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SECURITIES AND EXCHANGE COMMISSION

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SECURITIES AND EXCHANGE COMMISSION

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JUN 13 2012

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

SEC FILE NUMBER
8-68323

DIVISION OF TRADING & MARKETS

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: Cyan Capital Markets LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

399 Park Avenue, 39th Floor

(No. and Street)

New York

NY

10022

(City)

(State)

(Zip Code)

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

Mr. Frank Calimano

(732) 390-9902

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

EisnerAmper LLP

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

750 Third Avenue

New York

NY

10017

(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)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, ASHOK NAYYAR, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CYAN CAPITAL MARKETS, as of 12/31, 20 12, 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:

ASHOK NAYYAR
Signature

CEO
Title

JENNIFER RODRIGUEZ
Notary Public

JENNIFER RODRIGUEZ
NOTARY PUBLIC-STATE OF NEW YORK
No. 01RO6153988
Qualified in New York County
My Commission Expires October 23, 2014

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).



CYAN CAPITAL MARKETS LLC
(a wholly owned subsidiary of Cyan Partners, LP)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2011

INDEPENDENT AUDITORS' REPORT

To the Member
Cyan Capital Markets LLC
New York, NY

We have audited the accompanying statement of financial condition of Cyan Capital Markets LLC (the "Company") as of December 31, 2011, that are filed 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 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, and 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 the Company as of December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.



New York, New York
February 8, 2012

CYAN CAPITAL MARKETS LLC

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

ASSETS

Cash and cash equivalents	\$ 126,849
Deposits	<u>50,650</u>
	<u>\$ 177,499</u>

LIABILITIES

Due to parent	\$ 18,521
Accounts payable and accrued expenses	<u>32,475</u>
	50,996

MEMBER'S EQUITY

<u>126,503</u>
<u>\$ 177,499</u>

CYAN CAPITAL MARKETS LLC

Notes to Statement of Financial Condition December 31, 2011

NOTE A - THE COMPANY

Cyan Capital Markets LLC ("CCM" or the "Company") is a limited liability company formed on May 14, 2009 under the laws of the State of Delaware and commenced operations on February 24, 2010. The Company, a wholly-owned subsidiary of Cyan Partners, LP ("CPL" or the "Parent"), was established as an introductory broker-dealer to market high-yield securities. CCM obtained Financial Industry Regulatory Authority ("FINRA") approval to operate as a broker-dealer under the Securities Exchange Act of 1934 on February 24, 2010. The Company is funded through the contributions of the Parent.

The Company is subject to regulation by, among others, the Securities and Exchange Commission ("SEC") and FINRA, and is a member of the Securities Investor Protection Corporation ("SIPC").

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Cash and cash equivalents:

The Company considers all highly liquid money market instruments with maturities of three months or less at date of purchase to be cash equivalents. At December 31, 2011, cash and cash equivalents were deposited in a bank and consisted of immediately available fund balances such as money market mutual funds.

[2] Revenue recognition:

As placement agent, the Company receives a percentage of the total funded amount in the form of placement fees paid by the company raising capital. These fees are recognized when earned and are negotiated on a transaction by transaction basis.

[3] Use of estimates:

The preparation 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 disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

NOTE C - NET CAPITAL REQUIREMENTS / ECONOMY DEPENDENCY

The Company is subject to the SEC 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 15 to 1. At December 31, 2011, the Company had net capital of \$125,853, which was \$120,853 in excess of its required net capital. The Company's net capital ratio was 0.41 to 1.

The Company is dependent upon its sole member to provide capital and resources when necessary for operations or to maintain compliance with the net capital rule. The results of operations may not be indicative of the results of operations if the Company were a stand-alone entity.

CYAN CAPITAL MARKETS LLC

Notes to Statement of Financial Condition December 31, 2011

NOTE D - INCOME TAXES

Tax laws are complex and subject to different interpretations by the taxpayer and taxing authorities. Significant judgment is required when evaluating tax positions and related uncertainties. Future events such as changes in tax legislation could require a provision for income taxes.

The Company is a single member LLC wholly owned by CPL and is a disregarded entity for federal, state and city income tax purposes. As such, the Company's income or losses are included in CPL tax returns for the year ended December 31, 2011. All tax years since inception are subject to examination.

NOTE E - RELATED PARTY TRANSACTIONS

At the Company and Parent's discretion, CPL may provide certain services to CCM. These consist of (i) administrative resources such as accounting, information technology, and legal; (ii) facility resources including both real and personal property such as the use of office space, copy machines, computer equipment and telephones; and (iii) utilization of the Parent's personnel. For 2011, CPL charged CCM \$18,000 relating to the aforementioned services.