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**ANNUAL AUDITED REPORT**

**FORM X-17A-5**

**PART III**

SEC FILE NUMBER
8-36999

Washington **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 07/01/2016 AND ENDING 06/30/2017  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Alliance Advisory Securities INC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
3390 Auto Mall Drive, Westlake Village, California  
(No. and Street)

91362  
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Jerry V. Sanada 805-371-8020  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Breard & Associates, Inc.  
(Name - if individual, state last, first, middle name)

9221 Corbin Avenue, Suite 170 Northridge CA 91324  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

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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)

RMS

OATH OR AFFIRMATION

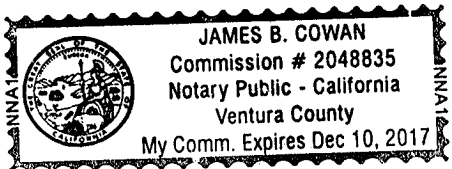
I, Jerry V. Sanada, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Alliance Advisory & Securities Inc. of June 30, 2017, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None.

[Signature]
Signature

Chief Financial Officer
Title

[Signature]
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 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).



**BREARD & ASSOCIATES, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

The Board of Directors  
Alliance Advisory & Securities, Inc.

We have audited the accompanying statement of financial condition of Alliance Advisory & Securities, Inc. as of June 30, 2017, and the related statement of income, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of Alliance Advisory & Securities, Inc.'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 also 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 basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alliance Advisory & Securities, Inc. as of June 30, 2017, 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.

The information contained in Schedule I, II and III (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of Alliance Advisory & Securities, Inc.'s financial statements. The supplemental information is the responsibility of Alliance Advisory & Securities, Inc.'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 17 C.F.R. § 240.17a-5. In our opinion, Schedules I, II and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*Breard & Associates, Inc.*

Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
August 28, 2017

9221 Corbin Avenue, Suite 170, Northridge, California 91324  
phone 818.886.0940 fax 818.886.1924 web www.baicpa.com

LOS ANGELES CHICAGO NEW YORK OAKLAND SEATTLE

**WE FOCUS & CARE™**

**Alliance Advisory & Securities, Inc.**  
**Statement of Financial Condition**  
**June 30, 2017**

**Assets**

Cash and cash equivalents	\$ 188,666
Accounts receivable	418,539
Receivable from related party	174,948
Prepaid income taxes	6,000
Prepaid expenses and other	3,276
<b>Total assets</b>	<b><u>\$ 791,429</u></b>

**Liabilities and Stockholder's Equity**

**Liabilities**

Accounts payable and accrued expenses	\$ 2,948
Commissions payable	<u>272,050</u>
<b>Total liabilities</b>	<b>274,998</b>

**Stockholder's equity**

Common stock, no par value, 1,000,000 shares authorized, 109,000 shares issued and outstanding	1,030
Additional paid in capital	46,970
Retained earnings	<u>468,431</u>
<b>Total stockholder's equity</b>	<b><u>516,431</u></b>
<b>Total liabilities and stockholder's equity</b>	<b><u>\$ 791,429</u></b>

*The accompanying notes are an integral part of these financial statements.*

**Alliance Advisory & Securities, Inc.**  
**Statement of Income**  
**For the Year Ended June 30, 2017**

**Revenues**

Fees & Commissions	\$ 2,403,243
Interest and dividends	42
<b>Total revenues</b>	<u>2,403,285</u>

**Expenses**

Employee compensation and benefits	787,929
Commission expense	1,367,103
Occupancy expenses	156,000
Communications	5,123
Other operating expenses	298,669
Reimbursed expenses	<u>(214,753)</u>
<b>Total expenses</b>	<u>2,400,071</u>

**Net income (loss) before income tax provision** 3,214

**Income tax provision (benefit)** 800

**Net income (loss)** \$ 2,414

*The accompanying notes are an integral part of these financial statements.*

**Alliance Advisory & Securities, Inc.**  
**Statement of Changes in Stockholder's Equity**  
**For the Year Ended June 30, 2017**

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>Balance at June 30, 2016</b>	\$ 1,030	\$ 46,970	\$ 466,017	\$ 514,017
Net income (loss)	-	-	2,414	2,414
<b>Balance at June 30, 2017</b>	<u>\$ 1,030</u>	<u>\$ 46,970</u>	<u>\$ 468,431</u>	<u>\$ 516,431</u>

