

DM



18007511

SEG
Mail Processing
Section
MAR 05 2018
Washington DC
408

**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

SEC FILE NUMBER
8-48080

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 01/01/2017 AND ENDING 12/31/2017
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Woodstock Financial Group Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

117 Towne Lake Parkway, Suite 200

(No. and Street)

Woodstock

Georgia

30188

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Melissa L. Whitley

(770) 516-6996

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Accell Audit and Compliance, P.A.

(Name - if individual, state last, first, middle name)

4806 West Gandy Boulevard

Tampa

Florida

33611

(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)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Rms

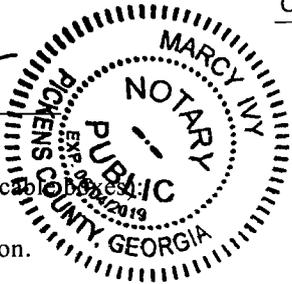
OATH OR AFFIRMATION

I, Melissa L. Whitley, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Woodstock Financial Group Inc., 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:

[Signature]
Signature

Chief Financial Officer
Title

[Signature]
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).

WOODSTOCK FINANCIAL GROUP, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

AS OF DECEMBER 31, 2017 AND 2016



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Woodstock Financial Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Woodstock Financial Group, Inc. as of December 31, 2017, the related statements of operations, changes in shareholder's equity, and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Woodstock Financial Group, Inc. 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 of America.

Basis for Opinion

These financial statements are the responsibility of Woodstock Financial Group, Inc.'s management. Our responsibility is to express an opinion on Woodstock Financial Group, Inc.'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 Woodstock Financial Group, Inc. 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 Schedule I – Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission and Schedule II – Computation for Determination of Reserve Requirements and Information Relating to Possession or Control Requirements under Rule 15c3-3 has been subjected to audit procedures performed in conjunction with the audit of Woodstock Financial Group, Inc.'s financial statements. The supplemental information is the responsibility of Woodstock Financial Group, Inc.'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, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Accell Audit & Compliance, PA

We have served as Woodstock Financial Group, Inc.'s auditor since 2010.

Tampa, FL

February 27, 2018

**WOODSTOCK FINANCIAL GROUP, INC.
STATEMENTS OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2017 AND 2016**

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 423,587	\$ 463,411
Clearing deposit	75,088	75,018
Commissions receivable	438,750	583,639
Furniture, fixtures, and equipment, at cost, net of accumulated depreciation of \$2,924 and \$2,193, respectively	731	1,462
Other assets	230,369	238,395
 Total assets	 \$ 1,168,525	 \$ 1,361,925
LIABILITIES AND SHAREHOLDER'S EQUITY		
Liabilities:		
Accounts payable	\$ 189,328	\$ 232,851
Commissions payable	331,030	493,176
Other liabilities	62,457	61,638
 Total liabilities	 582,815	 787,665
 Commitments and contingencies (Note 6)		
Shareholder's equity:		
Common stock, \$.01 par value; 10,000 shares authorized; 1,000 shares issued and outstanding	10	10
Additional paid-in capital	1,509,835	1,199,835
Accumulated deficit	(924,135)	(625,585)
 Total shareholder's equity	 585,710	 574,260
 Total liabilities and shareholder's equity	 \$ 1,168,525	 \$ 1,361,925

See Report of Independent Registered Public Accounting Firm and notes to the financial statements

WOODSTOCK FINANCIAL GROUP, INC.
STATEMENTS OF OPERATION
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
OPERATING INCOME		
Commissions	\$ 3,116,151	\$ 3,251,333
Advisory fees	2,019,011	1,752,878
Mutual fund, Insurance commissions and 12b-1 fees	595,017	775,809
Interest income	55,351	104,863
Other fees and income	<u>855,300</u>	<u>944,910</u>
Total operating income	<u>6,640,830</u>	<u>6,829,793</u>
OPERATING EXPENSES		
Commissions to brokers	5,012,635	5,031,146
Selling, general, and administrative expenses	1,984,891	2,160,583
Clearing costs	103,371	99,355
Interest expense	<u>6,238</u>	<u>4,832</u>
Total operating expenses	<u>7,107,135</u>	<u>7,295,916</u>
OTHER INCOME		
Forgiveness of debt	<u>167,755</u>	<u>170,745</u>
Total other income	<u>167,755</u>	<u>170,745</u>
Net loss	<u>\$ (298,550)</u>	<u>\$ (295,378)</u>

