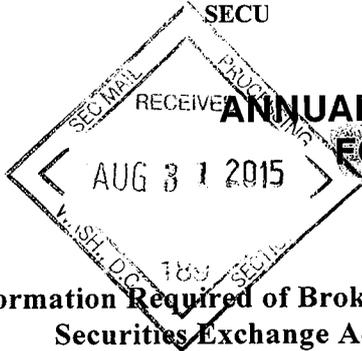




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OMB APPROVAL  
 OMB Number: 3235-0123  
 Expires: March 31, 2016  
 Estimated average burden  
 hours per response..... 12.00

8/31



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

SEC FILE NUMBER  
 8-40417

**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 07/01/2014 AND ENDING 06/30/2015  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: The Champion Group Inc  
 ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
401 E. Sonterra Blvd., Suite 215

OFFICIAL USE ONLY  
 FIRM I.D. NO.

(No. and Street)  
San Antonio Texas 78258  
 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
C. David Gartley 210-490-1482  
 (Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Darilek, Butler & Associates, PLLC

(Name - if individual, state last, first, middle name)  
2702 N. Loop 1604 E., Suite 202 San Antonio Texas 78232  
 (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**

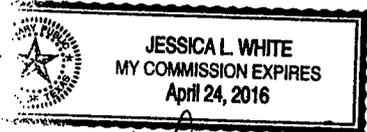
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17d-5(e)(2)

NOB

OATH OR AFFIRMATION

I, C. David Gartley, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of The Champion Group, Inc. of June 30, 2015, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Jessica L. White  
Notary Public

C. D. Gartley  
Signature  
President  
Title

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).

**THE CHAMPION GROUP, INC.**

**Financial Statements  
June 30, 2015**

**THE CHAMPION GROUP, INC.**

**Financial Statements**

**June 30, 2015**

THE CHAMPION GROUP, INC.

Financial Statements  
June 30, 2015

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2702 N. Loop 1604 East, Ste. 202

San Antonio, Texas 78232

Phone (210) 979-0055

Fax (210) 979-0058

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders  
of The Champion Group, Inc.  
San Antonio, Texas

We have audited the accompanying financial statements of The Champion Group, Inc. (the Company), which comprise the statement of financial condition as of June 30, 2015, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Company as of June 30, 2015, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Computation of Net Capital Under Rule 15c3-1, Computation for Determination of Reserve Requirements and the Disclosure of Information related to the Possession or Control Requirements Under Rule 15c3-3, and Reconciliation of Computation of Net Capital Under Rule 15c3-1 (supplemental information) 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

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNT FIRM (CONTINUED)

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.

A handwritten signature in cursive script, appearing to read "J. Parullo".

San Antonio, Texas  
August 26, 2015

THE CHAMPION GROUP, INC.

Statement of Financial Condition  
As of June 30, 2015

ASSETS

Current Assets:

Cash	\$ 131,956
Accounts Receivable - Commissions	7,654
Accounts Receivable - Employees	5,350
Prepaid Expenses	30,344
Total Current Assets	<u>175,304</u>

Fixed Assets:

Office Equipment	60,880
Furniture & Fixtures	10,723
Leasehold Improvements	890
Total Fixed Assets	<u>72,493</u>
Accumulated Depreciation	<u>69,241</u>
	<u>3,252</u>

Other Assets:

Investments, at Fair Value (cost: \$8,170)	14,713
--	--------

TOTAL ASSETS	<u>\$ 193,269</u>
--------------	-------------------

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Accounts Payable - Trade	\$ 34,141
Accrued Liabilities	12,650
Commissions Payable	4,346
Income Tax Payable	1,835
Total Current Liabilities	<u>52,972</u>

Long-Term Liabilities:

Deferred Tax Liability	407
Total Liabilities	<u>53,379</u>

Stockholders' Equity:

Common Stock, \$0.01 Par Value, 1,000,000 Shares Authorized, 350,000 Issued and Outstanding	3,500
Additional Paid-In Capital	111,500
Other Comprehensive Income	6,543
Retained Earnings	18,347
Total Stockholders' Equity	<u>139,890</u>

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 193,269</u>
--	-------------------

THE CHAMPION GROUP, INC.

Statement of Income (Loss)  
For the Year Ended June 30, 2015

Revenues	
Commission Income	\$ 2,897,712
Interest Income	42
Other Income	1,359
	<u>2,899,113</u>
Expenses	
Advertising	3,029
Business Promotion	43,082
Commissions	2,259,408
Contract Labor	4,660
Depreciation	2,486
Dues and Subscriptions	4,060
Other Taxes	6,083
Insurance - Medical	79,102
Insurance - Liability	5,697
Licenses and Examination Fees	36,029
Office	53,708
Payroll Taxes	147,209
Postage and Shipping	1,659
Professional Fees	48,485
Salaries	166,283
Storage and Equipment Rental	2,748
Training and Education	3,583
Travel and Entertainment	36,269
Other Expenses	1,191
	<u>2,904,771</u>
Income (Loss) Before Provision for Income Taxes	<u>(5,658)</u>
Benefit (Provision) for Income Taxes	
Current	(1,835)
Deferred	130
Total Income Tax Benefit (Provision)	<u>(1,705)</u>
Net Income (Loss)	<u>\$ (7,363)</u>

THE CHAMPION GROUP, INC.

