



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

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

CM

SEC FILE NUMBER
8- 67241

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: CHARTWELL ADVISORS, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

888 SEVENTH AVENUE, 40TH FLOOR

(No. and Street)

NEW YORK

NY

10019

(City)

(State)

(Zip Code)

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

JOHN DE LANDE LONG, PRESIDENT

212-707-8233

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

RICH AND BANDER, LLP

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

15 W 28TH ST, STE 7A

NEW YORK

NY

10001

(Address)

(City)

SEC Mail
Mail Processing
Section

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

MAR 01 2010

Washington, DC
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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)

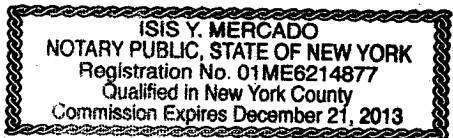
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JD
3/19/2010

OATH OR AFFIRMATION

I, JOHN DE LANDE LONG, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CHARTWELL ADVISORS LLC, as of DECEMBER 31, 20 09, 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:



Handwritten signature of John De Lande Long

Signature

PRESIDENT

Title

Handwritten signature of Isis Y. Mercado

Notary Public

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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Operations
(d) Statement of Changes in Member's Equity
(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).

RICH AND BANDER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

**TO THE MEMBER OF
CHARTWELL ADVISORS, LLC.**

We have audited the accompanying statement of financial condition of Chartwell Advisors, LLC as of December 31, 2009, and the related statements of operations, changes in member's 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. Our responsibility is to express an opinion on these financial statements 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 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 Chartwell Advisors, LLC. as of December 31, 2009 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Rich and Bander, LLP

New York, NY
February 5, 2010

CHARTWELL ADVISORS, LLC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2009

ASSETS

Current assets

Cash and cash equivalents	\$ 15,290
Accrued fees receivable	2,154

Total current assets	<u>17,444</u>
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Deposits	510
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TOTAL ASSETS	<u><u>\$ 17,954</u></u>
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LIABILITIES AND MEMBER'S EQUITY

Current liabilities

Accrued liabilities	\$ 8,287
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Total current liabilities	<u>8,287</u>
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Member's equity	9,667
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TOTAL LIABILITIES AND MEMBER'S EQUITY	<u><u>\$ 17,954</u></u>
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CHARTWELL ADVISORS, LLC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2009

Revenue	
Fees	\$ 66,409
Total revenue	<u>66,409</u>
Expenses	
Rental and utilities	6,000
Auditing fees	3,050
Regulatory and compliance	601
Office supplies	525
Professional fees	511
Bank charge	412
Total expenses	<u>11,099</u>
Net income	<u><u>\$ 55,310</u></u>

See the accompanying notes to the financial statements.

CHARTWELL ADVISORS, LLC.
STATEMENT OF CHANGES IN MEMBER'S EQUITY
DECEMBER 31, 2009

Member's equity - January 1, 2009	\$ 22,596
Member contributions	-
Member distributions	(68,239)
Net income	55,310
Member's equity - December 31, 2009	<u><u>\$ 9,667</u></u>

See the accompanying notes to the financial statements.

CHARTWELL ADVISORS, LLC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

Cash flows from operating activities:

Net income	\$ 55,310
<i>Adjustments to reconcile net income to net cash flows provided by operating activities:</i>	
Accrued fees receivable	12,229
Accrued liabilities	4,987
Deposits	(205)
Net cash flows provided by operating activities	<u>72,321</u>

Cash flows from financing activities:

Member distributions	<u>(68,239)</u>
Net cash used in financing activities	<u>(68,239)</u>

Net increase in cash and cash equivalents 4,082

Cash and cash equivalents - beginning of year 11,208
Cash and cash equivalents - end of year \$ 15,290

Supplemental cash flows disclosures

Cash paid during the year for:

Interest	<u>\$ -</u>
Income taxes	<u><u>\$ -</u></u>

CHARTWELL ADVISORS, LLC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

Note 1- Organization and Nature of Business

Chartwell Advisors, LLC. (Chartwell), a single member limited liability company, was formed on January 3, 2006 in the State of Delaware. Chartwell is a broker-dealer registered with the Securities and Exchange Commission on February 14, 2006 and became a member of the Financial Industry Regulatory Authority ("FINRA") on July 20, 2006. Chartwell introduces high net worth and accredited individuals, as well as institutional clientele seeking investments mainly to pooled investment vehicles.

Note 2- Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

As of December 31, 2009, the carrying amounts of cash, fees receivable and accounts payable and accrued expenses approximate fair value because of the short-term maturities of these items.

Revenue Recognition

Management and performance fees are recognized when earned.

Cash and Cash Equivalents

Cash and cash equivalents are short-term and highly liquid instruments with maturity dates of three months or less when purchased.

Income Taxes

Chartwell is a limited liability company. Accordingly, the accompanying financial statements do not include a provision for federal or state income taxes. Taxes, if any, are the responsibility of the sole member.

