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

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

SEC  
Mail Processing  
Section  
MAR 02 2016  
Washington DC  
404

SEC FILE NUMBER
8- 32650

FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17(a) of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Holloway & Associates, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

One Mill Place, Suite 101

(No. and Street)

Easton

(City)

MD

(State)

21601

(Zip Code)

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

Maurice F. Wallace, CPA

410-822-9306

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Maurice F. Wallace, CPA

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

101 N. West Street, Suite D

(Address)

Easton

(City)

MD

(State)

21601

(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)

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.

JG

OATH OR AFFIRMATION

I, E. David Holloway, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Holloway & Associates, Inc., as of December 31, 20 15, 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]  
Signature  
President  
Title

[Signature]  
Notary Public

My commission expires: 3-28-19



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.
- (o) Statement of Cash Flows

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

**SEC**  
**Mail Processing**  
**Section**  
MAR 02 2016  
**Washington DC**  
**404**

**HOLLOWAY & ASSOCIATES, INC.**  
**ANNUAL AUDIT FOCUS REPORT**  
**YEAR ENDED DECEMBER 31, 2015**

HOLLOWAY AND ASSOCIATES, INC.  
YEAR ENDED DECEMBER 31, 2015

FILING INSTRUCTIONS  
ANNUAL AUDIT - FOCUS REPORT

File ONE COPY of the complete audit report with the following two agencies:

FINRA / Financial Operations  
File electronically through the FINRA Firm Gateway

Securities and Exchange Commission  
Philadelphia Regional Office  
One Penn Center  
1617 JFK Boulevard, Suite 250  
Philadelphia, PA 19103

SIPC  
File via email: [SIPCAuditReports@sipc.org](mailto:SIPCAuditReports@sipc.org)

File TWO COPIES of the complete audit report with the following agency:

Securities and Exchange Commission  
Office of Investor Education and Assistance  
100 F Street, N.E.  
Washington, DC 20549

**Due Date: February 29, 2016**  
**Must be received at above offices by this date.**

The Oath or Affirmation must be signed and dated by the President and  
Notarized.

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# Maurice F. Wallace, CPA

111 N. West Street, Unit D  
P.O. Box 1496  
Easton, Maryland 21601  
Phone: 410.822.9306  
Fax: 410.822.9309

F. David Holloway, President  
Holloway & Associates, Inc.  
One Mill Place, Suite 101  
Post Office Box 1559  
Easton, Maryland 21601-1559


## INDEPENDENT AUDITORS' REPORT

I have audited the accompanying statement of financial condition of Holloway & Associates, Inc. as of December 31, 2015, and the related statements of income, changes in stockholder's equity, the computation of net capital requirement and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the 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 disclosure 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Holloway & Associates, Inc. as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Easton, Maryland  
February 2, 2016

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

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

Form  
X-17A-5

**FOCUS REPORT**  
(Financial and Operational Combined Uniform Single Report)  
**PART IIA** 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a)  16

2) Rule 17a-5(b)  17

3) Rule 17a-11  18

4) Special request by designated examining authority  19

5) Other  26

NAME OF BROKER-DEALER

SEC FILE NO.

Holloway & Associates, Inc. 13

8-32650 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FIRM I.D. NO.

One Mill Place, Suite 101 20  
(No. and Street)

10349 15

FOR PERIOD BEGINNING (MM/DD/YY)

Easton 21 MD 22 21601 23  
(City) (State) (Zip Code)

01/01/15 24

AND ENDING (MM/DD/YY)

12/31/15 25

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

(Area Code) — Telephone No.

Maurice F. Wallace, CPA 30

410-822-9306 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 24 day of February 20 16

Manual signatures of:

1) [Signature]  
Principal Executive Officer or Managing Partner

2) [Signature]  
Principal Financial Officer or Partner

3) [Signature]  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

Persons who 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.

**TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

Maurice F. Wallace, CPA

70

ADDRESS

101 N. West Street, Suite D  
Number and Street

71

Easton  
City

72

MD  
State

73

21601  
Zip Code

74

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States  
or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				



# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER Holloway & Associates, Inc.

