

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

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
minutes per response..... 12.00



13014090

**ANNUAL AUDITED REPORT** Processing  
**FORM X-17A-5** Section  
**PART III** MAR 5 - 2013

SEC FILE NUMBER  
8-48110

**FACING PAGE** Washington DC  
**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 01/01/12 AND ENDING 12/31/12  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Brinker Capital Securities, Inc.**  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**1055 Westlakes Drive Suite 250**

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)  
**Berwyn** **PA** **19312**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**Phil Green** **(610) 407-8352**  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
**ParenteBeard LLC**  
(Name - if individual, state last, first, middle name)

**7535 Windsor Drive, Suite 300, Allentown** **PA** **18195**  
(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)

OATH OR AFFIRMATION

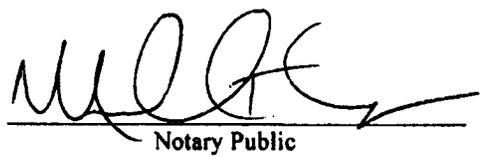
I, John Coyne, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Brinker Capital Securities, Inc., as of December 31, 2012, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

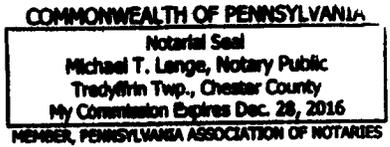
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
Signature

President

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).

**Brinker Capital Securities, Inc.**

**(A Wholly Owned Subsidiary of Brinker  
Capital Holdings, Inc.)**

Statement of Financial Condition

December 31, 2012

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**Brinker Capital Securities, Inc.**

**(A Wholly Owned Subsidiary of Brinker  
Capital Holdings, Inc.)**

Statement of Financial Condition

December 31, 2012

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

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## Independent Auditors' Report

Board of Directors  
Brinker Capital Securities, Inc.

### Report on the Financial Statements

We have audited the accompanying statement of financial condition of Brinker Capital Securities, Inc. (the "Company"), a wholly owned subsidiary of Brinker Capital Holdings, Inc., as of December 31, 2012.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statement in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Brinker Capital Securities, Inc., a wholly owned subsidiary of Brinker Capital Holdings, Inc., as of December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

*ParenteBeard LLC*

Allentown, Pennsylvania  
February 25, 2013

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

Statement of Financial Condition  
December 31, 2012

**Assets**

Cash and cash equivalents	\$	528,402
Deposit with clearing organization		300,000
Securities owned, at fair value		17,812
Dividend receivable		39
Due from affiliate		326
Prepaid expenses		43,397
		<hr/>
Total assets	\$	<u>889,976</u>

**Liabilities and Stockholder's Equity**

**Liabilities**

Accounts payable and accrued expenses	\$	394,490
Securities sold, not yet purchased, at fair value		5,316
		<hr/>
Total liabilities		<u>399,806</u>

**Stockholder's Equity**

Common stock, no par value, 1,000 shares authorized, issued and outstanding		100
Additional paid-in capital		99,905
Retained earnings		390,165
		<hr/>
Total stockholder's equity		<u>490,170</u>
		<hr/>
Total liabilities and stockholder's equity	\$	<u>889,976</u>

See notes to financial statements

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

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Notes to Financial Statement  
December 31, 2012

**1. Business Activity and Organization**

Brinker Capital Securities, Inc. ("the Company") is a wholly owned subsidiary of Brinker Capital Holdings, Inc. (the "Parent"). The Company was incorporated in Delaware on February 8, 1995 for the purpose of doing business as a registered broker-dealer. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of Financial Industry Regulatory Authority (FINRA). The Company commenced operations on October 23, 1995 as an introducing broker-dealer for various Brinker Capital, Inc. advisory clients. The parent is an affiliated investment advisor.

The Company clears its securities transactions on a fully disclosed basis through National Financial Services ("the clearing broker").

**2. Securities and Exchange Commission Rule 15c3-3 Exemption**

The Company operates under the exemptive provisions of Paragraph (k)(2)(i) of Rule 15c3-3 of the Securities Exchange Act of 1934, as the Company carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with activities as a broker or dealer, and does not otherwise hold funds or securities for, or owe money or securities to, customers.

**3. Significant Accounting Policies**

This summary of significant accounting policies of Brinker Capital Securities, Inc. is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America.

**Basis of Presentation**

The financial statements include all the accounts of the Company. The Company is engaged in a single line of business as an introducing broker-dealer for clients of its affiliate Brinker Capital, Inc. The accompanying financial statements are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

**Use of Estimates**

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition**

Commissionable transactions in securities are recorded on a trade date basis.

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

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Notes to Financial Statement  
December 31, 2012

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than ninety days, which are not held for sale in the ordinary course of business.

**Securities Owned**

Securities are recorded at fair value in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 320, *Investments*. Trading gains and losses, which are composed of both realized and unrealized gains and losses, from all security transactions entered into for the account and risk of the Company are recorded in net income using the specific identification method on a trade-date basis.

