

SECURITY 07007391 ON

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

SEC FILE NUMBER  
8- 53 455

# 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 01/01/06 AND ENDING 12/31/06  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MERCATOR SECURITIES LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

ONE FOUNTAIN SQUARE, 11911 FREEDOM DRIVE SUITE 590  
(No. and Street)

RESTON

(City)

VA

(State)

20190

(Zip Code)

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

RHODRIC HACKMAN

703-995-5524

(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

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

TRACHTENBERG & PARKER

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

100 CROSSWAYS PARK WEST

(Address)

WOODBURY

(City)

NY

(State)

11797

(Zip Code)

CHECK ONE:

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

**PROCESSED**

APR 11 2007

THOMSON  
FINANCIAL

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)

SEC 1410 (06-02)

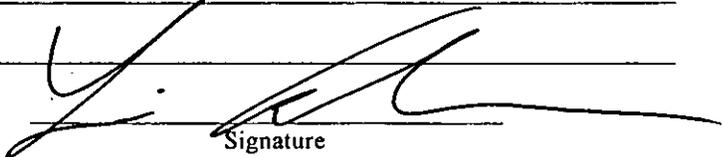
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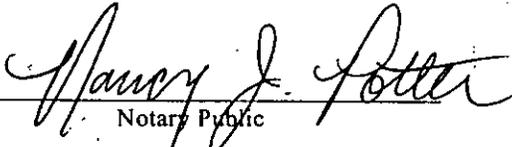
AB  
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OATH OR AFFIRMATION

I, LIOR SAMUELSON, swear (or affirm) that to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MERCATOR SECURITIES LLC, as of DECEMBER 31, 2006, 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

GENERAL SECURITIES PRINCIPAL  
Title

  
Notary Public

NANCY J. POTTER  
NOTARY PUBLIC COMMONWEALTH OF VIRGINIA  
My Commission Expires November 30, 2010

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).



**Trachtenberg  
& Pauker**

*Certified  
Public  
Accountants*

Trachtenberg & Pauker, LLP  
100 Crossways Park West  
Woodbury, New York 11797

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516 496 7436 fax  
www.tpcpa.com

**INDEPENDENT AUDITORS' REPORT**

To the Managing Member  
Mercator Securities LLC  
Reston, Virginia

We have audited the accompanying statement of financial condition of Mercator Securities LLC as of December 31, 2006, and the related statements of income, member's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mercator Securities LLC as of December 31, 2006, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Woodbury, New York

March 26, 2007

MERCATOR SECURITIES, LLC  
STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2006

ASSETS

Cash & Cash Equivalents	\$ 89,183
Receivables from customer	72,000
Due from affiliate	176,831
	<hr/>
Total Assets	\$ 338,014

LIABILITIES AND MEMBER'S EQUITY

Deferred revenue	\$ 33,750
Commitments and contingencies (Note G)	
Member's equity	\$ 304,264
	<hr/>
Total Liabilities And Member's Equity	\$ 338,014

The accompanying notes are an integral part of these statements.

END