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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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Washington, DC

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 01/01/20 AND ENDING 12/31/20
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Anchor Bay Securities LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

5780 Fleet Street, Suite 308

(No. and Street)

Carlsbad

CA

92008

(City)

(State)

(Zip Code)

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

Scott Splering 760-602-3470

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

LMHS, P.C

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

80 Washington Street, Bldg S

Norwell

MA

02061

(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

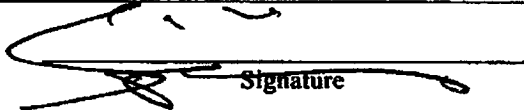
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (11-05)

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

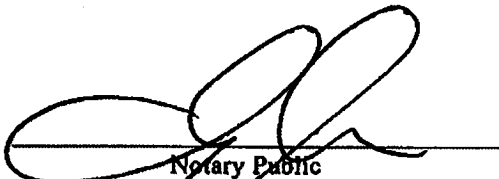
I, Scott Spiering, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Anchor Bay Securities LLC, as of December 31, 2020, are true and correct. I further swear (or affirm) that neither the company nor 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 and CEO

Title



Notary Public

-see attachment for Notary seal

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- (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 ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California San Diego
County of San Diego
On March 1st 2021 before me, Ivonne Martinez, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Scott Spiering
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are 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.

Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document: Annual Audited Report
Title or Type of Document: Form X-ITA-5 Part III

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer - Title(s): _____ Corporate Officer - Title(s): _____

Partner - Limited General Partner - Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer is Representing: _____ Signer is Representing: _____



LMHS, P.C.
Certified Public Accountants and Advisors

Report of Independent Registered Public Accounting Firm

To the Members
Anchor Bay Securities, LLC
Carlsbad, CA

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Anchor Bay Securities, LLC, as of December 31, 2020, and the related statements of income, changes in members' equity and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Anchor Bay Securities, LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to Anchor Bay Securities, LLC, in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The supplemental information appearing on pages 11 through 13 has been subjected to audit procedures performed in conjunction with the audit of Anchor Bay Securities, LLC's financial statements. The supplemental information is the responsibility of Anchor Bay Securities, LLC management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with *C.F.R. §240.17a-5*. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

LMHS, P.C.

LMHS, P.C.
We have served as Anchor Bay Securities, LLC's auditor since 2020.
Norwell, Massachusetts

February 26, 2021

ANCHOR BAY SECURITIES, LLC
Statement of Financial Condition
December 31, 2020

ASSETS

Current Assets:

Cash	\$26,674
Accounts receivable	<u>23,822</u>
Total Asset	<u>\$50,496</u>

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:

Accounts payable and accrued expenses	\$2,897
Members' Equity	<u>47,599</u>
Total Liabilities and Members' Equity	<u>\$50,496</u>

See notes to financial statements.

ANCHOR BAY SECURITIES, LLC

Statement of Income Year Ended December 31, 2020

Revenues	
12-b1 Fees	\$112,971
Interest and dividends	<u>55</u>
Total revenues	<u>113,026</u>
Expenses	
Commissions	42,465
Expense sharing	42,000
Licenses, taxes and registrations	9,090
Outside services	7,738
Other	<u>1,209</u>
Total expenses	<u>102,502</u>
Net income before income taxes	\$11,324
Income tax expense	<u>800</u>
Net Income	<u>\$ 10,524</u>

See notes to financial statements.

ANCHOR BAY SECURITIES, LLC
Statement of Changes in Members' Equity
Year Ended December 31, 2020

Balance, beginning of year	\$37,075
Net income	<u>10,524</u>
Balance, end of year	<u>\$47,599</u>

See notes to financial statements.

ANCHOR BAY SECURITIES, LLC

Statement of Cash Flows

Year Ended December 31, 2020

Cash flows from operating activities	
Net Income	\$ 10,524
Adjustments to reconcile net income to net cash used in operating activities	
Changes in operating assets and liabilities	
Accounts Receivable	3,567
Accounts payable and accrued expenses	<u>2,863</u>
Net cash used by operating activities	<u>16,954</u>
Net increase in cash	16,954
Cash, beginning of year	<u>9,719</u>
Cash, end of year	<u>\$26,674</u>
Supplemental disclosure of cash flow information:	
Income taxes paid (California minimum)	<u>\$ 800</u>

See notes to financial statements.

ANCHOR BAY SECURITIES, LLC

Notes to Financial Statements

1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

The Company. Anchor Bay Securities, LLC (the “Company”) is a registered broker-dealer licensed by the United States Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). The Company provides limited business services involving mutual funds and/or variable annuities only. The Company, under Rule 15c3-3(k)(1), is exempt from the reserve and possession or requirements of Rule 15c3-3 of the Securities and Exchange Commission.

Cash and Cash Equivalents. For purposes of the statement of financial condition and the statement of cash flows, cash is defined as cash on hand, money market accounts, cash due from banks and brokerage accounts, and cash on deposit with banks.

Accounting Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Income Taxes. The Company, with the consent of its Members, has elected to be a Limited Liability Company. For tax purposes, the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company’s taxable income. Accordingly, no provision or liability for Federal Income Taxes is included in these financial statements. The state of California has similar treatment, although there exists a provision for a minimum Franchise Tax of \$800 plus a fee based upon gross receipts. The Company is subject to audit by the taxing agencies for years ending December 31, 2017 through 2019.