Statement of Changes in Stockholders' Equity  
For the Year Ended June 30, 2015

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Total</u>
Balance - June 30, 2014	\$ 3,500	\$ 111,500	\$ 25,710	\$ 3,486	\$ 144,196
Net Income (Loss)	-	-	(7,363)	-	(7,363)
Unrealized Gain (Loss) on Investments	-	-	-	3,057	3,057
Balance - June 30, 2015	<u>\$ 3,500</u>	<u>\$ 111,500</u>	<u>\$ 18,347</u>	<u>\$ 6,543</u>	<u>\$ 139,890</u>

THE CHAMPION GROUP, INC.

Statement of Cash Flows  
For the Year Ended June 30, 2015

Cash Flows from Operating Activities	\$ (7,363)
Net Income (Loss)	
Adjustments to Reconcile Net Income to Cash Provided (Used) by Operating Activities	
Depreciation	2,486
(Increase) Decrease in:	
Accounts Receivable - Commission	29,033
Accounts Receivable - Employees	1,900
Prepaid Expenses	361
Increase (Decrease) in:	
Accounts Payable	19,332
Accrued Liabilities	(13,781)
Commissions Payable	(16,379)
Income Tax Payable	(1,789)
Deferred Tax Liability	(130)
Net Cash Provided by Operating Activities	<u>13,670</u>
Cash Flows from Investing Activities	
Purchase of Fixed Assets	<u>(1,331)</u>
Net Cash Provided (Used) by Investing Activities	<u>(1,331)</u>
Net Increase (Decrease) in Cash	12,339
Cash Balance - June 30, 2014	<u>119,617</u>
Cash Balance - June 30, 2015	<u>\$ 131,956</u>

## THE CHAMPION GROUP, INC.

Notes to the Financial Statements  
June 30, 2015

### Note A – General Information

#### **Nature of Operations**

The Champion Group, Inc. (the Company) was incorporated under the laws of the State of Delaware on October 7, 1988. The company is engaged in the broker/dealership of direct participation programs and general securities. The Company is also registered to sell mutual funds on a commission basis. The Company does not hold customer securities or have customer accounts.

### Note B – Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of the Company. These accounting policies conform to U.S. generally accepted accounting principles (GAAP) and were utilized in preparing the accompanying financial statements.

#### **Use of Estimates**

The process of preparing financial statements in conformity with GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Accordingly, upon settlement, actual results may differ from estimated amounts.

#### **Fixed Assets**

Fixed assets are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation expense for the year ended June 30, 2015 was \$2,486.

#### **Commission Income**

The Company recognizes commission income when earned under the terms of the offering memorandums for the programs sold. Under these terms, commissions are earned when available for distribution from escrow or upon the completion of significant events as specified in the offering memorandum.

#### **Commissions Receivable/Payable**

Commissions receivable are related to commissions earned by the Company that have not been received. In addition, there are commissions paid to the broker which are accrued as commissions payable. As of June 30, 2015, the Company had commissions receivable and commissions payable of \$7,654 and \$4,346, respectively.

THE CHAMPION GROUP, INC.

Notes to the Financial Statements  
June 30, 2015

Note B – Summary of Significant Accounting Policies (Continued)

**Income Taxes**

Deferred income tax assets and liabilities are computed annually for differences between the financial statements and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets or liabilities. The Company is no longer subject to U.S. federal and state income tax examinations by tax authorities for fiscal years before June 30, 2008.

**Advertising Costs**

Advertising costs are expensed as incurred and were \$3,029 during 2015.

**Investments**

Investments represent equity securities in publicly traded domestic companies. The investments are held as available for sale by the Company and are recorded at fair value at June 30, 2015. Securities classified as “available for sale” are carried in the financial statements at fair value. Realized gains and losses, determined using the first-in, first-out (FIFO) method, are included in earnings; unrealized holding gains and losses are reported in other comprehensive income.

**Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash represents cash on hand, cash in clearing deposit accounts, and cash in bank depository accounts.

