

066 Mail  
Mail Processing Section



08032051

SSION

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

JUN 02 2008

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

SEC FILE NUMBER  
8-66945

Washington, DC  
106

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 03/31/08  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

JAYPEE INTERNATIONAL, INC.

OFFICIAL USE ONLY  
FIRM ID. NO.

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

30 South Wacker Drive Suite 1918  
(No. and Street)

Chicago  
(City)

IL  
(State)

60606  
(Zip Code)

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

Sorabh Arora

(312) 655-1049  
(Area Code - Telephone No)

B. ACCOUNTANT IDENTIFICATION

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

Ryan & Juraska, Certified Public Accountants  
(Name - if individual, state last, first, middle name)

141 West Jackson Boulevard, Suite 2250  
(Address)

Chicago  
(City)

Illinois  
(State)

60604  
(Zip Code)

CHECK ONE:

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

PROCESSED

A JUL 10 2008

FOR OFFICIAL USE ONLY

THOMSON REUTERS

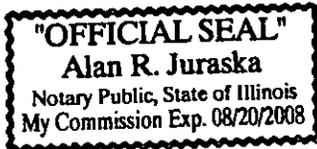
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

7/9

OATH OR AFFIRMATION

I, SORABH ARORA, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JAYPEE INTERNATIONAL, INC., as of March 31, 2008, 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:

NONE



Sorabh Arora  
Signature

PRESIDENT  
Title

Alan R. Juraska  
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 Stockholder's Equity or Partners' or Sole Proprietor's 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 audit 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 Control.

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



**RYAN & JURASKA**  
Certified Public Accountants

141 West Jackson Boulevard  
Chicago, Illinois 60604

Tel: 312.922.0062  
Fax: 312.922.0672

## INDEPENDENT AUDITORS' REPORT

To the Stockholder of  
JAYPEE INTERNATIONAL, INC.

We have audited the accompanying statement of financial condition of JAYPEE INTERNATIONAL, INC. as of March 31, 2008, and the related statements of operations, changes in stockholder's equity and cash flows for the fifteen-month period then ended for which you are filing pursuant to Rule 17a-5 of the Securities and Exchange Commission and Regulation 1.16 of the Commodity Futures Trading Commission. 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. Our audit included 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 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 JAYPEE INTERNATIONAL, INC. as of March 31, 2008, and the results of its operations and its cash flows for the fifteen-month period 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 supplementary schedules 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 our 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.

*Ryan & Juraska*

Chicago, Illinois  
May 30, 2008

**JAYPEE INTERNATIONAL, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**as of March 31, 2008**

---

**ASSETS**

Cash	\$	300,835
Receivable from clearing brokers		6,970,350
Securities owned, pledged		3,123,150
Stock in exchange		507,528
Exchange memberships, at cost (market value \$235,000)		293,500
Other assets		<u>31,255</u>
	\$	<u>11,226,618</u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

<b>Liabilities</b>		
Payable to clearing brokers	\$	1,764,518
Accounts payable and accrued expenses		<u>8,704</u>
		<u>1,773,222</u>
<b>Stockholder's Equity</b>		<u>9,453,396</u>
	\$	<u>11,226,618</u>

See accompanying notes.

**END**