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

SEC FILE NUMBER
8- 49208

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, 2006 AND ENDING December 31, 2006
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Fortune Securities, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

388 East Valley Boulevard, Suite 208
(No. and Street)

Alhambra California 91801-5069
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Tom Chen (626) 281-6001
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

3832 Shannon Rd., Los Angeles, CA 90027
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

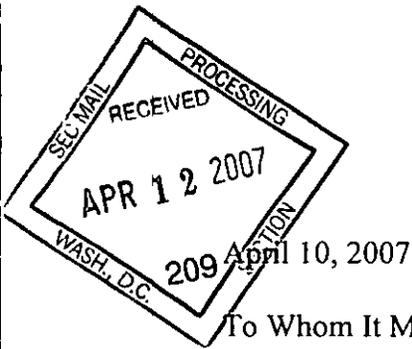
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THOMSON FINANCIAL

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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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Fortune Securities, Inc.
388 E. Valley Blvd., Suite 208
Alhambra, California 91801-5172

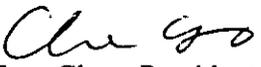


To Whom It May Concern:

Fortune Securities, Inc. issued its December 31, 2006 annual filing of audited financial statements prior to the due date of March 1, 2007. On April 2, 2007, the NASD notified us that the report as submitted, in particular the computation of excess net capital on page 10, was not accurate. We asked our auditor to correct the error. The attached page 10 of the audit report is in response to this request.

Please be kind enough to replace page 10 in your copy of the Fortune Securities, Inc. December 31, 2006 audited financial statements.

Sincerely,


Tom Chen, President

FORTUNE SECURITIES, INC.
 COMPUTATION OF NET CAPITAL REQUIREMENTS PURSUANT
 TO RULE 15c3-1
 DECEMBER 31, 2006

COMPUTATION OF NET CAPITAL

Total ownership equity from statement of financial condition	\$ 129,555
Commissions receivable - non allowable portion	(30,362)
Furniture and equipment, net of accumulated depreciation of \$65,568	0
Leasehold improvement, net of accumulated amortization of \$12,321	(48,772)
Deposits	(4,598)
NET CAPITAL	<u>\$ 45,823</u>

COMPUTATION OF NET CAPITAL REQUIREMENTS

Minimum net aggregate indebtedness - 6.67% of net aggregate indebtedness	<u>\$ 7,120</u>
Minimum dollar net capital required	<u>\$ 5,000</u>
Net Capital required (greater of above amounts)	<u>\$ 5,000</u>
EXCESS CAPITAL	<u>\$ 38,703</u>
Excess net capital at 1000% (net capital less 10% of aggregate indebtedness)	<u>\$ 35,148</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

Total liabilities	<u>\$ 106,753</u>
Percentage of aggregate indebtedness to net capital	2

RECONCILIATION

The following is a reconciliation of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):

NET CAPITAL PER COMPANY'S COMPUTATION	\$ 76,984
VARIANCE	
Non allowable portion of commissions receivable	(30,362)
Accrued income taxes	(800)
Rounding	1
NET CAPITAL PER AUDIT	<u>\$ 45,823</u>

See accompanying notes to financial statements

END