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SECURITIES AND EXCHANGE COMMISSION

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DIVISION OF MARKET REGULATION

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

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

**OMB APPROVAL**  
OMB Number 3235-0123  
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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 JANUARY 1, 2009 AND ENDING DECEMBER 31, 2009

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**OFFICIAL USE ONLY**

FELIX INVESTMENTS LLC

FIRM ID. NO.

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

17 STATE STREET - 5<sup>TH</sup> FLOOR

NEW YORK,

NEW YORK

10004

(City)

(State)

(Zip Code)

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

JAY GETTENBERG

(212) - 668 - 8700

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

**LERNER & SIPKIN, CPAs, LLP**

132 Nassau Street, Suite 1023

New York

NY

10038

Certified Public Accountant

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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).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, **MARIO SCEUSA**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **FELIX INVESTMENTS LLC, as of DECEMBER 31, 2009**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

X Mario Sceusa  
Signature

president  
Title

X John V. Bivona  
Notary Public

JOHN V. BIVONA  
Notary Public, State of New York  
No. 31-4970258  
Qualified in New York County  
Commission Expires August 6, 2010

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (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.
- (o) Independent Auditors' Report on Internal Accounting Control.

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



**LERNER & SIPKIN**  
CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074  
E-mail: LS@lernerstpkin.com

**INDEPENDENT AUDITORS' REPORT**

To the Stockholders of  
Felix Investments, LLC  
c/o Accounting and Compliance International  
40 Wall Street, 34th Floor  
New York, NY 10005

We have audited the accompanying statement of financial condition of Felix Investments, LLC as of December 31, 2009. 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition 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 position of Felix Investments, LLC as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

*Lerner & Sipkin CPAs LLP*  
Lerner & Sipkin, CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
February 11, 2010

**FELIX INVESTMENTS LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2009**

**ASSETS**

Cash and cash equivalents	\$ 20,831
Accounts receivable	11,475
Office equipment, net of accumulated depreciation of \$1,700 (Note 3(d))	43,998
Other asset	<u>29,548</u>
Total assets	<u>\$ 105,852</u>

**LIABILITIES AND CAPITAL**

**Liabilities:**

Accounts payable and accrued expenses	<u>35,197</u>
Total liabilities	<u>35,197</u>

**Commitments and Contingencies (Notes 4 & 5)**

**Member's capital (Note 6)**

Member's Capital	<u>70,655</u>
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Total liabilities and member's capital	<u>\$ 105,852</u>
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*The accompanying notes are an integral part of this statement.*

**FELIX INVESTMENTS, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**Note 1 - Nature of Business**

Felix Investments, LLC (The "Company"), a Limited Liability Company, is a broker/dealer registered with the Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority. The Company earns fees from providing investment banking services, through its participation in private placement offerings and providing merger and acquisition, financial advisory and general corporate consulting services to companies.

The Company operates under the provisions of Paragraph (k) (2) (ii) of Rule 15c3-3 of the Securities and Exchange Commission and accordingly, is exempt from the remaining provisions of that rule.

**Note 2 - Going Concern**

The accompanying statements have been prepared assuming the company will continue as a going concern. The Company had a loss of \$226,267 for the year ended 2009 and a net capital deficiency of \$14,366 at December 31, 2009

Management of the Company made a capital contribution of \$21,250 in January 2010. It is expected that revenues in 2010 will increase sufficiently to allow the Company to operate profitably. In addition, the members have pledged any additional financial support to the Company to enable it to continue as a going concern, which includes the maintenance of required levels of capital

**Note 3 - Summary of Significant Accounting Policies**

**a) Revenue Recognition**

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis. Commission income and related expense are recorded on a settlement date basis. There is no material difference between settlement date and trade date.

**b) Income Taxes**

Income taxes are not payable by, or provided for, the Company. Members are taxed individually on their share of company earnings for federal and state income tax purposes.

**c) Cash and Cash Equivalents**

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

**FELIX INVESTMENTS, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**Note 3 - Summary of Significant Accounting Policies (continued)**

*d) Equipment*

Equipment is carried at cost and is depreciated over a useful life of 5-7 years using accelerated methods.

*e) Use of Estimates*

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

*f) Subsequent Events*

The Company has evaluated events and transactions that occurred between December 31, 2009 and February 11, 2010, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**Note 4 - Commitments**

*Premises*

The Company leases its premises under a lease expiring November 30, 2012. The aggregate minimum future payments under this lease during the years following December 31, 2009, are as follows:

2010	246,645
2011	246,645
2012	226,091

**Note 5 - Financial Instruments with Off-Balance Sheet Credit Risk**

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company introduces these transactions for clearance to another broker-dealer on a fully disclosed basis.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to satisfy their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

**FELIX INVESTMENTS, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**Note 6 - Net Capital Requirement**

The Company is subject to the Securities and Exchange Commission 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 1500%. At December 31, 2009, the Company had net capital deficiency of \$(14,366) which was \$(19,366) deficient of its required net capital of 5,000.

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A copy of the Firm's Statement of Financial Condition as of December 31, 2009, pursuant to SEC Rule 17a-5, is available for examination at the Firm's office and at the regional office of the SEC.