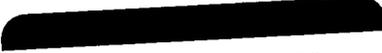


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UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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

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Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

01/01/2008

12/31/2008

REPORT FOR THE PERIOD BEGINNING AND ENDING MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Basic Capital Advisors, LLC

OFFICIAL USE ONLY FIRM I.D. NO.

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

120 W 15th Street

(No. and Street)

New York

NY

10011

(City)

(State)

(Zip Code)

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

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Pustorino, Puglisi & Co., LLP

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

515 Madison Avenue

New York

NY

10022

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- [X] 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)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten initials

## OATH OR AFFIRMATION

I, John C. Harpole, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Basic Capital Advisors, 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:

VERONICA D. DE LOS SANTOS  
Notary Public, State of New York  
No. 01DE6066570  
Qualified in Queens County  
Commission Expires March 3, 2010

Veronica D. De Los Santos  
Notary Public

[Signature]  
Signature  
[Title]  
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).

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BASIC CAPITAL ADVISORS, LLC

STATEMENT OF FINANCIAL CONDITION  
AND INDEPENDENT AUDITORS' REPORT  
DECEMBER 31, 2008

BASIC CAPITAL ADVISORS, LLC  
(A LIMITED LIABILITY COMPANY)  
INDEX  
DECEMBER 31, 2008

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<u>Financial Statements:</u>	
Statement of Financial Condition	2
Notes to Financial Statements	3-4

PUSTORINO,  
PUGLISI  
& CO., LLP  
CERTIFIED PUBLIC ACCOUNTANTS  
515 MADISON AVENUE  
NEW YORK, NEW YORK 10022  
(212) 832.1110 FAX (212) 755.6748



INDEPENDENT AUDITORS' REPORT

The Managing Member  
Basic Capital Advisors, LLC

We have audited the accompanying statement of financial condition of Basic Capital Advisors, LLC (the "Company") as of December 31, 2008. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. 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 statement referred to above presents fairly, in all material respects, the financial position of Basic Capital Advisors, LLC as of December 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

*Pustorino, Puglisi & Co., LLP*

Pustorino, Puglisi & Co., LLP  
New York, New York  
February 24, 2008

BASIC CAPITAL ADVISORS, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2008

ASSETS

ASSETS

Cash and cash equivalents	\$ 17,663
Accounts receivable	699
Prepaid expenses	2,096
Fixed assets, net	<u>3,777</u>
 TOTAL ASSETS	 <u>\$ 24,235</u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Due to member	\$ 9
Accounts payable and accrued expenses	<u>1,910</u>
 TOTAL LIABILITIES	 <u>1,919</u>

MEMBER'S EQUITY

Member's equity	<u>22,316</u>
 TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	 <u>\$ 24,235</u>

See accompanying notes to financial statements.

BASIC CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

Note 1 – Organization:

Basic Capital Advisors, LLC (the “Company”) is a broker-dealer registered with the Securities and Exchange Commission (“SEC”) and became a member of the Financial Industry Regulatory Authority (“FINRA”) on December 18, 2006. The Company was founded under the laws of the state of New York. The Company provides planning, structuring, marketing, capital-raising and other advisory services. It operates one office in New York City, NY. The Company is wholly owned by John C. Harpole.

Note 2 – Significant Accounting Policies:

Basis of Presentation:

The Company keeps its books and prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition:

The Company’s policy is to record fees as they are earned based on the services provided or the closing of certain securities transactions.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Income Taxes:

The Company is a single member limited liability company and as such, does not file its own tax return. As a result, no federal, state or local income taxes are provided as they are the responsibility of the individual member.

Use of Estimates:

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 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.

New Accounting Pronouncements:

In July 2006, the Financial Accounting Standards Board issued FASB Interpretation No. 48 “Accounting for Uncertainty in Income Taxes” (FIN 48). The interpretation was effective for financial statements issued for fiscal years beginning after December 15, 2007, which was later deferred to years beginning after December 15, 2008 by the FASB. This standard provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. The Company does not expect the adoption of FIN 48 to have an effect on its financial statements.

BASIC CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

Note 3 – Net Capital Requirements:

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1) which requires the maintenance of a minimum net capital, as defined, of the greater of \$5,000 or one-fifteenth of aggregate indebtedness, as defined. As of December 31, 2008, the Company had net capital of \$15,744, which exceeded its requirement by \$10,744. Additionally, the Company must maintain a ratio of aggregate indebtedness to net capital of 15:1 or less. As of December 31, 2008 this ratio was .12:1.

The Company is exempt from the provisions of Rule 15c3-3 of the SEC since the Company's activities are limited to those set forth in the conditions for exemption pursuant to subsection k(2)(i) of the Rule.

Note 4 – Concentrations:

The Company maintains all of its cash in financial institutions, which at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not subject to any significant credit risk on cash.

Note 5 – Related Party Transactions:

The Company utilizes the office space and equipment of its sole stockholder which are provided at no charge. Management deems the monetary value of this arrangement to be immaterial.

The Company routinely enters into advisor agreements whereby it agrees to provide brokerage as well as non-brokerage advisory services. The advisory services are typically performed, billed and recorded by an affiliated entity and are not recorded on the Company's books and records.

PUSTORINO,  
PUGLISI  
& CO.,LLP  
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515 MADISON AVENUE  
NEW YORK, NEW YORK 10022