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

OMB APPROVAL
OMB Number: 3235-0123
Expires: January 31, 2007
Estimated average burden
hours per response..... 12.00

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

SEC FILE NUMBER
8-29988

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 10/01/07 AND ENDING 09/30/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: COVENTRY CAPITAL, INC.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
1635 W. FIRST ST., STE. 104

OFFICIAL USE ONLY
014890
FIRM I.D. NO.

(No. and Street)

GRANITE CITY

IL

62040

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
BRIAN F. SPENGMANN 312-642-6408
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
DAVIS KELLER & WIGGINS, LLC

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

2025 CRAIGSHIRE, #130 ST. LOUIS, MO 63146

(Address)

(City)

(State)

(Zip Code)

PROCESSED

DEC 19 2008

THOMSON REUTERS

CHECK ONE:

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

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
NOV 25 2008
BRANCH OF REGISTRATIONS
AND
EXAMINATIONS

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)

DB/12-18

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden hours per response.....	12.00

Form X-17A-5

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

PART IIA 12

NOV 25 2008

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16

2) Rule 17a-5(b) 17

3) Rule 17a-11 18

4) Special request by designated examining authority 19

5) Other 26

NAME OF BROKER-DEALER

SEC FILE NO.

COVENTRY CAPITAL, INC. 13

8-29988 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FIRM I.D. NO.

1635 W. FIRST ST., #104 20

014890 15

(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

GRANITE CITY 21 IL 22 62040 23

10/01/07 24

(City)

(State)

(Zip Code)

AND ENDING (MM/DD/YY)

09/30/08 25

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

(Area Code) — Telephone No.

BRIAN F. SPENGMANN 30

312-642-6408 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 17 day of NOVEMBER 2008

Manual signatures of:

1) [Signature]
Principal Executive Officer or Managing Partner

2) [Signature]
Principal Financial Officer or Partner

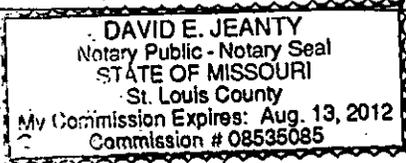
3) [Signature]
Principal Operations Officer or Partner

ATTENTION — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

Persons who 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.

OATH OR AFFIRMATION

I, BRIAN F. SPENGE MANN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of COVENTRY CAPITAL, INC., as of SEPTEMBER 30, 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:



[Signature]
Signature

PRESIDENT
Title

November 17th, 2008

[Signature]
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 15c3-1 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)

DAVIS KELLER & WIGGINS, LLC

70

ADDRESS

2025 CRAIGSHIRE, #130

71

ST. LOUIS

72

MO

63146

73

74

Number and Street

City

State

Zip Code

CHECK ONE

Certified Public Accountant

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FOR SEC USE

Public Accountant

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Accountant not resident in United States
or any of its possessions

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

N3

100

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY) 09/30/08

SEC FILE NOB-29988

Consolidated

Unconsolidated

99

98

198

199

	Allowable		Non-Allowable		Total
1. Cash	\$ 66	200			\$ 66 750
2. Receivables from brokers or dealers:					
A. Clearance account	12908	295			12908
B. Other		300			810
3. Receivable from non-customers	10705	355	89500	600	100205 830
4. Securities and spot commodities owned at market value:					
A. Exempted securities		418			
B. Debt securities		419			
C. Options		420			
D. Other securities		424			
E. Spot commodities		430			850
5. Securities and/or other investments not readily marketable:					
A. At cost \$		130			
B. At estimated fair value		440	610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities \$		150			
B. Other securities \$		160			
7. Secured demand notes:		470		640	890
Market value of collateral:					
A. Exempted securities \$		170			
B. Other securities \$		180			
8. Memberships in exchanges:					
A. Owned, at market \$		190			
B. Owned, at cost			650		
C. Contributed for use of the company, at market value			660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships:		480		670	910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization		490		680	920
11. Other assets		535		735	930
12. TOTAL ASSETS	\$ 23679	540	\$ 89500	740	\$ 113179 940

