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

SECTION 17
 FEB 24 2017
 Washington DC
 406

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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 08/30/16 AND ENDING 12/31/16
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **Brooklands Capital Strategies BD, LP**

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO. |

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

301 Commerce Street, Suite 3300

(No. and Street)

Fort Worth

TX

76102

(City)

(State)

(Zip Code)

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

Martin Davidson

(817) 871-4019

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Deloitte & Touche LLP

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

201 Main Street, Suite 1501

Fort Worth

TX

76102

(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)

CM

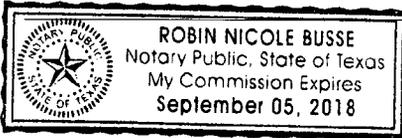
SEC 1410 (06-02)

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AMB

OATH OR AFFIRMATION

I, Martin Davidson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Brooklands Capital Strategies BD, LP, as of December 31, 2016, 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:



[Handwritten Signature]

Signature

Financial Operations Principal

Title

Robin Nicole Busse
Notary Public

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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**Brooklands Capital
Strategies BD, LP**

**Financial Statements
(with Report of Independent
Registered Public Accounting
Firm) December 31, 2016**



**BROOKLANDS[®]
CAPITAL STRATEGIES**

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Fort Worth, TX 76102
USA

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Report of Independent Registered Public Accounting Firm

To the Partner of Brooklands Capital Strategies BD, LP:

We have audited the accompanying statement of financial condition of Brooklands Capital Strategies BD, LP (the "Company") as of December 31, 2016, 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 the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement 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 financial statement, 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 Brooklands Capital Strategies BD, LP as of December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

February 23, 2017

Brooklands Capital Strategies BD, LP Statement of Financial Condition

| | <u>December 31, 2016</u> |
|--|--------------------------|
| ASSETS | |
| Cash | \$ 947,115 |
| Accounts receivable | 652,980 |
| Other assets | 47,789 |
| Total assets | <u>\$ 1,647,884</u> |
| LIABILITIES AND PARTNER'S CAPITAL | |
| Liabilities | |
| Due to affiliates | \$ 766,597 |
| Other liabilities | 9,931 |
| Total liabilities | <u>776,528</u> |
| Partner's capital | 871,356 |
| Total liabilities and partner's capital | <u>\$ 1,647,884</u> |

See accompanying notes to financial statements

(1) **Organization and Business Description**

Brooklands Capital Strategies BD, L.P. (the "Company") is a Delaware limited partnership organized on January 12, 2016 and is 100% owned by Brooklands Capital Strategies Management, L.P. ("Parent" or "Partner"). The general partner of the Company is Brooklands Capital Strategies (GP), LLC. The Parent's liability for the debts of the Company or any of its losses is limited to the amount of the Parent's capital contributions. The Company is a broker-dealer registered with the U.S. Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA"). The registration was effective on August 30, 2016, and the accompanying financial statements relate to the period from August 30, 2016 (Commencement of Registration) through December 31, 2016. For the period from January 12, 2016 through August 29, 2016, the Company received capital contributions of \$920,000 and incurred expenses related to the Company's formation.

The Company engages in the private placements of investment fund securities issued by certain third-party funds not affiliated with the Company's Parent. The Company also offers advisory services in connection with such investment fund security offerings.

The Company is exempt from SEC Rule 15c3-3 pursuant to subsection (k)(2)(i). Accordingly, the *Computation for Determination of Reserve Requirements and Information Relating to the Possession or Control Requirements* are not required.

(2) **Significant Accounting Policies**

Basis of Accounting

The accompanying financial statements have been presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Amounts reflected in these financial statements are in U.S. dollars.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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.

Cash

Cash includes cash on deposit with a bank. The Company maintains its cash accounts with a highly rated commercial bank. At times, cash balances may exceed the Federal Deposit Insurance Corporation coverage limit of \$250,000.

Fair Value of Financial Assets and Liabilities

The Company's financial assets and liabilities are carried at fair value or amounts approximating fair value. The Company's financial assets and liabilities include cash, accounts receivable, other assets, due to affiliates and other liabilities. The carrying values of these assets and liabilities approximate fair value due to their short term nature.

Brooklands Capital Strategies BD, L.P.

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

Accounts Receivable

The need for an allowance for doubtful accounts is based on a review of individual accounts. The Company has not experienced material losses due to uncollectible receivables and did not carry an allowance for doubtful accounts as of December 31, 2016.

