

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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
8-68080

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 01/01/19 AND ENDING 12/31/19  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: HGP SECURITIES, LLC

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

2001 Kirby Drive, Suite 814

(No. and Street)

Houston

TX

77019

(City)

(State)

(Zip Code)

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

Chris McCord

713-955-7935

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

RUBIO CPA, PC

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

2727 Paces Ferry Rd SE, Suite 2-1680 ATLANTA

GA

30339

(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)

## OATH OR AFFIRMATION

I, Christopher McCord, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of HGP SECURITIES, LLC, as of December 31, 2019, 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:

\_\_\_\_\_

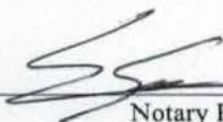
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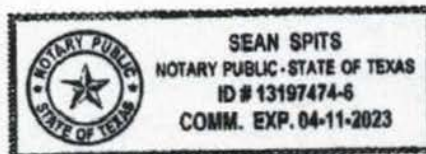
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Signature

CEO

Title

  
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).**

**HGP SECURITIES, LLC**  
(A Limited Liability Company)

Financial Statements  
For the Year End December 31, 2019



**REPORT OF INDEPENDENT  
REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member of  
HGP Securities, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of HGP Securities, LLC (the "Company") as of December 31, 2019, the related statements of operations, 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, 2019, 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement to 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 of our opinion.

Supplemental Information

The information contained in Schedules I, II and III 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 information in Schedules I, II and III 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 accompanying schedules. In forming our opinion on the accompanying

schedules, 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 aforementioned supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have served as the Company's auditor since 2017.

February 15, 2020  
Atlanta, Georgia

A handwritten signature in black ink, appearing to read "Rubio CPA, PC", with a stylized flourish at the end.

Rubio CPA, PC

**HGP Securities, LLC**  
**(A Limited Liability Company)**  
**Statement of Financial Condition**  
**December 31, 2019**

Assets

Cash	\$ 1,457,119
Accounts receivable	33,610
Property and equipment, net of accumulated depreciation of \$24,394	12,914
Right of use asset	132,908
Prepaid expenses and other	28,180
Deposits	<u>5,875</u>
 Total Assets	 <u><u>\$ 1,670,606</u></u>

Liabilities and Member's Equity

Accounts payable	\$ 3,939
Accrued expenses	13,365
Accrued retirement plan contribution	70,000
Lease liability	<u>133,248</u>
 Total Liabilities	 220,552
 Member's Equity	 <u>1,450,054</u>
 Total Liabilities and Member's Equity	 <u><u>\$ 1,670,606</u></u>

See accompanying notes.

**HGP Securities, LLC**  
**(A Limited Liability Company)**  
**Statement of Operations**  
**For the Year ended December 31, 2019**

Revenues:

Investment banking	\$ 2,664,339
Interest	5,070
Other revenue	<u>47,045</u>
 Total Revenues	 <u>2,716,454</u>

Operating Expenses:

Compensation and benefits	822,467
Occupancy and equipment	77,827
Communications	43,224
Professional services	33,355
Advertising and marketing	12,134
Other	<u>73,081</u>
 Total Operating Expenses	 <u>1,062,088</u>

Net Income	<u><u>\$ 1,654,366</u></u>
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See accompanying notes.

**HGP Securities, LLC**  
**(A Limited Liability Company)**  
**Statement of Changes in Member's Equity**  
**For the Year ended December 31, 2019**

Member's Equity - January 1, 2019	\$ 395,688
Distributions to Member	(600,000)
Net income	<u>1,654,366</u>
Member's Equity - December 31, 2019	<u><u>\$ 1,450,054</u></u>

See accompanying notes.



**HGP Securities, LLC**  
**(A Limited Liability Company)**  
**Statement of Cash Flows**  
**For the Year ended December 31, 2019**

Cash used by operating activities:	
Net income	\$ 1,654,366
Items which do not affect cash:	
Depreciation	6,036
Adjustments to reconcile net income to net cash provided by operating activities:	
Change in	
Accounts receivable	7,219
Right of use asset	(132,908)
Prepaid expenses and other	17,852
Deposits	184
Accounts payable	(8,982)
Accrued expenses	62,122
Lease liability	<u>133,248</u>
Net cash provided by operating activities	<u>1,739,137</u>
Cash flows from investing activities:	
Purchase of equipment	<u>(1,407)</u>
Net cash used by investing activities	<u>(1,407)</u>
Cash flows from financing activities:	
Distributions to Member	<u>(600,000)</u>
Net cash used by financing activities	<u>(600,000)</u>
Net increase in cash	<u>1,137,730</u>
Cash - beginning of year	<u>319,389</u>
Cash - end of year	<u><u>\$ 1,457,119</u></u>

See accompanying notes.

**HGP SECURITIES, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 1 – DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Operations

HGP Securities, LLC (the Company) was formed on April 9, 2008 and has been a registered broker-dealer with the Financial Industry Regulatory Authority (FINRA) since September 22, 2009. The Company provides capital raising services and merger and acquisition advisory services to companies in the health-care industry. Hawkeye Bay Capital, LLC is the sole owner of HGP Securities, LLC. As a limited liability company, the member's liability is limited to their investment.

