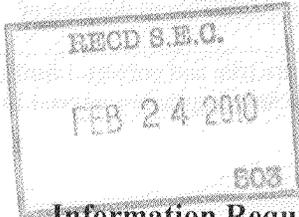




10025659

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

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- 44162

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 01/01/09 AND ENDING 12/31/09  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Syndicated Capital, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

1299 Ocean Avenue Second Floor

(No. and Street)

Santa Monica  
(City)

California  
(State)

90401  
(Zip Code)

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

310-255-4490

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Brian W. Anson

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

18425 Burbank Blvd., #606  
(Address)

Tarzana  
(City)

California  
(State)

91356  
(Zip Code)

**CHECK ONE:**

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

**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)

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.

SEC 1410 (06-02)

3/1

3/1

OATH OR AFFIRMATION

I, Faith Lee, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Syndicated Capital, Inc., as of December 31, 2009, 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:

[Handwritten Signature]

Signature

PRESIDENT

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 15c3-1 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).

# CALIFORNIA JURAT WITH AFFIANT STATEMENT

- See Attached Document (Notary to cross out lines 1-6 below)  
 See Statement Below (Lines 1-5 to be completed only by document signer[s], *not* Notary)

\_\_\_\_\_  
Signature of Document Signer No. 1

\_\_\_\_\_  
Signature of Document Signer No. 2 (if any)

State of California

County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this

6<sup>th</sup> day of January, 2010, by  
Date Month Year

(1) Faith Lee  
Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me (.) ~~for~~

(and

~~(2) \_\_\_\_\_  
Name of Signer~~

~~proved to me on the basis of satisfactory evidence to be the person who appeared before me.)~~

Signature Nancy J. Geitgey  
Signature of Notary Public



Place Notary Seal Above

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### Further Description of Any Attached Document

Title or Type of Document: Annual Audited Report

Document Date: 12/31/09 Number of Pages: 2

Signer(s) Other Than Named Above: none

RIGHT THUMBPRINT  
OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT  
OF SIGNER #2

Top of thumb here

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANT**

Board of Directors  
Syndicated Capital, Inc.  
Santa Monica, CA 90401

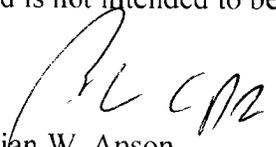
I have audited the accompanying statement of financial condition of Syndicated Capital, Inc. as of December 31, 2009 and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Syndicated Capital, Inc. as of December 31, 2009 and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on Schedule I-IV is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Act of 1934. Such information has been subject to the auditing procedures applied in my audit of the basic financial statements and, in my opinion, is fairly stated in all material respect in relating to the basic financial statements taken as a whole.

This opinion is intended solely for the information and use of the board of directors, the Securities and Exchange Commission, and other regulatory agencies which rely on Rule 17a 5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

  
Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 16, 2010

SYNDICATED CAPITAL, INC.

Statement of Financial Condition  
December 31, 2009

ASSETS

Cash	\$ 1,366,228
Accounts receivable	122,051
Commissions receivable	121,869
Receivable from clearing organizations	80,621
Deposits from clearing organizations	874,674
Marketable securities, at market value	79,524
Fixed assets	
net of accumulated depreciation of \$21,333	7,605
Other assets	63,039
	<hr/>
Total assets	\$ 2,715,611
	<hr/>

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES:

Accounts payable	24,005
Commissions payable	172,681
Payable to clearing organizations	4,820
Subordinated note payable, including interest payable	404,250
	<hr/>
Total liabilities	\$ 605,756
	<hr/>

STOCKHOLDER'S EQUITY:

Common stock, \$1 par value. 200,000 shares authorized, 112,000 shares issued, and outstanding	112,000
Additional paid in capital	450,000
Retained earnings	1,547,855
	<hr/>
Total stockholder's equity	2,109,855
	<hr/>
Total liabilities and stockholder's equity	\$ 2,715,611
	<hr/>

SYNDICATED CAPITAL, INC.

Statement of Income  
For the year ended December 31, 2009

REVENUES:

Commissions	\$ 2,410,790
Interest and dividend income	16,813
Loss on investment	(3,720)
Other income	245,306
Total income	<u>2,669,189</u>

EXPENSES:

Commissions	1,967,628
Communications	6,161
Employee compensation and benefits	301,539
Legal and professional	145,365
Occupancy	28,516
Other operating expenses	265,722
Total expenses	<u>2,714,931</u>

LOSS BEFORE INCOME TAXES (45,742)

INCOME TAX PROVISION (Note 2)

Income tax expense 800

NET LOSS \$ (46,542)

The accompanying notes are an integral part of these financial statements

SYNDICATED CAPITAL, INC.

