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

SEC FILE NO.

8-66925

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

FACING PAGE

Information required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REC'D S.E.C.
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REPORT FOR THE PERIOD BEGINNING 1/01/08 AND ENDING 12/31/08
mm/dd/yy mm/dd/yy

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

TORA TRADING SERVICES, LLC

OFFICIAL USE ONLY

FIRM ID. NO

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

THE WHARFSIDE BLDG, CHINA BASIN LANDING, 185 BERRY ST, #2001

(No and Street)

SAN FRANCISCO

(city)

CALIFORNIA

(State)

94107

(Zip Code)

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

ROBERT DYKES

(415) 546-2279

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose option is contained in this Report*

Ernst Wintter & Associates, Certified Public Accountants

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

675 Ygnacio Valley Road, Suite B-213,

(Address)

Walnut Creek,

(City)

California

(State)

94596

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant nor resident in United State or any of its possession.

FOR OFFICIAL USE ONLY

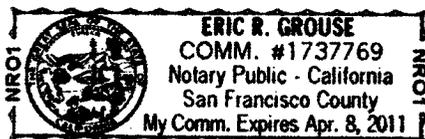
*Claims for exemption from the requirement that the annual report be covered by the option of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

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OATH OR AFFIRMATION

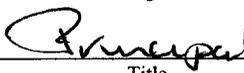
I, **ROBERT DYKES**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **TORA TRADING SERVICES, LLC** as of **DECEMBER 31, 2008**, are true and correct. I further swear (or affirm) that neither the company 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:

NONE





Signature



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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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 for 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 Requirement 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 Auditor's Report on Internal Accounting Control.

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

Tora Trading Services, LLC

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675 Ygnacio Valley Road, Suite B-213
Walnut Creek, California 94596

(925) 933-2626
Fax (925) 944-6333

Independent Auditor's Report

Member
Tora Trading Services, LLC
San Francisco, California

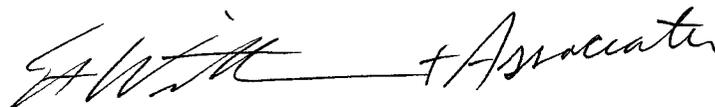
We have audited the accompanying statement of financial condition of Tora Trading Services, LLC (the Company) as of December 31, 2008, and the related statements of income, changes in member's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities 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. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 statements referred to above present fairly, in all material respects, the financial position of Tora Trading Services, LLC at December 31, 2008, and the results of their operations and their 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 in Schedules I & II 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 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.

February 20, 2009

 + Associates

Tora Trading Services, LLC
Statement of Financial Condition
December 31, 2008

Assets

Cash and cash equivalents	\$ 716,165
Due from broker	13,414
Due from member	2,577,426
Prepaid expenses and other assets	82,895
Property and equipment, net of \$188,685 accumulated depreciation	<u>256,551</u>
 Total assets	 <u><u>\$ 3,646,451</u></u>

Liabilities and Member's Equity

Accounts payable and accrued expenses	\$ 163,184
Accrued compensation	246,240
Capital lease obligation	<u>8,654</u>
Total liabilities	418,078
 Member's equity	 <u>3,228,373</u>
 Total liabilities and member's equity	 <u><u>\$ 3,646,451</u></u>

See independent auditor's report and accompanying notes.

Tora Trading Services, LLC

Statement of Income

For the Year Ended December 31, 2008

Revenues:	
Trading services income	\$ 6,592,557
Management fee income	1,055,252
Interest, dividend and other income	<u>8,078</u>
Total revenues	7,655,887
Expenses:	
Compensation	4,831,708
Management fee expense	1,086,224
Travel and entertainment	504,078
Research fees	199,138
Rent	176,637
Professional fees	153,992
Depreciation	96,048
Interest expense	3,146
Other operating expenses	<u>326,051</u>
Total expenses	7,377,022
Income before tax	<u>278,865</u>
Tax provision	<u>800</u>
Net income	<u><u>\$ 278,065</u></u>

See independent auditor's report and accompanying notes.

