

HIDDEN ROAD PARTNERS CIV US LLC
(NFA I.D. No. 0518250, SEC FILE NO. 8-70271, FINRA FIRM ID NO. 299659)

STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2021
AND
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING
FIRM

Hidden Road

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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ANNUAL REPORTS
FORM X-17A-5
PART III

FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/21 AND ENDING 12/31/21
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Hidden Road Partners CIV US LLC

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

589 Fifth Avenue, Suite 814

(No. and Street)

New York

NY

10017

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Daniel Dietzel

312-815-8934

ddietzel@hiddenroad.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Withum Smith+Brown, PC

(Name – if individual, state last, first, and middle name)

200 Jefferson Park, Suite 400

Whippany

NJ

07981

(Address)

(City)

(State)

(Zip Code)

10/08/2003

100

(Date of Registration with PCAOB)(If applicable)

(PCAOB Registration Number, if applicable)

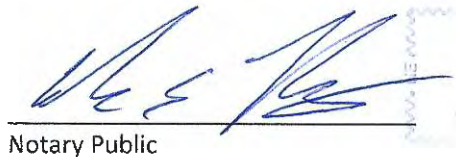
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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.


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.

OATH OR AFFIRMATION

I, Daniel Dietzel, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Hidden Road Partners CIV US LLC, as of December 31, 2021, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Notary Public

Signature: 
Title: FINOP

This filing contains (check all applicable boxes):**

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to consolidated statement of financial condition.
- ☐ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☐ (d) Statement of cash flows.
- ☐ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☒ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☒ (g) Notes to consolidated financial statements.
- ☐ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☐ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☐ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☐ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

****To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.**

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member and Those Charged with Governance of
Hidden Road Partners CIV US LLC:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Hidden Road Partners CIV US LLC (the "Company"), as of December 31, 2021, the related statement of changes in liabilities subordinated to claims of general creditors, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2021, 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 this 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 statement. 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 statement. We believe that our audit provides a reasonable basis for our opinion.

Report on Supplementary Information

The supplemental information, Statement of Segregation Requirements and Funds in Segregation, Statement of Secured Amounts and Funds Held in Separate Accounts, and Statement of Cleared Swaps Segregation Requirements have been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

WithumSmith+Brown, PC

We have served as the Company's auditor since 2019.

February 21, 2022



Hidden Road Partners CIV US LLC
Statement of Financial Condition
As of December 31, 2021

Assets

Cash	\$ 33,458,357
Exchange memberships owned, at cost	<u>1,649,200</u>
Total Assets	<u><u>\$ 35,107,557</u></u>

Liabilities and Member's Capital

Due to affiliate - total liabilities	<u>\$ 37,360</u>
Member's Capital	<u>35,070,197</u>
Total Liabilities and Member's Capital	<u><u>\$ 35,107,557</u></u>

The accompanying notes are an integral part of these financial statements.



Hidden Road Partners CIV US LLC
Statement of Changes in Liabilities Subordinated to Claims of
General Creditors
For the Year Ended December 31, 2021

Beginning balance	\$	-
Activity		<hr/> -
Ending Balance	\$	<hr/> <hr/> -

The accompanying notes are an integral part of these financial statements.



Hidden Road Partners CIV US LLC
Notes to Financial Statements
December 31, 2021

Note 1. Nature of operations and significant accounting principles

Hidden Road Partners CIV US LLC ("the Company") is a Delaware limited liability company formed on October 4, 2018. The sole member is Hidden Road Partners CIV HoldCo LP ("Parent"), a Cayman Islands exempted limited partnership. Hidden Road Partners LP ("HRP LP") is the sole manager of the Company and operates and controls the business and management of the Company.

The Company has registered with the Commodity Futures Trading Commission ("CFTC") as a futures commission merchant ("FCM") and is a member of the National Futures Association ("NFA"). In addition, the Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority ("FINRA"). The NFA is the designated regulatory organization for the Company as an FCM and FINRA is the designated examining authority for the Company as a broker-dealer.

