



LMHS, P.C.
Certified Public Accountants and Advisors

Report of Independent Registered Public Accounting Firm

To the Shareholder and Board of Directors
S.L. Reed & Company
Los Angeles, California

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of S.L. Reed & Company, as of December 31, 2021, and the related statements of income, changes in shareholder's equity, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of S.L. Reed & Company as of December 31, 2021, and the results of its operations and its cash flows for the year then ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these 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 S.L. Reed & 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 supplementary information appearing on pages 13 through 20 has been subjected to audit procedures performed in conjunction with the audit of S.L. Reed & Company's financial statements. The supplemental information is the responsibility of S.L. Reed & 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 *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.

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We have served as S.L. Reed & Company's auditor since 2021.

Norwell, Massachusetts

February 11, 2022

S.L. REED & COMPANY
STATEMENT OF FINANCIAL CONDITION
December 31, 2021

ASSETS

Cash	\$ 336,710
Receivable from clearing organization	6,172
Other Receivables	16,386
Deposit with clearing organization	140,872
Prepaid expense	17,606
Total assets	<u>\$ 517,746</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Liabilities

Accounts payable and accrued expenses	\$ 72,089
Commissions payable	20,391
Deferred Revenue	11,385
Total liabilities	<u>103,865</u>

Shareholder's Equity

Common stock, \$.01 par value, 10,000,000 shares authorized, 500,000 shares issued and outstanding	5,000
Additional paid-in capital	197,850
Retained earnings	211,031
Total shareholder's equity	<u>413,881</u>
 Total liabilities and shareholder's equity	 <u>\$ 517,746</u>