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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SEC
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Section

OCT 20 2011

Washington, DC
105ANNUAL 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

OMB APPROVAL

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REPORT FOR THE PERIOD BEGINNING

7/1/2010

AND ENDING

6/30/2011

mm/dd/yy

mm/dd/yy

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Fortrend Securities, Inc.

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

Level 41, 55 Collins Street

(No. and Street)

Melbourne VIC, 3000 Australia

(City)

(State)

(Zip Code)

OFFICIAL USE ONLY

FIRM I.D. NO.

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

Joseph Forster

613 9650 8400

(Area Code - Telephone Number)

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 A200

(Address)

Walnut Creek

(City)

California

(State)

94596

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United State 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).

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SEC 1410 (06-02)

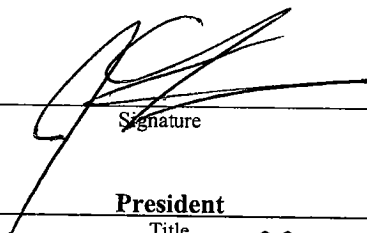
Ch. 9
10/24/2011

Ch. 9

OATH OR AFFIRMATION

I, **Joseph Forster**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Fortrend Securities, Inc.**, as of **June 30, 2011**, 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

President

Title


Notary Public

CHARLES BERNARD GORE BRETT
NOTARY PUBLIC
LEVEL 1, 12 COLLINS STREET
MELBOURNE, VICTORIA
AUSTRALIA

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 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 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).**

Fortrend Securities, Inc. and Subsidiary

June 30, 2011

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675 Ygnacio Valley Road, Suite A200
Walnut Creek, CA 94596

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

Independent Auditor's Report

To the Stockholder
Fortrend Securities, Inc. and Subsidiary
Melbourne, Victoria Australia

We have audited the accompanying consolidated statement of financial condition of Fortrend Securities, Inc. and Subsidiary (the "Company") as of June 30, 2011 and the related consolidated statements of income (loss), 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.

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 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Fortrend Securities, Inc. and Subsidiary as of June 30, 2011 and the results of its 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 and II are presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. The information contained in Schedules III and IV is presented for purpose of additional analysis and is not a required part of the basic consolidated statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

 + Associates

October 14, 2011

Fortrend Securities, Inc. and Subsidiary

Consolidated Statement of Financial Condition

June 30, 2011

Assets	
Cash and cash equivalents	\$ 7,435
Due from clearing broker	499,528
Deposit with clearing broker	100,000
Commissions receivable, net of \$349,635 allowance for doubtful accounts	130,870
Total Assets	\$ 737,833
Liabilities and Stockholder's Equity	
Accounts payable and accrued liabilities	\$ 40,926
Accrued compensation	120,007
Due to affiliate	63,496
Total Liabilities	224,429
Stockholder's Equity	
Common stock (no par value; 6,000 shares authorized; 3,000 shares issued and outstanding)	55,622
Additional paid in capital	226,167
Retained earnings	231,615
Total Stockholder's Equity	513,404
Total Liabilities and Stockholder's Equity	\$ 737,833

See independent auditor's report and accompanying notes.

Fortrend Securities, Inc. and Subsidiary

Consolidated Statement of Income (Loss)

For the Year Ended June 30, 2011

Revenue	
Commission revenue	\$ 658,888
Investment banking revenue	180,733
Investment advisory fees	118,996
Interest, trading and other income	240,605
Total Revenue	1,199,222
Expenses	
Compensation	537,942
Office and administrative	501,261
Clearing fees	117,583
Professional fees	80,363
Commission expense	76,233
Information services	41,672
Bad debt expense	31,785
Interest expense	433
Other operating expenses	94,545
Total Expenses	1,481,817
Net Loss	\$ (282,595)

See independent auditor's report and accompanying notes.

Fortrend Securities, Inc. and Subsidiary

Consolidated Statement of Changes in Stockholder's Equity

For the Year Ended June 30, 2011

	Common Stock	Additional Paid in Capital	Retained Earnings	Total
June 30, 2010	\$ 55,622	\$ 226,167	\$ 514,210	\$ 795,999
Net loss			(282,595)	(282,595)
June 30, 2011	\$ 55,622	\$ 226,167	\$ 231,615	\$ 513,404

See independent auditor's report and accompanying notes.

