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

OMB APPROVAL  
OMB Number 3235-0123  
Expires February 28, 2010  
Estimated average burden  
Hours per response 12.00  
SEC FILE NUMBER  
8 - 52846

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

**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, 2009 AND ENDING DECEMBER 31, 2009

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY

ADVANCED EQUITIES SERVICES CORP.

FIRM ID. NO.

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

c/o ACCOUNTING and COMPLIANCE INTERNATIONAL - 40 WALL STREET - 34<sup>TH</sup> FLOOR

NEW YORK

NEW YORK

10005

(City)

(State)

(Zip Code)

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

GARY GETTENBERG

(212) 668 - 8700

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

LERNER & SIPKIN, CPAs, LLP

132 Nassau Street, Suite 1023

New York

NY

10038

Certified Public Accountant

**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.

SEC 1410 (06-02)

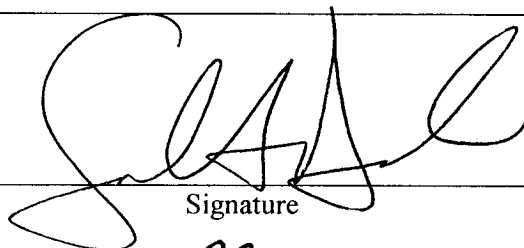
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## OATH OR AFFIRMATION

I, **SAL DiCARLO** swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **ADVANCED EQUITIES SERVICES CORP., as of DECEMBER 31, 2009**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

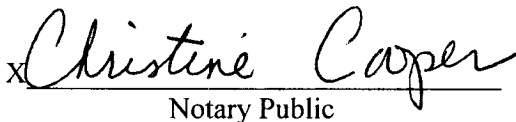
NONE

X

  
Signature

CEO

Title

X   
Notary Public

CHRISTINE COOPER  
Notary Public, State of New York  
No. 01CO6085064  
Qualified in Queens County  
Commission Expires Dec. 23, 2010

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

- (x) (a) Facing page.
- (x) (b) Statement of Financial Condition.
- (x) (c) Statement of Operations.
- (x) (d) Statement of Cash Flows.
- (x) (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (x) (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (x) (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.
- (x) (l) An Oath or Affirmation.
- (X) (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.
- (x) (o) Independent Auditors' Report on Internal Accounting Control.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

NAME OF ORGANIZATION: ADVANCED EQUITIES SERVICES CORP.

ADDRESS: c/o Accounting and Compliance International, 40 Wall Street, New York, NY 10005

DATE: DECEMBER 31, 2009

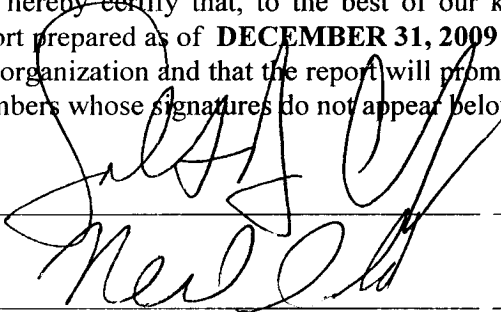
(FINRA) NEW YORK STOCK EXCHANGE, INC.  
20 BROAD STREET - 23rd Floor  
NEW YORK, N.Y. 10005

Att: Member Firms Department

Gentlemen:

WE, THE UNDERSIGNED **members or allied members of Advanced Equities Services Corp.**, have caused an audit to be made in accordance with the prescribed regulations and have arranged for the prescribed financial report based upon such audit.

We hereby certify that, to the best of our knowledge and belief, the accompanying financial report prepared as of **DECEMBER 31, 2009** represents a true and correct financial statement of our organization and that the report will promptly be made available to those members and allied members whose signatures do not appear below.

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

**ADVANCED EQUITIES SERVICES CORP.**  
**STATEMENT OF FINANCIAL CONDITION**  
December 31, 2009

**SEC**  
Mail Processing  
Section

**FEB 17 2010**

**Washington, DC**  
**121**

**ADVANCED EQUITIES SERVICES CORP.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2009**

**ASSETS**

Cash and cash equivalents	\$ 692,491
Due from broker	50,010
Securities - at market value (Note 3)	499,844
Commissions receivable	594,011
Office equipment, net of accumulated depreciation of \$27,598 (Note 2(d))	<u>-</u>
Total assets	<u>\$ 1,836,356</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	<u>133,022</u>
Total liabilities	<u>133,022</u>

**Commitments and Contingencies (Note 5)**

**Stockholders' equity (Note 6)**

Common stock, no par value, 200 shares authorized, 10 shares issued and outstanding.	25,000
Additional paid-in capital	975,000
Retained earnings	<u>703,334</u>
Total stockholders' equity	<u>1,703,334</u>
Total liabilities and stockholders' equity	<u>\$ 1,836,356</u>

*The accompanying notes are an integral part of this statement.*

**ADVANCED EQUITIES SERVICES CORP.**  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**Note 1 -**

**Nature of Business**

Advanced Equities Services Corp. (The "Company") is a New York corporation formed for the purpose of conducting business as a broker on the floor of the New York Stock Exchange ("NYSE"). The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC").

The Company operates under the provisions of Paragraph (k) (2) (ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k) (2) (ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

**Note 2 -**

**Summary of Significant Accounting Policies**

*a)*

***Revenue Recognition***

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis. Commission income and related expense are recorded on a settlement date basis. There is no material difference between settlement date and trade date.

