

EA Markets Securities LLC
Report Pursuant to Rule 17a-5 (d)
Financial Statements
For the Year Ended December 31, 2016

CONFIDENTIAL
TREATMENT
REQUESTED

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

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

SEC FILE NUMBER
8-53722

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 01/01/16 AND ENDING 12/31/16
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: EA Markets Securities LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

120 West 45th Street, 24th Floor

(No. and Street)

New York,

NY

10036

(City)

(State)

(Zip Code)

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

Joe Hoban

(646) 470-6587

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Breard & Associates, Inc., Certified Public Accountants

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

9221 Corbin Avenue, Suite 170

Northridge

CA

91324

(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)

OATH OR AFFIRMATION

I, Joseph Hoban, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of EA Markets Securities LLC, as of December 31, 20 16, 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:

Joseph Hoban
Signature

CFO/COO
Title

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.

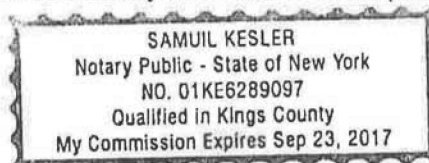
****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of NY
County of NY

Subscribed and sworn to (or affirmed) before me on this 24th day of FEBRUARY, 2017 by JOSEPH HOBAN proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Notary Public [Signature]



Report of Independent Registered Public Accounting Firm


To the Member of
EA Markets Securities LLC:

We have audited the accompanying statement of financial condition of EA Markets Securities LLC (the Company) as of December 31, 2016, and the related statements of income, changes in member's equity, and cash flows for the year then ended. 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 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 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 EA Markets Securities LLC as of December 31, 2016, 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.

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


Breard & Associates, Inc.
Certified Public Accountants

New York, New York
February 27, 2017

EA Markets Securities LLC
Statement of Financial Condition
December 31, 2016

Assets

Cash	\$ 314,375
Accounts receivable	247,500
Prepaid expense	1,048
Total assets	<u>\$ 562,923</u>

Liabilities and Member's Equity

Liabilities

Accounts payable and accrued expenses	<u>\$ 128,924</u>
Total liabilities	128,924

Commitments and contingencies

Member's equity

Member's equity	<u>433,999</u>
Total member's equity	<u>433,999</u>
Total liabilities and member's equity	<u>\$ 562,923</u>

The accompanying notes are an integral part of these financial statements.

EA Markets Securities LLC
Statement of Income
For the Year Ended December 31, 2016

Revenues

Underwriting income	\$ 758,761
Placement income	500,000
Reimbursed expenses	<u>7,000</u>
Total revenues	1,265,761

Expenses

Commission Expense: Employees	315,000
Commission Expense: Partners	450,000
Occupancy and equipment rental	18,750
Professional fees	53,737
Other operating expenses	<u>72,357</u>
Total expenses	<u>909,844</u>

Net income (loss) before income tax provision 355,917

Income tax provision 15,714

Net income (loss) **\$ 340,203**

The accompanying notes are an integral part of these financial statements.

EA Markets Securities LLC
Statement of Changes in Member's Equity
For the Year Ended December 31, 2016

	<u>Member's Equity</u>
Balance at December 31, 2015	\$ 343,796
Member's distributions	(250,000)
Net income (loss)	<u>340,203</u>
Balance at December 31, 2016	<u><u>\$ 433,999</u></u>

The accompanying notes are an integral part of these financial statements.

EA Markets Securities LLC
Statement of Cash Flows
For the Year Ended December 31, 2016

Cash flow from operating activities:

Net income (loss) \$ 340,203

Adjustments to reconcile net income (loss) to net
cash provided by (used in) operating activities:

(Increase) decrease in assets:

Accounts receivable \$ (240,460)

Prepaid expense 626

Increase (decrease) in liabilities:

Accounts payable and accrued expenses 119,669

Total adjustments (120,166)

Net cash provided by (used in) operating activities 220,038

Net cash provided by (used in) in investing activities -

Cash flow from financing activities:

Capital distributions (250,000)

Net cash provided by (used in) financing activities (250,000)

Net increase (decrease) in cash (29,963)

Cash at beginning of year 344,338

Cash at end of year \$ 314,376

Supplemental disclosure of cash flow information:

Cash paid during the year for:

Interest \$ -

Income taxes \$ 15,714

The accompanying notes are an integral part of these financial statements.

EA Markets Securities LLC
Notes to Financial Statements
December 31, 2016

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

EA Markets Securities LLC (the "Company") is a New York limited liability company, originally organized as a California limited liability company, that is a wholly-owned subsidiary of EA Markets LLC (the "Parent"). The Company is a registered broker-dealer in securities under the Securities and Exchange Act of 1934, a member of the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC").

The Company is engaged in business as a securities broker-dealer that provides several classes of services including advisory services, private placement of securities and firm commitment underwriting.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3(k)(2)(i) and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirements of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Summary of Significant Accounting Policies

The presentation 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

The Company receives fees in accordance with terms stipulated in its engagement contracts. Financial advisory fees are recognized as earned according to the fee schedule stipulated in the client's engagement contracts.

The Company is treated as a disregarded entity for federal income tax purposes, in accordance with single member limited liability company rules. All tax effects of the Company's income or loss are passed through to the member. Therefore, no provision or liability for Federal Income Taxes is included in these financial statements.

EA Markets Securities LLC
Notes to Financial Statements
December 31, 2016

Note 2: INCOME TAXES

As discussed in the Summary of Significant Accounting Policies (Note 1), the Company operates as a limited liability company treated as a disregarded entity for tax purposes. Accordingly, all tax effects of the Company's income or loss are passed through to the member and no provision or liability for Federal Income Taxes is included in these financial statements.