Fortrend Securities, Inc. and Subsidiary

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2011

Cash Flows from Operating Activities

Net loss	\$ (282,595)
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Adjustments to reconcile net loss
to net cash provided by operating activities:

Allowance for doubtful accounts	34,792
---------------------------------	--------

(Increase) decrease in:

Due from clearing broker	(75,521)
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Deposit with clearing broker	150,000
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Commissions receivable	(16,746)
------------------------	----------

Income tax receivable	95,766
-----------------------	--------

Increase (decrease) in:

Accounts payable and accrued liabilities	19,718
--	--------

Accrued compensation	82,007
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Due to affiliate	(6,144)
------------------	---------

Net Cash Provided by Operating Activities	1,277
--	--------------

Net Increase in Cash and Cash Equivalents	1,277
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Cash and cash equivalents at beginning of year	6,158
--	-------

Cash and Cash Equivalents at End of Year	\$ 7,435
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Supplemental Data:

Interest paid	\$ 433
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See independent auditor's report and accompanying notes.

Fortrend Securities, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

June 30, 2011

1. Organization

Fortrend Securities, Inc. ("Securities") incorporated in Delaware on March 8, 1992 and registered as a broker-dealer in the State of California on May 18, 1992. Securities was approved for membership by the Financial Industry Regulatory Authority ("FINRA") on September 7, 1993. Securities engages primarily as a clearing conduit for the sales of U.S. securities to Australian investors through its wholly-owned Australian subsidiary, Fortrend Securities Pty. Ltd. ("Subsidiary"). Subsidiary was incorporated in 1992 and engages in the brokerage of securities in Australia. Securities and Subsidiary are herein referred to collectively as "the Company".

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company. The Company is engaged in the brokerage of securities and investment banking services.

Cash and Cash Equivalents

The Company considers all demand deposits held in banks and certain highly liquid investments with original maturities of three months or less, other than deposit at clearing broker, to be cash equivalents.

Accounts Receivable

Accounts receivable are carried at the invoiced or contract amounts. The allowance for doubtful accounts is based on management's estimate of the amount of probable credit losses in existing account receivable.

Security Transactions

Customer securities transactions and related commission income and expenses are recorded on a trade date basis.

Investment Banking Fees

Investment banking revenues are earned from providing merger and acquisition advisory services. Revenue is recognized when earned either by fee contract or the success of a predetermined specified event and the income is reasonably determinable.

Use of Estimates

The preparation of consolidated financial statements in accordance 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have impact on future periods.

Fair Value of Financial Instruments

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

Foreign Currency

Assets and liabilities denominated in Australian dollars are converted to U.S. dollars at year-end rates of exchange, while the income statement accounts are converted at average rates of exchange for the year. Gains or losses resulting from foreign currency transactions are included in interest, trading, and other income in the accompanying consolidated statement of net income (loss).

Fortrend Securities, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

June 30, 2011

2. Significant Accounting Policies (Continued)

Income Taxes

Securities and Subsidiary are included in the consolidated federal tax return of the Company. Subsidiary files tax returns on a stand-alone basis in Australia. The amount of current and deferred taxes payable or refundable is recognized as of the date of the financial statements utilizing currently enacted laws and rates. Deferred tax expenses or benefits are recognized in the financial statements for changes in deferred tax liabilities and assets between years.

3. Income Taxes

The Company accounts for income taxes in accordance with generally accepted accounting principles which requires recognition of deferred tax assets or liabilities for the expected future tax consequences of events that are included in the financial statements and tax returns in different periods.

The Company's total deferred tax assets as of June 30, 2011 are as follows:

Federal	\$ 258,157
State	-
Australian	5,573
Subtotal	263,730
Valuation Allowance	(263,730)
Net deferred taxes	\$ -

Deferred tax assets and liabilities are primarily the result of federal and Australian net operating loss ("NOL") carryforwards and the differences in using the cash method of accounting for tax purposes and the accrual method for financial statement purposes. As of June 30, 2011, the Company had federal NOL carryforwards of \$753,894 and Australian NOL carryforwards of \$18,575 that may be used to offset future taxable income. The federal NOL carryforwards are due to expire in 2031. A valuation allowance of \$263,730 has been established for those deferred tax assets that will more likely than not be unrealized. This is an increase of \$149,384 from the prior year's valuation allowance. There is no current year provision for federal or state taxes.

4. Related Party Transaction

Painewebber Pty. Ltd. ("Painewebber"), an Australian company under common control, has an agreement with Securities whereby it charges Securities for overhead and other occupancy expenses including rent utilized by the Company's Australian operations. During the year ended June 30, 2011, Painewebber billed Subsidiary for such expenses. On behalf of Securities, Subsidiary paid Painewebber \$384,423 for overhead expenses which are included in office and administrative expenses on the accompanying consolidated statement of income (loss). As of June 30, 2011, \$39,875 is due to Painewebber.

During the year, Securities paid \$3,673 of occupancy expenses to Crosby Investments Ltd. ("Crosby"), a foreign company under common control. On behalf of Securities, Winter Holdings, Inc. ("Winter"), a U.S. company under common control, paid \$23,621 of occupancy expenses to Crosby. As of June 30, 2011, Securities owes Winter \$23,621.

