

SI



09059308

OMMISSION 9

MAR 02 2009
WASHINGTON DC
SEC

OMB APPROVAL

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

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

SEC FILE NUMBER

8-66127

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: Millennium Wave Securities, LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
3204 Beverly Drive
(No. and Street)
Dallas, Texas
(City) (State) 75205
(Zip Code)

OFFICIAL USE ONLY

FIRM ID. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
John F. Mauldin, President (817) 794-0669
(Area Code - Telephone Number)

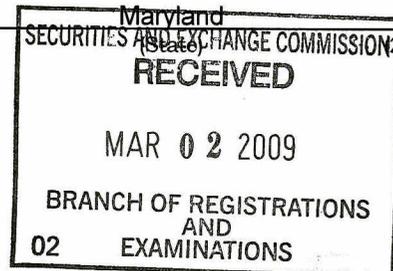
B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Arthur F. Bell, Jr. & Associates, L.L.C.
(Name - if individual, state last, first, middle name)
201 International Circle, Suite 400 Hunt Valley, Maryland 21030
(Address) (City) (State) (Zip Code)

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).

3/19

AB
3/19

OATH OR AFFIRMATION

I, John F. Mauldin, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Millennium Wave 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:

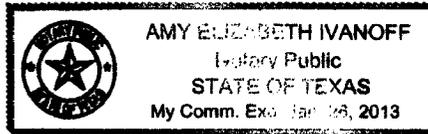
[Handwritten Signature]

Signature

President

Title

Amy Elizabeth Ivanoff
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 Proprietor's 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 15c3-3 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).

MILLENNIUM WAVE SECURITIES, LLC

TABLE OF CONTENTS

	<u>PAGES</u>
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Members' Capital	4
Statement of Cash Flows	5
Notes to Financial Statements	6 – 7
Supplementary Information	
Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	8
Computation of Reserve Requirements Under Rule 15c3-3 and Information Relating to Possession or Control Requirements Under Rule 15c3-3	9
NFA Supplemental Schedule – IB	10 – 11
Independent Auditor's Report on Internal Control	12 – 13

INDEPENDENT AUDITOR'S REPORT

To the Members
Millennium Wave Securities, LLC

We have audited the accompanying statement of financial condition of Millennium Wave Securities, LLC (the Company) as of December 31, 2008, and the related statements of operations, changes in members' capital, 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 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 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 Millennium Wave 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 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 on pages 8 through 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The computation of net capital and computation for determination of reserve requirements and information relating to possession or control requirements is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. The NFA Supplemental Schedule-IB is supplementary information required by the rules of the National Futures Association. 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.

Arthur F. Bell, Jr. & Associates, L.L.C.

Hunt Valley, Maryland
February 27, 2009

MILLENNIUM WAVE SECURITIES, LLC
STATEMENT OF FINANCIAL CONDITION

December 31, 2008

ASSETS

Cash and equivalents	\$ 82,551
Interest receivable	131
Referral fees receivable	<u>56,234</u>
Total assets	<u><u>\$ 138,916</u></u>

LIABILITIES

Accounts payable and accrued expenses	<u>\$ 7,000</u>
---------------------------------------	-----------------

MEMBERS' CAPITAL

Managing Member	131,916
Non-managing Member	<u>0</u>
Total members' capital	<u>131,916</u>
Total liabilities and members' capital	<u><u>\$ 138,916</u></u>

See accompanying notes.

MILLENNIUM WAVE SECURITIES, LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2008

REVENUE

Referral fees	\$ 972,657
Interest income	1,986
	<hr/>
Total revenue	974,643
	<hr/>

EXPENSES

Office services fee	88,512
Regulatory fees and expenses	17,280
Professional fees	26,772
Other expenses	13,281
	<hr/>
Total expenses	145,845
	<hr/>
NET INCOME	\$ 828,798
	<hr/> <hr/>

See accompanying notes.

MILLENNIUM WAVE SECURITIES, LLC
STATEMENT OF CHANGES IN MEMBERS' CAPITAL
For the Year Ended December 31, 2008

	Managing Member	Non-Managing Member	Total
Balances at December 31, 2007	\$ 133,977	\$ 0	\$ 133,977
Net income for the year ended December 31, 2008	828,798	0	828,798
Distributions	(830,859)	0	(830,859)
Balances at December 31, 2008	\$ 131,916	\$ 0	\$ 131,916

See accompanying notes.

