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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**

<b>SEC FILE NUMBER</b>
8- 65408

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4/4

**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 01/01/11 AND ENDING 12/31/11  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**GREENWICH PRIME TRADING GROUP LLC**

<b>OFFICIAL USE ONLY</b>
_____
FIRM I.D. NO.

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

100 First Stamford Place 6<sup>th</sup> Floor East  
(No. and Street)

Stamford CT 06902  
(City) (State) (Zip Code)

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

Patrick Connors 203-388-4800  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

McGladrey & Pullen, LLP  
(Name - if individual, state last, first, middle name)

1185 Avenue of the Americas, New York NY  
(Address) (City) (State)



CHECK ONE:

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

<b>FOR OFFICIAL USE ONLY</b>

\* 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)

Handwritten signature/initials

OATH OR AFFIRMATION

I, Patrick Connors, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Greenwich Prime Trading Group LLC, as of December 31, 2011, 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.

Gail M Parker  
Notary Public, State of New York  
NO 01PA6126374  
Qualified in New York County  
Commission Expires May 02, 2013

Patrick Connors  
Signature

Managing Member  
Title

Gail M. Parker  
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 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).

# **Greenwich Prime Trading Group, LLC**

Statement of Financial Condition

December 31, 2011

# **Greenwich Prime Trading Group, LLC**

Statement of Financial Condition

December 31, 2011

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## Independent Auditor's Report

To the Members  
Greenwich Prime Trading Group, LLC  
Stamford, Connecticut

We have audited the accompanying statement of financial condition of Greenwich Prime Trading Group, LLC (the "Company") as of December 31, 2011 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 of the statement of financial condition 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 Greenwich Prime Trading Group, LLC as of December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

*McGladrey & Pullen, LLP*

New York, New York  
February 28, 2012

**Greenwich Prime Trading Group, LLC**

**Statement of Financial Condition  
December 31, 2011**

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**ASSETS**

Cash and cash equivalents	\$ 1,064,796
Receivables from brokers and dealers	198,071
Security deposit	96,900
Fixed assets	83,371
Other assets	14,347
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<b>Total assets</b>	<b>\$ 1,457,485</b>

**LIABILITIES AND MEMBERS' EQUITY**

Liabilities:	
Bonuses payable	\$ 95,000
Payable to Members	27,083
Accrued expenses and other liabilities	136,155
	<hr/>
<b>Total liabilities</b>	<b>258,238</b>
Members' Equity	1,199,247
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<b>Total liabilities and Members' equity</b>	<b>\$ 1,457,485</b>

See Notes to Statement of Financial Condition.

## Greenwich Prime Trading Group, LLC

### Notes to Statement of Financial Condition

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#### Note 1. Organization

Greenwich Prime Trading Group, LLC (the "Company") is a Connecticut limited liability company. The Company is registered as a broker-dealer in securities with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA").

The Company operates under the exemptive provisions of paragraph (k)(2)(ii) of SEC Rule 15c3-3. All customer transactions are cleared through another broker-dealer on a fully disclosed basis.

#### Note 2. Significant Accounting Policies

The Company follows accounting standards established by the Financial Accounting Standards Board (the "FASB") to ensure consistent reporting of financial condition, results of operations and cash flows. References to generally accepted accounting principles ("GAAP") in these notes are to the FASB Accounting Standards Codification™, sometimes referred to as the "Codification" or "ASC."

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Fixed assets consisting of furniture, equipment and leasehold improvements are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets.

The Company records its commission revenues and related expenses on a trade-date basis as securities transactions occur.

The Company follows the provisions of FASB ASC Topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The types of financial instruments in Level 1 include listed equities and listed derivatives.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value that is determined through the use of models or other valuation methodologies. Financial instruments in this category generally include corporate bonds and loans, less liquid and restricted equity securities, certain over-the-counter derivatives and redeemable investments in alternative investment funds. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Financial instruments in this category generally include equity and debt positions in private companies, and nonredeemable investments in alternate investment funds.

## **Greenwich Prime Trading Group, LLC**

### **Notes to Statement of Financial Condition**

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#### **Note 2. Significant Accounting Policies (Continued)**

The Company's money market fund of \$1,000,670, included in cash and cash equivalents on the statement of financial condition, is stated at cost, fair value based on quoted market prices which is a Level 1 measurement.

The Company assesses the levels of investments held at each measurement date, and transfers between levels are recognized on the measurement date in accordance with the Company's accounting policy regarding the recognition of transfers between levels of the fair value hierarchy. There were no transfers among Levels 1, 2, and 3 during the year.

