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

SEC FILE NUMBER 8- 65915

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, 2007 AND ENDING DECEMBER 31, 2007 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Place Trade Financial, Inc.

OFFICIAL USE ONLY FIRM I.D. NO.

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

4030 Wake Forest Road, Suite 300

(No. and Street)

Raleigh

NC

27609

(City)

(State)

(Zip Code)

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

Sarah M. Place

(919) 719-7200

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Batchelor Tillery & Roberts, LLP

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

P O Box 18068

Raleigh, NC

27619

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 14 2008

FOR OFFICIAL USE ONLY THOMSON FINANCIAL

*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 207.17a-5(e)(2) Section

SEC 1410 (06-02)

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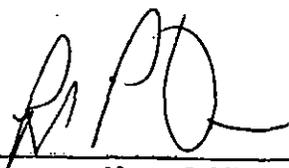
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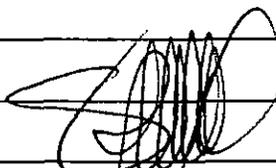
Washington, DC 103

JD 3/13/08

OATH OR AFFIRMATION

I, Sarah M. Place, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Place Trade Financial, Inc., as of December 31, 2007, 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:


Notary Public


Signature
President
Title

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).

BACHELOR, TILLERY & ROBERTS, LLP

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 18068

RALEIGH, NORTH CAROLINA 27619

RONALD A. BACHELOR
ANN H. TILLERY
FRANKLIN T. ROBERTS
WM. JAMES BLACK, JR.
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3605 GLENWOOD AVENUE, SUITE 350
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Independent Auditors' Report

The Stockholders
Place Trade Financial, Inc.:

We have audited the accompanying balance sheets of Place Trade Financial, Inc. (the "Company") as of December 31, 2007 and 2006, and the related statements of operations, stockholders' equity and cash flows for the years 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 audits.

We conducted our audits 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 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 financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 the Company as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules 1 and 2 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 audits 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.

Bachelor, Tillery & Roberts, LLP
February 22, 2008

PLACE TRADE FINANCIAL, INC.

Balance Sheets

December 31, 2007 and 2006

<u>Assets</u>	<u>2007</u>	<u>2006</u>
Current assets:		
Cash	\$ 26,438	4,161
Accounts receivable	7,761	6,989
Prepaid expenses	<u>1,205</u>	<u>265</u>
Total current assets	35,404	11,415
Other assets-deposits	<u>40</u>	<u>45</u>
Total assets	\$ <u>35,444</u>	<u>11,460</u>
<u>Liabilities and Stockholders' Equity</u>		
Current liabilities - accounts payable	<u>403</u>	<u>1,004</u>
Stockholders' equity:		
Common stock, no par value; 1,000 shares authorized; 400 shares issued and outstanding	1,000	1,000
Additional paid-in capital	83,449	78,449
Accumulated deficit	<u>(49,408)</u>	<u>(68,993)</u>
Total stockholders' equity	<u>35,041</u>	<u>10,456</u>
Total liabilities and stockholders' equity	\$ <u>35,444</u>	<u>11,460</u>

See accompanying notes to financial statements.

PLACE TRADE FINANCIAL, INC.

Statements of Operations

Years ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Revenues	\$ <u>22,044</u>	<u>32,196</u>
Operating expenses:		
Advertising	5,961	7,126
Regulatory fees	2,800	3,085
Professional fees	4,780	5,471
Contract services	3,558	1,944
Office	10,309	9,964
Dues and subscriptions	3,488	4,139
Travel and entertainment	2,375	2,593
Postage	671	530
Miscellaneous	<u>1,517</u>	<u>850</u>
Total operating expenses	<u>35,459</u>	<u>35,702</u>
Net operating loss	(13,415)	(3,506)
Other income	<u>35,000</u>	<u>-</u>
Net income (loss)	\$ <u>21,585</u>	<u>(3,506)</u>

See accompanying notes to financial statements.

PLACE TRADE FINANCIAL, INC.

Statements of Stockholders' Equity

Years ended December 31, 2007 and 2006

	Common <u>stock</u>	Additional paid-in <u>capital</u>	Accumulated <u>deficit</u>	<u>Total</u>
Balance, December 31, 2005	\$ 1,000	74,949	(63,987)	11,962
Net loss	-	-	(3,506)	(3,506)
Additional capital contributed	-	3,500	-	3,500
Distributions	<u>-</u>	<u>-</u>	<u>(1,500)</u>	<u>(1,500)</u>
Balance, December 31, 2006	1,000	78,449	(68,993)	10,456
Net income	-	-	21,585	21,585
Additional capital contributed	-	5,000	-	5,000
Distributions	<u>-</u>	<u>-</u>	<u>(2,000)</u>	<u>(2,000)</u>
Balance, December 31, 2007	\$ <u>1,000</u>	<u>83,449</u>	<u>(49,408)</u>	<u>35,041</u>

See accompanying notes to financial statements.

