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

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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 01/01/18 AND ENDING 12/31/18  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: SQUARE GLOBAL U.S. LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
708 THIRD AVENUE, 6TH FLOOR

OFFICIAL USE ONLY  
FIRM I.D. NO.

NEW YORK NY 10017  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
ELIZABETH ATTANASIO 212-688-8700  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
ALVAREZ & ASSOCIATES, INC. CERTIFIED PUBLIC ACCOUNTANTS

9221 CORBIN AVE, SUITE 165 NORTHRIDGE CA 91324  
(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**

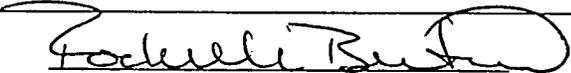
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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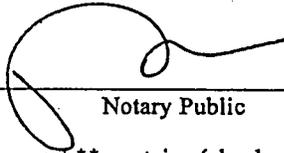
OATH OR AFFIRMATION

I, ROCHELLE BERTAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of SQUARE GLOBAL U.S. LLC (D/B/A SQUARE GLOBAL MARKETS), as of DECEMBER 31, 2018, 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

CCO & CEO  
\_\_\_\_\_  
Title

  
Notary Public  
PETER J. CHO  
NOTARY PUBLIC, STATE OF NEW YORK  
NO. 01CH6308766  
QUALIFIED IN WESTCHESTER COUNTY  
MY COMMISSION EXPIRES JULY 28, 2022

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).

**SQUARE GLOBAL U.S . LLC**  
**(D/B/A SQUARE GLOBAL MARKETS)**

**Financial Statement**

**With**

**Report of Independent Registered Public Accounting Firm**

**For the Year Ended December 31, 2018**

This report is deemed PUBLIC in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934.

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**SQUARE GLOBAL U.S. LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
(A LIMITED LIABILITY COMPANY)  
DECEMBER 31, 2018**

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**ALVAREZ & ASSOCIATES, INC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Equity Owners of Square Global Markets U.S. LLC:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Square Global Markets U.S. LLC (the "Company") as of December 31, 2018, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company as of December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*Alvarez & Associates, Inc.*

Alvarez & Associates, Inc.

We have served as the Company's auditor since 2018.  
Northridge, California  
February 15, 2019



**SQUARE GLOBAL U.S. LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2018**

**ASSETS**

Cash	\$ 74,956
Accounts receivable, net	5,263
Deposit at clearing broker	100,430
Property and equipment, net	8,586
Security deposit	1,295
Due from affiliate	910
Prepaid expenses	<u>1,407</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 192,847</u></b>

**LIABILITIES AND MEMBER'S EQUITY (DEFICIT)**

**LIABILITIES**

Accounts payable and accrued expenses	\$ 6,220
Due to Member	7,761
Subordinated equity loan	<u>230,000</u>
<b>TOTAL LIABILITIES</b>	<b>243,981</b>

**MEMBER'S EQUITY (DEFICIT)**

(51,134)

**TOTAL LIABILITIES AND MEMBER'S EQUITY (DEFICIT)**

**\$ 192,847**

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See Accompanying Notes to Financial Statement

**SQUARE GLOBAL U.S. LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS:**

Square Global U.S. LLC (D/B/A Square Global Markets) (the "Company") was formed as a limited liability company in Delaware on April 2, 2009. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of both the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investors Protection Corporation ("SIPC").

The Company is authorized by FINRA to be an exchange member engaged in floor activities, a broker or dealer retailing corporate equity securities over-the-counter, a put and call broker or dealer or options writer and a non-exchange member arranging for transactions in listed securities by exchange member. The primary source of revenue are commissions received through executing options transactions on a DVP/RVP basis through the clearing broker, Wedbush Securities, Inc.

On September 20, 2017, the Company filed a name change with the State of Delaware and FINRA from Blue Vase Securities, LLC to Square Global U.S. LLC (D/B/A Square Global Markets). On September 29, 2017, the Company entered into a formal purchase agreement with Square Global Holdings U.S. Inc. ("SGH" and "Member") through two subordinated equity loans, effectively making them 24% owners of the Company. On February 13, 2018, the firm completed the Change in Membership process with FINRA, whereby SGH was formally approved to purchase the remaining 76% of the Company. As of December 31, 2018 the Company was wholly-owned by SGH.

The Member is fully committed to fund the Company's operations as needed in the future.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Basis of Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

**Accounts Receivable**

The Company carries its accounts receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on history of past write-offs and collections and current credit conditions. As of December 31, 2018, there is a Net Receivable balance of \$5,263 (\$14,585 Gross Receivables less \$9,322 Allowance for doubtful accounts).

