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FEB 26 2010

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

Washington, DC
122

SEC FILE NUMBER
8- 67060

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 JANUARY 1, 2009 AND ENDING DECEMBER 31, 2009
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
BERKELEY CAPITAL SECURITIES, LLC

555 MONTGOMERY STREET, STE. 1550
(No. and Street)

SAN FRANCISCO
(City)

CA
(State)

94111
(Zip Code)

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

KINGSTON WU (415) 273-4212
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

MISTRETTA ASSOCIATES

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

816 21ST STREET
(Address)

SACRAMENTO
(City)

CA
(State)

95811
(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)

SD
3/9/2010

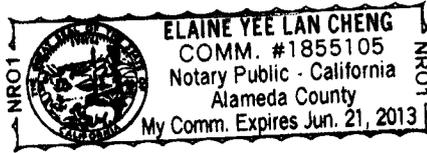
OATH OR AFFIRMATION

I, KINGSTON WU, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BERKELEY CAPITAL SECURITIES, LLC, as of DECEMBER, 2009, 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:

Signature

FIN. OP. Title

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).

Form X-17A-5

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

PART IIA 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) 16

2) Rule 17a-5(b) 17

3) Rule 17a-11 18

4) Special request by designated examining authority 19

5) Other 26

NAME OF BROKER-DEALER

SEC FILE NO.

BERKELEY CAPITAL SECURITIES, LLC 13

8-67060 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FIRM I.D. NO.

555 MONTGOMERY STREET, STE 1550 20

136982 15

(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

SAN FRANCISCO 21 CA 22 94111 23

JANUARY 1, 2009 24

(City)

(State)

(Zip Code)

AND ENDING (MM/DD/YY)

DECEMBER 31, 2009 25

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

(Area Code) — Telephone No.

KINGSTON WU 30

(415) 273-4212 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32 33

34 35

36 37

38 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 22ND day of FEBRUARY, 2010

Manual signatures of:

1) [Signature]
Principal Executive Officer or Managing Partner

2) [Signature]
Principal Financial Officer or Partner

3) _____
Principal Operations Officer or Partner

ATTENTION — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

Persons who 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.

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

MISTRETTA ASSOCIATES

70

ADDRESS

816 21ST STREET

71

SACRAMENTO

72

CA

73

95811

74

Number and Street

City

State

Zip Code

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States
or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

BERKELEY CAPITAL SECURITIES, LLC

N 3

100

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY) DECEMBER 31, 2009

SEC FILE NO. 8-67060

Consolidated		99
Unconsolidated		98
		198
		199

	Allowable		Non-Allowable		Total
1. Cash	\$ 9,760	200			\$ 9,760 750
2. Receivables from brokers or dealers:					
A. Clearance account		295			
B. Other		300	550		810
3. Receivable from non-customers	2,951	355	600		2,951 830
4. Securities and spot commodities owned at market value:					
A. Exempted securities		418			
B. Debt securities		419			
C. Options		420			
D. Other securities		424			
E. Spot commodities		430			850
5. Securities and/or other investments not readily marketable:					
A. At cost $\frac{1}{2}$ \$		130			
B. At estimated fair value		440	610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities \$		150			
B. Other securities \$		160			
7. Secured demand notes:		470	640		890
Market value of collateral:					
A. Exempted securities \$		170			
B. Other securities \$		180			
8. Memberships in exchanges:					
A. Owned, at market \$		190			
B. Owned, at cost			650		
C. Contributed for use of the company, at market value			660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	670		910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization		490	680		920
11. Other assets		535	454 735		454 930
12. TOTAL ASSETS	\$ 12,711	540	\$ 454 740		\$ 13,165 940

