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

SEC FILE NUMBER  
8-47827

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 01/01/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER **MV SECURITIES GROUP, INC.**

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**1001 MCKINNEY, SUITE 1200**

(No. and Street) **Houston TX 77002**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**Julie L. Swanson 713-227-0100**  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Harper & Pearson**

(Name - if individual, state last, first, middle name)  
**One Riverway, Suite 1900 Houston TX 77056**  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

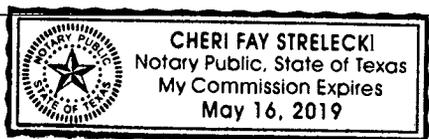
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

*L.L.*

OATH OR AFFIRMATION

I, Julie L. Swanson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MV SECURITIES GROUP, INC. 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:



Handwritten signature of Julie L. Swanson above the word 'Signature'.

Julie L. Swanson, CFO

Title

Handwritten signature of Cheri Fay Strelecki above the text 'Notary Public'.

This report \*\* contains (check all applicable boxes):

- Checkboxes (a) through (n) with descriptions: (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).

**MV SECURITIES GROUP, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2016**

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**HARPER & PEARSON**  
COMPANY, P.C. CERTIFIED PUBLIC  
ACCOUNTANTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To Management of  
MV Securities Group, Inc.

We have audited the accompanying statement of financial condition of MV Securities Group, Inc. (the Company) as of December 31, 2016, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 MV Securities Group, Inc. as of December 31, 2016, 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 of Securities Exchange Commission and Information Relating to Possession or Control of Securities Under Rule 15c3-3 have been subjected to audit procedures performed in conjunction with the audit of MV Securities Group, Inc.'s financial statements. The supplemental information is the responsibility of MV Securities Group, Inc.'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 opinion on the supplemental information, 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 supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Harper & Pearson Company, P.C.*

Houston, Texas  
February 27, 2017

MV Securities Group, Inc.

Statement of Financial Condition

December 31, 2016

**Assets**

Cash	\$ 675,873
Cash on deposit with clearing organization	<u>50,000</u>
	725,873
Receivable from clearing organization	26,677
Receivable 12b-1 fees	4,500
Prepaid expense	<u>10,398</u>
	<u>\$ 767,448</u>

**Liabilities and Stockholder's Equity**

Accounts payable and accrued expenses	\$ <u>1,543</u>
	<u>1,543</u>
Stockholder's equity:	
Common stock, \$1 par value:	
Class A - authorized 1,000,000 shares; issued and outstanding 5,000 shares	5,000
Class B - authorized 5,000 shares issued and outstanding 714 shares	714
Additional paid-in capital	133,486
Retained earnings	<u>626,705</u>
Total stockholder's equity	<u>765,905</u>
	<u>\$ 767,448</u>

The accompanying notes are an integral part of these financial statements.

MV SECURITIES GROUP, INC.

Statement of Income

For the Year ended December 31, 2016

Revenue:		
Commissions	\$	475,315
Interest		249
		<hr/>
		475,564
Expenses:		
Clearing charges		140,334
Regulatory fees and assessments		11,761
Professional fees		44,084
Management fee expense		246,000
Other operating expenses		3,878
		<hr/>
		446,057
		<hr/>
Net income	\$	<u>29,507</u>

The accompanying notes are an integral part of these financial statements.

MV SECURITIES GROUP, INC.

Statement of Changes in Stockholder's Equity

For the Year ended December 31, 2016

	<u>Common stock</u>				
	<u>Class A</u>	<u>Class B</u>	<u>Additional paid-in capital</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at December 31, 2015	\$ 5,000	\$ 714	\$ 133,486	\$ 597,198	\$ 736,398
Net income	-	-	-	29,507	29,507
Balance at December 31, 2016	<u>\$ 5,000</u>	<u>\$ 714</u>	<u>\$ 133,486</u>	<u>\$ 626,705</u>	<u>\$ 765,905</u>

The accompanying notes are an integral part of these financial statements.

MV SECURITIES GROUP, INC.

Statement of Cash Flows

For the Year ended December 31, 2016

CASH FLOW FROM OPERATING ACTIVITIES:	
Net income	\$ 29,507
Changes in assets and liabilities:	
Decrease in receivables	34,868
Increase in prepaid expenses	(1,817)
Decrease in accounts payable and accrued expenses	<u>(2,156)</u>
Net cash provided from operating activities	<u>60,402</u>
Net increase in cash	60,402
Cash at beginning of year	<u>665,471</u>
Cash at end of year	<u>\$ 725,873</u>

The accompanying notes are an integral part of these financial statements.

MV SECURITIES GROUP, INC.

Notes to Financial Statements

December 31, 2016

**NOTE A BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Description of Business - MV Securities Group, Inc. (the Company) was incorporated in Texas on June 3, 1996, and is a registered broker-dealer under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority, Inc.

