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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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| OMB APPROVAL                                      |                  |
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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

|                 |
|-----------------|
| SEC FILE NUMBER |
| 8-70371         |

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 8/26/20 AND ENDING 6/30/21  
MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Monticello Financial Group, LLC

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

301 N. Madison Ave.

Suite 220

(No. and Street)

Mt. Pleasant

(City)

Texas

(State)

75455-3945

(Zip Code)

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

Richard Amsberry

214-360-9822

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

Hartgraves Accounting & Consulting LLC

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

325 N. St. Paul St., Ste 3100

(Address)

Dallas

(City)

TX

(State)

75201

(Zip Code)

CHECK ONE:

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

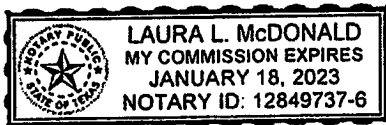
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| FOR OFFICIAL USE ONLY |
|                       |

\*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, Timothy Hightower, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Monticello Financial Group, LLC, as of June 30, 2021, 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:

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



Signature [Handwritten Signature]  
Title OWNER/PRESIDENT/CEO

Laura L. McDonald  
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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or partners' or Sole Proprietor's 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.
- (o) Report of Independent Registered Public Accounting Firm on Management's Exception Report.

\*\*For conditions of confidential treatment of certain portions of this filing, see Section 240.17a-5(e)(3).

# Hartgraves

## Accounting & Consulting, LLC

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### Report of Independent Registered Public Accounting Firm

To the Members of Monticello Financial Group, LLC

#### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Monticello Financial Group, LLC (the "Company") as of June 30, 2021, and the related statements of operations, changes in member's equity and cash flows for the period from August 26, 2020 (commencement of broker-dealer operations) to June 30, 2021, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of June 30, 2021, and the results of its operations and its cash flows for the period then ended in conformity with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

#### **Supplemental Information**

The supplementary information contained in Schedule I, Computation of Net Capital Under Rule 15c3-1 under the Rules of the Securities and Exchange Commission have 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 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 supplementary

information contained in Schedule I, Computation of Net Capital Under Rule 15c3-1 under the Rules of the Securities and Exchange Commission are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Hartgraves Accounting & Consulting, LLC*

This is our initial year as the auditor for the Company.

Dallas, Texas  
August 17, 2021

**MONTICELLO FINANCIAL GROUP LLC**  
**Statement of Financial Condition**  
**June 30, 2021**

**ASSETS**

|   |                                 |
|---|---------------------------------|
| Cash and cash equivalents               | \$ 362,298                      |
| Prepaid Expenses                        | 17,922                          |
| Furniture & Equipment, net of accm depr | <u>7,291</u>                    |
| <b>TOTAL ASSETS</b>                     | <b><u><u>\$ 387,511</u></u></b> |

**LIABILITIES AND MEMBER'S EQUITY**

**LIABILITIES**

|                          |             |
|--------------------------|-------------|
| Accounts payable         | <u>\$ -</u> |
| <b>TOTAL LIABILITIES</b> | <u>-</u>    |

**MEMBER'S EQUITY**

|  |                                 |
|--|---------------------------------|
| Member's equity                              | <u>387,511</u>                  |
| <b>TOTAL MEMBER'S EQUITY</b>                 | <u>387,511</u>                  |
| <b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b> | <b><u><u>\$ 387,511</u></u></b> |

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

**MONTICELLO FINANCIAL GROUP LLC**  
**Statement of Operations**  
**For the Period From August 26, 2020**  
**(Commencement of broker-dealer operations)**  
**To June 30, 2021**

|   |                          |
|---|--------------------------|
| <b>Revenues</b>                         |                          |
| Commissions income                      | <u>\$ 630,120</u>        |
| <b>Total Revenues</b>                   | <u>630,120</u>           |
| <br>                                    |                          |
| <b>Operating Expenses</b>               |                          |
| Employee compensation and related costs | 34,063                   |
| Commission expense                      | 178,621                  |
| Professional fees                       | 20,700                   |
| General and administrative expense      | 19,185                   |
| Regulatory fees                         | 7,989                    |
| Telephone                               | 1,421                    |
| Technology                              | 86,412                   |
| Bank Service Charges                    | 280                      |
| Depreciation expense                    | <u>101</u>               |
| <b>Total Expenses</b>                   | <u>348,772</u>           |
| <br>                                    |                          |
| <b>Net Income</b>                       | <u><u>\$ 281,348</u></u> |

