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

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

SEC Processing Section  
FEB 27 2017  
Washington DC

SEC FILE NUMBER
8-32155

**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 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Advisory Group Equity Services, LTD

OFFICIAL USE ONLY
15427
FIRM I.D. NO.

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

444 Washington Street, Suite 407

Woburn (No. and Street) MA 01801  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Daniel Dane 508-263-6208  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Siegrist, Cree, Alessandri & Strauss, CPAs, P.C.

20 Walnut Street, Suite #313 Wellesley Hills MA 02481  
(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**

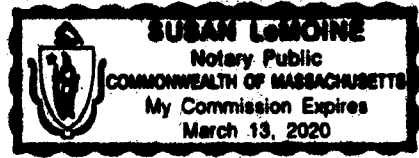
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, William H McDance, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Advisory Group Equity Services, LTD, as of December 31, 2016, 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:

William H McDance  
Signature  
President  
Title

Susan L Malone  
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).

**Advisory Group Equity Services, LTD  
Financial Statements and  
Supplemental Schedules  
December 31, 2016**

SEC  
Mail Processing  
Section

FEB 27 2017

Washington DC  
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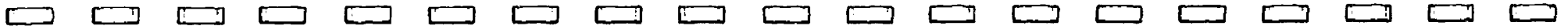
**Advisory Group Equity Services, LTD**  
**Financial Statements and**  
**Supplemental Schedules**  
**December 31, 2016**

# Advisory Group Equity Services, LTD

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**ACCOUNTANT'S REPORT**





## **Report of Independent Registered Public Accounting Firm**

To the Board of Directors of  
Advisory Group Equity Services, LTD

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Advisory Group Equity Services, LTD, which comprise the statement of financial condition as of December 31, 2016, and the related statements of income, changes in shareholder's 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.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position, results of operations and cash flows of Advisory Group Equity Services, LTD as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

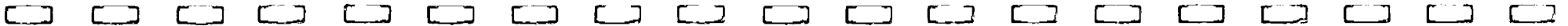
Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedules I, II and III are presented for the purpose of additional analysis and are not a required part of the basic financial statements but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission under the Securities Exchange Act of 1934. 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 contained in the supplemental schedules has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Siegrist, Cree, Alessandri + Strauss*

Siegrist, Cree, Alessandri & Strauss, CPAs, P.C.  
February 13, 2017



**FINANCIAL INFORMATION**



**Advisory Group Equity Services, LTD**  
**Statement of Financial Condition**  
**December 31, 2016**

<u>Assets</u>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 212,016
Cash, restricted	50,000
Commissions receivable, net of \$0 allowance	226,468
Investments	10,003
Prepaid charges and other current assets	59,946
	558,433
<b>Total current assets</b>	<b>558,433</b>
Furniture and equipment, at cost	67,414
Less: accumulated depreciation	(49,481)
	17,933
Security deposit	11,400
	11,400
<b>Total assets</b>	<b>\$ 587,766</b>
<u>Liabilities and Shareholder's Equity</u>	
<b>Current liabilities</b>	
Commissions payable	\$ 189,825
Accounts payable	16,443
Accrued expenses	7,557
Deferred registered representative fees	76,370
	290,195
<b>Total current liabilities</b>	<b>290,195</b>
<b>Shareholder's equity</b>	
Common stock, no par value, 15,000 shares authorized, 100 shares issued and outstanding	6,500
Additional paid in capital	547,159
Accumulated comprehensive income	697
Deficit	(256,785)
	297,571
<b>Total shareholder's equity</b>	<b>297,571</b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ 587,766</b>

The Report of the Independent Registered Public Accounting Firm and  
notes are an integral part of these financial statements.

