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OMB APPROVAL
OMB Number: 3235-0123
Expires: February 28, 2010
Estimated average burden hours per response... 12.00

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

SEC FILE NUMBER
8-52326

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 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER: NYFIX Millennium, L.L.C.

OFFICIAL USE ONLY
FIRM ID. NO. 103843

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

100 Wall Street, 26th Floor
(No. and Street)

New York NY 10005
(City) (State) (Zip Code)

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

Steven R. Vigliotti (646) 525-3011
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

100 Eagle Rock Avenue, Suite 200 East Hanover NJ 07936
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

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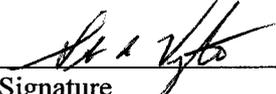
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

BB 3/24

AFFIRMATION

I, Steven R. Vigliotti, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to NYFIX Millennium, L.L.C. (the "Company") for the year ended December 31, 2008, are true and correct. I further affirm that neither the Company nor any member, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer.


Signature 2-26-09
Date

EUGENIA GENYUK
Notary Public, State of New York
No. 01GE6131988
Qualified in Kings County
Term Expires August 22, 2009

Chief Financial Officer
Title

02/26/09

Notary Public

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

- (x) Independent Auditors' Report.
- (x) (a) Facing Page.
- (x) (b) Statement of Financial Condition.
- (x) (c) Statement of Operations.
- (x) (d) Statement of Cash Flows.
- (x) (e) Statement of Changes in Member's Equity.
- (x) (f) Statement of Changes in Subordinated Borrowings.
- (x) Notes to Financial Statements.
- (x) (g) Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission.
- (x) (h) Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission.
- () (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission.
- (x) (j) A Reconciliation, Including Appropriate Explanations, 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 (not applicable).
- (x) (l) An Oath or Affirmation.
- () (m) A Copy of the SIPC Supplemental Report (not required).
- (x) (n) Independent Auditor's Report on Internal Accounting Controls.

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

NYFIX MILLENNIUM, L.L.C.
(a subsidiary of NYFIX, Inc.)

STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2008

NYFIX MILLENNIUM, L.L.C.
(a subsidiary of NYFIX, Inc.)

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FRIEDMAN LLP

ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Member of
NYFIX Millennium, L.L.C.

We have audited the accompanying statement of financial condition of NYFIX Millennium, L.L.C. (the "Company") as of December 31, 2008. 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 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, the financial statement referred to above presents fairly, in all material respects, the financial position of NYFIX Millennium, L.L.C. as of December 31, 2008 in conformity with accounting principles generally accepted in the United States of America.

Friedman LLP

February 26, 2009

NYFIX MILLENNIUM, L.L.C.

(a subsidiary of NYFIX, Inc.)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2008

Assets

Cash and cash equivalents	\$	7,707,090
Deposit with clearing firm		100,000
Accounts receivable (net of allowance for doubtful accounts of \$25,715)		6,417,860
Receivable from affiliates		119,130
Capitalized software costs, net		1,212,202
Deferred tax asset		1,111,896
Other assets		77,041

Total Assets \$ 16,745,219

Liabilities and Member's Equity

Liabilities:

Payable to affiliates	\$	1,661,649
Accounts payable and accrued expenses		1,488,038

Total liabilities 3,149,687

Subordinated borrowings 11,000,000

Commitments and contingencies

Member's equity 2,595,532

Total Liabilities and Member's Equity \$ 16,745,219

The accompanying notes are an integral part of this financial statement.

NYFIX MILLENNIUM, L.L.C.
(a subsidiary of NYFIX, Inc.)

NOTES TO STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2008

1. ORGANIZATION

NYFIX Millennium, L.L.C. (the “Company”) is a single member limited liability company (“LLC”) that was organized on September 9, 1999. The Company provides continuous anonymous automated matching, routing and other execution services for U.S. equity securities. In addition, the Company also resells certain trading technology products and services offered by its affiliates on a subscription basis.

The Company is a registered broker-dealer with the Securities and Exchange Commission (“SEC”), is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and is registered as an alternative trading system under Regulation ATS of the SEC. The Company is a direct wholly-owned subsidiary of NYFIX Broker-Dealer Holdings, LLC, (“NYFIX BD”) which is wholly-owned by NYFIX, Inc. (“NYFIX”), a publicly-traded (Nasdaq: NYFX) provider to the domestic and international financial markets of trading workstations, middle office trade automation technologies and trade messaging services, and through its registered broker-dealer subsidiaries, automated trade execution services.

2. SIGNIFICANT ACCOUNTING POLICIES

Concentration of Credit Risk for Cash—The Company maintains its cash and cash equivalent balances at one financial institution. These balances are insured by the Federal Deposit Insurance Corporation subject to certain limitations.