Capital Contributions

The member has made capital contributions to Chartwell. No additional capital contributions shall be required of the member unless required to maintain minimum net capital requirements. Net income and net losses in respect of each fiscal year of Chartwell shall be allocated to the member. The member shall have no liability or obligation for any debts, liabilities or obligations of Chartwell beyond the member's respective capital contribution.

CHARTWELL ADVISORS, LLC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
DECEMBER 31, 2009

Note 3- Performance Fees

Recognition of performance fees is governed by agreement with fund managers. Performance fees for 2009 were based on the annual appreciation of the funds held at year-end and were recognized at year-end.

Note 4- Related Party Transactions.

The sole member provides rent and services to Chartwell at a fixed rate of \$500 per month. For the year ended December 31, 2009 Chartwell paid the sole member \$6,000 for rent and services.

Note 5- Net Capital Requirements

Chartwell is subject to the Securities and Exchange Commission 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 8 to 1 (and the rule of the 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). As of December 31, 2009, Chartwell had net capital of \$7,003; which was \$2,003 in excess of its required minimum net capital of \$5,000. Chartwell's net capital ratio was 1.18 to 1.

Note 6- Concentration of Risk

Chartwell received fees from several entities of which the two largest contributed approximately 18% and 82%, respectively.

CHARTWELL ADVISORS, LLC.

Supplemental Information

Schedule I - Computation of Net Capital Under SEC Rule 15c3-1

For the Year Ended December 31, 2009

Total member's equity	\$ 9,667
Non-allowable assets, deductions and charges:	
Accrued fees receivable	\$ (2,154)
Deposits	(510)
Sub-total of deductions and/or charges	<u>\$ (2,664)</u>
Total non-allowable assets, deductions and charges	<u>(2,664)</u>
Net capital	<u>7,003</u>
Aggregate Indebtedness	
Accrued liabilities	<u>8,287</u>
Computation of basic net capital requirements	
Minimum net capital required (the greater of \$5,000 or 6 2/3% of aggregate indebtedness)	<u>5,000</u>
Excess net capital	<u>\$ 2,003</u>
Excess net capital at 1000% (net capital, less 10% of aggregate indebtedness)	6,174
Percentage of aggregate indebtedness to net capital	<u>118%</u>
Ratio of aggregate indebtedness to net capital	<u>1.18 to 1</u>
Reconciliation with Company's Computation:	
Net Capital Under Company's computation	\$ 7,003
Audit Adjustment	-
Net Capital Per Audited Report	<u>\$ 7,003</u>

See accompanying notes to the financial statements.

CHARTWELL ADVISORS, LLC.

Supplemental Information

**Schedule II - Statement of Non-Allowable Assets
For the Year Ended December 31, 2009**

Statement of non-allowable assets:

Accrued fees receivable	\$ 2,154
Deposits	510
Total	<u>\$ 2,664</u>

See the accompanying notes to the financial statements.

CHARTWELL ADVISORS, LLC.

Supplemental Information

Schedule III - Computation of Determination of the Reserve Requirements

Under SEC Rule 15c3-3

For the Year Ended December 31, 2009

The Company is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(i) of that rule.

CHARTWELL ADVISORS, LLC.

Supplemental Information

Schedule IV - Information Relating to Possession or Control Requirements

Under SEC Rule 15c3-3

For the Year Ended December 31, 2009

The Company is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(i) of that rule.

RICH AND BANDER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

**Report on Internal Control Required by SEC Rule 17a-5 for a
Broker-Dealer Claiming Exemption from SEC Rule 15c3-3**

**TO THE MEMBER OF
CHARTWELL ADVISORS, LLC.**

In planning and performing our audit of the financial statements of Chartwell Advisors, LLC. (the "Company") for the year ended December 31, 2009 (on which we issued our report dated February 5, 2010), we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Act of 1934, we have made a study of the practices and procedures followed by the Company (including tests of compliance with such practices and procedures) that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exempt provisions of Rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining 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 and of the practices and procedures, and to assess whether those practices and procedures can be expected to achieve the Securities and Exchange Commission's (the Commission) 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 acquisition, use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any 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 that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Because of inherent limitations in any 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 that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of the Company's internal control would not necessarily disclose all matters in the Company's internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that errors 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 Company's internal control and its operation, including control activities for safeguarding securities that we consider to be material weaknesses as defined above.

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 purposes 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, 2009, to meet the Commission's objectives.

This report is intended solely for the information and use of the board of directors, management, the Securities and Exchange Commission, the New York Stock Exchange, Inc., Financial Industry Regulatory Authority, Inc. and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and should not be used for any other purpose.

Rich and Bander, LLP

New York, NY
February 5, 2010

**RICH AND BANDER, LLP
CERTIFIED PUBLIC ACCOUNTANTS**

**CHARTWELL ADVISORS, LLC.
REPORT ON AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

**Pursuant to Rule 17a5 of
The Securities Exchange Act of 1934
SEC File No. 8-67241.**

FOR THE YEAR ENDED DECEMBER 31, 2009

CHARTWELL ADVISORS, LLC.
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