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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SECRET
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Section
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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 01/01/2008 AND ENDING 12/31/2008
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

HUNTER SECURITIES CORP.

OFFICIAL USE ONLY
FIRM ID. NO.

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

555 Theodore Fremd Avenue

(No. and Street)

Rye

(City)

New York

(State)

10580

(Zip Code)

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

Richard J Caplan

(914) 740-1501

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Tanton & Company, LLP

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

37 West 57th Street

New York

New York

10019

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not in residence in United States or any of its possessions.

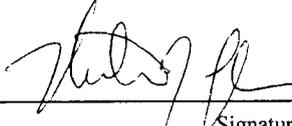
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

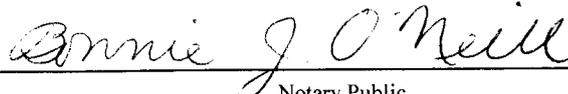
I, Richard J Caplan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm Hunter Securities Corp., as of December 31, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



Signature

CEO

Title



Notary Public

BONNIE J. O'NEILL
Notary Public, State of New York
No. 010N6195543
Qualified in Westchester County
Commission Expires: October 27, 2012

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 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 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).*

HUNTER SECURITIES CORP.

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TANTON
AND
COMPANY, LLP
Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Stockholder of
Hunter Securities Corp.

We have audited the accompanying balance sheet of Hunter Securities Corp. as of December 31, 2008 and the related statements of operations, changes in stockholder'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. The financial statements of Hunter Securities Corp. as of December 31, 2007 were audited by other auditors whose report dated March 25, 2008 expressed an unqualified opinion on those financial statements.

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 Hunter Securities Corp. as of December 31, 2008, and its results of operations and 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, and III 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.

New York, New York
March 20, 2009


Certified Public Accountants

HUNTER SECURITIES CORP.
BALANCE SHEET
DECEMBER 31, 2008

ASSETS

| | |
|---|-------------------------|
| Cash | \$ 1,039,451 |
| Securities owned, at market value | 1,323,922 |
| Due from stockholder | 488,107 |
| Prepaid expenses and other current assets | 262,719 |
| Deposit with clearing organization | <u>250,000</u> |
| TOTAL ASSETS | <u>\$ 3,364,199</u> |

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES

| | |
|---------------------------------------|----------------------|
| Payable to clearing organization | \$ 96,053 |
| Accounts payable and accrued expenses | 138,058 |
| Payroll and payroll taxes payable | <u>2,036,882</u> |
| TOTAL LIABILITIES | <u>2,270,993</u> |

STOCKHOLDER'S EQUITY

| | |
|--|-------------------------|
| Common stock, \$.10 par value; 2,500 shares authorized; 300 shares issued | 30 |
| Additional paid-in capital | 1,100,634 |
| Retained earnings (Deficit) | <u>(7,458)</u> |
| TOTAL STOCKHOLDER'S EQUITY | <u>1,093,206</u> |
| TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY | <u>\$ 3,364,199</u> |

The accompanying notes are an integral part of these financial statements

HUNTER SECURITIES CORP.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2008

| | |
|------------------------------|-------------------------------|
| Revenues | |
| Trading income | \$ 6,529,019 |
| Consulting income | 200,000 |
| Interest income | 30,725 |
| Other income | 3,735 |
| | <u>6,763,479</u> |
| Expenses | |
| Compensation and benefits | 5,926,122 |
| Clearing and floor brokerage | 77,590 |
| Market data | 215,504 |
| Office expense | 57,030 |
| Payroll expenses | 66,695 |
| Professional fees | 196,186 |
| Regulatory fees and expenses | 27,336 |
| Rent expense | 99,281 |
| Telephone and communications | 57,960 |
| Travel and entertainment | 80,602 |
| | <u>6,804,306</u> |
| Net loss | <u><u>\$ (40,827)</u></u> |

The accompanying notes are an integral part of these financial statements.