Statement of Stockholder's Equity  
For the year ended December 31, 2009

	Common Stock	Additional Paid-in-capital	Retained Earnings	Total Stockholder's Equity
Beginning balance January 1, 2009	\$ 112,000	\$ 450,000	\$ 1,594,397	\$ 2,156,397
Net loss			(46,542)	(46,542)
Ending balance December 31, 2009	\$ 112,000	\$ 450,000	\$ 1,547,855	\$ 2,109,855

SYNDICATED CAPITAL, INC.

Statement of Cash Flows  
For the year ended December 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (46,542)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	2,535
(Increase) decrease in:	
Accounts receivable	101,817
Commission receivable	(63,236)
Receivable from clearing organizations	(26,948)
Deposits with clearing organizations	(173,814)
Marketable securities, at market value	144,311
Other assets	(9,194)
Increase (decrease) in:	
Accounts payable	(6,969)
Commissions payable	(7,052)
Payable to clearing organization	(58,427)
Subordinated note payable	29,700
Income taxes payable	(1,701)
Total adjustments	<u>(68,978)</u>
Net cash used in operating activities	<u>(115,520)</u>
 Decrease in cash	 (115,520)
Cash-beginning of period	1,481,748
Cash-end of period	<u><u>\$ 1,366,228</u></u>
 Supplemental disclosure of cash flow information	
Cash paid during the year for:	
Interest	\$ -
Income taxes	\$ 2,640

SYNDICATED CAPITAL, INC.

Statement of Changes in Subordinated Debt  
For the year ended December 31, 2009

	Subordinated Debt	Interest Payable	Total Subordinated Debt
Beginning balance January 1, 2009	\$ 330,000	\$ 44,550	\$ 374,550
Add: Accumulated subordinated interest payable		29,700	29,700
Ending balance December 31, 2009	\$ 330,000	\$ 74,250	\$ 404,250

Syndicated Capital, Inc.

Notes to Financial Statements

December 31, 2009

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Syndicated Capital, Inc (the “Company”) was registered as an introducing broker-dealer under the Securities and Exchange Act of 1934, and is a member of the Financial Industry Regulatory Authority (“FINRA”), the Securities Investor Protection Corporation (“SIPC”), and the Municipal Securities Rulemaking Board (“MSRB”).

The Company conducts business on a fully disclosed basis whereby the execution and clearance of trades are handled by clearing organizations. The Company does not hold customer funds and/or securities.

The Company primarily earns commissions through the sale of equities, mutual funds, variable annuities, and private placements. The Company has about 3,200 clients located throughout the United States. No one client comprises a significant revenue source.

Summary of significant accounting policies

The presentation 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 assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

For purposes of statements of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The company includes money market accounts as cash equivalents.

Securities transactions are recorded on a trade date basis with the related commission revenues and expenses also recorded on a trade date basis, including proprietary investment transactions.

Commissions receivable are stated at face amount with no allowance for doubtful accounts. An allowance for doubtful accounts is not considered necessary because probable uncollectible accounts are immaterial.

Marketable securities owned by the Company are accounted for at market value, with market value based on current published market prices. The resulting difference between cost and market (or fair value) is included in income.

Notes to Financial Statements  
December 31, 2009

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Equipment is stated at cost. Repairs and maintenance to these assets are charged to expense as incurred; major improvements enhancing the function and/or useful life are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized. Equipment is depreciated over its estimated useful life of five (5) years by the straight line method.

The Company, with the consent of its Stockholder, has elected to be an S Corporation and accordingly, has its income taxed under Sections 1361-1379 of the Internal Revenue Code. Subchapter S of the Code provides that the Stockholder, rather than the Company, is subject to tax on the Company's taxable income. Therefore, no provision or liability for Federal Income Taxes is included in these financial statements. The State of California has similar regulations, although there exists a provision for a minimum Franchise Tax and a tax rate of 1.5% over the minimum franchise fee of \$800.

The Company has elected to report the statement of changes in stockholder's equity without disclosing the accumulated adjustment account and other equity accounts pertinent to S Corporation. There is no financial impact to these financial statements.

