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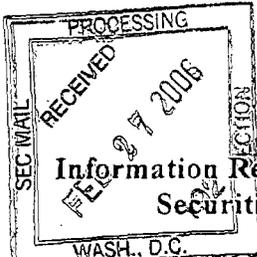
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OMB Number:	3235-0123
Expires:	January 31, 2007
Estimated average burden hours per response.....	12.00

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

SEC FILE NUMBER
8-52416



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

1/01/05

MM/DD/YY

AND ENDING

12/31/05

MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: GLOBAL TRADING GROUP, INC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

195 HAZELWOOD Dr

(No. and Street)

Westbury

(City)

NY

(State)

11590

(Zip Code)

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

William SARY

516 876-4918

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KBL LLP

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

67 WALL STREET 22ND FL New York

(Address)

(City)

(Zip Code)

CHECK ONE:

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

PROCESSED

MAY 09 2006

THOMSON FINANCIAL

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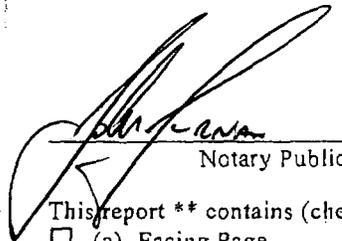
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

BB

OATH OR AFFIRMATION

I, William SAVARY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Global Trading Group, Inc, as of 12/31/05, 2005, 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
President / CEO
 Title


 Notary Public 2/2/06

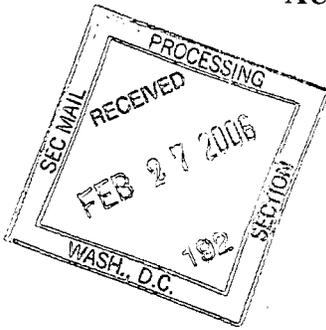
JOHN FURNARI
 Notary Public, State of New York
 No. 01FU6024360
 Qualified in Nassau County
 Commission Expires May 01, 2007

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).

**GLOBAL TRADING GROUP, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2005**



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67 Wall Street, 22nd Floor, New York, NY 10005

212.785-9700

GLOBAL TRADING GROUP, INC.
BALANCE SHEET
DECEMBER 31, 2005

Assets	
Current assets	
Cash	\$ 1,518
Investments <i>(Note 1)</i>	99,364
Accounts receivable	19,944
Officer's loan receivable <i>(Note 2)</i>	6,245
Prepaid expenses	92
Total current assets	127,163
Fixed assets	
Furniture and equipment	16,701
Less: accumulated depreciation	15,886
Net fixed assets	815
Other assets	
Clearing deposit	25,000
Deferred taxes <i>(Note 4)</i>	10,895
Security deposits	7,622
Total other assets	43,517
Total assets	\$ 171,495

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
BALANCE SHEET
FOR THE YEAR ENDED
DECEMBER 31, 2005

Liabilities and Stockholder's Equity

Current liabilities

Accounts and accrued expenses payable	\$ 8,152
Margin loan payable <i>(Note 3)</i>	41,395
Put options payable <i>(Note 4)</i>	4,675
Income taxes payable <i>(Note 5)</i>	550

Total current liabilities	54,772
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Total liabilities	54,772
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Stockholders' equity

Common stock <i>(20,000 shares \$1 par value authorized, 100 shares issued and outstanding)</i>	100
Additional paid-in capital	138,050
Accumulated other comprehensive income: unrealized gain on securities	3,966
Accumulated deficit	(25,393)

Total stockholder's equity	116,723
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Total liabilities and stockholder's equity	\$ 171,495
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See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2005

Revenue		
Commissions	\$	159,880
Total revenue		159,880
Operating expenses		
Travel		37,429
Clearing charges		31,841
Professional fees		19,718
Office expenses		12,066
Rent		7,000
Regulatory fees		5,725
Telephone		5,365
Automobile expenses		4,339
Training and education		2,077
Computer and network expenses		1,590
Depreciation		1,581
Web design and internet expenses		1,349
Registration fees		1,004
Office supplies		950
Advertisement and marketing		740
Meals and entertainment		702
Postage and delivery		485
Miscellaneous		458
Insurance		369
Contribution		350
Bank charges		327
Dues and subscriptions		99
Total operating expenses		135,564
Income from operations	\$	24,316

