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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
8- 67547

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 JULY 1, 2009 AND ENDING JUNE 30, 2010  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

**CHURCHILL CAPITAL USA, INC.**

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_____
FIRM I.D. NO.

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

**1270 Avenue of the Americas  
New York, NY 10020**

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

**Steven C. Bender**

**646.290.7248**

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

**JANOVER RUBENROIT, LLC**

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

<b>100 Quentin Roosevelt Blvd New York</b> (Address)	<b>NY</b> (City)	<b>11530</b> (State)	<b>11530</b> (Zip Code)
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CHECK ONE:

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

SEC Mail Processing  
Section

AUG 30 2010

\* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant

Washington, DC

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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)

SEC 1410 (06-02)

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.

## OATH OR AFFIRMATION


I, **Steven C. Bender**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Churchill Capital USA, Inc.** as of **JUNE 30, 2010**, 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**.



Signature

Financial & Operations Principal

Title



Notary Public

BETH A. CONGDON  
No. 01CO6199721  
Notary Public, State of New York  
Qualified in Erie County  
My Commission Expires Jan. 20, 2013

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 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 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 Auditor's Report on Internal Control

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

**CHURCHILL  
CAPITAL USA, INC.**

**Financial Statement**

**June 30, 2010**

**SEC Mail Processing  
Section**

**AUG 30 2010**

**washington, DC  
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# CHURCHILL CAPITAL USA, INC.

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**Independent Auditors' Report**

To the Board of Directors and Stockholder of  
Churchill Capital USA, Inc.:

We have audited the accompanying statement of financial condition of Churchill Capital USA, Inc. as of June 30, 2010, 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 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 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 statement referred to above presents fairly, in all material respects, the financial position of Churchill Capital USA, Inc. at June 30, 2010, in conformity with accounting principles generally accepted in the United States of America.



August 25, 2010

# CHURCHILL CAPITAL USA, INC.

## Statement of Financial Condition

June 30, 2010

### Assets

Cash and cash equivalents	\$ 727,258
Clearing firm deposit	100,857
Clearing firm receivable	205,737
Prepaid expenses	28,033
Other assets	8,206
Property and equipment, net	<u>28,077</u>
	<u>\$ 1,098,168</u>

### Liabilities and Stockholder's Equity

#### Liabilities:

Accounts payable and accrued expenses	\$ 324,906
Deferred tax liability	<u>10,681</u>
	<u>335,587</u>

#### Stockholder's equity:

Common stock, no par value; 200 shares authorized; 100 shares issued and outstanding	20,000
Additional paid-in capital	325,000
Retained earnings	<u>417,581</u>
	<u>762,581</u>
	<u>\$ 1,098,168</u>

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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June 30, 2010

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### 1. Business Organization

Churchill Capital USA, Inc. (the "Company"), a wholly-owned subsidiary of Churchill Capital Ltd. (the "Parent"), is a registered broker-dealer with the Securities and Exchange Commission ("SEC") in the state of New York and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company engages in a general securities business with institutional investors. The Company received its FINRA approval for membership on July 12, 2007. The Company is exempt from rule 15c3-3 of the SEC under paragraph (k)(2)(ii) of that rule.

### 2. Summary of Significant Accounting Policies

The following summary of the Company's major accounting policies is presented to assist in the interpretation of the financial statement.

**Basis of preparation** - The financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America.

**Cash and cash equivalents** - At times during the year, the Company's cash accounts exceeded the related amount of Federal depository insurance. The Company has not experienced any loss in such accounts and believes it is not exposed to any significant credit risk. The Company considers investments in financial instruments with maturities of less than 90 days when issued to be cash equivalents.

**Revenue recognition** - Revenues from general securities transactions are recognized when the transaction closes and realization is reasonably assured. Expenses are recognized as they are incurred.

**Property and equipment** - Property and equipment are recorded at cost. Depreciation of property and equipment is computed on the straight-line method over estimated useful lives of three to four years.

