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

SEC FILE NUMBER
8-67450

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 01/01/18 AND ENDING 12/31/18
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Welcome Life Securities, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
6001 Broken Sound Parkway, Suite 320-A
(No. and Street)

FL 33487
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Jared Smith (561) 862-0241
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Salberg & Company, P.A.
(Name - if individual, state last, first, middle name)

2295 NW Corporate Blvd., Suite 240 Boca Raton FL SEC 33431
(Address) (City) (State) Processing Section (Zip Code)

CHECK ONE:

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

FEB 28 2019
Washington DC
413

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*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)

RMS

OATH OR AFFIRMATION

I, Jared Smith, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Welcome Life Securities, LLC, as of December 31, 2018, 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:



ANTONELLA TAKVORIAN
Commission # GG 213249
Expires June 7, 2022
Bonded Thru Budget Notary Service

[Handwritten Signature]

Signature

FINOP/CFO

Title

Antonella Takvorian
Notary Public

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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
(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).

WELCOME LIFE SECURITIES, LLC

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SALBERG & COMPANY, P.A.

Certified Public Accountants and Consultants

Report of Independent Registered Public Accounting Firm

To the Member of:
Welcome Life Securities, LLC.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Welcome Life Securities, LLC. (the "Company") as of December 31, 2018, 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, 2018 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 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.

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Supplemental Information

The information contained in Schedule I and Supplementary Note 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 Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.



SALBERG & COMPANY, P.A.

We have served as the Company's auditor since 2007

Boca Raton, Florida

February 26, 2019

Welcome Life Securities, LLC
Statement of Financial Condition
December 31, 2018

Assets

Current Assets

Cash and cash equivalents	\$	464,336
Prepaid expenses		14,303
Total Current Assets		478,639

Total Assets	\$	478,639
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Liabilities and Member's Equity

Current Liabilities

Accounts payable and accrued expense	\$	11,958
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Total Current Liabilities		11,958
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Commitments (Note 6)

Accumulated member's capital distributions		(1,719,300)
Retained earnings		2,185,981

Total Member's Equity		466,681
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Total Liabilities and Member's Equity	\$	478,639
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See accompanying notes to financial statements

Welcome Life Securities, LLC
Statement of Income
Year Ended December 31, 2018

Revenues	
Settlement Revenue	\$ 1,293,430
Private Placement Revenue	5,630
Total Revenues	<u>1,299,060</u>
Operating Expenses	
Salaries and benefits	213,368
Registered representative commissions	351,817
General and administrative	73,928
Regulatory & license fees	38,068
Rent expense - related party	8,640
Total Operating Expenses	<u>685,821</u>
Income from Operations	<u>613,239</u>
Net Income	<u>\$ 613,239</u>

See accompanying notes to financial statements

Welcome Life Securities, LLC
Statement of Changes in Member's Equity
Year Ended December 31, 2018

	<u>Accumulated Member's Capital Distributions</u>	<u>Retained Earnings</u>	<u>Total Member's Equity</u>
Balance, December 31, 2017	\$ (1,319,300)	\$ 1,572,742	\$ 253,442
Distributions	(400,000)	-	(400,000)
Net Income, 2018	-	613,239	613,239
Balance, December 31, 2018	\$ (1,719,300)	\$ 2,185,981	\$ 466,681

See accompanying notes to financial statements

Welcome Life Securities, LLC
Statement of Cash Flows
Year Ended December 31, 2018

Cash Flows from Operating Activities	
Net Income	\$ 613,239
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	
Changes in operating assets and liabilities:	
(Increase) decrease in:	
Prepaid expenses	(163)
Increase (decrease) in:	
Accrued payroll and other current liabilities	(3,659)
Net Provided by in Operating Activities	<u><u>609,417</u></u>
Cash Flows from Financing Activities	
Capital distributions	(400,000)
Net Cash Used in Financing Activities	<u><u>(400,000)</u></u>
Net Increase (Decrease) in Cash	209,417
Cash and Cash Equivalents at Beginning of Year	<u>254,919</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>464,336</u></u>
<u>Supplemental Disclosure of Cash Flow Information:</u>	
Interest paid	\$ <u><u>-</u></u>
Taxes paid	\$ <u><u>-</u></u>

