



RMS

18000936

S. 18000936
Washington, D.C. 20549

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	August 31, 2020
Estimated average burden hours per response.....	12.00

GEG N
receive
FEB 27 2017
WASH, D.C.
SEC FILE NUMBER
69482

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 01/01/17 AND ENDING 12/31/17
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Kenmar Securities, LLC
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
680 Fifth Avenue, Suite 1901

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)
New York, NY 10019
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Robert C. Cox (212) 596-3339
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Breard & Associates, Inc. Certified Public Accountants

(Name - if individual, state last, first, middle name)
9221 Corbin Avenue, Suite 170 Northridge CA 91324
(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)

BW

OATH OR AFFIRMATION

I, Robert C. Cox, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kenmar Securities, LLC, as of December 31, 2017, 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:

MARY V MCKINLEY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MC6345205
Qualified In Orange County
My Commission Expires 07-18-2021

Robert Cox
Signature
Chief Compliance Officer
Title

Mary V. McKinley
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).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of New York
County of New York

Subscribed and sworn to (or affirmed) before me on this 21st day of February, 2018 by

Robert C. Cox proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Notary Public Mary V. McKinley

MARY V MCKINLEY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MC6345205
Qualified In Orange County
My Commission Expires 07-18-2021

KENMAR SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2017

ASSETS

Cash	\$	23,539
Introductory fees receivable		2,537
Prepaid expenses		<u>1,108</u>
Total assets	\$	<u><u>27,184</u></u>

LIABILITIES

Due to affiliate	\$	2,473
Accounts payable		2,051
Accrued expenses		<u>8,893</u>
Total liabilities		<u>13,417</u>

MEMBER'S CAPITAL

Member's capital		<u>13,767</u>
------------------	--	---------------

Total liabilities and member's capital	\$	<u><u>27,184</u></u>
--	----	----------------------

KENMAR SECURITIES, LLC**STATEMENT OF INCOME**

FOR THE YEAR ENDED DECEMBER 31, 2017

REVENUE

Sales commissions and introductory fees	\$	767,243
Miscellaneous income		3,561
Gain on securities owned, net		1,235
Interest and dividend income		<u>135</u>
Total revenue		<u>772,174</u>

EXPENSES

Commissions		635,428
Regulatory and license fees		67,810
Professional fees		20,795
Other expenses		<u>28,982</u>
Total expenses		<u>753,015</u>

NET INCOME\$ 19,159

KENMAR SECURITIES, LLC

STATEMENT OF CHANGES IN MEMBER'S CAPITAL

FOR THE YEAR ENDED DECEMBER 31, 2017

	Member's <u>Capital</u>
Balance at December 31, 2016	\$ 56,608
Net income for the year ended December 31, 2017	19,159
Cash distributions	<u>(62,000)</u>
Balance at December 31, 2017	<u>\$ 13,767</u>

See accompanying notes.

KENMAR SECURITIES, LLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

Cash flows from (for) operating activities:

Net income	\$	19,159
Adjustments to reconcile net income to net cash from operating activities:		
Changes in assets and liabilities:		
Decrease in receivables		87
Decrease in accounts payable		(4,720)
Decrease in accrued expenses		(1,987)
Decrease in prepaid expenses		17,042
Decrease in securities owned		<u>20,136</u>
Net cash from operating activities		<u>49,717</u>

Cash flows (for) financing activities

Capital distributions		<u>(62,000)</u>
-----------------------	--	-----------------

Net decrease in cash

(12,283)

Cash, beginning of year

35,822

Cash, end of year

\$ 23,539

Supplemental disclosure of cash flow information

Cash paid during the year for:

Interest	<u>\$ 0</u>
Income taxes	<u>\$ 0</u>

KENMAR SECURITIES, LLC
NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

Note 1. GENERAL DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

A. General

Kenmar Securities, LLC (the "Company") is a Delaware limited liability company, and the sole member of the Company is Kenmar Olympia, LLC.