The Company adopted SFAS No. 130, "Reporting Comprehensive Income," which requires that an enterprise report, by major components and as a single total, the changes in equity. There were no other comprehensive income items for the year ended December 31, 2009.

In September 2006, the FASB issued SFAS No. 157 "Fair Value Measurements". SFAS No. 157 defines fair value, established a framework for measuring fair value in generally accepted accounting principles and expands disclosure about fair values. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal periods. Management believes that the adoption of SFAS No. 157 will not have a material impact on the financial results of the Company.

Note 2: DEPOSITS WITH CLEARING ORGANIZATIONS

The Company has entered into a clearing agreement with Pershing, LLC, a BNY Securities Group Co., who carries the accounts of the customers of the Company. The Company has deposited \$100,000 with its clearing firm as security for its transactions with them. The balance at December 31, 2009, includes interest earned for a deposit total of \$100,796. The Company also maintains other cash and money market accounts at the clearing organization.

The Company entered into a similar agreement with Wedbush Morgan Securities, whereby the Company is required to maintain a deposit with them having a market value of at least \$100,000. The Company has deposited \$100,000 with its clearing firm as security for its transactions with them. Interest is paid monthly on the deposit at the average overnight repurchase rate. The balance at December 31, 2009, includes interest earned for a deposit total of \$773,877

# Syndicated Capital, Inc.

## Notes to Financial Statements December 31, 2009

### Note 3: RECEIVABLE FROM NON-CUSTOMERS, NET

Net non-customer receivables consist of various receivables from current and former brokers, which are unsecured, non-interest bearing and due on demand. The account is recorded net of an allowance for bad debts of \$146,845, due to the default on a note receivable from a former broker. See note 8.

### Note 4: EQUIPMENT, NET

Equipment as of December 31, 2008 consists of the following:

		Life in years
Equipment	\$ 28,938	5
Less accumulated depreciation	<u>(21,333)</u>	
	\$ 7,605	

Depreciation expense for the year ended December 31, 2008, is \$2,535

### Note 5: SUBORDINATED NOTE PAYABLE

The borrowings under subordination loan agreements at December 31, 2008, are listed as follows:

Liabilities subordinated to the claims of general creditors:	
Interest at 9% due June 30, 2010	\$ 330,000
Accumulated subordinated interest payable	<u>74,250</u>
Total subordinated debt	\$ 404,250

The subordinated borrowings are covered by agreements approved by the Financial Industry Regulatory Authority and are thus available in computing net capital under the Securities and Exchange Commission's uniform net capital rule.

### Note 6: INCOME TAXES

As discussed in the Summary of Significant Accounting Policies (Note 1), the Company has elected the S Corporate Tax status, therefore no Federal Income Tax provision is provided.

The tax provision at December 31, 2009 consists of the following:

California	\$ 800
Total Income Tax Provision	<u>\$ 800</u>

# Syndicated Capital, Inc.

## Notes to Financial Statements December 31, 2009

### Note 7: RELATED PARTY TRANSACTIONS

The Company shares facilities with an investment advisory firm whose chairman is the Company's sole stockholder. The Company helps distribute a mutual fund for which the investment advisory firm is an investment advisor. The Company receives less than 1% of its revenue from this investment advisory firm.

### Note 8: COMMITMENTS AND CONTINGENCIES

In September 2004, the company was named as a respondent in an arbitration proceeding initiated by a former representative and third-party respondents. The claimant alleged breach of contract, unjust enrichment, breach of implied covenant of good faith and fair dealing, fraud, and respondent superior. The claimant was seeking damages in the amount of \$211,938.10 plus forgiveness of an outstanding obligation. The representative owed the respondent of \$146,845.00 for outstanding notes and advances incurred during his employment. On February 3, 2009, a FINRA arbitration panel ruled that the respondent was not liable to the claimant and that the claimant was obliged to pay to the respondent the amount of \$233,629.00. The respondent has thirty days to appeal the ruling.

### Note 9: CONCENTRATION OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in whose 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 upon the creditworthiness of the counterparty or issuer of the instrument. To mitigate the risk of loss, the Company maintains its accounts with credit worthy customers and counterparties.

### Note 10: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2009 the Company had net capital of \$2,217,895, which was \$2,117,895 in excess of its required net capital of \$100,000, and the Company's ratio of aggregate indebtedness (\$201,506) to net capital was 0.09 to 1, which is less than the 15 to 1 maximum ratio required of a broker/dealer.