Summary of Significant Accounting Policies

**Use of Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Revenue Recognition** – Revenue from contracts with customers includes placement and advisory services. 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; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on appropriate measure of the Company's progress under the contract; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events.

The Company provides placement and advisory services related to capital raising activities and mergers and acquisitions transactions. Revenue for advisory arrangements is generally recognized at the point in time that performance under the agreement is completed (the closing date of transaction) or the contract is cancelled. However, for certain contracts, revenue is recognized over time for advisory arrangements in which the performance obligations are simultaneously provided by the Company and consumed by the customer. In some circumstances, significant judgement is needed to determine the timing and measure of progress appropriate for revenue recognition under a specific contract. Retainers and other fees received from customers prior to recognizing the revenue are reflected as contract liabilities.

The Company recognizes success fee revenues from capital raising services and merger and acquisition advisory services upon completion of a success fee based transaction. The Company recognizes certain retainer revenue from contracts with customers upon delivery of a list of possible participants to the transaction and delivery of specified marketing materials as these are the performance obligations identified by the Company in accordance with this standard. The amount of retainer revenue recognized without the consummation of a success fee based transaction or formal termination of an engagement was \$135,000 and has been included in investment banking revenue in the accompanying Statement of Operations.



**HGP SECURITIES, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 1 – DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Cash- Cash consists of cash on deposit at a major financial institution. From time to time the account balances may be in excess of amounts insured by the Federal Deposit Insurance Corporation. Management does not believe the Company is exposed to any significant credit risk.

Accounts receivable – Accounts receivable are non-interest bearing uncollateralized obligations receivable in accordance with the terms agreed upon with each client. The Company regularly reviews its accounts receivable for any uncollectible amounts. The review for uncollectible amounts is based on an analysis of the Company's collection experience, customer credit worthiness, and current economic trends. Based on management's review of accounts receivable, no allowance for doubtful accounts is considered necessary.

Property and Equipment – Property and equipment are recorded at cost. Depreciation is provided by use of straight-line methods over the estimated useful lives of the respective assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

**NOTE 2-NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires that the Company maintain 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, 2019, the Company had net capital of \$1,369,475 which was \$1,363,632 in excess of its required net capital of \$5,843. The Company's ratio of aggregate indebtedness to net capital was .01 to 1.0 as of December 31, 2019.

**NOTE 3 -INCOME TAXES**

As a limited liability corporation, the tax consequences of the Company's operations all pass through to the sole member. Accordingly, the Company's financial statements do not include a provision for income taxes. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740 Accounting for Income Taxes, requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the taxing jurisdictions. Management has analyzed the tax positions taken by the Company and has concluded that, as of December 31, 2019, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the Company's financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**HGP SECURITIES, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 4 –LEASE COMMITMENTS**

The Company leases office space under a non-cancelable operating lease expiring in 2023. The Company recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Company recognizes the lease liability and a right of use asset (ROU) on its balance sheet by recognizing the lease liability based on the present value of its future lease payments. The Company uses an incremental borrowing rate of 6% based on what it would approximately have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (present value of the remaining lease payments).

Maturity of the lease liability under the noncancelable operating lease is as follows:

<u>Year Ending December 31,</u>		
2020	\$	34,419
2021		46,370
2022		47,190
2023		19,805
Total	\$	<u>147,784</u>

Total undiscounted lease payments	\$	147,784
Less imputed interest		(14,876)
Plus unamortized balance of lease incentive		<u>340</u>
Total lease liability	\$	133,248

The Company's office space lease requires it to make variable payments for the Company's proportionate share of operating expenses (i.e., building's property taxes, insurance, and common area maintenance). These variable lease payments are not included in lease payments used to determine lease liability and are thus recognized as variable costs when incurred.

The total lease cost including variable costs associated with this lease for the year ended December 31, 2019 was \$67,119.

The Company received rental income during 2019 from one related entity in the amount of approximately \$17,000 and from another unrelated entity in the amount of \$12,000 that have been included in other revenue.



**HGP SECURITIES, LLC**  
**(A Limited Liability Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

**NOTE 5 – EMPLOYEE BENEFITS AND DEFERRED COMPENSATION PLANS**

The Company sponsors a profit sharing plan under Section 401(k) of the Internal Revenue Code benefiting substantially all employees, as defined. Employees are eligible to participate as of the date of their employment. An employer contribution to the plan totaling \$70,000 was expensed by the Company for 2019.

**NOTE 6 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through the date the financial statements were issued.

**NOTE 7 – CONTINGENCIES**

The Company is subject to litigation in the normal course of business. The Company has no litigation in progress at December 31, 2019.

**NOTE 8 – RELATED PARTY TRANSACTIONS**

A Separation and Redemption Agreement executed in 2016 calls for the former owner, Healthcare Growth Partners, Inc. to receive as consideration for the redemption an amount equal to the product of any success fees (but not retainers) actually collected, by the Company (net of any unreimbursed costs in connection with such project) on account of projects pertaining to certain clients. The amount paid pursuant to this agreement in 2019 was approximately \$31,800.