The income tax provision reflected in the Statement of Income consists of the following:

New York City	\$ 14,863
New York State	25
California	<u>826</u>
Total Income Tax Provision	<u>\$ 15,714</u>

The Company is required to file income tax returns in both state and city tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. The statute of limitations for state purposes is generally three years, but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of December 31, 2016, state and city taxing authorities have not proposed any adjustment to the Company's tax position.

Note 3: RELATED PARTY TRANSACTIONS

The Company and Parent share personnel, administrative expenses, and office space. All costs incurred for such shared expenses are paid by the Parent and reimbursed by the Company in accordance with an administrative services agreement. For the year ended December 31, 2016, the Company reimbursed the Parent a total of \$861,700 which is included in commission expense and other operating expenses reported on the Statement of Income.

It is possible that the terms of certain of the related party transactions are not the same as those that would result for transactions among wholly unrelated parties.

EA Markets Securities LLC
Notes to Financial Statements
December 31, 2016

Note 4: COMMITMENT AND CONTINGENCIES

Commitments

The Company had no commitments, no contingent liabilities and had not been named as a defendant in any lawsuit at December 31, 2016 or during the year then ended.

Note 5: GUARANTEES

FASB ASC 460, Guarantees, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others.

The Company has issued no guarantees at December 31, 2016 or during the year then ended.

Note 6: SUBSEQUENT EVENTS

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

EA Markets Securities LLC
Notes to Financial Statements
December 31, 2016

Note 7: RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Company management has reviewed the accounting standards updates issued by the FASB that were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year ending December 31, 2016. Based upon this review, the Company has implemented the pronouncements that require adoption (if any) and disclosed them in an appropriate footnote. They have also concluded that the remaining pronouncements have either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

Note 8: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2016, the Company had net capital of \$285,451 which was \$235,451 in excess of its required net capital of \$50,000; and the Company's ratio of aggregate indebtedness (\$128,924) to net capital was 0.45 to 1, which is less than the 15 to 1 maximum allowed.

EA Markets Securities LLC
Schedule I - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
As of December 31, 2016

Computation of net capital

Member's equity	<u>\$ 433,999</u>	
Total member's equity		\$ 433,999
Less: Non-allowable assets		
Receivables from non-customers	(147,500)	
Prepaid expense	<u>(1,048)</u>	
Total non-allowable assets		<u>(148,548)</u>
Net capital		285,451
Computation of net capital requirements		
Minimum net capital requirements		
6 2/3 percent of net aggregate indebtedness	\$ 8,595	
Minimum dollar net capital required	<u>\$ 50,000</u>	
Net capital required (greater of above)		<u>(50,000)</u>
Excess net capital		<u><u>\$ 235,451</u></u>
Ratio of aggregate indebtedness to net capital	0.45 : 1	

There was no material difference between net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2016.

See independent auditor's report

EA Markets Securities LLC
Schedule II - Computation for Determining of Reserve
Requirements Pursuant to Rule 15c3-3
As of December 31, 2016

A computation of reserve requirements is not applicable to EA Markets Securities LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

See independent auditor's report

EA Markets Securities LLC
Schedule III - Information Relating to Possession or Control
Requirements Pursuant to Rule 15c3-3
As of December 31, 2016

Information relating to possession or control requirements is not applicable to EA Markets Securities LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

See independent auditor's report

EA Markets Securities LLC
Report Pursuant to Rule 17a-5 (d)
Report on Exemption Provisions
For the Year Ended December 31, 2016

Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) EA Markets Securities LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which EA Markets Securities LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) EA Markets Securities LLC stated that EA Markets Securities LLC met the identified exemption provisions throughout the year ended December 31, 2016, without exception. EA Markets 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 EA Markets 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.



Breard & Associates, Inc.
Certified Public Accountants

New York, New York
February 27, 2017



EA Markets Securities LLC
ADVOCATES IN THE FINANCIAL MARKETS

EA Markets Securities LLC
Member FINRA / SIPC
120 West 45th Street, 24th floor
New York, NY 10036

Assertions Regarding Exemption Provisions

We, as members of management of EA Markets Securities LLC ("the Company"), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(i).

The Company met the identified exemption provision without exception throughout the year ended December 31, 2016.

EA Markets Securities LLC

By:

A handwritten signature in black ink, appearing to read 'Joe Hoban', written over a horizontal line.

Name: Joe Hoban
Title: CFO/COO
Date: February 27, 2017

EA Markets Securities LLC
Report on the SIPC Annual Assessment
Report Pursuant to Rule 17a-5(e)4
For the Year Ended December 31, 2016

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON APPLYING AGREED UPON PROCEDURES**

To Members

EA Markets Securities LLC:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by EA Markets Securities LLC and the Securities Investor Protection Corporation ("SIPC") with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of EA Markets Securities LLC (the "Company") for the year ended December 31, 2016, solely to assist you and SIPC in evaluating EA Markets Securities LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2016, with the Total Revenue amounts reported in Form SIPC-7 for the year ended December 31, 2016 noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences;
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and

5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the Form SIPC-7. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.



Breard & Associates, Inc.
Certified Public Accountants

New York, New York
February 27, 2017

EA Markets Securities LLC
Schedule of Securities Investor Protection Corporation
Assessments and Payments
For the Year Ended December 31, 2016

	<u>Amount</u>
Total assessment	\$ 3,147
SIPC-6 general assessment	
Payment made on July 21, 2016	(944)
SIPC-7 general assessment	
Payment made on February 16, 2017	<u>(2,203)</u>
Total assessment balance (overpayment carried forward)	<u><u>\$ -</u></u>