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

as of 9/30/08

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable	\$ 1045	\$ 1255 ¹³	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account	1114	1315	1560
B. Other	1115 ¹⁰	1305	1540
15. Payable to non-customers	1155	1355	1610
16. Securities sold not yet purchased, at market value		1360	1620
17. Accounts payable, accrued liabilities, expenses and other	6254 1205	1385	6254 1685
18. Notes and mortgages payable:			
A. Unsecured	1210		1690
B. Secured	1211 ¹²	1390 ¹⁴	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders, \$ 970			
2. includes equity subordination (15c3-1(d)) of ... \$ 980			
B. Securities borrowings, at market value from outsiders \$ 990		1410	1720
C. Pursuant to secured demand note collateral agreements			
1. from outsiders \$ 1000			
2. includes equity subordination (15c3-1(d)) of ... \$ 1010			
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
20. TOTAL LIABILITIES	\$ 6254 1230	\$ 1450	\$ 6254 1760
Ownership Equity			
21. Sole Proprietorship			1770
22. Partnership (limited partners)	1020 ¹¹		1780
23. Corporation:			
A. Preferred stock			1791
B. Common stock			95000 1792
C. Additional paid-in capital			36700 1793
D. Retained earnings			(24775) 1794
E. Total			106925 1795
F. Less capital stock in treasury			1796 ¹⁶
24. TOTAL OWNERSHIP EQUITY			\$ 106925 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 113179 1810

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

as of 9/30/08

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$ 106925	3480	
2. Deduct ownership equity not allowable for Net Capital	19 (3490	
3. Total ownership equity qualified for Net Capital		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	\$ 106925	3530	
6. Deductions and/or charges:			
A. Total non-allowable assets from Statement of Financial Condition (Notes B and C)	17 \$ 89500	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)		3620	
8. Net capital before haircuts on securities positions	20 \$ 17425	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	710	3734	
D. Undue Concentration		3650	
E. Other (List)		3738	
10. Net Capital	\$ 16715	3740	

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

as of 9/30/08

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 $\frac{1}{2}$ % of line 19)	\$	417	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)	\$	5000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	5000	3760
14. Excess net capital (line 10 less 13)	\$	11715	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$		3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	6254	3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	
18. Total aggregate indebtedness	\$	6254	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10)	%	37.4	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

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 $\frac{1}{2}$ % 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.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER **COVENTRY CAPITAL, INC.**

For the period (MMDDYY) from 1001073932 to 093008 3933
 Number of months included in this statement 12 3931

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$ 132968	3935	
b. Commissions on listed option transactions	25	3938	
c. All other securities commissions		3939	
d. Total securities commissions		3940	
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange		3945	
b. From all other trading		3949	
c. Total gain (loss)		3950	
3. Gains or losses on firm securities investment accounts		3952	
4. Profit (loss) from underwriting and selling groups	26	3955	
5. Revenue from sale of investment company shares		3970	
6. Commodities revenue		3990	
7. Fees for account supervision, investment advisory and administrative services	31453	3975	
8. Other revenue	4098	3995	
9. Total revenue	\$ 168519	4030	

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers			
11. Other employee compensation and benefits	82380	4120	
12. Commissions paid to other broker-dealers		4115	
13. Interest expense		4140	
a. Includes interest on accounts subject to subordination agreements	4070	4075	
14. Regulatory fees and expenses	1850	4195	
15. Other expenses	96560	4100	
16. Total expenses	\$ 180790	4200	

NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16)			
18. Provision for Federal income taxes (for parent only)	(12271)	4210	
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above	98	4220	
a. After Federal income taxes of	4338	4222	
20. Extraordinary gains (losses)		4224	
a. After Federal income taxes of	4239	4225	
21. Cumulative effect of changes in accounting principles		4225	
22. Net income (loss) after Federal income taxes and extraordinary items	\$ (12369)	4230	

