



Report of Independent Registered Public Accounting Firm

To the Directors and Equity owners of StockShield, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of StockShield, LLC (the "Company") as of March 31, 2018, the related statements of operations, changes in members' equity, and cash flows for the period January 1, 2017 through March 31, 2018, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2018, and the results of its operations and its cash flows for the period then ended, in conformity with accounting principles generally accepted in the United States.

Basis for Opinion

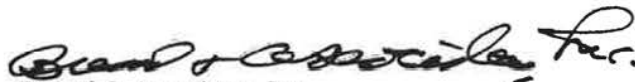
These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") 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 statements are 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 statements, 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.

Supplemental Information

The information contained in Schedule I ("Supplemental Information") has 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, Schedule I is fairly stated, in all material respects, in relation to the financial statements taken as a whole.


Breard & Associates, Inc.
Certified Public Accountants

We have served as the Company's auditor since 2012.
Northridge, California
May 22, 2018

STOCKSHIELD, LLC

STATEMENT OF FINANCIAL CONDITION

MARCH 31, 2018

ASSETS

Cash	\$	190,640
Prepaid expenses		17,836
Security deposits		1,080
Furniture and computer equipment at cost, less accumulated depreciation of \$2,846		<u>664</u>
Total assets	\$	<u>210,220</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Accounts payable and accrued expenses	\$	38,125
Commitments and contingencies		-
Members' equity		<u>172,095</u>
Total liabilities and members' equity	\$	<u>210,220</u>

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

STOCKSHIELD, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 1, 2017 THROUGH MARCH 31, 2018

1. ORGANIZATION AND NATURE OF BUSINESS

StockShield, LLC (the “Company”) is a broker-dealer registered with the Securities and Exchange Commission (“SEC”), Financial Industry Regulatory Authority (“FINRA”), and Securities Investor Protection Corporation (“SIPC”). In addition, the Company is registered with the securities regulatory divisions of the States of California, Connecticut, Illinois, Minnesota, Missouri, New York, Ohio, Pennsylvania, and Utah. The Company develops and distributes proprietary financial risk management capabilities, including the Stock Protection Trust, Deferred Compensation Protection Trust, and ESOP Protection Trust, with revenue generated by placement, licensing, and administrative services.

The Company was granted permission by FINRA pursuant to Rule 17a-5(d) to change its fiscal year from December 31 to March 31. Pursuant to this change, these financial statements cover the period from January 1, 2017 through March 31, 2018.

- A. Pursuant to legislation adopted by the State of Connecticut that took effect January 1, 2014, StockShield Inc. (“StockShield”) converted on December 31, 2014, from a Connecticut corporation to a Connecticut limited liability company (as converted, “StockShield, LLC”) by filing a certificate of conversion with the Connecticut Secretary of State. The common and preferred shareholders (collectively, the “Shareholders”) of StockShield contributed their common and preferred stock to a newly-formed Delaware corporation (“StockShield Holdings”) in exchange for equivalent common and preferred shares of StockShield Holdings.
- B. The limited liability company operating agreement for the Company provides for Class A Units (that were issued to StockShield Holdings and represent the indirect ownership interest in the business by the Shareholders) and Class B Units (issued to Hales Partners, LLC). Hales Partners, LLC has invested \$1.5 million in StockShield, LLC in exchange for Class B Preferred Units in StockShield, LLC accruing at an interest rate of 8% per annum (\$285,662 as of March 31, 2018). In addition, on January 31, 2018, Hales Partners and other investors purchased \$1 million of Class C Units which are also accruing at an interest rate of 8% per annum (\$3,510 as of March 31, 2018). Of the \$1 million, \$728,532 shall be funded in four tranches of \$182,133 each.

Recently Issued Accounting Pronouncements

The Company does not believe that the adoption of any recently issued, but not yet effective, accounting standards will have a material effect on its financial position and results of operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company’s financial statements are prepared in accordance with accounting principles generally accepted in the United States.

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. Actual results could differ from those estimates.

