



07004464

COMMISSION 549

AB* 3/15

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

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

SEC FILE NO
8-46668

REPORT FOR THE PERIOD BEGINNING 1/1/06 AND ENDING 12/31/06
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

SIA Securities Corp.

Official Use Only
FIRM ID. NO.

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

80 S. 8th Street

3300 IDS Center

(No. and Street)

Minneapolis

Minnesota

55402

(City)

(State)

(Zip Code)

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

Kelly Boston

(612) 359-2558

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
(Name - if individual, state last, first, middle name)

Deloitte & Touche LLP

120 South Sixth Street

Minneapolis

MN

55402

(ADDRESS)

Number and Street

City

State

Zip Code

PROCESSED

CHECK ONE:

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

MAR 21 2007

THOMSON FINANCIAL

FOR OFFICIAL USE ONLY

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

AB 3/20

AFFIRMATION

I, Paul Rasmussen, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedule pertaining to SIA Securities Corp. and for the year ended December 31, 2006, are true and correct. I further swear (or affirm) that, to the best of my knowledge and belief, neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.



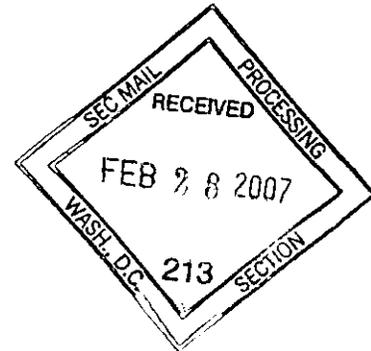
Paul Rasmussen
President

Subscribed to before me this 23rd day of February 2007.



Notary Public





SIA Securities Corp.
(SEC I.D. No. 8-46668)

*Statement of Financial Condition and
Supplemental Schedule as of December 31,
2006, Independent Auditors' Report, and
Supplemental Report on Internal Control*

Filed pursuant to Rule 17a-5(e)(3) under the Securities Exchange Act of 1934, as a PUBLIC DOCUMENT.

SIA SECURITIES CORP.

TABLE OF CONTENTS

| | Page |
|---|-------------|
| INDEPENDENT AUDITORS' REPORT | 1 |
| STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2006 | 2 |
| NOTES TO STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2006 | 3-4 |
| SUPPLEMENTAL SCHEDULE— | 5 |
| Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 Under the Securities Exchange Act of 1934 as of December 31, 2006 | 6 |
| SUPPLEMENTAL REPORT ON INTERNAL CONTROL | |

INDEPENDENT AUDITORS' REPORT

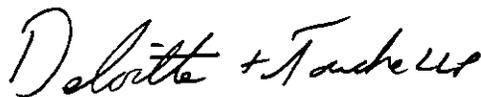
To the Board of Directors and Shareholder of
SIA Securities Corp.
Minneapolis, Minnesota

We have audited the accompanying statement of financial condition of SIA Securities Corp. (the "Company") as of December 31, 2006, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such statement of financial condition presents fairly, in all material respects, the financial position of SIA Securities Corp. at December 31, 2006, 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 statement of financial condition taken as a whole. The supplemental schedule (g) on page 6 is presented for the purpose of additional analysis and is not a required part of the basic statement of financial condition, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. This schedule is the responsibility of the Company's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic statement of financial condition and, in our opinion, is fairly stated in all material respects when considered in relation to the basic statement of financial condition taken as a whole.



February 14, 2007

SIA SECURITIES CORP.

STATEMENT OF FINANCIAL CONDITION AS OF DECEMBER 31, 2006

ASSETS

| | |
|---|-------------------|
| CASH EQUIVALENTS (Note 2) | \$ 77,707 |
| ACCOUNTS RECEIVABLE | 934 |
| INVESTMENTS IN AFFILIATED MUTUAL FUNDS—At market (Note 2) | 40,773 |
| PREPAID EXPENSES | <u>10,720</u> |
| TOTAL | <u>\$ 130,134</u> |

LIABILITIES AND SHAREHOLDER'S EQUITY

LIABILITIES:

| | |
|--|---------------|
| Accounts payable and accrued expenses | \$ 12,904 |
| Payable to Sit Investment Associates, Inc. | 24,661 |
| Deferred tax liability | <u>179</u> |
| Total liabilities | <u>37,744</u> |

SHAREHOLDER'S EQUITY:

| | |
|---|---------------|
| Common stock, \$0.01 par value—authorized, 1,000,000 shares; issued and outstanding, 50,000 shares | 500 |
| Additional paid-in capital | 84,500 |
| Retained earnings | <u>7,390</u> |
| Total shareholder's equity | <u>92,390</u> |

| | |
|-------|-------------------|
| TOTAL | <u>\$ 130,134</u> |
|-------|-------------------|

See notes to statement of financial condition.

SIA SECURITIES CORP.

COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-1 UNDER THE SECURITIES EXCHANGE ACT OF 1934 AS OF DECEMBER 31, 2006

| | |
|--|-----------------|
| NET CAPITAL: | |
| Total shareholder's equity | <u>\$92,390</u> |
| Less nonallowable assets: | |
| Accounts receivable | 542 |
| Prepaid expenses | <u>10,720</u> |
| Total nonallowable assets | <u>11,262</u> |
| Net capital before haircuts | 81,128 |
| Haircuts on securities | <u>13,110</u> |
| NET CAPITAL | <u>\$68,018</u> |
| AGGREGATED INDEBTEDNESS: | |
| Accounts payable and accrued expenses | \$ 12,904 |
| Payable to Sit Investment Associates, Inc. | 24,661 |
| Deferred tax liability | <u>179</u> |
| AGGREGATED INDEBTEDNESS | <u>\$37,744</u> |
| COMPUTATION OF BASIC NET CAPITAL REQUIREMENT: | |
| Minimum net capital required (greater of \$5,000 or 6-2/3% of aggregated indebtedness) | <u>\$ 5,000</u> |
| Excess net capital | <u>\$63,018</u> |
| Ratio of aggregated indebtedness to net capital | <u>0.55</u> |

Note: There are no material differences between this computation and that filed by the Company on the amended Securities and Exchange Commission Unaudited Form X-17A-5 as of December 31, 2006.



February 14, 2007

SIA Securities Corp.
3300 IDS Center
80 South Eighth Street
Minneapolis, Minnesota

Deloitte & Touche LLP
400 One Financial Plaza
120 South Sixth Street
Minneapolis, MN 55402
USA

Tel: +1 612 397 4000
Fax: +1 612 397 4450
www.deloitte.com

In planning and performing our audit of the financial statements of SIA Securities Corp. (the "Company") as of and for the year ended December 31, 2006 (on which we issued our report dated February 14, 2007), in accordance with the auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion of the effectiveness of the Company's 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 consideration of control activities for safeguarding securities. This study included tests of compliance with 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 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13 or in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities.

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 internal control 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 the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control or the practices and procedures referred to above, error 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.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, 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 misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and 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 its 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, as described in the second paragraph of this report were adequate at December 31, 2006, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, 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.

Yours truly,

