

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



10036060

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

SEC FILE NUMBER  
8-65718

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:

Gallatin Capital LLC

OFFICIAL USE ONLY  
FIRM ID. NO.

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

444 Madison Avenue, 29<sup>th</sup> Floor

(No. and Street)

New York

New York

10022

(City)

(State)

(Zip Code)

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

John Youngblood, Managing Principal

(212) 891-7993

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

VB&T Certified Public Accountants, PLLC

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

183 MADISON AVENUE, SUITE 204

New York

New York

10016

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

SEC Mail  
Mail Processing  
Section

MAR 01 2010

Washington, DC  
105

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, Dana Adan, Financial Operations Principal, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Gallatin Capital LLC (Company), as of December 31, 2009, 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:

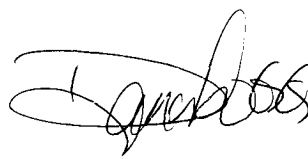
---

---

---

  
Dana Adan, Financial Operations Principal

Sworn and subscribed to before me this 25<sup>th</sup> day of February, 2010.

  
DANA FOGG  
Notary Public, State of New York  
Qualified in New York County  
No. 01FO6102832  
My Commission Expires Dec. 8, 2011

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

	Page
Report of Independent Registered Public Accounting Firm	1
(x) (a) Facing page.	
(x) (b) Statement of Financial Condition.	2
( ) (c) Statement of Operations and Other Comprehensive (Loss).	
( ) (d) Statement of Changes in Members' Equity.	
( ) (e) Statement of Cash Flows.	
( ) (f) Statement of Changes in Subordinated Liabilities (not applicable).	
(x) Notes to Financial Statements.	3 - 8
( ) (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.	
( ) (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.	
( ) (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.	
( ) (j) A Reconciliation, including Appropriate Explanations, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Rule 15c3-3 (not required).	
( ) (k) A Reconciliation Between the Audited and Unaudited Consolidated Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).	
(x) (l) An Oath or Affirmation.	9
(x) (m) A Copy of the SIPC Supplemental Report.	
(x) (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).	10 - 11

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



Certified Public Accountants, PLLC

183 Madison Avenue  
Suite 204  
New York, NY 10016  
T:1.212.448.0010  
F:1.212.448.0053

4920 York Road, Suite 2EE1  
P.O. Box 179  
Buckingham, PA 18912  
T:1.215.794.9444  
F:1.215.794.9445

E-mail:  
[fvb@getcpa.com](mailto:fvb@getcpa.com)  
[rtse@getcpa.com](mailto:rtse@getcpa.com)  
[www.getcpa.com](http://www.getcpa.com)

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of  
Gallatin Capital LLC

We have audited the accompanying statement of financial condition of Gallatin Capital LLC (the "Company"), as of December 31, 2009. This financial statement is 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 Gallatin Capital LLC at December 31, 2009. The financial statement(s) do not include a statement of operations, members' equity and cash flows for the year then ended and this is a departure from U.S. generally accepted accounting principles.

*VB&T CERTIFIED PUBLIC ACCOUNTANTS, PLLC*

New York, NY  
February 5, 2010

**Gallatin Capital LLC**  
**Statement of Financial Condition**  
**December 31, 2009**

**Assets**

Cash and cash equivalents	\$	419,135
Restricted cash		249,612
Fees receivable		1,153,322
Property and equipment, net		116,199
Prepaid pension benefits		14,053
Other assets		<u>61,436</u>
	\$	<u><u>2,013,756</u></u>

**Liabilities and Members' Equity**

**Liabilities**

Accounts payable and accrued expenses	\$	19,825
Income taxes payable		28,504
Deferred income tax liability		24,299
Deferred rent payable		<u>244,685</u>
Total Liabilities		317,313

**Members' equity**

	<u>1,696,443</u>
	\$ <u><u>2,013,756</u></u>

See independent auditors' report and accompanying notes to financial statements.