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

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

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

SEC FILE NUMBER  
8- 66792

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 01/01/09 AND ENDING 12/31/09  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Advisors Edge Securities LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

21650 Oxnard Street, #1825

(No. and Street)

Woodland Hills

California

91367

(City)

(State)

(Zip Code)

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

Steven Thornton

818-342-0200

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Brian W. Anson

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

18425 Burbank Blvd., #606

Tarzana

California

91356

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
FEB 25 2010  
BRANCH OF REGISTRATIONS  
AND  
EXAMINATIONS  
02

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)

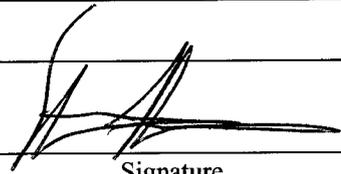
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SEC 1410 (06-02)

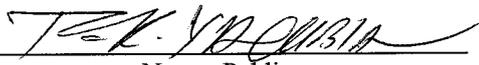
3/6/2010  
JD

## OATH OR AFFIRMATION

I, Steven Thornton, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Advisors Edge Securities LLC, as of December 31, 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  
Finop  
\_\_\_\_\_  
Title

*NEW FORM ATTACHED*

  
\_\_\_\_\_  
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).

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of LA

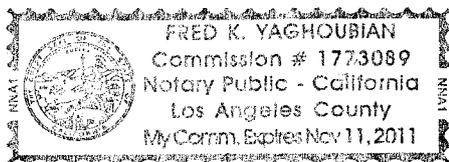
On 2/22/10 before me, FRED K. YAGHOUBIAN A NOTARY PUBLIC  
Date Here Insert Name and Title of the Officer

personally appeared STEVEN L. THORNTON  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person ~~(s)~~ whose name ~~(s)~~ is ~~is~~ subscribed to the within instrument and acknowledged to me that he ~~/she/they~~ executed the same in his ~~/her/their~~ authorized capacity ~~(ies)~~, and that by his ~~/her/their~~ signature ~~(s)~~ on the instrument the person ~~(s)~~, or the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature F.K. YAGHOUBIAN  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

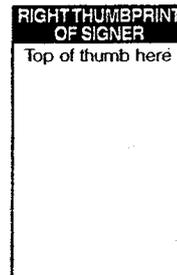
- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

ADVISORS EDGE SECURITIES, LLC  
FINANCIAL STATEMENTS  
AND  
ACCOMPANYING SUPPLEMENTARY INFORMATION

REPORT PURSUANT TO SEC RULE 17a-5(d)

FOR THE YEAR ENDED  
DECEMBER 31, 2009

**SEC**  
Mail Processing  
Section

FEB 25 2010

Washington, DC  
105

# ADVISORS EDGE SECURITIES, LLC

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**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

### **Report of Independent Registered Public Accountant**

Board of Members

Advisors Edge Securities, LLC

Woodland Hills, California

I have audited the accompanying statement of financial condition of Advisors Edge Securities, LLC as of December 31, 2009 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. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 Advisors Edge Securities, LLC as of December 31, 2009 and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on Schedule I-III is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Act of 1934. Such information has been subject to the auditing procedures applied in my audit of the basic financial statements and, in my opinion, is fairly stated in all material respect in relating to the basic financial statements taken as a whole.

This opinion is intended solely for the information and use of the board of directors, the Securities and Exchange Commission, and other regulatory agencies which 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.



