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

**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 07/01/05 AND ENDING 06/30/06  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: INTERNATIONAL FUND  
MARKETING LIMITED

OFFICIAL USE ONLY  
FIRM ID. NO.

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

Argonaut House, 5 Park Road,  
(No. and Street)  
Hamilton HM 09, Bermuda

(City)

(State)

(Zip Code)

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

Michael B Collins

441 292 7979

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

**PROCESSED**

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

Lince Salisbury

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

**OCT 16 2006**

**THOMSON  
FINANCIAL**

Avenue House, St Julián's Avenue, St Peter Port, Guernsey, Channel Islands  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
AUG 29 2006  
BRANCH OF REGISTRATIONS  
AND  
04 EXAMINATIONS

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).

# OATH OR AFFIRMATION

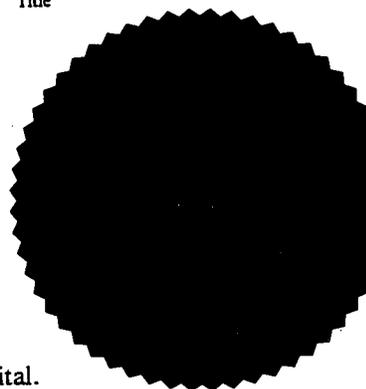
I, Michael B Collins, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of International Fund Marketing Limited, as of 30 June 2006, 19    , are true and correct. I further swear (or affirm) that neither 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*m. B.*  
\_\_\_\_\_  
Signature

MB Collins, President  
\_\_\_\_\_  
Title

*[Signature]*  
\_\_\_\_\_  
Notary Public  
Craig W. MacIntyre 22/8/06  
Notary Public  
Bermuda



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.

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

INTERNATIONAL FUND MARKETING LIMITED

(Incorporated in Bermuda)

FINANCIAL STATEMENTS

30th JUNE, 2006

LINCE SALISBURY

Chartered Accountants

Avenue House,

St. Julian's Avenue,

St. Peter Port,

GUERNSEY

INTERNATIONAL FUND MARKETING LIMITED

(Incorporated in Bermuda)

THE COMPANY

DIRECTORS: Michael B. Collins  
Beverly R Mathias

SECRETARY: Susan A Williams

REGISTERED OFFICE: Argonaut House,  
5 Park Road,  
Hamilton HM 09,  
Bermuda

BANKERS: The Bank of N. T. Butterfield & Son Limited,  
65 Front Street,  
Hamilton HM 11  
Bermuda

AUDITORS: BKR Lince Salisbury Limited,  
Chartered Accountants,  
Avenue House,  
St. Julian's Avenue,  
St. Peter Port,  
Guernsey GY1 1WA

(Incorporated in Bermuda)

## DIRECTORS' REPORT

The Directors present their report and the audited accounts of the Company for the year ended 30th June, 2006.

### INCORPORATION

The company is registered in the Islands of Bermuda and has the status of a Bermuda Exempted Company.

### RESULTS AND DIVIDEND

The results of the company are shown in the Statement of Income and Retained Earnings on page 4. The directors do not recommend the payment of a dividend in respect of the year ended 30th June 2006 (2005:\$18,234).

### DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the income and retained earnings of the company for that period and are in accordance with applicable laws. In preparing those financial statements the Directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### DIRECTORS

The Directors of the Company as at 30th June, 2006 were:

Michael B. Collins  
Beverly R. Mathias

### AUDITORS

The Auditors, BKR Lince Salisbury Limited have indicated their willingness to continue in office.

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Argonaut House,  
5 Park Road,  
Hamilton HM 09  
Bermuda

By Order of the Board  
M. B. Collins, Director

22nd August 2006

INTERNATIONAL FUND MARKETING LIMITED

We have audited the accompanying statement of financial condition of International Fund Marketing Limited as at 30th June, 2006 and the related statements of income and changes in member's capital and cash flows for the year then ended. 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 our audit to obtain reasonable assurance that 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 evaluation of 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 International Fund Marketing Limited as at 30th June, 2006 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 made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in note 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Securities and Exchange Commission. Such information has been subject to the auditing procedures applied in our 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, and in conformity with the rules of the Securities and Exchange Commission.

