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OMB APPROVAL	
OMB Number:	3235-0123
Expires:	August 31, 2020
Estimated average burden hours per response . . .	12.00

SEC  
ANNUAL AUDITED REPORT Processing Section  
FORM X-17A-5  
PART III  
FEB 28 2018

SEC FILE NUMBER
8 - 68580

FACING PAGE Washington, DC  
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 01/01/17 AND ENDING 12/31/17  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:  
**Quadriga Securities, LLC**

OFFICIAL USE ONLY
FIRM ID. NO.

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

200 Columbine Street, Suite 200

(No. and Street)

Denver  
(City)

Colorado  
(State)

80206  
(Zip Code)

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

Kimberly Collins

303-797-0550  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Harding and Hittesdorf, P.C.

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

650 S. Cherry Street, Suite 1050  
(Address)

Denver  
(City)

Colorado  
(State)

80246  
(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).

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Jason Ficken, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Quadriga Securities, LLC, as of December 31, 2017, 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:

NONE

*J Ficken*  
Signature

*Partner*  
Title

*[Signature]* 2-27-18  
Notary Public

MADISON RILEY BARRAZA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20184005955  
MY COMMISSION EXPIRES 02/05/2022

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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).

**QUADRIGA SECURITIES, LLC**  
**(SEC File No. 8-68580)**

**Report of independent registered Public Accounting Firm  
On Financial Statements and Supplemental  
Schedules for the Year ended December 31, 2017  
And Review Report on Exemption Report**

# QUADRIGA SECURITIES, LLC

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# HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050  
Denver, Colorado 80246  
(303) 393-0888  
FAX (303) 393-0894  
www.hhcpafirm.com



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members  
Quadriga Securities, LLC  
Denver, Colorado

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Quadriga Securities, LLC (a limited liability company) as of December 31, 2017, the related statements of operations, changes in member's equity and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Quadriga Securities, LLC as of December 31, 2017, 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 Quadriga Securities, LLC's management. Our responsibility is to express an opinion on Quadriga Securities, LLC'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 Quadriga Securities, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission 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 include 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 financial statements. We believe that our audit provides a reasonable basis for our opinion.

## Supplemental Information

The supplementary information contained in Schedules I and II has been subjected to audit procedures performed in conjunction with the audit of Quadriga Securities, LLC's financial statements. The supplementary information contained in Schedules I and II is the responsibility of Quadriga Securities, LLC's management. Our audit procedures included determining whether the supplementary information contained in Schedules I and II 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 supplementary information contained in Schedules I and II. In forming our opinion on the supplementary information contained in Schedules I and II, we evaluated whether the supplementary information contained in Schedules I and II, including its form and content, is presented in conformity with 17 C.F.R. Section 240.17a-5. In our opinion, the supplementary information contained in Schedules I and II is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Harding & Hittesdorf, P.C.*

HARDING AND HITTESDORF, P.C.

Certified Public Accountants

We have served as Quadriga Securities, LLC's auditor since 2016.

Denver, Colorado

February 12, 2018

**QUADRIGA SECURITIES, LLC**

**Statement of Financial Condition  
December 31, 2017**

**Assets**

Assets	
Cash	\$ <u>15,297</u>
Total assets	<u>\$ 15,297</u>

**Liabilities and Member's Equity**

Liabilities	
Accounts payable	\$ <u>1,575</u>
Total liabilities	1,575
Commitments and contingencies	
Member's equity	<u>13,722</u>
Total liabilities and member's equity	<u>\$ 15,297</u>

See notes to financial statements.

**QUADRIGA SECURITIES, LLC**

**Statement of Operations  
For the Year ended December 31, 2017**

Revenue

Total revenue \$ 0

Expenses

Expense sharing – Quadriga Partners, LLC 9,000

Legal and professional expenses 15,253

Regulatory dues and fees 5,809

Total expenses ( 30,062 )

Net income \$ (30,062)

See notes to financial statements.

**QUADRIGA SECURITIES, LLC**

**Statement of Changes in Member's Equity  
For the Year Ended December 31, 2017**

Balance - December 31, 2016	\$ 33,784
Member contributions	10,000
Net Income	<u>(30,062)</u>
Balance - December 31, 2016	<u>\$ 13,722</u>

See notes to financial statements.

**QUADRIGA SECURITIES, LLC**

**Statement of Cash Flows  
For the Year Ended December 31, 2017**

Cash flows from operating activities	
Net income	\$ (30,062)
Adjustments to reconcile net income to net cash provided by operating activities	
Changes in assets and liabilities	
Accounts payable	<u>(5,009)</u>
Net cash used in operating activities	<u>(35,071)</u>
Cash flows from financing activities	
Member contributions	<u>10,000</u>
Net cash provided by financing activities	<u>10,000</u>
Net decrease in cash	(25,071)
Cash - beginning of year	<u>40,368</u>
Cash - end of year	<u>\$ 15,297</u>

See notes to financial statements.

# QUADRIGA SECURITIES, LLC

## Notes to Financial Statements

### Note 1 - Description of Business and Summary of Significant Accounting Policies

Quadriga Securities, LLC (the "Company") was formed in the state of Colorado on January 11, 2010 pursuant to the provisions of the Colorado Limited Liability Company Act. The Company is engaged in two business areas acting as a "finder" in private placement of securities and mergers and acquisitions advisory services. The Company's business is national in scope.

The Company is registered with the Securities and Exchange Commission ("SEC") and is also a member of the Financial Industry Regulatory Authority ("FINRA"). The Company operates pursuant to paragraph (k)(2)(B) of Rule 15c3-3 of the Securities Exchange Act of 1934 (the "Act") and does not carry customer accounts or clear customer transactions, nor does it plan to hold any customers' securities or funds. As a result, the Company is exempt from the remaining provisions and requirements of Rule 15c3-3 of the Act. Under this exemption, *Computation for Determination of Reserve Requirements and Information Relating to Possession or Control Requirements* are not required.

