



SEC

20004212

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

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

SEC FILE NUMBER
<b>8-66515</b>

**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 12/1/2018 AND ENDING 11/30/2019  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: <b>Agency Desk, LLC</b>		OFFICIAL USE ONLY	
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)		FIRM I.D. NO.	
<b>590 MADISON AVENUE</b>	<b>FLOOR 21</b>		
(No. and Street)			
<b>NEW YORK</b>	<b>NEW YORK</b>	<b>10022</b>	
(City)	(State)	(Zip Code)	
NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT			
CHRISTOPHER CARROLL		(646) 770-0852 x103	
		(Area Code - Telephone Number)	

**B. ACCOUNTANT IDENTIFICATION**

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

**Alvarez & Associates, Inc., Certified Public Accountants**

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

<b>9221 Corbin Avenue, Suite 165</b>	<b>Northridge</b>	<b>CA</b>	<b>91324</b>
(Address)	(City)	(State)	(Zip Code)

**CHECK ONE:**

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

**SEC Mail Processing**  
JAN 30 2020  
Washington DC

<b>FOR OFFICIAL USE ONLY</b>

\*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)

*RMS*

OATH OR AFFIRMATION

I, Christopher J Carroll, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Agency Desk, LLC, as of November 30, 2019, 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:

[Handwritten Signature]
Signature
Managing Member
Title

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).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Elizabeth Paulino
Notary Public, State of New York
No. 01PA6393537
Qualified in Bronx County
My Commission Expires: June 17 2023

State of New York
County of New York

Subscribed and sworn to (or affirmed) before me on this 29th day of June, 2020 by Christopher Carroll proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Notary Public [Handwritten Signature]



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

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To Those Charged with Governance and the Member of Agency Desk, LLC:

**Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Agency Desk, LLC (the "Company") as of November 30, 2019, 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 November 30, 2019 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  
January 27, 2020



AGENCY DESK, LLC  
STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2019

<b><u>ASSETS</u></b>	
Cash	\$ 432,418
Other Assets	<u>115</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 432,533</u></b>
 <b><u>LIABILITIES AND MEMBER'S EQUITY</u></b>	
Other Liabilities	<u>\$ 93,846</u>
<b>TOTAL LIABILITIES</b>	<b>93,846</b>
Commitments and contingencies	-
Member's Equity	<u>338,687</u>
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b><u>\$ 432,533</u></b>

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

AGENCY DESK, LLC  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2019

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

Agency Desk, LLC (the "Company") was organized in the State of Delaware. The Company is a registered broker-dealer with the Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), Cboe BZX Exchange, Inc. ("BZX"), and the Securities Investors Protection Corporation ("SIPC"). The Company provides an extensive suite of all Field Programmable Gate Array (FPGA) based financial ecosystem and trading platform services. More specifically, the Company supports and advises institutional clients with agency algorithmic execution services, real time and ex post transaction cost analysis services. Further, the Company delivers smart order routing (SOR) services, ultralow latency high frequency FPGA based distributed micro algorithms services, FPGA based Direct Market Access (DMA) solutions, FPGA based market data, FPGA based 15c3-5 Risk Gateways and a full suite of algorithm simulation, testing, and certification environments.

The managing member ("Managing Member") is Christopher Carroll.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The books and records of the Company are kept on the accrual basis and follow trade-date accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Management uses estimates and assumptions in preparing financial statements in accordance with GAAP. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities and related revenue and expenses. Actual results could vary from these estimates.

Revenue Recognition

The Company earns Commission revenues from institutional clients utilizing its algorithmic trading ecosystem, in accordance with the terms of its customer agreements. These agreements are renewable annually or biannually. Typically, billings consist of initial nonrecurring costs billed at inception; a monthly fixed base amount, and a monthly variable amount based on utilization. The Company recognizes revenues as billed, which corresponds to the completion of its performance obligations.

Technology Expenses

The Company has rights to the technology, hardware IP, and other related software, technology equipment, telecommunication networks, market data and colocation services that comprise the algorithmic trading ecosystem

AGENCY DESK, LLC  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2019

under an agreement renewable annually. See Note 7. The associated costs are recorded, and paid monthly, which corresponds to their utilization.