*b)*

***Income Taxes***

The Company has elected to be treated as an "S" Corporation under the provisions of the Internal Revenue Code and New York State tax regulations. Under the provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholder is liable for individual income taxes on his respective share of the Company's taxable income. The Company continues to pay New York City general corporation taxes.

*c)*

***Cash and Cash Equivalents***

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

*d)*

***Equipment***

Equipment is carried at cost and is depreciated over a useful life of 5-7 years using accelerated methods.

*e)*

***Use of Estimates***

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

**ADVANCED EQUITIES SERVICES CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**Note 2 - Summary of Significant Accounting Policies (continued)**

*f) Subsequent Events*

The Company has evaluated events and transactions that occurred between January 1, 2010 and January 29, 2010, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**Note 3- Marketable Securities Owned.**

Marketable securities consist of securities at quoted market values, as illustrated below

	<u>Owned</u>
Government Bonds	\$499,844

**Note 4 - Profit Sharing Plan**

The Company is a sponsor of a defined contribution profit sharing plan for its eligible employees. Contributions to the plan, if any, are determined by the employer and come out of its current accumulated profits. The employer's contribution for any fiscal year shall not exceed the maximum allowable as a deduction to the employer under the provisions of the IRS Code Section 404, as amended, or replaced from time to time.

The Company's liability to the plan for the year ended December 31, 2009 was \$52,247.

**Note 5 - Financial Instruments with Off-Balance Sheet Credit Risk**

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company introduces these transactions for clearance to another broker-dealer on a fully disclosed basis.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to satisfy their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

**ADVANCED EQUITIES SERVICES CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**Note 6 - Net Capital Requirement**

The Company 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 1500%. At December 31, 2009, the Company had net capital of \$1,468,108 which was \$1,459,235 in excess of its required net capital of 8,873. The Company's net capital ratio was 9.06%.

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A copy of the Firm's Statement of Financial Condition as of December 31, 2009, pursuant to SEC Rule 17a-5, is available for examination at the Firm's office and at the regional office of the SEC.





**LERNER & SIPKIN**  
CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074  
E-mail: LS@lernersipkin.com

**INDEPENDENT AUDITORS' REPORT**

To the Stockholders of  
Advanced Equities Services Corp.  
c/o Accounting and Compliance International  
40 Wall Street, 34th Floor  
New York, NY 10005

We have audited the accompanying statement of financial condition of Advanced Equities Services Corp. as of December 31, 2009. This financial statement is the responsibility of the Company's management. 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Advanced Equities Services Corp. as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

*Lerner & Sipkin CPAs, LLP*  
Lerner & Sipkin, CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
January 29, 2010

**ADVANCED EQUITIES SERVICES CORP.**

**Schedule of the Determination of SIPC Net Operating Revenues and  
General Assessment**

**For the Period April 1, 2009 through December 31, 2009**

SEC  
Mail Processing  
Section

FEB 17 2010

Washington, DC  
20540



**LERNER & SIPKIN**  
CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074  
E-mail: LS@lernerstpkin.com

To the Board of Directors of  
Advance Equities Services Corp.  
c/o Accounting and Compliance International  
40 Wall Street-34<sup>th</sup> Floor  
New York, NY 10005


Gentlemen:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments to the Securities Investor Protection Corporation ("SIPC") for the year ended December 31, 2009, which were agreed to by Advance Equities Services Corp. ("Company") and the Securities and Exchange Commission ("SEC"), Financial Industry Regulatory Authority, Inc. ("FINRA") and SIPC., solely to assist you in evaluating the Company's compliance with rule 17a-5(e)(4). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed are as follows:

- 1- Compared the listed assessment payments with respective cash disbursement records entries, noting no exceptions;
- 2- Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2009, with the amounts reported in the Transitional Assessment Reconciliation (Form SIPC-7T) for the year ended December 31, 2009, noting no exceptions;
- 3- Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers, noting no exceptions;
- 4- Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments, noting no exceptions; and
- 5- Compared the amount of any overpayment applied with the Form SIPC-7T on which it was computed, noting no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,  
  
Lerner & Sipkin, CPAs, LLP (NY)  
January 29, 2010

**ADVANCED EQUITIES SERVICES, CORP.**

Schedule of the Determination of SIPC Net Operating Revenues and General Assessment

Period April 1, 2009 through December 31, 2009

**Determination of SIPC Net Operating Revenues:**

Total Revenues (FOCUS line 12/ Part IIA line 9)	\$ 1,983,482
Additions	-
Deductions	<u>(13,501)</u>
SIPC Net Operating Revenues	<u>\$ 1,969,981</u>

**Determination of General Assessment:**

SIPC Net Operating Revenues:	<u>\$ 1,969,981</u>
General Assessment @ .0025	<u>\$ 4,925</u>

**Assessment Remittance:**

Greater of General Assessment or \$150 Minimum	\$ 4,925
Less: Payment made with Form SIPC-4 in January, February or March, 2009	<u>(1,366)</u>
Assessment Balance Due	<u>\$ 3,559</u>

**Reconciliation with the Company's Computation of SIPC Net Operating Revenues for the Period  
April 1, 2009 through December 31, 2009:**

SIPC Net Operating Revenues as computed by the Company on Form SIPC-7T	\$ 1,969,981
SIPC Net Operating Revenues as computed above	<u>1,969,981</u>
Difference	<u>\$ -</u>