The Company is a broker-dealer registered with the Securities and Exchange Commission, is a member of the Financial Industry Regulatory Authority (FINRA) and is a member of the Securities Investor Protection Corporation (SIPC). The Company is in the business of offering and selling securities of commodity pools operated by affiliated companies and introducing and referring investors to affiliated and unaffiliated managers and other private placements. The Company does not carry customer accounts, hold funds or securities for, or owe money to, customers.

B. Method of Reporting

The Company's financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board Accounting Standards Codification (the Codification) is the single source of U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates, and such differences may be material to the financial statements.

C. Cash

The Company maintains its cash with City National Bank. In the event of the financial institution's insolvency, the Company's recovery of the cash balance on deposit may be limited to account insurance or other protection afforded such deposits.

D. Revenue Recognition

Commission and fee revenue is recognized as income when earned in accordance with the terms of the applicable agreement.

E. Securities Owned

The Company held shares of Nasdaq Inc. stock which were sold during the year ending December 31, 2017 and valued the stock at the last reported sales price on the valuation date until the position was sold. Any change in net unrealized gain or loss from the preceding period is reported in the statement of income as well as the impact of selling the securities. Dividends were recorded on the ex-dividend date.

KENMAR SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017

Note 1. GENERAL DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Income Taxes

The Company, as a Single Member LLC, is a disregarded entity for tax purposes, pursuant to which the Company does not pay U.S. corporate or state income tax on its taxable income. Accordingly, the Company does not provide for income tax expense or income tax liability on its net income.

The Company applies the provisions of Codification Topic 740, *Income Taxes*, which prescribe the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity before being measured and recognized in the financial statements. This accounting standard requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's financial statements to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions with respect to tax at the Company level not deemed to meet the "more-likely-than-not" threshold would be recorded as an expense in the current year. The Company has elected an accounting policy to classify interest and penalties, if any, as interest expense. The Company has concluded that there is no tax expense or interest expense related to uncertainties in income tax positions for the year ended December 31, 2017. The 2014 through 2017 tax years generally remain subject to examination by U.S. federal and most state tax authorities.

G. Allocation of Income and Loss

The Company's income or loss is allocated to the sole member of the Company.

Note 2. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 and also requires that the Company maintain minimum net capital of \$5,000. At December 31, 2017, the Company had adjusted net capital of \$10,122 which was in excess of its required net capital by \$5,122. The Company's ratio of aggregate indebtedness to net capital was 1.3255 to 1.

Note 3. SALES COMMISSIONS AND INTRODUCTORY FEES

The Company acts as the Selling Agent for World Monitor Trust III (the "Trust"). The Managing Owner of the Trust is Kenmar Preferred Investments, LLC, ("Preferred"), an affiliate of the Company. The Company receives from the Trust a monthly sales commission equal to 1/12 of 1% (1% annually) of the Net Asset Value of the outstanding units as of the beginning of each month. Sales commissions earned by the Company were \$47,720 for the year ended December 31, 2017, of which \$2,537 remains receivable as of December 31, 2017.

The Company has entered into several introduction agreements with private placement issuers where the Company agreed to seek to introduce or refer prospective clients to such private placement issuers in return for a fixed retainer amount and or a percentage of any fees earned resulting from the introductions. The Company earned introductory fees of \$719,523 (\$84,095 net of payments to registered representatives) pursuant to these agreements during the year ended December 31, 2017 of which \$0 remains receivable as of December 31, 2017.

KENMAR SECURITIES, LLC
NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

Note 4. RELATED PARTY TRANSACTIONS

The Company has selling agreements with affiliated commodity pools pursuant to which the Company earns selling agent fees. The Company did not receive any selling agent fees pursuant to such agreements during the year ended December 31, 2017.

