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Section ANNUAL AUDITED REPORT

FEB 29 2016

FORM X-17A-5

PART III

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Information Required
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Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

OMB APPROVAL

OMB Number 3235-0123

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8 - 68033

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2015 AND ENDING DECEMBER 31, 2015

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

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ODEON CAPITAL GROUP, LLC.

FIRM ID. NO.

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

750 Lexington Ave 27th Fl

New York

NY

10022

(City)

(State)

(Zip Code)

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

MATHEW VAN ALSTYNE

TEL 212-257-6975

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

LERNER & SIPKIN, CPAs LLP

132 Nassau Street, Suite 1023

New York

NY

10038

X

Certified Public Accountant

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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).

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Washington DC
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**ODEON CAPITAL GROUP, LLC
STATEMENT OF FINANCIAL CONDITION**

December 31, 2015

ODEON CAPITAL GROUP, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2015

ASSETS

CURRENT ASSETS

Cash and cash equivalents (Note 2)	\$ 721,594
Due from broker	4,818,654
Commissions receivable	78,889
Marketable securities (Note 2)	1,335,757
Non-marketable securities (Note 2)	21,601
Other assets (Note 6)	<u>269,287</u>
Total Current Assets	7,245,782

CAPITALIZED ASSETS, net of accumulated depreciation
and amortization of \$557,672 (Notes 2 & 5)

Total Assets	<u>\$ 7,245,782</u>
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LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

Securities sold not yet purchased (Note 2)	\$ 2,103,160
Accounts payable and accrued expenses	<u>3,057,181</u>
Total Liabilities	5,160,341

MEMBERS' EQUITY (Note 7)

MEMBERS' EQUITY (Note 7)	<u>2,206,604</u>
Total Liabilities and Members' Capital	<u>\$ 7,366,945</u>

See accompanying notes and independent accountants' audit report.

ODEON CAPITAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 1 - Nature of Business

Odeon Capital Group, LLC (The "Company") is a New York Limited Liability Company registered as a broker-dealer with the Securities and Exchange Commission ("SEC").

The company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

Note 2 - Summary of Significant Accounting Policies

a) Revenue Recognition

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis. Commission income and related expenses are recorded on a settlement date basis. There is no material difference between settlement date and trade date. Research income and investment banking income and related expenses are recorded at the time the services are provided.

b) Income Taxes

Income taxes are not payable by, or provided for, the Company. Members are taxed individually on their share of the Company earnings for Federal and State income tax purposes. The accompanying financial statements have been adjusted to provide for unincorporated business tax based on Company income, if applicable.

c) Cash and Cash Equivalents

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank accounts which at times may exceed Federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

d) Property and Equipment

Property, equipment and leasehold improvements are stated at cost. Depreciation is computed using the accelerated and straight-line depreciation methods over the estimated useful lives ranging from 3 to 39 years. Organization expense is recorded at cost and is amortized in accordance with the straight-line method over 5 years.

ODEON CAPITAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 2 - Summary of Significant Accounting Policies (concluded)

e) Fair Value Measurements

The Company carries its investments at fair value. ASC 820, Fair Value Measurements and Disclosure, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Fair values derived from unadjusted quoted prices of identical assets in active markets.

Level 2 - Fair values derived from quoted prices of similar assets in active markets, quoted prices for identical or similar assets in markets that are not active and model driven valuations in which all significant participant inputs are observable in active markets.

Level 3 - Fair values derived from inputs which are not observable in markets.

	Fair Value Measurements Using			
	Total	Quoted Price in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	Total	(Level 1)	(Level 2)	(Level 3)
Debt Securities	\$ 1,356,842	\$ 1,335,757	\$ -	\$ 21,601
Equity Securities	\$ 516	\$ 516	\$ -	\$ -
Securities Sold Short	\$ 2,103,160	\$ 2,103,160	\$ -	\$ -

f) Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

ODEON CAPITAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 3 - Commitments and Contingencies

Office Lease

The Company rents its primary office space pursuant to a lease agreement expiring October 31, 2018, as well as a second office pursuant to a lease agreement expiring March 31, 2017 and one satellite office on month to month leases at \$2,499 per month.

The Company is also under lease with another office space which it no longer occupies. This lease agreement expires May 31, 2018. This space is occupied by a sublessee with the sublease expiring at the time the master lease expires.

Total rent expense for the year ended December 31, 2014 was \$983,490.

Future minimum lease obligations under these leases are as follows:

<u>Year</u>	<u>Amount</u>
2016	995,805
2017	937,940
2018	<u>744,442</u>
Total	<u>\$ 2,678,187</u>

The Company established a standby letter of credit that expires on October 30, 2018 in the amount of \$150,000, which is collateralized by a certificate of deposit secure to the lease.

Note 4 - Financial Statements with Off-Balance Sheet Credit Risk

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company introduces these transactions for clearance.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to their obligations to the Company and the Company's ability to liquidate collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring cutomers to deposit additional collateral, or reduce positions, when necessary.

ODEON CAPITAL GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Note 5 - Capitalized Assets

A summary of capitalized assets as of December 31, 2015 is as follows:

Furniture and fixtures and machinery and equipment	\$ 384,799
Capital improvements	109,353
Organization costs	<u>184,683</u>
Total capitalized assets	678,835
Less: accumulated depreciation and amortization	<u>(557,672)</u>
Capitalized assets, net	<u>\$ 121,163</u>

Depreciation and amortization expense charged to operations for the period ended December 31, 2015 was \$49,075.

Note 6 - Related Party Transactions

Included in Other Assets is a \$100,000 loan receivable from a partnership owned by partners of the Company. The loan has no payment terms and bears no interest.

Note 7 - Net Capital Requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (15c3-1), which requires the maintenance of minimum net capital, both as defined, shall not exceed 1500%. At December 31, 2015, the Company had Net Capital of \$1,004,168 which was \$800,356 in excess of its required net capital of \$203,812. The Company's net capital ratio was 304.45%.

Note 8 - Extraordinary Item

In November 2015 a FINRA Arbitration Panel awarded compensatory damages and legal fees to an former employee of the Company for claims brought by the former employee against the Company.

Note 9 - Contingent Liabilities

In November 2015, the Company discovered potential fraud committed by a former employee. The Company proactively reported the fraud detection to all relevant authorities and parties. The Company has no asserted claims against it at this time and management does not expect any claims against the Company.

Note 10 - Subsequent Events

The Company has evaluated events and transactions that occurred between January 1, 2016 and February 10, 2016 which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.



LERNER & SIPKIN
CERTIFIED PUBLIC ACCOUNTANTS LLP

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INDEPENDENT AUDITORS' REPORT

To the Members of
Odeon Capital Group LLC
750 Lexington Avenue – 27th fl
New York, NY 10022

We have audited the accompanying statement of financial condition of Odeon Capital Group LLC. (the Company) as of **December 31, 2015**. 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.

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

We conducted our audit in accordance with the standards of 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 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Odeon Capital Group LLC. as of **December 31, 2015** in conformity with accounting principles generally accepted in the United States.

Lerner & Sipkin CPAs, LLP
Lerner & Sipkin CPAs, LLP
Certified Public Accountants (NY)

New York, NY
February 10, 2016