*The accompanying notes are an integral part of these financial statements.*

**Alliance Advisory & Securities, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2017**

**Cash flow from operating activities:**

Net income (loss)		\$ 2,414
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
(Increase) decrease in assets:		
Accounts receivable	\$ (78,989)	
Receivable from related party	41,899	
Prepaid income taxes	400	
Other receivables	68,358	
Prepaid expenses and other	4,795	
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	1,046	
Commissions payable	(5,951)	
Total adjustments	31,558	
<b>Net cash provided by (used in) operating activities</b>		<b>33,972</b>
<b>Net cash provided by (used in) investing activities</b>		<b>-</b>
<b>Net cash provided by (used in) financing activities</b>		<b>-</b>
<b>Net increase (decrease) in cash</b>		<b>33,972</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>154,694</b>
<b>Cash and cash equivalents at end of year</b>		<b>\$ 188,666</b>

**Supplemental disclosure of cash flow information:**

Cash paid during the year for:

Interest	\$	-
Income taxes	\$	800

*The accompanying notes are an integral part of these financial statements.*

Alliance Advisory & Securities, Inc.

Notes to Financial Statements

June 30, 2017

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*General*

Alliance Advisory & Securities, Inc. (the "Company") was founded in the State of California in May of 1982 under the name Polycomp Financial Group, Inc. In July of 1985, the Company changed its name to Petra Financial Group, Inc. and in May of 1991 the Company changed its name to Alliance Advisory & Securities, Inc. The Company is a registered broker-dealer in securities under the Securities and Exchange Act of 1934, a member of the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC").

The Company is engaged in business as a securities broker-dealer, that provides several classes of services, including providing financial planning, consulting, insurance, investment advisory and securities brokerage services.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3(k)(2)(i), the Company does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

*Summary of Significant Accounting Policies*

The presentation 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

For purposes relating to the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business.

Accounts receivable are stated at face amount with no allowance for doubtful accounts. An allowance for doubtful accounts is not considered necessary because probable uncollectible accounts are immaterial.

Furniture & equipment are stated at cost. Repairs and maintenance to these assets are charged to expense as incurred; major improvements enhancing the function and/or useful life are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized. Furniture & equipment are depreciated over their estimated useful lives of seven (7) years by the straight-line method. At June 30, 2017, all furniture and equipment were fully depreciated.



Alliance Advisory & Securities, Inc.  
Notes to Financial Statements  
June 30, 2017

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)

Securities transactions and related commission revenues and expenses are recorded on a settlement date basis. Accounting principles generally accepted in the United States of America require transactions to be recorded on a trade date basis; however there is no material difference between trade date and settlement date for the Company.

Advertising and promotional costs are charged to operations when incurred. At June 30, 2017, a total of \$2,128 of advertising costs is included in other operating expenses.

The Company accounts for its income taxes in accordance with FASB ASC 740, Income Taxes. This standard requires the establishment of a deferred tax asset or liability to recognize the future tax effects of transactions that have not been recognized for tax purposes, including taxable and deductible temporary differences as well as net operating loss and tax credit carryforwards. Deferred tax expenses or benefits are recognized as a result of changes in the tax basis of an asset or liability when measured against its reported amount in the financial statements.

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

Note 2: INCOME TAXES

The provision for income tax expense (benefit) is composed of the following:

Federal	Current
State	\$-
Total income tax expense (benefit)	<u>800</u>
	<u>\$800</u>

The Company has available at June 30, 2017, unused operating loss carry-forwards, which may be applied against future taxable income, resulting in a deferred tax asset of approximately \$9,100, that expires in 2035. A 100% valuation allowance had been established against this asset since management cannot determine if it is more likely than not that the asset will be realized.

The Company is required to file income tax returns in both federal and state tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. For federal

Alliance Advisory & Securities, Inc.  
Notes to Financial Statements  
June 30, 2017

Note 2: INCOME TAXES (continued)

purposes, the statute of limitations is three years. Accordingly, the company is no longer subject to examination of federal returns filed more than three years prior to the date of these financial statements. The statute of limitations for state purposes is generally three years, but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of June 30, 2017, the IRS has not proposed any adjustment to the Company's tax position.

