



08031479

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: October 31, 2004  
Estimated average burden  
hours per response..... 12.00

AB  
5/2

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

SEC FILE NUMBER  
8-66585

**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 12/31/07  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CAPITAL SOLUTIONS DISTRIBUTORS, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

21 TAMAL VISTA BLVD, SUITE 230  
(No. and Street)

CORTE MADERA  
(City)

CA  
(State)

94925  
(Zip Code)

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

MARK WILLEAMS 408-206-7373  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

**PROCESSED**

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

**MAY 05 2008**

ANTHONY MATUSECH CPA, INC.  
(Name - if individual, state last, first, middle name)

**THOMSON REUTERS**

901 CAMPISI WAY SUITE 205 CAMPBELL  
(Address) (City)

CA  
(State)

95008  
(Zip Code)

**CHECK ONE:**

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

SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
FEB 28 2008  
BRANCH OF REGISTRATIONS  
AND  
EXAMINATIONS

**FOR OFFICIAL USE ONLY** 02

\*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)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten signature

OATH OR AFFIRMATION

I, MARK WILLEAMS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAPITAL SOLUTIONS DISTRIBUTORS, LLC, 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:

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

Mark Williams  
Signature

CFO  
Title

\_\_\_\_\_  
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.
- (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 15c3-3 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).



# Anthony Matusich CPA, Inc.

*A Professional Accountancy Corporation*

901 Campisi Way, Suite 205  
Campbell, CA 95008

Phone: 408-395-9515

Fax: 408-377-9520

---

## INDEPENDENT AUDITORS' REPORT

To the Managing Members of Capital Solutions Distributors, LLC

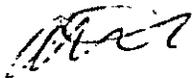
We have audited the accompanying statements of financial condition of Capital Solutions Distributors, LLC (the "Company") as of December 31, 2007 and 2006, and the related statements of operations, changes in members' equity and cash flows for the years ended December 31, 2007 and 2006 pursuant to Rule 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements referred to above present fairly, in all material respects, the financial position of Capital Solutions Distributors, LLC as of December 31, 2007 and 2006, and the result of its operations and its cash flow for the years ended December 31, 2007 and 2006, in conformity with accounting principals 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 supplementary information listed in the accompanying table of contents 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 under 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.

Anthony Matusich CPA, Inc.



February 22, 2007

# CAPITAL SOLUTIONS DISTRIBUTORS, LLC

## STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,733	\$ 93,206
Commissions receivable (net of allowance for doubtful accounts, zero)	189,697	81,771
Other current assets	<u>10,208</u>	<u>11,502</u>
Total current assets	223,638	186,479
PROPERTY AND EQUIPMENT, Net (Note 2)	<u>3,739</u>	<u>3,693</u>
<b>TOTAL ASSETS</b>	<u>\$ 227,377</u>	<u>\$ 190,172</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 28,328	\$ 23,750
Accounts payable - parent	400	13,334
Accrued expenses	5,747	-
Accrued franchise tax payable	6,800	-
Lease payable - short term	<u>-</u>	<u>821</u>
Total liabilities	<u>41,275</u>	<u>37,905</u>
COMMITMENTS AND CONTINGENCIES (Note 3)		
MEMBERS' EQUITY	<u>186,102</u>	<u>152,267</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u>\$ 227,377</u>	<u>\$ 190,172</u>

See notes to financial statements.

**END**