The Company is wholly owned by Quadriga Partners, LLC ("Partners"). Accordingly, this affiliation should be taken into consideration in reviewing the accompanying financial statements. The operating results could vary from those that would have been obtained had the Company operated independently.

#### Cash

The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash. The Company had no cash equivalents as of December 31, 2017.

#### Concentrations of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash. The Company places its temporary cash investments with what management believes are high-credit, quality financial institutions.

#### Fair Value of Financial Instruments

The carrying amounts of financial instruments, including cash, approximated fair value as of December 31, 2017 because of the relatively short maturity of these instruments.

#### Revenue Recognition

Transaction fees related to mergers, acquisitions, finders, and financing fees are recognized upon closing of the related transaction. These are reflected as "success fees" in the accompanying statement of operations. Advisory income is recognized as services are provided. Interest income is recognized when earned.

## QUADRIGA SECURITIES, LLC

### Notes to Financial Statements

#### **Note 1 - Description of Business and Summary of Significant Accounting Policies (continued)**

##### Income Taxes

The Company has elected to be treated as a limited liability company for income tax purposes. Accordingly, all taxable income and losses are reported in the income tax returns of the Company's member, and no provision for income taxes has been recorded in the accompanying financial statements.

The Company applies guidance of Accounting Standards Codification Topic 740, *Accounting for Uncertainty in Income Taxes*. Under this guidance, if taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the Company's member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

Interest and penalties associated with tax positions are recorded in the period assessed as other expenses. No interest or penalties have been assessed as of December 31, 2017.

##### Use of 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 disclosures 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.

##### Significant Clients

The Company generally derives significant revenue from a few key clients. However, the makeup of the Company's client base varies from year to year. Accordingly, an annual concentration in revenue from the same clients is remote. The Company had no revenues for 2017.

#### **Note 2 - Subsequent Events**

The Company has evaluated events through the auditors' report date, which is the date the financial statements were available for issuance. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

#### **Note 3 - Related Party Transactions**

The Company is wholly owned by Partners. Pursuant to an expense sharing agreement with Partners, the Company agreed to pay Partners \$750 per month for personal property, utilities, and office space. During the year ended December 31, 2017, the Company paid \$9,000 under the agreement.

## QUADRIGA SECURITIES, LLC

### Notes to Financial Statements

#### **Note 4 - Member's Equity**

Effective January 11, 2010, the Company adopted an Operating Agreement (the "Agreement"). The Agreement specifies the class of units, capital contributions, and accounts, as well as allocations and distributions, including profits and losses.

The Agreement specifies there shall be one class of units, and each unit holder shall share proportionately in the costs, credits, income, revenues, gains, losses, or distributions allocated. Each unit shall have voting rights on any matter presented to the member. At inception, the Company issued 100 units to Partners.

#### **Note 5 - Net Capital Requirement**

The Company is subject to the SEC Uniform Net Capital Rule ("SEC Rule 15c3-1"), which requires the maintenance of minimum net capital, as defined, of the greater of \$5,000 or 6 2/3% of aggregate indebtedness. The Company's net capital as of December 31, 2017 was \$13,722, which was \$8,722 in excess of its required minimum net capital of \$5,000. Net capital may fluctuate on a daily basis. Additionally, SEC Rule 15c3-1 requires that the aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The Company's net capital ratio was 11.48 to 1 as of December 31, 2017.

#### **Note 6 - Commitments and Contingencies**

During the normal course of business, the Company is subject to inquiries by the SEC as well as the FINRA. Management does not believe the impact of such inquiries, if any, will have a material effect on the accompanying financial statements.

The Company has an agreement with a third party for financial reporting and other financial services, which calls for monthly payments of \$800. The Company paid \$9,600 under this agreement during the year ended December 31, 2017.

**SUPPLEMENTAL INFORMATION**

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**QUADRIGA SECURITIES, LLC**

**Schedule I - Computation of Aggregate Indebtedness and Net Capital Pursuant to  
Rule 15c3-1 of the Securities and Exchange Commission  
December 31, 2017**

**Net Capital**

Total member's equity	\$ 13,722
Additions/deductions	<u>                    -</u>
Net capital	<u>\$ 13,722</u>

**Aggregate Indebtedness**

Total aggregate indebtedness	<u>\$ 1,575</u>
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**Computation of Basic Net Capital Requirements**

Required minimum net capital (greater of \$5,000 or 6 2/3% of aggregate indebtedness)	<u>\$ 5,000</u>
Net capital in excess of minimum requirement	<u>\$ 8,722</u>
Ratio of aggregate indebtedness to net capital	<u>11.48</u>

Reconciliation with the Company's computation:

There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of December 31, 2017.

# HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050  
Denver, Colorado 80246  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member  
of Quadriga Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Quadriga Securities, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Quadriga Securities, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3:(k)(2)(i) (exemption provisions) and (2) Quadriga Securities, LLC stated that Quadriga Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Quadriga Securities, LLC'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 Quadriga Securities, LLC'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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Harding and Hittesdorf, P.C.*  
HARDING AND HITTESDORF, P.C.  
Denver, Colorado  
February 12, 2018

**QUADRIGA SECURITIES, LLC**

**EXEMPTION REPORT**

**Quadriga Securities, LLC, (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)(1) 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)(i)**
- 2. The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3(k) throughout the most recent fiscal year without exception.**

**Quadriga Securities, LLC**

**I, Jason Ficken, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.**

**By:**  \_\_\_\_\_

**Title: Managing Member**

**February 12, 2018**