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**ANNUAL AUDITED REPORT  
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PART III**

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Washington DC  
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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 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **IDX Markets, LLC**

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

**79 Madison Avenue, 2nd Floor**

(No. and Street)

**New York**

**NY**

**10016**

(City)

(State)

(Zip Code)

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

Keigo Yamaguchi

(917) 370-5767

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**WithumSmith+Brown, PC**

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

**506 Carnegie Center, Suite 400**

**Princeton**

**NJ**

**08540**

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

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\*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.

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Keigo Yamaguchi, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of IDX Markets, LLC of December 31, 2016, 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:



Signature
Director
Title

Mariya Nikolayenko
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 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).

**IDX Markets, LLC**  
(a wholly owned subsidiary of IDX II, LLC)

**Index**  
**December 31, 2016**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of IDX Markets, LLC

We have audited the accompanying statement of financial condition of IDX Markets, LLC (the "Company"), as of December 31, 2016. This financial statement is the responsibility of IDX Markets, LLC's management. Our responsibility is to express an opinion on this financial statement 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 statement. 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 statement of financial condition referred to above presents fairly, in all material respects, the financial condition of IDX Markets, LLC as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

*WithumSmith+Brown, PC*

January 19, 2017

**IDX Markets, LLC**  
(a wholly owned subsidiary of IDX II, LLC)

**Statement of Financial Condition**  
**December 31, 2016**

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**ASSETS**

Cash	\$	286,874
Prepaid expenses and other assets		2,011
		<hr/>
Total Assets	\$	288,885
		<hr/> <hr/>

**Liabilities and Member's Equity**

Liabilities:

Accounts payable and accrued expenses	\$	25,125
Note Payable to Parent		38,920
		<hr/>
Total Liabilities	\$	64,045

Member's equity	\$	224,840
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Total liabilities and member's equity	\$	288,885
		<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

**Notes to Financial Statements**  
**December 31, 2016**

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**1. Nature of Operations**

IDX Markets, LLC (the “Company”), a wholly owned subsidiary of IDX II, LLC (the “Parent”) is a limited liability company and was formed under the laws of the State of Delaware on January 10, 2014. On June 4, 2015, the Company became a broker-dealer and as such is registered with the Securities and Exchange Commission (the “SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”).

The Company was formed for the purpose of providing broker dealer services including making inter-dealer markets in over-the-counter corporate securities, selling corporate debt securities, research and/or soft dollar activities, and operating an alternative trading system (“ATS”) and has not yet commenced revenue producing activities.

**2. Summary of Significant Accounting Policies**

**Basis of presentation**

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Concentrations**

All of the Company’s cash is on deposit with a single financial institution.

**Income taxes**

The Company is a single member limited liability company and has elected to be taxed as a corporation for federal income tax reporting purposes. The Parent is also a single member entity that has elected to be taxed as a corporation.

At December 31, 2016, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. This determination will always be subject to ongoing reevaluation as facts and circumstances may require.

The Company has a deferred tax asset of approximately \$101,277 relating to federal, state and local net operating loss carryforwards. Management has determined that a full valuation allowance for the entire deferred tax asset is appropriate.

**3. Transactions with related parties**

The Parent paid certain expenses on behalf of the Company and formalized the amounts in the form of a non-interest bearing note. The note matures on May 1, 2020.

All transactions with related parties are settled in the normal course of business. The terms of any of these arrangements may not be the same as those that would otherwise exist or result from agreements and transactions among unrelated parties.

**Notes to Financial Statements**

**December 31, 2016**

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**4. Regulatory requirements**

The Company is subject to SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, 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, 2016, the Company had net capital of \$222,829 which exceeded the required net capital by \$217,829. The ratio of aggregate indebtedness to net capital, at December 31, 2016 was .29:1.

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934. In accordance with the FINRA membership agreement, the Company, is designated to operate under the exemptive provision of paragraph (k)(2)(ii) of SEC Rule 15c3-3. IDX has not commenced revenue producing activities and accordingly does not handle cash or securities on behalf of customers.

**5. Commitments**

The Company leases office space, including furniture and fixtures, on a month to month basis. The agreement can be terminated with 30 day notification.

The Company also has a security deposit of \$1,125 which is included in other assets in the accompanying Statement of Financial Condition. Rent expense for the year ended December 31, 2016 was \$8,704.

**6. Subsequent events**

The Company has evaluated subsequent events through the date the financial statements were available to be issued.