

COORDINATED CAPITAL SECURITIES, INC.

(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Madison, Wisconsin

EXEMPTION REPORT

Including Report of Independent Registered Public Accounting Firm
As of and for the Year Ended March 31, 2024

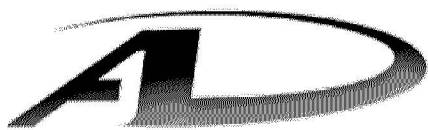
COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

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ASSURANCEDIMENSIONS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM– EXEMPTION REPORT REVIEW

To the Board of Directors and Shareholder/s
Coordinated Capital Securities, Inc.

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) Coordinated Capital Securities, Inc. identified the following provision(s) of 17 C.F.R. §15c3- 3(k) under which Coordinated Capital Securities, Inc. claimed the following exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (exemption provision) and (2) Coordinated Capital Securities, Inc. stated that Coordinated Capital Securities, Inc. met the identified exemption provision throughout the most recent fiscal year without exception.

The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 5 because the Company limits its business activities Trail income and 12b-1 fees-Direct, Commission Revenue-Mutual Funds, Commission Revenue-Annuity Income and Other income-Direct which includes: (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; (2) receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients, referring securities transactions to other broker-dealers, or providing technology or platform services. In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3- 3) throughout the most recent fiscal year without exception.

Coordinated Capital 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 Coordinated Capital 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934 and the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.

Assurance Dimensions
Margate, Florida
May 16, 2024

ASSURANCE DIMENSIONS, LLC

also d/b/a McNAMARA and ASSOCIATES, LLC

TAMPA BAY: 4920 W Cypress Street, Suite 102 | Tampa, FL 33607 | Office: 813.443.5048 | Fax: 813.443.5053
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www.assurancedimensions.com

"Assurance Dimensions" is the brand name under which Assurance Dimensions, LLC including its subsidiary McNamara and Associates, LLC (referred together as "AD LLC") and AD Advisors, LLC ("AD Advisors"), provide professional services. AD LLC and AD Advisors practice as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations, and professional standards. AD LLC is a licensed independent CPA firm that provides attest services to its clients, and AD Advisors provide tax and business consulting services to their clients. AD Advisors, and its subsidiary entities are not licensed CPA firms.



Member FINRAISIPC

May 16, 2024

Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549

To Whom It May Concern,

Coordinated Capital Securities, Inc. claims exemption from SEA Rule 15c3-3 under paragraph (k)(2)(ii) for the period of April 1, 2022 through March 31, 2024 because we do not hold customer funds or safe keep securities. Paragraph (k)(2)(ii) states that the Firm clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker dealer and promptly transmit 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 the clearing broker dealer. Coordinated Capital Securities, Inc. met the exemption provisions under SEA Rule 15c3-3 paragraph (k)(2)(ii) for the period of April 1, 2022 through March 31, 2023, without exemption.

Coordinated Capital Securities, Inc. is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited to effecting securities transactions via a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; and the Company (1) did not directly or indirectly receive, hold or otherwise owe funds or securities for or to customers, (2) did not carry accounts of or for customers, and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year with exception.

Sincerely,


Mari J. Buechner
President

COORDINATED CAPITAL SECURITIES, INC.

(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Madison, Wisconsin

FINANCIAL STATEMENTS

Including Report of Independent Registered Public Accounting Firm
As of and for the Year Ended March 31, 2024

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

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

ANNUAL REPORTS
FORM X-17A-5
PART III

OMB APPROVAL OMB Number: 3235-0123 Expires: Nov. 30, 2026 Estimated average burden hours per response: 12
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FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 04/01/23 AND ENDING 03/31/24
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Coordinated Capital Securities, Inc.

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

229 S Main Street

(No. and Street)

Fort Atkinson

WI

53538

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Tracy Williams

608-221-4545

tracy@ccsmadison.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Assurance Dimensions

(Name – if individual, state last, first, and middle name)

4920 W Cypress Street, Suite 102

Tampa

FL

33607

(Address)

(City)

(State)

(Zip Code)

04/13/2010

5036

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

FOR OFFICIAL USE ONLY

* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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.