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

**MONTICELLO FINANCIAL GROUP LLC**  
**Statement of Changes in Member's Equity**  
**For the Period From August 26, 2020**  
**(Commencement of broker-dealer operations)**  
**To June 30, 2021**

|                                | <u>Total<br/>Member's<br/>Equity</u> |
|--------------------------------|--------------------------------------|
| Balances at<br>August 26, 2020 | \$ 13,163                            |
| Capital Contributions          | 93,000                               |
| Net income                     | <u>281,348</u>                       |
| Balances at<br>June 30, 2021   | <u><u>\$ 387,511</u></u>             |

The accompanying notes are integral part of these financial statements.

**MONTICELLO FINANCIAL GROUP LLC**  
**Statement of Cash Flows**  
**For the Period From August 26, 2020**  
**(Commencement of broker-dealer operations)**  
**To June 30, 2021**

|   |                          |
|---|--------------------------|
| <b>Cash Flows From Operating Activities:</b>  |                          |
| Net Income  | \$ 281,348               |
| Adjustments to reconcile net income (loss) to<br>net cash used in operating activities: |                          |
| Depreciation  | 101                      |
| Increase in prepaid expenses  | <u>(15,647)</u>          |
| Net cash provided in Operating Activities   | 265,802                  |
| <br>  |                          |
| <b>Cash Flows From Investing Activities:</b>  |                          |
| Purchase of furniture & equipment   | <u>(7,390)</u>           |
| Net cash provided (used) in Investing Activities  | (7,390)                  |
| <br>  |                          |
| <b>Cash Flows From Financing Activities:</b>  |                          |
| Capital contributed   | <u>93,000</u>            |
| Net cash provided (used) in Financing Activities  | 93,000                   |
| Net increase in cash and cash equivalents   | 351,412                  |
| Cash and cash equivalents at beginning of year  | <u>10,886</u>            |
| Cash and cash equivalents at end of year  | <u><u>\$ 362,298</u></u> |

**Supplemental Disclosures of Cash Flow Information:**

Cash paid during the year for:

|              |                    |
|--------------|--------------------|
| Interest     | <u><u>\$ -</u></u> |
| Income taxes | <u><u>\$ -</u></u> |

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

**MONTICELLO FINANCIAL GROUP, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**NOTE A – SUMMARY OF ACCOUNTING POLICIES**

Accounting principles followed by the Company and the methods of applying those principles which materially affect the determination of financial position, results of operation and cash flows are summarized below:

Organization

Monticello Financial Group, LLC (the Company) was formed as a Texas Limited Liability Company in February 2019. Mr. Timothy Hightower of Mt. Pleasant, TX is the sole member. In August 2020, the Financial Industry Regulatory Authority, Inc. (FINRA) approved the Company's application to provide broker-dealer services for the sale of mutual funds and variable life insurance products. The Company has adopted a fiscal year ending on June 30.

Description of Business

The Company, located in Mt. Pleasant, TX is a broker and dealer in securities registered with the Securities and Exchange Commission ("SEC") and is a member of FINRA. The Company operates under SEC Rule 15c3-3(k)(1), which provides exemption to firms whose business is limited to mutual funds and/or variable insurance products.

Basis of Accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments having original maturities of three months or less at the date of purchase to be cash equivalents. The Company may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits. The Company has not experienced losses on these accounts, and management believes that the Company is not exposed to significant risks on such accounts.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. All of the Company's cash and cash equivalents are held at high credit quality financial institutions.

Revenue Recognition

*Brokerage commissions* - The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date that the Company fills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer.

**MONTICELLO FINANCIAL GROUP, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2021**

**NOTE A – SUMMARY OF ACCOUNTING POLICIES, continued**

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

For federal income tax purposes, Monticello Financial Group, a limited liability company has elected to be taxed as sole proprietorship. Income or loss is passed through and reported on the sole owner's individual income tax return; therefore no income tax is accrued at the entity level.