The U.S. dollar is the functional currency of the Company.

The Company expects to operate and be managed as a single business segment, that of a securities broker-dealer and FCM / swap firm which provides services to clients across securities, cleared over-the-counter and exchange-traded markets. These services will include:

- a) Government securities broker
- b) Cleared over-the-counter swaps
- c) Exchange-traded futures and options on futures

The Company does not expect to transact business in securities with, or for, customers, and does not carry margin accounts, credit balances or securities for any person defined as a "customer" pursuant to SEC Rule 17a5(c)(4). The Company will claim an exemption from SEC Rule 15c3-3 under the provisions of SEC Rule 15c3-3(k)(2)(i).

The following is a summary of the Company's significant accounting policies:

Basis of presentation: The Company follows U.S. Generally Accepted Accounting Principles ("GAAP"), as established by the Financial Accounting Standards Board (FASB), to ensure consistent reporting of financial condition, results of operations, and cash flows.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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Cash: The Company defines cash equivalents as short-term highly liquid investments with original maturities of three months or less at date of acquisition that are not held for sale in the ordinary course of business. The Company had no cash equivalents as of December 31, 2021.

Foreign currency translation: All assets and liabilities held in foreign currencies are translated to US dollars at year end rates of exchanges whereas the income statement accounts are translated at average rates of exchange for the period. Gains and losses from foreign currency transactions are included in net income.

Income Taxes: The Company is a single-member limited liability company treated as a disregarded entity for federal and state income tax purposes. The Company's results of operations are included in the consolidated Federal and applicable state income tax returns filed by the Parent.

GAAP guidance recognizes the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. Management has determined that there are no material uncertain income tax positions at December 31, 2021.

Revenue Recognition: From inception through December 31, 2021, the Company has not earned any credit intermediation revenues. Revenue recognition guidance requires that an entity recognize revenue to depict the transfer of promised goods or services to counterparties in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. The guidance requires an entity to follow a five-step model to (a) identify the contracts(s) with a counterparty, (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.

Significant Judgments: Revenue from contracts with customers is primarily credit intermediation. The recognition and measurement of revenue is based on the assessment of individual transaction terms. Significant judgment 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; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events.

The Company records credit intermediation revenues on a trade date basis as customer transactions occur. Such revenues are charged at various rates based on various factors as determined by the Company. Related transaction-based execution fees are variable expenses incurred in conjunction with the generation of revenues based on standard industry practices across exchange-traded derivatives and securities. The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument is identified, the pricing is

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agreed upon, the risks and rewards of ownership of the financial instrument have been transferred to/from the customer, and the credit intermediation capital is allocated.

Interest income. Interest income is recognized on an accrual basis and includes amounts earned on company and customer funds.

Exchange memberships. The Company's exchange memberships, which represent ownership interests in the exchanges and provide the Company with the right to conduct business on the exchanges, are recorded at cost or, if other than temporary impairment in value has occurred, at a value that reflects management's estimate of the impairment. There were no exchange membership impairments at December 31, 2021.

Recent accounting pronouncements: Management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company's financial statements.

Note 2. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company utilizes valuation techniques to maximize the use of observable inputs and minimize the use of unobservable inputs. Assets and liabilities recorded at fair value are categorized based upon the level of judgment associated with the inputs used to measure their value. Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2. Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and the fair value are determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3. Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly,

the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurements in its entirety requires judgment and considers factors specific to the asset or liability. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with those instruments.

Substantially all of the Company's other assets and liabilities are considered financial instruments and are already reflected at fair value or at carrying amounts that approximate fair values because of the short maturity of the instruments. Therefore, their carrying amounts approximate their fair values. As of and for the year ended December 31, 2021, the Company had no assets or liabilities classified as Level 1, 2 or 3.