OATH OR AFFIRMATION

I, Mari J Buechner, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Coordinated Capital Securities, Inc., as of 3/31, 2024, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Signature: Mari Buechner

Title:
President

Tracy Williams
Notary Public

NOTARY PUBLIC
STATE OF WISCONSIN
TRACY WILLIAMS

This filing** contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☐ (b) Notes to consolidated statement of financial condition.
- ☒ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☒ (d) Statement of cash flows.
- ☒ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☒ (g) Notes to consolidated financial statements.
- ☒ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☒ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☒ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☒ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☒ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.



ASSURANCE DIMENSIONS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder/s
Coordinated Capital Securities, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of **Coordinated Capital Securities, Inc.** as of March 31, 2024, the related statements of operations, statement of stockholder's equity, and statement of cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of **Coordinated Capital Securities, Inc.** as of March 31, 2024, 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 of America.

Basis for Opinion

These financial statements are the responsibility of **Coordinated Capital Securities, Inc.**'s management. Our responsibility is to express an opinion on **Coordinated Capital Securities, Inc.**'s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to **Coordinated Capital Securities, Inc.** in accordance with the U.S. federal securities laws and the applicable rules and regulations of the U.S. Securities and Exchange Commission ("SEC") and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Auditor's Report on Supplemental Information

Schedule I – Computation of Net Capital Rule 15c3-1 of the Securities and Exchange Commission Capital Rule and Schedule II – Statement on Exemption from the Computation of Reserve Requirements and Information for Possession or Control Requirements Under Rule 15c3-3 has been subjected to audit procedures performed in conjunction with the audit of **Coordinated Capital Securities, Inc.**'s financial statements. The supplemental information is the responsibility of **Coordinated Capital 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, the Schedule I – Computation of Net Capital Under Rule 15c3-1 and Schedule II – Computation for Determination of Reserve Requirements and Information Relating to the Possession and Control Requirements Under Rule 15c3-3 is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have served as **Coordinated Capital Securities, Inc.**'s auditor since 2024.

Assurance Dimensions
Margate, Florida
May 16, 2024

ASSURANCE DIMENSIONS, LLC
also d/b/a **McNAMARA and ASSOCIATES, LLC**

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COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

STATEMENT OF FINANCIAL CONDITION
As of March 31, 2024

ASSETS

Cash and cash equivalents	\$ 320,624
Commissions receivable	162,790
Deposit with clearing broker dealer	<u>31,548</u>

TOTAL ASSETS	<u>\$ 514,962</u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES

Commissions payable	\$ 118,598
Accrued expenses	<u>4,018</u>
Total liabilities	<u>122,616</u>

COMMITMENT AND CONTINGENCIES (See Note 6)

STOCKHOLDER'S EQUITY

Common stock, \$1 par value; 56,000 shares authorized; 6,000 shares issued and outstanding	6,000
Additional paid-in capital	244,476
Retained earnings	<u>141,870</u>
Total Stockholder's Equity	<u>392,346</u>

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 514,962</u>
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See accompanying notes to financial statements.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

STATEMENT OF OPERATIONS
For the Year Ended March 31, 2024

REVENUES

Revenues	\$ 8,946,644
Total revenues	<u>8,946,644</u>

OPERATING EXPENSES

Commissions, other compensation and related benefits	7,226,391
Management fees and incentive bonuses – related party	1,535,000
Clearing and execution costs	189,759
Other	<u>338,984</u>
Total operating expenses	<u>9,290,134</u>

NET LOSS BEFORE INCOME TAXES (343,490)

Income tax benefit -

NET LOSS \$ (343,490)

See accompanying notes to financial statements.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

