

SECURITI



16013192

OMB APPROVAL

OMB Number: 3235-0123  
Expires: March 31, 2016  
Estimated average burden  
Hours per response . . . 12.00

SEC  
Mail Processing  
Section

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

SEC FILE NUMBER

8 - 69313

FEB 29 2016

**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 1/1/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER DEALER:

CLEARPOOL EXECUTION SERVICES, LLC

OFFICIAL USE ONLY

FIRM ID. NO.

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

17 STATE STREET, 38<sup>TH</sup> FLOOR

(No. And Street)

New York  
(City)

NY  
(State)

10004  
(Zip Code)

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

MOSHE ENGELSOHN

212-531-8500

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

FULVIO & ASSOCIATES, LLP ATTN:JOHN FULVIO, CPA

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

5 WEST 37<sup>TH</sup> STREET, 4<sup>TH</sup> FLOOR  
(Address)

NEW YORK  
(City)

NY  
(State)

10018  
(Zip Code)

CHECK ONE:

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

PUBLIC

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 basis for the exemption. See section 240.17a-5(e)(2)

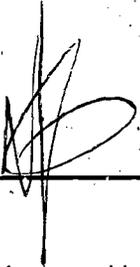
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, MOSHE ENGELSOHN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CLEARPOOL EXECUTION SERVICES, LLC, as of

December 31, 2015 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:

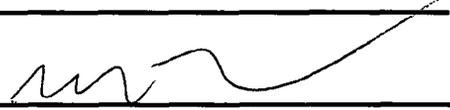
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



NATALIE MUNOZ  
NOTARY PUBLIC-STATE OF NEW YORK  
NO. 01MU6333628  
QUALIFIED IN KINGS COUNTY  
MY COMMISSION EXPIRES 11-30-2019

Notary Public

2/29/16



Signature

FINOP

Title

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of change 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 or 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 previous audit.

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

**FULVIO & ASSOCIATES, L.L.P.**

*Certified Public Accountants*

JOHN FULVIO, CPA  
SUSAN E. VAN VELSON, CPA  
KENNETH S. WERNER, CPA  
ANTHONY CHRYSIKOS, CPA

New York Office:  
5 West 37th Street, 4th Floor  
New York, New York 10018  
TEL: 212-490-3113  
FAX: 212-575-5159  
www.fulviollp.com

Connecticut Office:  
95B Rowayton Avenue  
Rowayton, CT 06853  
TEL: 203-857-4400  
FAX: 203-857-0280

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of  
Clearpool Execution Services LLC:

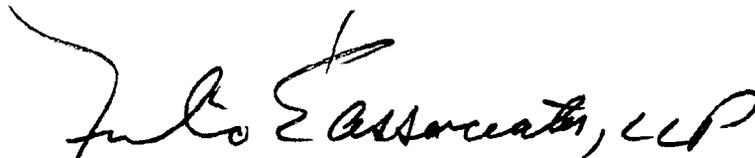
We have audited the accompanying statement of financial condition of Clearpool Execution Services LLC (the "Company") as of December 31, 2015, and the related notes to the financial statement. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

***Auditor's Responsibility***

We conducted our audit in accordance with auditing 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 statement of financial condition is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in this financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of this financial statement. We believe that our audit provides a reasonable basis for our opinion.

***Opinion***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Clearpool Execution Services LLC as of December 31, 2015 in conformity with accounting principles generally accepted in the United States of America.



New York, New York,  
February 27, 2016

CLEARPOOL EXECUTION SERVICES, LLC  
A WHOLLY OWNED SUBSIDIARY OF CLEARPOOL GROUP, INC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

ASSETS

Cash	\$ 1,810,184
Due from clearing broker	1,491,650
Rebates receivable subject to waiver agreement	28,394
Accounts receivable	2,063,143
Other assets	<u>57,309</u>
 TOTAL ASSETS	 <u>\$ 5,450,680</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Accounts payable and accrued expenses	\$ 2,358,265
Due to related parties	<u>367,834</u>
 TOTAL LIABILITIES	 <u>2,726,099</u>
 Members' equity	 <u>2,724,581</u>
 TOTAL LIABILITIES AND MEMBERS' EQUITY	 <u>\$ 5,450,680</u>

The accompanying notes are an integral part of this financial statement.

