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

SEC  
Mail Processing  
Section  
AUG 28 2017

SEC FILE NUMBER	
8-	67673

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 07/01/16 AND ENDING 06/30/17  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Colonnade Securities, LLC

OFFICIAL USE ONLY
FIRM ID. NO.

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

125 S. Wacker Drive, Suite 3020  
(No. and Street)

Chicago Illinois 60606  
(City) (State) (Zip Code)

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

Christopher Gillock 312-425-8160  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Kehlenbrink, Lawrence & Pauckner  
(Name - if individual, state last, first, middle name)

6296 Rucker Road, Suite G Indianapolis Indiana 46220  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

AUG 28 2017

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\*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).

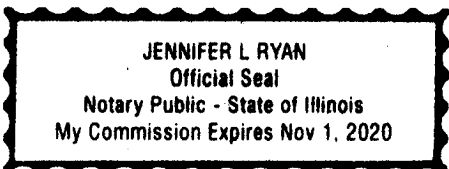
SEC 1410 (06-02)

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RMS

OATH OR AFFIRMATION

I, Christopher Gillock, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Colonnade Securities, LLC, as of June 30, 2017, 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 of Christopher Gillock
Chief Executive Officer
Title

Signature of Jennifer L. Ryan
Notary Public

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

- (a) Facing page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Cash Flows.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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 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.
(o) Exemption Report

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

**COLONNADE SECURITIES LLC**

Chicago, Illinois

**FINANCIAL STATEMENTS**

Including Report of Independent  
Registered Public Accounting Firm

As of and for the Year Ended June 30, 2017

SEC  
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AUG 28 2017

Washington DC  
408

Securities and Exchange Commission  
Trading and Markets

AUG 28 2017

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(Filed as CONFIDENTIAL Information  
Pursuant to Rule 17a-5(e)(3) Under the  
Securities Exchange Act of 1934)

# COLONNADE SECURITIES LLC

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**Facing Page**  
**Oath or Affirmation**

## TABLE OF CONTENTS

<b>Report of Independent Registered Public Accounting Firm</b>	1
<b>Financial Statements</b>	
Statement of Financial Condition	2
Statement of Income	3
Statement of Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
<b>Supplemental Information</b>	
Schedule I - Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission Capital Rule	9
Schedule II - Computation for Determination of Reserve Requirements Under Rule 15c3-3 (Exemption) and Information for Possession or Control Requirements Under Rule 15c3-3 (Exemption) of the Securities and Exchange Commission	10



317-257-1540  
FAX: 317-257-1544  
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6296 Rucker Road, Suite G  
Indianapolis, IN 46220

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
Colonnade Securities, LLC

We have audited the accompanying financial statements of Colonnade Securities, LLC, which comprise the statement of financial condition as of June 30, 2017, and the related statements of income, changes in member's equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. Colonnade Securities, LLC's management is responsible for these financial statements. 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. The company 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 circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting.

Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 condition of Colonnade Securities, LLC as of June 30, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplemental schedules titled Computation of Net Capital, Computation for Determination of Reserve Requirements, and Information for Possession or Control Requirements have been subjected to audit procedures performed in conjunction with the audit of Colonnade Securities,

LLC's financial statements. The supplemental information is the responsibility of Colonnade Securities, LLC's 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 Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.



Kehlenbrink, Lawrence and Pauckner  
Indianapolis, Indiana  
August 11, 2017

# COLONNADE SECURITIES LLC

STATEMENT OF FINANCIAL CONDITION  
For the Year Ended June 30, 2017

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## *ASSETS*

<b>ASSETS</b>	
Cash and cash equivalents	\$ 359,901
Accounts Receivable	<u>\$ 0</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 359,901</u></u>

## *LIABILITIES AND MEMBER'S EQUITY*

<b>LIABILITIES AND EQUITY</b>	
Accounts Payable	<u>\$ 1,059</u>
<b>Total Liabilities</b>	<u>1,059</u>
<b>MEMBER'S EQUITY</b>	<u>358,842</u>
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<u><u>\$ 359,901</u></u>

# COLONNADE SECURITIES LLC

STATEMENT OF INCOME  
For the Year Ended June 30, 2017

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## REVENUES

Investment Banking Fees	\$ 1,269,634
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## OPERATING EXPENSES

Shared service expenses	141,372
Professional fees	9,650
Other operating expenses	<u>12,220</u>

Total Operating Expenses	<u>163,242</u>
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## NET INCOME