See Report of Independent Registered Public Accounting Firm and notes to the financial statements

WOODSTOCK FINANCIAL GROUP, INC.
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>Common Stock Shares</u>	<u>Common Stock Value</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total Shareholder's Equity</u>
December 31, 2015	1,000	\$ 10	\$ 1,049,835	\$ (330,207)	\$ 719,638
Contributions from parent company, net	-	-	150,000	-	150,000
Net loss	-	-	-	(295,378)	(295,378)
December 31, 2016	1,000	10	1,199,835	(625,585)	574,260
Contributions from parent company	-	-	310,000	-	310,000
Net loss	-	-	-	(298,550)	(298,550)
December 31, 2017	<u>1,000</u>	<u>\$ 10</u>	<u>\$ 1,509,835</u>	<u>\$ (924,135)</u>	<u>\$ 585,710</u>

See Report of Independent Registered Public Accounting Firm and notes to the financial statements

WOODSTOCK FINANCIAL GROUP, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (298,550)	\$ (295,378)
Adjustments to reconcile net loss to net cash flows from operating activities		
Depreciation	731	548
Loss on disposal of fixed assets	-	3,085
Changes in operating assets and liabilities		
Clearing deposit	(70)	(16)
Commissions receivable	144,889	(235,031)
Other assets	8,026	54,279
Accounts payable	(43,523)	57,046
Commissions payable	(162,146)	206,436
Deferred revenue	-	(139,063)
Other liabilities	819	(42,712)
Net cash from operating activities	(349,824)	(390,806)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash contributions from parent company	310,000	150,000
 NET CHANGE IN CASH AND CASH EQUIVALENTS	(39,824)	(240,806)
CASH AND CASH EQUIVALENTS , beginning of year	463,411	704,217
CASH AND CASH EQUIVALENTS , end of year	\$ 423,587	\$ 463,411
 SUPPLEMENTAL DISCLOSURE OF CASH PAID FOR INTEREST	6,238	4,832

See Report of Independent Registered Public Accounting Firm and notes to the financial statements

WOODSTOCK FINANCIAL GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 DESCRIPTION OF BUSINESS

Woodstock Financial Group, Inc. (the "Company" or "WFG") is a full service securities brokerage firm, which was incorporated in January 2010. The Company is registered as a broker-dealer with the Financial Industry Regulatory Authority ("FINRA") in 50 states, Puerto Rico, Washington D.C., U.S. Virgin Islands, and also as a municipal securities dealer with the Municipal Securities Regulation Board. The Company is also a United States Securities and Exchange Commission ("SEC") Registered Investment Advisor and maintains advisory accounts through Fidelity Registered Investment Advisor Group ("FRIAG"), an arm of Fidelity Investments and Investment Management Group ("IMG"), a division of Hilltop Securities Inc. ("Hilltop"). The Company is subject to net capital and other regulations of the SEC. The Company offers full service commission and fee-based money management services to individual and institutional investors.

The Company is a wholly-owned subsidiary of Woodstock Holdings, Inc. ("WHI"), which was established in March of 1995. In January 2010, WHI amended its Articles of Incorporation to change its name from Woodstock Financial Group, Inc. to Woodstock Holdings, Inc. Concurrently, the Company was incorporated and named Woodstock Financial Group, Inc., as described above. A portion of the assets of WHI were then contributed to the newly established subsidiary.

WFG maintains a custody-clearing relationship with Hilltop and these accounts are introduced to Hilltop on a fully disclosed basis.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP") on the accrual basis of accounting and to general practices within the broker-dealer industry.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the amounts reported in the financial statements. Accordingly, actual results could differ from these estimates.

Revenue Recognition and Commissions Receivable

WFG charges commissions and/or fees for customer transactions. These commissions and/or fees are charged within the guidelines of industry standards. Commissions are recorded on a trade date basis, which does not differ materially from the settlement date basis. WFG evaluates receivables on their collectability based on known factors surrounding historical trends and other information. As of December 31, 2017 and 2016, all receivables were considered collectable; therefore no allowance for doubtful accounts was recorded.

Cash and Cash Equivalents

Cash and cash equivalents include short-term deposits and highly liquid investments that have original maturities of three months or less when purchased and are stated at cost.

Concentrations of Credit Risk

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist principally of cash and cash equivalents, clearing deposit, and commissions receivable.

WOODSTOCK FINANCIAL GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

Cash and cash equivalents and the clearing deposit are deposited in various financial institutions. At times, amounts on deposit may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limit. At December 31, 2017 and 2016, approximately \$173,000 and \$216,000, respectively, was uninsured.