MILLENNIUM WAVE SECURITIES, LLC
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2008

Cash flows from operating activities:

Net income	\$ 828,798
Non-cash referral fees (see Note 3.)	(107,000)
Increase in accounts payable and accrued expenses	6,175
Decrease in referral fees receivable	26,079
Decrease in interest receivable	1,494
	<hr/>
Net cash from operating activities	755,546

Cash flows (for) financing activities:

Distributions to Managing Member	(723,859)
	<hr/>
Net increase in cash and equivalents	31,687

Cash - beginning of year

50,864

Cash - end of year

\$ 82,551

Supplemental cash flow information:

Texas Franchise Tax paid	\$ 5,955
	<hr/> <hr/>

Supplemental non-cash financing activity:

Non-cash distribution to Managing Member (see Note 3.)	\$ (107,000)
	<hr/> <hr/>

See accompanying notes.

MILLENNIUM WAVE SECURITIES, LLC
NOTES TO FINANCIAL STATEMENTS

Note 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Description of the Company

Millennium Wave Securities, LLC (the Company) is a Texas limited liability company which was formed on September 8, 1999 and will continue until September 8, 2029 unless sooner terminated in accordance with the provisions of Limited Liability Company Regulations. The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company is also registered with the Commodity Futures Trading Commission as an Introducing Broker, Commodity Pool Operator, and Commodity Trading Advisor and is a member of the National Futures Association. The Company is a non-resident Limited Market Dealer with the Ontario Securities Commission. The Managing Member of the Company is John F. Mauldin.

B. Method of Reporting

The Company's financial statements are presented in conformity with accounting principles generally accepted in the United States of America, which require the use of certain estimates made by the Company's management.

C. Cash and Equivalents

Cash and equivalents include all cash and certificates of deposit held at a banking institution. At times, these balances may be in excess of federally insured limits.

D. Referral Fees

Referral fees are fees earned from unaffiliated broker dealers, funds or other entities to whom the Company refers investors. Such amounts are recognized as income when earned.

E. Income Taxes

As a limited liability company, the Company prepares calendar year U.S. and applicable state information tax returns and reports to its members their allocable shares of the Company's taxable income.

Although the Company is not subject to federal income tax at the Company level, the Company is subject to the Texas Franchise Tax which is a privilege tax imposed on entities organized or doing business in Texas. Such tax is included in other expenses in the statement of operations.

The Company has continued to evaluate the application of Financial Accounting Standards Board (FASB) Interpretation No. 48 (FIN 48) entitled "Accounting For Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" to the Company, and has determined that FIN 48 does not have a material impact on the Company's financial statements. In connection with the application of FIN 48, the Company has elected an accounting policy to classify interest and penalties, if any, as interest expense. The 2005 through 2008 tax years generally remain subject to examination by U.S. federal and applicable state tax authorities.

F. Allocation of Income and Loss

Pursuant to an agreement between the members, the Managing Member is allocated 100% of all income or loss of the Company.

MILLENNIUM WAVE SECURITIES, LLC
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 2. RELATED PARTY TRANSACTIONS

In June 2004, the Company entered into a Services Agreement with an affiliated company, Mauldin Management Company (MMC), pursuant to which MMC makes available certain facilities and provides for the performance of certain services for the Company, including office space, utilities, staff and certain other general and administrative expenses. In return for such services, the Company pays MMC a monthly Office Services Fee based on the Company's percentage of revenue generated (as defined in the Services Agreement). The Company paid \$82,512 to MMC during 2008 for the use of these facilities and for the reimbursement of other shared office expenses.

Note 3. NON-CASH REFERRAL FEES

Pursuant to the terms of a referral agreement, the Company earned a referral fee which was received in the form of warrants to purchase Series A Convertible Preferred Stock of an entity to whom the Company had referred an investor. The Company promptly exercised the warrants and distributed the stock to the Managing Member. The Company recognized referral fee income of \$107,000 on the transaction, which was based on the number of shares of stock received upon exercising the warrants and the price per share paid by the referred investor for Series A Convertible Preferred Stock of that entity.