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED
DECEMBER 31, 2005

Income from operations	\$ 24,316
Other income (expense)	
Dividend income	2,820
Interest income	3,812
Interest expense	(2,171)
Loss on sale of securities	(14,438)
Total other income (expense)	(9,977)
Income before provision for income taxes	14,339
Provision for income taxes	
Deferred (Note 4)	(4,762)
Current (Note 4)	(550)
Total provision for income taxes	(5,312)
Net income	\$ 9,027
Accumulated other comprehensive income, beginning	\$ (1,578)
Other comprehensive income: unrealized gain on securities	5,544
Accumulated other comprehensive income, ending	\$ 3,966

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEAR ENDED
DECEMBER 31, 2005

	<i>Common stock</i>	<i>Additional paid-in capital</i>	<i>Accumulated deficit</i>	<i>Accumulated other comprehensive income</i>	<i>Total stockholder's equity</i>
Balance, beginning	\$ 100	\$ 138,050	\$ (34,420)	\$ (1,578)	\$ 102,152
Net income			9,027		9,027
Other comprehensive income; unrealized gain on securities				5,544	5,544
Balance, ending	\$ 100	\$ 138,050	\$ (25,393)	\$ 3,966	\$ 116,723

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2005

Cash flows from operating activities	
Net profit	\$ 9,027
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation	1,581
Changes in operating assets and liabilities	
Increase in accounts receivable	(12,430)
Decrease in deferred tax assets	4,762
Increase in security deposits	(7,122)
Increase in accounts and accrued expenses payable	3,500
Decrease in income taxes payable	(7)
Net cash used in operating activities	(689)
Cash flows from investing activities	
Decrease in investments	2,923
Net cash provided by investing activities	2,923
Cash flows from financing activities	
Net advances to stockholder	(13,745)
Net increase in margin loan payable	7,300
Net increase in put options payable	4,675
Net cash used in financing activities	(1,770)
Increase in cash and cash equivalents	464
Cash and cash equivalents, beginning of year	1,054
Cash and cash equivalents, end of year	\$ 1,518

Supplementary disclosures of cash flow information

Cash paid during the year for:	
Income taxes	\$ 557
Interest expense	2,171

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2005

Net capital	
Total equity capital	\$ 116,723
Liabilities subordinated to claims of general creditors allowable in computation of net capital	
Non-allowable assets	25,669

Net capital before haircuts and undue concentration on securities positions	91,054
Haircuts and undue concentration on securities positions	20,080
	\$ 70,974

Aggregate indebtedness	
Items included in the statement of financial condition	
Accrued expenses and other liabilities	\$ 54,772
	\$ 54,772

Ratio: aggregate indebtedness to net capital 1.30 to 1

Computation of basis net capital requirement	
Minimum net capital required	\$ 5,000

Excess net capital at 100% \$ 65,974

Reconciliation of December 31, 2005 audited computation of net capital and Company's unaudited December 31, 2005 Part IIA filing.

Unaudited December 31, 2005 net capital per December 31, 2005 Part IIA filing	\$ 70,854
Audit adjustments	120
Net capital	\$ 70,974

See auditors' report, the summary of significant accounting policies, and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Global Trading Group, Inc. ("the Company") is registered as a broker and dealer in securities pursuant to Section 15 (b) of the Securities and Exchange Act of 1934.

The Company was incorporated in March 1999 in the State of New York.

Cash and cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Accounting basis

The Company uses the accrual basis of accounting for financial statement and income tax reporting. Accordingly revenues are recognized when services are rendered and expenses realized when the obligation is incurred.

