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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER
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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

REPORT FOR THE PERIOD BEGINNING 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

PAF SECURITIES, LLC

OFFICIAL USE ONLY
FIRM ID. NO.

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

601 Brickell Key Drive, Suite 604
(No. and Street)

Miami Florida 33131
(City) (State) (Zip Code)

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

Dr. Wilbert Bascom, CFO & FINOP (305) 577-9799
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Rachlin LLP (Mannarino, Nicole M.)
(Name - if individual, state last, first, middle name)

450 East Las Olas Blvd, 9th Floor Ft. Lauderdale Florida 33301 1
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

SEC
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Section

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Washington, DC

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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).
SEC 1410 (06-02)

Affirmation

I, Benjamin S. Moody, affirm that, to the best of my knowledge and belief the accompanying financial statements and supplementary schedules pertaining to the firm of PAF Securities, LLC as of December 31, 2008, are true and correct.

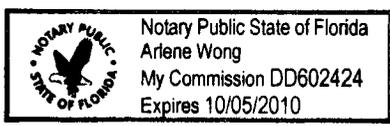
I further affirm that neither PAF Securities, LLC nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer.



Signature

Managing Director
Title

Subscribed and sworn to before me on this 24th day of March, 2009.





Notary Public

PAF SECURITIES, LLC

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PAF SECURITIES, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2008

PAF SECURITIES, LLC

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Members
PAF Securities, LLC

We have audited the accompanying statement of financial condition of PAF Securities, LLC as of December 31, 2008, and the related statements of operations, member's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 of 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 PAF Securities, LLC as of December 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information, as listed on the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Fort Lauderdale, Florida
March 20, 2009



PAF SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2008

ASSETS

Cash and Cash Equivalents	\$ 308,966
Accounts Receivable	9,138
Prepaid Expense	6,095
Other Assets	<u>44,929</u>
	<u>\$ 369,128</u>

LIABILITIES AND MEMBERS' EQUITY

Accounts Payable	\$ -
Deferred Revenue	<u>78,275</u>
	78,275
Members' Equity	<u>290,853</u>
Total Liabilities and Members' Equity	<u>\$ 369,128</u>

See notes to financial statements.

PAF SECURITIES, LLC
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2008

Revenues:	
Retainer fees	\$ 714,959
Success fee	1,582,476
Reimbursed expense	<u>130,359</u>
	<u>2,427,794</u>
Expenses:	
General and administrative expenses	1,388,850
Consulting fees	<u>577,330</u>
	<u>1,966,180</u>
Income from Operations	461,614
Interest Income	<u>69</u>
Net Income	<u>\$ 461,683</u>

See notes to financial statements.

PAF SECURITIES, LLC

STATEMENT OF MEMBERS' EQUITY

YEAR ENDED DECEMBER 31, 2008

Balance, December 31, 2007	\$ 124,242
Members' contributions	194,928
Members' distributions	(490,000)
Net income	<u>461,683</u>
Balance, December 31, 2008	<u>\$ 290,853</u>

See notes to financial statements.

PAF SECURITIES, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2008

Cash Flows From Operating Activities:	
Net Income	\$ 461,683
Adjustments to reconcile net income to net cash and cash equivalents provided by operating activities:	
Changes in operating assets:	
Decrease in accounts receivable	10,862
Increase in security deposits	(44,929)
Decrease in accounts payable	(1,000)
Increase in deferred revenue	78,275
Increase in prepaids	<u>(6,095)</u>
Net cash provided by operating activities	498,796
Cash Flows From Financing Activities:	
Member distributions	(490,000)
Member contributions	<u>194,928</u>
Net cash used by financing activities	<u>(295,072)</u>
Net Increase in Cash and Cash Equivalents	203,724
Cash and Cash Equivalents, Beginning	<u>105,242</u>
Cash and Cash Equivalents, Ending	<u>\$ 308,966</u>

See notes to financial statements.