	<u>\$ 1,106,392</u>
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# COLONNADE SECURITIES LLC

## STATEMENT OF CHANGES IN MEMBER'S EQUITY For the Year Ended June 30, 2017

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<b>BALANCE, July 1, 2016</b>	<b>\$ 362,450</b>
Net income	1,106,392
Member distributions	<u>(1,110,000)</u>
<b>BALANCE, June 30, 2017</b>	<b><u>\$ 358,842</u></b>

# COLONNADE SECURITIES LLC

## STATEMENT OF CASH FLOWS For the Year Ended June 30, 2017

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### CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 1,106,392
Adjustments to reconcile net income to net cash provided by operating activities	
Change in:	
Accounts receivable	45,000
Accounts payable	<u>(1,220)</u>
Net Cash Provided by Operating Activities	<u>1,150,172</u>

### CASH FLOWS FROM FINANCING ACTIVITIES

Member Distributions	<u>(1,110,000)</u>
Net Cash Used in Financing Activities	<u>(1,110,000)</u>

Net Increase in Cash and Cash Equivalents 40,172

CASH AND CASH EQUIVALENTS, Beginning of Year 319,730

**CASH AND CASH EQUIVALENTS, END OF YEAR \$ 359,901**

# COLONNADE SECURITIES LLC

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2017

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## NOTE 1 - Nature of Operations

Colonnade Securities LLC (the Company) was formed in August 2002 and is organized as a limited liability company pursuant to the Limited Liability Company Act of the state of Delaware. The Company began operating under its limited liability company agreement with Colonnade Advisors LLC (the Member) on August 30, 2007. Colonnade Advisors LLC is the sole member of the Company. The Company is an approved as a FINRA/SEC member firm. As a registered securities broker-dealer, the Company provides investment banking and financial advisory services to institutional clients and high net worth individuals.

As a limited liability company, the Member's liability is limited to the capital invested. Under the operating agreement, the Company has one class of member interest, and the sole member interest is equal to the number of equity units issued. Allocation of profit, losses and distributions is in accordance with the terms as defined in the operating agreement. The Company shall continue in perpetuity unless sooner terminated as defined in the operating agreement.

## NOTE 2 - Summary of Significant Accounting Policies

### *Cash and Cash Equivalents*

Cash and cash equivalents consist of cash and short-term highly liquid investments with maturities of three months or less at the date of acquisition. The Company maintains its cash and cash equivalents in a checking account at one bank, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

### *Investment Banking Fees*

Investment banking fees include fees earned from providing merger and acquisition and financial restructuring advisory services and private placement services. These fees are recognized as earned according to each contract with clients. A portion of this revenue relates to success-based fees, which are recognized only after they have been earned.

### *Accounts Receivable*

The Company grants credit to its customers and generally requires no collateral. Accounts receivable are reported at their outstanding balances reduced by the allowance for doubtful accounts, if any. The allowance for doubtful accounts is increased by charges to income and decreased by charge offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the Company's past collection experience, known and inherent risks of the customer comprising the Company's accounts receivable balance, adverse situations that may affect the customer's ability to pay, and the current economic conditions. Accounts receivable are charged off when management deems the accounts receivable balance to be uncollectible. At June 30, 2017, there was an accounts receivable balance of \$0.00, and no allowance for doubtful accounts was necessary.

### *Income Tax*

As a limited liability company, the Company elected to be treated as a partnership; consequently, taxable income or loss is allocated to the sole member in accordance with its respective percentage ownership and no provision or liability for income taxes has been included in the financial statements. The financial statements do include a provision for state replacement taxes.

The Company is subject to the accounting standard for uncertainty in income taxes. The tax effects from an

# COLONNADE SECURITIES LLC

## NOTES TO FINANCIAL STATEMENTS For the Year Ended June 30, 2017

uncertain tax position can be recognized in the financial statements, only if the position is more likely than not to be sustained on audit, based on the technical merits of the position. The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized, upon ultimate settlement with the relevant tax authority. When applicable, the Company has elected to record any potential penalties and interest related to uncertain tax positions as income tax expense on the Company's statement of income. The Company did not have any uncertain tax positions for the year ended June 30, 2017. Income tax returns have been filed for the calendar year ending December 31, 2016. Income Tax Returns filed or to be filed by the Company's sole member for the years ended June 30, 2013 through 2016 remain open, and are subject to review by applicable tax authorities.