SYNDICATED CAPITAL, INC.  
Statement of Net Capital  
Schedule I  
For the year ended December 31, 2009

	Focus 12/31/09	Audit 12/31/09	Change
Stockholder's equity, December 31, 2009	\$ 2,114,647	\$ 2,109,855	\$ 4,792
Add: Liabilities Subordinated to the Claims of General Creditors			
Subordinated loan	330,000	330,000	-
Subordinated interest payable	74,250	74,250	-
Total Stockholder's Equity and Allowable Subordinated Liabilities	<u>2,518,897</u>	<u>2,514,105</u>	<u>\$ 4,792</u>
Subtract - Non allowable assets:			
Accounts receivable	116,312	116,312	-
Marketable securities, at market	79,524	79,524	-
Equipment, net	10,140	7,605	(2,535)
Other assets	63,039	63,039	-
Tentative net capital	<u>2,249,882</u>	<u>2,247,625</u>	<u>2,257</u>
Haircuts	29,730	29,730	-
NET CAPITAL	<u>2,220,152</u>	<u>2,217,895</u>	<u>(2,257)</u>
Minimum net capital	100,000	100,000	
Excess net capital	<u>\$ 2,120,152</u>	<u>\$ 2,117,895</u>	<u>(2,257)</u>
Aggregate indebtedness	199,249	201,506	(2,257)
Ratio of aggregate indebtedness to net capital	0.09%	0.09%	

The differences were due to year end adjustment for accumulated depreciation and additional accruals at December 31, 2009.

SYNDICATED CAPITAL, INC.

Schedule II  
Determination of Reserve Requirements  
Under Rule 15c3-3 of the Securities and Exchange Commission  
December 31, 2009

The Company is exempt from the Reserve Requirement of computation according to the provision of Rule 15c3-3(k)(2)(i).

Schedule III  
Information Relating to Possession or Control  
Requirements Under Rule 15c3-3  
December 31, 2009

The Company is exempt from the Rule 15c3-3 as it relates to possession and Control requirements under the (k)(2)(i) exemptive provision.

SIPC-7T

(29-REV 12/09)

SECURITIES INVESTOR PROTECTION CORPORATION  
805 15th St. N.W. Suite 800, Washington, D.C. 20005-2215  
202-371-8300

Transitional Assessment Reconciliation

(Read carefully the instructions on your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

SIPC-7T

(29-REV 12/09)

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no., and month in which fiscal year ends (or purposes of the audit requirement of SEC Rule 17a-5):

044162 FINRA DEC  
SYNDICATED CAPITAL INC 18116  
1290 OCEAN AVE 2ND FL  
SANTA MONICA CA 90401-1038

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Faith Lee 310-255-4482

- 2. A. General Assessment (Item 26 from page 2 (not less than \$150 minimum)) \$ 5030.26
- B. Less payment made with SIPC-6 filed including \$150 paid with 2009 SIPC 4 (exclude interest) 1362.86  
Date Paid 08/07/09
- C. Less prior overpayment applied —
- D. Assessment balance due or (overpayment) 3667.40
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 3667.40
- G. PAID WITH THIS FORM:  
Check enclosed, payable to SIPC  
Total (must be same as F above) \$ 3667.40
- H. Overpayment carried forward \$( — )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Syndicated Capital Inc.

(Name of Corporation, Partnership or other organization)

[Signature]

(Title and Signature)

Compliance Officer

Dated the 1<sup>st</sup> day of February, 2010

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER	Dates	<u>                    </u>	<u>                    </u>	<u>                    </u>
		Postmarked	Received	Reviewed
	Calculations	<u>                    </u>		Documentation <u>                    </u>
	Exceptions:			Forward Copy <u>                    </u>
	Discussion of exceptions			

# DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period  
beginning April 1, 2009  
and ending Dec. 31 2009  
Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part III Line 8, Code 4030)

\$ 2175361

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above
- (2) Net loss from principal transactions in securities in trading accounts
- (3) Net loss from principal transactions in commodities in trading accounts
- (4) Interest and dividend expense deducted in determining Item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities
- (6) Expenses other than accounting, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(b)(1) of the Act).
- (8) Other revenues not related either directly or indirectly to the securities business (See Instruction C).

121030

19950

(9) (i) Total interest and dividend expense (FOCUS line 22/PART III Line 13, Code 4075 plus line 26(i) above) but not in excess of total interest and dividend income.