*BKR Lince Salisbury Limited*

22nd August 2006

Avenue House,  
St. Julian's Avenue,  
St. Peter Port,  
Guernsey,  
Channel Islands.

BKR LINCE SALISBURY LIMITED  
CHARTERED ACCOUNTANTS

INTERNATIONAL FUND MARKETING LIMITED

BALANCE SHEET AT 30th JUNE, 2006

(Expressed in United States Dollars)

	<u>Note</u>	<u>2006</u> <u>U.S.\$</u>	<u>2005</u> <u>U.S.\$</u>
<b>ASSETS</b>			
Unquoted Investments	3	116,343	116,343
Loan		251,859	251,859
Investment in Subsidiary	4	115,526	115,526
Accounts receivable		890	890
Cash at Bank		213,923	156,539
		<u>\$698,541</u>	<u>\$641,157</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable		<u>17,166</u>	<u>76,401</u>
<b>SHAREHOLDERS' EQUITY</b>			
SHARE CAPITAL	5	12,000	12,000
RETAINED EARNINGS		<u>669,375</u>	<u>552,756</u>
		<u>\$681,375</u>	<u>\$564,756</u>
		<u>\$698,541</u>	<u>\$641,157</u>

See accompanying notes

On behalf of the Board

M. B. Collins, Director  
22nd August 2006

B. R. Mathias, Director  
22nd August 2006

INTERNATIONAL FUND MARKETING LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30th JUNE 2006

(Expressed in United States Dollars)

	<u>Note</u>	<u>2006</u> <u>U.S.\$</u>	<u>2005</u> <u>U.S.\$</u>
<b>INCOME</b>			
Fees Received		780,174	946,058
Dividends Received		19,934	40,721
Bank interest		2,800	824
Gain on Exchange		759	-
		<u>\$803,667</u>	<u>\$987,603</u>
<b>EXPENSES</b>			
Representation and Marketing Fees - Subsidiary		380,558	445,657
Travelling		151,730	198,172
Consultancy Fees		72,179	211,715
Administration		23,756	23,680
Secretarial Fees		3,600	3,600
Company Tax		1,780	1,780
Bank Charges		1,896	978
Audit and Accountancy		31,127	28,694
Company Registration Costs		20,422	11,397
Sundry Expenses		-	325
		<u>\$687,048</u>	<u>\$925,998</u>
<b>INCOME</b>		116,619	61,605
<b>DIVIDEND PAID</b>		-	(18,234)
		<u>116,619</u>	<u>43,371</u>
<b>RETAINED SURPLUS BEGINNING OF YEAR</b>		<u>552,756</u>	<u>509,385</u>
<b>RETAINED SURPLUS END OF YEAR</b>		<u>\$669,375</u>	<u>\$552,756</u>

See accompanying notes.

INTERNATIONAL FUND MARKETING LIMITED

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED 30th JUNE, 2006

(Expressed in United States Dollars)

	<u>2006</u> <u>U.S.\$</u>	<u>2005</u> <u>U.S.\$</u>
Net cash flow from operating activities.		
Net Income	116,619	61,605
(GAIN)/LOSS on exchange	(759)	326
	<hr/>	<hr/>
	115,860	61,931
(Decrease)/Increase in payables	(59,235)	31,515
	<hr/>	<hr/>
Cash inflow before financing	56,625	93,446
 FINANCING:		
Dividend	-	(18,234)
Gain/(Loss) on foreign exchange	759	(326)
	<hr/>	<hr/>
Cash at bank - Increase	\$57,384	\$74,886

STATEMENT OF MOVEMENTS IN SHAREHOLDERS' FUNDS

FOR THE YEAR ENDED 30th JUNE, 2006

	<u>U.S.\$</u>	<u>U.S.\$</u>
Shareholders' funds at 1st July, 2005	564,756	521,385
Net Income from operations for the year	116,619	61,605
Dividend	-	(18,234)
	<hr/>	<hr/>
Shareholders' funds at 30th June, 2006	\$681,375	\$564,756

## NOTES TO THE FINANCIAL STATEMENTS 30th JUNE, 2006

(Expressed in United States Dollars)

### 1. OPERATIONS

The Company was incorporated in Bermuda on 1st July, 1994 and earns its income through the receipt of investment commissions. The company is a Broker-Dealer registered with the USA Securities and Exchange Commission and is a member of the National Futures Association (NFA). The NFA has capital requirements to be met and the company must also comply with Commodity Futures Trading Commission rules.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The Company follows general accepted accounting principles of the United States of America. Significant accounting policies are as follows:-

(a) Investment in Subsidiary

The investment in the Company's subsidiary is carried at cost.