N3

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### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY) 12/31/15 99  
 SEC FILE NO. 8-32650 98  
 Consolidated   198  
 Unconsolidated   199

	<u>Allowable</u>	<u>Non-Allowable</u>	<u>Total</u>
1. Cash .....	\$ <u>22,525</u> <span style="border: 1px solid black; padding: 2px;">200</span>		\$ <u>22,525</u> <span style="border: 1px solid black; padding: 2px;">750</span>
2. Receivables from brokers or dealers:			
A. Clearance account .....	\$ <u>295</u>		
B. Other .....	<u>300</u>	\$ <u>550</u>	<u>810</u>
3. Receivable from non-customers .....	<u>3,516</u> <span style="border: 1px solid black; padding: 2px;">355</span>	<u>15,010</u> <span style="border: 1px solid black; padding: 2px;">600</span>	<u>18,526</u> <span style="border: 1px solid black; padding: 2px;">830</span>
4. Securities and spot commodities owned at market value:			
A. Exempted securities .....	<u>418</u>		
B. Debt securities .....	<u>419</u>		
C. Options .....	<u>420</u>		
D. Other securities .....	<u>424</u>		
E. Spot commodities .....	<u>430</u>		<u>850</u>
5. Securities and/or other investments not readily marketable:			
A. At cost $\frac{1}{2}$ \$ <span style="border: 1px solid black; padding: 2px;">130</span>			
B. At estimated fair value .....	<u>440</u>	<u>610</u>	<u>860</u>
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$ <span style="border: 1px solid black; padding: 2px;">150</span>	<u>460</u>	<u>630</u>	<u>880</u>
B. Other securities \$ <span style="border: 1px solid black; padding: 2px;">160</span>			
7. Secured demand notes: .....	<u>470</u>	<u>640</u>	<u>890</u>
Market value of collateral:			
A. Exempted securities \$ <span style="border: 1px solid black; padding: 2px;">170</span>			
B. Other securities \$ <span style="border: 1px solid black; padding: 2px;">180</span>			
8. Memberships in exchanges:			
A. Owned, at market \$ <span style="border: 1px solid black; padding: 2px;">190</span>		<u>650</u>	
B. Owned, at cost .....			
C. Contributed for use of the company, at market value .....		<u>660</u>	<u>900</u>
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships .....	<u>480</u>	<u>670</u>	<u>910</u>
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization .....	<u>490</u>	<u>680</u>	<u>920</u>
11. Other assets .....	<u>1,714</u> <span style="border: 1px solid black; padding: 2px;">535</span>	<u>735</u>	<u>1,714</u> <span style="border: 1px solid black; padding: 2px;">930</span>
12. TOTAL ASSETS .....	\$ <u>27,755</u> <span style="border: 1px solid black; padding: 2px;">540</span>	\$ <u>15,010</u> <span style="border: 1px solid black; padding: 2px;">740</span>	\$ <u>42,765</u> <span style="border: 1px solid black; padding: 2px;">940</span>

OMIT PENNIES

See Accompanying Notes and Auditors' Report

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER Holloway & Associates, Inc.

as of 12/31/15

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	A.I. <u>Liabilities</u>	Non-A.I. <u>Liabilities</u>	<u>Total</u>
13. Bank loans payable .....	\$ <u>1045</u>	\$ <u>1255</u> <sup>13</sup>	\$ <u>1470</u>
14. Payable to brokers or dealers:			
A. Clearance account .....	<u>1114</u>	<u>1315</u>	<u>1560</u>
B. Other .....	<u>1115</u> <sup>10</sup>	<u>1305</u>	<u>1540</u>
15. Payable to non-customers .....	<u>1155</u>	<u>1355</u>	<u>1610</u>
16. Securities sold not yet purchased, at market value .....		<u>1360</u>	<u>1620</u>
17. Accounts payable, accrued liabilities, expenses and other .....	<u>8,679</u> <u>1205</u>	<u>1385</u>	<u>8,679</u> <u>1685</u>
18. Notes and mortgages payable:			
A. Unsecured .....	<u>1210</u>		<u>1690</u>
B. Secured .....	<u>1211</u> <sup>12</sup>	<u>1390</u> <sup>14</sup>	<u>1700</u>
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders <sup>9</sup> \$ .....	<u>970</u>		
2. includes equity subordination (15c3-1(d)) of ... \$ .....	<u>980</u>		
B. Securities borrowings, at market value from outsiders \$ .....		<u>1410</u>	<u>1720</u>
C. Pursuant to secured demand note collateral agreements .....		<u>1420</u>	<u>1730</u>
1. from outsiders \$ .....	<u>1000</u>		
2. includes equity subordination (15c3-1(d)) of ... \$ .....	<u>1010</u>		
D. Exchange memberships contributed for use of company, at market value .....		<u>1430</u>	<u>1740</u>
E. Accounts and other borrowings not qualified for net capital purposes .....	<u>1220</u>	<u>1440</u>	<u>1750</u>
20. TOTAL LIABILITIES .....	\$ <u>8,679</u> <u>1230</u>	\$ <u>1450</u>	\$ <u>8,679</u> <u>1760</u>
<u>Ownership Equity</u>			
21. Sole Proprietorship .....			<u>1770</u> <sup>15</sup>
22. Partnership (limited partners) .....	<u>1020</u> <sup>11</sup>		<u>1780</u>
23. Corporation:			
A. Preferred stock .....			<u>1791</u>
B. Common stock <u>1,000 Authorized, Issued &amp; Outstanding</u> .....			<u>1,000</u> <u>1792</u>
C. Additional paid-in capital .....			<u>8,318</u> <u>1793</u>
D. Retained earnings .....			<u>24,768</u> <u>1794</u>
E. Total .....			<u>34,086</u> <u>1795</u>
F. Less capital stock in treasury .....			<u>1796</u> <sup>16</sup>
24. TOTAL OWNERSHIP EQUITY .....			\$ <u>34,086</u> <u>1800</u>
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ <u>42,765</u> <u>1810</u>