CLEARPOOL EXECUTION SERVICES, LLC  
A WHOLLY OWNED SUBSIDIARY OF CLEARPOOL GROUP, INC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2015

NOTE 1. ORGANIZATION AND NATURE OF BUSINESS

Clearpool Execution Services, LLC, (the “Company”) is a broker-dealer registered with the Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”), and the Securities Investor Protection Corporation (“SIPC”). The Company’s FINRA membership and SEC registration was approved on April 8, 2014. The Company was organized as a limited liability company under the laws of the State of New York in May 2013.

The Company engages in exchange commission business other than floor activities; including execution, order routing and riskless principal transactions, and retailing equity securities business. The Company has entered into clearing agreements with broker/dealers (the “Clearing Brokers”) that provide for the securities transactions to be cleared and carried through the Clearing Brokers on a fully disclosed basis.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company prepares its financial statements on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with United States of America 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 could differ from those estimates.

CLEARPOOL EXECUTION SERVICES, LLC  
A WHOLLY OWNED SUBSIDIARY OF CLEARPOOL GROUP, INC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2015  
(continued)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company is not subject to income taxes. The member reports its distributive share of realized income or loss on its own tax return. However, the Company does file tax returns in which it recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merit that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. The Company is no longer subject to federal, state, or local tax examinations by authorities for years before 2012.

Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business.

Revenue Recognition

The Company records commission revenue and expenses on a trade date basis.

NOTE 3. FAIR VALUE MEASUREMENT

FASB ASC 820, *Fair Value Measurement* has no material effect on these financial statements.

NOTE 4. DUE FROM CLEARING BROKERS

Amounts receivable from clearing brokers at December 31, 2015, consist of the following:

Due from clearing brokers	<u>\$1,491,650</u>
---------------------------	--------------------

The Company clears certain of its transactions through other broker-dealers on a fully disclosed basis.

CLEARPOOL EXECUTION SERVICES, LLC  
A WHOLLY OWNED SUBSIDIARY OF CLEARPOOL GROUP, INC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2015  
(continued)

NOTE 5. RELATED PARTIES

The Company licenses facilities management services from its parent. The Parent provides facilities management services to the Company for a fee. The services are related to rent, equipment, furniture, utilities, facilities and administrative support. The facility management fee for the year ended December 31, 2015 was \$378,000 as shown on the Statement of Operations.

The Company licenses technology management services from Clearpool Technologies, an entity affiliated through common ownership. The affiliate provides technology management services to the Company for a fee. The technology management fee for the year ended December 31, 2015 was \$475,716 and is included in technology, data, and connectivity on the Statement of Operations.

At December 31, 2015 the Company owed \$294,888 to its parent Clearpool Group, Inc. and \$72,946 to Clearpool Technologies which are included in due to related parties on the Statement of Financial Condition.

NOTE 6. COMMITMENTS AND CONTINGENT LIABILITIES

The Company had no lease or equipment rental commitments, no underwriting commitments, and no contingent liabilities and had not been named as defendant in any lawsuit at December 31, 2015 or during the year then ended.

NOTE 7. GUARANTEES

FASB ASC 460, *Guarantees*, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability, or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of the indebtedness of others.

The Company had issued no guarantees at December 31, 2015 or during the year then ended.

CLEARPOOL EXECUTION SERVICES, LLC  
A WHOLLY OWNED SUBSIDIARY OF CLEARPOOL GROUP, INC  
NOTES TO FINANCIAL STATEMENT  
DECEMBER 31, 2015  
(continued)

NOTE 8. NET CAPITAL REQUIREMENTS

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital of \$250,000 pursuant to the alternative method of calculating net capital. At December 31, 2015, the Company had net capital of \$604,129, which was \$354,129 in excess of its required net capital of \$250,000.

NOTE 9. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management and no events have been identified which require disclosure.

SEC  
Mail Processing  
Section

FEB 29 2016

Washington DC  
409

CLEARPOOL EXECUTION SERVICES, LLC

A WHOLLY OWNED SUBSIDIARY OF  
CLEARPOOL GROUP, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2015

PUBLIC