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UNITED STATES  
EXCHANGE COMMISSION  
Washington D.C. 20549

BB 6/13 \*

OMB APPROVAL

OMB Number: 3235-0123  
Expires: February 14, 2010  
Estimated average burden  
hours per response . . . 12.00

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

SEC FILE NUMBER

8- 66664

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 04/01/06 AND ENDING 03/31/07  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Quantitative Trading Strategies LLC

OFFICIAL USE ONLY

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

460 Park Avenue

FIRM ID. NO.

(No. and Street)

New York

New York

10022

(City)

(State)

(Zip Code)

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

Nicholas P. Greenfield

212-758-7202

(Area Code- Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Goldstein Golub Kessler LLP

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

PROCESSED

JUN 14 2007

THOMSON  
FINANCIAL

1185 Avenue of the Americas,

New York,

NY

10036

(Address)

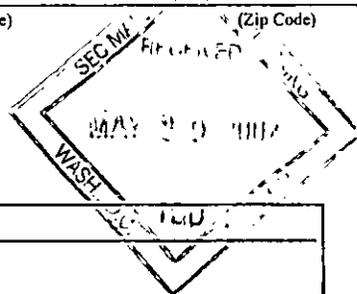
(City)

(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)(2).

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number

Handwritten signature/initials

OATH OR AFFIRMATION

I, Nicholas P. Greenfield swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Quantative Trading Strategies LLC, as of March 31, 20 07, 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:

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

Nicholas P. Greenfield  
CEO  
Signature  
Title

Allison Cammeyer  
Notary Public  
ALLISON CAMMEYER  
Notary Public, State of New York  
No. 01GA6044075  
Qualified in New York County  
Commission Expires June 26, 20 10

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 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.

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



**QUANTITATIVE TRADING STRATEGIES LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**MARCH 31, 2007**

**GOLDSTEIN GOLUB KESSLER LLP**  
Certified Public Accountants and Consultants



# GOLDSTEIN GOLUB KESSLER LLP

Certified Public Accountants and Consultants

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Quantitative Trading Strategies LLC

We have audited the accompanying statement of financial condition of Quantitative Trading Strategies LLC as of March 31, 2007. This financial statement 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 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Quantitative Trading Strategies LLC as of March 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

**GOLDSTEIN GOLUB KESSLER LLP**

May 21, 2007

# QUANTITATIVE TRADING STRATEGIES LLC

## STATEMENT OF FINANCIAL CONDITION

March 31, 2007

### ASSETS

Cash	\$ 191,052
Receivable from Clearing Broker	16,848,555
Receivable from Affiliate	208,175
Other Assets	107,467
<b>Total Assets</b>	<b>\$17,355,249</b>

### LIABILITIES AND MEMBERS' EQUITY

Liabilities - accrued expenses and other liabilities	\$ 189,898
Members' Equity	17,165,351
<b>Total Liabilities and Members' Equity</b>	<b>\$17,355,249</b>

See Notes to Statement of Financial Condition

# QUANTITATIVE TRADING STRATEGIES LLC

## NOTES TO STATEMENT OF FINANCIAL CONDITION

March 31, 2007

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- 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES:**

Quantitative Trading Strategies LLC (the "Company") is a broker-dealer in securities registered with the Securities and Exchange Commission (the "SEC") and is a member of the Philadelphia Stock Exchange, Inc. (the "PHLX").

The Company is engaged in the proprietary trading of securities and is exempt from SEC rule 15c3-3 under Section K(2)(ii).

The Company records principal transactions in securities and the related revenue and expenses on a trade-date basis. Dividends and dividends on securities sold short are accrued on the ex-dividend date.

No provision for federal and state income taxes has been made for the Company since, as a limited liability company, the Company is not subject to income taxes. The Company's income or loss is reportable by its Members on their tax returns.

The Company maintains cash balances in bank accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash.

