

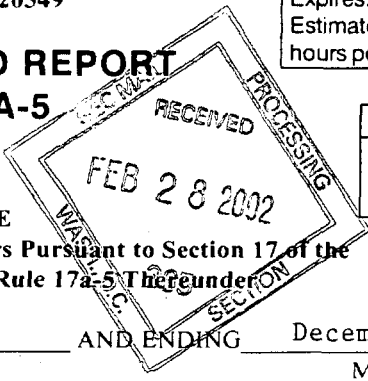
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UNITED STATES
FINANCIAL SERVICES REGULATION
AND EXCHANGE COMMISSION
Washington, D.C. 20549

Vf 3-6-02

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



SEC FILE NUMBER
8- 40608

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 January 1, 2001 AND ENDING December 31, 2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: W. H. Mell Associates, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

450 Springfield Avenue

(No. and Street)

Summit, NJ 07901

(City)

(State)

(Zip Code)

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

S. Bradley Mell

(908) 273-4550

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Sobel & Co., LLC

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

293 Eisenhower Parkway, Suite 290, Livingston, NJ

(Address)

(City)

(State)

07039

(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 20 2002

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THOMSON
FINANCIAL

*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)

SEC 1410 (05-01)

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BB
3/20

OATH OR AFFIRMATION

I, S. Bradley Mell, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of W. H. Mell Associates, Inc., as of December 31, 20 01, 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:

DIANE M. FREDRICKS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires April 6, 2007

[Signature]
Signature

President

Title

Diane M. Fredricks
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 15c3-3 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).

W.H. MELL ASSOCIATES, INC.
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	2001	2000
ASSETS		
Cash and cash equivalents	\$ 55,515	\$ 37,066
Deposit with clearing broker	100,000	100,000
Securities owned	11,806,521	12,630,100
Interest receivable	254,066	254,892
Fixed assets, net of accumulated depreciation	52,553	45,716
Prepaid taxes	-	7,482
Security deposits	2,900	2,900
Other assets	40,901	25,473
	\$12,312,456	\$13,103,629

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES:

Payable to clearing broker	\$10,381,062	\$11,114,655
Securities sold but not yet purchased	30,009	108,905
Notes payable - employees	250,000	265,000
Interest payable	4,510	-
Accounts payable and other accrued expenses	184,194	304,253
Total Liabilities	10,849,775	11,792,813

COMMITMENTS

STOCKHOLDER'S EQUITY:

Common stock - no par value; authorized 2,500 shares, issued and outstanding 1,200 shares	380,211	380,211
Retained earnings	1,082,470	930,605
Total Stockholder's Equity	1,462,681	1,310,816
	\$12,312,456	\$13,103,629