Brian W. Anson

Certified Public Accountant

Tarzana, California

February 23, 2010

ADVISORS EDGE SECURITIES, LLC

Statement of Financial Condition  
December 31, 2009

ASSETS

|                  |                  |
|------------------|------------------|
| Cash             | \$ 17,773        |
| Prepaid expenses | 133              |
| Total assets     | <u>\$ 17,906</u> |

LIABILITIES AND MEMBERS' EQUITY

Liabilities

|                   |                 |
|-------------------|-----------------|
| Accounts payable  | <u>\$ 1,500</u> |
| Total liabilities | <u>1,500</u>    |

|                                       |                         |
|---------------------------------------|-------------------------|
| Members' equity                       | <u>16,406</u>           |
| Total liabilities and members' equity | <u><u>\$ 17,906</u></u> |

The accompanying notes are an integral part of these financial statements

ADVISORS EDGE SECURITIES, LLC

Statement of Income  
For the year ended December 31, 2009

REVENUES:

|                |    |       |
|----------------|----|-------|
| Commissions    | \$ | -     |
| Other income   |    | -     |
|                |    | <hr/> |
| Total revenues |    | -     |
|                |    | <hr/> |

EXPENSES:

|                                    |    |          |
|------------------------------------|----|----------|
| Regulatory fees and licenses       | \$ | 205      |
| Professional services              |    | 15,039   |
| Insurance                          |    | 364      |
| Travel and entertainment           |    | 991      |
|                                    |    | <hr/>    |
| Total expenses                     |    | 16,599   |
|                                    |    | <hr/>    |
| INCOME BEFORE INCOME TAX PROVISION |    | (16,599) |
| INCOME TAX PROVISION (Note 2)      |    |          |
| State income tax expense           |    | 800      |
|                                    |    | <hr/>    |
| NET LOSS                           | \$ | (17,399) |
|                                    |    | <hr/>    |

ADVISORS EDGE SECURITIES, LLC

Statement of Members' Equity  
For the year ended December 31, 2009

|                                   | Members'<br>Equity | Net<br>Loss | Total<br>Members'<br>Equity |
|-----------------------------------|--------------------|-------------|-----------------------------|
| Beginning balance January 1, 2009 | \$ 11,805          |             | \$ 11,805                   |
| Capital Contributions             |                    | 22,000      | 22,000                      |
| Net loss                          |                    | (17,399)    | (17,399)                    |
| Ending balance December 31, 2009  | \$ 11,805          | \$ 4,601    | \$ 16,406                   |

The accompanying notes are an integral part of these financial statements

ADVISORS EDGE SECURITIES, LLC

Statement of Cash Flows  
For the year ended December 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES

|  |                 |
|--|-----------------|
| Net loss   | \$ (17,399)     |
| Adjustments to reconcile net loss to<br>net cash used by operating activities: |                 |
| (Increase) decrease in:  |                 |
| Prepaid expenses   | 105             |
| Increase (decrease) in:  |                 |
| Accounts payable   | (500)           |
| Total adjustments  | <u>(395)</u>    |
| Net cash used in operating activities  | <u>(17,794)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES

|   |                  |
|---|------------------|
| Capital contributions                     | <u>22,000</u>    |
| Net cash provided by financing activities | <u>22,000</u>    |
| Increase in cash                          | 4,206            |
| Cash at beginning of year                 | 13,567           |
| Cash at end of year                       | <u>\$ 17,773</u> |
| Supplemental cash flow disclosures        |                  |
| Income taxes                              | \$ -             |
| Interest                                  | \$ 800           |

The accompanying notes are an integral part of these financial statements

# ADVISORS EDGE SECURITIES, LLC

## Notes to Financial Statements December 31, 2009

### Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As a registered accommodation broker-dealer in securities, the Company is subject to the Securities Exchange Act of 1934. The Company uses the accrual method of accounting for financial reporting purposes.

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and demand deposits at banks and security firms.

In conformity with U.S. generally accepted accounting principles, preparation of financial statements may require the use of management's estimates.

In September 2006, the FASB issued SFAS No. 157 "Fair Value Measurements". SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair values. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. Management believes that the adoption of SFAS No. 157 will not have a material impact on the financial results of the Company.