STATEMENT OF STOCKHOLDER'S EQUITY
For the Year Ended March 31, 2024

	Common Stock Number of Shares Outstanding	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Stockholder's Equity
BALANCES, April 1, 2023	6,000	\$ 6,000	\$ 244,476	\$ 485,360	\$ 735,836
Net loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>(343,490)</u>	<u>(343,490)</u>
BALANCES, March 31, 2024	<u>6,000</u>	<u>\$ 6,000</u>	<u>\$ 244,476</u>	<u>\$ 141,870</u>	<u>\$ 392,346</u>

See accompanying notes to financial statements.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)

STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Net Loss \$ (343,490)

Adjustments to reconcile net loss to net cash flows used in operating activities

Changes in operating assets and liabilities

Commissions receivable 63,307

Deposit with clearing broker dealer (1,478)

Receivable - related party 77,066

Commissions payable 94,695

Accrued expenses (25,132)

Net cash flows used in operating activities (135,032)

Net Change in Cash and Cash Equivalents (135,032)

CASH AND CASH EQUIVALENTS - Beginning of Year 455,656

CASH AND CASH EQUIVALENTS - END OF YEAR \$ 320,624

See accompanying notes to financial statements.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Notes to Financial Statements
As of and for the year ended March 31, 2024

NOTE 1 - Summary of Significant Accounting Policies

Nature of Operations

Coordinated Capital Securities, Inc. (the "Company") is a Wisconsin corporation formed on December 8, 1982 for the purpose of conducting business in financial services. The Company offers mutual funds, variable insurance products, college savings plans and alternative investments with investment companies and sponsors throughout the United States. The Company also offers securities on a fully disclosed basis through its clearing broker dealer. The Company is a federally-registered investment advisor and also provides discount brokerage services through its division, Coltrane Securities. The Company is a wholly-owned subsidiary of Coordinated Capital Holdings, Inc. (the "Parent").

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At times, these accounts may exceed federally insured limits. As of March 31, 2024 these accounts had an excess of \$70,624 over the federally insured limits.

Commissions Receivable

The Company has evaluated the presentation requirements related to ASC 326-20, *Financial Instruments – Credit Losses* which requires the Company to estimate expected credit losses over the life of its financial assets. Management considers receivables to be fully collectible; due to the nature of receivables being collected in a short period of time. As of March 31, 2024 the Company has determined that an allowance for credit losses is not required.

Revenue Recognition

Performance Obligations

Revenue from contracts with customers is recognized when, or as, the Company satisfies its performance obligations by transferring promised goods or services to customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied at a point in time is recognized at the point in time that the Company determines the customer obtains control over the promised good service and compensation for that good or service is received. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled in exchange for those promised goods or services.

Investment advisory fees

The performance obligation is defined as providing advisory services to clients. Advisory fees are generally computed as a percentage of assets under management and are recognized as revenue over time. Fees for providing investment advisory services are computed and billed in accordance with the provision of the applicable investment management agreements, which is typically quarterly at the beginning of the quarter based on the previous quarter-end market value of assets under management. Investment Advisory fees are billed through the Clearing Firm. The revenue is recognized when the fees are received from the Clearing Firm.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Notes to Financial Statements
As of and for the year ended March 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Commission Revenue

The Company earns commissions from mutual fund and insurance companies when the Company's clients purchase securities via subscription way basis. The commission earned varies on the type of security, the amount of the purchase, and the client's existing balance at that custodian. Commission from securities transactions are recognized on either a trade date.

In addition, the Company earns commission on securities sold through their Clearing Firm in brokerage accounts. The commission earned varies on the type of security sold. Revenue is recognized when the commission is received from the Clearing Firm.

Mutual Fund and Variable Insurance 12b-1 fees and trail income

Mutual fund and Variable Insurance companies earn 12b-1 fees and trail income to compensate the Company for its marketing and distribution efforts. These fees are asset-based fees that are determined by the amount of the client assets invested. Revenue is recognized over time as they are received by the Company from the Mutual Fund companies, Variable Insurance companies or the Clearing Firm. The performance obligation is defined as providing on-going service to these client accounts.

