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

SEC FILE NUMBER
8-66656

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: Fidus Securities, LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
121 West Trade St., Suite 1800

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

Charlotte North Carolina 28202
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Robert L. Kreidler, Jr. 704-334-2443
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Grant Thornton LLP

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

201 South College St., Suite 2500 Charlotte North Carolina 28244
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

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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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3/17

OATH OR AFFIRMATION

I, Edward P. Imbrogno, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Fidus Securities LLC, as of December 31, 2008, 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:

LOIS E. MILLER
NOTARY PUBLIC
Rowan County
North Carolina
My Commission Expires Apr. 23, 2011

Ed P Imbrogno
Signature

Designated Principal
Title

Lois E. Miller
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 15c3-1 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).

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Report of Independent Certified Public Accountants

To the Members of
Fidus Securities, LLC:

We have audited the accompanying statement of financial condition of **Fidus Securities, LLC** (a limited liability company), as of December 31, 2008, and the related statements of operations, changes in 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants. 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 Fidus Securities, LLC as of December 31, 2008, and the results of its operations and cash flows for the year ended December 31, 2008, 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 information contained in Schedule I 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 under the Securities Exchange Act of 1934. 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.

Grant Thornton LLP

Raleigh, North Carolina
February 27, 2009

Statement of financial condition

December 31	2008
	\$
Assets:	
Cash and cash equivalents	444,572
Prepaid expenses	1,422
Total assets	445,994
Liabilities and Member's equity:	
Due to Member	98,163
Deferred revenue	25,000
Other liabilities	697
Total liabilities	123,860
Member's equity	322,134
Total liabilities and member's equity	445,994

The accompanying notes are an integral part of these financial statements.

Statement of operations

For the year ended December 31	2008
	\$
Revenues:	
Fees	2,891,776
Other	793
Total revenues	2,892,569
Expenses:	
Office services allocations from Member	3,402,810
Professional fees	22,834
Business licenses and fees	20,730
Other	11,465
Total expenses	3,457,839
Net loss	(565,270)

The accompanying notes are an integral part of these financial statements.

Statement of changes in member's equity

For the year ended December 31	2008
	\$
Member's equity, December 31, 2007	226,262
Forgiveness of expenses by Member	661,142
Net loss	(565,270)
Member's equity, December 31, 2008	322,134

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

For the year ended December 31	2008
	\$
Cash flows used in operating activities:	
Net loss	(565,270)
Adjustments to reconcile net loss to net cash used in operating activities:	
Increase in prepaid expenses	(724)
Increase in deferred revenue	25,000
Decrease in due from Member	165,709
Net cash used in operating activities	(375,285)
Cash flows from financing activities - Forgiveness of expenses by Member	661,142
Net increase in cash	285,857
Cash and cash equivalents, beginning of year	158,715
Cash and cash equivalents, end of year	444,572

The accompanying notes are an integral part of these financial statements.

Notes to financial statements

1 Summary of Operations and Significant Accounting Policies

Operations

Fidus Securities, LLC (the Company) is a limited liability company that operates as a registered broker-dealer. As a registered broker-dealer, the Company primarily represents clients in merger and acquisition related activities composed principally of sell-side transactions structured as the sale of corporate stock or other securities to institutional or corporate acquirers. The Company is registered with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority (formerly the National Association of Security Dealers) and the Securities Investor Protection Corporation.

Use of Accounting Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Cash

The Company maintains cash deposits with financial institutions which, at times, may exceed federally insured limits. The Company considers liquid financial instruments with original maturities of 90 days or less to be cash equivalents.

Revenue recognition

The Company recognizes revenue from investment banking transactions when earned. Success-based transaction fees are typically earned at the date the client's enterprise is successfully sold to a buyer. Advisory, retainer and other fees, including non-refundable fees, are typically earned throughout a client engagement as services are performed. To the extent client funds are received prior to being earned, such amounts are deferred and accounted for as deferred revenue.

Deferred revenue

During the year ending December 31, 2008, the Company received a deposit from a client pursuant to the terms of an investment banking advisory services engagement. This client deposit totaled \$25,000 and has been accounted for as deferred revenue, and reflected as a liability in the accompanying statement of financial condition.

Income Taxes

The Company is organized as a limited liability company, and accordingly is considered to be a disregarded entity for income tax purposes. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements, as the member includes the Company's taxable income or loss in its income tax returns.

2 Related-party Transactions

The Company is a wholly owned subsidiary of Fidus Partners, LLC (the Member) and was established to process certain transactions initiated by itself or its parent company that require the services of a registered broker-dealer. Only transactions that relate specifically to broker-dealer activities result in revenue being recognized by the Company. In accordance with regulatory requirements, the parent company allocates certain of its common office overhead costs to the Company in the form of an office services charge. This allocation is an amount equal to the total of all common office expenses multiplied by the revenues recognized by the Company as a percentage of all revenue recognized by the Company and its Member combined. The Company incurred \$3,402,810 in such charges for the year ended December 31, 2008. The Company had an intercompany payable balance to its Member in the amount of \$98,163 as of December 31, 2008 related to office services allocations from the Member. Allocations are made on a monthly basis, and are typically paid to the Member within 30 days.

