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

SEC FILE NUMBER
8- 68794

Washington DC 409 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 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: SMI Capital Markets LLC  
PARK BRIDGE SECURITIES, DBA, K  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

11820 Northway Way Suite E-200  
(No. and Street)  
BelleVue LA 98005  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Dore GARNETT (206) 499-0158  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

BF BARKERS CPA PC  
(Name - if individual, state last, first, middle name)  
5400 West Cedar Ave Lakewood CO 80226  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

<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)

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OATH OR AFFIRMATION

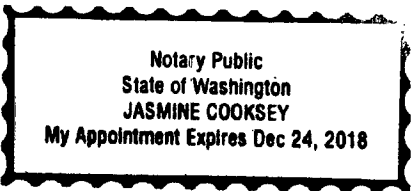
I, Dale Garrett, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of S M I Capital Markets LLC, as of December 31, 2015, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

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

Dale Garrett  
Signature

CEO  
Title

[Signature]  
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).

**SMI CAPITAL MARKETS LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**YEAR ENDED DECEMBER 31, 2015**

The report is filed in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934 as a **PUBLIC DOCUMENT.**

**SMI CAPITAL MARKETS LLC**

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## Report of Independent Registered Public Accounting Firm

The Board of Directors of SMI Capital Markets LLC

We have audited the accompanying statement of financial condition of SMI Capital Markets LLC (the "Company") as of December 31, 2015, and the related statements of operations, changes in shareholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements 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. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 financial statements referred to above present fairly, in all material respects, the financial position of SMI Capital Markets LLC as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

B. F. Borgers CPA PC

Lakewood, Colorado  
February 24, 2016

**SMI CAPITAL MARKETS LLC**

**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

**ASSETS**

Current Assets

Cash	24,398
Deposits with Clearing Brokers	142
Prepaid officer salary	5,000
Total current assets	<u>29,540</u>
Total assets	29,540

**LIABILITIES AND MEMBER'S EQUITY**

Member's Equity	29,540
Total liabilities and Member's Equity	29,540

The accompanying notes are an integral part of this statement.

## SMI CAPITAL MARKETS LLC

### NOTES TO FINANCIAL STATEMENTS

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### A) Nature of Business

SMI Capital Markets LLC, formerly known as Park Bridge Securities LLC ("The Company") is a single member limited liability company established in March 2009, that provides advisory services related to mergers, acquisitions, and other corporate transactions which involve the transfer or issuance of securities. On November 18, 2011, the Company's application with the U.S. Securities and Exchange Commission for registration as a broker/dealer pursuant to Section 15(b) of the Securities Exchange Act of 1934 was approved. The Company is a member of the Financial Industry Regulatory Authority (FINRA).'

##### B) Basis of Accounting

The Company's financial statements are prepared using accrual basis of accounting in accordance with accounting principles general accepted in the United States of America. It is the responsibility of management to make sure that the generally accepted accounting principles are followed.

##### C) Income Taxes

The Company, with the consent of its member, has elected to be treated as a disregarded entity for federal and state income tax purposes. As a result, the taxable income of the Company will be included in the income tax return of its member, in accordance with the provisions of the Internal Revenue Code. As such, there is no provision for income taxes.

The Company has adopted ASC Topic 740-10, Accounting for Uncertainty in Income Taxes, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. For the year ended December 31, 2015, the Company has no material uncertain tax positions to be accounted for in the financial statements under the new rules. The company recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense.

The Company is subject to routine audits by taxing jurisdiction; however there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for the years prior 2012

##### D) Revenue Recognition

Revenue is recognized when the transaction is successfully consummated. Revenue arising from contingent advisory fee assignments is recognized, subject to the absence of uncertainties or the completion of the assignment. Revenue is also recognized when an agreement exists and completion is reasonably expected. In instances where uncertainties exist or as to whether the assignment is completed as agreed upon, revenue is recognized when such uncertainties cease to exist. Expenses are recorded when incurred except in the case of contingent advisory fee assignments, which are recorded when the fee is recognized as earned.

## SMI CAPITAL MARKETS LLC

### NOTES TO FINANCIAL STATEMENTS

#### E) Regulatory Requirements

The Company is a registered broker-dealer and, accordingly, is subject to the net capital rules of the Securities Exchange Commission. Under these rules, the Company is required to maintain minimum Net Capital, as defined under Rule 15c3-1 of the Securities Exchange Act of 1934 (as amended).

#### F) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### G) Subsequent Events

The Company has performed an evaluation of subsequent events through January 30, 2016, which is the date the financial statements were available to be issued, noting no events which affect the financial statements as of December 31, 2015.

#### **NOTE 2 - RELATED PARTY TRANSACTIONS**

The Company entered into a management agreement whereby the Company reimburses the owner for certain costs that are shared between the entities. These costs include the use of facilities and other operating expenses. The amount paid to the related party pursuant to the management agreement for the year ended December 31, 2015 totaled \$3,300.00.

As of December 31, 2015, there were no amounts due to the related party.

#### **NOTE 3 - CONCENTRATIONS OF CREDIT RISK**

All of the Company's cash is maintained in a single bank. The Company has exposure to credit risk to the extent its cash exceeds the amounts covered by federal deposit insurance. For the year ended December 31, 2015 the amounts covered by federal deposit insurance is \$250,000. As of December 31, 2015, there were no uninsured amounts.

#### **NOTE 4 - PURCHASE OF COMPANY**

On September 1, 2015, 100% of the ownership interests of the Company was purchased by the current owner. The price of said purchase was for \$60,000 that was paid in full in US dollars. No financial liabilities were assumed or carried over at the time of the sale.

#### **NOTE 5 GOODWILL IMPAIRMENT EXPENSE**

Current managements assigned the full purchase price of \$60,000 to goodwill at the time of the sale and then expensed the entire amount to Goodwill Impairment Expense on December 31, 2015.



**SMI CAPITAL MARKETS LLC**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 INSURANCE EXPENSE-HEALTH**

The entire entry for Insurance Expense- Health was entered by the prior owners. Current owners do not cover Health Insurance for employees.

**NOTE 7 OFFICE SALARY**

The entire entry for Office Salary was by the prior owners. Current owners do not currently incur any office Salaries.

**NOTE 8 OFFICER SALARY**

The new owner portion was \$20,000 and the prior owners was \$5,125.

**NOTE 9 RENT EXPENSE**

The new owner portion was \$2,300 and the prior owner was \$22,825.