

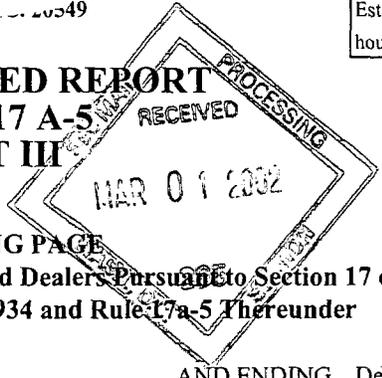


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**ANNUAL AUDITED REPORT  
FORM X-17 A-5  
PART III**



SEC FILE NUMBER
8-48886

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**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 January 1, 2001 AND ENDING December 31, 2001  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER DEALER:

Dundee Securities Inc.  
~~(Filed as Confidential Information)~~

OFFICIAL USE ONLY
39759
FIRM ID. NO.

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

320 Bay Street - Ste. 800 M5H 4A6  
(No. and Street)

Toronto Ontario  
(City) (State)

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

Douglas J. Glover, COO and CFO (416) 350-3400  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

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

1900-79 Wellington Steet West PO Box 29 TD. C. Toronto Ontario M5K 1B9  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

**PROCESSED**  
**APR 10 2002**

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THOMSON FINANCIAL

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\*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).

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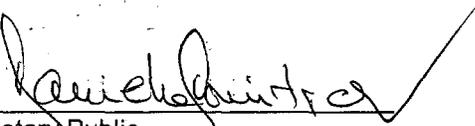
OATH OR AFFIRMATION

I, Douglas J. Glover swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Dundee Securities Inc., as of December 31, 2001, 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

CFO  
Title

  
Notary Public

This report \*\* contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole 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) Exemptive Provision under Rule 15c3-3.

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

# Dundee Securities Inc.

## STATEMENTS OF FINANCIAL CONDITION

December 31

2001

2000

(Expressed in U.S. dollars)

\$

\$

### ASSETS

#### CURRENT ASSETS

Cash and cash equivalents	739,165	862,258
Due from carrying broker (Note 2)	700,216	313,113
Accounts receivable	5,394	15,794
Due from clients	28,026	-
	<u>1,472,801</u>	<u>1,191,165</u>

### LIABILITIES AND SHAREHOLDER'S EQUITY

#### CURRENT LIABILITIES

Accounts payable and accrued liabilities (Note 2)	971,724	652,100
Due to clients	71	84,104
	<u>971,795</u>	<u>736,204</u>

#### STOCKHOLDER'S EQUITY

Share capital		
Authorized		
Unlimited number of common shares		
Issued and outstanding		
500,000 common shares	500,000	500,000
Retained Earnings (Deficit)	<u>1,006</u>	<u>(45,039)</u>
	<u>501,006</u>	<u>454,961</u>
	<u>1,472,801</u>	<u>1,191,165</u>

The accompanying notes are an integral part of these financial statements.

# Dundee Securities Inc.

## STATEMENTS OF INCOME

For the years ended December 31

	2001	2000
(Expressed in U.S. dollars)	\$	\$
<b>REVENUE</b>		
Commissions	1,447,212	1,087,627
Other	<u>27,270</u>	<u>49,652</u>
	<u>1,474,482</u>	<u>1,137,279</u>
<b>EXPENSES</b>		
Audit and legal fees	9,700	16,532
Operating, general and administration (Note 2)	<u>1,418,737</u>	<u>1,115,358</u>
<b>NET INCOME</b>	<u>46,045</u>	<u>5,389</u>

The accompanying notes are an integral part of these financial statements.