NOTE 3 - INCOME TAXES

The Company operates as a limited liability company treated as a disregarded entity for tax purposes. Accordingly, all tax effects of the Company's income or loss are passed through to the member and no provision or liability for Federal Income Taxes is included in these financial statements.

The Company is required to file income tax returns in state tax jurisdictions. The Company's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. The statute of limitations for state purposes is generally three years, but may exceed this limitation depending upon the jurisdiction involved. Returns that were filed within the applicable statute remain subject to examination. As of November 30, 2019, the state taxing authorities have not proposed any adjustments to the Company's tax position.

NOTE 4 - NET CAPITAL REQUIREMENTS

The Company is subject to Uniform Net Capital 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, may not exceed fifteen to one. At November 30, 2019, the Company had net capital of \$338,574, which was \$88,572 in excess of the required net capital of \$250,000. The Company's net capital ratio was .28 to 1.

NOTE 5 - SIGNIFICANT GROUP CONCENTRATION OF CREDIT RISK

In the normal course of its business, the Company enters into financial transactions where the risk of potential loss due to changes in market (market risk) or failure of the other party to a transaction to perform (counterparty risk) exceed the amounts recorded for the transaction.

The Company's policy is to continuously monitor its exposure to market and counterparty risk through the use of a variety of financial, position and credit exposure reporting and control procedures. In addition, the Company has a policy of reviewing the counterparties with which it conducts business.

NOTE 6 - RECEIVABLES FROM CLEARING BROKER

AGENCY DESK, LLC  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2019

During the year ended November 30, 2019, the amount receivable from the clearing broker amounting to \$322,803 was received. No clearing services have been provided for the Company by the clearing broker during the period ending November 30, 2019.

NOTE 7 - RELATED PARTY TRANSACTIONS

The Company uses systems, software, and equipment that are under the control or ownership of an affiliated entity, Tradetone Technologies, LLC. Tradetone Technologies, LLC is owned by the Managing Member. The Company pays a fee for the usage of these items in amounts determined by both parties. For the year ended November 30, 2019, the Company paid its affiliates \$1,071,000 for use provision of the platform services, including an amount of \$80,000 payable to Tradetone Technologies, LLC as of November 30, 2019.

The company utilizes an affiliate's office space under an expense sharing agreement.

NOTE 8 - COMMITMENTS AND CONTINGENT LIABILITIES

The Company has a lease agreement for rights to the Tradetone Ecosystem with an affiliate that is renewable in September annually.

The Company had no underwriting commitments, no contingent liabilities, and had not been named as a defendant in any lawsuit at November 30, 2019 or during the year then ended.

NOTE 9 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date the financial statements were available to be issued, and no events have been identified which require disclosure.

NOTE 10: CONCENTRATION OF RISK

Amounts held in financial institutions are in excess of the Federal Deposit Insurance Investor Protection limits. The Company deposits its cash in creditworthy financial institutions, and management believes the Company is not exposed to significant risk on these amounts.

NOTE 11: RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

AGENCY DESK, LLC  
NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2019

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASUs").

The new FASB accounting standard ASC 842, Leases, which govern the accounting and reporting by lessees, is effective for the Company beginning with its year ending November 30, 2020. Lessor accounting and reporting is largely unchanged. ASC 842 generally applies to leases that have a lease term greater than 12 months at lease commencement, or that include an option to purchase the underlying asset the Company is reasonably certain to exercise. ASC 842's principal changes are: 1) recognizing leases on the Statement of Financial Condition by recording a Right-of-use asset and a Lease liability; 2) changes in lease expense recognition during the lease term based on its classification as an Operating lease or Finance lease; and 3) expanded disclosures of lease agreements, costs and other matters.

The Company has no arrangements subject to ASC 842. The adoption of ASC 842 is not expected to have a significant effect on the Company's financial statements for the year ended November 30, 2020.

Effective December 1, 2018, the Company recognizes revenues in accordance with the new standard established by the FASB: ASC Topic 606, Revenue from Contracts with Customers ("ASC 606"). The Company's adoption of ASC 606 did not have a material impact on its financial statements.