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

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

SEC FILE NUMBER
8- 68604

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 01/01/2011 AND ENDING 12/31/2011
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

ALGO ENGINEERING EXECUTION SERVICES LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

7 WORLD TRADE CENTER, STE 34F

(No. and Street)

NEW YORK **NY** **10007**
(City) (State) (Zip Code)

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

ALEXEY GOZ **212-616-0190**

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

MALONEBAILEY, LLP

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

10350 RICHMOND AVE. STE 800 **HOUSTON** **TX** **77042**
(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).

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.

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OATH OR AFFIRMATION

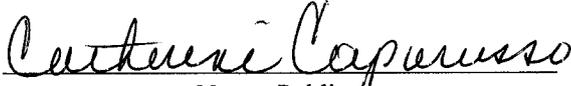
I, ALEXEY GOZ, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of ALGO ENGINEERING EXECUTION SERVICES LLC, as of DECEMBER 31, 20 11, are true and correct. I further swear (or affirm) that neither the company 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:

Algo Engineering LLC is an owner and sole customer of Algo Engineering Execution Services

I, Alexey Goz, hold 10% of Algo Engineering LLC

CATHERINE CAPORUSSO
Notary Public, State of New York
No. 01CA7911662
Qualified in Richmond County
Commission Expires 4/30/2014


Signature
CEO
Title


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 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).

ALGO ENGINEERING EXECUTION SERVICES, LLC

Statement of Financial Condition

December 31, 2011

ALGO ENGINEERING EXECUTION SERVICES LLC
DECEMBER 31, 2011

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INDEPENDENT AUDITORS' REPORT

To the Member of
ALGO Engineering Execution Services LLC
New York, New York

We have audited the accompanying statement of assets, liabilities and member's equity of ALGO Engineering Execution Services LLC as of December 31, 2011 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 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 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 ALGO Engineering Execution Services LLC at December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

Malone Bailey, LLP

March 14, 2012

ALGO ENGINEERING EXECUTION SERVICES LLC
STATEMENT OF ASSETS, LIABILITIES AND MEMBER'S EQUITY
DECEMBER 31, 2011

ASSETS	
Cash and cash equivalents	\$ 738
Due from clearing broker	100,004
Commissions receivable	29,641
Due from related party	<u>48,794</u>
TOTAL ASSETS	\$ <u>179,177</u>
LIABILITIES AND MEMBER'S EQUITY	
Accrued expenses	\$ <u>52,424</u>
TOTAL LIABILITIES	52,424
Commitments and contingent liabilities	-
Member's equity	<u>126,753</u>
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ <u>179,177</u>

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

ALGO ENGINEERING EXECUTION SERVICES LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

Algo Engineering Execution Services LLC, a Delaware limited liability company (the "Company"), formed in March 2010, is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA), and is a member of the NASDAQ (NQX), NYSE-ARCA (ARCA), BATS (BZX & BYX) and Direct Edge (EDGA & EDGX) exchanges.

The Company earns commission income as a broker by introducing and forwarding transactions and accounts of customers to another broker-dealer who carries such accounts on a fully disclosed basis.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

All short-term investments with an original maturity of three months or less are considered to be cash equivalents.

Concentration of Credit Risk

The Company is engaged in various investment and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

ALGO ENGINEERING EXECUTION SERVICES LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (continued)

Revenue Recognition

Securities transactions and related income and expenses are recorded daily on a mark to market basis.

Recent Accounting Pronouncements

The Company does not expect any recent accounting pronouncements to have any material impact on its financial condition or results of operations.

NOTE 3 – INCOME TAXES

No provisions for federal and state income taxes are made in the financial statements as these taxes are the responsibility of the Company's member under a limited liability corporation.

NOTE 4 - AMOUNT RECEIVABLE FROM BROKER-DEALERS AND CLEARING ORGANIZATIONS

Amounts receivable from and payable to the Company's clearing organization, at December 31, 2011, consist of the following:

	<u>Receivable</u>
ABN AMRO Clearing	\$ <u>100,004</u>

NOTE 5 - NET CAPITAL REQUIREMENTS

The Company is a member of FINRA and is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This rule requires that the ratio of aggregate indebtedness to net capital may not exceed 15 to 1 (8 to 1 for first year broker-dealers), and equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2011, the Company's net capital was \$77,959 which was \$72,959 in excess of its required net capital of \$5,000. The Company's debt to debt-equity ratio was 0.67746 to 1.

ALGO ENGINEERING EXECUTION SERVICES LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company's sole customer is their parent, Algo Engineering LLC (the "Parent"). The client executed trades for the parent on a fully introduced basis through ABN AMRO. The Company invoices the parent for the executions as well as for other expenses incurred in connection with their operations. During the year ended December 31, 2011 the Parent was charged \$506,803 for commissions and expenses of which \$29,641 in allowable commissions and \$48,794 in related expenses is due to the Company as of year end.

During the year ended December 31, 2011 the Parent contributed an additional \$10,227 to the Company.