

517



10030767

S

MISSION

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response.....	12.00

ANNUAL AUDITED REPORT

A

FORM X-17A-5 PART III

SEC Mail Processing
Section

SEC FILE NUMBER
8-

FACING PAGE

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

MAY 06 2010
Washington DC
112

REPORT FOR THE PERIOD BEGINNING 01/01/09 AND ENDING 12/31/09
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Questrate USA, Inc.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
5650 Yonge Street, Suite 1700
(No. and Street)

Toronto Ontario, Canada M2M 4G3
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Dean Percy, CFO 416-913-8314
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Zeifmans LLP
(Name - if individual, state last, first, middle name)

201 Bridgeland Ave. Toronto, ON Canada M6A 1P7
(Address) (City) (State) (Zip Code)

CHECK ONE:

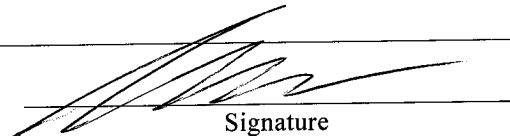
- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

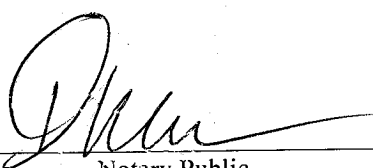
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Edward Kholodenko, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Questrade USA, Inc., as of December 31, 2009, 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

PRESIDENT & CEO
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 Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

QUESTRADE USA, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2009
(expressed in U.S. Dollars)

AUDITORS' REPORT

To the Directors of
Questrade USA, Inc.

We have audited the statement of financial condition of Questrade USA, Inc. as at December 31, 2009 and the statements of changes in liabilities subordinated to claims of creditors, operations, stockholder's deficit, and cash flows for the year then ended. 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 Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. As required by rule 17a-5(i)(3) under the Securities Exchange Act of 1934, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

The statement of financial condition as at December 31, 2008 and the statements of operations, stockholder's deficit and cash flows for the year then ended, included for comparative purposes, are unaudited.

Toronto, Ontario
February 19, 2010

Zeifmans LLP

Chartered Accountants
Licensed Public Accountants

QUESTRADE USA, INC.
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF CREDITORS
FOR THE YEAR ENDED DECEMBER 31, 2009
(expressed in U.S. Dollars)

Balance, beginning of year	\$ -
Increase in subordinated loans (note 5)	60,000
Increase in interest payable on subordinated loans (note 6)	<u>15,000</u>
Balance, end of year	\$ <u>75,000</u>

See accompanying notes to financial statements



QUESTRADE USA, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2009
(expressed in U.S. Dollars)

AUDITORS' REPORT

To the Directors of
Questrade USA, Inc.

We have audited the statement of financial condition of Questrade USA, Inc. as at December 31, 2009 and the statements of changes in liabilities subordinated to claims of creditors, operations, stockholder's deficit, and cash flows for the year then ended. 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 Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. As required by rule 17a-5(i)(3) under the Securities Exchange Act of 1934, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

The statement of financial condition as at December 31, 2008 and the statements of operations, stockholder's deficit and cash flows for the year then ended, included for comparative purposes, are unaudited.

Toronto, Ontario
February 19, 2010

Zeifmans LLP

Chartered Accountants
Licensed Public Accountants

QUESTRADE USA, INC.
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF CREDITORS
FOR THE YEAR ENDED DECEMBER 31, 2009
(expressed in U.S. Dollars)

Balance, beginning of year	\$ -
Increase in subordinated loans (note 5)	60,000
Increase in interest payable on subordinated loans (note 6)	<u>15,000</u>
Balance, end of year	<u>\$ 75,000</u>

See accompanying notes to financial statements