The Company has locations in Houston, Texas and Birmingham, Alabama. The Company has claimed an exemption from the Securities and Exchange Commission's (SEC) Rule 15c3-3 under Section (k)(2)(ii).

On August 1, 2012, the Company's stockholders contributed their stock in MV Securities Group, Inc., to The Monroe Vos Consulting Group, Inc., which was under common control and ownership. The Company's stockholders received stock in The Monroe Vos Consulting Group, Inc., in exchange for their shares of MV Securities Group, Inc. Accordingly, the Company became a wholly owned subsidiary of The Monroe Vos Consulting Group, Inc. on August 1, 2012.

The Company operates in conjunction with the parent company, The Monroe Vos Consulting Group, Inc. The Company receives brokerage commissions and other fees from transactions in certain investment accounts maintained by clients of The Monroe Vos Consulting Group, Inc., on a fully disclosed basis.

Statement Presentation - The unclassified Statement of Financial Condition is presented in accordance with industry standards.

Revenue and Expenses - Securities transactions and all related revenue and expense are recorded in the accounts on a settlement date basis. Revenue and expenses related to securities transactions executed but not yet settled as of December 31 are not considered by management to be material to the Company's financial statements.

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

Subsequent Events - Management has evaluated whether events or transactions which have occurred after December 31, 2016, require recognition or disclosure in the financial statements. The evaluation was conducted through February 23, 2017, which is the date the financial statements were available for issuance.

MV SECURITIES GROUP, INC.

Notes to Financial Statements, Continued

December 31, 2016

NOTE A BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

Cash and Cash Equivalents - For purposes of the statement of cash flows, cash includes cash on hand, bank checking and money market accounts, and short-term debt instruments with a maturity of three months or less. The Company maintains its cash in bank deposit accounts which, at times, may exceed Federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2016 uninsured Cash amounted to approximately \$428,000.

Income Taxes - The Company, with the consent of the shareholder, has elected under the Internal Revenue Code to be taxed as an S corporation. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the Company's taxable income. The Monroe Vos Consulting Group, Inc. elected to treat MV Securities Group, Inc. as a qualified Subchapter S subsidiary beginning August 1, 2012. Accordingly, the Company will be included in the S corporation return of The Monroe Vos Consulting Group, Inc. for periods ending after July 31, 2012. Therefore, no provision of liability for Federal income taxes has been included in these financials.

The Company believes that all significant tax positions utilized by the Company will more likely than not be sustained upon examination. As of December 31, 2016, the tax years that remain subject to examination by the major tax jurisdictions under the statute of limitations are from the year 2013 forward (with limited exceptions). Tax penalties and interest, if any, would be accrued as incurred and would be classified as tax expense in the statement of income.

The State of Texas franchise tax is incurred at the tax rate of 1% on gross revenue, less the larger of cost of goods sold, wages and related employee benefits, or a statutory 30% deduction to determine taxable income. The Company is also eligible to utilize a tax rate of .575% on gross revenue, without a deduction, as its gross revenue is not in excess of \$10,000,000. The tax is accounted for as an expense during the period the revenue is recognized for financial statement purposes. The Company reports its income for Texas franchise tax purposes in a combined tax return with The Monroe Vos consulting Group, Inc. The Company paid state income taxes of \$2,110 in 2016.

Receivable from Clearing Organization - The Company has an agreement with a clearing organization whereby the organization performs clearing functions for all securities transactions with customers and brokers and dealers. Related to these transactions the Company is required to maintain cash on deposit in a clearance account with the Clearing Organization in the amount of \$50,000. According to the clearing agreement, the clearing organization is responsible for executing, clearing and settling securities transactions on a fully disclosed basis for the accounts of the Company.

MV SECURITIES GROUP, INC.

Notes to Financial Statements, Continued

December 31, 2016

**NOTE B MANAGEMENT AGREEMENT**

The Company's parent, The Monroe Vos Consulting Group, Inc., (Management Company) provides the Company management services, office facilities and pays various overhead expenses on behalf of MV Securities Group, Inc. Fees for management services included a fixed monthly management fee of \$20,500 for incremental overhead expenses. The fixed management fee will be computed no less than annually and applied on a consistent basis. In addition to the fixed monthly management fee, the Management Company may invoice MV Securities Group, Inc. for specific other expenses as determined by Management Company.

**NOTE C NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Retained earnings may be restricted as to payment of dividends if this ratio exceeds 10 to 1. At December 31, 2016, the Company had net capital of \$751,007 which exceeded its required net capital of \$5,000 by \$746,007. Withdrawals of equity capital are restricted from causing the Company's net capital to be less than \$6,000. Furthermore, the Company's agreement with its clearing broker requires net capital of not less than \$150,000 and to maintain restricted cash in the amount of \$50,000. The Company's ratio of aggregate indebtedness to net capital was .21 to 1. There were no liabilities subordinated to the claims of general creditors during 2016.

