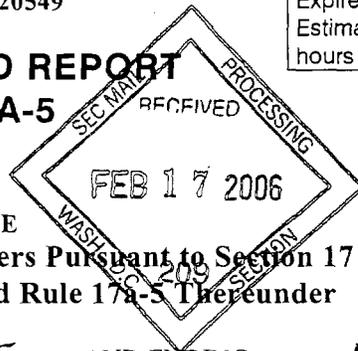


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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

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



SEC FILE NUMBER  
8-66346

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 01/01/05 AND ENDING 12/31/05  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Financial Technology Securities

OFFICIAL USE ONLY  
FIRM I.D. NO.

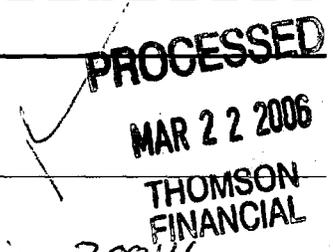
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
1536 Donwoody Village Parkway, Suite 265  
Atlanta GA 30338  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Wade J. Bowden & Company CPAs, P.C.  
(Name - if individual, state last, first, middle name)  
3150 Highway 278, Suite 105, Covington, Georgia 30014  
(Address) (City) (State) (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)(3)

Handwritten initials and a large number '20' at the bottom right of the page.

OATH OR AFFIRMATION

I, John D. Curran, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Financial Technology Securities, as of February 15, 20 06, 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]  
Signature  
President  
Title

[Signature]  
Notary Public

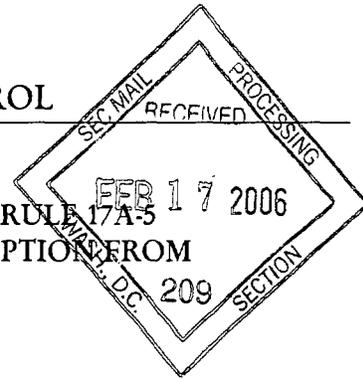
This report \*\* contains (check all applicable boxes):

- (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).

**REPORT ON INTERNAL CONTROL**

REQUIRED BY  
SECURITIES EXCHANGE COMMISSION (SEC) RULE 17A-5  
FOR A BROKER-DEALER CLAIMING AN EXEMPTION FROM  
(SEC) RULE 15C3-3



Member and Directors  
FINANCIAL TECHNOLOGY SECURITIES, LLC

In planning and performing our audit of the financial statements and supplemental schedule of Financial Technology Securities, LLC (the Company) for the year ended December 31, 2005, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of compliance with such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in the following:

1. Making periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and the reserve required by rule 15c3-3(e).
2. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by rule 17a-13.
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining 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 controls 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 SEC'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 the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

# WADE J BOWDEN & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may 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 effectiveness of their design and operation may deteriorate.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC 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, 2004, to meet the SEC's objectives.

This report is intended solely for the information and use of the Member, management, the SEC, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered broker and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

*Wade J. Bowden & Company CPAs, PC*

Wade J Bowden & Company CPAs, P.C.

February 7, 2006

3150 HWY 278, SUITE 105  
COVINGTON, GEORGIA 30014

PH 770-639-4637

FAX 678-868-1411

WBOWDEN@MINDSPRING.COM

**FINANCIAL TECHNOLOGY SECURITIES, LLC**

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
DECEMBER 31, 2005 AND INDEPENDENT  
AUDITORS' REPORT



***Wade J Bowden & Company, P.C.***

# FINANCIAL TECHNOLOGY SECURITIES, LLC

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## Table of Contents

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Independent Auditors' Report.....	1
Financial Statements	
Statement of Financial Condition.....	2
Statements of Operations and Changes in Member's Equity.....	3
Statement of Cash Flows.....	4
Notes to Financial Statements.....	5
Supplementary Schedule I - Computation of Net Capital.....	8

