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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**

SEC  
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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**

Washington DC

REPORT FOR THE PERIOD BEGINNING 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: <sup>DBA</sup> STERLING TRADER EXECUTION SERVICES, INC  
NOW - STERLING SOFTWARE SERVICES, INC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
1001 AVENUE OF THE AMERICAS, 16TH FLOOR

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

NEW YORK  
(City)

NY  
(State)

10018  
(Zip Code)

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

MARK JOHNSON (312) 827-3603  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

EISNERAMPER LLP

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

750 THIRD AVENUE  
(Address)

NEW YORK  
(City)

NY  
(State)

10017  
(Zip Code)

CHECK ONE:

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

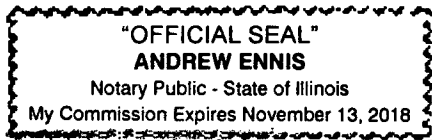
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

JGJ

OATH OR AFFIRMATION

I, MARK JOHNSON, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of STERLING TRADER EXECUTION SERVICES, INC, as of DECEMBER 31, 20 15, 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]  
Notary Public

[Signature]  
Signature  
CFO  
Title

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).

**STERLING TRADER EXECUTION SERVICES, INC.**

STATEMENT OF FINANCIAL CONDITION  
AND  
INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2015

# STERLING TRADER EXECUTION SERVICES, INC.

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To Sterling Trader Execution Services, Inc.

We have audited the accompanying statement of financial condition of Sterling Trader Execution Services, Inc. (the "Company") as of December 31, 2015. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Sterling Trader Execution Services, Inc. as of December 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

*EisnerAmper LLP*

New York, New York  
February 25, 2016

# STERLING TRADER EXECUTION SERVICES, INC.

## STATEMENT OF FINANCIAL CONDITION

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December 31, 2015

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### ASSETS

Cash	\$	17,146
Prepaid expenses and other assets		<u>2,106</u>
	\$	<u>19,252</u>

### LIABILITIES AND STOCKHOLDER'S EQUITY

#### Stockholder's Equity

Common stock, .001 par value; 1,000,000 shares authorized; 1,000,000 shares issued and outstanding		1,000
Additional paid in capital		603,080
Accumulated deficit		<u>(584,828)</u>
		<u>19,252</u>
	\$	<u>19,252</u>

# STERLING TRADER EXECUTION SERVICES, INC.

## NOTES TO FINANCIAL STATEMENTS

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### 1. Nature of business

Sterling Trader Execution Services, Inc. (the "Company") is a corporation organized under the laws of the State of Delaware on August 11, 2011. The Company became a registered broker-dealer with the Securities and Exchange Commission ("SEC") and is a member of Financial Industry Regulatory Authority ("FINRA") as of December 1, 2012.

On July 1, 2015, the Company received the approval of FINRA for the continuing membership application of the Company with regard to the change in ownership, after the former stockholders of the Company sold 100% of its outstanding common stock to Professional Trading Solutions, Inc. (the "Ultimate Parent")

The operations of the Company for the period from January 1, 2015 through June 30, 2015 are included in the accompanying financial statements.

Effective July 1, 2015 the Company is a wholly-owned subsidiary of PTS Financial Technology, LLC (the "Parent").

### 2. Summary of significant accounting policies

#### *Basis of Presentation*

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the amounts disclosed in the financial statements. Actual results could differ from these estimates.

#### *Income Taxes*

The Company is included in the consolidated federal and various state income tax returns of the Ultimate Parent. In accordance with GAAP, the Company follows an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statements and tax bases of assets and liabilities that will result in future taxable or deductible amounts, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred income tax assets to the amount expected to be realized.

The Ultimate Parent may be subject to potential examination by U.S. federal, state or foreign jurisdiction authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with U.S. federal, state and foreign tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

# STERLING TRADER EXECUTION SERVICES, INC.

## NOTES TO FINANCIAL STATEMENTS

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### 2. Summary of significant accounting policies (continued)

#### *Income Taxes (continued)*

The Ultimate Parent provides for taxes in accordance with ASC 740, "Accounting for Income Taxes", which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are recognized based on the difference between the financial statement and tax basis of liabilities and assets using enacted tax rates. No provision has been made for federal U.S. income taxes as the taxable income or loss of the Company is included in the respective income tax return of the Ultimate Parent. In accordance with U.S. GAAP, the Ultimate Parent is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. Based on its analysis, there were no tax positions identified by management which did not meet the "more likely than not" standard as of and for the year ended December 31, 2015.

#### *Reclassification*

Certain amounts in the 2014 financial statements have been reclassified to conform to the current year presentation.

### 3. Net capital requirement

The Company, as a member of FINRA, is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This rule requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness as defined to net capital, shall not exceed 15 to 1. The rule also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2015, the Company's net capital was approximately \$17,000, which was approximately \$12,000 in excess of its minimum net capital of \$5,000.

### 4. Exemption From Rule 15c3-3

The Company is exempt from the Securities and Exchange Commission rule 15c3-3 pursuant to the exemptive provisions of sub-paragraph (k)(2)(i).

### 5. Subsequent event

During January 2016, the Company's name was changed to Sterling Software Services, Inc.