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ANNUAL 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

REPORT FOR THE PERIOD BEGINNING January 1, 2005 AND ENDING December 31, 2005
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

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

OFFICIAL USE ONLY
FIRM ID. NO.

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

450 Springfield Ave.
(No. and Street)

Summit New Jersey 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 No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Soebel & Company, LLC
(Name - if individual, state last, first, middle name)

293 Eisenhower Parkway, Suite 290 Livingston New Jersey 07039-1711
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED
JUN 06 2006
THOMSON
FINANCIAL

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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).

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AFFIRMATION

I, S. Bradley Mell affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedule pertaining to W.H. Mell Associates, Inc. for the year ended December 31, 2005, are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.



S. Bradley Mell
Title: President

Date: 2-28-06

Sworn to and subscribed before me
This 28th day of February, 2006



DIANE M FREDRICKS
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires September 24, 2008

Notary Public

This report contains (check all applicable boxes):

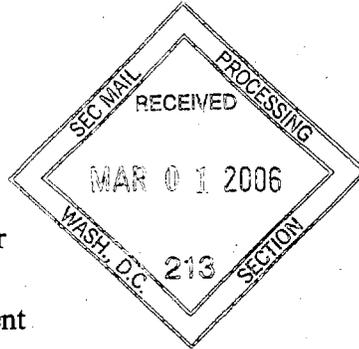
Facing Page.

- (a) Independent Auditors' Report
- (b) Statement of Financial Condition
- (c) Statement of Operations
- (d) Statement of Changes in Stockholder's Equity
- (e) Statement of Cash Flows
- (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable)
- Notes to Financial Statements
- (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934
- (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934
- (i) Information Relating to Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (Not applicable)
- (j) A Reconciliation, Including Appropriate Explanations, of the Computation of Net Capital under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Rule 15c3-2 (Not required).
- (k) A Reconciliation Between the Audited and Unaudited Statements of Financial Condition with Respect to Methods of Consolidation (Not applicable).
- (l) An Oath or Affirmation.
- (m) A Copy of the SIPC Supplemental Report (Not applicable).
- (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

ASSETS



Cash and cash equivalents
 Deposit with clearing broker
 Securities owned - trading
 Securities owned - investment
 Investment in subsidiary
 Interest receivable
 Fixed assets, net of accumulated depreciation
 Security deposits
 Other assets

	December 31,	
	2005	2004
	\$ 1,030,230	\$ 946,218
	100,000	100,000
	31,490,269	29,309,025
	1,342,275	1,022,000
	152,536	57,987
	719,693	418,793
	105,171	118,323
	6,563	6,563
	33,799	40,702
	\$ 34,980,536	\$ 32,019,611

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES:

Payable to clearing broker
 Securities sold, but not yet purchased
 Notes payable - employees
 Interest payable
 Accounts payable and other accrued expenses
 Total Liabilities

	\$ 30,597,024	\$ 27,850,574
	80,712	5,531
	250,000	250,000
	5,992	2,102
	554,957	399,794
	31,488,685	28,508,001

COMMITMENTS AND CONTINGENCIES

STOCKHOLDER'S EQUITY:

Common stock - no par value; authorized 2,500 shares,
 issued and outstanding 1,200 shares
 Retained earnings
 Total Stockholder's Equity

	898,211	898,211
	2,593,640	2,613,399
	3,491,851	3,511,610
	\$ 34,980,536	\$ 32,019,611