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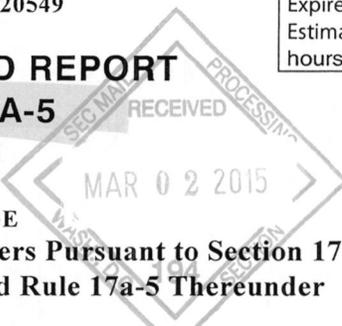
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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



SEC FILE NUMBER
8-17631

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 01/01/14 AND ENDING 12/31/14
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Colonial Securities, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

41 Elizabeth St, Suite 403

(No. and Street)

New York

New York

10013

(City)

(State)

(Zip Code)

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

David Wong

Vice President

(212) - 587-3970

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wei, Wei & Co., LLP

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

133-10 39th Avenue

Flushing

New York

11354

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

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)

KW
3/13

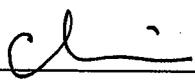
AFFIRMATION

I, Yee Yee Wong, affirm that, to the best of my knowledge and belief the accompanying financial statements and supplemental schedule pertaining to Colonial Securities, Inc. as of and for the year ended December 31, 2014, are true and correct. I further affirm that neither Colonial Securities, Inc. nor any officer or director has any propriety interest in any account classified solely as that of a customer.


Yee Yee Wong _____ Date

State of New York
County of Nassau
Sworn to before me this 27 day of February 2015.

President _____
Title



Notary Public
WEI GRACE CHEN
Notary Public, State of New York
No. 01CH6111810
Qualified in Nassau County
My Commission Expires June 28, 2016

COLONIAL SECURITIES, INC.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
and Stockholders of
Colonial Securities, Inc.

We have audited the accompanying statement of financial condition of Colonial Securities, Inc. (the "Company") (a New Jersey corporation)), as of December 31, 2014, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statement. The Company's management is responsible for this financial statement. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial condition of Colonial Securities, Inc. as of December 31, 2014 in accordance with accounting principles generally accepted in the United States of America.

We Wei & Co. LLP
Flushing, NY
February 27, 2015

COLONIAL SECURITIES, INC.

STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 2014

ASSETS

Cash	\$ 122,613
Receivable from clearing organization	353
Clearing deposit	50,000
Property and equipment, net of accumulated depreciation and amortization of \$66,746 (Notes 2 and 3)	10,223
Deferred income taxes (Notes 2 and 6)	46,708
Other assets	28,184

TOTAL ASSETS **\$ 258,081**

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES:

Accounts payable and accrued expenses	\$ 26,457
Stockholder loans (Note 4)	15,000

Total current liabilities **41,457**

COMMITMENTS AND CONTINGENCIES (Notes 5 and 8)

STOCKHOLDERS' EQUITY:

Common stock, no par value, Class A, voting; authorized 500 shares; issued and outstanding 252 shares	58,500
Class B, non-voting; authorized 500 shares; issued and outstanding 120 shares	26,460
Additional paid-in capital	98,000
Retained earnings	33,664

Total stockholders' equity **216,624**

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY **\$ 258,081**

See accompanying notes to statement of financial condition.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

1. ORGANIZATION

Colonial Securities, Inc. (the "Company") was incorporated in the State of New Jersey on December 11, 1972. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority (FINRA).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash

The Company considers all demand and time deposits and all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property, equipment and depreciation and amortization

Property and equipment are stated at cost. The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Leasehold improvements are amortized over the lesser of the remaining term of the related lease or the estimated useful lives of the assets. Depreciation and amortization are computed on the straight-line method for both financial reporting and income tax purposes.

The useful lives of property and equipment for purposes of computing depreciation and amortization are:

Furniture and fixtures	7 years
Office equipment	5 years
Leasehold improvements	The lesser of the remaining useful life of the lease or the remaining useful life of the asset

Income taxes

The Company accounts for income taxes in accordance with the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, *Income Taxes*, which requires the recognition of deferred income taxes for differences between the basis of assets and liabilities for financial statement and income tax purposes. Deferred tax assets and liabilities represent the future tax consequence for those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes (continued)

Deferred taxes are also recognized for operating losses that are available to offset future taxable income. Valuation allowances are established to reduce deferred tax assets to the amount expected to be realized.

The Company follows the provisions of FASB ASC 740-10-25, which prescribe a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in income tax returns. FASB ASC 740-10-25 also provides guidance on de-recognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, and accounting for interest and penalties associated with tax positions. Interest costs related to unrecognized tax benefits are required to be calculated (if applicable) and would be classified as "interest expense, net" in the statement of operations. Penalties would be recognized as a component of "general and administrative expenses." The Company does not have any accruals for uncertain tax positions as of December 31, 2014. It is not anticipated that unrecognized tax benefits would significantly increase or decrease within 12 months of the reporting date.

Currently, the 2011, 2012 and 2013 tax years are open and subject to examination by the taxing authorities. However, the Company is not currently under audit nor has the Company been contacted by any of the taxing authorities.

Use of estimates

The preparation of financial statements in accordance 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value

FASB ASC 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.

