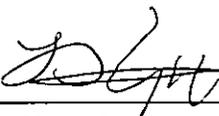


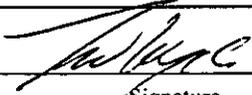
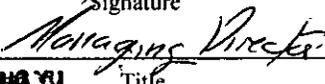


OATH OR AFFIRMATION

I Todd Wyche, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Brinson Patrick Securities Corporation, 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:

No Exceptions

  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Managing Director  
Title  
J. JONATHAN XIANG YU  
Notary Public, State of New York  
Qualified in Queens County  
No. 01LJ6073947  
In Commission Expires 4-20 2010

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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (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.
- (o) Independent Auditors' Report on Internal Accounting Control.

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

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**Brinson Patrick**  
**Securities Corporation**  
Statement of Financial Condition  
December 31, 2007

**Brinson Patrick Securities Corporation**

**Contents**

**Year Ended December 31, 2007**

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135 West 50th Street  
New York, NY 10020-1299  
Tel 212.812.7000  
Fax 212.375.6888  
[www.weiserLLP.com](http://www.weiserLLP.com)

## Independent Auditors' Report

To the Board of Directors  
Brinson Patrick Securities Corporation

We have audited the accompanying statement of financial condition of Brinson Patrick Securities Corporation (the "Company") as of December 31, 2007, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Brinson Patrick Securities Corporation as of December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

*Weiser LLP*

New York, N.Y.  
February 19, 2008

**Brinson Patrick Securities Corporation**  
**Statement of Financial Condition**  
**December 31, 2007**

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**Assets**

Cash and cash equivalents	\$ 11,308
Deposit with clearing broker	103,761
Due from clearing broker	100,268
Prepaid expenses and other assets	28,197
Property and equipment, net of accumulated depreciation of \$40,098	<u>24,142</u>

**Total assets** \$ 267,676

**Liabilities and Stockholder's Deficit**

**Current liabilities**

Accounts payable and accrued expenses	\$ 44,235
Line of credit payable	<u>31,825</u>
Total current liabilities	76,060

Subordinated liabilities to claims of general creditors 275,000

**Total liabilities** 351,060

**Commitments and contingencies**

**Stockholder's deficit**

Common stock, no par value, authorized 200 shares, issued and outstanding 60 shares	155,000
Additional paid-in-capital	939,650
Accumulated deficit	<u>(1,178,034)</u>
<b>Total stockholder's deficit</b>	<u>(83,384)</u>

**Total liabilities and stockholder's deficit** \$ 267,676

The accompanying notes are an integral part of this financial statement.

**Brinson Patrick Securities Corporation**  
**Notes to Financial Statement**  
**Year Ended December 31, 2007**

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**1. Summary of Business and Significant Accounting Policies**

**Business**

Brinson Patrick Securities Corporation (the "Company") is registered as a broker-dealer under the Securities Exchange Act of 1934. The Company is a member of the Financial Industry Regulatory Authority (the "FINRA") and is involved in the sale of securities for its clients.

The Company does not hold funds or securities for, or owes any money or securities to, customers and does not carry accounts of, or for, customers. Accordingly, the Company operates under the exemptive provisions of SEC Rule 15c3-3(k)(2)(ii).

**Cash Equivalents**

The Company considers investments in money market funds and other highly liquid investments purchased with original maturities of up to three months to be cash equivalents.

**Property and Equipment**

Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using straight-line method over the estimated useful lives.

**Revenue and Expense Recognition from Securities Transactions**

Securities transactions and the related revenues and expenses are recorded on a trade date basis.

**Delayed Offering of Common Stock Fees**

Delayed offering of common stock fees represent commission income and is recognized on a trade date basis.