\$ 22275

(ii) 40% of interest earned on customer securities accounts (40% of FOCUS line 3, Code 3900)

\$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

22275

Total deductions

163255

2d. SIPC Net Operating Revenues

\$ 2012106

2e. General Assessment @ 0020

\$ 5,030.26

(No page 1 but not less than \$150 minimum)

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

Independent Accountant's Report on Applying Agreed – Upon Procedures Related to an Entity's  
SIPC Assessment Reconciliation.

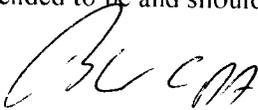
Board of Directors  
Syndicated Capital, Inc.  
Santa Monica, CA 90401

In accordance with Rule 17a-5 (e)(4) under the Securities Exchange Act of 1934, I have performed the procedures enumerated below with respect to the accompanying Scheduled of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation (SIPC) for the Year Ended December 31, 2009, which were agreed to by Syndicated Capital, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Syndicated Capital, Inc. compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). Syndicated Capital, Inc.'s management is responsible for the Syndicated Capital, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures I performed and my findings are as follows:

1. Compared the listed assessment payment in Form SIPC-7T with respective cash disbursement records entries from the cash disbursements journal and related bank statements and reconciliations, noting no differences;
2. Compared the amounts reported on the audited Form X-17a-5 for the year ended December 31, 2009, as applicable with the amounts reported in Form SIPC-7T for the year ended December 31, 2009 noting no differences;
3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers, such as clearing firms records supporting securities revenues, noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers, such as revenues from third party support and bank records supporting the adjustments, noting no differences.

I was not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.



Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 16, 2010

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

---

**REPORT OF INDEPENDENT REGISTERED PUBLIC  
ACCOUNTANT ON INTERNAL CONTROL STRUCTURE  
REQUIRED BY SEC RULE 17A-5**

Board of Directors  
Syndicated Capital, Inc.  
Santa Monica, CA 90401

In planning and performing my audit of the financial statements of Syndicated Capital, Inc., for the year ended December 31, 2009, I considered its internal control structure, including control activities for safeguarding securities, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g) (1) of the Securities and Exchange Commission, I have made a study of the practices and procedures including tests of such practices and procedures followed by Syndicated Capital, Inc. including test of compliance with such practices and procedures that I considered relevant to objectives stated in Rule 17a-5(g), (1) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, I did not review the practices and procedures followed by the Company in any of the following: (i) in making the quarterly securities examinations, counts, verifications and comparisons, (ii) recordation of differences required by Rule 17a-13, or (iii) in complying with the requirements for prompt payment for securities of Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining an internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Board of Directors  
Syndicated Capital, Inc.  
Page Two

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants and the Public Company Accounting Oversight Board (United States). A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, I noted no matters involving the internal control structure, including control activities for safeguarding securities, which I consider to be material weaknesses as defined above.

In addition, my consideration of the internal control structure indicated that the Company was in compliance with the conditions of the exemption under Paragraph (k) (2) (ii) of Rule 15c3-3, and no facts came to my attention indicating that such conditions had not been complied with during the period. The scope of my engagement did not include the Anti Money Laundering provision of the U.S. Patriot Act.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purpose in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on my study, I believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the Commission's objectives.

This report is intended solely for the information and use of the board of directors, the Securities and Exchange Commission, and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 16, 2010

SYNDICATED CAPITAL, INC.  
FINANCIAL STATEMENTS  
AND  
ACCOMPANYING SUPPLEMENTARY INFORMATION

REPORT PURSUANT TO SEC RULE 17a-5(d)

FOR THE YEAR ENDED  
DECEMBER 31, 2009

**SEC**  
Mail Processing  
Section

FEB 24 2010

Washington, DC  
122

Syndicated Capital, Inc.

Table of Contents

	PAGE
SEC Form X-17A-5	1
Report of Independent Registered Public Accountant	2
Statement of Financial Condition	3
Statement of Income	4
Statement of Stockholder's Equity	5
Statement of Cash Flows	6
Statement of Changes in Subordinated Debt	7
Notes to Financial Statements	8 - 11
Supplementary Information	
Schedule I    Statement of Net Capital	12
Schedule II    Determination of Reserve Requirements	13
Schedule III    Information Relating to Possession or Control	13
Schedule IV    SIPC Form 7-T	14-15
Independent Accountant's Report on Applying Agreed – Upon Procedures Related to an Entity's SIPC Assessment Reconciliation	16
Report of Independent Registered Public Accountant on Internal Control Structure required by SEC Rule 17a-5	17 - 18