This financial statement has been prepared in conformity with accounting principles generally accepted in the United States of America which require the use of estimates by management.
  - 2. RECEIVABLE FROM CLEARING BROKER:**

The clearing and depository operations for the Company's security transactions are provided by Schonfeld Securities, LLC ("SSLLC"), a member of the National Association of Securities Dealers, Inc. At March 31, 2007, all of the amounts receivable from clearing broker reflected in the statement of financial condition are amounts due from this broker.
  - 3. MEMBERS' EQUITY:**

Pursuant to the Limited Liability Company Operating Agreement, as amended (collectively, the "Agreement") of the Company, membership interests in the Company are divided into Class A, Class B and Class T. Class A and Class B Members have voting rights. The Class A Member is entitled to an allocation equal to 10% of the aggregate net capital appreciation allocated to each Member's capital account for such year (the "Class A Allocation") as specified in the Agreement. The Class A allocation cannot exceed \$1,000,000 annually and is subject to a loss recovery (or high-water mark) provision, as defined in the Agreement.
  - 4. RELATED PARTY TRANSACTIONS:**

The Company has engaged Wavefront Capital Group II, LLC ("Wavefront") to act as manager of the Company to perform investment management and administrative services. Wavefront is affiliated with the Class A Member.

Pursuant to an Investment Management Agreement, the Company reimburses Wavefront, on a monthly basis, the operating costs incurred by Wavefront on behalf of the Company.

# QUANTITATIVE TRADING STRATEGIES LLC

## NOTES TO STATEMENT OF FINANCIAL CONDITION March 31, 2007

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Pursuant to an Investment Management Agreement, the Company provides investment advisory services to Opus Trading Fund LLC ("Opus"), an affiliated entity. In consideration of the investment advisory service, the Company receives an investment advisory fee equal to 15% of calendar year-end net profits from assets managed by the Company, as defined in the agreement. Receivable from affiliate in the amount of \$208,175 reflected in the accompanying statement of financial condition represents such fee due from Opus as of March 31, 2007.

Pursuant to an Asset Purchase Agreement effective March 30, 2007, the Company sold its securities to Opus for a sales price of approximately \$30,100,000. The sales of security positions were transacted at the closing market price on March 30, 2007. In addition, in conjunction with the purchase of the Company's security positions, Opus assumed the responsibility of and obligation for the Company's 401(k) plan. Since the closing of the transaction, the Company has not actively participated in proprietary trading activities.

**5. EMPLOYEE  
BENEFIT PLAN:**

The Company has a 401(k) plan for all eligible employees. Under the plan, eligible participating employees may elect to contribute the maximum amount allowed by law. The Company contributes an amount equal to 100% of participants' deferrals that does not exceed 3% of their compensation plus 50% of participants' deferrals between 3% and 5% of their compensation. In addition, the Company may make discretionary contributions as determined by management from year to year. Participants are at all times fully vested in their accounts. Pursuant to an Asset Purchase Agreement, the responsibilities and obligations of this plan were transferred to Opus effective March 30, 2007.

**6. NET CAPITAL  
REQUIREMENT:**

As a registered broker-dealer, the Company is subject to the SEC's Uniform Net Capital Rule 15c3-1. The rule requires that the Company maintain minimum net capital, as defined, of 6-2/3% of aggregate indebtedness, as defined, or \$100,000, whichever is greater. Net capital changes from day to day, but at March 31, 2007, the Company had net capital of \$16,931,209 which exceeded its requirement of \$100,000 by \$16,831,209.



**QUANTITATIVE TRADING STRATEGIES LLC**

**INDEPENDENT AUDITOR'S  
SUPPLEMENTARY REPORT ON  
INTERNAL CONTROL**

**MARCH 31, 2007**

**GOLDSTEIN GOLUB KESSLER LLP**

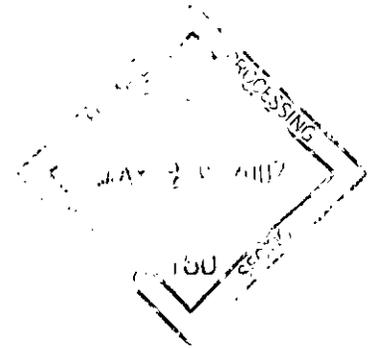
Certified Public Accountants and Consultants



# GOLDSTEIN GOLUB KESSLER LLP

Certified Public Accountants and Consultants

## INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT ON INTERNAL CONTROL



To the Members of  
Quantitative Trading Strategies LLC

In planning and performing our audit of the financial statements and supplemental schedule of Quantitative Trading Strategies LLC (the "Company") as of and for the year ended March 31, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. 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 quarterly securities examinations, counts, verifications and comparisons and recordation of differences required by rule 17a-13
2. 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
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3

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 accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and 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.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

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, as described in the second paragraph of this report, were adequate at March 31, 2007 to meet the SEC's objectives.

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

*Goldstein Golub Kessler LLP*

**GOLDSTEIN GOLUB KESSLER LLP**

May 21, 2007

**END**