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

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|---|----------------|
| OMB Number: | 3235-0123 |
| Expires: | April 30, 2013 |
| Estimated average burden hours per response..... | 12.00 |

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

SEC
Mail Processing
Section
MAR 02 2015
Washington DC
404

| SEC FILE NUMBER |
|-----------------|
| 8-18148 |

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 01/01/14 AND ENDING 12/31/14
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: South Texas Securities Co.

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO. |

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
13027 Taylorcrest, Box 79626

Houston TX 77279
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
F. E. Hartung 713-464-7076

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

EXEMPTION BASED ON SECTION 240.17a-5(e)(1)(i)(B)

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

(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)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Mr
3/10

OATH OR AFFIRMATION

I, Frank E. Hartung, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of South Texas Securities Co., as of December 31, 2014 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,

Facts and circumstances relied upon as basis for exemption from requirement that these statements and schedules need to be audited: since the date of the previous financial statements of the report filed pursuant to Sec. 240.17a5, the firm has not conducted any securities business other than buying and selling evidences of indebtedness secured by mortgage, deed of trust, or other lien upon real estate or leasehold interests, and the firm has not carried any margin account, credit balance, or security for any securities customer.

Frank E. Hartung

Charlene A. Amante

Partner

CHARLENE A. AMANTE
Notary Public, State of Michigan
County of Ottawa
My Commission Expires May 11, 2019
Acting in the County of Ottawa

2/26/15

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).

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

SOUTH TEXAS SECURITIES CO.

as of 12/31/14

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING,
NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS
LIABILITIES AND OWNERSHIP EQUITY**

| <u>Liabilities</u> | <u>A.I. Liabilities</u> | <u>Non-A.I. Liabilities</u> | <u>Total</u> |
|--|-----------------------------|---------------------------------|-----------------|
| 13. Bank loans payable | \$ 1045 | \$ 1255 | \$ 1470 |
| 14. Payable to brokers or dealers: | | | |
| A. Clearance account | 1114 | 1315 | 1560 |
| B. Other | 1115 | 1305 | 1540 |
| 15. Payable to non-customers | 1155 | 1355 | 1610 |
| 16. Securities sold not yet purchased, at market value | | 1360 | 1620 |
| 17. Accounts payable, accrued liabilities, expenses and other | 1205 | 1385 | 1685 |
| 18. Notes and mortgages payable: | | | |
| A. Unsecured | 1210 | | 1690 |
| B. Secured | 1211 | 1390 | 1700 |
| 19. Liabilities subordinated to claims of general creditors: | | | |
| A. Cash borrowings: | | 1400 | 1710 |
| 1. from outsiders \$ 970 | | | |
| 2. Includes equity subordination (15c3-1(d)) of \$ 980 | | | |
| B. Securities borrowings, at market value from outsiders \$ 990 | | 1410 | 1720 |
| C. Pursuant to secured demand note collateral agreements | | 1420 | 1730 |
| 1. from outsiders \$ 1000 | | | |
| 2. includes equity subordination (15c3-1(d)) of \$ 1010 | | | |
| D. Exchange memberships contributed for use of company, at market value | | 1430 | 1740 |
| E. Accounts and other borrowings not qualified for net capital purposes | 1220 | 1440 | 1750 |
| 20. TOTAL LIABILITIES | \$ 1230 | \$ 1450 | \$ 1760 |
| <u>Ownership Equity</u> | | | |
| 21. Sole proprietorship | | | \$ 1770 |
| 22. Partnership (limited partners) | \$ 1020 | | 211,540 1780 |
| 23. Corporation: | | | |
| A. Preferred stock | | | 1791 |
| B. Common stock | | | 1792 |
| C. Additional paid-in capital | | | 1793 |
| D. Retained earnings | | | 1794 |
| E. Total | | | 1795 |
| F. Less capital stock in treasury | | | () 1796 |
| 24. TOTAL OWNERSHIP EQUITY | | | \$ 211,540 1800 |
| 25. TOTAL LIABILITIES AND OWNERSHIP EQUITY | | | \$ 211,540 1810 |

OMIT PENNIES

STATEMENT OF FINANCIAL CONDITION
SOUTH TEXAS SECURITIES CO. (A PARTNERSHIP)

12/31/2014

ASSETS

| | |
|-------------------------|---------------|
| Cash | 77,563 |
| Marketable Securities | 119,692 |
| Receivable from Brokers | <u>14,285</u> |
| TOTAL ASSETS | 211,540 |

PARTNERS CAPITAL 211,540

TOTAL LIABILITIES AND CAPITAL 211,540

Note 1: Accounting Policies. Security transactions are recorded on settlement dates. Securities are valued at market. No provision has been made for income taxes, as each partner is responsible individually for applicable taxes.

Note 2: The company's net capital and net capital requirement under SEC Rule 15c3-1 were \$170,134 and \$ 100,000 respectively.

A copy of the Statement of Financial Condition of the most recent annual report of the Company pursuant to SEC Rule 17a-5 is available for examination at the office of the Company and at the regional office of the SEC, Fort Worth, Texas