2. REVENUE

Significant accounting policy. In accordance with ASC 606, revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfied a performance obligation by transferring control over a product or service to a customer. Substantially all of the Company’s revenue is recognized at a point in time.

Taxes and regulatory fees assessed by a government authority or agency that are both imposed on and concurrent with a specified revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue.

Nature of services. The following is a description of activities – separated by reportable segments, per FINRA Form “Supplemental Statement of Income (SSOI)”); from which the Company generates its revenue. For more detailed information about reportable segments, see below:

Interest/Rebate/Dividend Income. This includes rebates and/or interest earned on Securities borrowings; reverse repurchase transactions; Margin interest; interest earned from customer bank sweep into FDIC insured products and ’40 Act investments and any interest and/or dividends on securities held in Firm inventory.

ANCHOR BAY SECURITIES, LLC

Notes to Financial Statements

REVENUE: (CONTINUED)

Fees earned. This includes fees earned from affiliated entities; investment banking fees, M&A advisory; account supervision and investment advisory fees; administrative fees, revenue from research services; rebates from exchanges/ECN and ATS; 12b-1 fees; Mutual fund fees other than concessions or 12b-1 fees; execution service fees; clearing services; fees earned from customer bank sweep into FDIC insured products or from '40 Act companies and networking fees from '40 Act companies.

3. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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. Net capital and aggregate indebtedness change day to day, but on December 31, 2020 the Company had net capital of \$47,066, which was \$42,066 in excess of its required net capital of the greater of 6 2/3 of aggregate indebtedness of \$372 or \$5,000; and the Company's ratio of aggregate indebtedness to net capital was 0.01 to 1, which is less than the 15 to 1 maximum ratio allowed for a broker dealer.

4. RELATED PARTY TRANSACTIONS

The Company has an expense sharing agreement with Anchor Bay Capital, Inc. The expense sharing agreement covers office expenses, supplies, rent and insurance. During the year ended December 31, 2020, the Company paid \$42,000 to Anchor Bay Capital, Inc.

5. FAIR VALUE MEASUREMENTS

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritized the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820 are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

ANCHOR BAY SECURITIES, LLC

Notes to Financial Statements

There were no levels to measure at December 31, 2020.

6. SUBSEQUENT EVENTS

The management has reviewed the results of operations for the period of time from its year end December 31, 2020 through February 26, 2021 the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

ANCHOR BAY SECURITIES, LLC

Schedule I Computation of Net Capital

Pursuant to SEC Rule 15c3-1

December 31, 2020

	<i>Audited Financial Statements</i>	<i>FOCUS X-17A-5 Part IIA</i>	<i>Differences</i>
Total Members' equity	\$47,599	\$47,599	\$ -
Less non-allowable assets	<u>-</u>	<u>-</u>	-
Net capital before charges on security positions	47,599	47,599	-
Less charges on security positions	<u>533</u>	<u>533</u>	<u>-</u>
Net capital	<u>\$47,066</u>	<u>\$47,066</u>	<u>\$ -</u>
Total aggregate indebtedness	<u>\$372</u>	<u>\$ 372</u>	<u>\$ -</u>
Ratio of aggregate indebtedness to net capital	<u>0.01</u>	<u>0.01</u>	
Minimum net capital required	<u>\$5,000</u>	<u>\$5,000</u>	

There were no differences reported between the Focus and Audit filed for the year ended December 31, 2020.

ANCHOR BAY SECURITIES, LLC

Schedule II Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3

December 31, 2020

The Company is exempt from Rule 15c3-3 under the exemptive provisions of section (k)(1) and, accordingly, has no reserve requirements.

ANCHOR BAY SECURITIES, LLC

Schedule III Information Relating to the Possession or Control Requirements Pursuant to Rule 15c3-3

December 31, 2020

The Company is exempt from Rule 15c3-3 under the exemptive provisions of section (k)(1) and, accordingly, has no possession or control requirements.

ANCHOR BAY SECURITIES, LLC
Assertions Regarding Exemption Provisions

I, as a member of management of Anchor Bay Securities, LLC ("the Company"), is responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker's or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

Identified Exemption Provision:


The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3(k)(1).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period ending January 1, 2020 through December 31, 2020.

Anchor Bay Securities, LLC

By:

 CEO
(Name and Title)

February 26, 2021



LMHS, P.C.
Certified Public Accountants and Advisors

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members
Anchor Bay Securities, LLC

We have reviewed management's statements, included in the accompanying Anchor Bay Securities, LLC Exemption Report in which (1) Anchor Bay Securities, LLC, identified the following provisions of 17 C.F.R. §15c3-3(k) under which Anchor Bay Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(1) (the "exemption provision") and (2) Anchor Bay Securities, LLC, stated that Anchor Bay Securities, LLC met the identified exemption provision throughout the most recent fiscal year of 2020, without exception. Anchor Bay Securities, LLC management is responsible for compliance with the exemption provision and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and accordingly, included inquiries and other required procedures to obtain evidence about the Anchor Bay Securities LLC's compliance with the exemption provision. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(1) of Rule 15c3-3 under the Securities Exchange Act of 1934.

LMHS, P.C.

LMHS, P. C

We have served as Anchor Bay Securities, LLC's auditor since 2020.
Norwell, Massachusetts

February 26, 2021

ANCHOR BAY SECURITIES, LLC

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