### Note 2: CAPITAL REQUIREMENTS

The Company is subject to the uniform net capital Rule (Rule 15c3-1) of the Securities and Exchange Commission, which requires both the maintenance of minimum net capital and the maintenance of a maximum ratio of aggregate indebtedness to net capital. Net capital and aggregate indebtedness change day by day, but by December 31, 2009 the Company's net capital of \$16,273 exceeded the minimum net capital requirement by \$11,273 and, the Company's ratio of aggregate indebtedness (\$1,500) to net capital was 0.09 to 1, which is less than 15 to 1 maximum ratio required of a broker/dealer.

### Note 3: RELATED PARTY

The Company is a single member limited liability company owned by Advisors Edge Holdings, Inc. a California corporation.

ADVISORS EDGE SECURITIES, LLC

Statement of Net Capital  
 Schedule I  
 For the year ended December 31, 2009

|  | Focus 12/31/2009 | Audit 12/31/2009 | Change |
|--|------------------|------------------|--------|
| Members' equity, December 31, 2009             | \$16,406         | \$16,406         | 0      |
| Subtract: Non-allowable assets:                |                  |                  |        |
| Prepaid expenses                               | 133              | 133              |        |
| Tentative net capital                          | 16,273           | 16,273           | 0      |
| Haircuts:                                      | -                | -                | -      |
| NET CAPITAL                                    | 16,273           | 16,273           | -      |
| Minimum net capital                            | 5,000            | 5,000            | -      |
| Excess net capital                             | \$11,273         | \$11,273         | \$0    |
| Aggregate indebtedness                         | 1,500            | 1,500            | 0      |
| Ratio of aggregate indebtedness to net capital | 0.09%            | 0.09%            |        |

There were no recorded differences between the audit and focus filed at December 31, 2009.

ADVISORS EDGE SECURITIES, LLC

December 31, 2009

Schedule II

Determination of Reserve Requirements  
Under Rule 15c3-3 of the Securities and Exchange Commission

The Company is exempt from the Reserve Requirements of computation according to the provision of Rule 15c3-3 (k)(1).

Schedule III

Information Relating to Possession or Control  
Requirements Under Rule 15c3-3

The Company is exempt from the Rule 15c3-3 as it relates to Possession and Control requirements under the (k)(1) exemptive provision.

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

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**REPORT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTANT ON  
INTERNAL CONTROL STRUCTURE  
REQUIRED BY SEC RULE 17A-5**

Board of Members,  
Advisors Edge Securities, LLC  
Woodland Hills, California

In planning and performing my audit of the financial statements of Advisors Edge Securities, LLC for the year ended December 31, 2009, I considered its internal control structure, including control activities for safeguarding securities, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission, I have made a study of the practices and procedures including tests of such practices and procedures followed by Advisors Edge Securities, LLC including test of compliance with such practices and procedures that I considered relevant to objectives stated in Rule 17a-5(g), (1) in making the periodic computations of aggregate indebtedness (or aggregate debits) 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, I did not review the practices and procedures followed by the Company in any of the following: (i) in making the quarterly securities examinations, counts, verifications and comparisons, (ii) recordation of differences required by Rule 17a-13, or (iii) in complying with the requirements for prompt payment for securities of Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining an 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 structure policies and procedures 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 Commission'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 generally accepted accounting principles. Rule 17-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Board of Members,  
Advisors Edge Securities, LLC  
Page Two

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants and the Public Company Accounting Oversight Board (United States). A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that 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, I noted no matters involving the internal control structure, including control activities for safeguarding securities, which I consider to be material weaknesses as defined above.

In addition, my consideration of the internal control structure indicated that the Company was in compliance with the conditions of the exemption under Paragraph (k) (1) of Rule 15c3-3, and no facts came to my attention indicating that such conditions had not been complied with during the period. The scope of my engagement did not include the Anti Money Laundering provision of the U.S. Patriot Act.

I 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 purpose 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 my study, I believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the Commission's objectives.

This report is intended solely for the information and use of the board of directors, the Securities and Exchange Commission, and other regulatory agencies which 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.

  
Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 23, 2010