STOCKSHIELD, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 1, 2017 THROUGH MARCH 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting basis

The Company uses the accrual basis of accounting for financial statement and income tax reporting. Accordingly revenues are recognized when services are rendered and expenses realized when the obligation is incurred.

Concentrations of Credit Risk

The Company places its cash with a high credit quality financial institution. The Company's account at this institution is insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. To reduce its risk associated with the failure of such financial institution, the Company evaluates at least annually the rating of the financial institution in which it holds deposits.

Income Taxes

Since the Company is a limited liability company, it files a partnership return for income tax purposes; therefore there is no income tax liability at the entity level. Rather, the Company's net income or loss is allocated among the members and is reported on their respective individual tax returns. Accordingly, no provision is made for income taxes in the financial statements. The Company may, however, be subject to other taxes for doing business in a particular state.

Pursuant to accounting guidance concerning provision for uncertain income tax provisions contained in Accounting Standards Codification ("ASC") 740-10, there are no uncertain income tax positions. The federal and state income tax returns are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

3. NET CAPITAL

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000, and requires that the ratio of aggregate indebtedness to net capital, both as defined, not exceed 15 to 1. The rule also provides that equity capital may not be withdrawn, cash dividends paid, or the Company's operations expanded, if the resulting net capital ratio would exceed 10 to 1. At March 31, 2018, the Company had net capital of \$152,515, which was \$147,515 in excess of the FINRA minimum net capital requirement of \$5,000 and the Company's ratio of aggregate indebtedness of (\$38,125) to net capital was .25 to 1.

STOCKSHIELD, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD JANUARY 1, 2017 THROUGH MARCH 31, 2018

4. SIPC RECONCILIATION REQUIREMENT

SEA Rule 17a-5(e)(4) requires a registered broker-dealer to file a supplemental report which includes procedures related to broker-dealers' SIPC annual general assessment reconciliation or exclusion from membership forms. In circumstances where the broker-dealer reports \$500,000 or less in gross revenue, they are not required to file the supplemental SIPC report. The Company is exempt from filing the supplemental report under SEA Rule 17a-5(e)(4) because it is reporting less than \$500,000 in gross revenue.

5. PROPERTY AND EQUIPMENT, NET

Property and equipment are recorded net of accumulated depreciation and summarized by major classification as follows:

		Useful Life
Furniture and Equipment	\$ <u>3,510</u>	5
Total cost of property and equipment	3,510	
Less: accumulated depreciation	<u>(2,846)</u>	
Property and equipment, net	<u>\$ 664</u>	

Depreciation expense for the period ended March 31, 2018 was \$442.

6. SUBSEQUENT EVENTS

As of the date in which the financial statements were available to be issued, management has determined that no subsequent events occurred following March 31, 2018, which require recognition or disclosure in the financial statements.

Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) StockShield, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which StockShield, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) StockShield, LLC stated that StockShield, LLC met the identified exemption provisions throughout the period January 1, 2017 through March 31, 2018 without exception. StockShield, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about StockShield, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.


Breard & Associates, Inc.
Certified Public Accountants

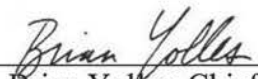
Northridge, California
May 22, 2018

STOCKSHIELD, LLC**EXEMPTION REPORT PURSUANT TO RULE 15c3-3
OF THE SECURITIES AND EXCHANGE COMMISSION****FOR THE PERIOD JANUARY 1, 2017 THROUGH MARCH 31, 2018**

StockShield, LLC operates pursuant to paragraph (k)(2)(i) of SEC Rule 15c3-3 under which the Company claims an exemption from SEC Rule 15c3-3. The Company is exempt from the reserve requirements of Rule 15c3-3 as its transactions are limited, such that it does not handle customer funds or securities. Accordingly, the computation for determination of reserve requirements pursuant to Rule 15c3-3 and information relating to the possession or control requirement pursuant to Rule 15c3-3 are not applicable.

The Company has met the identified exemption provisions throughout the period from January 1, 2017 through March 31, 2018 without exception.

Signature: _____



Brian Yolles, Chief Executive Officer