**NOTE D CONCENTRATIONS AND CREDIT RISK**

The Company is engaged in various trading and brokerage activities in which counter parties primarily include broker-dealers, banks, and other financial institutions. In the event counter parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter party.

**NOTE E CONTINGENT LIABILITIES**

In the normal course of business, the Company is subject to regulatory examinations or other inquiries. These matters could result in censures, fines or other sanctions. The Company is unable to predict the outcome of these matters. However, the Company believes the outcome of any resulting actions will not be material to its Statement of Financial Condition.

## MV SECURITIES GROUP, INC.

Computation of Net Capital under Rule 15c3-1 of the  
Securities and Exchange Commission

December 31, 2016

Net capital:	
Total stockholder's equity	\$ 765,905
Less nonallowable assets - Receivable 12b-1 fees	4,500
Less nonallowable assets - prepaid expenses	<u>10,398</u>
Net capital	<u>\$ 751,007</u>
Aggregate indebtedness - Items included in statement of financial condition - total liabilities	<u>\$ 1,543</u>
Computation of basic net capital requirement:	
Minimum net capital required (6 2/3% of total aggregate indebtedness)	<u>\$ 103</u>
Minimum dollar net capital requirement of reporting broker or dealer	<u>\$ 5,000</u>
Net capital requirement (greater of above two minimum requirement amount)	<u>\$ 5,000</u>
Net capital in excess of required minimum	<u>\$ 746,007</u>
Excess net capital (net capital less the greater of 10% of total aggregate indebtedness or 120% minimum dollar net capital)	<u>\$ 745,007</u>
Ratio of aggregate indebtedness to net capital	.21 to 1

Note: The above computation does not differ materially from the computation of net capital under Rule 15c3-1 as of December 31, 2016, filed with the Securities and Exchange Commission by the Company on Part IIA of Form X-17A-5.

See report of independent registered public accounting firm.

MV SECURITIES GROUP, INC.

Information Relating to the Possession or Control  
Requirements under Rule 15c3-3

December 31, 2016

Exemption Provision

The Company is exempt from the reserve requirements and the related computations for the determination thereof under paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934 as the Company is an introducing broker or dealer, clears all transactions with and for customers on a fully disclosed basis with a clearing broker or dealer, and who 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 Rule 17a-3 and Rule 17a-4, as are customarily made and kept by a clearing broker or dealer.

See report of independent registered public accounting firm.



**HARPER & PEARSON**  
COMPANY, P.C. CERTIFIED PUBLIC  
ACCOUNTANTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To Management of  
MV Securities Group, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) MV Securities Group, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which MV Securities Group, Inc. claimed an exemption from 17 C.F.R. §240.15c3-3, specifically 17 C.F.R. §240.15c3-3 (k)(2)(ii) (the exemption provisions), and (2) MV Securities Group, Inc. stated that MV Securities Group, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. MV Securities Group, Inc.'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 MV Securities Group, Inc.'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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Harper & Pearson Company, P.C.*

Houston, Texas  
February 27, 2017

## **MV SECURITIES GROUP, INC.**

1001 MCKINNEY, SUITE 1200  
HOUSTON, TX 77002  
(713) 227-0100  
FAX: (713) 227-0347

### **MV Securities Group, Inc. Assertions**

**MV Securities Group, Inc.** (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

- (1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3(k)(2)(ii).
- (2) The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k)(2)(ii) throughout the most recent fiscal year without exception.

### **MV Securities Group, Inc.**

I, Julie L. Swanson, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

  
Julie L. Swanson, CFO

January 5, 2017

February 27, 2017

Via Overnight Delivery

Securities and Exchange Commission  
Registrations Branch  
Mail Stop 8031  
100 F Street, NE  
Washington, DC 20549

SEC  
Mail Processing  
Section  
FEB 28 2017  
Washington DC  
415

**RE: MV Securities Group, Inc.; Firm ID # 37613  
Annual Audit Report, Form X-17A-5**

Dear Sir or Madam:

On behalf of the above captioned member firm, enclosed please find the counter-original Annual Audited Reports for the fiscal year ended December 31, 2016 with supporting Facing Page.

Should you have any questions regarding the enclosed reports, please feel free to contact the undersigned or Julie Swanson of MV Securities Group, Inc.

Sincerely,



Peggy Walton\*  
Enclosures (as stated)

cc: Julie Swanson – MV Securities Group, Inc. (electronic)  
SEC – Fort Worth Regional Office (w/enclosure)  
Securities Investor Protection Corporation (SIPC) (electronic)  
FINRA (electronic)  
New Hampshire Bureau of Securities Regulation (w/enclosure)