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

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

SEC FILE NUMBER  
8-43264

Washington, DC 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: **Kim Eng Securities USA, Inc.**

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

406 East 50<sup>th</sup> Street

(No. and Street)

New York

New York

(City)

(State)

10022

(Zip Code)

**PROCESSED**

APR 15 2008

**THOMSON  
FINANCIAL**

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

Jessica Kim

(212) 688-8886

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Cohen & Schaeffer, P.C.**

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

420 Lexington Avenue, Suite 2450

New York

New York

10170

(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)

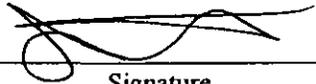
SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Jessica Kim, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kim Eng Securities USA, 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:

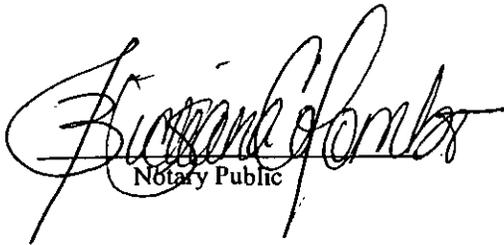
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Signature

Chief Financial Officer

Title



Notary Public

**BICKIANA COLOMBO**  
Notary Public, State of New York  
No. 01CO6178725  
Qualified in Kings County  
Commission Expires December 10, 2011

**COHEN &  
SCHAEFFER**

PC.

CERTIFIED PUBLIC ACCOUNTANTS

420 LEXINGTON AVENUE

SUITE 2450

NEW YORK, NY 10170

PHONE: (212) 972-6490

Fax: (212) 687-2705

**Independent Auditors' Report**

**Board of Directors  
Kim Eng Securities USA, Inc.**

We have audited the accompanying statement of financial condition of Kim Eng Securities USA, Inc., a wholly-owned subsidiary of Kim Eng Holdings Limited (the "Company") as of December 31, 2007, and the related statements of income, changes in shareholder's equity, and cash flows for the year 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants. 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 audit provides 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 Kim Eng Securities USA, Inc. as of December 31, 2007, and the results of its operation and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on page 11 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. This schedule is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in the audit 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.

*Cohen + Schaeffer P.C.*

New York, New York  
January 31, 2008

**KIM ENG SECURITIES USA, INC.**  
(A wholly-owned subsidiary of Kim Eng Holdings Limited)

**Statement of Financial Condition**

**As of December 31, 2007**  
(Expressed in United States Dollars)

**Assets**

Cash and cash equivalents	\$ 6,022,853
Due from affiliates	1,337,784
Furniture, equipment, software and motor vehicles (net of accumulated depreciation of \$255,738)	24,726
Income tax receivable	1,325
Prepaid expenses and other receivables	81,369
Other assets	<u>17,829</u>
<b>Total assets</b>	<b>\$ <u>7,485,886</u></b>

**Liabilities and Shareholder's Equity**

<b>Liabilities</b>	
Accrued compensation	\$ 2,300,408
Accounts payable and other liabilities	174,311
Reserve for income tax contingencies	<u>372,173</u>
<b>Total liabilities</b>	<b>\$ <u>2,846,892</u></b>
<b>Shareholder's equity</b>	
Common stock, voting, par value \$1; authorized, issued and outstanding, 10 shares	10
Additional paid-in capital	9,499,990
Accumulated deficit	<u>(4,861,006)</u>
<b>Total shareholder's equity</b>	<b><u>4,638,994</u></b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ <u>7,485,886</u></b>

See accompanying notes to financial statements.