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

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**ANNUAL REPORT  
( FORM X-17A-5-AMENDED )  
PART III**

SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
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REGISTRATIONS BRANCH

SEC FILE NUMBER  
**8-69013**

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 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER - DEALER:  
Matrix 360 Distributors, LLC

OFFICIAL USE ONLY  
FIRM ID. NO.

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

4520 Main St, Suite 1425

(No. and Street)

Kansas City

MO  
(State)

64111  
(Zip Code)

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

Paul Giorgio

610-455-2219  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Sanville & Company

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

1514 Old York Road

Abington  
(City)

PA  
(State)

19001  
(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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# Sanville & Company

CERTIFIED PUBLIC ACCOUNTANTS

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NEW YORK, NY 10178  
(212) 709-9512

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors  
Matrix 360 Distributors, LLC

We have audited the accompanying statement of financial condition of Matrix 360 Distributors, LLC (the "Company"), as of December 31, 2015, and the related statements of income, changes in members' equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended. 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 the standards of the Public Company Accounting Oversight Board (United States). 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 Matrix 360 Distributors, LLC as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Schedule I, Computation of Net Capital Under SEC Rule 15c3-1 of the Securities and Exchange Commission and Schedule II, Computation for Determination of Reserve Requirements Under SEC Rule 15c3-3 of the Securities and Exchange Commission have been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the Schedule I, Computation of Net Capital Under SEC Rule 15c3-1 of the Securities and Exchange Commission and Schedule II, Computation for Determination of Reserve Requirements Under SEC Rule 15c3-3 of the Securities and Exchange Commission are fairly stated, in all material respects, in relation to the financial statements as a whole.



Abington, Pennsylvania  
February 11, 2016

**Matrix 360 Distributors, LLC**

**Statement of Financial Condition**

**December 31, 2015**

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**Assets**

Cash and cash equivalents	\$	9,605
Other assets		<u>585</u>
Total assets	\$	<u><u>10,190</u></u>

**Liabilities and Members' Equity**

**Liabilities**

Accrued expenses	\$	<u>2,250</u>
Total liabilities		<u>2,250</u>

**Members' Equity**

		<u>7,940</u>
Total liabilities and members' equity	\$	<u><u>10,190</u></u>

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

**Matrix 360 Distributors, LLC**  
**Statement of Operations**  
**For the Year Ended December 31, 2015**

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**Expenses**

Bank charges	\$	195
Other expenses		<u>92</u>
Total expenses		<u>287</u>
<b>Net loss</b>	\$	<u><u>( 287)</u></u>

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

**Matrix 360 Distributors, LLC**  
**Statement of Changes in Members' Equity**  
**For the Year Ended December 31, 2015**

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<b>Members' equity at January 1, 2015</b>	\$	8,227
Net loss		<u>( 287)</u>
<b>Members' equity at December 31, 2015</b>	\$	<u><u>7,940</u></u>

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

**Matrix 360 Distributors, LLC**

**Statement of Changes in Liabilities Subordinated to Claims of General Creditors**

**For the Year Ended December 31, 2015**

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Subordinated borrowings at January 1, 2015	\$	-
Increases:		-
Decreases:		<u>-</u>
Subordinated borrowings at December 31, 2015	\$	<u><u>-</u></u>

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

**Matrix 360 Distributors, LLC**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2015**

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Cash flows from operating activities

Net loss	\$	<u>( 287)</u>
Net cash used in operating activities		<u>( 287)</u>
Net decrease in cash and cash equivalents		( 287)
Cash and cash equivalents beginning of year		<u>9,892</u>
Cash and cash equivalents end of year	\$	<u><u>9,605</u></u>

Supplemental disclosures of cash flow information

Cash paid during the year for:

Interest	\$	-
Income taxes	\$	-

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

# Matrix 360 Distributors, LLC

## Notes to Financial Statements

December 31, 2015

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### 1. Organization

Matrix 360 Distributors, LLC (the "Company") is a Delaware limited liability company that is a registered broker dealer with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). The Company was approved by FINRA to operate as a registered broker dealer in June 2013. The Company is majority owned by Matrix 360 Holdings LLC. It has agreed to limit its business to the distribution of registered investment company shares. The Company is directly affected by general economic and market conditions, including fluctuations in volume and price level of securities and changes in interest rates, which have an impact on the Company's liquidity.

The Company has not generated any revenues to maintain its operations, and thus has been dependent on the Parent to make capital contributions from time to time to support its operations and to maintain compliance with SEC Rule 15c3-1. The Company will likely continue to depend on the Parent for these capital contributions. The Parent has committed to continue providing the necessary capital to maintain compliance with SEC Rule 15c3-1.

### 2. Summary of Significant Accounting Policies

*The following are the significant accounting policies followed by the Company:*

*Revenue* – Mutual fund commissions, service fees and distribution fees are recognized when earned.

*Income taxes* - No provisions have been made for income taxes since the Company is a limited liability company and has elected to file its tax return on a partnership basis. The individual members are liable for income taxes based on their respective share of the Company's taxable income.

