

CONFIDENTIAL

OATH OR AFFIRMATION

I, David Blaisdell, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Bechtel Financing Services, 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:

David S. Blaisdell

Signature

Vice President

Title

VIRGINIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 47.1-12

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.

Commonwealth of Virginia, County of Fairfax

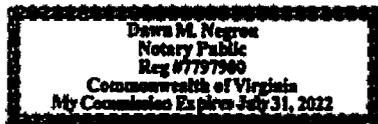
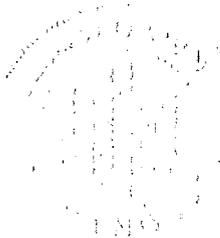
Subscribed and sworn to (or affirmed) before me on this

28th day of February 2019 by

David Blaisdell,

Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me.



Place Notary Seal Above

[Signature]
Signature of Notary Public

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

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

- (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 Securities Investor Protection Corporation (SIPC) supplemental report.
(n) A report describing any material weakness found to exist or found to have existed since the date of the previous audit.

SEC Rule 17a-5(e)(4) states that the Securities Investor Protection Corporation supplemental report should be bound separately.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Member of
Bechtel Financing Services, LLC

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Bechtel Financing Services, LLC (the "Company") as of December 31, 2018 and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement 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 statement is 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 statement, 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 statement. 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 statement. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Company's auditor since 2012. Partners of Harb, Levy & Welland LLP ("HLW") joined EisnerAmper LLP in 2012. HLW had served as the Company's auditor since 2004.

EisnerAmper LLP

EISNERAMPER LLP
San Francisco, California
February 28, 2019

BECHTEL FINANCING SERVICES, LLC
STATEMENT OF FINANCIAL CONDITION
December 31, 2018

(in dollars)

ASSETS

Current assets:

Cash	\$ 350,327
Other assets	1,853

TOTAL ASSETS	\$ 352,180
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LIABILITIES AND MEMBER'S CAPITAL

Current liabilities:

Accounts payable	\$ 18,250
Payables to associated companies	33,930
Total current liabilities	<u>52,180</u>

Member's capital	300,000
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TOTAL LIABILITIES AND MEMBER'S CAPITAL	\$ 352,180
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See Notes to Financial Statements

BECHTEL FINANCING SERVICES, LLC

NOTES TO FINANCIAL STATEMENTS

1. Organization and Business Activities:

Bechtel Financing Services, LLC (the "Company") is a wholly owned subsidiary of Bechtel Enterprises, Inc. ("BENINC"). The Company provides financial advisory services to BENINC, associated companies and, to a minor extent, other parties. The Company is a broker-dealer registered with the Securities and Exchange Commission and neither maintains nor intends to maintain customer accounts; it neither engages nor intends to engage in the trading of securities.

As a limited liability company, the member's liability is limited to the amount reflected in the member's capital account.

2. Use of Estimates:

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

3. Significant Accounting Policies:

Cash

The Company maintains its cash in a money market mutual fund. The Company has not experienced any losses in such account, and management believes that the Company is not exposed to any significant credit risk on this cash account.

Fair value of assets and liabilities

The fair value of the Company's assets and liabilities for which fair value measurement is required or permitted reflect the amounts that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the balance sheet date. The fair value measurements are determined using quoted market prices in active markets for identical assets or liabilities (level 1), significant other observable inputs (level 2) or significant unobservable inputs (level 3).

For accounts payable and payables to associated companies, the carrying values approximate fair market value.

BECHTEL FINANCING SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies, continued:

Revenue Recognition

Effective January 1, 2018, the Company adopted the requirements of Financial Accounting Standard Board's ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended, utilizing the modified retrospective transition method for its contracts. The Company completed its implementation analysis, including identification of revenue streams and reviews of customer contracts under ASU2014-09 framework. The analysis included reviewing current accounting policies and practices to identify potential differences that would result from applying the requirements under the new standard. The Company had evaluated the potential impacts of the new revenue recognition standards on its financial statements and has not identified any material changes in the timing of revenue recognition. The adoption of the new guidance for revenue recognition did not result in any changes to the financial statements for the year ended December 31, 2018

The Company earns a Retainer Fee for having and making available the knowledge and capability to provide certain financing services, which represents performance obligation which is provided and consumed simultaneously, to BEnINC and its affiliates under a Continuing Services Agreement. Retainer fee is earned monthly and is calculated as the total operating and administrative costs incurred which are not covered by any other revenue earned by the Company.

Significant judgments – The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time and when to recognize revenue based on the appropriate measure of the Company's progress under the contract.

4. Transactions with Associated Companies:

The Company has an agreement with an associated company whereby an associated company agrees to provide cash management services with respect to the Company's proportionate individual interest in the funds held and invested by the associated company.

For the year ended December 31, 2018, there were no revenues from associated companies, other than BEnINC, related to advisory services provided to associated companies.

Payables to associated companies of \$33,930 represent expenses paid by associated companies on behalf of the Company outstanding at December 31, 2018.

Substantially all of the Company's transactions including revenue and costs are not arm's length transactions as they are executed with its parent, BEnINC, and other associated

BECHTEL FINANCING SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS

companies. Consequently, the Company's statement of financial condition and statement of operations presented herein may be different from what would have been obtained if such transactions were executed on an arm's length basis with unrelated parties.

5. Net Capital Requirement:

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. At December 31, 2018, the Company had net capital of \$273,624 which was \$268,624 in excess of its required net capital of \$5,000. The Company's net capital ratio was 0.1907 to 1.

6. Income Taxes and Limited Liability Company Fees:

Under current law, no federal or state income taxes are paid directly by limited liability companies. All items of income and expense of the Company are allocable to and reportable by its member in its respective income tax returns. Accordingly, no provision is made in the accompanying financial statements for federal or state income taxes.

As a limited liability company ("LLC"), the Company is subject to LLC fees which are reported under other expenses.

7. Credit Facilities:

An associated company had various committed credit facilities, one of which is available for a combination of borrowing, financial letters of credit or performance letters of credit. The remaining facilities are available for performance letters of credit only. There were no letters of credit issued by the Company under these credit facilities at December 31, 2018. These credit facilities expire in 2021.

In addition to the credit facilities described above, an associated company had uncommitted bilateral letter of credit arrangements with banks which the associated company has made available to the Company and other associated companies. There were no letters of credit issued by the Company under this credit facility at December 31, 2018.

Under the associated companies' credit agreements, the associated company is required to meet certain financial covenants. The associated company is in compliance with these covenants at December 31, 2018.

8. Subsequent Events:

BECHTEL FINANCING SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS

Management evaluated subsequent events through February 27, 2019, the date these financial statements were available to be issued. With the exception of the matter described below, there were no material subsequent events that required disclosure in these financial statements.

On January 15, 2019, Management decided that the registration of the Company as a broker-dealer with FINRA be cancelled and that a Uniform Request for Broker-Dealer Withdrawal (form BDW) be filed with FINRA to withdraw the Company's registration from FINRA and other self-regulatory organizations (SROS), the U.S. Securities and Exchange commission (SEC) and relevant states/jurisdictions no later than March 1, 2019.