Company's results of operations and financial position could differ significantly from those that would have been obtained if the entities were autonomous.

Fortrend Securities, Inc. and Subsidiary

Notes to the Consolidated Financial Statements

June 30, 2011

5. 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 \$100,000 and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1, both as defined. At June 30, 2011, the Company's net capital was \$381,533 which exceeded the requirement by \$281,533.

6. Clearing Broker Requirements

Securities' clearing organization, Legent Clearing LLC, requires that it maintain at least \$100,000 in deposits and a minimum of \$100,000 of excess net capital.

7. Foreign Operations

Operations outside the United States include a subsidiary in Australia. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange. Net assets of foreign operations are more than 16% of the Company's total net assets.

Results of operations for the Company's Australian subsidiary are translated from the local (functional) currency to the U.S. dollar using average exchange rates during the period, while assets and liabilities are translated at the exchange rate in effect at the reporting date. Foreign currency transaction gains (losses) resulting from exchange rate fluctuations on transactions denominated in a currency other than the U.S. dollar are included in earnings.

The Company experienced a net foreign currency transaction gain of \$42,518 that is included in interest, trading and other income in the accompanying financial statements.

8. Financial Instruments with Off-Balance-Sheet Credit Risk

As a securities broker, the Company executes transactions with and on the behalf of customers. The Company introduces these transactions for clearance to a clearing firm on a fully disclosed basis. In the normal course of business, the Company's customer activities involve the execution of securities transactions and settlement by its clearing broker. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to nonperformance by its customers. These activities may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contracted obligations.

In the event the customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at the prevailing market price in order to fulfill the customer's obligation.

The Company seeks to control off-the-balance-sheet credit risk by monitoring its customer transaction and reviewing information it receives from its clearing broker on a daily basis and reserving for doubtful accounts when necessary.

9. Subsequent Events

The Company has evaluated subsequent events through October 14, 2011, the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

Fortrend Securities, Inc. and Subsidiary
Schedule I

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

As of June 30, 2011

Net Capital	
Total stockholder's equity	\$ 513,404
Less: Non-allowable assets	
Cash held outside the United States	6,933
Commissions receivable, net of allowances	116,545
Total non-allowable assets	123,478
Net capital before haircuts	\$ 389,926
Less: haircut on securities	8,393
Net Capital	381,533
Net minimum capital requirement of 6 2/3% of aggregate indebtedness of \$224,429 or \$100,000, whichever is greater	100,000
Excess Net Capital	\$ 281,533

**Reconciliation with Company's Net Capital Computation
(Included in Part II of Form X-17A-5 as of June 30, 2011)**

Net Capital, as reported in Company's	
Part II of Form X-17A-5 as of June 30, 2011	\$ 485,159
Decrease in stockholder's equity	(143,285)
Decrease in non-allowable assets	39,659
Net Capital Per Above Computation	\$ 381,533

See independent auditor's report and accompanying notes.

Fortrend Securities, Inc. and Subsidiary
Schedule II

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

For the Year Ended June 30, 2011

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

**Information Relating to Possession or Control Requirements Under
Rule 15c3-3 of the Securities and Exchange Commissions**

For the Year Ended June 30, 2011

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

Fortrend Securities, Inc. and Subsidiary
Schedule III

Consolidating Statements of Financial Condition

June 30, 2011

	Fortrend Securities, Inc.	Fortrend Securities Pty. Ltd.	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 502	\$ 6,933	\$	\$ 7,435
Due from clearing broker	499,528	-		499,528
Deposit with clearing broker	100,000	-		100,000
Commissions receivable, net of allowance for doubtful accounts	14,325	116,545		130,870
Due from affiliate	-	501,261	(501,261)	-
Investment in subsidiary	464,857	-	(464,857)	-
Total Assets	\$ 1,079,212	\$ 624,739	\$ (966,118)	\$ 737,833
Liabilities and Members' Equity				
Accounts payable and accrued liabilities	\$ 40,926	\$ -	\$	\$ 40,926
Accrued compensation	-	120,007		120,007
Due to affiliate	524,882	39,875	(501,261)	63,496
Total Liabilities	565,808	159,882	(501,261)	224,429
Stockholder's Equity	513,404	464,857	(464,857)	513,404
Total Liabilities and Members' Equity	\$ 1,079,212	\$ 624,739	\$ (966,118)	\$ 737,833

Fortrend Securities, Inc. and Subsidiary
Schedule IV

Consolidating Statements of Income (Loss)

