

AAH
1-29-2002

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



02005230

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

VF 1-28-02

SEC FILE NUMBER
8-52360

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 10/01/2000 AND ENDING 09/30/2001
MM/DD/YY MM/DD/YY

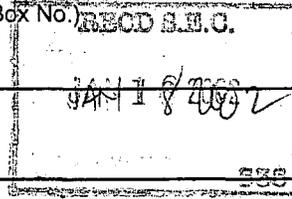
A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Westpac Securities Inc.

OFFICIAL USE ONLY
FIRM ID. NO.

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

575 Fifth Avenue, 39th Floor
(No. and Street)
New York New York 10017
(City) (State) (Zip Code)



NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Manuela Adl 212-551-1926
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
PricewaterhouseCoopers LLP
(Name - if individual, state last, first middle name)
1177 Avenue of the Americas New York New York 10036
(Address) (City) (State) (Zip Code)

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

PROCESSED
JAN 30 2002
THOMSON
FINANCIAL

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).

put

OATH OR AFFIRMATION

I, Manuela Adl, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Westpac Securities Inc., as of 30-Sep-01, 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:

MARY C. HAGGERTY
Notary Public, State of New York
No. 01HA5082257
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires 7/12/18

Mary C. Haggerty
Notary Public

Manuela Adl

Signature

CHIEF COMPLIANCE OFFICER

Title

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) Schedule of Segregation Requirements and funds in Segregation pursuant to CEA Rule 1.32.
- (p) Schedule of secured amounts and funds held in separate accounts for foreign futures and foreign options customers pursuant to CFTC Regulation 30.7.
- (q) Statement of Segregation Requirements and Funds in Segregation for Customers' Dealer Option Accounts.

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

Report of Independent Accountants

To the Board of Directors and
Stockholder of
Westpac Securities Inc.

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Westpac Securities Inc. (the "Company") at September 30, 2001 in conformity with accounting principles generally accepted in the United States. This financial statements is the responsibility of the Company's management; our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed above.

PricewaterhouseCoopers LLP

December 5, 2001

Westpac Securities Inc.

Statement of Financial Condition

September 30, 2001

Westpac Securities Inc.
Statement of Financial Condition
September 30, 2001

Assets

Cash and cash equivalents \$ 173,128

Total assets \$ 173,128

Liabilities and stockholder's equity

Liabilities

Payable to affiliate \$ 43,570

Total liabilities \$ 43,570

Stockholder's Equity 129,558

Total liabilities and stockholder's equity \$ 173,128

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

Westpac Securities Inc.
Notes to Statement of Financial Condition
September 30, 2001

1. Operations

Westpac Securities Inc. (the "Company"), a Delaware Corporation, is a wholly owned subsidiary of Westpac Overseas Holding Pty Limited (the "Parent Company"), which is a wholly owned subsidiary of Westpac Banking Corporation.

The Company is registered as a broker-dealer with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers, Inc. The Company was organized to act as a broker for U.S Institutional customers primarily in corporate bonds and other fixed income products. The Company has not yet engaged in the securities activities for which it was organized.

2. Significant Accounting Policies

Basis of presentation

The Company's records are maintained on the accrual basis of accounting and conform to generally accepted accounting principles in the United States of America.

Uses of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include a time deposit of \$100,000 held with an affiliate with an initial maturity of less than 3 months.

3. Related Party Transactions

The Company is subject to a sublease agreement with Westpac Banking Corporation, an affiliated company, covering office space. Future minimum sublease commitments on the premises are as follows:

2002	\$ 48,760
2003	48,760
2004	48,760
2005	48,760
2006	50,880
2007 and thereafter	<u>203,520</u>
	<u>\$ 449,440</u>

4. Income Taxes

At September 30, 2001, the Company has a net operating loss carryforward for income tax purposes aggregating \$91,080 which will expire in 2021.

Westpac Securities Inc.
Statement of Financial Condition
September 30, 2001

2

The Company follows Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," which requires that net deferred tax assets be recognized immediately unless it is more likely than not that the tax benefits will not actually be realized some time in the future. At September 30, 2001, the Company's net deferred tax assets, primarily attributable to operating loss carryforward and deferred rent, approximate \$30,967 against which a full valuation allowance is provided.

5. Net Capital Requirement

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital, as defined, equal to the greater of \$5,000 or 12.5% of aggregate indebtedness, as defined. At September 30, 2001, the Company had net capital of \$29,558, which was \$24,096 in excess of the amount required of \$5,462. The ratio of aggregate indebtedness to net capital was 1.48 to 1.

6. Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107, "Disclosure About Fair Value of Financial Instruments," requires the disclosure of the fair value of financial instruments, including assets and liabilities recognized on the Statement of Financial Condition. Management estimates that the fair value of the financial instruments recognized on the Statement of Financial Condition (including payable to affiliate) approximates their carrying value as such financial instruments are short-term in nature.