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

BERKELEY CAPITAL SECURITIES, LLC

as of DECEMBER 31, 2009

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	9,070	3480
2. Deduct ownership equity not allowable for Net Capital			3490
3. Total ownership equity qualified for Net Capital	19	()	3500
4. Add:		9,070	3500
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital			3520
B. Other (deductions) or allowable credits (List)			3525
5. Total capital and allowable subordinated liabilities	\$		3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	17	\$ 454	3540
B. Secured demand note delinquency			3590
C. Commodity futures contracts and spot commodities -			
proprietary capital charges			3600
D. Other deductions and/or charges			3610
7. Other additions and/or allowable credits (List)		(454)	3620
8. Net capital before haircuts on securities positions			3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):	20	\$ 8,616	3640
A. Contractual securities commitments	\$		3660
B. Subordinated securities borrowings			3670
C. Trading and investment securities:			
1. Exempted securities	18		3735
2. Debt securities			3733
3. Options			3730
4. Other securities			3734
D. Undue Concentration			3650
E. Other (List)			3736
			() 3740
10. Net Capital	\$	8,616	3750

OMIT PENNIES

NET CAPITAL PER FOCUS REPORT FILED FOR
THE QUARTER ENDING DECEMBER 31, 2009

\$ 9,516

NET INCREASE IN DUE FROM MEMBER/DUE
TO RELATED ENTITIES

INCREASE IN ACCRUED EXPENSES FOR LLC
GROSS RECEIPTS FEE

(900)

NET CAPITAL PER DECEMBER 31, 2009
AUDITED FINANCIAL STATEMENTS

\$ 8,616

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

BERKELEY CAPITAL SECURITIES, LLC

as of DECEMBER 31, 2009

COMPUTATION OF NET CAPITAL REQUIREMENT

11. Minimum net capital required (6% of line 19)	\$ 273	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 5,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 5,000	3760
14. Excess net capital (line 10 less 13)	\$ 3,616	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 8,206	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 4,095	3790
17. Add:		
A. Drafts for immediate credit	\$ 3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 3810	
C. Other unrecorded amounts (List)	\$ 3820	
18. Total aggregate indebtedness	\$ 4,095	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10)	%	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	3860

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	3880
23. Net capital requirement (greater of line 21 or 22)	\$	3760
24. Excess capital (line 10 less 23)	\$	3910
25. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000	\$	3920

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
 1. Minimum dollar net capital requirement, or
 2. 6% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER **BERKELEY CAPITAL SECURITIES, LLC**

For the period (MMDDYY) from 1/1/09 to 12/31/09
 Number of months included in this statement 12

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$		3935
b. Commissions on listed option transactions	v ²⁵		3938
c. All other securities commissions		279,630	3939
d. Total securities commissions			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange			3945
b. From all other trading			3949
c. Total gain (loss)			3950
3. Gains or losses on firm securities investment accounts			3952
4. Profit (loss) from underwriting and selling groups	v ²⁶		3955
5. Revenue from sale of investment company shares			3970
6. Commodities revenue			3990
7. Fees for account supervision, investment advisory and administrative services			3975
8. Other revenue		7,500	3995
9. Total revenue	\$	287,130	4030

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers			
11. Other employee compensation and benefits		285,165	4115
12. Commissions paid to other broker-dealers			4140
13. Interest expense			4075
a. Includes interest on accounts subject to subordination agreements	4070		
14. Regulatory fees and expenses		2,317	4195
15. Other expenses		19,131	4100
16. Total expenses	\$	306,613	4200

NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16)			
18. Provision for Federal income taxes (for parent only)	v ²⁸	(19,483)	4210
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4220
a. After Federal income taxes of	4338		
20. Extraordinary gains (losses)			4224
a. After Federal income taxes of	4239		
21. Cumulative effect of changes in accounting principles			4225
22. Net income (loss) after Federal income taxes and extraordinary items	\$	(19,483)	4230

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items			
	\$	(350)	4211

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

BERKELEY CAPITAL SECURITIES, LLC

For the period (MMDDYY) from 1/1/09 to 12/31/09

STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$ 28,553	4240
A. Net income (loss)	(19,483)	4250
B. Additions (Includes non-conforming capital of	\$ 4262)	4260
C. Deductions (Includes non-conforming capital of	\$ 4272)	4270
2. Balance, end of period (From item 1800)	\$ 9,070	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$ NONE	4300
A. Increases	NONE	4310
B. Decreases	NONE	4320
4. Balance, end of period (From item 3520)	\$ NONE	4330