Revenue Recognition

The Company recognizes revenue as follows:

Private Placement Service Fees

Private placement service fees represent advisory fees in accordance with private placement services agreements (the "Agreements") with third parties with which the Company contracts. Generally, the payment terms of the Agreements are payments received in installments over two to four years and revenue is recognized when virtually certain; that is when revenue is deemed earned and collectable. In certain situations, the Company may receive equity securities and partner or member interest as part of its fee. Such securities are recorded as revenue when received. When appropriate, revenue is recorded at the net present value of future cash flows using the effective interest method in accordance with Accounting Standards Codification ("ASC") 605, "Revenue Recognition".

Income Taxes

The Company is a disregarded entity for federal income tax purposes that is not treated as separate from the Parent, which is treated as a Partnership for U.S. income tax purposes. As such, no federal income taxes have been provided for by the Company in the accompanying financial statements as the Parent is individually responsible for reporting income or loss based upon its share of the Company's income and expenses as reported for income tax purposes.

The Company applies the provisions of ASC 740, "Income Taxes", which clarifies the accounting and disclosure for uncertainty in tax positions. The Company analyzed its tax filing positions in the federal, state, and foreign tax jurisdictions where it is required to file income tax returns for all open tax years. Based on this review, no liabilities for uncertain income tax positions were required to be recorded pursuant to ASC 740, "Income Taxes".

The Company recognizes accrued interest and penalties related to uncertain tax positions in income tax expense in the statements of operations, which is consistent with the recognition of these items in prior reporting periods. As of December 31, 2016, the Company did not have a liability recorded for payment of interest and penalties associated with uncertain tax positions.

The Company's income and expense has been included in the tax returns of the Parent as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Parent is subject to examination by federal and certain state and local tax regulators. The Company does not believe that it has any tax positions for which it is reasonably possible that it will be required to record significant amounts of unrecognized tax benefits within the next twelve months.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers" ("ASU 2014-09"). ASU 2014-09 requires a company to recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for

Brooklands Capital Strategies BD, L.P.

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

services provided. The amendment requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenues and cash flows from contracts with customers. The amendments in this update are effective prospectively during interim and annual periods beginning after December 15, 2017. The Company is currently assessing the impact the adoption of ASU 2014-09 will have on its financial statements.

(3) Net Capital Requirements

As a registered broker-dealer, the Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 12 to 1. During the Company's first twelve months of operations as a FINRA member, the net capital ratio threshold is limited to 8 to 1.

The Company has elected to use the alternative method, permitted by Rule 15c3-1, which requires that the Company maintain minimum net capital, as defined, equal to the greater of \$50,000 or 6 2/3% of aggregate debit balances, as defined. During the Company's first twelve months of operations as a FINRA member, the aggregate indebtedness ratio used to determine minimum net capital is 12.5%. As of December 31, 2016, the Company had net capital of \$170,587 which was \$73,521 in excess of its required net capital of \$97,066. As of December 31, 2016, the Company's ratio of aggregate indebtedness to net capital was 4.55 to 1.

(4) Related Party Transactions

Administrative Service Agreement

The Company has an administrative services agreement with the Partner. The Partner provides personnel, transaction support, referrals, accounting, legal, tax, compliance and related services to the Company, as needed. Due to affiliate as of December 31, 2016 includes amounts due to the Partner under the administrative services agreement.

Transfer of Registered Representatives and Contracts

During the fourth quarter, TPG Capital BD, LLC, an affiliated broker dealer, transferred, without consideration, to the Company certain of its outstanding engagement contracts and registered representatives related to the provision of third party placement services. There were no outstanding accounts receivable balances on any contracts transferred. As such, the transfer of contracts did not result in any adjustments to the Company's Statement of Financial Condition at the time of transfer.

(5) Commitments and Contingencies

In the normal course of business, the Company is subject to litigation, examinations, inquiries and investigations by various regulatory agencies. The Company is also subject to examinations by Federal and various State and local tax authorities. Such legal actions, examinations, inquiries and investigations may result in the commencement of civil or criminal lawsuits against the Company or its personnel. As of December 31, 2016, there are no actions or investigations pending, other than in the normal course of business, that are expected to have a material impact on the Company's condition or financial statements.

(6) Subsequent Events

Management has evaluated subsequent events through February 23, 2017, the date the financial statements were available to be issued, and has determined there were no subsequent events that would require recognition or disclosure in the Company's financial statements.