At December 31, 2017 and 2016, commissions receivable were approximately \$439,000 and \$584,000, and of that, approximately \$396,000 and \$401,000 were due from Hilltop, respectively.

Furniture, Fixtures and Equipment

Furniture, fixtures and equipment are reported at cost, less accumulated depreciation. Depreciation of furniture, fixtures and equipment is computed using the straight line method over the estimated useful life of five years.

The cost of maintenance and repairs, which do not improve or extend the useful life of the respective asset, is charged to earnings as incurred, whereas significant renewals and improvements are capitalized.

Other Assets

The Company is in litigation awaiting an arbitration hearing, with an independently owned branch office located in New York that was previously registered with WFG. The Company currently has three arbitrations; one of which are with clients of that branch. The Company is involved in legal proceedings against the owners of that branch as the owners are contractually obligated to indemnify the Company for the costs of these arbitrations. As of December 31, 2017 and 2016, the Company has recorded approximately \$129,000 and \$172,000, respectively, in other assets on the Statements of Financial Condition for amounts due from the previous owners of that branch. Since the owners are contractually obligated to pay the full amount, no allowance for doubtful accounts has been recorded.

Income Taxes

The Company has adopted Financial Accounting Standards Board Accounting Standards Codification ("ASC") 740, *Income Taxes*. A component of this standard prescribes a recognition and measurement threshold for uncertain tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company's policy is to recognize interest and penalties associated with uncertain tax positions as a component of income tax expense. There was no impact on the Company's financial position or results of operations as a result of the application of this standard.

The Company files consolidated income tax returns with WHI. The Company is no longer subject to income tax examinations by the U.S. federal or state tax authorities for years prior to 2013.

Reclassification

Certain reclassifications have been made to the prior year balances to conform to the current year presentation.

New Accounting Pronouncements

In May 2014, ASU No. 2014-09, "*Revenue from Contracts with Customers*" ("ASU 2014-09") was issued. The amendments in ASU 2014-09 affect any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless contracts are within the scope of other standards (e.g., insurance contracts or lease contracts). This ASU will supersede the revenue recognition requirements in ASC 605, "*Revenue Recognition*," and most industry-specific guidance.

WOODSTOCK FINANCIAL GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2017.

The Company will adopt this new standard effective for the calendar year 2018 and shall disclose qualitative and quantitative information on all of the following in regard to our contracts with customers.

- a. Revenue recognized from contracts with customers.
- b. Any impairment losses recognized on any receivables or contract assets arising from the firm's contracts with customers.
- c. The opening and closing balances of receivables, contract assets, and contract liabilities from contracts with customers.
- d. Revenue recognized in the reporting period that was included in the contract liability balance at the beginning of the period.
- e. Revenue recognized in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods.
- f. Significant changes in the contract asset or liability balances during the reporting period.
- g. Performance obligation in contracts with customers

At this time, it is not known nor can it be reasonably estimated what the impact of this standard's adoption will have on the Company. WFG believes the effect on current accounting policies will be immaterial as the current accounting for revenue from customer contracts does not materially differ from the new standard.

Subsequent Events

In accordance with ASC 855, *Subsequent Events*, the Company evaluated subsequent events through February 21, 2018, the date the financial statements were available for issue.

WOODSTOCK FINANCIAL GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 3 NET CAPITAL REQUIREMENTS

The Company is subject to the SEC 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 the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2017, the Company had net capital of approximately \$348,000, which was \$248,000 in excess of its required net capital of \$100,000. The Company's net capital ratio was 1.67 to 1. At December 31, 2016, the Company had net capital of approximately \$330,000, which was \$230,000 in excess of its required net capital of \$100,000. The Company's net capital ratio was 2.39 to 1.

NOTE 4 OFF-BALANCE SHEET RISK

Customer transactions are introduced and cleared through the Company's clearing agent on a fully disclosed basis. Under the terms of its clearing agreement, the Company is obligated to make sure that its customers pay for all transactions and meet all maintenance requirements, if applicable, in a timely manner under Regulation-T of the Federal Reserve Board.

The Company engages in inter-dealer activity with various broker-dealers. The Company also trades riskless principal with various institutions, qualified institutional buyers and broker dealers. These transactions are affirmed/compared in a timely fashion to make sure all such counterparties fulfill their settlement obligations.