**Income Taxes**

The Company has elected to be treated as an S Corporation under the provisions of the Internal Revenue Code. Accordingly, the Company itself is not subject to federal income tax. The stockholder is required to report separately his distributive share of the Company's income or loss to federal and state tax authorities. In addition, the Company has elected S Corporation status for New York State tax purposes, and, accordingly, the Company pays New York State income tax at the minimum rate. New York City, however, does not recognize S Corporation status therefore, the Company is taxed at regular corporation tax rates.

**Brinson Patrick Securities Corporation**  
**Notes to Financial Statement**  
**Year Ended December 31, 2007**

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**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. Actual results could differ from these estimates.

**2. Clearing Agreement**

The Company has an agreement with a brokerage firm to carry its customer accounts.

The Company is subject to credit risk if the broker is unable to repay balances due or deliver securities in its custody.

The Company is required to maintain a collateral account with its clearing broker with a minimum market value of \$100,000. This cash position serves as collateral for any losses the brokerage firm sustains as a result of the failure of the Company's customers to satisfy their obligations in connection with their securities transactions. As of December 31, 2007, a money market investment of \$103,761 was held in this account and is reflected as a deposit with a clearing broker in the statement of financial condition.

**3. Subordinated Liabilities to Claims of General Creditors**

The subordinated borrowing at December 31, 2007 consists of a \$200,000 subordinated debt agreement ("Subordinated Debt Agreement") and accrued interest of \$75,000 with an officer of the Company, bearing interest of 15% per year and expiring on June 30, 2009.

The subordinated debt agreement has been approved by the FINRA and, therefore, is available in computing regulatory net capital under the SEC's Uniform Net Capital Rule.

To the extent that such borrowings and accrued interest are required for the Company's continued compliance with minimum net capital requirements, they may not be repaid.

**4. Regulatory Net Capital Requirement**

The Company is subject to the Uniform Net Capital Rule 15c3-1 (the "Rule") of the Securities and Exchange Commission which requires a broker-dealer to have at all times sufficient liquid assets to cover current indebtedness. In accordance with the rule, the Company is required to maintain defined minimum net capital of the greater of \$5,000 or 1/15 of aggregate indebtedness. At no time may the ratio of aggregate indebtedness to net capital as defined, exceed 15 to 1.

**Brinson Patrick Securities Corporation**  
**Notes to Financial Statement**  
**Year Ended December 31, 2007**

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At December 31, 2007, the Company has net capital of \$137,178, which is \$132,107 in excess of its required net capital of \$5,071. The Company has aggregate indebtedness of \$76,060. The Company's ratio of aggregate indebtedness to net capital is 0.55 to 1 at December 31, 2007.

**5. Property and Equipment**

Property and equipment at December 31, 2007 consist of:

		<u>Estimated Useful Lives</u>
Computer hardware	\$ 37,762	5 Years
Computer software	<u>26,478</u>	3 Years
	64,240	
Less accumulated depreciation	<u>40,098</u>	
	<u>\$ 24,142</u>	

**6. Short-Term Borrowings**

The Company has a \$75,000 revolving line of credit with a bank. Interest is payable monthly at the prime interest rate (Prime interest rate was 7.25% at December 31, 2007). At December 31, 2007, the outstanding balance against the revolving line of credit was \$31,825. The line was repaid in 2008.

**7. Retirement Plans**

The Company has an employee benefit plan under Section 401(k) of the Internal Revenue Code ("Code") covering substantially all of its employees. Participants may contribute up to 15% of annual compensation, but not in excess of the maximum allowed under the Code. The employer's matching contribution shall be determined by the employer with respect to each plan year.

**8. Off-Balance-Sheet Risk and Concentration of Credit Risk**

The Company, as an introducing broker, clears all transactions with and for customers on a fully disclosed basis with a clearing broker and promptly transmits all customer funds and securities to the clearing broker who carries all of the accounts of such customers. These activities may expose the Company to off-balance-sheet risk in the event that the customer and/or clearing broker is unable to fulfill its obligations.

The Company does not maintain margin accounts for its customers, and, therefore, there were no excess margin securities.

**END**