The Company has a Services, Space Sharing and Expense Agreement ("Expense Agreement") with Kenmar Olympia, LLC ("KOL"). Under the terms of such Expense Agreement, KOL agreed to make available to the Company Support Services and Support Personnel (as defined in the agreement). KOL pays the associated costs of the Support Personnel and any related Support Services costs including but not limited to salaries and employee benefits of the Support Personnel (including the Chief Compliance Officer of the Company), rent and utilities related to the Company, travel and entertainment expenses and any other operating expense not directly related to the Company. The Company will pay all expenses related directly to its operations including but not limited to sales commissions to registered personnel, licensing, examination fees, continuing education costs, audit fees, legal fees and any expense to an outside vendor with which the Company has contracted directly.

Commission paid to an officer of the Company amounted to \$18,000 for the year ended December 31, 2017. The Company has an amount payable to an affiliate of \$2,473 at December 31, 2017. No specific terms apply to payments of amounts due to the Affiliate; however such amounts are settled periodically.

See Note 3 with regards to sales commissions received from a related party.

Note 5. FAIR VALUE

The Company accounts for its holdings of stock at fair value. Fair value, as defined in the *Fair Value Measurement* Topic of the Codification, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy, as set forth in the *Fair Value Measurement* Topic of the Codification, prioritizes the inputs to valuation techniques used to measure fair value into three broad levels: quoted market prices in active markets for identical assets or liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for an asset or liability (Level 3). The Company categorized the stock held as a Level 1 fair value measurement until the position was sold which occurred during the year ending December 31, 2017.

Note 6. INDEMNIFICATIONS

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of any future obligation under these indemnifications to be remote.

KENMAR SECURITIES, LLC

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE I - COMPUTATION of NET CAPITAL UNDER RULE 15c3-1 of the SECURITIES AND EXCHANGE COMMISSION

Total member's capital	\$	13,767
Deduct items not allowable for net capital		
Non-allowable assets		(2,537)
Prepaid assets		(1,108)
Net capital	\$	<u>10,122</u>
Minimum net capital required – 6 2/3% of aggregate indebtedness (Note 1, below)	\$	<u>894</u>
Minimum regulatory dollar net capital requirement	\$	<u>5,000</u>
Net capital shown above	\$	10,122
Minimum net capital requirement		<u>5,000</u>
Excess net capital	\$	<u>5,122</u>
Total aggregate indebtedness	\$	<u>13,417</u>
Ratio of aggregate indebtedness to net capital		<u>1.3255</u>

Statement Pursuant to Paragraph (d) of Rule 17a-5:

There are no material differences between the computation of net capital and required net capital stated above and Kenmar Securities, LLC's computation of net capital and required net capital from the December 31, 2017 Unaudited Financial and Operational Combined Uniform Single Report (FOCUS II A).

Note 1 – Computation of Aggregate Indebtedness

Total aggregate indebtedness at December 31, 2017 is as follows:

Total liabilities	\$	13,417
Less indebtedness adequately collateralized by securities		<u>0</u>
Aggregate indebtedness	\$	<u>13,417</u>

SCHEDULE II - COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS UNDER RULE 15c3-3 AND INFORMATION RELATING TO POSSESSION OR CONTROL REQUIRMENTS UNDER RULE 15c3-3

Kenmar Securities, LLC does not file information in accordance with Rule 15c3-3 as it is a broker-dealer, which carries no margin accounts and does not handle funds or securities for, or owe money to, customers. Therefore, the Company claims the (k)(2)(i) exemption in relation to Rule 15c3-3. See Report of independent registered public accounting firm.

Kenmar Securities, LLC
Report on Exemption Provisions
For the Year Ended December 31, 2017



Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) Kenmar Securities, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Kenmar Securities, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) Kenmar Securities, LLC stated that Kenmar Securities, LLC met the identified exemption provisions throughout the year ended December 31, 2017, without exception. Kenmar Securities, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Kenmar Securities, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Breard & Associates, Inc.
Certified Public Accountants

New York, New York
February 22, 2018

KENMAR SECURITIES, LLC

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

**Kenmar Securities, LLC
Exemption Report**

Kenmar Securities, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. 240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R 240.17a-5 (d) (1) and (4). To the best of its knowledge and belief, the Company states the following:

- (1) The Company claimed an exemption from 17 C.F.R 240.15c3-3 under the provisions of 17 C.F.R.15c3-3 (k)(2)(i).
- (2) The Company does not handle cash or securities on behalf of customers, and therefore, met the identified exemption provisions in 17 C.F.R 240.15c3-3 (k) throughout the most recent fiscal year without exception.