NOTE 5 RELATED PARTY TRANSACTIONS

During each of the years ended December 31, 2017 and 2016, the Chief Executive Officer ("CEO") received a salary of approximately \$149,000. In addition, the CEO earned an override bonus up to 2.5% of operating income. During the years ended December 31, 2017 and 2016, the earned override bonus was approximately \$168,000 and \$171,000 respectively. For the years ended December 31, 2017 and 2016, the entire override bonus of approximately \$168,000 and \$171,000 was forgiven. Approximately \$12,000 of unpaid override bonus from 2015 is included in accounts payable on the Statements of Financial Condition.

For the years ended December 31, 2017 and 2016 the CEO's spouse received a salary of approximately \$108,000.

Registered representatives licensed with WFG sold interests in Raiké Real Estate Income Fund ("RRIF") and received approximately \$10,000 and \$12,500 in commissions for the years ended December 31, 2017 and 2016, respectively.

Pursuant to Exchange Act Rules 17a-3(a) and (a)(2), WFG and WHI have an expense sharing agreement in place. For the years ended December 31, 2017 and 2016, WFG paid WHI approximately \$159,000 and \$138,000, respectively. At December 31, 2017 WFG owed WHI approximately \$48,000 for September through December expenses related to the sharing agreement. This payable is included in accounts payable on the Statements of Financial Condition.

WOODSTOCK FINANCIAL GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 6 COMMITMENTS AND CONTINGENCIES

Through the ordinary course of business, the Company has entered into contractual agreements, generally cancelable upon 60 to 180 day's written notice, with outside vendors and service providers for various administrative related products and services. As discussed in Note 5, Related Party Transactions, the Company has an expense sharing agreement with WHI.

From time to time, the Company may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters that may arise from time to time that may harm the Company's business.

The Company currently has three arbitrations. Management and its legal counsel believe that the amount of these lawsuits cannot be estimated and that it is too early to determine an outcome. However, Management believes that each of these cases would be covered under WFG's E&O insurance policies, which would limit WFG's expense to the amount of the deductible for each case. WFG has recorded a contingent liability and legal reserve totaling approximately \$62,000, which is listed as other liabilities on the Statement of Financial Condition, to cover these expenses.

NOTE 7 OPERATING LEASES

WFG had multiple lease obligations during the year ended December 31, 2017, which expire on various future dates through May 2020. These leases include office space, phone and office equipment. Lease expense for these operating leases for the years ended December 31, 2017 and 2016, totaled approximately \$84,000 and \$119,000, respectively.

Future minimum lease payments under the operating leases are as follows:

For the Year Ending <u>December 31,</u>	<u>Amount</u>
2018	63,034
2019	58,596
2020	<u>26,331</u>
	<u>\$ 147,961</u>

**SUPPLEMENTARY
INFORMATION**

WOODSTOCK FINANCIAL GROUP, INC.
SCHEDULE I – COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
COMPUTATION OF NET CAPITAL:		
Total shareholder's equity	\$ 585,710	\$ 574,260
Non-allowable assets	<u>(237,738)</u>	<u>(244,042)</u>
Tentative net capital	347,972	330,218
Haircut on inventory	-	-
Other deductions 4% on inventory position	<u>-</u>	<u>-</u>
Net capital	347,972	330,218
Minimum net capital	<u>100,000</u>	<u>100,000</u>
Excess net capital	<u>\$ 247,972</u>	<u>\$ 230,218</u>
AGGREGATE INDEBTEDNESS TO NET CAPITAL RATIO:		
Aggregate indebtedness	\$ 582,815	\$ 787,665
Net capital	\$ 347,972	\$ 330,218
Percentage of aggregate indebtedness to net capital	1.67 to 1	2.39 to 1

There was no significant difference between net capital as computed by the Company (included in Part II of its FOCUS report as of December 31, 2017 and 2016) and the amount computed above.

**WOODSTOCK FINANCIAL GROUP, INC.
SCHEDULE II – COMPUTATION FOR DETERMINATION OF RESERVE
REQUIREMENTS AND INFORMATION RELATING TO POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15c3-3
DECEMBER 31, 2017 AND 2016**

The Company is not required to file the above schedule as it claims exemption from Rule 15c3-3 under Paragraph (k)(2)(ii) of the Rule.