HUNTER SECURITIES CORP.
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2008

| | Common Stock | | Additional Paid-In Capital | Treasury Stock | Retained Earnings (Deficit) | Total |
|-------------------------------------|--------------|--------------|----------------------------------|-------------------|-----------------------------------|---------------------|
| | Shares | Amount | | | | |
| Balance at January 1, 2008 | 300 | \$ 30 | \$ 344,292 | \$ (53,658) | \$ 33,369 | \$ 324,033 |
| Net loss | - | - | - | - | (40,827) | (40,827) |
| Stockholder contributions | - | - | 810,000 | - | | 810,000 |
| Treasury Stock-Cancelled | - | - | (53,658) | 53,658 | - | - |
| Balance at December 31, 2008 | <u>300</u> | <u>\$ 30</u> | <u>\$ 1,100,634</u> | <u>\$ -</u> | <u>\$ (7,458)</u> | <u>\$ 1,093,206</u> |

The accompanying notes are an integral part of these financial statements.

HUNTER SECURITIES CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|--------------------|
| Net loss | \$ (40,827) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | |
| Unrealized loss on investments | (32,259) |
| Changes in operating assets and liabilities | |
| Deposits with clearing organization | (200,000) |
| Payable to clearing organization | (29,479) |
| Securities owned | (963,104) |
| Prepaid expenses and other current assets | (246,914) |
| Accounts payable and accrued expenses | 120,175 |
| Payroll and payroll taxes payable | <u>2,009,472</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>617,064</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|---|--------------------------------|
| Stockholder contributions | 810,000 |
| Advances to stockholder | <u>(412,552)</u> |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | <u>397,448</u> |
| NET INCREASE IN CASH | 1,014,512 |
| CASH, Beginning | <u>24,939</u> |
| CASH, Ending | <u><u>\$ 1,039,451</u></u> |

The accompanying notes are an integral part of these financial statements

HUNTER SECURITIES CORP.

NOTES TO FINANCIAL STATEMENTS

1. Organization and Business Activity

During 2008 CapRok Capital LLC (“CapRok”) purchased all the issued and outstanding shares of Hunter Securities Corp. (the “Company”) who is registered as a broker-dealer with the Securities and Exchange Commission and the National Association of Securities Dealers. As of December 31, 2008, the Company continues to be a broker-dealer registered with the Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”).

The Company has an agreement with another broker-dealer (the “clearing broker”) to clear transactions, carry customers’ accounts on a fully-disclosed basis and perform record keeping functions and, consequently, operates under the exemption provisions of SEC Rule 15c3-3k(2)(ii).

2. Summary of Significant Accounting Policies

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, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Securities Transactions and Valuations

Securities transactions, commission income and related commission expenses are recorded on a trade-date basis.

The Company’s positions in securities owned are concentrated in U.S. Treasury obligations. Those securities positions and its deposits in money market accounts are valued at market and unrealized gains and losses are included in results of operations.

Income Taxes

The Company is taxed as a C corporation. Current income taxes are based on the year’s taxable income for Federal, State and local taxes.

HUNTER SECURITIES CORP.

NOTES TO FINANCIAL STATEMENTS

3. *Securities owned*

Securities owned (other than money market account shares) represent positions in marketable securities taken primarily for trading purposes in the ordinary course of business. At December 31, 2008, securities owned includes marketable securities, consisting of U.S. Treasury obligations, with a market value of approximately \$1,324,000.

4. *Due from trading partner*

Included in prepaid and other current assets is approximately \$215,000 which represents an interest amount paid out to a customer by the Company's clearing broker that was returned in 2009.

5. *Payable to Clearing Organization*

The payable to clearing organization is primarily comprised of margin obligations, which are collateralized by securities owned by the Company.

6. *Related Party Transactions*

Advances

The Company has advanced CapRok approximately \$488,000. The advance is noninterest bearing and is due on demand.

Management and expense sharing agreement

The Company has entered into a management and expense sharing agreement with CapRok to pay certain operating expenses of the Company, which are incurred in common by the Company and CapRok. CapRok agrees that it will apportion to and collect from the Company on a monthly basis 90% of its expenses. Included in the statement of operations are reimbursed expenses of approximately \$688,000.

7. *Savings Plan*

The Company maintains a profit-sharing plan pursuant to Section 401(k) of the Internal Revenue Code under which all employees meeting eligibility requirements qualify for membership. The Company may make voluntary contributions at the discretion of the Board of Directors. There were no contributions made to the plan for the year ended December 31, 2008.

HUNTER SECURITIES CORP.

NOTES TO FINANCIAL STATEMENTS

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits with banks and brokers and receivables from other brokers. At times, such deposits exceed Federal or other applicable insurance limits. The Company reduces its exposure to credit risk by maintaining banking and brokerage relationships with major financial institutions and monitoring their credit ratings.

