

## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Members of  
HGP Securities, LLC

We have audited the financial statements of HGP Securities, LLC (A Limited Liability Company) as of and for the year ended December 31, 2015 and have issued our report thereon dated February 22, 2016, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information, presented in Schedules I through III, is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Chicago, Illinois  
February 22, 2016

**JRW**  
**&CO**  
CERTIFIED  
PUBLIC  
ACCOUNTANTS



**JOHN R. WATERS & COMPANY**

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**HGP SECURITIES, LLC**  
**(A Limited Liability Company)**  
**SCHEDULE I**  
**COMPUTATION OF NET CAPITAL**  
**(Under Rule 15c3-1 of the Securities and Exchange Commission Act of 1934)**

**DECEMBER 31, 2015**

NET CAPITAL:

|  |                             |
|--|-----------------------------|
| Total members' equity                              | <u>\$ 137,078</u>           |
| Deductions:  |                             |
| Non-allowable assets:                              |                             |
| Accounts receivable                                | 17,313                      |
| Due from affiliate                                 | 141                         |
| Prepaid expenses                                   | 51,837                      |
| Property and equipment, net                        | 2,471                       |
| Deposits   | <u>1,323</u>                |
| Total deductions                                   | <u>73,085</u>               |
| <br>NET CAPITAL                                    | <br>63,993                  |
| <br>MINIMUM NET CAPITAL REQUIREMENT                | <br><u>5,000</u>            |
| <br>EXCESS NET CAPITAL                             | <br><u><u>\$ 58,993</u></u> |
| <br>AGGREGATE INDEBTEDNESS                         |                             |
| Total liabilities                                  | <u><u>\$ 21,207</u></u>     |
| <br>Ratio of aggregate indebtedness to net capital | <br><u><u>33.14%</u></u>    |

**Reconciliation of Computation of Net Capital to Company's  
unaudited Form X-17a-5 Part IIA filing**

Pursuant to Rule 17a-5(d)(4), no material differences were noted from the Company's computation; therefore, a reconciliation is not considered necessary.