Note 4. NET CAPITAL REQUIREMENTS

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital and is required to maintain a ratio of aggregate indebtedness to net capital (both as defined under such provisions), not to exceed 15 to 1. At December 31, 2008, the Company had net capital of \$75,415, which was \$30,415 in excess of its required net capital of \$45,000. The Company's percentage of aggregate indebtedness to net capital was 9%.

Note 5. INDEMNIFICATIONS

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of any future obligation under these indemnifications to be remote.

Note 6. SUBSEQUENT EVENT

The Company distributed \$40,300 to the Managing Member during the period January 1, 2009 through February 27, 2009.

MILLENNIUM WAVE SECURITIES, LLC

SUPPLEMENTARY INFORMATION

MILLENNIUM WAVE SECURITIES, LLC
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION

December 31, 2008

Total members' capital	\$	131,916
Deduct items not allowable for net capital		
Non-allowable assets		(56,365)
Haircuts on securities		(136)
Net capital	\$	75,415
Minimum net capital required - 6 2/3% of aggregate indebtedness (Note 1, below)	\$	466
Minimum regulatory dollar net capital requirement	\$	45,000
Net capital shown above	\$	75,415
Minimum net capital requirement		45,000
Excess net capital	\$	30,415
Total aggregate indebtedness	\$	7,000
Percentage of aggregate indebtedness to net capital		9 %

Statement Pursuant to Paragraph (d) of Rule 17a-5

The computation of net capital and required net capital stated above, agrees with the Millennium Wave Securities, LLC computation of net capital and required net capital from the amended December 31, 2008 Unaudited Financial and Operational Combined Uniform Single Report (FOCUS IIA) filed on February 22, 2009.

Note 1 - Computation of Aggregate Indebtedness

Total aggregate indebtedness at December 31, 2008 is as follows:

Total liabilities	\$	7,000
Less indebtedness subordinated to the claims of general creditors pursuant to satisfactory subordination agreements		0
Aggregate indebtedness	\$	7,000

MILLENNIUM WAVE SECURITIES, LLC
COMPUTATION OF RESERVE REQUIREMENTS UNDER RULE 15c3-3
AND INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3
December 31, 2008

The Company does not file information in accordance with Rule 15c3-3 as it is a broker-dealer which carries no margin accounts, promptly transmits all customer funds received in connection with its activities, and does not hold funds or securities for, or owe money to, customers. Therefore, Millennium Wave Securities, LLC claims the k(2)(i) exemption in relation to Rule 15c3-3.

NFA SUPPLEMENTAL SCHEDULE-IB

This schedule provides additional information and calculations which are required by NFA but are not provided for on the Form 1-FR. All IBs (including securities broker/dealers) must complete Sections A & B. Sections C - F need only be completed if they apply. Attach additional sheets if the information does not fit in the spaces provided.

A) Capital requirements and restrictions	1	2	3
See notes below	Minimum Capital Requirement	Equity Withdrawal Restriction	Suspended Repayment Restriction
A Minimum dollar amount	\$45,000	\$54,000	\$54,000
B Calculation based on branch offices			
Number of branch offices = 1	x \$6,000 = \$6,000	x \$7,200 = \$7,200	x \$7,200 = \$7,200
C Calculation based on associated persons			
Number of associated persons = 1	x \$3,000 = \$3,000	x \$3,600 = \$3,600	x \$3,600 = \$3,600
D Securities broker/dealers per SEC 15c3-1	\$5,000	N/A	N/A
Enter the greatest of A - D	\$45,000	\$54,000	\$54,000
		+ Subordinated debt maturing in next 6 mos. 0	+ Subordinated debt maturing in next 6 mos. 0
		+ Expected capital withdrawals in next 6 mos.	
		Total \$54,000	Total \$54,000

- 1 This is the minimum capital requirement. It should be entered on line 15 on the Net Capital Computation of the 1-FR or the appropriate line on the FOCUS Report.
- 2 No capital may be withdrawn from the IB and no unsecured loans may be made if it would cause Adjusted Net Capital to fall below this amount.
- 3 Subordinated debt may not be repaid if it would cause Adjusted Net Capital to fall below this amount.