**Income taxes** - Income taxes are accounted for in accordance with the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification No. 740 ("ASC 740") "Accounting for Income Taxes". As required under ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of assets and liabilities and the respective tax basis amounts. Deferred tax assets and liabilities are measured under tax rates that are expected to apply to taxable income in the years in which these differences are expected to be realized. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period of the tax change.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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June 30, 2010

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### 2. Summary of Significant Accounting Policies (continued)

**Uncertain tax positions** - The Company adopted the provisions of FASB Accounting Standards Codification No. 740 ("ASC 740") Subtopic 05 "Accounting for Uncertainty in Income Taxes", on January 1, 2009. As a result of the implementation, the Company was not required to recognize any amounts from uncertain tax positions.

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

**Fair value disclosures** - The carrying amounts of cash, clearing firm deposit, clearing firm receivable, and accounts payable approximate fair value because of the short-term nature of these investments.

### 3. Clearing Broker

The Company clears all of its trades through Pershing, LLC ("Pershing") on a fully disclosed basis. For this service Pershing receives a percentage of the gross commission on each transaction. At June 30, 2010, the Company had \$100,857 on deposit with Pershing.

### 4. Property and Equipment

Property and equipment at June 30, 2010 is as follows:

Furniture and fixtures	\$	79,293
Computer and telephone equipment		48,323
		<hr/>
		127,616
Less: accumulated depreciation		99,539
	\$	<hr/>
		28,077

Depreciation expense was \$35,858 for the year ended June 30, 2010.



# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

June 30, 2010

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### 5. Income Taxes

The net deferred tax liability of \$10,681 in the accompanying balance sheet results from the use of accelerated methods of depreciation of property and equipment.

The Company used an effective tax rate of 46% comprised as follows:

Statutory federal income tax rate	34%
State taxes on income, net of federal income tax benefit	6%
Local taxes on income, net of federal income tax benefit	<u>6%</u>
Total effective tax rate	<u>46%</u>

A reconciliation of income taxes provided at the total effective rate for Federal, state, and local jurisdictions is as follows for the year ended June 30, 2010:

Tax at total effective rate	\$ 366,308
Permanent differences	(309,462)
Other	<u>( 2,274)</u>
	<u>\$ 54,572</u>

### 6. Related Party Transactions

The Company occupies office space under a sublease agreement with its Parent company (See Note 8).

### 7. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At June 30, 2010, the Company had net capital of \$698,265, which was \$598,265 in excess of its required net capital of \$100,000. The Company's ratio of aggregate indebtedness to net capital was 0.48 to 1.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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June 30, 2010

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### 8. Commitments and Contingencies

The Company occupies office space in New York City under a sublease agreement with its Parent company and pays monthly rent directly to the landlord. Rent expense for the year ended June 30, 2010 was \$150,940.

Minimum lease obligations at June 30, 2010 are as follows for the years ending June 30,:

2011	147,560
2012	73,780
	<u>\$ 221,340</u>

### 9. Concentration of Risk

In the normal course of its business, the Company enters into financial transactions where the risk of potential loss due to changes in the market (market risk) or failures of the other parties to the transaction to perform (counterparty risk) exceeds the amounts recorded for the transaction.

The Company's policy is to continuously monitor its exposure to the market and counterparty risk through the use of a variety of financial, position and credit exposure reporting and control procedures. In addition, the Company has a policy of reviewing the customers and/or other counterparties with which it conducts business.

As of June 30, 2010, there were no customer accounts having debit balances which presented any risks nor was there any exposure with any other transaction conducted with any other broker.

### 10. Financial Instruments with Off-Balance Sheet Risk

In the normal course of business, the Company's customer activities involve the execution, settlement, and financing of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

# CHURCHILL CAPITAL USA, INC.

## Notes to Financial Statement

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*June 30, 2010*

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### **11. Pension Plan**

The Company has a 401(k) Employee Savings Plan (the "Plan") which is open to all employees who are at least 20 years of age. The Plan is designed to provide additional financial security during retirement by providing eligible employees with an incentive to make regular savings contributions. The Company provided matching contributions to participants and additionally received income from former employees' accounts that were not vested. The net of these transactions resulted in income of \$11,958 for the year ended June 30, 2010.

### **12. Subsequent Events**

Management has evaluated events and transactions occurring after the balance sheet date and through the date of the Auditors' Report contained herein in order to determine whether any of these events or transactions were required to be recognized or disclosed in the financial statements. Management used the date that the financial statements were available to be issued which is the date that management approved the financial statements for issuance.