

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

Cash flows from operating activities:

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>

Cash flows from investing activities:

Net cash used in investing activities	<u>-</u>
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Cash flows from financing activities:

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>\$ <u>8,924</u></u>

Supplemental disclosures of cash flow information:

Cash paid during the year for:	
Interest	\$ <u>6,684</u>
Income taxes	\$ <u>-</u>

Supplemental disclosure of non cash financing activities:

Capital contribution	<u>\$ 69,682</u>
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See notes to financial statements and report of independent registered public accounting firm.