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items			
	(9)	4211	

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

For the period (MMDDYY) from 00107 to 093008

STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$	118797	4240
A. Net income (loss)		(12369)	4250
B. Additions (Includes non-conforming capital of	\$	497	4260
C. Deductions (Includes non-conforming capital of	\$		4270
2. Balance, end of period (From item 1800)	\$	106925	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$	0	4300
A. Increases			4310
B. Decreases		0	4320
4. Balance, end of period (From item 3520)	\$		4330

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER	COVENTRY CAPITAL, INC.	as of <u>09/30/08</u>
------------------	------------------------	-----------------------

EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- | | | |
|--|------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 | | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained | | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis. | | |
| Name of clearing firm ³⁰ <u>RBC DAIN</u> | 4335 | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) | | 4580 |

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)	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)
31 <u>4600</u>	<u>4601</u>	<u>4602</u>	<u>4603</u>	<u>4604</u>	<u>4605</u>
32 <u>4610</u>	<u>4611</u>	<u>4612</u>	<u>4613</u>	<u>4614</u>	<u>4615</u>
33 <u>4620</u>	<u>4621</u>	<u>4622</u>	<u>4623</u>	<u>4624</u>	<u>4625</u>
34 <u>4630</u>	<u>4631</u>	<u>4632</u>	<u>4633</u>	<u>4634</u>	<u>4635</u>
35 <u>4640</u>	<u>4641</u>	<u>4642</u>	<u>4643</u>	<u>4644</u>	<u>4645</u>
Total \$ ³⁶			<u>4699</u>		

OMIT PENNIES

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. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

COVENTRY CAPITAL, INC.
 RECONCILIATION OF THE AUDITED
 COMPUTATION OF NET CAPITAL AND BROKER/DEALERS'
 CORRESPONDING UNAUDITED PART IIA

	UNAUDITED PART II 30-Sep-08			AUDITED PART II 30-Sep-08								
	DEBIT	CREDIT	NON-ALLW ASSETS	LIAB	A.I.	AUDIT JOURNAL DEBIT	REPORT ENTRIES CREDIT	DEBIT	CREDIT	NON-ALLW ASSETS	LIAB	A.I.
CASH-CHECKING	41							41				
CLEARING-CEF								26				
CLEARING ACCT	12,900				(1)	26		12,907				
SAFEKEEPING ACCT					(5)	7						
INTEREST RECEIVABLE												
A/R TRANSACTIONS	10,705							10,705				
DUE FROM OFFICER	86,370		86,370		(2)	3,130		89,500		89,500		
DEPOSIT-RENT												
OFFICE EQUIPMENT	59,089							59,089				
A/D OFFICE EQUIPMENT		59,089							59,089			
CSV-LIFE INSURANCE												
ACCOUNTS PAYABLE	1,500								1,500			
DEFERRED INCOME TAXES	183			183		(11)	4,200		5,700		5,700	5,700
PAYROLL TAXES						(3)	371		554		554	554
INCOME TAX PAYABLE						(8)	0		0			
CAPITAL STOCK		95,000							95,000			
PAID IN CAPITAL		36,700							36,700			
TREASURY STOCK												
UNREALIZED GAIN OF SECURITY		2,498				(7)	20		2,518			
RETAINED EARNINGS	25,865				(10)	1,428		27,293				
	194,970	194,970	86,370	183		4,591	4,591	199,561	199,561	89,500	6,254	6,254

- (1) RECORD CASH IN CLEARING ACCOUNT
- (2) RECORD CHANGES TO OFFICER LOAN ACCT.
- (3) ADJUST DEFERRED TAXES
- (4) ADJUST ACCUM. DEPRN. FOR YEAR
- (5) ADJUST TO FMV
- (6) EXPENSE RECLASSIFICATION
- (7) ADJUST UNREALIZED LOSS ON SECURITY
- (8) RECORD INCOME TAX LIABILITY FOR Y/E
- (9) ADJUST P/R TAXES FOR Y/E
- (10) RECORD NET EFFECT ON R/E FOR AJES
- (11) RECORD ADDITIONAL PAYABLE