Tora Trading Services, LLC
Statement of Changes in Member's Equity
For the Year Ended December 31, 2008

Member's Equity at December 31, 2007	\$ 925,308
Contributions	2,025,000
Net income	<u>278,065</u>
Member's Equity at December 31, 2008	<u><u>\$ 3,228,373</u></u>

See independent auditor's report and accompanying notes.

Tora Trading Services, LLC

Statement of Cash Flows

December 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 278,065
Adjustments to reconcile net income to net cash used by operating activities:	
Depreciation	96,048
(Increase) decrease in:	
Due from broker	(3,242)
Management fee receivable	436,710
Due from member	(2,475,530)
Prepaid expenses and other assets	22,038
Increase (decrease) in:	
Accounts payable and accrued expenses	(122,428)
Management fee payable	(436,710)
Accrued compensation	212,704
Net cash used by operating activities	<u>(1,992,345)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(73,704)
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on capital lease obligations	(3,195)
Capital contributions	2,025,000
Net cash provided by financing activities	<u>2,021,805</u>
Net decrease in cash and cash equivalents	<u>(44,244)</u>
Cash and cash equivalents, beginning of year	<u>760,409</u>
Cash and cash equivalents, end of year	<u>\$ 716,165</u>
SUPPLEMENTAL DISCLOSURES	
Interest paid	<u>\$ 3,146</u>
Income taxes paid	<u>\$ 800</u>

See independent auditor's report and accompanying notes.

Tora Trading Services, LLC

Notes to the Financial Statements

December 31, 2008

(1) Organization

Tora Trading Services, LLC (the Company) is organized as a Delaware limited liability company and operates out of San Francisco, California. The Company is a securities broker dealer registered with the Securities and Exchange Commission. The Company is wholly owned by Tora Trading Services, Limited, a Cayman Islands company (Member). The Member is a leading provider of execution and order management systems for hedge funds, asset managers, and proprietary trading desks focused on Asian markets. The Member delegates certain services to the Company, including trading and financial advisory services.

(2) Summary of Significant Accounting Policies

Management Fee Income and Expense

Management fee income is earned under an investment management agreement between the Company and a fund. Fees are earned based upon the fund's net asset value and performance. Management fee expense includes costs paid to advisors that provide information and advice, carry out research, provide analysis and recommendations, and marketing services.

Trading Services Income

The Company earns fees for execution of trades on a per transaction basis, cost plus five percent for non-trading related costs incurred in the ordinary course of business (excluding investment advisory fees) and certain other expenses at cost.

Cash and Cash Equivalents

The Company considers all demand deposits held in banks and certain highly liquid investments with maturities of 90 days or less, other than those held for sale in the ordinary course of business, to be cash equivalents.

Accounts Receivable

The Company considers accounts receivable to be fully collectible, and accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Property and equipment are valued at cost. Depreciation is being provided by the use of the straight-line method over the estimated useful lives of the assets.

Tora Trading Services, LLC

Notes to the Financial Statements

December 31, 2008

(2) Summary of Significant Accounting Policies (continued)

Income Taxes

The Company, a limited liability company, is taxed as a division of its sole member under the Internal Revenue Code and a similar state statute. In lieu of income taxes, the Company passes 100% of its taxable income and expenses to its sole member. Therefore, no provision or liability for federal or state income taxes is included in these financial statements. The Company is however, subject to the annual California LLC tax of \$800 and the California LLC fee of \$11,790 based on gross revenue.

The Company has elected to defer the provisions of FIN 48, Accounting for Uncertainty in Income Taxes, under the provisions of FSP FIN 48-3. The Company uses a FAS 5, Loss Contingencies, approach for evaluating uncertain tax positions. They continually evaluate expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities which represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

(3) Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's uniform net capital rule (Rule 15c3-1) which requires the Company to maintain a minimum net capital equal to or greater than \$5,000 and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1, both as defined. At December 31, 2008, the Company's net capital was \$283,764 which exceeded the requirement by \$255,892.

