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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
8-51389

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 01/01/2008 AND ENDING 12/31/2008  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: AVIAN SECURITIES, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

260 FRANKLIN STREET, SUITE 1010

(No. and Street)

BOSTON,

MA

02110

(City)

(State)

(Zip Code)

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

AVI COHEN

(617) 988-8151

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

GOSULE, BUTKUS & JESSON, LLP

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

480 ADAMS STREET

MILTON

(Address)

(City)

**PROCESSED**

**FEB 05 2009**

**THOMSON REUTERS**

SECURITIES AND EXCHANGE COMMISSION	02186
MA	(State)
JAN 30 2009	(Zip Code)
BRANCH OF REGISTRATIONS AND EXAMINATIONS	10

CHECK ONE:

Certified Public Accountant

Public Accountant

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

**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)

AB  
2/4

002-4

OATH OR AFFIRMATION

I, AVI COHEN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AVIAN SECURITIES, LLC, as of DECEMBER 31, 20 08, 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:

The Commonwealth of Massachusetts

Suffolk, s.s. Date 1/27/9

Then personally appeared the above named

Avi Cohen

and acknowledged the foregoing instrument to be his/her free act and deed, before me.

NATHANIEL W. LOVELL, Notary Public My Commission Expires Nov. 27, 2009

Notary Public

Signature MANAGING PARTNER Title

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).

**Avian Securities, LLC  
(SEC I.D. No. 8/51389)**

**Independent Auditor's Report and Supplemental  
Report on Internal Control**

**Financial Statements and Supplemental Schedule  
Year Ended December 31, 2008**

**Filed Pursuant to Rule 17a-5(e) (3) as a Public Document**

**AVIAN SECURITIES, LLC**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2008**

**AVIAN SECURITIES, LLC**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2008**  
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BOSTON OFFICE  
101 Federal Street  
Suite 1908  
Boston, MA 02110  
617. 342. 7033



CAPE COD OFFICE  
67 School Street  
Hyannis, MA 02610  
508. 771. 8577  
Fax 508. 775. 7526

## Gosule, Butkus & Jesson, LLP

CERTIFIED PUBLIC ACCOUNTANTS

480 Adams Street • Milton, MA 02186  
617.698.3950 • Fax 617.696.1596

### INDEPENDENT AUDITOR'S REPORT

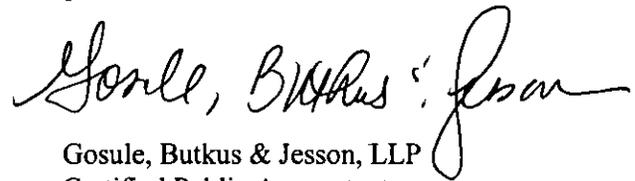
To the Board of Directors  
Avian Securities, LLC  
260 Franklin Street, Suite 1010  
Boston, Massachusetts 02110

We have audited the accompanying statement of financial condition of Avian Securities, LLC as of December 31, 2008, and the related statements of operations, changes in members' 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 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, such financial statements present fairly, in all material respects, the financial position of Avian Securities, LLC at 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 of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of computation of net capital pursuant to Rule 15c3-1 as of December 31, 2008 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. This schedule is the responsibility of the company's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

  
Gosule, Butkus & Jesson, LLP  
Certified Public Accountants

Milton, Massachusetts  
January 26, 2009

**AVIAN SECURITIES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**YEAR ENDED DECEMBER 31, 2008**

**ASSETS**

**Current assets:**

Cash	\$ 675,277
Receivable from clearing organization	403,859
Receivable from customers	6,416
Security deposit	130,706
Prepaid expense	16,689
<b>Total current assets</b>	<u>1,232,947</u>

**Office equipment and fixtures:**

Office equipment and fixtures	222,966
Less: accumulated depreciation	182,932
<b>Total office equipment and fixtures</b>	<u>40,034</u>

\$ 1,272,981

**LIABILITIES AND MEMBERS' EQUITY**

**Current liabilities:**

Accounts payable and accrued expenses	\$ 383,577
<b>Total current liabilities</b>	<u>383,577</u>

**Members' equity:**

Members' equity	889,404
<b>Total member's equity</b>	<u>889,404</u>

\$ 1,272,981

See accompanying notes and auditor's report.

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**AVIAN SECURITIES, INC.  
STATEMENT OF OPERATION  
YEAR ENDED DECEMBER 31, 2008**

<b>Income</b>	
Brokerage	\$ 5,905,179
Research	1,438,869
Miscellaneous income	12,313
<b>Total income</b>	<u>7,356,361</u>
<b>Operating expenses:</b>	
Payroll, commissions, and related expenses	3,929,795
Brokerage expenses and clearing fees	1,043,233
Professional fees	307,610
Communication expenses	247,608
Soft dollar	517,719
Occupancy and office supplies	310,650
Depreciation	29,983
Other operating expenses	621,904
<b>Total operating expenses</b>	<u>7,008,502</u>
<b>Other expenses:</b>	
Loss of disposition of assets	<u>3,088</u>
<b>Income before provision for income taxes</b>	344,771
Provision for income taxes	<u>5,938</u>
<b>Net income</b>	<u><u>\$ 338,833</u></u>

See accompanying notes and auditor's report.