Note C – Related Party Transactions

The Company operates under an arrangement with Venture Exploration Corp. d/b/a Combined Resources Group (“Combined”) to provide marketing services for oil and gas ventures that Combined has developed. The Company and Combined are owned by the same individuals. As part of the arrangement with Combined, the Company is provided with office facilities and long distance telephone service at no charge. During the year ended June 30, 2015, the Company received commissions totaling \$2,897,712 from the sale of joint venture interests issued by Combined.

THE CHAMPION GROUP, INC.

Notes to the Financial Statements  
June 30, 2015

Note D – Federal Income Taxes

The Company's effective tax rate differs from the expected federal income tax rate as follows:

Tax Expense (Benefit) at Statutory Rate	\$ (849)
Permanent Differences	2,554
Temporary Differences	130
Net Current Tax Expense (Benefit)	<u>\$ 1,835</u>

The Company's deferred tax benefit is composed of the following:

Change in tax effect of:

Temporary Differences - Depreciation	\$ 224
Temporary Differences - Charitable Contributions	(354)
	<u>\$ (130)</u>

The components of the deferred tax liability are as follows:

Temporary Differences - Depreciation	\$ (467)
Temporary Differences - Charitable Contributions	60
	<u>\$ (407)</u>

Note E – Major Customers

A substantial portion of the investments sold by the Company are developed by Combined (see Note C). During 2015, commissions from the sale of joint venture interests that Combined issued aggregated \$2,897,712, or 100% of total commission income.

## THE CHAMPION GROUP, INC.

Notes to the Financial Statements  
June 30, 2015

### Note F – Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of the greater of 6 2/3% of aggregate indebtedness or \$5,000. As of June 30, 2015, the Company had net capital of \$95,781, which was \$90,781, in excess of its required net capital of \$5,000. The Company's net capital ratio was .5531 to 1 (see Schedule I).

### Note G – Retirement Plan

The Company established a 401(k) retirement plan in July 2000. Eligible employees of the Company may participate in the plan and make voluntary contributions pursuant to a salary reduction agreement. Employees who have completed one year of service with a minimum of 1,000 hours of service worked are eligible. Company contributions to the plan are discretionary. The Company made no contributions to the plan for the year ended June 30, 2015.

### Note H – Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Company maintains cash balances at Broadway Bank and IBC Bank located in Texas. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation. At June 30, 2015, the Company's uninsured cash balances total \$0.

### Note I – Proposed Accounting Changes

Effective January 1, 2017, the Company will be required to adopt the new guidance of ASC Topic 606, Revenue from Contracts with Customers (Topic 606), which will supersede the revenue recognition requirements in ASC Topic 605, Revenue Recognition. Topic 606 requires the Company to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance requires the Company to apply the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, the Company satisfies a performance obligation. The Company will be required to adopt Topic 606 either on a full retrospective basis to each prior reporting period presented or on a modified retrospective basis with the cumulative effect of initially applying the new guidance application. If the Company elects the modified retrospective approach, it will be required to provide additional disclosures of the amount by which each financial statement line item is affected in the current reporting period, as compared to the guidance that was in effect before the change, and an explanation of the reasons for significant changes. The Company has not yet completed its assessment of the impact of the new guidance on its financial statements.

THE CHAMPION GROUP, INC.

Notes to the Financial Statements  
June 30, 2015

Note J – Subsequent Events

The Company has evaluated subsequent events through August 26, 2015, the date which the financial statements were available to be issued. No such events have occurred subsequent to the balance sheet date and through the date of the Company's evaluation that would require adjustment to, or disclosure in, the financial statements.

THE CHAMPION GROUP, INC.

Schedule I – Computation of Net Capital Under Rule 15c3-1  
of the Securities and Exchange Commission  
June 30, 2015

Net Capital and Computation of Basic Net Capital Requirements

Total Stockholder's Equity	\$ 139,890
Plus: Allowable Liability	407
Less: Nonallowable Assets	<u>(42,320)</u>
Net Capital before Haircuts on Securities	97,977
Haircuts on Securities	<u>(2,196)</u>
Net Capital	95,781
Less: Net Assets not Allowable for Net Capital (Greater of 6-2/3% of Aggregate Indebtedness or \$5,000)	<u>5,000</u>
Excess Net Capital	<u>\$ 90,781</u>

Aggregate Indebtness

Items Included in the Statement of Financial Condition:

Accounts Payable	\$ 46,791
Commission Payable	4,346
Tax Liabilities	1,835
Total Aggregate Indebtedness	<u>\$ 52,972</u>
Ratio: Aggregate Indebtedness to Net Capital	<u>.5531 to 1</u>

THE CHAMPION GROUP, INC.

Schedule II – Other Reporting Requirements  
June 30, 2015

**Computation for Determination of Reserve Requirements and the Disclosure of Information Related to the Possession or Control Requirements Under Rule 15c3-3.**

The computation for determination of reserve requirements and the information related to the possession or control requirements under Rule 15c3-3 are not applicable. The Company primarily deals in direct participation programs, mutual funds, and general securities. The Company does not hold customer securities or have customer accounts and qualifies for exemption under Rule 15c3-3 (k)(2)(i).