Level 2 – Inputs other than the quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value (continued)

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

As of December 31, 2014, none of the assets and liabilities were required to be reported at fair value on a recurring basis. Carrying values of non-derivative financial instruments, including cash, receivable from clearing organization, stockholder loans, and accounts payable and accrued expenses, approximate fair values due to the short term nature of these financial instruments. There were no changes in methods or assumptions during the year ended December 31, 2014.

3. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

Office equipment	\$ 66,099
Furniture and Fixtures	4,630
Leasehold Improvements	6,240
Less: accumulated depreciation	(66,746)
	<hr/>
	\$ 10,223

Depreciation and amortization expense, relating to property and equipment, charged to operations for the year ended December 31, 2014 was \$2,473.

4. STOCKHOLDER LOANS

Stockholder loans are non-interest bearing and due on demand.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

5. LEASES

On January 29, 2013, the Company entered into a non-cancellable operating lease for its office expiring January 31, 2018. Future minimum rental payments under the lease are as follows:

Year Ending December 31,	
2015	\$ 66,370
2016	68,361
2017	70,412
2018	5,882
	<hr/>
	\$ 211,025

The office lease requires the Company to pay, as additional rent, cost of living and real estate escalation adjustments. Occupancy cost charged to operations for the year ended December 31, 2014 was \$72,005.

6. INCOME TAXES

The components of deferred tax assets (liabilities) at December 31 are as follows:

	2014
Deferred tax assets	\$ 93,417
Less: valuation allowance	(46,709)
	<hr/>
Net deferred tax assets	\$ 46,708

The Company has established a valuation allowance against net deferred tax assets at December 31, 2014 due to the uncertainty of realizing the full tax benefits.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

6. INCOME TAXES (continued)

The provision for income taxes for the year ended December 31, 2014 consists of the following:

Current	\$ 1,372
Deferred	36,243
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	\$ 37,615

Provision for income taxes for the year ended December 31, 2014 differs from the amount that would be obtained by applying federal and state statutory tax rates to pretax income due principally due to the valuation allowance for the deferred tax asset.

The deferred tax asset, at December 31, 2014 in the amount of \$46,708, was recognized for operating losses that are available to offset future taxable income. This amount is net of the valuation allowance of \$46,709 provided during the year ended December, 31, 2014.

The Company has available at December 31, 2014, unused operating loss carry-forwards of approximately \$291,000 expiring in various years through 2032.

7. NET CAPITAL REQUIREMENTS

As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934. The Company computes its net capital using the aggregate indebtedness standard method, which requires the maintenance of minimum net capital of \$100,000 and requires the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2014, the Company had net capital of \$131,509, which was \$31,509 in excess of its required net capital. The Company's net capital ratio was 0.32 to 1.

8. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

The Company introduces all customer transactions in securities traded on U.S. securities markets to another New York Stock Exchange member firm on a fully-disclosed basis. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to non-performance by customers or counter parties.

COLONIAL SECURITIES, INC.

NOTES TO STATEMENT OF FINANCIAL CONDITION FOR THE YEAR ENDED DECEMBER 31, 2014

8. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK (continued)

The Company's exposure to credit risk associated with the non-performance of customers and counter parties in fulfilling their contractual obligations pursuant to these securities transactions can be directly impacted by volatile trading markets which may impair the customer's or counter party's ability to satisfy their obligations to the Company. In the event of non-performance, the Company may be required to purchase or sell financial instruments at unfavorable market prices resulting in a loss to the Company. The Company does not anticipate non-performance by customers and counter parties in the above situations.

The Company seeks to control the aforementioned risks by requiring customers or counter parties to maintain margin collateral in compliance with various regulatory requirements, the clearing broker's guidelines and industry standards. The Company monitors required margin levels daily and pursuant to such guidelines, requires the customer to deposit additional collateral, or to reduce positions, when necessary.

9. SUBSEQUENT EVENTS

The Company's management has performed subsequent events procedures through February 27, 2015, which is the date the financial statements were available to be issued. No subsequent events requiring adjustment to the financial statements or disclosures as stated herein.



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and
Stockholders of
Colonial Securities, Inc.

We have reviewed management's statements, included in the accompanying Statement of Exemption Form SEC Rule 15c3-3, in which (1) Colonial Securities, Inc. ("Company") identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: ((k)(2)(ii) (the "exemption provisions") and (2) Colonial Securities, Inc. stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 the Company'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.

Wei Wei & Co. LLP
Flushing, New York
February 27, 2015

Colonial Securities, Inc.

41 Elizabeth Street, Suite 403

New York, New York, 10013

Exemption Report

December 31, 2014

Colonial Securities, Inc. clears all customer transactions through another broker-dealer on a fully disclosed basis and therefore claims the exemptive provision (K)(2)(ii) of SEC Rule 15c3-3, which exempts the Corporation from the computation for determination of reserve requirements as provided for in that Rule.

Colonial Securities, Inc. has met the identified exemptive provision (K)(2)(ii) of SEC Rule 15c3-3 throughout the fiscal year ended December 31, 2014 without exception.



Yee Yee Wong

President