Fixed assets

Fixed assets are stated at cost. Depreciation is computed using accelerated methods over the following estimated useful lives:

<i>Description</i>	<i>Estimated useful life</i>
Furniture and fixtures	7 years
Equipment	5 years

Income taxes

The Company accounts for income taxes using the asset and liability method as required by Statement of Financial Accounting Standards No. 109, under which deferred tax assets and liabilities are determined based upon the differences between financial statement carrying amounts and the tax bases of existing assets and liabilities. Deferred taxes also are recognized for operating losses that are available to offset future taxable income.

Investments

Investments are carried at fair market value, with unrealized gains and losses reported in a separate component of other comprehensive income. Realized gains or losses are computed based on specific identification of the securities sold and are charged or credited to current earnings.

See auditors' report and the accompanying notes to the financial statements.

GLOBAL TRADING GROUP, INC.
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results may differ from these estimates.

Comprehensive income reporting

The Company accounts for comprehensive income in accordance with SFAS No. 130 "Reporting Comprehensive Income," which requires comprehensive income and its components to be reported when a company has items of comprehensive income. Comprehensive income includes net income plus other comprehensive income (i.e., certain revenues, expenses, gains and losses reported as separate components of stockholders' equity rather than in net income).

GLOBAL TRADING GROUP, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – INVESTMENTS

The Company invests in various equities with the fair market value determined by the exchange price in the existing market. The following is the cost and market value at December 31, 2005:

Cost	\$ 102,129
Unrealized loss	(2,765)
<hr/>	
Market value	\$ 99,364

NOTE 2 – OFFICER'S LOANS RECEIVABLE

Officer's loans receivable represents advances to William Savery, the Company's President. The amount is non-interest bearing and due on demand.

NOTE 3 – MARGIN LOAN PAYABLE

The Company's margin account accrues interest on an average rate of 8.33% on all open balances, and is secured by the securities in the Company's investment account.

NOTE 4 – PUT OPTIONS PAYABLE

The Company invested in various put options, for which the fair market value is determined by the exchange price in the existing market.

NOTE 5 – INCOME TAXES

Deferred tax assets represent the tax effects of taxable and deductible temporary differences in book and tax reporting. The taxable temporary difference consists of net operating loss carry forwards.

The Company incurred no federal income tax expense for the year. The Company incurred \$557 of New York State and City income tax expense and \$6,265 of deferred income taxes for the year.

GLOBAL TRADING GROUP, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – INCOME TAXES (CONTINUED)

The Company has a net operating loss carryover of \$21,844 to offset future income tax. The net operating loss expires as follows:

December 31, 2022	\$ 21,844
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NOTE 6 – OPERATING LEASE

The Company leases its facilities from its President, William Savery. The lease expires September 1, 2007, and contains an option to renew for three years. Future minimum lease payments are as follows:

December 31, 2006	\$ 9,000
2007	6,000



Independent Auditors' Report on Internal Accounting Control Required by SEC Rule 17a-5

To the Board of Directors
Global Trading Group, Inc.
New York, New York

We have examined the financial statements of Global Trading Group, Inc. for the year ended December 31, 2005, and have issued our report therein dated February 2, 2005. As part of our examination, we made a study and evaluation of the Company's system of internal accounting control (which included the procedures for safeguarding securities) to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3 (a) (11) and the procedures for determining compliance with the exemptive provisions of Rule 15c 3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or in complying with the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining a system of internal accounting 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 control procedures and 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. The objectives of a system and the practices



Independent Auditors' Report on Internal Accounting Control Required by SEC Rule 17a-5 (continued)

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 the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal accounting control procedures or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Global Trading Group, Inc. as a whole. However, our study and evaluation disclosed no condition that we believed to be a material weakness.

We 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 purposes 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 our study, we believe that the Company's practices and procedures were adequate at December 31, 2005, to meet the Commission's objectives.

This report is intended solely for the use of management and the Securities and Exchange Commission and should not be used for any other purpose.

KBL, LLP
KBL, LLP
Certified Public Accountants
February 2, 2005