

Benchmark Securities, LLC
Statement of Cash Flows
For the Year Ended December 31, 2015

Cash flows from operating activities:

Net income		\$ 1,775,619
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on sale of property and equipment	\$ 653	
Depreciation	15,834	
(Increase) decrease in operating assets:		
Deposits with clearing organization	(350,063)	
Receivables from clearing organization	3,827,566	
Securities owned	1,780,951	
Accrued interest on bonds	(85,895)	
Prepaid expenses	69,793	
Other assets	(29,137)	
Increase (decrease) in operating liabilities:		
Payable to clearing organizations	(1,629,878)	
Securities sold short	(3,662,315)	
Accrued interest on bonds sold short	79,629	
Accounts payable, accrued expenses, and other liabilities	(9,108)	
Total adjustments		8,030
Net cash provided by operating activities		1,783,649

Cash flows from investing activities:

Purchases of property and equipment	(5,317)	
Sales of property and equipment	500	
Net cash used in investing activities		(4,817)

Cash flows from financing activities:

Preferred distributions of net income to preferred distribution equity units	(559,606)	
Common distributions of net income to common equity units	(308,881)	
Members' contributions	75,000	
Members' redemptions	(30,000)	
Net cash used in financing activities		(823,487)

INCREASE IN CASH	955,345
CASH AT BEGINNING OF YEAR	191,008
CASH AT END OF YEAR	<u>\$ 1,146,353</u>

Supplemental cash flow disclosure:

Interest payments	<u>\$ 219,441</u>
Income taxes	<u>\$ -</u>

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