SEC Mail Processing
 Section
 NOV 25 2008
 Washington, DC
 111



**DAVIS
KELLER
& WIGGINS**

CERTIFIED PUBLIC ACCOUNTANTS LLC & CONSULTANTS

Board of Directors
Coventry Capital, Inc.
Granite City, Illinois

In planning and performing our audit of the financial statements of Coventry Capital, Inc. for the year ended September 30, 2008, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control. However, we noted certain matters involving the internal control and its operations that we consider reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Due to the fact that one person functions as accountant, manager, and owner, it is impossible or impracticable to implement significant internal controls within the organization.

This report is intended for the information and use by the board of directors and the Securities and Exchange Commission.

Davis Keller & Wiggins LLC

St. Louis, Missouri
October 28, 2008

COVENTRY CAPITAL, INC.
FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2008 AND 2007

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DAVIS
KELLER
& WIGGINS

CERTIFIED PUBLIC ACCOUNTANTS LLC & CONSULTANTS

1

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Coventry Capital, Inc.
Granite City, Illinois

We have audited the accompanying statements of financial condition of Coventry Capital, Inc., a Delaware corporation, as of September 30, 2008 and 2007, and the related statements of loss and comprehensive income (loss), changes in stockholder's equity, changes in subordinated liabilities and cash flows for the years then ended. 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 U.S. generally accepted auditing standards. 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. 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 audits provide 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 Coventry Capital, Inc. as of September 30, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Davis, Keller & Wiggins, LLC

Certified Public Accountants
October 28, 2008

COVENTRY CAPITAL, INC.
STATEMENTS OF FINANCIAL CONDITION
SEPTEMBER 30, 2008 AND 2007

	2008	2007
<u>ASSETS</u>		
Cash	\$ 66	\$ 2,333
Clearing deposit - marketable security	12,908	12,411
Commissions receivable	10,705	9,669
Advances to related party	89,500	99,167
Total Assets	\$ 113,179	\$ 123,580
LIABILITIES		
Accounts payable	\$ 5,700	\$ 3,900
Deferred income taxes	554	456
Income tax payable	-	427
Total liabilities	6,254	4,783
STOCKHOLDER'S EQUITY		
Common stock, authorized 2,000 shares, no par value, issued 107.5 shares, outstanding 97.5 shares	95,000	95,000
Contributed capital	36,700	36,700
Retained deficit	(27,293)	(14,924)
Accumulated other comprehensive income	2,518	2,021
Total stockholder's equity	106,925	118,797
Total Liabilities And Stockholder's Equity	\$ 113,179	\$ 123,580

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF LOSS AND COMPREHENSIVE INCOME (LOSS)
YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	2008	2007
REVENUES		
Fee and commissions	\$ 164,421	\$ 167,265
OPERATING EXPENSES		
Advertising	-	573
Auto expense	1,284	3,641
Delivery expense	1,209	724
Donations	-	300
Dues	605	4,721
Compensation	-	5,721
Director fees	82,380	75,803
Entertainment and meals	8,951	12,309
Employee benefits	18,906	22,231
Insurance	1,028	1,396
Office and other services	47,724	22,925
Outside services	-	1,843
Professional services	4,200	6,339
Regulatory fees	1,850	2,572
Rent	3,053	3,603
Taxes & licenses	411	991
Telephone	8,353	8,248
Travel	836	2,896
Total Operating Expenses	<u>180,790</u>	<u>176,836</u>
OPERATING LOSS	<u>(16,369)</u>	<u>(9,571)</u>
OTHER INCOME		
Interest income	4,098	4,908
NET LOSS BEFORE INCOME TAXES	<u>(12,271)</u>	<u>(4,663)</u>
INCOME TAX EXPENSE , NET		
Current	-	427
Deferred	98	-
Total Income Tax Expense, Net	<u>98</u>	<u>427</u>
NET LOSS	(12,369)	(5,090)
OTHER COMPREHENSIVE INCOME (LOSS) - UNREALIZED NET NET GAIN (LOSS) ON MARKETABLE SECURITIES	<u>497</u>	<u>(150)</u>
COMPREHENSIVE LOSS	<u>\$ (11,872)</u>	<u>\$ (5,240)</u>