Note 3: RELATED PARTY TRANSACTIONS

The Company provides investment management and/or other services for three limited partnerships owned and controlled by Alliance Financial Group, Inc. ("AFG"). AFG is the sole shareholder of the Company. During the year ended June 30, 2017, the Company received \$584,533 in revenue for services to these partnerships. This amount is included in Fees & commissions income on the accompanying Statement of Income.

The Company occupied office space in a building that is owned by AFG. The Company has an administrative agreement with AFG whereby during the year ended June 30, 2017, the Company incurred \$156,000 in occupancy fees. These fees include various administrative expenses, rental of office equipment, furniture and office space.

The Company pays all salaries and provides all office supplies and services for itself and for AFG and its subsidiaries. For the year ended June 30, 2017, ABLP Management, Alliance Entrust, Hoby Pearce CFP, Randy Sanada CFP, and Randall Sanada CFP (sister companies) reimbursed the Company \$201,606 for salaries and benefits and for rent, which are included in reimbursed expenses on the Statement of Income.

At June 30, 2017, the receivable from related parties amounts to \$174,948.

The Company is reimbursed by its registered representatives for license fees, insurance and rent expenses incurred on their behalf. For the year ended June 30, 2017, the Company was reimbursed \$6,266 for licenses which is included in reimbursed expenses on the Statement of Income and \$15,539 for insurance which is included in net insurance expense on the Statement of Income.

It is possible that the terms of certain of the related party transactions are not the same as those that would result for transactions among wholly unrelated parties.

Alliance Advisory & Securities, Inc.

Notes to Financial Statements

June 30, 2017

Note 4: CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counter-parties primarily include broker-dealers, banks, and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter-party.

Note 5: RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASUs")

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

Note 6: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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 15 to 1. 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. Net capital and aggregate indebtedness change day to day, but on June 30, 2017, the Company had net capital of \$330,963 which was \$312,630 in excess of its required net capital of \$18,333; and the Company's ratio of aggregate indebtedness (\$274,998) to net capital was 0.83 to 1, which is less than the 15 to 1 maximum allowed.

Alliance Advisory & Securities, Inc.  
Notes to Financial Statements  
June 30, 2017

Note 7: RECONCILIATION OF AUDITED NET CAPITAL TO UNAUDITED FOCUS

There is a difference of \$62,676 between the computation of net capital under net capital SEC Rule 15c3-1 and the corresponding unaudited FOCUS part IIA.

Net capital per unaudited schedule		\$ 268,287
Adjustments:		
Retained earnings	\$(400)	
Allowable assets	<u>63,076</u>	
Total adjustments		<u>62,676</u>
Net capital per audited statements		<u>\$ 330,963</u>

Note 8: RETIREMENT PLAN

The Company's retirement plan is a 401(k) (the "Plan") which covers all eligible employees. Employees over 21 are eligible after completing three months of employment on a full-time or part-time basis. The Plan was effective on December 1, 2016, and provides for a Company matching contribution of at least 3% of eligible employee compensation which vests immediately. The Company made a matching contribution of \$28,993 for the year ended June 30, 2017.

**Alliance Advisory & Securities, Inc.**  
**Schedule I - Computation of Net Capital Requirements**  
**Pursuant to Rule 15c3-1**  
**As of June 30, 2017**

**Computation of net capital**

Common stock	\$ 1,030	
Additional paid-in capital	46,970	
Retained earnings	<u>468,431</u>	
<b>Total stockholder's equity</b>		<b>\$ 516,431</b>
Less: Non-allowable assets		
Receivable from related party	(174,948)	
Commission receivable, greater than 30 days		
Prepaid taxes	(6,000)	
Prepaid expenses and other	<u>(3,276)</u>	
<b>Total non-allowable assets</b>		<b><u>(184,224)</u></b>
<b>Net capital before haircuts</b>		<b>332,207</b>
Less: Haircuts and undue concentration		
Haircut on marketable securities	-	
Haircut on money markets	<u>(1,244)</u>	
<b>Total haircuts &amp; undue concentration</b>		<b><u>(1,244)</u></b>
<b>Net Capital</b>		<b>330,963</b>

**Computation of net capital requirements**

Minimum net capital requirements		
6 2/3 percent of net aggregate indebtedness	\$ 18,333	
Minimum dollar net capital required	<u>\$ 5,000</u>	
Net capital required (greater of above)		<b><u>(18,333)</u></b>
<b>Excess net capital</b>		<b><u>\$ 312,630</u></b>
Aggregate Indebtedness	\$ 274,998	
Ratio of aggregate indebtedness to net capital	0.83 : 1	

There was a difference of \$62,676 between the net capital computation shown here and the net capital computation on the Company's unaudited FOCUS IIA dated June 30, 2017 (See Note 7).