PAF SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Business

PAF Securities, LLC (the Company) is a broker-dealer which became registered with the Securities and Exchange Commission (SEC) and also became a member of the National Association of Securities Dealers (NASD) on November 24, 2006. The Company engages primarily in providing advisory services related to mergers and acquisitions, restructuring and capital raising transactions. The Company is subject to regulatory oversight and periodic audit by the SEC and the NASD.

The Company does not hold customer funds or securities or owe money or securities to customers.

Revenue Recognition

Revenue is recorded when services have been performed. The Company enters into retainer agreements with its customers, which provide for monthly billings for months in which services have been performed. The retainer agreements also provide for success fees to be earned by the Company upon the successful close of a merger and acquisition, restructuring or capital raising transaction.

Cash Equivalents

For purposes of reporting cash flows, cash equivalents are all money market funds, treasury bills and certificates of deposit purchased with an original maturity of three months or less.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

PAF SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS

(Continued)

NOTE 2. NET CAPITAL REQUIREMENT

The Company is subject to the Securities and Exchange Commission (“SEC”) Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2008 the Company had net capital of \$230,691 which was \$225,691 in excess of its required net capital of \$5,000.

NOTE 3. INCOME TAXES

PAF Securities, LLC is a limited liability company. As an LLC, the Company is not required to file separate tax returns. Federal income taxes are reported on the individual members’ income tax returns. Therefore, no provision or liability for federal income taxes has been included in the accompanying financial statements.

The Company is subject to potential review or examination of federal, state and local income and payroll tax returns by various taxing authorities. Additional taxes, including penalties for non-compliance, and interest, if any, will be charged to operations when determined.

NOTE 4. RELATED PARTY TRANSACTIONS

Expense-Sharing Agreement.

The Company has a written expense-sharing agreement with an entity owned 100% by the members of the Company (Pan American Finance, LLC).

The agreement stipulates which entity is responsible for payment of certain expenses incurred for the benefit of PAF Securities, LLC as an NASD-registered broker-dealer. As outlined in the agreement, expenses that are regulatory in nature will be paid by PAF Securities, LLC. Expenses that are non-regulatory in nature shall be paid by Pan American Finance, LLC, with a certain percentage to be allocated to PAF Securities, LLC for reimbursement. Non-regulatory expenses include certain overhead costs that are not directly related to the operations of the broker-dealer. Approximately \$15,018 of non-regulatory expenses have been allocated to the Company for the year ended December 31, 2008.

PAF SECURITIES, LLC

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2008

Report of Independent Certified Public Accountants on Internal Control as Required By Rule 17a-5 of the Securities and Exchange Commission

To the Members
PAF Securities, LLC

In planning and performing our audit of the financial statements of PAF Securities, LLC (the Company) for the period ending December 31, 2008, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g), in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a 3(a)(11) and the exemptive provisions of rule 15-c3-3(e). Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.



A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate, at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Fort Lauderdale, Florida
March 20, 2009

PAF SECURITIES, LLC

SCHEDULE I

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

DECEMBER 31, 2008

Total Assets	\$ 369,128
Less Total Liabilities	<u>78,275</u>
Net Worth	290,853
Less Non-Allowable Assets	<u>60,162</u>
Net Capital	230,691
Net Capital Required	<u>5,000</u>
Excess Net Capital	<u>\$ 225,691</u>
Aggregate Indebtedness	<u>\$ -</u>
Ratio: Aggregate Indebtedness to Net Capital	<u>-</u>

There is no material difference between the Company's computation as included in Part IIA of Form X-17a-5(a) as amended for December 31, 2008 and the above calculation.

PAF SECURITIES, LLC

SCHEDULE II

INFORMATION RELATING TO DETERMINATION OF RESERVE REQUIREMENTS AND
POSSESSION OR CONTROL OF SECURITIES UNDER RULE 15c3-3
OF THE SECURITIES AND EXCHANGE COMMISSION
YEAR ENDED DECEMBER 31, 2008

The Company operates pursuant to the (K)(2)(ii) exemptive provision of the Securities and Exchange Commission Rule 15c3-3 and does not hold customer funds or owe money or securities to customers.

The Company was in compliance with the conditions of the exemption for the year ended December 31, 2008.