See accompanying notes to financial statements

Welcome Life Securities, LLC
Notes to Financial Statements
For the Year Ended December 31, 2018

Note 1 Nature of Operations and Summary of Significant Accounting Policies

(A) Nature of Operations

Welcome Life Securities, LLC (“WLS”), a subsidiary of Welcome Life Financial Group, was incorporated in the state of Florida in March 2006 and is a broker-dealer registered with the Securities and Exchange Commission (“SEC”). WLS is the first broker-dealer firm to exclusively serve the financial community as a variable life insurance settlement broker and provides a fully compliant, turn-key platform for firms and their clients. Welcome Life Securities specializes in products and services exclusively in the secondary market for life insurance, providing broker-dealers and their registered representatives and senior clients with the experience, knowledge and education required to reach fully-informed life settlement decisions.

Welcome Life Securities connects senior clients with institutional funds by navigating the complex secondary market, combining personalized negotiations with a proven auction based platform. The firm ensures the life settlement transaction meets demanding industry regulations and requirements in the rapidly growing life settlement industry, including:

- Suitability
- Compliance
- Due Diligence
- Best Execution
- Training and Education
- Transparency & Proper Disclosures
- Principal Supervision

WLS also serves in the capacity of a private placement broker. In this role the Firm has the responsibility for the marketing of the issuer to independent broker-dealer firms and representatives, institutional and high net worth retail investors. The Firm acts in an Agent capacity during the offering and does not distribute the securities. Such involvement typically is sales oriented which encompasses contacting selling group members on behalf of the companies in order to identify broker’s interest in the offering.

(B) Basis of Presentation

The accompanying financial statements have been prepared pursuant to Rule 17a-5 of the Securities and Exchange Commission Act of 1934. The classification and reporting of items appearing on the financial statements are consistent with that rule.

(C) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Welcome Life Securities, LLC
Notes to Financial Statements
For the Year Ended December 31, 2018

(D) Cash and Cash Equivalents

For purposes of the cash flow statement, WLS considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

(E) Concentrations

Concentration of Credit Risk

WLS maintains its cash in bank deposit accounts. At December 31, 2018, the Company held cash of approximately \$220,031 in excess of federally insured limits. WLS has not experienced any losses in such accounts through December 31, 2018.

Concentration of Vendors and Revenue

In 2018, four "Providers" each represented over 10% of WLS settlement revenue and accounted for 34.2%, 28.9%, 12.7% and 10.4% of WLS settlement revenue.

(F) Computer Software and Equipment

Computer Software and Equipment is stated at cost, less accumulated depreciation. Expenditures for repairs and maintenance is charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is three years for computer equipment and software.

(G) Long-Lived Assets

WLS reviews long-lived assets and certain identifiable assets related to those assets for impairment recognition whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recoverable. If the undiscounted future cash flows is less than the carrying amount, the carrying amount is reduced to fair value and an impairment loss is recognized.

(H) Revenue Recognition and Commissions Receivable

On January 1, 2018, WLS adopted Financial Accounting Standards Board Accounting Standard Codification 606 "Revenue From Contracts with Customers" which prescribes that an entity should account for a contract with a customer that is within its scope using the following five step method:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to separate performance obligations
- Recognize revenue when or as each performance obligation is satisfied

WLS recognizes revenues at the agreed upon transaction price when its performance obligation is satisfied, which occurs after expiration of the rescission date discussed below. Specifically, when the policy transfer is completed between an individual and the life settlement provider

Welcome Life Securities, LLC
Notes to Financial Statements
For the Year Ended December 31, 2018

(the closing date), the provider's escrow company forwards to WLS commission for services rendered. At this point, the individual seller of the policy has either 15, 30 or 60 days (depending on the State) to rescind the transaction. During a rescission period, WLS will record any commissions received as deferred revenues. If a rescission period has expired and a commission has not yet been received, a revenue and related commission receivable will be recognized if collectability is probable.