**NOTE B – NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of June 30, 2021, The Company had net capital of \$362,298 which was \$357,298 in excess of its required net capital of \$5,000. The Company's net capital ratio was approximately 0 to 1.

**NOTE C – POSSESSION OR CONTROL REQUIREMENTS**

The Company does not have any possession or control of customer's funds or securities. There were no material inadequacies in the procedures followed in adhering to the exemptive provisions of SEC Rule 15c-3-3(k)(1).

**Schedule I**  
**Monticello Financial Group LLC**  
**Supplemental Information**  
**Pursuant to Rule 17a-5**  
**June 30, 2021**

**Computation of Net Capital**

|   |                          |
|---|--------------------------|
| Total Member's equity qualified for net capital                                       | <u>\$ 387,511</u>        |
| Deductions / charges  |                          |
| Non-allowable assets:   |                          |
| Prepaid Expenses  | 17,922                   |
| Furniture and Equipment   | <u>7,291</u>             |
| Total deductions / charges  | <u>25,213</u>            |
| Net Capital before haircuts on securities positions                                   | <u>362,298</u>           |
| Haircuts on securities:   |                          |
| Net Capital   | <u><u>\$ 362,298</u></u> |
| Aggregate indebtedness  |                          |
| Total aggregate indebtedness  | <u><u>\$ -</u></u>       |
| Computation of basic net capital requirement  |                          |
| Minimum net capital required (greater of \$5,000 or 6 2/3% of aggregate indebtedness) | <u><u>\$ 5,000</u></u>   |
| Net capital in excess of minimum requirement  | <u><u>\$ 357,298</u></u> |
| Ratio of aggregate indebtedness to net capital  | <u><u>0 to 1</u></u>     |

There were no material differences between this computation required pursuant to rule 15c3-1 and the corresponding computation prepared by the Company and included in the Company's unaudited Form X-17a-5.

See accompanying report of independent registered public accounting firm.

# *Hartgraves*

## Accounting & Consulting, LLC

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### Report of Independent Registered Public Accounting Firm

To the Members of  
Monticello Financial Group, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (a) Monticello Financial Group, LLC identified the following provisions of 17 C.F.R. § 240.15c3-3(k) under which Monticello Financial Group, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(1) (the exemption provisions) and (b) Monticello Financial Group, LLC stated that Monticello Financial Group, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Monticello Financial Group, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Monticello Financial Group, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(1) of 17 C.F.R. § 240.15c3-3.

*Hartgraves Accounting & Consulting, LLC*

Dallas, Texas  
August 17, 2021

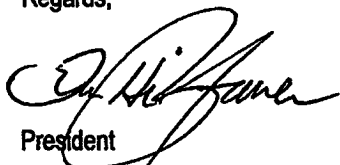
## Monticello Financial Group, LLC Exemption Report

Monticello Financial Group, LLC (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)(1).
- (2) The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3(k) throughout the most recent fiscal year without exception.

I, Timothy Hightower, swear (or affirm) that, to my best knowledge and belief, this exemption report is true and correct.

Regards,



Handwritten signature of Timothy Hightower in cursive script.

President

Date of Report: August 2, 2021

# Hartgraves

## Accounting & Consulting, LLC

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### Report of Independent Registered Public Accounting Firm on Applying Agreed-Upon Procedures

To the Members  
Monticello Financial Group, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by Monticello Financial Group, LLC (the "Company") and the Securities Investor Protection Corporation ("SIPC") with respect to the accompanying General Assessment Reconciliation ("Form SIPC-7") of the Company for the year ended June 30, 2021, solely to assist you and SIPC in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (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 the standards of the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the Total Revenue amounts reported on the annual audited report Form X-17A-5 Part III for the year ended June 30, 2021, as applicable, with the Total Revenue amounts reported in Form SIPC-7 for the year ended June 30, 2021, noting no differences.
2. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences.
3. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences.

We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the applicable instructions of the Form SIPC-7. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*Hartgraves Accounting & Consulting, LLC*

Dallas, Texas  
August 17, 2021