

17016943

MISSION

OMB APPROVAL

OMB Number: 3235-0123  
Expires: May 31, 2017  
Estimated average burden  
hours per response..... 12.00

Mail Processing

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

MAR 22 2017

SEC FILE NUMBER

Washington DC  
406

67574

*Amendment*

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 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY

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

FIRM I.D. NO.

4800 Montgomery Lane, Suite 230

(No. and Street) Bethesda MD 20815  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Lars Hanan 301-358-2693  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

(Name - if individual, state last, first, middle name)  
8000 Towers Crescent Drive, Suite 1000 Tysons VA  
(Address) (City) (State)

RECEIVED  
2017 MAR 29 PM 2:36  
SEC / TMA

**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)

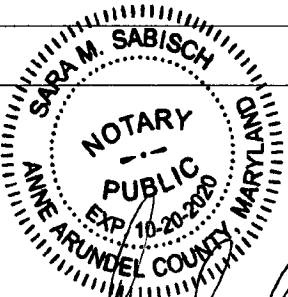
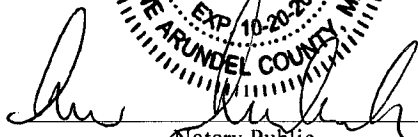
SEC 1410 (06-02)

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.

*amb*

OATH OR AFFIRMATION

I, Lars M. Hanan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BroadOak Partners, LLC of December 31, 202016, 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:

  
  
Notary Public

  
Signature  
Managing Member and FINOP  
Title

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).

Report of Independent Registered Public Accounting Firm

To the Member  
of BroadOak Partners, LLC

We have audited the accompanying statement of financial condition of BroadOak Partners, LLC as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of BroadOak Partners LLC's management. Our responsibility is to express an opinion on this financial statement 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. BroadOak Partners, LLC is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of BroadOak Partners, LLC's internal control over financial reporting. Accordingly, we express no such opinion. 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of BroadOak Partners, LLC as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.



Tysons, Virginia  
February 27, 2017

Annual Audited Report Form X-17a-5 Part III

Report of Independent Registered Public Accounting Firm

2

Financial Statement

Statement of Financial Condition

SEC

3

Mail Processing  
Section

Notes to Financial Statement

4

MAR 22 2017

Washington DC  
406

**BroadOak Partners, LLC**  
**(A Wholly-Owned Subsidiary of BroadOak Capital Partners, LLC)**

**Statement of Financial Condition**

**Year Ended December 31, 2016**

Assets

Cash	\$ 194,812
Prepaid expenses	<u>1,000</u>
Total assets	<u>\$ 195,812</u>

Liabilities and Member's Equity

Liabilities	<u>\$ -</u>
Total liabilities	-
Member's equity	<u>195,812</u>
Total liabilities and member's equity	<u>\$ 195,812</u>

See notes to financial statement.

**BroadOak Partners, LLC**  
**(A Wholly-Owned Subsidiary of BroadOak Capital Partners, LLC)**

**Notes to Financial Statement**

**December 31, 2016**

**1. Organization and Summary of Significant Accounting Policies**

BroadOak Partners, LLC (the Company), a Delaware corporation, formed on January 31, 2007, is a wholly-owned subsidiary of BroadOak Capital Partners, LLC (BroadOak Capital). The Company is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). Focused on the life sciences industry, the Company is engaged in the investment banking business and acts as a financial advisor on behalf of corporations, partnerships and other entities which sell assets and/or issue securities in private placements.

Material subsequent events have been considered for disclosure and recognition in these financial statements through February 27, 2017.

**Risks and Uncertainties**

Since inception, the Company has received a majority of its financial support from its sole member, BroadOak Capital. In addition, by agreement, BroadOak Capital provides operating and administrative support for which BroadOak Capital receives reimbursement and fees. Management plans to continue to develop its client base and service offerings and believes that there are a number of opportunities currently in process with its client base that may lead to the generation of fees from advisory and placement services that will be sufficient to continue to fund on-going operations. In addition, the Company plans to continue to invest in its marketing and business development efforts to ensure that its client base continues to grow as its revenue streams mature. Management believes these actions will enable the Company to operate profitably and provide cash flow to fund its continuing operations. However, there can be no assurance the Company will be able to adequately increase its services or continue to generate sufficient revenue from such services to fund operations.