As it relates to revenue earned related to services performed as a private placement broker, the Firm is compensated for its role with success fees which are generally calculated as a percentage of the total offering once the offerings close. Such fees are recognized upon final closing of the offering which is the point when the performance obligation is satisfied.

(I) Advertising

In accordance with ASC 720-35 costs incurred for producing and communicating advertising of WLS, are charged to operations as incurred. WLS incurred advertising expense the year ended December 31, 2018 of \$0.

(J) Income Taxes

WLS has elected under the Internal Revenue Code to be taxed as a Limited Liability Company ("LLC"). In lieu of Company income taxes, members of a "LLC" Company are taxed on their proportionate share of WLS's taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

The Company evaluates each tax position taken on its tax returns and recognizes a liability for any tax position deemed less likely than not to be sustained under examination by relevant taxing authorities. Management has evaluated the Company's tax positions and concluded that the Company has taken no uncertain tax positions that require adjustment to or disclosures in the financial statements. As of December 31, 2018, tax years since 2015 remain open for IRS audit. The Company has received no notice of audit from the Internal Revenue Service for any of the open tax years.

(K) Fair Value of Financial Instruments and Fair Value Measurements

ASC 825 requires disclosures of information about the fair value of certain financial instruments for which it is practicable to estimate that value and ASC 820 requires the disclosure of the methods and significant assumptions used to estimate the fair value of financial instruments. For purposes of this disclosure, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The carrying amounts of WLS's short-term financial instruments, including accounts payable and accrued expenses and deferred revenue approximate fair value due to the relatively short period to maturity for these instruments.

Welcome Life Securities, LLC
Notes to Financial Statements
For the Year Ended December 31, 2018

Note 2 Computer Software and Equipment

Computer Software and equipment for the years ended is as follows:

	December 31, 2018
Computer Software and Equipment	\$ 8,191
Less accumulated depreciation	(8,191)
Computer Software and Equipment, net	\$ -

Depreciation expense for the year ended December 31, 2018 was \$0.

Note 3 Member's Equity

The Company entered into an operating agreement with Welcome Life Financial Group, LLC (the "Member") which sets forth the rights, obligations, and duties with respect to WLS. The Member has the right, but is not required, to make capital contributions upon request of WLS. The Member may require WLS to make distributions of cash or property at such times and amounts as it determines, subject to regulatory limitations and approval.

During the year ended December 31, 2018, the Member made capital contributions of \$0 and distributions of \$400,000 were made to the Member.

Note 4 Net Capital Requirements

WLS 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.

At December 31, 2018, WLS had net capital of \$452,378, which was \$447,378 in excess of its required net capital of \$5,000. WLS' percentage of aggregated indebtedness to net capital was 2.6%.

Note 5 Related Party Transactions

In December 2016, WLS entered into a Sublease Agreement ("Sublease Agreement") with Welcome Life Financial Group, LLC ("WLF"), its parent company. The Sublease Agreement is for a period of one year and is automatically renewable in one-year increments. Under the terms of the Sublease Agreement, WLS is provided office space, furniture and computer rental, telecommunications and computer services. The monthly fee under the Sublease Agreement is \$720 per month. The total rent expense to this related party was \$8,640 in 2018.

On January 1, 2018, WLS entered into an Expense Sharing Agreement ("Expense Sharing Agreement") with WLF. Under the terms of the Expense Sharing Agreement, if requested, WLF shall provide WLS personnel and support services that are customarily required to the functioning of WLS' business. Amounts are allocated on a monthly basis in accordance with the percentage of time spent by WLF staff on WLS activities. The Expense Share Agreement is for a period of one year and is renewable in one-year increments. There were no expenses incurred under the Expense Sharing Agreement in 2018.