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	2008	2007
COMMON STOCK		
Authorized - 2,000 shares, no par value, issued 107.5 shares, outstanding 97.5 shares	\$ 95,000	\$ 95,000
CONTRIBUTED CAPITAL	36,700	36,700
RETAINED DEFICIT		
Beginning balance	(14,924)	(9,834)
Net loss	(12,369)	(5,090)
Ending balance	(27,293)	(14,924)
ACCUMULATED OTHER COMPREHENSIVE INCOME		
Unrealized gain on available for sale security, net of tax effect	2,518	2,021
TOTAL STOCKHOLDER'S EQUITY	\$ 106,925	\$ 118,797

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2008 AND 2007

	2008	2007
OPERATING ACTIVITIES		
Net loss	\$ (12,369)	\$ (5,090)
Adjustments to reconcile net cash provided by operating activities:		
Depreciation and amortization	-	-
Deferred income taxes	98	-
Income tax payable	(427)	(7,440)
Effects of changes in:		
Commissions receivable	(1,036)	(569)
Interest receivable	-	89
Accounts payable	1,800	107
Accrued payroll taxes	-	(85)
Net cash used by operating activities	(11,934)	(12,988)
FINANCING ACTIVITIES		
Increase in related-party advances	9,667	(20,739)
Increase in Contributed Capital	-	35,700
Net cash provided by financing activities	9,667	14,961
NET INCREASE (DECREASE) IN CASH	(2,267)	1,973
CASH AT BEGINNING OF YEAR	2,333	360
CASH AT END OF YEAR	\$ 66	\$ 2,333
SUPPLEMENTAL DISCLOSURES		
Cash paid during the year for:		
Interest	\$ -	\$ -
Income taxes	\$ 427	\$ 7,867

See Accountant's Audit Report
The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

The Company is an introducing broker-dealer that receives no securities. It is subject to regulation by the Securities and Exchange Commission ("SEC"). The Company provides stock and bond brokerage services (approximately 80 percent of 2008 and 2007 revenues) and investment advisory services (approximately 20 percent of 2008 and 2007 revenues). Brokerage commission income is recorded net of clearing house charges on a settlement date basis. Advisory fees are computed and billed in advance for the following period at a contractual percentage of the client's month-end portfolio fair market value. As the broker-dealer's primary source of revenue is providing brokerage services to customers, who are predominantly middle-income individuals, its operations may be affected by economic fluctuations.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Equipment and software

Equipment is stated at cost and is depreciated principally using accelerated methods over a five-year estimated life. Office equipment and software with an original cost of \$59,089 was fully depreciated prior to the year ended September 30, 2007.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses amounted to \$0 and \$573 during the years ended September 30, 2008 and 2007, respectively.

Income taxes

The provision for income taxes is based on an asset and liability approach to financial accounting and reporting for income taxes. The difference between the financial statement and tax basis of assets and liabilities is determined annually. Deferred income tax assets and liabilities are computed for those differences that have future tax consequences using the currently enacted tax laws and rates that apply to the periods in which they are expected to affect taxable income. Valuation allowances are established, if necessary, to reduce the deferred tax asset to the amount that will, more likely than not, be realized. Income tax expense is the current tax payable or refundable for the period plus or minus the change in the deferred tax assets and liabilities.

