

SEC



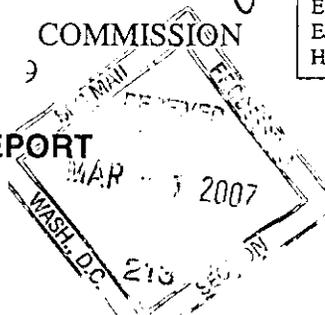
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COMMISSION

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



SEC FILE NUMBER

8-53423

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2006 AND ENDING 12/31/2006
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Broadspan Securities, LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

1401 Brickell Avenue

(No. and Street)

Miami

Florida

33131

(City)

(State)

(Zip Code)

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

Elsa Cocurull

305-424-3400

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Kaufman Rossin & Co.

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

2699 S. Bayshore Drive

Miami

Florida

33133

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

APR 11 2007

THOMSON FINANCIAL

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17 a-5(e) (2)

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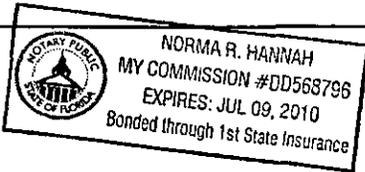
OATH OR AFFIRMATION

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

In my capacity as a Notary Public of the State of Florida, I certify that on the 28th day of February, 2007, Mr. Orlando Chiossone appeared before me and took an oath (or affirmation) for the purpose of stating that the following is true and correct:

I, Orlando Chiossone, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Broadspan Securities, LLC, as of December 31, 20 06, 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:

No exceptions



A handwritten signature in black ink, appearing to be "MANAGING DIRECTOR", written over a horizontal line.

(Signature)

MANAGING DIRECTOR

(Title)

A handwritten signature in black ink, appearing to be "Norma R. Hannah", written over a horizontal line.

(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. (Cash Flows)
- (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).

A report containing a statement of financial condition has been included; accordingly it is requested that this report be given confidential treatment.

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INDEPENDENT AUDITORS' REPORT

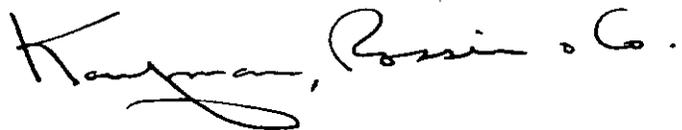
To the Member
Broadspan Securities, LLC
Miami, Florida

We have audited the accompanying statement of financial condition of Broadspan Securities, LLC as of December 31, 2006, and the related statements of operations, changes in member's equity and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Broadspan Securities, LLC as of December 31, 2006, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 9 and 10 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Miami, Florida
February 28, 2007

**KAUFMAN
ROSSIN**
CO. PROFESSIONAL
ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS

BROADSPAN SECURITIES, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2006

ASSETS

CASH	\$	149,445
ACCOUNTS RECEIVABLE, NET		484,754
DUE FROM RELATED PARTY (NOTE 2)		7,000
	\$	641,199

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES		
Accounts payable and accrued liabilities (Note 2)	\$	52,224
MEMBER'S EQUITY		588,975
	\$	641,199

See accompanying notes.

BROADSPAN SECURITIES, LLC
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2006

REVENUES

Investment banking \$ 1,736,929

EXPENSES

Bad debt 20,000

Management fees (Note 2) 1,457,541

Other general and administrative 17,090

Professional fees 32,584

Referral fees (Note 2) 64,371

Total expenses 1,591,586

NET INCOME

\$ 145,343

See accompanying notes.

BROADSPAN SECURITIES, LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2006

Member's Equity as of December 31, 2005	\$ 930,709
Contributed capital	13,148
Distributions	(500,225)
Net income	145,343
<hr/>	
Member's Equity as of December 31, 2006	\$ 588,975

See accompanying notes.

BROADSPAN SECURITIES, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income	\$	145,343
Adjustments to reconcile net income to net cash used in operating activities		
Bad debt provision		20,000
Changes in operating assets and liabilities:		
Accounts receivable, net	(245,080)
Accounts payable and accrued liabilities	(52,938)
Total adjustments	(278,018)
Net cash used in operating activities	(132,675)

CASH FLOWS FROM INVESTING ACTIVITIES:

Net repayments from related parties		13,020
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CASH FLOWS FROM FINANCING ACTIVITIES:

Capital contributions		13,148
Distributions	(500,225)
Net cash used in financing activities	(487,077)

NET DECREASE IN CASH (606,732)

CASH - BEGINNING 756,177

CASH - ENDING \$ 149,445

Supplemental Disclosure of Cash Flow Information:

Interest paid	\$	-
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See accompanying notes.

BROADSPAN SECURITIES, LLC
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business and Organization

Broadspan Securities, LLC (the Company) is a broker-dealer specializing in investment banking services. The Company provides a range of advisory services for public and privately-held businesses, at varying stages of development. The Company focuses on advisory services in connection with mergers and acquisitions, restructurings, corporate finance, and assists clients with their financing requirements, including the raising of capital.

Government and Other Regulation

The Company is subject to significant regulation by various governmental agencies and self-regulatory organizations. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Company is conducting and reporting its operations in accordance with the applicable requirements of these organizations.

Cash and Cash Equivalents

The Company considers all highly liquid investments having maturities of three months or less at the date of acquisition to be cash equivalents. The Company may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits.

Accounts Receivable

Accounts receivable is uncollateralized customer obligations due under normal trade terms. The carrying amount of accounts receivable may be reduced by an allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all advances to related parties and accounts receivable balances and based on an assessment of current credit worthiness, estimates the portion, if any, of the balance that will not be collected. At December 31, 2006 management has established an allowance for doubtful accounts of \$30,000 on the accounts receivable. At December 31, 2006, one customer accounted for 53% of the Company's total accounts receivable balance.