Interest and Other Income

Through the Clearing Firm, the Company receives interest on money market funds held in accounts, margin accounts interest and markups on fees for transactions processed the Clearing Firm accounts.

In addition, the Company also receives income from miscellaneous fees paid to the Company from their financial professionals. The performance obligation is defined as providing on going services to the financial professionals and the client accounts. Revenue is recognized when payments from the financial professionals are received.

Disaggregated Revenues

Investment Advisory Fees	\$ 3,711,448
Trail income and 12b-1 fees – Direct	2,966,682
Commission Revenue – Mutual Funds	722,712
Commission Revenue – Clearing Firm	431,002
Commission Revenue – Annuity Income	321,093
Trail income and 12b-1 fees – Clearing Firm	140,271
Interest and other income – Clearing Firm	256,725
Other Income – Direct	396,711
	<u>\$ 8,946,644</u>

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Notes to Financial Statements
As of and for the year ended March 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under the asset and liability method deferred taxes are determined based on the differences between the financial statement and the tax basis of assets and liabilities using enacted tax rates. Deferred tax assets are reduced by a valuation allowance, when in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company is included in the consolidated return of the Parent. The Company pays the income tax for which they are liable. Income taxes are separately stated on the statement of income.

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, *Income Taxes*. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. There were no such positions as of March 31, 2024. The Company accrues interest and penalties related to unrecognized tax positions. As of March 31, 2024, the Company had no accrued interest and penalties related to unrecognized tax positions.

The Company's U.S. Federal and state income taxes prior to 2020 are closed and management continually evaluates statutes of limitations, audits, proposed settlements, changes in tax law, and authoritative rulings. If applicable, the Company would recognize interest and penalties associated with uncertain tax positions as part of the income tax provision and would include accrued interest and penalties with the tax liability. There were no interest and penalties recognized during fiscal year ended March 31, 2024.

Exemptive Provision

With respect to all securities transactions, the Company operates under the provisions of paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission. Essentially, the requirements of paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully-disclosed basis with a clearing broker dealer and promptly transmit 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.

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

The Company is also relying on Footnote 74 of the SEC Release No. 34-70073 for other business activities limited to effecting securities transactions via subscription way basis where the funds are payable to the issuer or its agent and not the Company. The Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers and did not carry accounts of or for customers throughout the period of April 1, 2023 through March 31, 2024.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Notes to Financial Statements
As of and for the year ended March 31, 2024

NOTE 1 - Summary of Significant Accounting Policies (cont.)

Guarantees and Indemnifications

In the normal course of its business, the Company indemnifies and guarantees certain service providers, such as clearing and custody agents against specified potential losses in connection with their acting as an agent of, or providing services to, the Company or its affiliates. The Company also indemnifies some clients against potential losses incurred in the event specified third-party service providers, including sub custodians and third-party brokers, improperly executed transactions. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will have to make material payments under these arrangements and has not recorded any contingent liability in the financial statements for these indemnifications.

The Company is dependent on its clearing broker dealer, Wells Fargo Clearing Services LLC for the everyday processing of customer transactions as required under the provisions of paragraph (k)(2)(ii) of Rule 15c3-3.

Wells Fargo Clearing Services LLC requires that the Company maintain a minimum deposit of \$25,000.

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.

Recent accounting pronouncements

The Company does not believe that the adoption of any recently issued, but not yet effective, accounting standards will have a material effect on its financial position and results of operations.

Financial Instruments – Credit Losses

In accordance with FASB ASU No. 2016-13, “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,” the ASU adds to U.S. GAAP and impairment model (known as the current expected credit loss (“CECL”) model) that is based on expected losses rather than incurred losses. The Company must recognize as an allowance, its estimate of lifetime expected credit losses, which the FASB believes will result in more timely recognition of such losses, if any. A broker-dealer’s estimate of expected losses should consider the expected risk of credit loss even if that risk is remote, regardless of the method applied to estimate credit losses. A broker-dealer, however, is not required to measure expected credit losses on a financial asset (or group of financial assets) in which historical credit loss information adjusted for current conditions and reasonable and supportable forecasts results in an expectation that nonpayment of the amortized cost basis is remote. For financial assets measured at amortized cost (i.e. cash), the Company has concluded that there are no expected credit losses based on the nature or expected life of the financial assets and immaterial historic or expected losses.