Marketable Securities

In accordance with Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities (FAS 115), marketable securities considered available-for-sale are recorded at fair market value if they have a readily determinable fair value. The corresponding accumulated unrealized gain or loss in the fair market value in relation to cost is accounted for as a separate item in the stockholder's equity section of the statement of financial condition, net of tax effect. Management believes that its investments in marketable securities should be classified as investments that are available-for-sale. Realized gains and losses on the disposition of securities and declines in value judged to be other than temporary are computed on the specific identification method and included in income.

Comprehensive Income Reporting

The Company accounts for comprehensive income in accordance with Statement of Financial Accounting Standards No. 130 "Reporting Comprehensive Income", which requires comprehensive income and its components to be reported when a Company has items of other comprehensive income (loss). During the years ended September 30, 2008 and 2007, the Company recognized other comprehensive income (loss) of \$497 and \$(150), respectively, which is included in the total of accumulated other comprehensive income in the statements of stockholder's equity. The comprehensive income amounts are attributed to the unrealized gain (loss) in the fair value of marketable securities (Note 3). Comprehensive income, consisting of net income plus other comprehensive income (loss), aggregated to \$(11,872) and \$(5,240) for the years ended September 30, 2008 and 2007, respectively.

2. ADVANCES TO RELATED PARTY

The Company has made advances to its' sole officer, which are due upon demand. The Company charged interest at approximately three percent for 2008 and five percent for 2007 on the average loan balances. Interest income for the years ended September 30, 2008 and 2007 was \$2,579 and \$4,195, respectively.

3. CLEARING DEPOSIT - MARKETABLE SECURITY

The Company is required to maintain a minimum deposit of \$10,000 in the Clearing account. The Company currently owns the following marketable security that is valued at market. The resulting difference between cost and market is included in other accumulated comprehensive income in the statement of stockholder's equity, net of tax effect. The cost and market values of these securities at September 30, 2008 and 2007 are as follows:

	2008	
	Cost	Market
\$10,000 U.S. Treasury Bond at 7-1/8 percent due February 2023	\$ 10,390	\$ 12,908
	2007	
	Cost	Market
\$10,000 U.S. Treasury Bond at 7-1/8 percent due February 2023	\$ 10,390	\$ 12,411

4. RENT EXPENSE

The Company conducts its operations from facilities that are leased on a month-to-month basis.

5. INCOME TAX

The deferred tax liability as of September 30, 2008 and 2007 is as follows:

	2008	2007
Unrealized gain on marketable securities	(554)	(456)
Deferred Income Tax Liability	\$ (554)	\$ (456)

6. CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.



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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Coventry Capital, Inc.
Granite City, Illinois

Our report on our audits of the basic financial statements of Coventry Capital, Inc. for the years ended September 30, 2008 and 2007 appears on page 1. These audits were done for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on the following 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 the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied on the examination 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.

Davis, Keller, + Wiggins, LLC
Certified Public Accountants

October 28, 2008

COVENTRY CAPITAL, INC.
SCHEDULES OF COMPUTATION OF NET CAPITAL
SEPTEMBER 30, 2008 AND 2007

	2008	2007
Assets	\$ 113,179	\$ 123,580
Liabilities	(6,254)	(4,783)
Stockholder's equity	106,925	118,797
Nonallowable assets	(89,500)	(99,167)
Tentative net capital	17,425	19,630
Haircuts	(710)	(683)
Net capital	16,715	18,947
Required capital	(5,000)	(5,000)
Excess net capital	\$ 11,715	\$ 13,947

See accountants' report on supplementary information.



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SUPPLEMENTAL REPORT ON MATERIAL INADEQUACIES

To the Board of Directors
Coventry Capital, Inc.
Granite City, Illinois

For the years ended September 30, 2008 and 2007, there were no material inadequacies in the records of Coventry Capital, Inc.

Certified Public Accountants

October 28, 2008

COVENTRY CAPITAL, INC.
SCHEDULES OF CHANGES IN SUBORDINATED LIABILITIES
SEPTEMBER 30, 2008 AND 2007

	2008	2007
Subordinated liabilities at beginning and end of year	\$ -	\$ -

END

See accountants' report on supplementary information.