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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**

SEC FILE NUMBER
8-67923

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, 2011 AND ENDING December 31, 2011  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Mentor Securities, LLC

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

200 N. Westlake Boulevard Suite 204

(No. and Street)

Westlake Village

California

91362

(City)

(State)

(Zip Code)

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

Davis Blaine

(805) 551-4150

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Debasish Banerjee, CPA

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

6301 Owensmouth Avenue

Woodland Hills

SECURITIES AND EXCHANGE COMMISSION  
California 91367  
**RECEIVED**

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

08 REGISTRATIONS BRANCH

**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.

OATH OR AFFIRMATION

I, Davis Blaine, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Mentor Securities, LLC, as of December 31, 2011, 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:

NONE

Davis Blaine Christopher Scott  
Signature

Davis Blaine  
Principal Title  
Chairman

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 JURAT WITH AFFIANT STATEMENT**

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-5 to be completed only by document signer[s], *not* Notary)

1 \_\_\_\_\_  
 2 \_\_\_\_\_

\_\_\_\_\_  
 Signature of Document Signer No. 1

N/A  
 \_\_\_\_\_  
 Signature of Document Signer No. 2 (if any)

State of California  
 County of Ventura

Subscribed and sworn to (or affirmed) before me on this

13<sup>th</sup> day of February, 2012, by  
Date Month Year

(1) Davis R Blaine  
Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me (.)



(2) (and) N/A  
Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me.)

Signature [Handwritten Signature] 2/13/12  
Signature of Notary Public

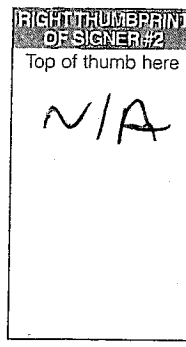
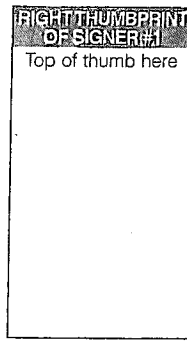
Place Notary Seal Above

**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.*

**Further Description of Any Attached Document**

Title or Type of Document: Oath of Affirmation  
 Document Date: \_\_\_\_\_ Number of Pages: one  
 Signer(s) Other Than Named Above: N/A



2011

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

For the year ended December 31, 2011

**MENTOR SECURITIES, LLC**  
**FINANCIAL STATEMENTS AND ACCOMPANYING**  
**SUPPLEMENTAL INFORMATION**

Dave Banerjee CPA, an Accountancy Corporation. Member AICPA, PCAOB  
6301 Owensmouth Avenue, Suite 750, Woodland Hills, CA 91367.  
[www.davebanerjee.com](http://www.davebanerjee.com) 818.657.0288



**DAVE BANERJEE, CPA**  
**An Accountancy Corporation**  
**Member AICPA and PCAOB**

**MENTOR SECURITIES, LLC**

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## Report of Independent Registered Public Accounting Firm

Davis Blaine, Member  
Mentor Securities, LLC  
Westlake Village, California

We have audited the accompanying statement of financial condition of Mentor Securities, LLC as of December 31, 2011 and the related statements of operations, changes in Member's Equity, and Cash Flows for the year then ended 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 the standards of the Public Company Accounting Oversight Board (United States). 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 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 Mentor Securities, LLC as of December 31, 2011 and the results of its operations, member's equity and cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Our 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-IV 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 our audit of the basic financial statements and, in our 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 Members, 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.

Dave Banerjee, CPA  
Woodland Hills, California  
February 21, 2012

Mentor Securities, LLC  
Statement of Financial Condition  
December 31, 2011

ASSETS

Cash	\$ 12,601
Total assets	<u>\$ 12,601</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities:

Accounts Payable	\$ 2,010
Accrued expenses	<u>800</u>
Total liabilities	<u>2,810</u>

Member's Equity

Member's Equity	(23,370)
Net Income	<u>33,161</u>
Total Member's Equity	<u>9,791</u>

Total Liabilities and Member's Equity	<u>\$ 12,601</u>
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Mentor Securities, LLC