**Revenue and Expense Recognition**

*ASC Topic 606, Revenue from Contracts with Customers*

Effective January 1, 2018, the Company adopted ASC Topic 606, Revenue from Contracts with Customers ("ASC Topic 606"). The new revenue recognition guidance requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance requires an entity to follow a five step model to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved. The Company applied the modified retrospective method of adoption which resulted in no adjustment as of January 1, 2018. The new revenue recognition guidance does not apply to revenue associated with financial instruments, interest income and expense, leasing and insurance contracts.

**SQUARE GLOBAL U.S. LLC  
(A LIMITED LIABILITY COMPANY)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Revenue and Expense Recognition (Continued)**

*Significant Judgement*

Significant judgement is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company's progress under the contract; and whether constraints on variable consideration should be applied due to uncertain future events.

*Commissions and related expenses*

The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date the Company fills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. No deferred revenue is applicable as of the end of the fiscal year.

**Income Taxes**

The Company is a single member limited liability company that is taxed as a partnership. The taxable income or loss of the Company is allocated to the member. Accordingly, no provision for federal or state income taxes has been reflected in the accompanying financial statements. The Company is subject to New York City unincorporated business tax. As of December 31, 2018 no such liability was incurred for the year.

The Company accounts for uncertainties in income taxes under the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) ("Topic") 74010-05, "Accounting for Uncertainty in Income Taxes." The Topic clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. The Topic prescribes a recognition threshold and measurement attitude for the financial statement recognition and measurement of as tax position taken or expected to be taken in a tax return. The Topic provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. At December 31, 2018, the Company had no material unrecognized tax benefits.

The Company's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, federal, state and local authorities may examine the Company's income tax returns for three years from the date of filing.

**Use of Estimates**

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates and such differences could be material.

**SQUARE GLOBAL U.S . LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 – NET CAPITAL REQUIREMENTS:**

The Company is subject to the Securities and Exchange Commission 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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2018, the Company had net capital of \$161,405, which was \$156,405 in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 0.09 to 1.

**NOTE 4 – CONCENTRATIONS OF CREDIT RISK:**

**Cash**

The Company maintains principally all cash balances in one financial institution which, at times, may exceed the amount insured by the Federal Deposit Insurance Corporation. The exposure to the Company is solely dependent upon daily bank balances and the strength of the financial institution. The Company has not incurred any losses on this account. At December 31, 2018, the amount in excess of insured limits was \$0.

**Revenues**

During the year ended December 31, 2018, approximately 79% of the Company's revenues were from two customers.

**NOTE 5 – SUBORDINATED EQUITY LOAN:**

The subordinated liability consists of two equity subordinated loan agreements from Square Global Holdings U.S. Inc. for \$230,000 evidenced by agreements and subordinated loan agreements, all of which are approved by FINRA. The notes bear interest of 3% per annum. Repayment of subordinated equity loans approved by FINRA are subjected to repayment restrictions pursuant 15c3-1 and 15c3-3.

**NOTE 6 – OFF BALANCE SHEET RISK:**

Pursuant to clearance agreements, the Company introduces all of its securities transactions to its clearing broker on a fully-disclosed basis. All of the customers' money balances and long and short security positions are carried on the books of the clearing brokers. In accordance with the clearance agreement, the Company has agreed to indemnify the clearing broker for losses, if any, which the clearing brokers may sustain from carrying securities transactions introduced by the Company. In accordance with industry practice and regulatory requirements, the Company and the clearing broker monitor collateral on the customers' accounts.

**NOTE 7 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS:**

In January 2016, the FASB issued ASU 2016-02, Leases, requiring the recognition of lease assets and lease liabilities by lessees for those leases previously classified as operating leases under previous U.S. GAAP. The lease asset would reflect a right-to-use asset and the lease liability would reflect the present value of the future lease payments. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018 and a modified retrospective transition approach is required where companies will have to recognize and measure leases at the beginning of the earliest period presented. The Company has determined that there will be no impact under the new lease standards on the Company's financial statements as the Company maintains a month to month lease arrangement.

**SQUARE GLOBAL U.S. LLC  
(D/B/A SQUARE GLOBAL MARKETS)  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 8 – PROPERTY AND EQUIPMENT:**

Property and equipment consisted of the following as of December 31, 2018:

		<u>Useful Life</u>
Furniture and fixtures	\$ 10,922	3-5 years
Less: Accumulated depreciation	<u>2,336</u>	
Net property and equipment	<u>\$ 8,586</u>	

Depreciation expense for the year ended December 31, 2018 was \$2,057.

**NOTE 9 – COMMITMENT AND CONTINGENCIES:**

The Company had no commitments, no contingent liabilities and had not been named as a defendant in any lawsuit at December 31, 2018, or during the year then ended.