(4) Related Party Transactions

All trading services income is paid or allocated to the Company by the Member. The Company's results of operations and financial position could differ significantly from those that would have been obtained if the entities were autonomous.

Tora Trading Services, LLC

Notes to the Financial Statements

December 31, 2008

(5) Commitments

Operating Lease

On August 24, 2007, the Company entered into a five year lease agreement for office space in San Francisco, California that commenced on November 16, 2007. On November 13, 2008, the Company entered into a two year, two month sublease agreement for office space in New York. The total future annual minimum lease payments through the expiration on November 30, 2012 are as follows:

<u>Year</u>	<u>Amount</u>
2009	\$ 242,538
2010	249,916
2011	186,596
2012	<u>169,530</u>
	<u>\$ 848,580</u>

Capital Leases Obligations

The Company leased equipment in 2007 with an original cost of \$13,183 under a capital lease obligation. The asset is being depreciated over its estimated useful life of five years and expense is included in depreciation expense. At December 31, 2008, accumulated depreciation related to these assets was \$2,856. The future annual minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2009	\$ 5,651
2010	<u>5,180</u>
	<u>\$ 10,831</u>

(6) Employee Benefit Plan

The Company adopted a 401(k) profit sharing plan which covers all employees who are over the age of 21 and will be employed for at least 1,000 hours of service per year of eligibility. The plan provides for matching employee contributions of 100% of the elective deferral which does not exceed 5% of compensation up to the annual legal limit. Employer contributions vest immediately upon matching and employee contributions are always 100 percent vested. For the year ended December 31, 2008, the Company made contributions to the plan of \$146,533.

SUPPLEMENTAL INFORMATION

Tora Trading Services, LLC

Schedule I

Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission

As of December 31, 2008

Net Capital		
Total member's equity qualified for net capital		\$ 3,228,373
Less: Non-allowable assets		
Due from broker	\$ 13,414	
Due from member	2,577,426	
Prepaid expenses and other assets	82,895	
Property and equipment (net)	<u>256,551</u>	
Total non-allowable assets		<u>2,930,286</u>
Net capital before haircuts		\$ 298,087
Less: Haircut on securities		<u>14,323</u>
Net capital		\$ 283,764
Net minimum capital requirement of 6.67% of aggregate indebtedness of \$418,078 or \$5,000, whichever is greater		<u>27,872</u>
Excess net capital		<u>\$ 255,892</u>

Reconciliation with Company's Net Capital Computation (included in Part II of Form X-17A-5 as of December 31, 2008)

There were no material differences noted in the Company's net capital computation
at December 31, 2008.

Tora Trading Services, LLC

Schedule II

**Computation for Determination of Reserve Requirements
Pursuant to Rule 15c3-3 of the
Securities and Exchange Commission**

For the Year Ended December 31, 2008

An exception from Rule 15c3-3 is claimed, based upon section (k)(2)(ii). All customer transactions are processed in accordance with Rule 15c3-1(a)(2).

**Information for Possession or Control
Requirements Under Rule 15c3-3**

For the Year Ended December 31, 2008

An exception from Rule 15c3-3 is claimed, based upon section (k)(2)(ii).

Independent Auditor's Report on Internal
Accounting Control Required by SEC Rule 17a-5

Member
Tora Trading Services, LLC
San Francisco, CA

In planning and performing our audit of the financial statements and supplemental schedules of Tora Trading Services, LLC (the Company), as of and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (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 objective 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 judgements 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 the 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 at December 31, 2008, 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 FINRA and other regulatory agencies which 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.

February 20, 2009

 + Associate

Tora Trading Services, LLC

Annual Audit Report

December 31, 2008

ERNST WINTTER & ASSOCIATES
Certified Public Accountants