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**AVIAN SECURITIES, INC.**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**YEAR ENDED DECEMBER 31, 2008**

<b>Balance, beginning of year</b>	<b>\$ 720,588</b>
 Add:	
Net income	<u>338,833</u>
	<b>1,059,421</b>
 Less: Distribution to members	 <u>170,017</u>
 <b>Balance, end of year</b>	 <u><u>\$ 889,404</u></u>

See accompanying notes and auditor's report.

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**AVIAN SECURITIES, INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2008**

<b>Cash flows from operating activities:</b>	
Net income	\$ 338,833
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	29,983
Loss on disposition of office equipment and furniture	3,088
Change in:	
Receivable from clearing organization	(285,529)
Receivable from customers	149,636
Security deposit	(53,000)
Certificate of deposit	-
Prepaid expense	(16,689)
Accounts payable and accrued expenses	<u>(516)</u>
<b>Net cash provided by operating activities</b>	<u>165,806</u>
<b>Cash flows from investing activities:</b>	
Purchase of office equipment and fixtures	<u>(28,070)</u>
<b>Net cash used by investing activities</b>	<u>(28,070)</u>
<b>Cash flows from financing activities:</b>	
Distributions to members	<u>(170,017)</u>
<b>Net cash used by financing activities</b>	<u>\$ (170,017)</u>
<b>Net decrease in cash</b>	<b>(32,281)</b>
Cash, beginning of year	<u>707,558</u>
<b>Cash, end of year</b>	<u><u>\$ 675,277</u></u>
<b>Supplemental disclosures of cash flows:</b>	
Cash paid for interest	<u>\$ 2,487</u>
Cash paid for income taxes	<u>\$ 7,600</u>

See accompanying notes and auditor's report.

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**AVIAN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of business

Avian Securities, LLC ("the Company") is engaged in buying and selling securities for a diverse group of investors. The Company introduces these transactions for clearance and execution services to Pershing, LLC ("Pershing"), a New York Stock Exchange member firm, on a fully disclosed basis. The Company's business and results of operations are, to some extent, dependent on investment trends of the United States economy.

The agreements between the Company and Pershing provide that the Company is obligated to assume any exposure related to nonperformance by its customers. The Company monitors its customer activity by reviewing information it receives from Pershing on a daily basis, requiring customers to deposit additional collateral or reduce positions when necessary, and reserving for doubtful accounts when necessary.

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Receivable from clearing organization and customers

The Company uses the specific identification method of accounting for losses arising from uncollectible receivables from clearing organizations. Under this method, receivable from clearing organization is written off to bad debt expense in the period it is deemed to be uncollectible. In the opinion of management, substantially all of the receivables from clearing organization and customers are considered to be realizable at the amounts stated in the accompanying statement of financial condition and no allowance for doubtful accounts is considered necessary.

**AVIAN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Office equipment and fixtures

Office equipment and fixtures are capitalized at cost. Expenditures for maintenance and repairs are charged against operations. Renewals and betterments that materially extend the life of the assets are capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The related useful lives of the assets are:

Computer equipment	3 years
Computer software	3 years
Furniture	5 years
Telephone equipment	5 years

Revenue recognition

The Company follows the practice of accounting for income on a settlement-date basis.

Income taxes

The Company and its members have elected to be taxed as a partnership. No provision has been provided for federal income taxes in the financial statements, as all income of the Company is taxed directly to the members. Some local tax legislation requires that a portion of the local income tax liability relating to the Company's income be assessed at the company level; therefore, when applicable, a local tax liability has been accrued for financial statements purposes.

**AVIAN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**NOTE 2 - CONCENTRATION OF RISK**

Cash balances

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Receivables and customers

One clearing organization accounted for 98% of the outstanding balance at December 31, 2008. Such item was fully collected in January, 2008.

**NOTE 3 - MEMBERS' EQUITY**

As a result of the Company's election to be treated as a partnership for tax purposes, taxable income for the year ended December 31, 2008 has been allocated to a members' capital account.

**NOTE 4 - COMMITMENTS AND CONTIGENCIES**

Leases

The Company leases various office spaces that are being properly classified as operating leases. These leases have various terms that run through November, 2009. The Company has recorded office rental expense for the year ended December 31, 2008 of \$267,473, which is included in occupancy and office supplies.

The following represents the minimum lease payments due next year.

