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

SEC FILE NUMBER
8- 24230

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 01/01/07 AND ENDING 12/31/07 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Gilford Securities Incorporated ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 777 Third Avenue

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street) New York New York 10017 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Bonnie Sachs 212-888-6400 (Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\* Citrin Cooperman & Company, LLP

(Name - if individual, state last, first, middle name) 529 Fifth Avenue New York New York 10017 (Address) (City) (State) (Zip Code)

PROCESSED MAR 19 2008 FEB 29 2008 SEC Mail Processing Section

E THOMSON FINANCIAL Washington, DC 101

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

FOR OFFICIAL USE ONLY

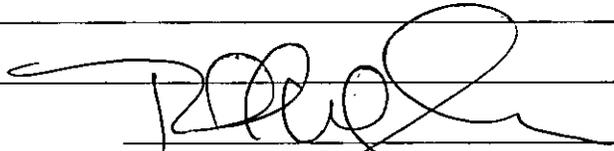
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

JD 3/13/08

OATH OR AFFIRMATION

I, Ralph Worthington, IV, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Gilford Securities Incorporated, 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:

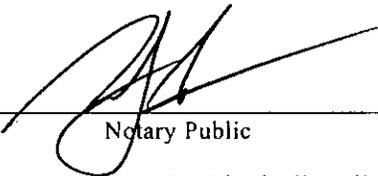
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Signature

Chief Executive Officer

Title



Notary Public



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).

**GILFORD SECURITIES INCORPORATED**  
**CONSOLIDATED STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2007**

**ASSETS**

Cash and cash equivalents	\$ 150,552
Cash held at clearing broker-dealer	8,308,107
Commissions receivable	1,082,449
Marketable equity securities owned, at market value	74,235
Loans receivables	264,000
Property and equipment, net	457,414
Security deposits	221,599
Securities not readily marketable	157,014
Other assets	<u>50,000</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>10,765,370</u></b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

Liabilities:	
Accrued expenses	\$ 2,603,500
Deferred tax liability	60,000
Accrued income taxes	<u>161,015</u>
Total liabilities	<u>2,824,515</u>
Commitments and contingencies (Notes 4 and 8)	
Shareholders' equity:	
Common stock, \$.005 par value; 50,000 shares authorized, 8,560 shares issued and outstanding	43
Additional paid-in capital	2,847,047
Retained earnings	<u>5,093,765</u>
Total shareholders' equity	<u>7,940,855</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ <u>10,765,370</u></b>

**END**