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Woodstock Financial Group, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report for SEC Rule 15c3-3 for the fiscal year 2017, in which (1) Woodstock Financial Group, Inc. (the "Company") identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: (2ii) (the "exemption provision") and (2) Woodstock Financial Group, Inc. stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 Woodstock Financial Group Inc.'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)(2ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Accell Audit & Compliance, PA

Tampa, Florida

February 27, 2018



January 31, 2017

United States Securities and Exchange Commission
Washington D.C. 20549

To Whom it May Concern:

Re: Exemption Report for SEC Rule 15c3-3 for fiscal year 2017

To whom it may concern:

For the fiscal year ending December 31, 2017, Woodstock Financial Group, Inc. claimed exemption from the governance of SEC Rule 15c3-3 as outlined under Paragraph (k)(2)(ii) of the respective rule. This subsection outlines the following:

The provisions of this rule shall not be applicable to a broker or dealer who, as an introducing broker or dealer, clears all transactions with and for customers on a fully disclosed bases with a clearing broker or dealer, and who promptly transmits all customer funds and securities to the clearing broker or dealer which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of Sections 240.17a-3 and 240.17a-4 of this chapter, as are customarily made and kept by a clearing broker or dealer.

Woodstock Financial Group, Inc. met the exemption provided above for the year ending December 31, 2017.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Whitley", written over a horizontal line.

Melissa Whitley
Chief Financial Officer
Woodstock Financial Group, Inc.



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

Board of Directors of Woodstock Financial Group, Inc.,

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 Woodstock Financial Group, Inc. and the Securities Investor Protection Corporation (SIPC) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Woodstock Financial Group, Inc. for the year ended December 31, 2017, solely to assist you and SIPC in evaluating Woodstock Financial Group, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Woodstock Financial Group, Inc.'s management is responsible for Woodstock Financial Group, Inc.'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 amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2017 with the Total Revenue amount 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.

Accell Audit & Compliance, PA

Tampa, FL

February 27, 2018

SIPC-7

(35-REV 6/17)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300

General Assessment Reconciliation

For the fiscal year ended 12/31/2017

(Read carefully the Instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

48080 FINRA DEC
WOODSTOCK FINANCIAL GROUP INC.
117 TOWNE LAKE PKWY STE 200
WOODSTOCK, GA 30188-4831

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Melissa Whitley 7705166996

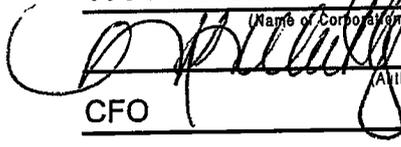
- 2. A. General Assessment (item 2e from page 2) \$ 8,591
- B. Less payment made with SIPC-6 filed (exclude Interest) (3,894)
07/31/2017
Date Paid
- C. Less prior overpayment applied (_____)
- D. Assessment balance due or (overpayment) _____
- E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum _____
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 4,697
- G. PAYMENT: the box
Check mailed to P.O. Box Funds Wired
Total (must be same as F above) \$ 4,697
- H. Overpayment carried forward \$(_____)

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Woodstock Financial Group Inc.

(Name of Corporation Partnership or other organization)



(Authorized Signature)

CFO

(Title)

Dated the 25 day of January, 2018.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates: Postmarked Received Reviewed

Calculations Documentation Forward Copy

Exceptions: _____

Disposition of exceptions: _____

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning 01/01/2017
and ending 12/31/2017

Item No.	Eliminate cents
2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)	<u>\$6,640,829</u>
2b. Additions:	
(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.	_____
(2) Net loss from principal transactions in securities in trading accounts.	_____
(3) Net loss from principal transactions in commodities in trading accounts.	_____
(4) Interest and dividend expense deducted in determining item 2a.	_____
(5) Net loss from management of or participation in the underwriting or distribution of securities.	_____
(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	_____
(7) Net loss from securities in investment accounts.	_____
Total additions	_____
2c. Deductions:	
(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.	<u>603,642</u>
(2) Revenues from commodity transactions.	_____
(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.	<u>97,391</u>
(4) Reimbursements for postage in connection with proxy solicitation.	_____
(5) Net gain from securities in investment accounts.	_____
(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.	_____
(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).	<u>212,681</u>
(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):	_____
_____	_____
(Deductions in excess of \$100,000 require documentation)	
(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.	\$ _____
(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).	\$ _____
Enter the greater of line (i) or (ii)	_____
Total deductions	<u>913,714</u>
2d. SIPC Net Operating Revenues	<u>\$ 5,727,115</u>
2e. General Assessment @ .0015 Rate effective 1/1/2017	<u>\$ 8,591</u>
	(to page 1, line 2.A.)