



14045204

ON

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	March 31, 2016
Estimated average burden hours per response.....	12.00

ANNUAL AUDITED REPORT FORM X-17A-6 PART III

SEC FILE NUMBER
47899

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2013 AND ENDING 12/31/2013
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: ^{DBA} STOCK TRADERS

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
16152 BEACH BLVD # 271
(No. and Street)
HUNTINGTON BEACH CA 92647
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
JEFF JOSEPH 714-375-1188
(Area Code - Telephone Number)

OFFICIAL USE ONLY
FIRM I.D. NO.

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report* # 5962
SCHILD & CO., INC
(Name - if individual, state last, first, middle name)
18426 BROOKHURST ST. # 205 FOUNTAIN VALLEY CA 92708
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

4/11/14

4/11/14

OATH OR AFFIRMATION

I, JEFF A. JOSLIN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of STOCK TRADERS, as of Dec 31, 20 13, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

- NONE -

[Signature]
Signature

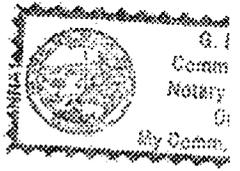
Principal
Title

see attachment
Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

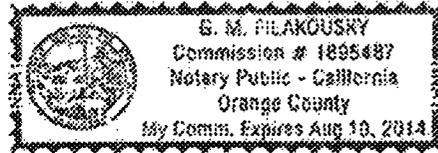
**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



State of California)
) ss.
County of Orange)

Subscribed and sworn to before me on this 2nd day of
April, 2014, by Jeff A. Joslin
proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.


Notary Public



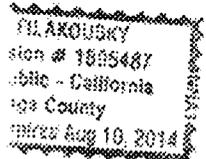
Optional

Further Description of Any Attached Document

Title or Type of Document: Oath or Affirmation

Document Date: 4.2.14 Number of Pages: 1

Signer(s) Other Than Named Above: NONE



STOCK TRADERS

FINANCIAL STATEMENTS

AND

AUDITOR'S REPORT

DECEMBER 31, 2013



STOCK TRADERS

DECEMBER 31, 2013

TABLE OF CONTENTS

Independent Auditor's Report	
Balance Sheet	1
Statement of Income	2
Statement of Changes in Owner's Equity	3
Statement of Cash Flows	4
Notes to Financial Statements	5-6
Computation of Net Capital	7
Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3 of the Securities and Exchange Commission	8
Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	9
Status of Membership in SIPC	10
Independent Auditor's Report on the Internal Control Structure	11-12



INDEPENDENT AUDITOR'S REPORT

To the Owner of
Stock Traders

We have audited the accompanying financial statements of Stock Traders (a sole proprietorship), which comprise the balance sheet as of December 31, 2013, and the related statements of income, owner's equity, and cash flows for the year ended December 31, 2013.

Management's Responsibility for the Financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

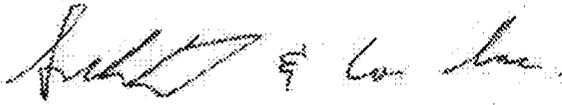
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stock Traders (a sole proprietorship) as of December 31, 2013, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared solely from the accounts of Stock Traders, and do not include the personal accounts of the owner or those of any other operations in

which he is engaged. Federal taxes on income of the owner are computed on his total income from all sources; accordingly, no provision for such taxes is included in these statements.

The accompanying supplemental information including the computation of net capital is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "John J. [unclear] & Co. [unclear]". The signature is written in a cursive style.

April 2, 2014

STOCK TRADERS
BALANCE SHEET
DECEMBER 31, 2013

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 177,341
Commissions receivable	<u>7,510</u>
Total current assets	184,851
OTHER ASSETS	
Security deposit	<u>890</u>
Total other assets	<u>890</u>
TOTAL ASSETS	<u>\$ 185,741</u>

LIABILITIES AND OWNER'S EQUITY

CURRENT LIABILITIES	
Commissions payable	\$ <u>2,126</u>
Total current liabilities	2,126
OWNER'S EQUITY	<u>183,615</u>
TOTAL LIABILITIES AND OWNER'S EQUITY	<u>\$ 185,741</u>