For the Year Ended June 30, 2011

	Fortrend Securities, Inc.	Fortrend Securities Pty. Ltd.	Eliminations	Total
Revenue				
Commission revenue	\$ 658,888	\$ 657,545	\$ (657,545)	\$ 658,888
Investment banking revenue	-	180,733		180,733
Investment advisory fees	-	118,996		118,996
Interest, trading and other income	171,139	69,466		240,605
Total Revenue	830,027	1,026,740	(657,545)	1,199,222
Expenses				
Compensation	-	537,942		537,942
Office and administrative	501,261	-		501,261
Clearing fees	117,583	-		117,583
Professional fees	75,595	4,768		80,363
Commission expense	657,545	76,233	(657,545)	76,233
Information services	41,672	-		41,672
Bad debt expense	-	31,785		31,785
Interest expense	433	-		433
Other operating expenses	40,194	54,351		94,545
Total Expenses	1,434,283	705,079	(657,545)	1,481,817
Net Income (Loss)	\$ (604,256)	\$ 321,661	\$ -	\$ (282,595)

675 Ygnacio Valley Road, Suite A200
Walnut Creek, CA 94596

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

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

To the Stockholder
Fortrend Securities, Inc. and Subsidiary
Melbourne, Victoria Australia

In planning and performing our audit of the consolidated financial statements and supplemental schedules of Fortrend Securities, Inc. and Subsidiary (the "Company"), as of and for the year ended June 30, 2011, 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 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 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 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 deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

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. However, we identified the following deficiency in internal control that we consider to be a material weakness, as defined above. This condition was considered in determining the nature, timing, and extent of the procedures performed in our audit of the financial statements of the Company for the year ended June 30, 2011, and this report does not affect our report thereon dated October 14, 2011.

The size of the business and the resultant limited number of employees imposes practical limitations on the effectiveness of those internal control policies and procedures that depend on the segregation of duties. Because this condition is inherent in the size of the Company, the specific weaknesses are not described herein and no corrective action has been taken or proposed by the Company.

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 June 30, 2011, to meet the SEC's objectives.

This report is intended solely for the information and use of the Stockholder, 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.

 + Associates

October 14, 2011

675 Ygnacio Valley Road, Suite A200
Walnut Creek, CA 94596

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

SIPC Supplemental Report Required by SEC Rule 17a-5

To the Stockholder
Fortrend Securities, Inc. and Subsidiary
Melbourne, Victoria Australia

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation ("SIPC") for the year ended June 30, 2011, which were agreed to by Fortrend Securities, Inc. and Subsidiary (the "Company") and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the revenue amounts reported on the audited Form X-17A-5 for the year ended June 30, 2011, as applicable, with the revenue amounts reported in Form SIPC-7 for the year ended June 30, 2011 noting a \$140,760 difference;
3. Compared any deductions reported in Form SIPC-7 with supporting schedules and working papers noting a \$69,483 difference;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Ernst Winter + Associates

October 14, 2011

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION

P.O. Box 92185 Washington, D.C. 20090-2185

202-371-8300

General Assessment Reconciliation**SIPC-7**

(33-REV 7/10)

For the fiscal year ended 30 JUNE, 20 11

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

WORKING COPY

2. A. General Assessment (item 2e from page 2)

\$ 3,050

B. Less payment made with SIPC-6 filed (exclude interest)

()

Date Paid

C. Less prior overpayment applied

()

D. Assessment balance due or (overpayment)

()

E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum

()

F. Total assessment balance and interest due (or overpayment carried forward)

\$ 3,050

G. PAID WITH THIS FORM:

Check enclosed, payable to SIPC

Total (must be same as F above)

\$ 3,050.00

H. Overpayment carried forward

\$()

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

FORTREND SECURITIES, INC

(Name of Corporation, Partnership or other organization)

(Authorized Signature)

Dated the 3rd day of August, 20 11**PRESIDENT**

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates:

Postmarked

Received

Reviewed

Calculations

Documentation

Forward Copy

Exceptions:

Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning 7/1/2010
and ending 6/30/2011
Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 1,339,982

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

1,339,982

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.
(See Instruction C):

(Deductions in excess of \$100,000 require documentation)

- (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ 416

- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ _____

Enter the greater of line (i) or (ii)

416

Total deductions

120,038

2d. SIPC Net Operating Revenues

\$ 1,219,944

2e. General Assessment @ .0025

\$ 3,050

(to page 1, line 2.A.)

SEC
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Section

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Washington, DC
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Fortrend Securities, Inc. and Subsidiary

Consolidated Annual Audit Report

June 30, 2011

ERNST WINTER & ASSOCIATES
Certified Public Accountant

Fortrend Securities, Inc. and Subsidiary

Consolidated Annual Audit Report

June 30, 2011

ERNST WINTTER & ASSOCIATES
Certified Public Accountant