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FRANKLIN FLOATING RATE TRUST
Form 40-17F2
July 13, 2005

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM N-17F-2

CERTIFICATE OF ACCOUNTING OF SECURITIES AND SIMILAR INVESTMENTS IN THE
CUSTODY OF MANAGEMENT INVESTMENT COMPANIES

PURSUANT TO RULE N-17F-2

1. Investment Company Act File Number: 811-08271 Date Examination completed: April 22, 2002

2. State Identification Number:

AL	AK	AZ	AR	CA	CO
CT	DE	DC	FL	GA	HI
ID	IL	IN	IA	KS	KY
LA	ME	MD	MA	MI	MN
MS	MO	MT	NE	NV	NH
NJ	NM	NY	NC	ND	OH
OK	OR	PA	RI	SC	SD
TN	TX	UT	VT	VA	WA
WV	WI	WY	PUERTO RICO		

3. Exact name of investment company as specified in registration statement:

FRANKLIN FLOATING RATE TRUST

4. Address of principal executive office: (number, street, city, state, zip code)

One Franklin Parkway San Mateo, CA 94403

REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees of:

The Franklin Templeton Funds:

We have examined management's assertion, included in the accompanying Management Statement Regarding Compliance With Certain Provisions of the Investment Company Act of 1940, that the funds in Attachment I (hereafter referred to as the "Funds") complied with the requirements of subsections (b) and (c) of Rule 17f-2 under the Investment Company Act of 1940 (the "Act") as of January 31, 2002. Management is responsible for the Funds' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Funds' compliance based on our examination.

Our examination was made in accordance with attestation standards established by

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the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Funds' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. Included among our procedures were the following tests performed as of January 31, 2002, and with respect to agreement of security purchases and sales, for the periods indicated:

- o Inspection of the records of Franklin/Templeton Investors Services, Inc. as they pertain to the security positions owned by the Funds and held in book entry form.
- o Reconciliation of such security positions to the books and records of the Funds.
- o Agreement of a sample of security purchases and sales since our last report to the books and records of the Funds.

We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the Funds' compliance with specified requirements.

In our opinion, management's assertion that the Funds were in compliance with the requirements of subsections (b) and (c) of Rule 17f-2 of the Investment Company Act of 1940 as of January 31, 2002 with respect to securities reflected in the investment accounts of the Funds are fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Board of Directors and the Securities and Exchange Commission and is not intended to be and should not be used by anyone other than these specified parties.

/s/ PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
San Francisco, California
April 22, 2002

MANAGEMENT STATEMENT REGARDING COMPLIANCE WITH CERTAIN PROVISIONS OF THE INVESTMENT COMPANY ACT OF 1940

We, as members of management of Franklin Templeton Funds indicated in Attachment I (the "Funds"), are responsible for complying with the requirements of subsections (b) and (c) of Rule 17f-2, "Custody of Investments by Registered Management Investment Companies," of the Investment Company Act of 1940. We are also responsible for establishing and maintaining effective internal controls over compliance with those requirements. We have performed an evaluation of the Funds' compliance with the requirements of subsections (b) and (c) of Rule 17f-2 as of January 31, 2002 and for the periods indicated.

Based on this evaluation, we assert that the Funds were in compliance with the requirements of subsection (b) and (c) of Rule 17f-2 of the Investment Company Act of 1940 as of January 31, 2002 and for the periods indicated with respect to securities reflected in the investment accounts of the Funds.

By:

/s/ Kimberly H. Monasterio

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Kimberley H. Monasterio
Principal Accounting Officer

ATTACHMENT I

FUND PERIOD COVERED

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

Franklin Strategic Income Investments Fund	October 1, 2001 - January 31, 2002
Franklin S&P 500 Index Fund	October 1, 2001 - January 31, 2002
Franklin Global Health Care Securities Fund	October 1, 2001 - January 31, 2002
Franklin Value Securities Fund	October 1, 2001 - January 31, 2002
Franklin Rising Dividends Fund	October 1, 2001 - January 31, 2002
Franklin Small Cap Fund	October 1, 2001 - January 31, 2002
Franklin Aggressive Growth Fund	October 1, 2001 - January 31, 2002
Franklin Technology Fund	October 1, 2001 - January 31, 2002
Franklin Templeton Asset Strategy Securities Fund	December 1, 2001 - January 31, 2002
Franklin Templeton International Securities Fund	December 1, 2001 - January 31, 2002

FRANKLIN STRATEGIC SERIES

Franklin Aggressive Growth Fund	December 1, 2001 - January 31, 2002
Franklin Large Cap Growth Fund	December 1, 2001 - January 31, 2002
Franklin US Long-Short Fund	December 1, 2001 - January 31, 2002
Franklin Natural Resources Fund	December 1, 2001 - January 31, 2002
Franklin Biotechnology Discovery Fund	December 1, 2001 - January 31, 2002
Franklin Blue Chip Fund	December 1, 2001 - January 31, 2002
Franklin Global Health Care Fund	December 1, 2001 - January 31, 2002
Franklin Global Communications Fund	December 1, 2001 - January 31, 2002
Franklin Strategic Income Fund	December 1, 2001 - January 31, 2002
Franklin California Growth Fund	December 1, 2001 - January 31, 2002
Franklin Technology Fund	December 1, 2001 - January 31, 2002
Franklin Small Cap Growth Fund II	December 1, 2001 - January 31, 2002

FRANKLIN TEMPLETON FUND ALLOCATOR SERIES

Franklin Templeton Conservative Target Fund	December 1, 2001 - January 31, 2002
Templeton Moderate Target Fund	December 1, 2001 - January 31, 2002
Franklin Templeton Growth Target Fund	December 1, 2001 - January 31, 2002

FRANKLIN VALUE INVESTORS TRUST

Franklin MicroCap Value Fund	December 1, 2001 - January 31, 2002
Franklin Value Fund	December 1, 2001 - January 31, 2002
Franklin Large Cap Value Fund	December 1, 2001 - January 31, 2002

FRANKLIN INVESTORS SECURITIES TRUST

Franklin Total Return Fund	December 1, 2001 - January 31, 2002
Franklin Floating Rate Daily Access Fund	December 1, 2001 - January 31, 2002

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MASTER/FEEDER

MONEY MARKET PORTFOLIO

IFT - Money Market Portfolio	August 1, 2001 - January 31, 2002
IFT - Cash Reserves	August 1, 2001 - January 31, 2002
Money Fund	August 1, 2001 - January 31, 2002
Templeton Money Fund II	August 1, 2001 - January 31, 2002

U.S. GOVERNMENT SECURITIES MMP

Federal Money Fund	August 1, 2001 - January 31, 2002
IFT - US Government Securities MMP	August 1, 2001 - January 31, 2002

U.S. GOVERNMENT ADJUSTABLE RATE MORTGAGE PORTFOLIO

FIST - Adjustable US Government Securities	November 1, 2001 - January 31, 2002
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Franklin Floating Rate Trust	December 1, 2001 - January 31, 2002
Franklin Real Estate Securities Fund	November 1, 2001 - January 31, 2002