Statement of Income  
December 31, 2011

REVENUE:		<u>80,700</u>
	Total revenue	<u>80,700</u>
EXPENSES:		
	Rent expense	1,800
	Outside services	7,980
	Professional fees	23,330
	Guaranteed payments	5,500
	Other operating expenses	8,929
	Total expenses	<u>47,539</u>
NET LOSS BEFORE PROVISION FOR INCOME TAXES		<u>33,161</u>
PROVISION FOR INCOME TAXES (Note 4)		
Income tax expense		-
NET INCOME		<u>\$ 33,161</u>

The accompanying notes are an integral part of these financial statements



Mentor Securities, LLC

Statement of Member's Equity  
December 31, 2011

	Member's Equity	Net Loss	Total Member's Equity
Beginning balance December 31, 2010	10,130		10,130
Capital contributions	4,000		4,000
Member's distribution	(37,500)		(37,500)
Net Income		33,161	33,161
Ending balance December 31, 2011	<u>\$ (23,370)</u>	<u>\$ 33,161</u>	<u>\$ 9,791</u>

The accompanying notes are an integral part of these financial statements

MENTOR SECURITIES, LLC

Statement of Cash Flows  
December 31, 2011

Cash flow from operating activities

Net Income	\$ 33,161
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	-
(Increase) decrease in:	
Accounts payable	888
Accrued expenses	(500)
Total adjustments	<u>388</u>
Net cash provided in operating activities	<u>33,549</u>

Cash flow from financing activities

Contributions of capital	4,000
Distributions of profits	<u>(37,500)</u>
Net cash used in financing activities	<u>(33,500)</u>

Increase in cash	49
Cash - beginning of year	12,552
Cash - end of year	<u>\$ 12,601</u>

Supplemental disclosure of cash flow information

Interest	\$0
Income taxes	\$0

MENTOR SECURITIES, LLC  
Notes to Financial Statements  
December 31, 2011

**Note 1: Organization**

Mentor Securities, LLC (the “Company”) was organized in the State of California on April 27, 2007. The Company is currently registered as a broker-dealer under Section 15(b) of The Securities Exchange Act of 1934, a member of the Financial Industry Regulatory Authority [“FINRA”] and the Security Investor Protection Corporation [“SIPC”].

The Company is engaged in business as a securities broker-dealer, which provides several classes of services, including private placements and merger and acquisitions.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3, the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers.

**Note 2: Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America. The company uses accrual method of accounting.

**Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements as well as the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and Cash Equivalents**

The Company considers all highly liquid instruments with an original maturity of three months or less when purchased to be cash equivalents. As of December 31, 2011, the Company had the cash balance of \$12,601.

**Revenue Recognition**

The company receives fees in accordance with terms stipulated in its engagement contracts. Fees are recognized as earned. The Company also receives success fees when transactions are completed. Success fees are recognized when earned, which means the Company has no further continuing obligations and collection is reasonably assured.

MENTOR SECURITIES, LLC  
Notes to Financial Statements  
December 31, 2011

**Professional fees**

At present the Company has a total of 2 registered representatives working as independent contractors and paid as professional services. As of December 31, 2011, the Company paid \$23,330 in professional fees.

**Comprehensive Income:**

The Company adopted SFAS No. 130, "Reporting Comprehensive Income," which requires that an enterprise report, by major components and as a single total, the changes in equity. There were no comprehensive income items for the year ended December 31, 2011.

The firm did not have any adjustments that would have made comprehensive income different from net income.

**Note 3: Securities owned**

As of the balance sheet date the company does not own any corporate stocks or debt instruments.

**Note 4: Income taxes**

The Company, with the consent of its members, has elected to be a California Limited Liability Company. For tax purposes the Company is treated like partnership, therefore in lieu of business income taxes for Federal and State income tax, all income or loss "flows through" to the member's individual income tax returns. Accordingly, no provision or liability for income taxes is reflected in these financial statements.

**Note 5: Recently issued accounting standards**

The Financial Accounting Standards Board (the "FASB") issued a new professional standard in June of 2009 which resulted in a major restructuring of U.S. accounting and reporting standards. The new professional standard, issued as ASC 105 ("ASC I 05"), establishes the Accounting

Standards Codification ("Codification or ASC") as the source of authoritative accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with generally accepted accounting principles in the United States. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") issued under authority of federal securities laws are also sources of GAAP for SEC registrants. Existing GAAP was not intended to be changed as a result of the Codification, and accordingly the change did not impact the financial statements of the Company.