# Advisory Group Equity Services, LTD

## Statement of Income

For The Year Ended December 31, 2016

### Revenues:

Commission income	\$ 3,427,867
Other income	136,296
Interest and dividend income	20,727
<b>Total revenues</b>	<u>3,584,890</u>

### Operating expenses:

Commission expenses	2,670,060
Employees compensation and benefits	651,613
Clearance fees	147,570
Office expenses	58,641
Occupancy expense	58,247
Legal settlement	55,350
Professional fees	50,581
Communications and technology	44,512
Regulatory fees	42,217
Other operating expenses	14,254
Meetings	13,853
Insurance	10,947
Travel and entertainment	9,504
Postage and delivery	6,337
Education and training	4,000
Depreciation	3,989
<b>Total operating expenses</b>	<u>3,841,675</u>

**Net loss for year** \$ (256,785)

The Report of the Independent Registered Public Accounting Firm and notes are an integral part of these financial statements.

**Advisory Group Equity Services, LTD**  
**Statement of Changes in Shareholder's Equity**  
**For the Year Ended December 31, 2016**

	<u>Common Stock</u>	<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Comprehensive Income</u>	<u>Total</u>
Balance, December 31, 2015	\$ 6,500	\$ 598,385	\$ 181,729	\$ 697	\$ 787,311
Return of capital	-	(51,226)	-	-	(51,226)
Dividends paid	-	-	(181,729)	-	(181,729)
Net loss for year	-	-	(256,785)	-	(256,785)
Balance, December 31, 2016	<u>\$ 6,500</u>	<u>\$ 547,159</u>	<u>\$ (256,785)</u>	<u>\$ 697</u>	<u>\$ 297,571</u>

The Report of the Independent Registered Public Accounting Firm and notes are an integral part of these financial statements.

# Advisory Group Equity Services, LTD

## Statement of Cash Flows

For the Year Ended December 31, 2016

### Cash flows from operating activities:

Net loss for year	\$ (256,785)
Adjustments to reconcile loss to net cash provided/(used) by operating activities:	
Depreciation	3,989
Unrealized gain on investments	0
(Increase) decrease in:	
Commissions receivable	63,717
Prepaid expenses	118,836
Commissions payable	(90,127)
Accounts payable and accrued expenses	5,418
Deferred registered representative fees	(42,902)
Clearing firm payable	(1,140)
Net cash used by operating activities	<u>(198,994)</u>

### Cash flows from financing activities:

Return of capital	(51,226)
Dividends paid	(181,729)
Increase insurance premium financing	<u>(78,649)</u>
Net cash used by financing activities	<u>(311,604)</u>

Net decrease in cash and cash equivalents (510,598)

Cash and cash equivalents, beginning of the year 772,614

Cash and cash equivalents, end of the year \$ 262,016

### Supplemental disclosures of cash flow information

#### Cash paid during the year for:

Income taxes	<u>\$ -</u>
Interest	<u>\$ 1,479</u>

The Report of the Independent Registered Public Accounting Firm and notes are an integral part of these financial statements.



ADVISORY GROUP EQUITY SERVICES, LTD.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

**Note 1 – Nature of Business**

Advisory Group Equity Services, LTD. (the Company) was formed June 25, 1984 as a Massachusetts corporation. The Company is a registered securities broker/dealer engaged in securities trading and sales, retail brokerage and other financial services. The Company is a member of the Financial Industry Regulatory Authority ("FINRA") and clears its customer accounts through Sterne, Agee & Leach, Inc. (SEC No. 8-11754), on a fully disclosed basis.

The Company is a wholly-owned subsidiary of TAG Group, Inc.

**Note 2 – Significant Accounting Policies**

Basis of accounting:

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States on the accrual basis of accounting.

Cash and Cash Equivalents

The Company considers deposits and short-term debt securities with maturities of ninety days or less to be cash and cash equivalents.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Income Taxes

The Company is a member of a consolidated group for federal and state income tax purposes. The Company's parent has elected to file the consolidated federal and state income tax returns as an S-Corporation under the Internal Revenue Code and to treat the Company as a qualified subchapter S subsidiary ("QSUB"). With this election all income is reported by the shareholders of the parent company on their individual income tax returns.