B) Equity Capital Ratio

Equity capital must be at least 30% of the required total shown here.

Ownership equity	\$131,916	Ownership equity	\$131,916		
+ Qualifying subordinated debt	+ 0	+ Total subordinated debt	0		
= Equity Capital	= \$131,916	- Excess net capital	30,415		
		= Required total	\$101,501		

Equity Capital / Required Total 129.97%

(continued)

See accompanying notes.

C) Current Receivables (Balance Sheet Line 7)

Receivables may only be classified as current to the extent that the market value of any collateral less applicable charge exceeds the amount of the receivable.

Receivable Amount	Description	Collateral		Net	Non-current Receivable
		Market Value	Charge*		
- NOT APPLICABLE -					

* - 5% if collateral is hedged but not registered as deliverable; 20% if unhedged.

D) Advances Paid on Cash Commodities (Net Capital Computation Line 5)

Any amounts paid prior to receiving a commodity which exceed 95% of the market value of the commodity must be shown as a charge against capital.

Advance Amount	Description	Collateral		Net	Capital Charge
		Market Value	Charge		
- NOT APPLICABLE -					
			95%		
			95%		
			95%		
			95%		

E) Inventory/Fixed Price Commitments/Forward Contracts (Net Capital Computation Line 5)

A charge must be taken against any inventory, fixed price commitments, or forward contracts as follows

0%-Inventory hedged and registered as deliverable

10%-Hedged fixed price commitments & forward contracts

5%-Inventory hedged but not registered as deliverable

20%-Unhedged inventory, fixed price commitments, and forward contracts

Description	Market Value	Charge %	Charge Amount
- NOT APPLICABLE -			

F) Proprietary Accounts (Net Capital Computation Line 9)

A charge must be taken for any trading done by an IB for its own account.

The charge is 150% of the exchange maintenance margin.

No deduction is allowed for equity in the account.

Account Number	Maintenance Margin	Charge %	Charge Amount
- NOT APPLICABLE -			
		150%	
		150%	
		150%	
		150%	
		150%	

Attach a listing of all open proprietary positions.

See accompanying notes.

MILLENNIUM WAVE SECURITIES, LLC
INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL

Supplementary Report to Financial
Statements and Supplementary Information
(Form X-17a-5)

For the Year Ended December 31, 2008

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To the Members
Millennium Wave Securities, LLC

In planning and performing our audit of the financial statements of Millennium Wave Securities, LLC (the Company) as of and 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 compliance with 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-3
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

In addition, as required by Regulation 1.16 of the Commodity Futures Trading Commission (CFTC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding customer and firm assets. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the periodic computations of minimum financial requirements pursuant to Regulation 1.17.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraphs. 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 paragraphs and to assess whether those practices and procedures can be expected to achieve the SEC's and CFTC'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 the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) and Regulation 1.16 (d)(2) list additional objectives of the practices and procedures listed in the preceding paragraphs.

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 the Company's internal control was for the limited purpose described in the first, second and third 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 assets, 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 and third paragraphs of this report are considered by the SEC and CFTC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and the Commodity Exchange Act, 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 and third paragraphs of this report, were adequate at December 31, 2008, to meet the SEC's and CFTC's objectives.

This report is intended solely for the information and use of the members, management, the SEC, the Financial Industry Regulatory Authority, Inc., the CFTC, the National Futures Association, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 or Regulation 1.16 of the CFTC or both in their regulation of registered broker-dealers and introducing brokers, and is not intended to be and should not be used by anyone other than these specified parties.

Arthur F. Bell, Jr. & Associates, L.L.C.

Hunt Valley, Maryland
February 27, 2009

MILLENNIUM WAVE SECURITIES, LLC

ANNUAL REPORT

December 31, 2008

Financial Statements and Supplementary
Information Pursuant to Rule 17a-5 of the
Securities and Exchange Commission and
Section 1.17 of the Regulations under
the Commodity Exchange Act
For the Year Ended December 31, 2008