Welcome Life Securities, LLC
Notes to Financial Statements
For the Year Ended December 31, 2018

During the year ended December 31, 2018, the president of the Company provided services at no cost to the Company.

Note 6 Commitments

WLS is a party to a Sub-lease Agreement (refer to Note 5) which was renewed and commenced January 1, 2018 and expires on December 31, 2019.

Future minimum lease payments are as follows:

2018	\$	<u>8,640</u>
Total	\$	<u>8,640</u>

Note 7 Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through February 26, 2019, the date the financial statements were available to be issued.

Welcome Life Securities, LLC

Supplementary Information

Welcome Life Securities, LLC
Schedule I

Computation of Net Capital Under Rule 15c3-1 of the
Securities Exchange Act of 1934
December 31, 2018

Net Capital Computation	
Total Member's Equity	\$ 466,681
Deductions and/or Charges	<u>14,303</u>
Net Capital Before Haircuts	452,378
Haircuts	<u>-</u>
Net Capital	452,378
Required Minimum Capital	<u>5,000</u>
Excess Net Capital	\$ <u>447,378</u>
Aggregate Indebtedness	
Aggregate Indebtedness as Included in Statement of Financial Condition	
Accrued Payroll and Other Current Liabilities	\$ <u>11,958</u>
	<u>\$ 11,958</u>
Percentage of Aggregated Indebtedness to Net Capital	<u>2.6%</u>
Reconciliation with WLS' Computation (included in Part II of Form X-17A-5 as of December 31, 2018)	
Net Capital, per December 31, 2018, Unaudited FOCUS Report, as filed	\$ 452,378
Net Audit Adjustments effecting net capital	<u>-</u>
Net Capital, per the December 31, 2018 Audited Report	<u>\$ 452,378</u>

**Welcome Life Securities, LLC
Supplementary Note**

**Supplementary Information Pursuant to Rule 17a-5 of the
Securities and Exchange Act of 1934
December 31, 2018**

WLS is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(i) of the rule, as no customer funds or securities are held.

Therefore, the following reports are not presented:

1. Computation for Determination of Reserve Requirement under Rule 15c3-3 of the Securities and Exchange Commission.
2. Information Relating to the Possession or Control Requirements under Rule 15c3-3 of the Securities and Exchange Commission.



SALBERG & COMPANY, P.A.

Certified Public Accountants and Consultants

Report of Independent Registered Public Accounting Firm

To the Member of
Welcome Life Securities, LLC

We have reviewed management's statements, included in the accompanying "*Rule 15c3-3 Exemption Report*", in which (1) Welcome Life Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Welcome Life Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) Welcome Life Securities, LLC stated that Welcome Life Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Welcome Life Securities'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 Welcome'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.

SALBERG & COMPANY, P.A.
Boca Raton, Florida
February 26, 2019

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Welcome Life Securities, LLC
Rule 15C3-3 Exemption Report
December 31, 2018

Welcome Life 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 CFR 240.17a-5(d)(a) and (4). To the best of its knowledge and belief, the Company states the following:

The Company claimed an exemption from 17 C.F.R. 240.15c3-3 under the following provisions of 17 C.F.R. 240.15c3-3(k):

- (i) Maintain a minimum net capital requirement of \$5,000 pursuant to SEC Rule 15c3-1(a)(2)(vi) (the Net Capital Rule).
- (ii) Operate pursuant to SEC Rule 15c3-3(k)(2)(i)(the customer Protection Rule). Welcome Life Securities, LLC will not hold customer funds or safekeep customer securities.

During the fiscal year ended December 31, 2018, Welcome Life Securities met without exception the aforementioned exemption provisions from 17 C.F.R. 240.15c3-3.

Welcome Life Securities, LLC.

I, Jared Smith, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By: _____

Title: CFO & FINOPS Principal

February 26, 2019