STOCK TRADERS
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

REVENUES		
Commissions and management fees		\$ 253,640
EXPENSES		
Commissions	\$ 22,696	
Rent	8,994	
Accounting	3,500	
Advertising	1,748	
Telephone	2,354	
Dues and subscriptions	2,103	
Supplies	1,157	
Insurance	<u>889</u>	
Total expenses		<u>43,441</u>
INCOME FROM OPERATIONS		210,199
OTHER INCOME (EXPENSE):		
Interest income		3,407
Investment income		<u>394</u>
Total other income (expense)		3,801
INCOME BEFORE PROVISION FOR INCOME TAXES		214,000
PROVISION FOR INCOME TAXES		<u>-</u>
NET INCOME		<u>\$ 214,000</u>

STOCK TRADERS
STATEMENT OF CHANGES IN OWNER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

BEGINNING OWNER'S EQUITY, at December 31, 2012	\$ 142,968
ADJUSTMENTS TO OWNER'S EQUITY	
Net income	214,000
Owner's draws	<u>(173,353)</u>
ENDING OWNER'S EQUITY, at December 31, 2013	<u>183,615</u>

STOCK TRADERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 214,000
Adjustments to reconcile net income (loss) to net cash provided (used) by operations:	
(Increase) Decrease in assets:	
Commissions receivables	1,897
Increase (Decrease) in:	
Commissions payable	<u>24</u>
Net cash provided (used) by operating activities	<u>215,921</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Owner's draws	<u>(173,353)</u>
Net cash provided (used) by financing activities	<u>(173,353)</u>
NET INCREASE (DECREASE) IN CASH	42,568
CASH, beginning of year	<u>134,773</u>
CASH, end of year	<u>\$ 177,341</u>

STOCK TRADERS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Stock Traders is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity.

Nature of operations- Jeffrey Joslin, dba Stock Traders (a sole proprietorship), is a brokerage company in Huntington Beach, California, which started operations on June 1, 1995. Introducing broker/dealers place all transactions through other registered broker/dealers, fully disclosing all of the customer accounts to the clearing firm, and does not clear transactions nor carry customer accounts. Clearing brokers are responsible for holding the securities of the customer and for furnishing customers with statements regarding their accounts.

Stock Traders is registered with the SEC (Securities and Exchange Commission), FINRA (Financial Industry Regulatory Authority), SIPC (Securities Investor Protection Corporation), and with the State of California, Department of Corporations.

Method of accounting -The Company maintains its books on the accrual method of accounting recognizing income when earned and expenses when incurred.

Cash and cash equivalents- For purposes of the statement of cash flows, the Company considers all short-term securities purchased with a maturity of three months or less to be cash equivalents.

Use of estimates- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Commissions earned - All trading commissions are received through clearing brokers. Net commission checks are received after clearing, execution and other fees have been deducted by the clearing broker.

NOTE 2 -CASH AND CASH EQUIVALENTS

Pursuant to contract terms between Stock Traders and Southwest Securities, Inc. (a clearing broker), a minimum balance of \$10,000 must be maintained in Stock Traders' Southwest Securities, Inc. cash accounts at all times. The minimum balance is subject to change at the discretion of Southwest Securities, Inc. based upon Stock Traders sales volume, business mix, or other risks. Upon termination of the relationship, funds will be released to Stock Traders after all accounts debits and liabilities are satisfied.

Funds in the money market account are shown at cost, which approximates market value. Money market funds are mutual funds whose underlying securities are very short-term money market instruments invested in private or government securities that are highly liquid and low risk. Money market funds are not federally insured.

NOTE 3- SECURITY DEPOSIT/OFFICE LEASE

In 2013, the Company renewed its lease agreement for its office space which expires on June 5, 2015. The security deposit for the office space is \$890, which will be returned to Stock Traders upon termination of the office lease per agreement between lessor and lessee. Future minimum lease payments are \$780 per month and the remaining lease commitment is as follows:

2014	\$ 9,360
2015	<u>4,680</u>
Total	<u>\$ 14,040</u>

NOTE 4- CAPITALIZATION REQUIREMENTS

Brokers or dealers who introduce customer accounts (including brokers) are required to maintain net capital of \$50,000 during the period that they engage in the sale of securities. FINRA places an additional requirement on its members requiring capitalization at 120% of the minimum net capitalization requirement, or \$60,000 (SEC Rule 17a-11). Stock Traders net capital at December 31, 2013 of \$179,277 was in compliance with the minimum net capitalization requirements. For a detailed analysis of net capital, see supplemental schedule, Computation of Net Capital, which is part of these financial statements.