Additionally, the Company is exposed to off-balance-sheet risk of loss on transactions during the period from the trade date to the settlement date, which is generally three business days. If the customer fails to satisfy its contractual obligations to the clearing broker, the Company may have to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations. Settlement of these transactions is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

9. *Net Capital Requirement*

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15C3-1 also provides that equity capital may not be withdrawn or cash distributions paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2008, the Company had net capital of approximately \$342,000 which was \$197,000 in excess of its required minimum net capital of approximately \$145,000. The Company's net capital ratio was 6.4 to 1.

Hunter Securities Corp.
Supplementary Information Required by
Rule 17a-5 Under the Securities Exchange Act of 1934
December 31, 2008

HUNTER SECURITIES CORP.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2008

Net capital:

| | |
|---|--------------------------|
| Total stockholder's equity | <u>\$ 1,093,206</u> |
| Deduct nonallowable assets: | |
| Prepaid and other current assets | 47,302 |
| Due from stockholder | 488,107 |
| Interest due from broker over 30 days | <u>215,417</u> |
| Net capital before haircuts and undue concentration | 342,380 |
| Haircuts | (288) |
| Net Capital | <u><u>\$ 342,092</u></u> |

Aggregate indebtedness:

| | |
|---------------------------------------|----------------------------|
| Total liabilities | \$ 2,270,993 |
| Less payable to clearing organization | <u>96,053</u> |
| Aggregate Indebtedness | <u><u>\$ 2,174,940</u></u> |

Computation of basic net capital requirement:

| | |
|--|------------------------|
| Minimum net capital required (greater of 6 2/3% of aggregate indebtedness or \$100,000 minimum dollar net capital requirement) | <u>\$ 144,995</u> |
| Excess net capital | <u>\$ 197,097</u> |
| Excess net capital at 1,000% | <u>\$ 124,598</u> |
| Ratio of aggregate indebtedness to net capital | <u><u>6.4 to 1</u></u> |

The accompanying notes are an integral part of these financial statements

TANTON AND COMPANY, LLP

HUNTER SECURITIES CORP.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2008

| | | |
|--|--------------------|---------------------|
| Reconciliation with the Company's computation (including in Part IIA of Form X-17A-5) as of December 31, 2008 | | |
| Net Capital as reported in the Company's Part IIA (Unaudited) Focus report | | \$ 2,432,354 |
| Increase in net capital resulting from changes in: | | |
| Changes in non-allowable assets | 291,738 | |
| Audit adjustments, net: | | |
| Balance sheet reclassifications | (48,341) | |
| Statement of operations changes | <u>(2,333,659)</u> | <u>(2,090,262)</u> |
| Net capital per above | | <u>\$ 342,092</u> |
| Aggregate indebtedness as reported in the Company's Part IIA (Unaudited) FOCUS report | | |
| | | \$ 131,350 |
| Increase in aggregate indebtedness resulting from audit adjustments to increase accrued expenses and payroll and payroll taxes payable and balance sheet reclassifications | | |
| | | <u>2,043,590</u> |
| Aggregate indebtedness per above | | <u>\$ 2,174,940</u> |

The accompanying notes are an integral part of these financial statements

TANTON AND COMPANY, LLP

Hunter Securities Corp.

**Computation for Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
As of December 31, 2008
Schedule II**

**The Company claims exemption from the requirements of Rule 15c3-3,
under Section (k)(2)(ii) of the Rule.**

Hunter Securities Corp.

**Information Relating to the Possession or Control Requirements Under Rule
15c3-3 of the Securities and Exchange Commission As of December 31, 2008
Schedule III**

**The Company claims exemption from the requirement of Rule 15c3-3,
under Section (k)(2)(ii) of the Rule.**

TANTON
AND
COMPANY, LLP
Accountants & Consultants

**Independent Auditors' Report on Internal Control Structure Required by SEC
Rule 17a-5**

**To the Stockholder of
Hunter Securities Corp.**

In planning and performing our audit of the financial statements of Hunter Securities Corp. (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 (the "SEC"), we have made a study of the practices and procedures followed by the Company including consideration of control activities. This study includes 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 an 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 the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. 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, errors 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 reliable 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 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 management, the SEC, 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.

New York, New York
March 20, 2009


Certified Public Accountants

HUNTER SECURITIES CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2008