The Company adopted, "Accounting for Uncertainty of Income Taxes", which prescribes comprehensive guidelines for recognizing, measuring, presenting and disclosing in the financial statements tax positions taken or expected to be taken on tax returns. The Organization has no uncertain tax positions during the year ended December 31, 2016.

Concentrations of Credit Risk

The Company maintains cash in bank deposit accounts at banks located in Massachusetts. The balance of these accounts may, at times, exceed federally insured limits. The bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. At December 31, 2016 the Company had no balances in excess of FDIC insured limits in these bank accounts. The Company has not experienced any losses in such accounts.

The Company maintains cash balances in accounts that are not insured by the FDIC. At December 31, 2016 the uninsured cash balances in those accounts totaled \$74,975.

ADVISORY GROUP EQUITY SERVICES, LTD.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

**NOTE 2 - Significant Accounting Policies (continued)**

Revenue and Cost Recognition

The Company recognizes commission income and related expenses on a settlement date basis, which is the industry standard. Accounting principles generally accepted in the United States of America require trade date presentation. Income and related expenses as a result of settlement date to trade date conversion are immaterial to the financial statements.

Uncollectible Commissions Receivable

Commissions receivable have been adjusted for all known uncollectible amounts. An allowance for uncollectible commissions receivable was not considered necessary as of December 31, 2016.

Furniture, Equipment, and Leasehold Improvements

Acquisitions of property and equipment are stated at cost. Any expenditure for repairs, maintenance, renewals, and betterments that enhance the useful lives of the assets are capitalized and depreciated. Depreciation is provided based on accelerated and straight-line methods over the estimated useful lives of the assets. The estimated useful lives of furniture and equipment are 5 to 7 years and 15 years for leasehold improvements.

**Note 3 – Net Capital Requirements**

The Company, as a registered broker-dealer, is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1) which requires maintaining minimum net capital of \$50,000 or six and two thirds percent of "aggregated debt items" whichever is greater, as defined. As of December 31, 2016, the Company had a net capital requirement of \$50,000.

To be in compliance with this rule, the Company's ratio of aggregated indebtedness to net capital must not exceed 15 to 1. At December 31, 2016, the ratio of the Company's aggregate indebtedness to net capital was 1.6197 to 1.

**Note 4 - Fair Value Measurements**

The "Fair Measurements and Disclosures" topic in the FASB Accounting Standards Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3), defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. FASB ASC 820 requires disclosures of the fair values of most financial instruments for which it is practicable to estimate that value. The scope of FASB ASC 820 excludes certain financial instruments such as trade receivables and payables when the carrying value approximates the fair value, employee benefit obligations and all non-financial instruments, such as fixed assets. The fair value of the Company's assets and liabilities which qualify as financial instruments under FASB ASC 820 approximate the carrying amounts presented in the Statement of Financial Condition.

The three levels of the fair value hierarchy under FAS 157 and its applicability to the Company are described:

- Level 1 - Pricing inputs are quoted prices available in active markets for identical assets or liabilities the Company has the ability to assess. As required by the FASB "Fair Value Measurements and Disclosures" topic, the Company does not adjust the quoted prices for these investments even in situations where the Company holds a large position and a sale could reasonably impact the quoted price.



ADVISORY GROUP EQUITY SERVICES, LTD.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2016

**Note 4 - Fair Value Measurements (continued)**

- Level 2 - Pricing inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly for substantially the full term through corroborations with observable market data. Level 2 includes investments valued at quoted prices adjusted for legal or contractual restrictions specific to those investments.
- Level 3 - Pricing inputs are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. Level 3 includes investments that are supported by little or no market activity.

At December 31, 2016 the Company's investment in a common stock was listed at a Level 1 fair value of \$10,003. This value includes an unrealized gain of \$697 recorded in a prior year. No change in fair value was recorded for the year ended December 31, 2016.

**Note 5 - Lease Commitments**

The Company leases its facility under a four year agreement expiring September 30, 2020. The annual rental is \$56,544, paid in monthly installments of \$4,712.