NOTE 5- FAIR VALUE OF FINANCIAL INSTRUMENTS

Substantially all of the Company's current assets and liabilities are considered financial instruments. These assets and liabilities are reflected at fair value, or at carrying value that approximate fair value because of the short term nature of the instrument. Other financial instruments consist of long-term obligations. The fair value of long-term obligations is estimated based on current interest rates offered to the Company for obligations with similar remaining maturities. The recorded value of these financial instruments approximated fair value at December 31, 2013.

NOTE 6 -SUBSEQUENT EVENTS

Date of Management Evaluation

Management has evaluated subsequent events through April 2, 2014, the date of which the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

STOCK TRADERS
COMPUTATION OF NET CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2013

COMPUTATION OF NET CAPITAL PURSUANT TO SEC RULE 17a-5(d)(3)

Total owner's equity per statement of changes in owner's equity	\$ 183,615
Less: nonallowable assets	
Petty cash	104
Security deposits	<u>890</u>
	<u>994</u>
Less: other deductions and/or charges	
Fidelity Bond deductible	<u>-</u>
Tentative net capital	182,621
Less haircuts on allowable assets	<u>3,344</u>
Net capital	<u>\$ 179,277</u>

COMPUTATION OF NET CAPITAL REQUIREMENT

Minimum net capital required	\$ 50,000
Net capital per above	<u>179,277</u>
Excess net capital	<u>\$ 129,277</u>

RECONCILIATION OF NET CAPITAL WITH COMPANY'S COMPUTATION

Net capital as reported in Company's Focus report	\$ 179,277
Audit adjustments-	<u>-</u>
Net capital per above	<u>\$ 179,277</u>

Pursuant to SEC Rule 17a-5(d)(4), there were no material differences between the amount appearing on the Company's FOCUS report and the net capital calculated for the audited financial statements as of December 31, 2013.

STOCK TRADERS
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
PURSUANT TO RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2013

Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3:

A computation of the reserve requirement is not applicable to Stock Traders as the Company qualifies for exemption under Rule 15c3-3(k)(2)(ii).

STOCK TRADERS
INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2013

Information Relating to Possession or Control Requirements Under Rule 15c3-3:

Information relating to possession or control requirements is not applicable to Stock Traders as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(ii).

STOCK TRADERS
STATUS OF MEMBERSHIP IN SIPC
DECEMBER 31, 2013

The Company is a member of the SIPC, but is exempt from filing a separate audited statement regarding its membership in SIPC under SEC Rule 17a-5(e)(4). Companies who must submit audited financial statements and have gross revenues less than \$500,000 are not required to file a supplemental independent public accountant's report covering Form SIPC-7. The minimum assessment for membership of \$150 was paid by the Company in accordance with applicable instructions for Form SIPC-4.



April 2, 2014

To the Owner of
Stock Traders

In planning and performing our audit of the financial statements of Stock Traders (a sole proprietorship) for the year ended December 31, 2013, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debts) and net capital under rule 17a-3(a)(11), and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons.
2. Recordation of differences required by rule 17a-13.
3. Complying with the requirements for prompt payment for securities under Section 8 of the Federal Reserve Regulation T of the Board of Governors of the Federal System.

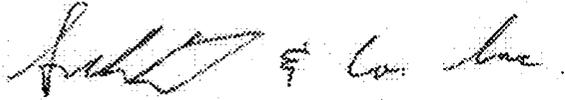
The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal controls or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. This report recognizes that it is often not practicable in a smaller organization to achieve all the divisions of duties and cross-checks generally included in a system of internal accounting control and that alternatively greater reliance must be placed on surveillance by management.

Our consideration of the internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level of risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purpose in accordance with the Securities and Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2013 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, Inc. and other regulatory agencies that rely on rule 17-a5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "John J. ...".