434) 923-0799
Fax (434) 923-0788

Kadick, Incorporated
Statement of Financial Condition
December 31, 2007

Assets

Cash	\$ 92,185
Securities owned, at market value	44,991
Deposit with clearing broker	100,000
Receivable from broker	4,672
Other assets	5,842
Total assets	\$ 247,690

Liabilities and Stockholders' Equity

Liabilities

Accrued expenses	\$ 24,422
Loan payable, stockholder	5,958
Total current liabilities	30,380

Commitment

Stockholders' Equity

Common stock, \$.01 par value; 20,000 shares authorized, 2,667 shares issued and outstanding	27
Contributed capital	295,452
Accumulated deficit	(78,169)
Total stockholders' equity	217,310

Total liabilities and stockholders' equity **\$ 247,690**

The accompanying notes are integral part of this financial statement.

Kadick, Incorporated
Notes to Financial Statement
December 31, 2007

1. General

Kadick, Incorporated (the "Company"), a registered broker-dealer, is subject to regulation by the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company's primary business is trading corporate bonds with institutional customers throughout the United States of America.

2. Summary of Significant Accounting Policies

Securities Transactions

Securities transactions and related expenses are recorded on a trade-date basis. Marketable securities owned are valued at quoted market values.

Cash Equivalents

The Company considers highly liquid investments with original maturities of less than three months when purchased to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.

Income Taxes

The Company elected to be treated as an S Corporation under the provisions of the Internal Revenue Code. Accordingly, the Company is not subject to federal income tax. The stockholders are required to report separately their distributive shares of the Company's income or loss to federal tax authorities. In addition, the Company has elected S Corporation status for state tax purposes. The City of Charlottesville, Virginia imposes a local tax based on revenues.

3. Securities Owned

Marketable securities consists of the following at fair market value:

Equities	\$ 39,099
Fixed income	4,970
U.S. Government Money Market Fund	922
	<u>\$ 44,991</u>

Kadick, Incorporated
Notes to Financial Statement
December 31, 2007

4. Loan Payable - Stockholder

A stockholder has made non-interest bearing demand loans totaling \$5,958, to the Company.

5. Operating Lease

The Company leases office space in Charlottesville, Virginia, under a noncancellable operating lease which expires September 30, 2008. Future minimum annual rent payments under the terms of the lease are \$13,518 for the nine months ended September 30, 2008.

6. Net Capital Requirements

The Company is subject to the net capital requirements of rule 15c3-1 of the Securities and Exchange Commission which requires a broker-dealer to have at all times sufficient liquid assets to cover current indebtedness. In accordance with the rule, the Company is required to maintain defined minimum net capital of the greater of \$100,000 or 1/15 of aggregate indebtedness. At no time may the ratio of aggregate indebtedness, as defined, to net capital exceed 15 to 1.

At December 31, 2007, the Company has net capital, as defined, of \$202,822 which is \$102,822 in excess of its required net capital of \$100,000. The Company has aggregate indebtedness of \$30,380. The Company's ratio of aggregate indebtedness to net capital is 0.15 to 1 at December 31, 2007.

7. Off-Balance-Sheet Risk

The Company utilizes the services of a clearing broker for the settlement of proprietary and customer transactions. All customers' money balances and security positions (long and short) are carried on the books of the clearing broker. These activities may expose the Company to off-balance-sheet credit risk in the event that the clearing broker or the customer is unable to fulfill their obligations.

The Company may, from time to time, have cash in excess of FDIC insured limits and is exposed to the credit risk resulting from this concentration of cash.

The Company's Statement of Financial Condition as of December 31, 2007 is available for examination at the office of the Company and at the Regional Office of the Securities and Exchange Commission.

Independent Auditors' Report

To the Board of Directors
Kadick, Incorporated

We have audited the accompanying statement of financial condition of Kadick, Incorporated (the "Company") as of December 31, 2007, that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 statement referred to above presents fairly, in all material respects, the financial position of Kadick, Incorporated at December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

Wesser LLP

Lake Success, N.Y.
February 16, 2008

END