Year ending December 31,

2009

\$ 288,625

**AVIAN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**NOTE 4 - COMMITMENTS AND CONTIGENCIES (continued)**

Letter of credit

On September 5, 2003, the Company secured an Irrevocable Standby Letter of Credit from Bank of America in the amount of \$77,706 as required in a lease agreement for office space. The Company is required to maintain a deposit account of \$77,706 at Bank of America until expiration of the letter of credit on November 1, 2009.

**NOTE 5 - NET CAPITAL REQUIREMENTS**

As a broker/dealer, the Company is subject to the Securities and Exchange Commission's regulations and operating guidelines, including Rule 15c3-1, which requires the Company to maintain a specified amount of capital, as defined, and a ratio of aggregate indebtedness, as defined, to net capital not exceeding 15 to 1. The Company's net capital, as computed pursuant to Rule 15c3-1, was \$693,520 at December 31, 2008, which was greater than required net capital of \$250,000 by \$443,520. The ratio of aggregate indebtedness to net capital at December 31, 2008 was 1.16 to 1 (see supplementary information).

**NOTE 6 - DEPOSITS WITH CLEARING BROKER**

The amount that the Company has on deposit with clearing broker at December 31, 2008, consists of the following:

	<u>Financial Statement Classification</u>	<u>Carrying Amount</u>
Pershing, LLC	Receivable from clearing organization	\$ 403,859
	Cash	<u>251,795</u>
		<u>\$ 655,654</u>

**AVIAN SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008**

**NOTE 7 - DEPRECIATION**

Depreciation expense for the year ended December 31, 2008 was \$29,983.

**NOTE 8 - EXEMPTION FROM RULE 15c3-3**

The Company claims an exemption from Rule 15c3-3 of the Securities Exchange Act of 1934 under section §K(2)(ii), all of the customer transactions are cleared through another broker on a fully disclosed basis. As a result, there were no reserve requirements.

The firm does engage in soft dollar business which requires customer funds to be held in a segregated account for soft dollar Section 28(e) payments on behalf of customers.

**SUPPLEMENTARY INFORMATION**

**AVIAN SECURITIES, INC.**  
**COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15C3-1**  
**YEAR ENDED DECEMBER 31, 2008**

Capital - members' equity	\$	889,404	
Deductions - nonallowance items		193,846	
Other deductions		<u>2,038</u>	
Net capital		693,520	
Total aggregate indebtedness	\$	<u>383,577</u>	
Minimum net capital requiremnt of broker/dealer (The greater of 6-2/3% of aggregate indebtedness, as defined, or \$250,000)		<u>250,000</u>	
<b>Excess net capital</b>	\$	<u>443,520</u>	
Ratio of aggregate indebtedness to net capital		1.16 to 1	1.16

*Note: there is no difference between the net capital computation above and that per the unaudited FOCUS report*

See accompanying auditor's report.

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BOSTON OFFICE  
101 Federal Street  
Suite 1908  
Boston, MA 02110  
617. 342. 7033



CAPE COD OFFICE  
67 School Street  
Hyannis, MA 02610  
508. 771. 8577  
Fax 508. 775. 7526

## **Gosule, Butkus & Jesson, LLP**

CERTIFIED PUBLIC ACCOUNTANTS  
480 Adams Street • Milton, MA 02186  
617.698.3950 • Fax 617.696.1596

January 26, 2009

Mr. Avi Cohen  
Avian Securities, LLC  
260 Franklin Street, Suite 1010  
Boston, Massachusetts 02110

In planning and performing our audit of the financial statements of Avian Securities, LLC ("the Company") for the year ended December 31, 2008, on which we have issued our report dated January 26, 2009, 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 Company's internal control.

Also, as required by Rule 17a-5(g)(1) under the Securities Exchange Act of 1934, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by the Company that we considered relevant to the objectives stated in Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

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 internal control and of the practices and procedures, and to assess whether those practices and procedures can be expected to achieve the Securities and Exchange Commission's ("the Commission") 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 the assets for which the Company has responsibility are safeguarded against loss from unauthorized acquisition, use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

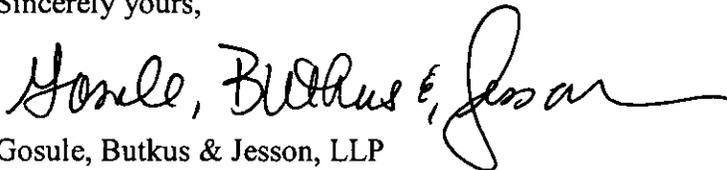
Because of inherent limitations in any internal control or practices and procedures referred to above, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal control or such practices and procedures to future period is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with the policies and procedures may deteriorate.

Our consideration of the Company's internal control would not necessarily disclose all matters in the Company's internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the Company's internal control and its operations, including control activities for safeguarding securities, that we consider to be material weakness 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 Commission 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 Commission's objectives.

This report is intended solely for the information and use of the director, management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc., 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.

Sincerely yours,



Gosule, Butkus & Jesson, LLP  
Certified Public Accountants

Accepted:

By: 

Date: 1/26/09

**END**