COORDINATED CAPITAL SECURITIES, INC.
(A Wholly-Owned Subsidiary of Coordinated Capital Holdings, Inc.)
Notes to Financial Statements
As of and for the year ended March 31, 2024

NOTE 2 - Net Capital Requirements

The Company is subject to the Securities and Exchange Commission uniform net capital rule (Rule 15c3-1), which requires the maintenance of a minimum amount of net capital and 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.

As of March 31, 2024, the Company had net capital of \$362,923 which was \$312,923 in excess of its net capital requirement of \$50,000. The Company's net capital ratio as of March 31, 2024 was .34 to 1.

NOTE 3 - Off Balance Sheet Risk

As discussed in Note 1, the Company offers securities that are introduced on a fully disclosed basis with its clearing broker dealer. For these transactions, the clearing broker dealer is responsible for the execution, collection and payment of funds and, receipt and delivery of securities relative to customer transactions. Off-balance sheet risk exists with respect to these transactions due to the possibility that the customers may be unable to fulfill their contractual commitments, wherein the clearing broker dealer may charge any losses it incurs to the Company. The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers.

NOTE 4 - Related Party Transactions

The Company is wholly-owned by the Parent. Through common ownership/management, the Company is also affiliated with Coordinated Capital Consultants of Wisconsin, Inc.

During the year ended March 31, 2024, the Company paid management fees and bonuses of \$1,535,000 to the Parent. Included in these fees were reimbursements for office space, administrative assistance, and other miscellaneous operating expenses. This expense is included in management fees and quarterly incentive bonuses on the statement of income.

NOTE 5 – Income Taxes

Income taxes are based on taxable income or loss. The amount of the current and deferred taxes payable or refundable is recognized as of the due date of the financial statement, utilizing currently enacted tax laws and rates. Deferred tax expenses or benefits are recognized in the financial statements for the changes in deferred tax liabilities or assets between years.

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances, and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

The Company's U.S. Federal and state income taxes prior to 2020 are closed and management

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Notes to Financial Statements
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NOTE 5 – Income Taxes (cont.)

continually evaluates statutes of limitations, audits, proposed settlements, changes in tax law, and authoritative rulings. If applicable, the Company would recognize interest and penalties associated with uncertain tax positions as part of the income tax provision and would include accrued interest and penalties with the tax liability. There were no interest and penalties recognized during fiscal year ended March 31, 2024.

For the year ended March 31, 2024, the provision for income taxes is summarized as follows:

Federal	\$ (72,133)
State	(21,434)
Valuation allowance	<u>93,567</u>
Total provision for income taxes	\$ -

The following is the federal tax rate reconciliation:

Federal tax rate	(21.0)%
State tax rate	(7.9)%
Allowance	<u>28.9%</u>
Effective tax rate	0.0%

At March 31, 2024 the Company had total federal net operating loss carry-forwards of approximately \$543,002, which can be deducted against future taxable income that expire between 2030 and 2036.

The Company accounts for income taxes under Accounting Standards Codification 740, Income Taxes “ASC 740”. ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial losses and the tax basis of assets and liabilities for both the expected future tax benefit to be derived from tax losses and tax credit carry forwards. ASC 740 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets. Internal Revenue Code Section 382 “IRC 382” places a limitation on the amount of taxable income that can be offset by carry forwards after a change in control (generally greater than a 50% change in ownership). In assessing the realizability of deferred tax assets, management considers whether it is more likely than not some portion or all the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences will become deductible. The Company considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

COORDINATED CAPITAL SECURITIES, INC.
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Notes to Financial Statements
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NOTE 5 – Income Taxes (cont.)