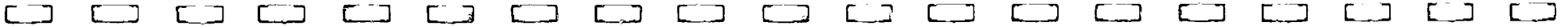
Future annual minimum rental payments under the facility lease over the next five years follows:

<u>Year</u>	<u>Amount</u>
2017	\$56,544
2018	\$56,544
2019	\$56,544
2020	\$42,408

**Note 6 - Subsequent Events**

Management has evaluated events and transactions occurring after the date of the Statement of Financial Condition through February 13, 2017, which is the date the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the Statement of Financial Condition through the date of management's review substantially affect the amounts and disclosure of the accompanying financial statements.

**ACCOUNTANT'S REPORT**



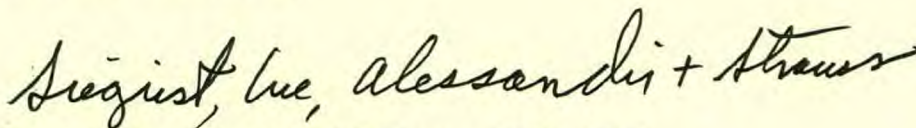
**Report of Independent Registered Public Accounting Firm  
required by SEC Rule 17a-5 for a Broker-Dealer  
claiming an exemption from SEC Rule 15c3-3**

To: Board of Directors of  
Advisory Group Equity Services, LTD

We have reviewed management's statement, included in the accompanying "Financial and Operational Combined Uniform Single Report – Part IIA, Exemptive Provision under Rule 15c3-3" in which (1) Advisory Group Equity Services, LTD identified the following provisions of 17 C.F.R. 15c3-3(k) under which Advisory Group Equity Services, LTD claimed an exemption from 17 C.F.R. 240.15c3-3 (k)(2)(ii) (the "exemption provisions") and (2) Advisory Group Equity Services, LTD stated that Advisory Group Equity Services, LTD met the identified exemption provisions throughout the most recent fiscal year without exception. Advisory Group Equity Services, LTD'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 Advisory Group Equity Services, LTD'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 conditions set forth in (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Siegrist, Cree, Alessandri & Strauss, CPAs, P.C.  
20 Walnut Street, Wellesley Hills, MA 02481  
February 13, 2017



444 Washington Street, Suite 407  
Woburn, MA 01801  
Toll Free: (866) 661-0130  
Tel: (781) 933-6100  
Fax: (781) 933-6101  
[www.agesbrokerage.com](http://www.agesbrokerage.com)

February 13, 2017

Siegrist, Cree, Alessandri & Stauss, CPSs, P.c.  
20 Walnut Street  
Wellesley Hills, MA 02481

Re: Advisory Group Equity Services, Ltd. Exemption Report

Dear Mr. Alessandri:

This statement is to notify you that, to the best knowledge and belief of Advisory Group Equity Services, Ltd., our firm claims an exemption under 17 CFR 240.15c3-3(k)(2)(i).

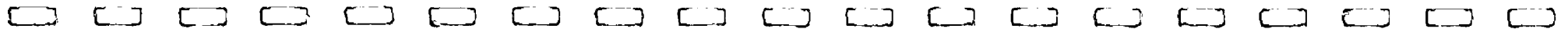
Pursuant to 17 CFR 240.15c3-3(k)(2)(ii), Advisory Group Equity Services, Ltd. is an introducing broker/dealer which clears all transactions with and for customers on a fully disclosed basis with a clearing broker or dealer, and promptly transmits all customer funds and securities to the clearing broker or dealer which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of Sections 240.17a-3 and 240.17a-4 of Chapter [17] as are customarily made and kept by a clearing broker or dealer.

Advisory Group Equity Services, Ltd. has met the exemption provisions of 17 CFR 240.15c3-3(k)(2)(i) throughout the most recent fiscal year without exception.