Note 3. Related Party Transactions

The Company has entered into an expense sharing arrangement with HRP LP, whereby, credit intermediation and support services that include compensation, occupancy, technology and telecommunication and certain other operating expenses are paid by HRP LP on the Company's behalf. The Company reimburses HRP LP for these expenses. As of December 31, 2021, the payable to HRP LP amounted to \$37,360 related to expenses incurred by the Company and paid by HRP LP, as reflected in the Statement of Financial Condition.

The Company has also entered into an inter-affiliate loan agreement with HRP LP and affiliates which are under common control for lending between the affiliates. At December 31, 2021, there was no outstanding borrowing under this agreement.

Note 4. Off-Balance Sheet Risk and Concentration of Credit Risk

The Company expects to enter into various transactions with exchanges, other broker-dealers, prime brokers, FCMs, and bank holding companies, among other types of regulated financial institutions. In the event these counterparties do not fulfill their obligations, the Company may be exposed to risk. This risk of default depends on the creditworthiness of the counterparties to these transactions. It is the Company's policy to monitor the exposure to and creditworthiness of each counterparty with which it conducts business.

The Company maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes that the Company is not exposed to any significant credit risk on cash.

Management continues to evaluate the impact of the COVID-19 pandemic on the industry and the Company's financial position and operations. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Note 5. Indemnifications

In the normal course of business, the Company expects to enter into contracts and agreements that will contain a variety of representations and warranties that provide indemnifications under certain circumstances. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. Management of the Company expects the risk of any future obligation under these indemnifications to be remote. The Company has not entered into any such agreements as of December 31, 2021.

Note 6: Net Capital Requirements

As a registered FCM, the Company is subject to the net capital requirements of CFTC Regulation 1.17 and requirements of the National Futures Association, which requires the Company to maintain “adjusted net capital” of \$1,000,000 for the types of business the Company plans on conducting. The Company is also subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3(a)(1)(ii)), which requires the maintenance of minimum net capital of \$250,000 for the types of business the Company plans on conducting. At December 31, 2021, the Company had net capital of \$33,420,997, which was \$32,420,997 in excess of its required net capital of \$1,000,000, the greater of the two minimum requirements.

Note 7: Subsequent Events

The Company has performed an evaluation of events that have occurred subsequent to December 31, 2021, and through the date of the filing of this report. In January 2022, the Company initiated the withdrawal of its registration as a broker-dealer. It should be noted that the Company intends to modify its securities business model and reapply as a self-clearing broker-dealer.

There have been no other material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the statement of financial condition as of December 31, 2021.



Hidden Road Partners CIV US LLC
Statement of Segregation Requirements and Funds in Segregation
As of December 31, 2021

Segregation requirements - amount required to be segregated	\$	-
Total amount in segregation		<hr/> -
Excess funds in segregation	\$	<hr/> <hr/> -

See Report of Independent Registered Public Accounting Firm

There are no material differences between the computation of segregation requirements and funds in segregation presented above and the amount reported in the Company's Form X-17 A-5, Part II filing.



Hidden Road Partners CIV US LLC
Statement of Secured Amounts and Funds Held in Separate Accounts
Pursuant to Commission Regulation 30.7
As of December 31, 2021

Amount to be set aside as the secured amount	\$ -
Total funds in separate section 30.7 accounts	<u>-</u>
Excess set aside for secured amount	<u><u>\$ -</u></u>

See Report of Independent Registered Public Accounting Firm

There are no material differences between the computation of secured amounts and funds held in separate accounts presented above and the amount reported in the Company's Form X-17 A-5, Part II filing.



Hidden Road Partners CIV US LLC
Statement of Cleared Swap Segregation Requirements
As of December 31, 2021

Amount required to be segregated for cleared swaps customers	\$ -
Total amount in cleared swaps customer segregation	<hr/> -
Excess funds in segregation	<hr/> <hr/> \$ -

See Report of Independent Registered Public Accounting Firm

There are no material differences between the computation of cleared swaps segregation requirements presented above and the amount reported in the Company's Form X-17 A-5, Part II filing.