For the year ending December 31, 2011, various Accounting Standard Updates ("ASU") issued by the FASB were either newly issued or had effective implementation dates that would require

their provisions to be reflected in the financial statements for the year then ended. The Company has reviewed the following ASU releases to determine relevance to the Company's operations:

<u>ASU No.</u>	<u>Title</u>	<u>Effective Date</u>
2011-12	Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05	After December 15, 2011
2011-11	Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities	After January 01, 2013
2011-10	Property, Plant, and Equipment (Topic 360): Derecognition of in Substance Real Estate—a Scope Clarification (a consensus of the FASB Emerging Issues Task Force)	After December 15, 2013
2011-09	Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80): Disclosures about an Employer's Participation in a Multiemployer Plan	After December 15, 2012
2011-08	Intangibles—Goodwill and Other (Topic 350): Testing Goodwill for Impairment	After December 15, 2011

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

**Note 6: Net capital requirements**

Pursuant to the Basic Uniform Net Capital provisions of the Securities and Exchanges Commission, the Company is required to maintain a minimum net capital, as defined, in such provision. Further, the provisions require that the ratio of aggregate indebtedness, as defined, to net capital shall not exceed 15 to 1. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2011 the company had net capital and net capital requirements of approximately \$9,791 and \$5,000 respectively. The Company's net capital ratio was 29.0% which is less than 15:1.

**Note 7: Related party transactions**

The Company shares office space with the entity related by common management. The Company pays rent to one of its members for this office space. During the year December 31, 2011 the Company paid \$1,800 to its officer under this agreement.

MENTOR SECURITIES CAPITAL, LLC

Statement of Net Capital  
 Schedule I  
 For the year ended December 31, 2011

	Focus 12/31/11	Audit 12/31/11	Change
Member's Equity, December 31, 2011	\$ 9,791	\$ 9,791	-
Subtract - Non allowable assets:	-	-	
Other assets			-
Tentative net capital	<u>9,791</u>	<u>9,791</u>	-
Haircuts:	0	0	-
NET CAPITAL	<u>9,791</u>	<u>9,791</u>	-
Minimum net capital	5,000	5,000	-
Excess net capital	<u>\$4,791</u>	<u>\$4,791</u>	-
Aggregate indebtedness	2,810	2,810	-
Ratio of aggregate indebtedness to net capital	29%	29%	

*There was no difference noted between the Focus report and Audit.*

Mentor Securities, LLC

December 31, 2011

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

The Company is exempt from the Reserve Requirement of computation according to the provision of Rule 15c3-3(k)(2)(i)

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)(2)(i) exemptive provision.

Schedule IV  
Independent Accountant's Report on Applying Agreed-Upon Procedures Related to an  
Entity's SIPC Assessment Reconciliation

The Company is exempt from the Rule 17a-5(c)(4) as it meets the minimum assessment as provided for in Section 4(d)(1)(c) of The Securities Investor Protection Act of 1970, as amended.



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

Davis Blaine, COO  
Mentor Securities, LLC  
Westlake Village, California

In planning and performing our audit of the financial statements of Mentor Securities, LLC for the year ended December 31, 2011, we considered its internal control structure, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. 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, we have made a study of the practices and procedures including tests of such practices and procedures followed by Mentor Securities, LLC including test of compliance with such practices and procedures that we 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, we 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.



Davis Blaine - Member  
Mentor 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.

Our 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 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, we noted no matters involving the internal control structure, including control activities for safeguarding securities, which we consider to be material weaknesses as defined above.

In addition, our consideration of the internal control structure indicated that the Company was in compliance with the conditions of the exemption under Paragraph (k)(2)(i) of Rule 15c3-3, and no facts came to our attention indicating that such conditions had not been complied with during the period. The scope of our engagement did not include the Anti Money Laundering provision of the U.S. Patriot Act.

We 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 our study, we believe that the Company's practices and procedures were adequate at December 31, 2011 to meet the Commission's objectives.

This report is intended solely for the information and use of the Members, 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.



Dave Banerjee, CPA  
Woodland Hills, California  
February 21, 2012