The Company received an earnout in 2019 from an entity that is partially owned by the President of the Company. The amount of this earnout was approximately \$60,000 and is included in investment banking revenue in the accompanying Statement of Operations.

See Note 4 for a description of a sublease agreement in place with a related party.

Financial position and results of operation could differ from the amounts in the accompanying financial statements if these transactions did not exist.

**NOTE 9 – CUSTOMER CONCENTRATIONS**

During 2019, the Company had three customers that accounted for approximately 82% of total revenues.

**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, 2019**

Net Capital:

Total Member's equity	<u>\$ 1,450,054</u>
Deductions:	
Non-allowable assets:	
Accounts receivable	33,610
Prepaid expenses and other	28,180
Property and equipment, net	12,914
Deposits	<u>5,875</u>
Total deductions	<u>80,579</u>
Net Capital	1,369,475
Minimum Net Capital Requirement	<u>5,843</u>
Excess Net Capital	<u><u>\$ 1,363,632</u></u>
Aggregate Indebtedness	
Total liabilities	<u><u>\$ 17,644</u></u>
Percentage of aggregate indebtedness to net capital	<u><u>1.29%</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.

**HGP Securities, LLC  
(A Limited Liability Company)**

**SCHEDULE II  
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2019**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

**SCHEDULE III**

**INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2019**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

**EXEMPTION REPORT**  
**SEA RULE 17a-5(d)(4)**

February 3, 2020

2727 Paces Ferry Rd. SE  
Building 2, Suite 1680  
Atlanta, GA 30339

To Whom It May Concern:

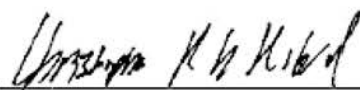
The below information is designed to meet the Exemption Report criteria pursuant to SEC Rule 17a-5(d)(4):

HGP Securities, LLC is a broker/dealer registered with the SEC and FINRA. Pursuant to paragraph k(2)(i) of SEA Rule 15c3-3, the Company is claiming an exemption from SEA Rule 15c3-3 for the fiscal year ended December 31, 2019.

The Company has met the identified exemption provisions throughout the most recent fiscal year without exception.

The above statement is true and correct to the best of my and the Company's knowledge.

Signed: \_\_\_\_\_



Name: Christopher McCord

Title: CEO



# RUBIO CPA, PC

CERTIFIED PUBLIC ACCOUNTANTS

2727 Paces Ferry Road SE  
Building 2, Suite 1680  
Atlanta, GA 30339  
Office: 770 690-8995  
Fax: 770 838-7123

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
HGP Securities, LLC

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

February 15, 2020  
Atlanta, GA



Rubio CPA, PC

**HGP SECURITIES, LLC**  
**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**  
**ON SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)**

To the Member of  
HGP Securities, LLC


We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by HGP Securities, LLC and the SIPC, solely to assist you and SIPC in evaluating HGP Securities, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2019. HGP Securities, LLC's management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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, 2019 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2019, 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.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on HGP Securities, LLC's compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2019. Accordingly, we do not express such an opinion or conclusion. 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 HGP Securities, LLC and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

February 15, 2020  
Atlanta, GA



Rubio CPA, PC

**SIPC-7**

(36-REV 12/18)

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

**General Assessment Reconciliation****SIPC-7**

(36-REV 12/18)

For the fiscal year ended 12/31/19

(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:

068080  
HGP SECURITIES, LLC  
2001 Kirby Drive  
Suite 701  
Houston, TX 77019

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.

Rick Alvarez 770-263-7300

**WORKING COPY**

2. A. General Assessment (item 2e from page 2) \$ 4,004
- B. Less payment made with SIPC-6 filed (exclude interest) ( 1,900 )
- Date Paid 7/22/19
- C. Less prior overpayment applied ( 0 )
- D. Assessment balance due or (overpayment) 2,104
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum 0
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 2,104
- G. PAYMENT: ☒ the box  
Check mailed to P.O. Box ☐ Funds Wired ☐ ACH ☐ \$ 2,104  
Total (must be same as F above)
- H. Overpayment carried forward \$( 0 )

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

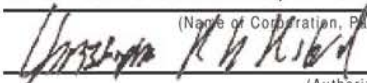
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\_\_\_\_\_

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.

**HGP SECURITIES, LLC**

(Name of Corporation, Partnership or other organization)



(Authorized Signature)

Dated the 03 day of February, 20 20.

Managing Director

(Title)

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 1/1/19  
and ending 12/31/19

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

**Eliminate cents**  
**\$ 2,716,455**

**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

**0**

**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.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (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).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

**dollar for dollar out of pocket reimbursed expenses and rental income**

**47,045**

(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)

**0**

Total deductions

**47,045**

2d. SIPC Net Operating Revenues

**\$ 2,669,410**

2e. General Assessment @ .0015

**\$ 4,004**

(to page 1, line 2.A.)