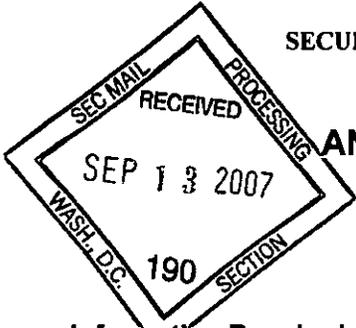




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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549



OMB APPROVAL
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hours per response . . . 12.00

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

SEC FILE NUMBER
8-66998

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 July 1, 2006 AND ENDING June 30, 2007
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

COMMONWEALTH AUSTRALIA SECURITIES, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

599 Lexington Avenue

(No. and Street)

New York

(City)

NY

(State)

10022-6072

(Zip Code)

PROCESSED

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

Pieter Blerkens

(212) 336-7737

SEP 17 2007

(Area Code - Telephone No.)

**THOMSON
FINANCIAL**

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernst & Young LLP

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

5 Times Square

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).

9/14

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

- Independent Auditor's Report.
- Facing Page.
- Statement of Financial Condition.
- Statement of Income (Loss).
- Statement of Cash Flows.
- Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- Computation of Net Capital.
- Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- 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.
- A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- An Oath of Affirmation.
- A copy of the SIPC Supplemental Report.
- A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- Independent auditor's report on internal control.

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

Commonwealth Australia Securities, LLC
(A Wholly-Owned Subsidiary of Commonwealth Bank of Australia)

Statement of Financial Condition

June 30, 2007

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Report of Independent Registered Public Accounting Firm

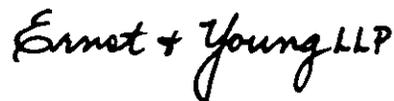
To the Member and Board of Directors of
Commonwealth Australia Securities, LLC

We have audited the accompanying statement of financial condition of Commonwealth Australia Securities, LLC (the "Company") as of June 30, 2007. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. 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. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition, assessing the accounting principles used and significant estimates made by management, and evaluating the overall statement of financial condition presentation. We believe that our audit 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 Commonwealth Australia Securities, LLC at June 30, 2007, in conformity with accounting principles generally accepted in the United States.

September 10, 2007



Commonwealth Australia Securities, LLC
(A Wholly-Owned Subsidiary of Commonwealth Bank of Australia)

Statement of Financial Condition

June 30, 2007

Assets	
Cash and cash equivalents	\$ 612,743
Accounts receivable	8,362
Total assets	<u>\$ 621,105</u>
 Liabilities and member's equity	
Liabilities:	
Accounts payable	\$ 66,000
Total liabilities	<u>66,000</u>
Member's equity:	
Total member's equity	555,105
Total liabilities and member's equity	<u>\$ 621,105</u>

See accompanying notes.

Commonwealth Australia Securities, LLC
(A Wholly-Owned Subsidiary of Commonwealth Bank of Australia)

Notes to Statement of Financial Condition

June 30, 2007

1. Organization

Commonwealth Australia Securities, LLC (the "Company") was incorporated on May 10, 2005 as a Delaware Limited Liability Company. The Company is a single member LLC with the sole member being Commonwealth Bank of Australia (the "Member"). The Company was originally incorporated under the name of CommSec LLC. On May 2, 2006, the Company received approval from the National Association of Securities Dealers (the "NASD") to change its name to Commonwealth Australia Securities, LLC.

The Company is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and a member of the Financial Industry Regulatory Authority, Inc. (formerly the NASD). The Company brokers or arranges the sale of Australian Stock Exchange ("ASX") and New Zealand Stock Exchange ("NZX") listed equities and equity derivative products through Commonwealth Securities Limited ("CSL"), an affiliated Australian company and a wholly-owned subsidiary of the Member, and fixed income products through the Member to major U.S. institutional investors. It may also engage in a variety of other businesses customarily undertaken by broker-dealers.

On July 1, 2005, the Member contributed capital in the amount of \$25,000. A further \$195,000 in capital was contributed by the Member in two installments of \$95,000 on December 2, 2005, and \$100,000 on December 15, 2005. The Company signed its membership agreement with the NASD and received SEC approval on January 12, 2006 to commence operations.

2. Significant Accounting Policies

The following is a summary of the significant accounting policies:

Use of Estimates

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported in the statement of financial condition and accompanying notes. Actual results could differ from these estimates.

Income taxes

As a limited liability company, the Company is not subject to income tax. Any taxable income or loss is allocated to its Member.

Commonwealth Australia Securities, LLC
(A Wholly-Owned Subsidiary of Commonwealth Bank of Australia)

Notes to Statement of Financial Condition (continued)

2. Significant Accounting Policies (continued)

Cash and cash equivalents

The Company defines cash equivalents as highly liquid investments with original maturities of three months or less.

3. Related Party Transactions

At June 30, 2007, receivables of \$8,362 for net commissions earned were outstanding from the Member and CSL.

4. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital, as defined, equal to the greater of \$100,000 or 12.5% of total aggregate indebtedness. At June 30, 2007, the Company had net capital of \$555,105 which was \$455,105 in excess of the required net capital of \$100,000.

5. Fair Value of Financial Instruments

SFAS No. 107, *Disclosures about Fair Value of Financial Instruments*, requires the Company to report the fair value of financial instruments, as defined for both assets and liabilities recognized and not recognized in the Statement of Financial Condition: The Company acts as agent only and does not hold any principal positions and therefore has no financial instruments.

4 END