OMIT PENNIES

See Accompanying Notes and Auditors' Report

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **Holloway & Associates, Inc.**

as of 12/31/15

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	34,086	3480
2. Deduct ownership equity not allowable for Net Capital .....			3490
3. Total ownership equity qualified for Net Capital .....		34,086	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			3520
B. Other (deductions) or allowable credits (List) .....			3525
5. Total capital and allowable subordinated liabilities .....	\$		3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	17 \$	15,010	3540
B. Secured demand note delinquency .....			3590
C. Commodity futures contracts and spot commodities –			
proprietary capital charges .....			3600
D. Other deductions and/or charges .....			3610
7. Other additions and/or allowable credits (List) .....		( 15,010 )	3620
8. Net capital before haircuts on securities positions .....	20 \$	19,076	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments .....	\$		3660
B. Subordinated securities borrowings .....			3670
C. Trading and investment securities:			
1. Exempted securities .....	18		3735
2. Debt securities .....			3733
3. Options .....			3730
4. Other securities .....			3734
D. Undue Concentration .....			3650
E. Other (List) .....			3736
10. Net Capital .....	\$	19,076	3750

OMIT PENNIES

See Accompanying Notes and Auditors' Report

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER    Holloway & Associates, Inc

as of 12/31/15

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) .....	\$	579	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	5,000	3760
14. Excess net capital (line 10 less 13) .....	\$	14,076	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$	13,076	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	8,679	3790
17. Add:			
A. Drafts for immediate credit .....	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	3810	
C. Other unrecorded amounts (List) .....	\$	3820	3830
18. Total aggregate indebtedness .....	\$	8,679	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	45.50	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	0.00	3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$	3970	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	3880	3880
23. Net capital requirement (greater of line 21 or 22) .....	\$	3760	3760
24. Excess capital (line 10 less 23) .....	\$	3910	3910
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$	3920	3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
  - 1. Minimum dollar net capital requirement, or
  - 2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

See Accompanying Notes and Auditors' Report

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **Holloway & Associates, Inc**

For the period (MMDDYY) from 010115 3932 to 123115 3933  
 Number of months included in this statement 12 3931

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$		3935
b. Commissions on listed option transactions .....	v <sub>25</sub>		3938
c. All other securities commissions .....			3939
d. Total securities commissions .....			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange .....			3945
b. From all other trading .....			3949
c. Total gain (loss) .....			3950
3. Gains or losses on firm securities investment accounts .....			3952
4. Profit (loss) from underwriting and selling groups .....		v <sub>26</sub>	3955
5. Revenue from sale of investment company shares .....		5,567	3970
6. Commodities revenue .....			3990
7. Fees for account supervision, investment advisory and administrative services .....			3975
8. Other revenue .....		565,334	3995
9. Total revenue .....		\$	570,901 4030

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....		370,971	4120
11. Other employee compensation and benefits .....		31,250	4115
12. Commissions paid to other broker-dealers .....			4140
13. Interest expense .....			4075
a. Includes interest on accounts subject to subordination agreements .....	4070		
14. Regulatory fees and expenses .....			4195
15. Other expenses .....		173,929	4100
16. Total expenses .....		\$	576,150 4200

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....		\$	(5,249) 4210
18. Provision for Federal income taxes (for parent only) .....		v <sub>28</sub>	4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....			4222
a. After Federal income taxes of .....	4338		
20. Extraordinary gains (losses) .....			4224
a. After Federal income taxes of .....	4239		
21. Cumulative effect of changes in accounting principles .....			4225
22. Net income (loss) after Federal income taxes and extraordinary items .....		\$	(5,249) 4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....		\$	(8,109) 4211
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See Accompanying Notes and Auditors' Report

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER Holloway & Associates, Inc.