*See independent auditor's report*

Alliance Advisory & Securities, Inc.  
Schedule II - Computation for Determining of Reserve  
Requirements Pursuant to Rule 15c3-3  
As of June 30, 2017

A computation of reserve requirements is not applicable to Alliance Advisory & Securities, Inc. as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

See independent auditor's report.

Alliance Advisory & Securities, Inc.  
Schedule III – Information Relating to Possession or Control  
Requirements Pursuant to Rule 15c3-3  
As of June 30, 2017

Information relating to possession or control requirements is not applicable to Alliance Advisory & Securities, Inc. as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

See independent auditor's report.

**Alliance Advisory & Securities, Inc.**  
**Report on Exemption Provisions**  
**Report Pursuant to Provisions of 17 C.F.R. § 15c3-3(k)**  
**For the Year Ended June 30, 2017**





**Report of Independent Registered Public Accounting Firm**

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) Alliance Advisory & Securities, Inc. identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Alliance Advisory & Securities, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3(k)(2)(i) (the "exemption provisions") and (2) Alliance Advisory & Securities, Inc. stated that Alliance Advisory & Securities, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Alliance Advisory & Securities, Inc.'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 Alliance Advisory & Securities, Inc.'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.

*Breard & Associates, Inc.*

Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
August 28, 2017

# Alliance



Advisory  
& Securities, Inc.

A Registered Investment Advisor / Member FINRA & SIPC

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CREDENTIALLED ADVISORS:

Sandi Bublitz, CFP  
Lee H. Falberg, CPFA, MBA  
Patrick Mellrath, MBA, MFP, CRPC  
Hoby Pearce, CFP  
Jerry V. Sanada, CFP, CFA  
Randy Sanada Jr., CFP  
Randall P. Sanada, CFP, ChFC, MSFS

## Assertions Regarding Exemption Provisions

We, as members of management of Alliance Advisory & Securities, Inc. (the "Company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

### Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c#-3, Paragraph (k)(2)(i).

### Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception through the year ending 6/30/17.

Alliance Advisory & Securities, Inc.

By:

Jerry Sanada  
Chief Financial Officer  
August 28, 2017

**Alliance Advisory & Securities, Inc.**  
**Report on the SIPC Annual Assessment**  
**Pursuant to Rule 17a-5(e)4**  
**For the Year Ended June 30, 2017**



**BREARD & ASSOCIATES, INC.**  
CERTIFIED PUBLIC ACCOUNTANTS  
**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**  
**ON APPLYING AGREED UPON PROCEDURES**

The Board of Directors  
Alliance Advisory & Securities, Inc.:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by Alliance Advisory & Securities, Inc. and the Securities Investor Protection Corporation ("SIPC") with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Alliance Advisory & Securities, Inc. (the "Company") for the year ended June 30, 2017, solely to assist you and SIPC in evaluating Alliance Advisory & Securities, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). 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 Public Company Accounting Oversight Board (United States). 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 and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended June 30, 2017, with the Total Revenue amounts reported in Form SIPC-7 for the year ended June 30, 2017, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences;
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and

5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the Form SIPC-7. 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.

*Breard & Associates, Inc.*

Breard & Associates, Inc.  
Certified Public Accountants

Northridge, California  
August 28, 2017

**Alliance Advisory & Securities, Inc.**  
**Schedule of Securities Investor Protection Corporation**  
**Assessments and Payments**  
**For the Year Ended June 30, 2017**

	<u>Amount</u>
<b>Total assessment</b>	\$ 4,021
SIPC-6 general assessment Payment made on January 30, 2017	(2,460)
SIPC-7 general assessment Payment made on August 28, 2017	<u>(1,561)</u>
<b>Total assessment balance</b> <b>(overpayment carried forward)</b>	<u><u>\$ 0</u></u>