**INDEPENDENT AUDITORS' REPORT**

To the Member and Directors  
FINANCIAL TECHNOLOGY SECURITIES, LLC

We have audited the accompanying statement of financial condition of Financial Technology Securities, LLC as of December 31, 2005 and the related statements of operations, changes in member'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. 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 statements referred to above present fairly, in all material respects, the financial position of Financial Technology Securities, LLC as of December 31, 2005, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplementary schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Wade J. Bowden & Company CPAs PC*

Atlanta, Georgia  
February 7, 2006

# FINANCIAL TECHNOLOGY SECURITIES, LLC

## STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 2005

### ASSETS

<b>CURRENT ASSETS:</b>	
Cash (Note 1)	\$ 241,059
Commissions receivable (Note 2)	78,075
Cash deposits with clearing organizations	16,646
Total current assets	335,780
<b>FURNITURE AND EQUIPMENT (Note 1)</b>	
	11,157
Less accumulated depreciation	(3,149)
Furniture and equipment - net	8,008
<b>OTHER ASSETS -</b>	
Organizational costs, net of accumulated amortization of \$186	278
TOTAL	\$ 344,066

### LIABILITIES AND MEMBER'S EQUITY

<b>CURRENT LIABILITIES:</b>	
Accounts payable and accrued liabilities (Note 5)	\$ 13,326
Commissions payable (Note 2)	18,378
Deferred revenue - current (Note 3)	82,041
Total current liabilities	113,745
<b>MEMBER'S EQUITY</b>	230,321
TOTAL	\$ 344,066

See Independent Auditors' Report and  
Notes to Financial Statements.

# FINANCIAL TECHNOLOGY SECURITIES, LLC

## STATEMENTS OF OPERATIONS AND CHANGES IN MEMBER'S EQUITY FOR THE YEAR ENDED DECEMBER 31, 2005

<b>REVENUES:</b>	
Commissions	\$ 600,644
Interest	1,707
Total revenue	602,351
<b>EXPENSES:</b>	
Commissions expense	145,011
Salaries and wages	135,761
Taxes and licenses	36,489
Travel	35,858
Marketing	30,601
Research	23,267
Rent	11,475
Licenses and permits	11,411
Meals and entertainment	11,273
Telephone	7,050
Legal and professional fees	5,810
Office supplies	4,933
Dues and subscriptions	3,893
Postage and delivery	3,037
Depreciation	2,046
Insurance	1,797
Practice development	902
Printing and reproduction	827
Internet service provider	529
Bank charges	400
Interest and finance charges	317
Amortization	93
Total expenses	472,780
<b>NET INCOME</b>	129,571
<b>MEMBER'S EQUITY, JANUARY 1</b>	40,082
<b>MEMBER'S CONTRIBUTIONS</b>	68,668
<b>MEMBER'S DISTRIBUTIONS</b>	(8,000)
<b>MEMBER'S EQUITY, DECEMBER 31</b>	\$ 230,321

See Independent Auditors' Report and  
Notes to Financial Statements.

# FINANCIAL TECHNOLOGY SECURITIES, LLC

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2005

<b>OPERATING ACTIVITIES:</b>	
Net income	\$ 129,571
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	2,139
Increase in commissions receivable	(78,075)
Decrease in deposits from clearing organizations	3,416
Increase in accounts payable and accrued liabilities	25,579
Increase in deferred revenue	82,041
Net cash provided by operating activities	164,671
<b>INVESTING ACTIVITIES - Purchase of furniture and equipment</b>	
	(3,453)
<b>FINANCING ACTIVITIES:</b>	
Member contributions	68,668
Member distributions	(8,000)
Net cash provided by financing activities	60,668
<b>NET INCREASE IN CASH</b>	<b>221,886</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>19,173</b>
<b>CASH AT END OF YEAR</b>	<b>\$ 241,059</b>

See Independent Auditors' Report and  
Notes to Financial Statements.

# FINANCIAL TECHNOLOGY SECURITIES, LLC

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Business

Financial Technology Securities, LLC (the Company) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of various exchanges and became a member the National Association of Securities Dealers (NASD) on November 30, 2004. The Company is located in Atlanta, Georgia. The Company was organized as a Georgia limited liability company (LLC).