**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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

**Income Taxes**

The Company has elected to be treated as a pass-through entity for income tax purposes and, as such, is not subject to income taxes. For tax purposes, the Company is included in the consolidated BroadOak Capital tax return and does not file a separate Federal or state tax return. All items of taxable income, deductions and tax credits are passed through to and are reported by members of BroadOak Capital on their respective income tax returns. The Company's Federal tax status as a pass-through entity is based on its legal status as a limited liability corporation. Accordingly, the Company is not required to take any tax positions in order to qualify as a pass-through entity. Therefore, these financial statements do not reflect a provision for income taxes, and the Company has no other tax positions which must be considered for disclosure.

Income tax returns filed by BroadOak Capital are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2012 remain open.

**BroadOak Partners, LLC**  
**(A Wholly-Owned Subsidiary of BroadOak Capital Partners, LLC)**

**Notes to Financial Statement - Continued**

**December 31, 2016**

**2. Related Party Transactions**

Under an agreement with BroadOak Capital, the Company pays monthly management fees, occupancy and salary reimbursement costs to BroadOak Capital. The agreement is renewed annually and revised as needed. Under the agreement, the management fee includes certain operating and administrative costs incurred on behalf of the Company. In addition, the agreement stipulates that the Company will reimburse BroadOak Capital for any additional operating and administrative costs paid by BroadOak Capital on behalf of the Company. During the year ended December 31, 2016, these services totaled approximately \$3,705,000. At December 31, 2016, there are no amounts receivable or payable to BroadOak Capital.

**3. Net Capital Requirements**

The Company is in compliance with the net capital requirements of the SEC as well as FINRA. The Company is subject to the SEC "Uniform Net Capital Rule," which requires the maintenance of minimum net capital, as defined, of \$5,000 and requires that the ratio of aggregate indebtedness to net capital, as defined, not exceed 15-to-1. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2016, the Company had net capital of \$179,812 which is \$174,812 in excess of its required net capital of \$5,000.

**4. Concentration of Credit Risk**

The Company's assets that are exposed to credit risk consist primarily of cash and fees receivable. The Company maintains its cash in a bank deposit account, which, at times, may exceed Federally insured amounts. The Company believes it is not exposed to any significant credit risk on cash.

Report of Independent Registered Public Accounting Firm

To the Member  
of BroadOak Partners, LLC

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report, in which (1) BroadOak Partners, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which BroadOak Partners, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3:(2)(i) (the "exemption provision") and (2) BroadOak Partners, LLC stated that BroadOak Partners, LLC met the identified exemption provision throughout the most recent fiscal year ended December 31, 2016 without exception. BroadOak Partners, LLC's management is responsible for compliance with the exemption provision and its statement.

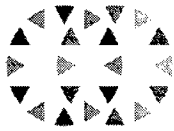
Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about BroadOak Partners, LLC's compliance with the exemption provision. A review is substantially 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 statement referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Tysons, Virginia  
February 27, 2017





# BroadOak

Partners

**Washington D.C. Office**

4800 Montgomery Lane  
Suite 230  
Bethesda, MD 20814

Tel.: 301.358.2692

**San Francisco Office**

2000 Sierra Point Parkway  
Suite 101  
Brisbane, CA 94005

Tel.: 415.697.1219

February 27, 2017

CohnReznick LLP  
8000 Towers Crescent Drive  
Tysons, VA 22182

To whom it may concern:

BroadOak Partners, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of our knowledge and belief, the Company states the following:

1. The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the following provisions of 17 C.F.R. §240.(k): (2)(i).
2. The Company has met such exemption provision 17 C.F.R. §240.15c3-3(k) throughout the most recent fiscal year ended December 31, 2016, without exception.
3. BroadOak Partners, LLC does not carry customer margin accounts and promptly transmits all customer funds and securities received in connection with its activities as a broker-dealer.

BroadOak Partners, LLC

I, Lars Hanan, affirm that, to the best of my knowledge and belief, this Exemption Report is true and correct.

Regards,

---

Lars M. Hanan, Partner

SEC  
Mail Processing  
Section

MAR 22 2017

Washington DC  
406

**BroadOak Partners, LLC  
(A Wholly-Owned Subsidiary of  
BroadOak Capital Partners, LLC)**

**Statement of Financial Condition  
and Report of Independent Registered Public Accounting Firm**

**December 31, 2016**

**Filed Pursuant to SEC Rule 17A-5(e)(3) as a Public Document**