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

BERKELEY CAPITAL SECURITIES, LLC

as of DECEMBER 31, 2009

EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- | | | |
|---|------|------|
| A. (k)(1) — 32,400 capital category as per Rule 15c3-1 5,000..... | X | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained..... | | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.
Name of clearing firm ³⁰ | 4335 | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter)..... | | 4580 |

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

	Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
31	4600	4601	4602	4603	4604	4605
32	4610	4611	4612	4613	4614	4615
33	4620	4621	4622	4623	4624	4625
34	4630	4631	4632	4633	4634	4635
35	4640	4641	4642	4643	4644	4645
				Total \$ ³⁶	4699	

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

BERKELEY CAPITAL SECURITIES, LLC

FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
Year ended December 31, 2009

MISTRETТА ASSOCIATES

M Certified Public Accountants
Financial Management Consultants

M MISTRETTA ASSOCIATES
Certified Public Accountants – Financial Management Consultants

816 21st Street
Sacramento, CA 95811
916-497-0676
916-497-0677 - Fax

Robert Mistretta, CPA, MBA

Aaron Snegg, President
Berkeley Capital Securities, LLC
Grass Valley, California

I have audited the accompanying balance sheet of Berkeley Capital Securities, LLC, as of December 31, 2009 and the related statements of income and member's equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Berkeley Capital Securities, LLC, as of December 31, 2009, 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.

Also, I have prepared and examined the supplementary schedules (Form X-17a-5(a)) which follow the notes to the aforementioned financial statements and, in my opinion, they present fairly the information included therein in conformity with the rules of the Securities and Exchange Commission.

Mistretta Associates

February 22, 2010

BERKELEY CAPITAL SECURITIES, LLC
BALANCE SHEET
December 31, 2009

ASSETS

Current Assets	
Cash	\$ 9,760
Due from member	2,951
Prepaid expense	<u>454</u>
Total Current Assets	<u>\$ 13,165</u>

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities	
Commissions payable	\$ 2,320
Accrued expenses	950
Due to related entities	<u>825</u>
Total Current Liabilities	4,095
Member's Equity	<u>9,070</u>
Total Liabilities and Member's Equity	<u>\$ 13,165</u>

See accompanying notes and auditor's report.

BERKELEY CAPITAL SECURITIES, LLC
STATEMENT OF INCOME AND MEMBER'S EQUITY
Year ended December 31, 2009

Commission and fee income	\$ 279,630
Consulting fees	<u>7,500</u>
Total Income	<u>287,130</u>
Expenses	
Commission expense	268,841
Indirect commission expense	16,324
Rent	3,000
Administration charges	900
Accounting and auditing	4,400
Regulatory fees	2,317
Consulting fees	5,438
Licenses, fees and permits	2,163
Travel	1,744
Education	351
Advertising and marketing	285
Repairs	<u>50</u>
Total Expenses	<u>305,813</u>
Net Income (Loss) From Operations	(18,683)
Income Tax Expense	<u>800</u>
Net Income (Loss)	(19,483)
Member's Equity, December 31, 2008	<u>28,553</u>
Member's Equity, December 31, 2009	<u><u>\$ 9,070</u></u>

See accompanying notes and auditor's report.

BERKELEY CAPITAL SECURITIES, LLC
 STATEMENT OF CASH FLOWS
 Year ended December 31, 2009

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows From Operating Activities

Net Income (loss)	\$ (19,483)
Adjustments to reconcile net income to net cash used by operating activities:	
Changes in assets and liabilities:	
Decrease in commissions receivable	3,850
Increase in due from member	(2,749)
Increase in prepaid expense	(384)
Decrease in commissions payable	(1,530)
Increase in accrued expenses	950
Increase in due to related entities	<u>825</u>
Total Adjustments	<u>962</u>
Net Cash Provided (Used) By Operating Activities	(18,521)

Cash and Cash Equivalents, December 31, 2008 28,281

Cash and Cash Equivalents, December 31, 2009 \$ 9,760

Supplementary Disclosure of Cash Flow Information

Cash paid during the year for:

Income taxes	\$ 800
Interest	\$ -

Disclosure of Accounting Policy

For purposes of the Statement of Cash Flows, the Corporation considers all highly-liquid investments readily convertible to known amounts of cash as cash equivalents.