Income Taxes

The Company is not subject to income taxes as it is a disregarded entity for income tax purposes as a single member limited liability company, whose operations are reflected in the tax return of the Company's sole member.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Company recognizes its revenue as services are provided or upon successful completion of certain investment banking transactions. For the year ended December 31, 2006, two individual customers each accounted for more than 10% of the Company's total investment banking revenue and in the aggregate accounted for approximately 48%.

Use of Estimates in the Preparation of Financial Statements

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.

NOTE 2. RELATED PARTY TRANSACTIONS

Management Fees

The Company receives management and administrative services, including the use of the Company's office facility and equipment, from Broadspan Management, LLC (BMLLC), an entity related by virtue of common ownership. In this regard, BMLLC incurs significant operating expenses and provides facilities for the Company in consideration of a management fee. For the year ended December 31, 2006, the Company incurred \$1,457,541 of management fees.

Management fees consisted of the following for the year ended December 31, 2006:

Dues and subscriptions	\$	54,336
Insurance		33,759
Other general and administrative		82,401
Professional fees		61,135
Rent		69,352
Salaries and related costs		961,081
Telephone		42,255
Travel		153,222
	\$	<u>1,457,541</u>

NOTE 2. RELATED PARTY TRANSACTIONS (Continued)

Referral Fees

During the year ended December 31, 2006, the Company incurred \$64,371 in referral fee expenses. These fees are payable to parties related by common ownership. At December 31, 2006, \$13,000 was unpaid and included in accounts payable and accrued liabilities in the accompanying statement of financial condition.

Other Advances

During the year ended December 31, 2006, the Company advanced funds to an officer of the Company. At December 31, 2006, the amount outstanding was \$7,000. This advance is unsecured, due on demand, and is included in due from related party in the accompanying statement of financial condition.

NOTE 3. NET CAPITAL REQUIREMENTS

As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, which requires that "Net Capital", as defined, shall be at least the greater of \$5,000 or one-fifteenth of "Aggregate Indebtedness", as defined. At December 31, 2006, the Company's "Net Capital" was \$110,221, which exceeded requirements by \$105,221, and the ratio of "Aggregate Indebtedness" to "Net Capital" was 0.47 to 1.

SUPPLEMENTARY INFORMATION

BROADSPAN SECURITIES, LLC

COMPUTATION OF NET CAPITAL PER UNIFORM NET CAPITAL RULE
15c3-1 AND RECONCILIATION TO COMPANY'S CORRESPONDING
UNAUDITED FORM X-17A-5, PART IIA FILING
DECEMBER 31, 2006

CREDITS

Member's Equity	\$	588,975
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DEBITS

Accounts Receivable, net		484,754
Due from related party		7,000
Accrued expense related to non-allowable asset	(13,000)
Total debits		478,754

NET CAPITAL		110,221
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MINIMUM NET CAPITAL REQUIREMENT - GREATER OF \$5,000 OR 6 2/3% OF AGGREGATE INDEBTEDNESS OF \$52,224		5,000
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EXCESS NET CAPITAL	\$	105,221
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RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL		0.47 to 1
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SCHEDULE OF AGGREGATE INDEBTEDNESS

Accounts payable and accrued liabilities	\$	52,224
Total aggregate indebtedness	\$	52,224

**RECONCILIATION WITH COMPANY'S COMPUTATION IN PART IIA
OF FORM X-17A-5 AS OF DECEMBER 31, 2006**

Net capital as reported in Company's Part IIA (unaudited) Focus report	\$	84,721
Audit adjustment (related to expense accruals)	(27,500)
Company adjustment (related to revenue and accounts receivable resulting from additional information)	(40,000)
Decrease in non-allowable assets (related to Company adjustments of accounts receivable)		80,000
Accrued expense related to non-allowable asset		13,000
Net capital per above	\$	110,221

See Independent Auditors' Report.

BROADSPAN SECURITIES, LLC

STATEMENT ON EXEMPTION FROM THE COMPUTATION OF
RESERVE REQUIREMENTS AND INFORMATION FOR POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15c3-3
DECEMBER 31, 2006

In accordance with the exemptive provisions of SEC Rule 15c3-3, specifically exemption k(1), the Company is exempt from the computation of a reserve requirement and the information relating to the possession or control requirements.

See Independent Auditors' Report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL REQUIRED BY
SEC RULE 17a-5 FOR A BROKER-DEALER CLAIMING AN EXEMPTION FROM
SEC RULE 15c3-3**

To the Member
Broadspan Securities, LLC
Miami, Florida

In planning and performing our audit of the financial statements and supplementary information of Broadspan Securities, LLC (the Company) for the year ended December 31, 2006, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17-a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customer as required by Rule 15c3-3

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

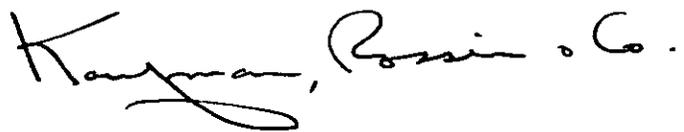
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CERTIFIED PUBLIC ACCOUNTANTS

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a control deficiency (defined as a condition that exists when the design or operation of one or more controls does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis), or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a material misstatement of the entity's financial statements will not be prevented or detected. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for their purposes in accordance with the Securities Exchange Act of 1934, and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2006, to meet the SEC's objectives.

This report is intended solely for the use of management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Miami, Florida
February 28, 2007

END