Accounts Receivable—Accounts receivable represents billings for trading commissions and subscription fees. The Company maintains an allowance for doubtful accounts to reduce its accounts receivable to the amount expected to be collected on such receivables.

Capitalized Software Costs—Costs incurred in the research, design and development of software as a separate product or embedded in a product are charged to expense until technological feasibility is established. Thereafter, costs incurred (primarily payroll and related costs) that significantly enhance the marketability or significantly extend the life of the products are capitalized and amortized on a straight-line basis over three years. Management uses its judgment in determining whether such costs meet the criteria for immediate expense or capitalization, in accordance with Statement of Financial Accounting Standards (“SFAS”) No. 86, *Accounting for the Costs of Computer Software to Be Sold, Leased, or Otherwise Marketed*.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes—The Company is a single member LLC, treated as a division of NYFIX for federal and state income tax purposes. The Company computes its income taxes on a stand alone company basis, except that the benefit of income tax losses will only be recorded by the Company to the extent such losses are utilized in the consolidated and combined income tax returns by NYFIX. The Company accounts for income taxes using the asset and liability method prescribed by SFAS No. 109, *Accounting for Income Taxes* (“SFAS 109”). SFAS 109 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the recognition of tax effects for financial statement purposes and income tax reporting purposes by applying enacted income tax rates applicable to future years to differences between the financial statement carrying amounts and tax bases of existing assets and liabilities.

Use of Estimates—The preparation of the statement of financial condition in conformity with generally accepted accounting principles 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 statement of financial condition. Actual results could differ from those estimates.

Fair Value of Financial Instruments—Substantially all of the Company’s financial instruments are carried at fair values or amounts that management estimates approximate fair values as such financial instruments are short-term in nature or bear interest at rates approximating current market.

3. REGULATORY NET CAPITAL REQUIREMENT

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum regulatory net capital and requires that the ratio of aggregate indebtedness to regulatory net capital both as defined, shall not exceed 15 to 1. At December 31, 2008, the Company had regulatory net capital and a minimum regulatory net capital requirement of \$4,512,691 and \$209,979, respectively. The Company’s regulatory net capital ratio at December 31, 2008 was 0.70 to 1.

4. RELATED PARTY TRANSACTIONS

As of December 31, 2008, the outstanding balances due to and from related parties are reflected in the Statement of Financial Condition under receivable from affiliates and payable to affiliates. The payable to affiliates are payable on demand and are non-interest bearing.

During the year, the Company assigned certain accounts receivable in the amount of \$1,232,065 to an affiliate.

Employees of the Company are eligible to participate in the NYFIX 401(k) plan upon meeting certain eligibility requirements.

Certain employees of the Company participate in the approved stock option plans of NYFIX.

4. RELATED PARTY TRANSACTIONS (continued)

Borrowings from NYFIX under subordination agreements at December 31, 2008 are comprised of the following:

Subordinated note, 7.5%, due November 30, 2011	\$ 6,000,000
Subordinated note, 7.5%, due May 31, 2011	3,000,000
Subordinated note, 7.5%, due December 31, 2011	<u>2,000,000</u>
	<u>\$11,000,000</u>

The subordinated borrowings are covered by agreements approved by FINRA and are thus available in computing net capital under the SEC's net capital rule. To the extent that such borrowings are required for continued compliance with minimum net capital requirements, they may not be eligible for repayment.

5. CAPITALIZED SOFTWARE COSTS, NET

As of December 31, 2008, capitalized software costs are comprised of the following:

Capitalized software costs	\$ 1,395,379
Less: Accumulated amortization	<u>183,177</u>
	<u>\$ 1,212,202</u>

6. INCOME TAXES

The tax effects of temporary differences that give rise to deferred tax assets consisted of the following at December 31, 2008:

Deferred tax assets:	
Equity based compensation	\$ 1,051,241
Capitalized software amortization	37,352
Compensation expense	12,465
Bad debt expense	<u>10,838</u>
Total deferred tax assets	<u>\$ 1,111,896</u>

7. COMMITMENTS AND CONTINGENCIES

The Company clears certain of its securities transactions with its institutional counterparties through clearing firms (including NYFIX Securities) on a fully disclosed basis. These agreements provide that the clearing firms may have the right to charge the Company for losses that result from a counterparty's failure to fulfill its contractual obligations. At December 31, 2008, the Company has recorded no liabilities with respect to this risk. During 2008, the Company made no payments to its clearing firms related to these rights.

7. COMMITMENTS AND CONTINGENCIES (continued)

The Company has the right to pursue collection or performance from counterparties who do not perform under their contractual obligations. The Company and its clearing firms have a policy of reviewing, on an ongoing basis, the credit standing of the Company's counterparties.