See accompanying notes and auditor's report.

BERKELEY CAPITAL SECURITIES, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

Note 1: Summary of Significant Accounting Policies

The following items comprise the significant accounting policies of the Company. The policies reflect industry practices and conform to generally accepted accounting principles.

Company's Activities

The Company is a sole member LLC, formed in Delaware and registered as a foreign limited liability company in California, and is certified as a broker-dealer pursuant to the provisions of the Corporate Securities Law of California.

Income Taxes

Income tax expense includes current state taxes. There are no deferred taxes as the Company reports its income on the same basis of accounting for financial statement and income tax purposes. The Company is required to file a California income tax return as a sole member LLC. Income tax expense included in the statement of income and member's equity is the minimum California franchise tax for the year. A federal income tax return is not required to be filed by the Company, considered a disregarded entity for federal income tax purposes, any income or expense of the Company is reported on the federal income tax return of its sole member.

Operations

The Company's operations are conducted from the same offices as its sole member LLC. This member LLC incurs the burden of certain common general and administrative expenses, thereby reducing the direct expenses of Berkeley Capital Securities, LLC.

Use of Estimates in Preparation of Financial Statements

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.

Note 2: Related Party Transactions

Rent expense and administration charges of \$3,000 and \$900, respectively were incurred with the sole member LLC during the year ended December 31, 2009. Due to related entities of \$825 represents the net amount due to two entities, one of which is wholly owned by and the other is managed by the sole member LLC of the Company.

BERKELEY CAPITAL SECURITIES, LLC
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2009

Note 3: Net Capital Requirement

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain net capital of not less than \$5,000; at December 31, 2008, the Company had net capital of \$8,616.

BERKELEY CAPITAL SECURITIES, LLC
December 31, 2009

Berkeley Capital Securities, LLC does not retain customer funds or customer securities. The following schedules are inapplicable and thus have not been prepared:

- Computation for Determination of Reserve Requirements pursuant to Rule 15c3-3
- Information Relating to the Possession or Control Requirements pursuant to Rule 15c3-3
- A Reconciliation pursuant to Rule 17a-5(d)(4)

SUPPLEMENTARY REPORT ON INTERNAL ACCOUNTING CONTROL

Aaron Snegg, President
Berkeley Capital Securities, LLC
Grass Valley, California

I have examined the financial statements of Berkeley Capital Securities, LLC for the year ended December 31, 2009 and have issued my report thereon dated February 22, 2010. As part of my examination, I made a study and evaluation of the system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards and Rule 17a-5 of the Securities and Exchange Commission. This study and evaluation included the accounting system. The Company is exempt from compliance with Rule 15c3-3. No facts came to my attention indicating that the conditions of the exemption had not been complied with during the period. Rule 17a-5 states that the scope of the study and evaluation should be sufficient to provide reasonable assurance that any material weakness existing at the date of my examination would be disclosed. Under generally accepted auditing standards and rule 17a-5, the purposes of such study and evaluation are to establish a basis for reliance thereon in determining the nature, timing, and extent of other auditing procedures necessary for expressing an opinion on the financial statements and to provide a basis for reporting material weaknesses in internal accounting control.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance concerning the safeguarding of assets against loss from unauthorized use or disposition and concerning the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgment by Management. However, for the purposes of this report under Rule 17a-5, the determination of weaknesses to be reported was made without considering the practicability of corrective action by Management within the framework of a cost/benefit relationship.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding instructions, mistakes of judgment, carelessness, or other personnel factors. Control procedures whose effectiveness depends on segregation of

duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by Management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

My study and evaluation of the system of internal accounting control for the year ended December 31, 2009, which was made for the purposes set forth in the first paragraph above, and would not necessarily disclose all weaknesses in the system that may have existed during the period, disclosed no weakness that I believe to be material except that often substantially all accounting functions are performed or directed by one individual and supervised or intermittently reviewed by management. This lack of segregation of duties allows opportunity for accounting improprieties to occur without collusion. Although not a formal control, the member's management has full access to all accounting records and is extremely familiar with the transactions and business activities of the Company.

Melissa Crockett

February 22, 2010