During the year ending December 31, 2008, the Company's Member made payments for certain expenses on behalf of the Company, which totaled \$661,142. The Member has forgiven such amounts and thus does not intend to be reimbursed by the Company, and accordingly these amounts have been accounted for as permanent equity contributions from the Member.

3 Securities and Exchange Commission Matters

Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (SEC 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. As of December 31, 2008, the Company had net capital of \$320,712, which was \$312,455 in excess of its required net capital of \$8,257.

Reserve Requirements

The Company does not carry customer accounts. As such, it is exempt from SEC Rule 15c3-3 pursuant to Section k(2)(i) of that rule.

Aggregate Indebtedness

At December 31, 2008, the Company had aggregate indebtedness of \$123,860, of which \$98,163 was due to the Member.

Schedule I

Financial and Operational Combined Uniform Single Report Part III

Broker or Dealer – Fidus Securities, LLC as of December 31, 2008

Computation of Net Capital

1.	Total ownership equity from Statement of Financial Condition.....		\$322,134
2.	Deduct ownership equity not allowable for Net Capital.....		
3.	Total ownership equity qualified for Net Capital.....		<u>\$322,134</u>
4.	Add:		
	A. Liabilities subordinated to claims of general creditors allowable in computation of net capital (notes payable to former stockholder).....		
	B. Other (deductions) or allowable credits.....		
5.	Total capital and allowable subordinated liabilities.....		<u>\$322,134</u>
6.	Deductions and/or charges:		
	A. Total nonallowable assets from Statement of Financial Condition (page 3)	<u>\$1,422</u>	
	B. Secured demand note deficiency.....	<u> </u>	
	C. Commodity futures contracts and spot commodities – Proprietary capital charges	<u> </u>	
	D. Other deductions and/or charges.....	<u> </u>	
	E. Total deductions and/or charges.....	<u>\$1,422</u>	
7.	Other additions and/or allowable credits.....		
8.	Net capital before haircuts on securities positions.....		<u>\$320,712</u>
9.	Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f):		
	A. Contractual securities commitments.....	<u> </u>	
	B. Subordinated securities borrowings.....	<u> </u>	
	C. Trading and investment securities:		
	1. Exempted securities.....	<u> </u>	
	2. Debt securities.....	<u> </u>	
	3. Options.....	<u> </u>	
	4. Other securities.....	<u> </u>	
	D. Undue Concentration.....	<u> </u>	
	E. Other.....	<u> </u>	
10.	Net Capital.....		<u><u>\$320,712</u></u>

The accompanying note to this supplementary schedule is an integral part of this schedule.

Schedule I (Page 2)

Financial and Operational Combined Uniform Single Report Part III

Broker or Dealer – Fidus Securities, LLC as of December 31, 2008

Computation of Basic Net Capital Requirement

11.	Minimum net capital required (6-2/3% of line 18).....	\$ 8,257
12.	Minimum dollar net capital requirement of reporting broker or dealer.....	5,000
13.	Net capital requirement (greater of line 11 or 12).....	8,257
14.	Excess net capital (line 10 less 13).....	312,455
15.	Excess net capital of 1000% (line 10 (Schedule I) less 10% of line 18).....	<u>308,326</u>

Computation of Aggregate Indebtedness

16.	Total aggregate indebtedness liabilities.....	\$123,860
17.	Add:	
	A. Drafts for immediate credit.....	_____
	B. Market value of securities borrowed for which no equivalent value is paid or credited.....	_____
	C. Other unrecorded amounts.....	_____
18.	Total aggregate indebtedness.....	<u>\$123,860</u>
19.	Percentage of aggregate indebtedness to net capital (line 18 divided by line 10 (Schedule 1)).....	<u>38.6%</u>

Schedule I (page 3)

Computation of Net Capital Supporting Schedule December 31, 2008

Description	Allowable Assets	Nonallowable Assets	Total
Cash and cash equivalents	\$ 444,572	-	\$ 444,572
Prepaid expenses	-	1,422	1,422
	\$ 444,572	1,422	\$ 445,994

The accompanying note to the supplementary schedule is an integral portion of this schedule.

Note to Supplementary Schedule

No material differences exist between the audited Computation of Net Capital (Schedule I) and the corresponding schedule included in the Company's unaudited December 31, 2008, Form X-17a-5 Part IIA filing, as amended.



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**Report of Independent Certified Public Accountants on
Internal Control**

To the Members of
Fidus Securities, LLC:

In planning and performing our audit of the financial statements and supplemental schedule of **Fidus Securities, LLC** for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's 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 and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. 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 recordation of differences required by Rule 17a-13;
- (2) Complying with the requirements for prompt payment for securities under Section 8 of the 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 accounting principles generally accepted in the United States of America (US GAAP). 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 deficiency in internal control 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 and correct misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented, or detected and corrected on a timely basis.

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, as described in the second paragraph of this report, were adequate at December 31, 2008 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority 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.

Grant Thornton LLP

Raleigh, North Carolina
February 27, 2009