PLACE TRADE FINANCIAL, INC.

Statements of Cash Flows

Years ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities:		
Net income (loss)	\$ 21,585	(3,506)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(772)	(490)
Prepaid expenses	(940)	825
Accounts payable	<u>(601)</u>	<u>(967)</u>
Net cash provided by (used in) operating activities	<u>19,272</u>	<u>(4,138)</u>
Net cash provided by investing activities- deposits	<u>5</u>	<u>55</u>
Cash flows from financing activities:		
Proceeds from additional contributed capital	5,000	3,500
Distributions	<u>(2,000)</u>	<u>(1,500)</u>
Net cash provided by financing activities	<u>3,000</u>	<u>2,000</u>
Net increase (decrease) in cash	22,277	(2,083)
Cash, beginning of year	<u>4,161</u>	<u>6,244</u>
Cash, end of year	\$ <u>26,438</u>	<u>4,161</u>

See accompanying notes to financial statements.

PLACE TRADE FINANCIAL, INC.

Notes to Financial Statements

December 31, 2007 and 2006

(1) Organization and Significant Accounting Policies

Organization

Place Trade Financial, Inc. (the "Company") is a full service, discount brokerage firm, incorporated on December 31, 2002, based in Raleigh, North Carolina with two branch offices in Raleigh, North Carolina. The Company is a broker-dealer in securities registered with the Securities and Exchange Commission (SEC) and is a member of various exchanges and the Financial Industry Regulatory Authority, Inc. (FINRA). The Company's securities are cleared through a clearing broker-dealer. The Company does not maintain customers' security accounts nor does it perform custodial functions related to customer securities.

Revenue Recognition

The Company recognizes revenue from securities transactions on a trade-date basis.

Basis of Presentation

The Company's policy is to prepare its financial statements in accordance with accounting principles generally accepted in the United States of America.

Accounts Receivable

The Company writes off doubtful receivables in amounts equal to the estimated collection losses that will be incurred. No allowance was required for 2007 and 2006.

Income Taxes

The Company has elected S Corporation status under the Internal Revenue Code whereby its income is taxed to the individual stockholders; therefore, there is no provision for income taxes for the Company.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Advertising Costs

Advertising and promotional costs are expensed as incurred.

PLACE TRADE FINANCIAL, INC.

Notes to Financial Statements, Continued

December 31, 2007 and 2006

(2) Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Company has elected to use the basic method, permitted by the Rule, which requires that the Company maintain minimum net capital of \$5,000, as defined, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of December 31, 2007 and 2006, the Company had net capital, of \$33,684 and \$10,039 which was \$28,684 and \$5,039 in excess of required net capital, respectively, and its ratio of aggregate indebtedness to net capital was 0.10 to 1 in both 2007 and 2006.

(3) Other Income

The Company received a one-time refund of fees of \$35,000 from FINRA as a result of the merger that occurred to form FINRA in 2007.

PLACE TRADE FINANCIAL, INC.

Supplemental Schedules of Computation and Reconciliation of
Net Capital in Accordance with Rule 15c3-1 of the
Securities and Exchange Commission

December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Total assets	\$ 35,444	11,460
Deduct: Aggregate indebtedness	<u>(403)</u>	<u>(1,004)</u>
Net worth	35,041	10,456
Add: Excluded indebtedness	-	-
Add: Subordinated indebtedness	-	-
Deduct: Non-allowable assets	(1,245)	(310)
Deduct: Concessions	-	-
Deduct: Securities haircuts	<u>(112)</u>	<u>(107)</u>
Net capital	\$ <u>33,684</u>	<u>10,039</u>
Capital requirements:		
Broker-dealer	\$ 5,000	5,000
Net capital in excess of requirements	<u>28,684</u>	<u>5,039</u>
Net capital as above	\$ <u>33,684</u>	<u>10,039</u>
Net capital per December 31 FOCUS report (unaudited)	\$ 33,684	10,039
Adjustments	<u>-</u>	<u>-</u>
Adjusted net capital, December 31	\$ <u>33,684</u>	<u>10,039</u>

PLACE TRADE FINANCIAL, INC.

Supplemental Schedules of Computation and Reconciliation of
Net Capital in Accordance with Rule 15c3-3 of the
Securities and Exchange Commission

December 31, 2007 and 2006

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of the Rule.

BATCHELOR, TILLERY & ROBERTS, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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The Stockholders
Place Trade Financial, Inc.:

In planning and performing our audit of the financial statements of Place Trade Financial, Inc. (the "Company") for the year ended December 31, 2007, we considered its internal control structure 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. Among the elements of the internal control structure that we considered are the accounting system and control procedures.

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.

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 preparation of financial statements in conformity with generally accepted accounting principles. 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 as of December 31, 2007 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority, Inc., and any other regulatory agencies that 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.

Batchelor, Tilling & Roberts, LLP

February 22, 2008

END