#### Basis of Presentation

The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services.

#### Commissions

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur. The transactions recorded on a settlement-date basis will not be materially different from the trade-date basis.

#### Income Taxes

The Company is a limited liability company for income tax reporting purposes and, as such, is not subject to income tax. Accordingly, no provision for income taxes is provided in the financial statements.

#### Depreciation and Amortization

Depreciation is provided on a straight-line basis using estimated useful lives of five years. Amortization is provided on a straight-line basis using estimated useful lives of five years.

#### Estimates

The presentation of financial statements in conformity with U.S. 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company defines cash equivalents as highly liquid investments with original maturities of less than ninety days that are not held for sale in the ordinary course of business.

**2. COMMISSIONS RECEIVABLE AND PAYABLE**

Commission revenue is derived as the Company acting as an agent buying and selling securities on behalf of its customers. In return for such services, the Company charges a commission. Each time a customer enters into a buy or sell transaction, a commission is earned by the Company for its selling and administrative efforts. For securities purchased, the commission is recorded as a receivable from customers; for securities sold, it is recorded as reductions in the payable to customers. Commissions receivable for the year ended December 31, 2005 was \$78,075. Commissions payable for the year ended December 31, 2005 was \$18,378.

**3. DEFERRED REVENUE**

Certain customers have prepaid commissions. These payments are recognized as revenue on a pro rata basis when the commission is actually earned by the Company. The prepayments are reflected in deferred revenue. Deferred revenue for the year ended December 31, 2005 was \$82,041.

**4. 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 (and the rule of the "applicable" exchange 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 December 31, 2005, the Company had net capital of \$222,035, which was \$214,452 in excess of its required net capital of \$7,583. The Company's percentage of aggregate indebtedness to net capital was 51%.

**5. RELATED PARTY TRANSACTIONS**

The sole member contributed \$68,668 to the Company in 2005, and is reflected as member's contributions on the statement of changes in member's equity. Further, the Company distributed \$8,000 to the sole member and is reflected on the statement of changes in member's equity as member's distributions. The Company has reimbursed business expenses to the sole member in the amount of \$629. The Company owes the sole member \$467.34 in expense reimbursements. The amount is reflected on the statement of financial condition in accounts payable.

**6. COMMITMENTS**

The Company has obligations under operating leases with initial non-cancelable terms in excess of one year. Aggregate annual rentals for office space at December 31, 2005, are as listed below:

Year Ending December 31:

2006	\$	11,688
2007		<u>5,928</u>
Total	\$	<u><u>17,616</u></u>

**7. EXEMPTIVE PROVISION**

The Company claims an exemption from SEC Rule 15c3-3 based on Section (k)(2)(ii) that all customer transactions are cleared through another broker-dealer on a fully disclosed basis. The clearing broker is LEK Securities, Inc.

# FINANCIAL TECHNOLOGY SECURITIES, LLC

## COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

AS OF DECEMBER 31, 2005

	SCHEDULE 1
<b>TOTAL MEMBER'S EQUITY QUALIFIED FOR NET CAPITAL</b>	<b>\$ 230,321</b>
<b>DEDUCTIONS AND/OR CHARGES:</b>	
Nonallowable assets:	
Furniture and equipment - net	(8,008)
Organizational costs - net	(278)
<b>NET CAPITAL</b>	<b>222,035</b>
<b>AGGREGATE INDEBTEDNESS:</b>	
Accounts payable and accrued liabilities	31,704
Deferred revenue	82,041
Total aggregate indebtedness	<b>113,745</b>
<b>COMPUTATION OF BASIC NET CAPITAL REQUIREMENT -</b>	
Minimum dollar net capital requirement	<b>7,583</b>
Excess net capital	<b>214,452</b>
Excess net capital at 1,000 percent	<b>210,660</b>
Percentage of aggregate indebtedness to net capital	<b>51%</b>

There are no audit adjustments and no differences between the FOCUS report filed for the period ending December 31, 2005 and the computation above.

See Independent Auditors' Report