**Reconciliation of the Computation of Net Capital Under Rule 15c3-1.**

Net Capital, as Reported in Part II (Unaudited) Amended FOCUS Report	\$ 95,781
Difference - Year-end Audit Adjustments	-
Net Capital per Schedule I	<u>\$ 95,781</u>

The reconciliation of the computation of net capital did not differ from the net capital calculated in Schedule I.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders  
of The Champion Group, Inc.  
San Antonio, Texas

We have reviewed management's statements, included in the accompanying financial statements on page 14, in which (1) The Champion Group, Inc. (the Company) identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (the "exemption provision") and (2) the Company stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 the Company'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.

San Antonio, Texas

August 26, 2015

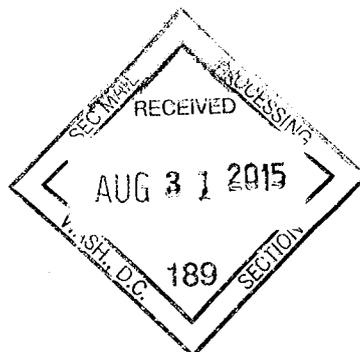


THE CHAMPION GROUP, INC.

Independent Accountant's Agreed-Upon Procedures Report  
On Schedule of Assessment and Payments (Form SIPC-7)  
For the Year Ended  
June 30, 2015

THE CHAMPION GROUP, INC.

Independent Accountant's Agreed-Up Procedures Report  
On Schedule of Assessment and Payments (Form SIPC-7)  
For the Year Ended  
June 30, 2015



THE CHAMPION GROUP, INC.

Independent Accountant’s Agreed-Upon Procedures Report  
on Schedule of Assessment and Payments (Form SIPC-7)  
For the Year Ended June 30, 2015

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ATTACHMENT – Schedule of Assessment and Payments (Form SIPC-7)	

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

The Board of Directors  
The Champion Group, Inc.  
San Antonio, Texas

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended June 30, 2015, which were agreed to by The Champion Group, Inc. ("the Company"), and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and other specified parties in evaluating the Company's compliance with the applicable instructions of Form SIPC-7. The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of those 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 [Check #7349 dated 1/29/2015 – QuickBooks] noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended June 30, 2015, as applicable, with the amounts reported in Form SIPC-7 for the year ended June 30, 2015, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers [QuickBooks Profit & Loss Schedule and excerpts from QuickBooks general ledger for the period from July 2014 through June 2015] noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers [QuickBooks Profit & Loss Schedule and excerpts from QuickBooks general ledger] supporting the adjustments noted no differences.

INDEPENDENT ACCOUNTANT'S AGREED-UPON PROCEDURES REPORT  
ON SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7) (CONTINUED)

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. 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 the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

San Antonio, Texas  
August 26, 2015



**SIPC-7**

(33-REV 7/10)

**SECURITIES INVESTOR PROTECTION CORPORATION**

P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended 8/30/2015

(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-6:

046417 FINRA JUN  
THE CHAMPION GROUP INC  
401 E SONTERRA BLVD STE 215  
SAN ANTONIO TX 78258-4314

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.

C David Gartley 210-490-1482

2. A. General Assessment (Item 2e from page 2) \$ 1,599

B. Less payment made with SIPC-6 filed (exclude interest) (1,150)

1/30/15  
Date Paid

C. Less prior overpayment applied ( )

D. Assessment balance due or (overpayment) 449

E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_

F. Total assessment balance and interest due (or overpayment carried forward) \$ 449

G. PAID WITH THIS FORM:

Check enclosed, payable to SIPC  
Total (must be same as F above)

\$ 449

H. Overpayment carried forward \$ ( )

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

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.

The Champion Group, Inc.  
(Name of Corporation, Partnership or other organization)

CW Munn  
(Authorized Signature)

Dated the 28 day of August, 20 15.

President  
(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.

<b>SIPC REVIEWER</b>	Dates:	<u>                    </u>	<u>                    </u>	<u>                    </u>
		Postmarked	Received	Reviewed
	Calculations	<u>                    </u>	Documentation	<u>                    </u>
	Exceptions:			
	Disposition of exceptions:			

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 7/1/2014  
and ending 6/30/2015

Eliminate cents

Item No.

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

\$ 2,902,167

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

639  
2,902,806

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):

(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 3060).

\$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

Total deductions

2,263,101  
639,705

2d. SIPC Net Operating Revenues

\$ \_\_\_\_\_

2e. General Assessment @ .0025

\$ 1,599  
(to page 1, line 2.A.)