For the period (MMDDYY) from 010115 to 123115

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	39,335	4240
A. Net income (loss) .....		(5,249)	4250
B. Additions (Includes non-conforming capital of .....	\$	4262	4260
C. Deductions (Includes non-conforming capital of .....	\$	4272	4270
2. Balance, end of period (From item 1800) .....	\$	34,086	4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$		4300
A. Increases .....			4310
B. Decreases .....			4320
4. Balance, end of period (From item 3520) .....	\$		4330

DMIT PENNIES

See Accompanying Notes and Auditors' Report

Holloway & Associates, Inc.  
Statement of Cash Flows  
for the Year Ended December 31, 2015

Cash Flows from Operating Activities		
Operating	(5,249)	
Decrease in Accounts Receivable	2,240	
(Increase) in Prepaid Expense	6	
Increase in Accounts Payable	<u>2,912</u>	
Net Cash Flow from Operating Activities		(91)
Cash Flows from Investing Activities		-
Cash Flows from Financing Activities		<u>-</u>
Net Change in Cash		(91)
Beginning Cash		<u>22,616</u>
Ending Cash		<u><u>22,525</u></u>

See Accompanying Notes and Auditors' Report

**HOLLOWAY & ASSOCIATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015**

**NOTE 1. FORM OF PRESENTATION**

These financial statements are presented as the Annual Audited Report Form X-17A-5, Part IIA, as required by the Securities and Exchange Commission. This information is required of brokers and dealers. Holloway & Associates, Inc. holds membership in the Financial Industry Regulatory Authority (FINRA), and, as such, is also required to file an annual report with that authority.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are as follows:

**Income Taxes**

The Company has elected to have its income taxed under Subchapter S of the Internal Revenue Code, which provides that, in lieu of corporate income taxes, the shareholder is taxed on his proportionate share of the Company's taxable income. Therefore, a provision or liability for federal or state income taxes is not included in these financial statements. In addition, deferred income taxes have not been calculated.

**Minimum Net Capital Requirement**

Effective July 1, 1994, the Company must maintain minimum net capital of \$5,000.

**Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

**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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash Management**

The Company invests its working cash balances in interest bearing accounts whenever possible. Cash accounts are adequately covered by FDIC insurance at the end of the calendar year.

**Risk Management**

The Company carries commercial general, property, employee, and liability insurance coverage. Insurance needs and coverage are reviewed periodically.



**HOLLOWAY & ASSOCIATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015**

**NOTE 3. LEASE AGREEMENTS**

The Company leases office space under a month to month operating lease. Office rental expense was \$16,266 for the year ended December 31, 2015.

The minimum payment obligation under this lease for the next year is as follows:

2016	<u>\$ 16,308</u>
TOTAL	<u>\$ 16,308</u>

**NOTE 4. RECEIVABLES**

Receivables at December 31, 2015 consisted of:

Commissions and Trails Receivable	\$ 15,602
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**NOTE 5. RELATED PARTIES**

The 100% shareholder of the Company also operates an insurance business as a sole proprietorship. The Company and the sole proprietorship share auto and other expenses. Allocations for shared office expenses have been made between the Company and the sole proprietorship.

**HOLLOWAY & ASSOCIATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015**

**NOTE 6. 401(K) PROFIT SHARING PLAN**

Holloway & Associates, Inc. adopted a 401(k) Profit Sharing Plan effective 1/1/2010. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Each year, participants may elect to have compensation deferred by the maximum of pretax annual compensation as defined law (i.e., Code Sections 402(g) and 415). Participants may also make a separate election to defer up to 90% of any bonus. Participants are also eligible to make Catch-Up Contributions which will be taken into account in applying any matching contribution under the Plan. Participants direct the investment of their contributions into various investment options offered by the Plan. The Company will make a Safe Harbor Non-elective Contribution to the account of each "eligible Participant" in an amount equal to 3% (may not be less than 3%) of the Employee's Compensation for the Plan Year.

Participant Accounts

Each participant's account is credited with the participant's contribution and Plan earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Company contributions are vested based on a Participant's Years of Service, specifically the 6 year graded vesting schedule, 0% vested for years 0-1, 20% vested for 2 years, 40% vested for 3 years, 60% vested for 4 years, 80% vested for 5 years and 100% vested for 6 years and over.