**Securities Sold, Not Yet Purchased**

Securities transactions and related revenues and expenses are recorded on a trade date basis. Securities sold, not yet purchased, represent obligations to deliver specified securities at predetermined prices. The Company is obligated to acquire the securities sold short at prevailing market prices in the future to satisfy these obligations. Arbitrage positions included in securities sold, not yet purchased result from buying or selling a security subject to exchange, conversion or reorganization and selling or buying a security or securities to be received upon the exchange, conversion or reorganization.

**Concentration of Credit Risk**

At times throughout the year, the Company had cash balances in excess of Federally insured limits. Cash accounts at banks are currently insured by the FDIC up to \$250,000.

**Income Taxes**

No provision has been included in the accompanying financial statement for any federal, state or local income taxes since, pursuant to provisions of the applicable taxing authorities, each item of income, gain, loss, deduction or credit is reportable by the Parent as the Company has elected Subchapter S status.

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

No interest and penalties related to income taxes have been recognized in the accompanying financial statement. The Company believes there are no uncertain tax positions. The Company is no longer subject to income tax audits for years before 2009.

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

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Notes to Financial Statement  
December 31, 2012

**Statement of Changes in Liabilities Subordinated to Claims of General Creditors**

The Company has no liabilities subordinated to the claims of general creditors for 2012; consequently, the financial statements do not include the Statement of Changes in Liabilities Subordinated to Claims of General Creditors.

**Subsequent Events**

The Company has evaluated events and transactions occurring subsequent to the statement of financial condition date of December 31, 2012 for items that should potentially be recognized or disclosed in those financial statements. The evaluation was conducted through February 25, 2013, the date the financial statements were available to be issued.

**4. Clearing Agreement**

The Company has an agreement with a clearing firm (the "Broker") to carry its customer accounts. The Broker has custody of the Company's securities and, from time to time, cash balances that may be due from the Broker.

These securities and cash positions serve as collateral for any amounts due to the Broker as well as collateral for securities sold, not yet purchased or purchased on margin.

The Company is subject to credit risk if the Broker is unable to repay balances due or deliver securities in its custody.

Under the clearing arrangement with the Broker, the Company is required to maintain certain minimum levels of net capital and comply with other financial ratio requirements. At December 31, 2012, the Company was in compliance with all such requirements.

**5. Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1).

At December 31, 2012, the Company's net capital was \$404,472, which was \$304,472 in excess of its required net capital of \$100,000. The Company's aggregate indebtedness to net capital ratio was 0.99:1 at December 31, 2012.

The Company does not carry securities accounts for customers or perform custodial functions related to customer securities. This allows the Company to claim an exemption from SEC Rule 15c3-3 under paragraph (k)(2)(i), which relates to the maintenance of special accounts for the exclusive benefits of customers.

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

Notes to Financial Statement  
December 31, 2012

**6. Fair Value Measurement**

Fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under market conditions.

In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1 - Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuation is based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities: quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3 - Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

For financial assets measured at fair value on a recurring basis as of December 31, 2012, the fair value measurements by level within the fair value hierarchy used are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
Securities – equity	\$ 17,100	\$ -	\$ -	\$ 17,100
Mutual funds	712	-	-	712
<b>Total</b>	<u>\$ 17,812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,812</u>

**Brinker Capital Securities, Inc.**  
**(A Wholly Owned Subsidiary of Brinker Capital Holdings, Inc.)**

Notes to Financial Statement  
 December 31, 2012

	Level 1	Level 2	Level 3	Total
<b>Liabilities</b>				
Securities sold, not yet purchased – bond	\$ 5,316	\$ -	\$ -	\$ 5,316

The following is a description of the valuation methodologies used for assets measured at fair value:

*Securities-equity and mutual funds:* Valued at the closing price reported on the active market on which the individual securities are traded.

**7. Transaction with Related Parties**

The Company earned \$4,320,289 in commissions from securities transactions in customer accounts of an affiliate. At December 31, 2012, the Company had a receivable due from the affiliate in the amount of \$326.

Certain operational and administrative services are provided to the Company by its parent without charge or cost to the Company. The parent has irrevocably waived its right to bill and collect any amounts for these services for 2012. Accordingly, if the Company operated as independent entity, the results of operations of the Company would have been different from those actually presented.

The Company's fidelity bond coverage is provided by a plan in the name of its parent, which guarantees that it will pay any deductibles to the fidelity bonding company.

**8. Commitments and Contingencies**

The Company is subject to claims and legal proceedings which could arise in the ordinary course of its business. The Company is unable to estimate the magnitude of any future exposure at this time.

Customer transactions are cleared through a clearing organization on a fully disclosed basis. In the event that customers are unable to fulfill their contractual obligations, the clearing organization may charge the Company for any losses incurred in connection with the purchase or sale of securities at prevailing market prices to satisfy customers' obligations. The Company regularly monitors the activity in its customer accounts for compliance with the clearing organization margin requirements.

The Company is exposed to the risk of loss on unsettled customer transactions in the event customers and other counterparties are unable to fulfill contractual obligations. Securities transactions entered into as of December 31, 2012 settled with no adverse effect on the Company's financial condition.