

**KERSHNER SECURITIES, LLC**  
**(A Wholly Owned Subsidiary of Kershner Trading Group, LLC)**  
Statement of Cash Flows  
Year Ended December 31, 2015

<b>Cash flows from operating activities:</b>	
Net income	\$ 2,744,260
Adjustments to reconcile net income to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Receivable from clearing organization	(250,626)
Receivable from related entities	(1,505,756)
Other accrued expenses	47,950
Payable to related entities	<u>1,809</u>
Net cash provided by operating activities	<u>1,037,637</u>
<b>Cash flows from investing activities:</b>	
Net cash used in investing activities	<u>-</u>
<b>Cash flows from financing activities:</b>	
Capital distributions	<u>(1,030,000)</u>
Net cash used in financing activities	<u>(1,030,000)</u>
Net change in cash and cash equivalents	7,637
Cash and cash equivalents at beginning of year	<u>1,287</u>
Cash and cash equivalents at end of year	<u>\$ 8,924</u>
<b>Supplemental disclosures of cash flow information:</b>	
Cash paid during the year for:	
Interest	\$ <u>6,684</u>
Income taxes	\$ <u>-</u>
<b>Supplemental disclosure of non cash financing activities:</b>	
Capital contribution	<u>\$ 69,682</u>

See notes to financial statements and report of independent registered public accounting firm.