

Preferred Capital Securities, LLC

Statement of Financial Condition

December 31, 2015

Assets:

Cash and cash equivalents	\$ 1,506,808
Due from related party	278,602
Equipment, net of accumulated depreciation of \$1,094	8,391
Prepaid expenses and other assets	<u>106,598</u>
Total assets	<u>\$ 1,900,399</u>

Liabilities:

Accounts payable and accrued expenses	\$ 591,537
Due to related party	<u>28,583</u>
Total liabilities	<u>620,120</u>

Member's equity	1,280,279
-----------------	-----------

Total liabilities and member's equity	<u>\$ 1,900,399</u>
---------------------------------------	---------------------

See accompanying notes to financials statements.