Sincerely,

William H. McCance  
President

Susan LeMoine  
Treasurer



**Advisory Group Equity Services, LTD**  
**Schedule I**  
**Computation of Net Capital Under**  
**Rule 15c3-1 of the Securities and**  
**Exchange Commission Act of 1934**

December 31, 2016

Net Capital:	
Total stockholder equity qualified for net capital	\$ 297,571
Deduction for non-allowable assets	<u>(118,411)</u>
Net capital before haircuts	179,160
Less: Haircuts	<u>-</u>
Net capital	179,160
Minimum capital requirement	<u>(50,000)</u>
Excess net capital	<u><u>\$ 129,160</u></u>
Aggregate indebtedness:	
Liabilities	<u><u>\$ 290,195</u></u>
Ratio of aggregate indebtedness to net capital	161.98%

No material differences exist between audited computation of net capital and unaudited computation of net capital.

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

<b>BROKER OR DEALER</b>	Advisory Group Equity Services, LTD	as of <u>12/31/16</u>
-------------------------	-------------------------------------	-----------------------

**EXEMPTIVE PROVISION UNDER RULE 15c3-3**

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- |  |      |
|--|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 .....  | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....                   | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis. |      |
| Name of clearing firm <sup>30</sup> <u>Steme Agee &amp; Leach, Inc. (Clearing firm SEC #8-11754)</u>       | 4335 |
| Name of clearing firm <sup>30</sup> <u>Steme Agee &amp; Leach, Inc. (Clearing firm SEC #8-11754)</u>       | XX   |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....                             | 4580 |

**Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.**

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)	
31	4600	4601	4602	4603	4604	4605
32	4610	4611	4612	4613	4614	4615
33	4620	4621	4622	4623	4624	4625
34	4630	4631	4632	4633	4634	4635
35	4640	4641	4642	4643	4644	4645
<b>Total \$<sup>36</sup></b>				<b>4699</b>		

**OMIT PENNIES**

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

To the Board of Directors  
Advisory Group Equity Services, LTD  
Woburn, MA

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 (General Assessment Reconciliation - Form SIPC-7) to the Securities Investor Protections Corporation (SIPC) for the year ended December 31, 2016 which were agreed to by Advisory Group Equity Services, LTD, and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., SIPC, solely to assist you and the other specified parties in evaluating Advisory Group Equity Services, LTD's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Advisory Group Equity Services, LTD's management is responsible for the Advisory Group Equity Services, LTD's compliance with those requirements. This agreed-upon procedures engagement was conducted 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 with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2016 as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2016, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and workpapers noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and workpapers supporting the adjustments noting no differences, and;
5. Compared the amounts of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.



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.

*Siegrist, Cree, Alessandri + Strauss*

Siegrist, Cree, Alessandri & Strauss, CPAs, P.C.

February 13, 2017

**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**

For the fiscal year ended 12/31/2016  
(Read carefully the instructions in your Working Copy before completing this Form)

**SIPC-7**

(33-REV 7/10)

**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:

55\*\*\*\*\*20\*\*\*\*\*ALL FOR AADC 021  
32155 FINRA DEC  
ADVISORY GROUP EQUITY SERVICES LTD  
SERVICES LTD  
444 WASHINGTON ST STE 407  
WOBURN MA 01801-1072

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.

BRUCE FOX 781-997-1584

- 2. A. General Assessment (item 2e from page 2) \$ 4,122
- B. Less payment made with SIPC-6 filed (exclude interest) (2,673)  
08/01/2016  
Date Paid
- C. Less prior overpayment applied (-)
- D. Assessment balance due or (overpayment) 1449
- 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) \$ 1449
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired   
Total (must be same as F above) \$ 1,449
- 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.

ADVISORY GROUP EQUITY SERVICES, LTD  
(Name of Corporation, Partnership or Other organization)

(Authorized Signature)

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(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 1/1/2016  
and ending 12/31/2016

Eliminate cents

\$ 3,589,799

**Item No.**

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

**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

**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):

OTHER REVENUE

(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)

Total deductions

2d. SIPC Net Operating Revenues

2e. General Assessment @ .0025

1,869,548

71,561

1,941,109

\$ 1,648,690

\$ 4,122

(to page 1, line 2.A.)