#### **Note 3. Receivables From Brokers and Dealers**

The clearing and depository operations for the Company's security transactions are provided by its clearing broker, Goldman Sachs Execution & Clearing, L.P., pursuant to a clearing agreement. At December 31, 2011, receivable from brokers and dealers represents cash maintained at the clearing broker and amounts receivable for commissions earned as an introducing broker.

#### **Note 4. Income Taxes**

The Company is not subject to federal income tax, but may be subject to certain state taxes. Each Member is individually liable for taxes on its share of the Company's income or loss. FASB guidance requires the evaluation of tax positions taken or expected to be taken in the course of preparing the companies tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. The Managing Member has reviewed the Company's tax positions for the open tax years (current and prior three tax years) to determine if additional taxes would be due if such positions were examined, and has concluded that there are no material uncertain income tax positions for which an expense and liability should be recorded. The Company is not subject to examination by U.S. federal and state tax authorities for tax years before 2008.

#### **Note 5. Regulatory Requirements**

Pursuant to the Uniform Net Capital Rule 15c3-1 of the SEC, the Company is required to maintain minimum net capital, of the greater of \$5,000 or 6-2/3% of aggregate indebtedness and requires the ratio of aggregate indebtedness to net capital, both as defined, not to exceed 15 to 1. Rule 15c3-1 also provides that equity may not be withdrawn if the ratio would exceed 10 to 1. Net capital and aggregate indebtedness fluctuate on a daily basis; however, at December 31, 2011, the Company had net capital, as defined, of \$1,079,616, which exceeded the required amount by \$1,068,733. At December 31, 2011, the Company's net capital ratio was 0.15 to 1.

#### **Note 6. Profit-Sharing Plan**

The Company maintains a qualified profit-sharing plan under Section 401(a) of the Internal Revenue Code (the "Plan"). For the year ended December 31, 2011, the Company contributed \$19,740, in addition to the Members' contributions of \$147,000.

## Greenwich Prime Trading Group, LLC

### Notes to Statement of Financial Condition

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#### Note 7. Commitments and Contingencies

The Company is obligated under a noncancelable operating lease for office space expiring April 2013. The aggregate minimum future payments under this lease, exclusive of required payments for increases in real estate taxes and operating costs, are payable as follows:

Year ending December 31,

2012	\$ 192,100
2013	<u>64,600</u>
	<u>\$ 256,700</u>

Rent expense for the year ended December 31, 2011 was \$172,889. The cash security deposit is related to the office lease agreement.

#### Note 8. Fixed Assets

Details of fixed assets at December 31, 2011 are as follows:

Computer equipment	\$ 100,247
Furniture	69,541
Leasehold improvements	<u>38,080</u>
	207,868
Less accumulated depreciation and amortization	<u>124,497</u>
	<u>\$ 83,371</u>

#### Note 9. Off-Balance-Sheet Risk and Concentration of Risk

The Company, at times, maintains bank deposit accounts in excess of federally insured limits. It has not experienced any losses on such amounts.

Since the Company does not clear its own securities and futures transactions, it has established accounts with clearing brokers for this purpose. This can and often does result in a concentration of credit risk with these firms. Such risk, however, is mitigated by each clearing broker's obligation to comply with rules and regulations of the SEC.

The Company's customers' securities transactions are introduced on a fully disclosed basis with its clearing broker-dealers. The clearing broker-dealers carry all of the accounts of the customers of the Company and are responsible for execution, collection and payment of funds and receipt and delivery of securities relative to customer transactions. Off-balance-sheet risk exists with respect to these wherein the clearing broker-dealers may charge any losses it incurs to the Company. The Company seeks to minimize this risk through procedures designed to monitor the creditworthiness of its customers and that customer transactions are executed properly by the clearing broker-dealers.

**Greenwich Prime Trading Group, LLC**

**Notes to Statement of Financial Condition**

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**Note 10. Indemnifications**

The Company has agreed to indemnify its clearing brokers for losses that the clearing brokers may sustain from the customer accounts introduced by the Company. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will have to make material payments under these agreements and has not recorded a contingent liability in the financial statements for these indemnifications.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties that provide indemnifications under certain circumstances. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects risk of loss to be remote.

**Note 11. Related Party Transactions**

Compensation and benefits are paid to Members employed by the Company in accordance with the Amended and Restated Operating Agreement effective January 1, 2006. At December 31, 2011, the Company has a payable to Members for \$27,083 in the statement of financial condition for compensation and benefits.

**Note 12. Subsequent Events**

The Company has evaluated subsequent events for potential recognition and/or disclosure through the date this financial statement was issued.