The table below summarizes the differences between the Company's effective tax rate and the statutory federal rate as follows for the period ended March 31, 2024:

Statutory federal rate	21.00%
State tax, net of federal	<u>6.24%</u>
Effective tax rate	27.24%

Deferred tax assets and liabilities are provided for significant income and expense items recognized in different years for tax and financial reporting purposes. The components of the net deferred tax asset for the year ended March 31, 2024 was as follows:

Net operating losses	\$ 147,914
Valuation allowance	<u>(147,914)</u>
Total	\$ -

The valuation allowance changed by \$93,567 during the year ended March 31, 2024.

The Company has based the decision not to calculate a deferred tax asset under ASC Subtopic 740-10 (FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN48)) More-Likely-Than-Not Tax Treatment.

NOTE 6 – Commitments and Contingencies

The Company is exposed to various asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the Company's financial position or results of operations.

On April 8, 2024 the Company received a notification of a FINRA Arbitration and Statement of Claim alleging aid of unauthorized transfers, assistance in sales of illegal assets, breach of fiduciary duty, negligence and violation of Ohio Securities Act. The activities subject to Statement of Claim took place between September 2022 and January 2023. This matter is pending as of report date.

NOTE 7– Subsequent Events

The Company has evaluated subsequent events through May 16, 2024, which is the date that the financial statements were approved and available to be issued.

SUPPLEMENTAL INFORMATION

SCHEDULE I - COMPUTATION OF NET CAPITAL RULE 15c3-1 OF THE SECURITIES AND
EXCHANGE COMMISSION CAPITAL RULE
As of March 31, 2024

COMPUTATION OF NET CAPITAL

Total stockholders equity	\$ 392,346
Non-allowable assets	
Non-allowable aging and trails	(28,792)
Haircut on securities – deposit with clearing broker	<u>(631)</u>
Net Capital	362,923

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum net capital required (6-2.3% of total A.I. liabilities)	<u>8,174</u>
Minimum dollar net capital requirement	<u>50,000</u>
Excess net capital	<u>\$ 312,923</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

Total A.I. liabilities	<u>122,616</u>
Total aggregate indebtedness	<u>\$ 122,616</u>
Percentage of aggregate indebtedness to net capital	<u>33.79</u>

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

SCHEDULE II – STATEMENT ON EXEMPTION FROM THE COMPUTATION OF RESERVE
REQUIREMENTS AND INFORMATION FOR POSSESSION OR CONTROL REQUIREMENTS UNDER
RULE 15C3-3
As of March 31, 2024

In accordance with the exemptive provisions of SEC Rule 15c3-3, specifically exemption k(2)(ii) and Footnote 74, the Company is exempt from the computation of a reserve requirement and the information relating to the possession or control requirements.

EXEMPTION REPORT PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 17A-5(D)(4)

Coordinated Capital Securities, Inc. (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)(I) and (4). To the best of its 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. §240.15c3-3 (k)(2)(ii) Investment Advisory Fees, Trail income and 12b-1 fees—Clearing Firm, Commission Revenue—Clearing Firm, and Interest and other income—Clearing Firm, which are all transactions introduced through our clearing broker.
- (2) The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3 (d)(2)(ii) throughout the most recent fiscal year without exception.
- (3) The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5 are limited to Trail income and 12b-1 fees-Direct, Commission Revenue-Mutual Funds, Commission Revenue-Annuity Income and Other income-Direct which includes: (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; (2) receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients, referring securities transactions to other broker-dealers, or providing technology or platform services; and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (2) did not carry accounts of or for customers; and (3) did not carry PAS accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exemption.

Coordinated Capital Securities, Inc.

I, Mari J. Buechner swear (or affirm) that, to my best knowledge and Belief, this Exemption Report is true and correct.



Authorized Signature

President

Title

May 16, 2024

Date