### *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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Exemptive Provision*

The computation for determination of the reserve requirement under Rule 15c3-3 and the information relating to the possession or control requirements under Rule 15c3-3 are not applicable to the Company as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

As a result of the above paragraph, the Company is exempt from the remaining provisions of Rule 15c3-3.

### **NOTE 3 - Related Party Transactions**

The Company has an expense sharing agreement with its member. During the year ended June 30, 2017, the member provided office space and various administrative and operating services to the Company for \$141,372.

### **NOTE 4 - Concentrations**

During the year ended June 30, 2017, the Company had 3 clients that accounted for 69% of revenues. The Company had no accounts receivable from these clients at June 30, 2017.

### **NOTE 5 - Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the Company to maintain "minimum net capital" equivalent to \$5,000 or 6 2/3% of "aggregate indebtedness", whichever is greater, as these terms are defined. SEC Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1.

At June 30, 2017, the Company had net capital of \$358,842 which was \$353,842 in excess of its minimum required net capital of \$5,000. The Company's aggregate indebtedness for the year ended June 30, 2017 was .0030 to 1.

**SUPPLEMENTAL INFORMATION**

## COLONNADE SECURITIES LLC

SCHEDULE I - COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
As of and for the Year Ended June 30, 2017

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### AGGREGATE INDEBTEDNESS

Accounts payable	<u>\$ 1,059</u>
Total Aggregate Indebtedness	<u>1,059</u>
Minimum required net capital (based on aggregate indebtedness)	<u>71</u>

### NET CAPITAL

Member's equity	358,842
Deductions	
Non-allowable assets	<u>0</u>
Net Capital	358,842
Net capital requirement (minimum)	<u>5,000</u>
Capital in excess of minimum requirement	353,842
Ratio of aggregate indebtedness to net capital	<u>.0030 to 1</u>

There were no material differences between the above calculation and the Company's calculation of net capital as reflected on Form 17a- 5, Part IIA.

## COLONNADE SECURITIES LLC

SCHEDULE II - COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS UNDER  
RULE 15c3-3 (EXEMPTION) AND INFORMATION FOR POSSESSION OR CONTROL  
REQUIREMENTS UNDER RULE 15c3-3 (EXEMPTION) OF THE SECURITIES AND EXCHANGE  
COMMISSION  
As of June 30, 2017

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COMPUTATION FOR DETERMINATION OF THE RESERVE REQUIREMENTS UNDER RULE  
15c3-3

Colonnade Securities LLC is exempt from Rule 15c3-3 under the provision of Rule 15c3-3(k)(2)(i).

INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS UNDER  
RULE 15c3-3

Colonnade Securities LLC is exempt from Rule 15c3-3 under the provision of Rule 15c3-3(k)(2)(i).



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6296 Rucker Road, Suite G  
Indianapolis, IN 46220

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Member  
of Colonnade Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Colonnade Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Colonnade Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: under paragraph (k)(2)(i) (the "exemption provisions") and (2) Colonnade Securities, LLC stated that Colonnade Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Colonnade Securities, LLC's management is responsible for compliance with the exemption provisions 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 Colonnade Securities, LLC's compliance with the exemption provisions. 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)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Kehlenbrink Lawrence Pauckner*

Indianapolis, Indiana  
August 11, 2017



**COLONNADE SECURITIES LLC**

125 South Wacker Drive, Suite 3020  
Chicago, IL 60606

**Exemption Report**

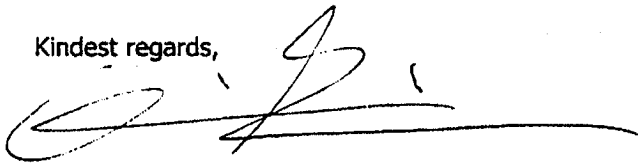
July 20, 2017

Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549

To Whom It May Concern:

Colonnade Securities LLC claims exemption from SEC Rule 15c3-3 under paragraph(k)(2)(i) for the period from July 1, 2016 through June 30, 2017 because we do not hold customer funds or safekeep securities. Paragraph (k)(2)(i) states: "The provisions of this section shall not be applicable to a broker or dealer: (i) Who carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and its customers through one or more bank accounts, each to be designated as "Special Account for the Exclusive Benefit of Customers of (name of the broker or dealer)". Colonnade Securities met the exemption provisions under SEC Rule 15c3-3 paragraph(k)(2)(i) for the period July 1, 2016 through June 30, 2017, without exception.

Kindest regards,



Christopher L. Gillock  
CEO