



STATEMENT OF FINANCIAL CONDITION AND
SUPPLEMENTAL INFORMATION

MFI Funding LLC
As of December 31, 2022

With Report of Independent Registered Public Accounting Firm

Oath or Affirmation

The futures commission merchant submitting this financial statement and the person whose signature appears below represent that, to the best of their knowledge, all information contained therein is true, correct and complete. It is understood that all required items, statements and schedules are integral parts of this financial statement and that the submission of any amendments represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted. It is further understood that any intentional misstatements or omissions of facts shall be unlawful.

By: Linda Huang
Linda Huang
Chief Financial Officer

Date: February 24, 2023

MFI Funding LLC

Statement of Financial Condition and Supplemental Information

As of December 31, 2022

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Report of Independent Registered Public Accounting Firm

The Manager of
MFI Funding LLC

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of MFI Funding LLC (the Company) as of December 31, 2022 and the related notes (the “financial statement”). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company at December 31, 2022, in conformity with U.S. generally accepted accounting principles.

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 and in accordance with auditing standards generally accepted in the United States of America. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.



Supplemental Information

The accompanying information contained in the Statement of the Computation of the Minimum Capital Requirements has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statement. Such information is the responsibility of the Company's management. Our audit procedures included determining whether the information reconciles to the financial statement or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information. In forming our opinion on the information, we evaluated whether such information, including its form and content, is presented in conformity with Regulation 1.10 under the Commodity Exchange Act. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statement that were communicated or required to be communicated to those charged with governance and that: (1) relate to accounts or disclosures that are material to the financial statement and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

Ernst + Young LLP

We have served as the Company's auditor since 2020.

New York, New York

February 24, 2023

MFI Funding LLC

Statement of Financial Condition

December 31, 2022

(In Thousands)

Assets

Cash	\$ 104,025
Total assets	<u>\$ 104,025</u>

Liabilities and member's capital

Accounts payable and accrued expenses	<u>\$ 45</u>
Total liabilities	45
Member's capital	103,980
Total liabilities and member's capital	<u>\$ 104,025</u>

The accompanying notes are an integral part of this financial statement and should be read in conjunction therewith.

MFI Funding LLC

Notes to Financial Statement

December 31, 2022

(In Thousands)

1. Organization

MFI Funding LLC (“MFIF” or the “Company”), a Delaware limited liability company, was formed on July 24, 2020 and commenced operations on August 26, 2020. MFIF is a wholly-owned subsidiary of Millennium Fixed Income Ltd. (“MFI”), a Cayman Islands exempted limited company and wholly-owned subsidiary of Millennium Partners, L.P. (“MLP”), a Cayman Islands exempted limited partnership. MFIF will be engaged in proprietary securities transactions associated with MFI’s fixed income trading business. Millennium International Management LP, a Delaware limited partnership, (the “Manager”) is the manager of MFIF and has the power and authority to manage the Company.

MFIF is registered as a futures commission merchant (“FCM”) with the Commodity Futures Trading Commission (“CFTC”) and a member of the National Futures Association (“NFA”).

SS&C Financial Services LLC provides certain accounting, operational and other administrative services to MFIF.

2. Significant Accounting Policies

MFIF’s financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) and are stated in U.S. Dollars. The preparation of the financial statement requires management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Management believes that the estimates utilized in preparing its financial statement are reasonable and prudent. Actual results could differ from those estimates.

Cash

Cash consists of deposits with banks.

Accrued Expenses

Expenses, including professional and other fees, are accrued as incurred.

3. Member’s Capital

The Company’s membership interests are held solely by MFI, which generally may contribute to and withdraw from the Company at any time with the approval of the Manager, and gain or loss is allocated to the member in proportion to its capital investments.

MFI Funding LLC

Notes to Financial Statement (continued)

4. Net Capital Requirements

The Company is subject to the net capital requirements of the CFTC and NFA. Under CFTC Regulation 1.17, Minimum Financial Requirements for Futures Commission Merchants and Introducing Brokers, the Company is required to maintain adjusted net capital greater than \$1,000. At December 31, 2022, the Company had adjusted net capital and excess net capital of \$103,980 and \$102,980, respectively, and was in compliance with the net capital requirements.

5. Subsequent Events

MFIF has evaluated subsequent events through February 24, 2023 which is the date its financial statement was available to be issued. There are no subsequent events that require disclosure under US GAAP.

Supplemental Information

MFI Funding LLC

Statement of the Computation of the Minimum Capital Requirements

December 31, 2022

(In Thousands)

Current assets	\$ 104,025
Total liabilities	<u>(45)</u>
Net capital	103,980
Charges against net capital	<u>-</u>
Adjusted net capital	103,980
Minimum net capital required	<u>1,000</u>
Excess net capital	<u>\$ 102,980</u>
Early warning capital level	<u>\$ 1,500</u>

There are no differences between the assets, liabilities and net capital presented on the statement of financial condition to this statement of the computation of the minimum capital requirements and as reported on Form 1-FR-FCM.

MFI Funding LLC

Information on Other Statements

The following statements specified in CFTC Regulation 1.10(d), Contents of Financial Reports, are not included in this report because MFIF does not hold or invest customer funds and these statements are not applicable for MFIF:

- Statement of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Commodity Exchanges
- Statement of Segregation Requirements and Funds in Segregation for Customers' Dealer Options Accounts
- Statement of Secured Amounts and Funds Held in Separate Accounts Pursuant to Commission Regulation 30.7
- Statement of Cleared Swaps Segregation Requirements and Funds in Cleared Swaps Customer Accounts Under 4D(F) of the CEA