Kenmar Securities, LLC

I, Robert C. Cox, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By:
Robert C. Cox
Chief Compliance Officer
Dated: February 22, 2018



Kenmar Securities, LLC
Report on the SIPC Annual Assessment
Report Pursuant to Rule 17a-5(e)4
For the Year Ended December 31, 2017



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON APPLYING AGREED UPON PROCEDURES**

To the Directors and Equity owner of
Kenmar Securities, LLC:

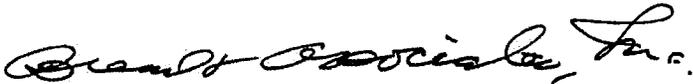
In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by Kenmar Securities, LLC and the Securities Investor Protection Corporation ("SIPC") with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Kenmar Securities, LLC (the "Company") for the year ended December 31, 2017, solely to assist you and SIPC in evaluating Kenmar Securities, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2017, with the Total Revenue amounts reported in Form SIPC-7 for the year ended December 31, 2017 noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences;
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and

5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the Form SIPC-7. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.



Breard & Associates, Inc.
Certified Public Accountants

New York, New York
February 22, 2018

KENMAR SECURITIES, LLC

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2017

Kenmar Securities, LLC
Schedule of Securities Investor Protection Corporation
SIPC-7 Assessments and Payments
For the Year Ended December 31, 2017

	<u>Amount</u>
Total assessment	\$ 1,156
SIPC-6 general assessment Payment made on September 19, 2017	(485)
Less prior overpayment applied	(319)
SIPC-7 general assessment Payment made on February 20, 2018	(352)
Total assessment balance (overpayment carried forward)	<u>\$ 0</u>



Kenmar Securities, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2017

Financial Statements and Supporting Schedules
Pursuant to Rule 17a-5 of the Securities and Exchange Commission
For the Year Ended December 31, 2017

KENMAR SECURITIES, LLC

TABLE OF CONTENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>PAGES</u>
Report of Independent Registered Public Accounting Firm	1
Financial Statements	
Statement of Financial Condition	2
Statement of Income	3
Statement of Changes in Member's Capital	4
Statement of Cash Flows	5
Notes to Financial Statements	6 – 8
Supplementary Information	
Schedule I - Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	9
Schedule II - Computation for Determination of Reserve Requirements Under Rule 15c3-3 and Information Relating to Possession or Control Requirements Under Rule 15c3-3	9
Report of the Independent Registered Public Accounting Firm	10
Exemption Report Pursuant to Rule 17a-5 of the Securities and Exchange Commission	11
Report of Independent Registered Public Accounting Firm on Applying Agreed Upon Procedures	12
SIPC Assessment and Payments	14



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

To the Directors and Equity owner of Kenmar Securities, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Kenmar Securities, LLC (the "Company") as of December 31, 2017, the related statements of income, changes in member's equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The information contained in Schedules I and II ("Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The Supplemental Information is the responsibility of the Company's management. Our audit procedures included determining whether the Supplemental Information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the Supplemental Information. In forming our opinion on the Supplemental Information, we evaluated whether the Supplemental Information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, Schedules I and II are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Breard & Associates, Inc.
Certified Public Accountants

We have served as the Company's auditor since 2017.
New York, New York
February 22, 2018

9221 Corbin Avenue, Suite 170, Northridge, California 91324
phone 818.886.0940 fax 818.886.1924 web www.baicpa.com

LOS ANGELES CHICAGO NEW YORK OAKLAND SEATTLE

WE FOCUS & CARE™