(b) Unquoted Investments

These are shown at cost.

(c) Fees

The Company is entitled to receive fees in respect of investments in entities made by investors as a result of the Company's recommendation. Fees are brought to account when received.

(d) Foreign exchange

Assets and liabilities in currencies other than US Dollars are translated to US Dollars at the rate of exchange prevailing at the balance sheet date. Income and expenditure items have been translated at the rate of exchange prevailing at the date of the transaction. Gains and losses on foreign exchange are taken to the statement of income and retained earnings.

(e) Consolidation

Consolidated accounts have not been prepared as in the opinion of the Directors no practical benefit would accrue to the members.

INTERNATIONAL FUND MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS 30th JUNE, 2006

(Expressed in United States Dollars)

3. UNQUOTED INVESTMENTS	2006	2005
	\$	\$
Round Table Forum Limited	50,000	50,000
Apollo Advisers Limited	7,369	7,369
Lutyens da Cunha Limited	19,605	19,605
Balfour Capital (Cayman) Limited	39,369	39,369
	\$116,343	\$116,343

Apollo Advisers Limited, and Lutyens da Cunha Limited are U.K. incorporated companies.

Round Table Forum Limited and Balfour Capital (Cayman) Limited are companies incorporated in the Cayman Islands.

The directors consider the value of the investments to be not less than cost.

4. INVESTMENT IN SUBSIDIARY (WHOLLY OWNED)	2006	2005
International Fund Marketing (U.K.) Limited At 30th June, 2005 and 2006 75,000 shares of £1 each at cost	\$115,526	\$115,526

The directors consider the value of the investment to be not less than cost.

5. SHARE CAPITAL		
Authorised, issued and fully paid 12,000 shares of US\$1.00 each par value	\$12,000	\$12,000

6. NET CAPITAL STATEMENT		
Total ownership equity	681,375	564,756
Deduct ownership equity not allowable for net capital	(624,736)	(484,618)
Net Capital before Haircuts	\$56,639	\$80,138
less 2% on securities	(1,476)	
NET CAPITAL	\$55,163	\$80,138
MINIMUM NET CAPITAL REQUIREMENT	\$30,000	\$30,000
EXCESS NET CAPITAL	\$25,163.23	\$50,138

INDEPENDENT AUDITORS REPORT ON THE COMPANY'S SYSTEM OF INTERNAL CONTROL

To the Board of Directors of International Fund Marketing Limited

In planning and performing our audit of the financial statements of International Fund Marketing Limited for the year ended 30th June, 2006, we considered its internal control structure, including procedures for safeguarding customer and company assets, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Because of the size and simplicity of the company's operations we did not find it necessary to make a study of the practices and procedures or test compliance with such practices. Because the company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the company in any of the following:

- 1 Making the quarterly securities examinations, counts verifications and comparisons.
- 2 Recordation of differences.
- 3 Complying with the requirements for prompt payments for securities.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess objectives. Two of the objectives of an internal control structure 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 unauthorised use or disposition and that transactions are executed in accordance with management's authorisation and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles.

Because of the inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities 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.

INDEPENDENT AUDITORS REPORT ON THE COMPANY'S SYSTEM OF INTERNAL CONTROL

To the Board of Directors of International Fund Marketing Limited (continued)

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weakness under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for safeguarding customer and company assets, that we consider to be material weaknesses as defined above.

Based on our limited review and the simplicity of operations we believe that the Company's practices and procedures were adequate at 30th June, 2006.

This report is intended solely for the use of the board of directors, management, the SEC, Commodity Futures Trading Commission, and other regulatory agencies that rely on the regulations and should not be used by anyone other than these specified parties.

BKR LINC SALISBURY LIMITED  
CHARTERED ACCOUNTANTS

DATE: 22nd August 2006