The Company recognizes and discloses uncertain tax positions in accordance with accounting principles generally accepted in the United States of America (GAAP). As of, and during the year ended December 31, 2015 the Company did not have liability for unrecognized tax benefits. The Company is no longer subject to examination by federal and state taxing authorities prior to 2012.

*Use of estimates* – The preparation of financial statements in conformity with U. S. 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates and assumptions.

*Subsequent events* - Management has evaluated the impact of all subsequent events through February 11, 2016 the date the financial statements were available to be issued and has determined that there were no subsequent events requiring disclosure in these financial statements.

### 3. Concentration of Credit Risk

The Company is engaged in brokerage and distribution activities in which counterparties are primarily mutual fund companies. 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 financial product.

**Matrix 360 Distributors, LLC**  
**Notes to Financial Statements (Continued)**  
**December 31, 2015**

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**4. Net Capital Requirements**

The Company is a member of the FINRA and is subject to the SEC Uniform Net Capital Rule 15c3-1. This Rule 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. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2015 the Company had net capital of \$7,355 which was \$2,355 in excess of its required net capital of \$5,000. The Company's net capital ratio was 0.31 to 1.

**5. Computation for Determination of Reserve Requirements**

The Company will operate in accordance with the exemptive provisions of paragraph (k)(1) of SEC Rule 15c3-3. No customer accounts are maintained and transactions are limited to sales and redemption of shares of registered investment companies and/or variable annuities.

**Matrix 360 Distributors, LLC**  
**Computation of Net Capital Under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**December 31, 2015**

**Schedule I**

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COMPUTATION OF NET CAPITAL

Total members' equity	\$ 7,940
Deduct members' equity not allowable for Net Capital:	<u>-</u>
Total members' equity qualified for Net Capital	<u>7,940</u>
Deductions and/or charges:	
Non-allowable assets:	<u>585</u>
Total non-allowable assets	<u>585</u>
Net Capital before haircuts on securities positions	7,355
Trading and investment securities:	<u>-</u>
Net Capital	<u>\$ 7,355</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

Total aggregate indebtedness liabilities from Statement of Financial Condition	
Accounts payable and accrued expenses	\$ <u>2,250</u>
Total aggregate indebtedness	\$ <u><u>2,250</u></u>
Percentage of aggregate indebtedness to Net Capital	31%
Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	-

**Matrix 360 Distributors, LLC**  
**Computation of Net Capital Under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**December 31, 2015**

**Schedule I (continued)**

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COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum Net Capital (6 2/3% of \$2,250)	\$	150
Minimum dollar Net Capital requirement of reporting broker or dealer and minimum Net Capital requirement	\$	5,000
Net Capital requirement	\$	5,000
Excess Net Capital	\$	2,355
Net Capital less greater of 10% of aggregate indebtedness or 120% of minimum net capital	\$	1,355

RECONCILIATION BETWEEN COMPUTATION OF ANNUAL AUDIT REPORT  
AND COMPUTATION IN COMPANY'S UNAUDITED FOCUS REPORT

Computation of Net Capital Under Rule 15c3-1

No material difference exists between the broker's most recent, unaudited, Part IIA  
filing and the Annual Audit Report.

**Matrix 360 Distributors, LLC**  
**Computation for Determination of Reserve Requirements**  
**Under Rule 15c3-3 of the Securities and Exchange Commission**  
**December 31, 2015**

**Schedule II**

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The Company is exempt from the provisions of Rule 15c3-3 in accordance with Section (k)(1).

**RECONCILIATION BETWEEN COMPUTATION OF ANNUAL AUDIT REPORT  
AND COMPUTATION IN COMPANY'S UNAUDITED FOCUS REPORT**

Computation for Determination of Reserve Requirements Under  
Exhibit A of Rule 15c3-3

No material difference exists between the broker's most recent, unaudited, Part IIA filing and the Annual Audit Report.

# Sanville & Company

CERTIFIED PUBLIC ACCOUNTANTS

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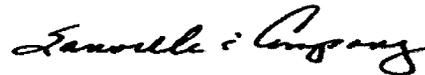
## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors  
Matrix 360 Distributors, LLC

We have reviewed management's statement, included in the accompanying Exemption Report in which Matrix 360 Distributors, LLC (the "Company") identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3:(1) (the "exemption provisions") and the Company stated that the Company's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about the Company's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(1) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Abington, Pennsylvania  
February 11, 2016

**Matrix 360 Distributors, LLC**  
**Exemption Report**  
**Under Rule 17a-5(d)(4) of the Securities and Exchange Commission**  
**December 31, 2015**

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In accordance with the Company's membership agreement with FINRA the Company is designated to operate under the exemptive provisions of paragraph (k)(1). The Company does not handle cash or securities on behalf of customers. Therefore, the Company, to its best knowledge and belief, is in compliance with Rule 15c3-3 and has been so throughout the year ended December 31, 2015.

Signed,



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Paul Giorgio  
Financial Principal