Participant Loans

Participants are not eligible to borrow from the fund accounts.

HOLLOWAY & ASSOCIATES, INC.  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2015

NOTE 6. 401(K) PROFIT SHARING PLAN – CONTINUED

Payment of benefits

On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or substantially equal installments. For termination of service due to other reasons, a participant may receive distributions as soon as administratively feasible following termination of employment not to exceed the vested interest in his or her account.

Profit Sharing Plan expense for the year ended December 31, 2015 was \$38,413.86.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER Holloway & Associates, Inc.

as of 12/31/15

### 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 .....   | <input checked="" type="checkbox"/> | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....  | <input type="checkbox"/>            | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.<br>Name of clearing firm <sup>30</sup> ..... | <input type="checkbox"/>            | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....  | <input type="checkbox"/>            | 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
			Total \$ <sup>36</sup>	4699		

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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



# HOLLOWAY & ASSOCIATES, INC.

Financial Planning Services

F. DAVID HOLLOWAY, CLU  
Chartered Financial Consultant  
Registered Investment Advisor

One Mill Place - Suite 101  
P.O. Box 1559  
Easton, Maryland 21601-1559

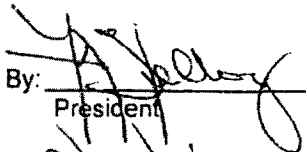
## HOLLOWAY & ASSOCIATES, INC. EXEMPTION REPORT

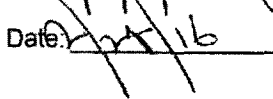
Holloway & Associates, Inc. is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. § 240.17a-5, "Reports to be made by certain broker and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To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

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).

Holloway & Associates, Inc.

I, F. David Holloway, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By:   
President

Date:   
\_\_\_\_\_

# Maurice F. Wallace, CPA

111 N. West Street, Unit D  
P.O. Box 1496  
Easton, Maryland 21601  
Phone: 410.822.9306  
Fax: 410.822.9309


## INDEPENDENT AUDITORS' EXEMPTION REPORT

In planning and performing my audit of the financial statements of Holloway & Associates, Inc. for the year ended December 31, 2015, I found no exceptions to the exemption provisions included in Holloway & Associates, Inc. assertion.

I have reviewed management's statements, included in the accompanying Holloway & Associates, Inc. Exemption Report, in which Holloway & Associates, Inc. identified the following provisions of 17 C.F.R § 15c-3-3(k) under which Holloway & Associates, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3: (1) and Holloway & Associates, Inc. stated that Holloway & Associates, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Holloway & Associates, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

My 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 Holloway & Associates, 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, I do not express such an opinion.

Based on my review, I am 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 paragraph (k)(1) of Rule 15c3-3 under the Securities Exchange Act of 1934.

  
Easton, Maryland  
February 2, 2016

**SUPPLEMENTAL SCHEDULE I**

**HOLLOWAY & ASSOCIATES, INC.  
RECONCILIATION OF AUDITED AND UNAUDITED  
COMPUTATION OF NET CAPITAL  
YEAR ENDED DECEMBER 31, 2015**

Net Capital Per Unaudited Focus Report as of 12/31/15 \$19,076

Net Capital Per Audited Focus Report as of 12/31/15 \$19,076

See Accompanying Notes and Auditors' Report

**SUPPLEMENTAL SCHEDULE II**

**HOLLOWAY & ASSOCIATES, INC.  
RECONCILIATION OF AUDITED AND UNAUDITED STATEMENT  
OF CHANGES IN OWNERSHIP EQUITY  
YEAR ENDED DECEMBER 31, 2015**

Total Ownership Equity Per Unaudited Focus Report  
as of 12/31/15 \$34,086

Total Owners Equity Per Audited Focus Report as 12/31/15 \$34,086

See Accompanying Notes and Auditors' Report



Securities Investor Protection Corporation  
1667 K Street NW, Ste 10000  
Washington, DC 20006-1620

Forwarding and Address Correction Requested

SIPC-3 2016

8-

8-032650 FINRA DEC 11/5/1984  
HOLLOWAY & ASSOCIATED INC  
ONE MILL PLACE STE 101  
EASTON, MD 21601  
|||...|||

Check appropriate boxes.	
<input type="checkbox"/>	(i) its principal business, in the determination of SIPC, taking into account business of affiliated entities, is conducted outside the United States and its territories and possessions;*
<input checked="" type="checkbox"/>	(ii) its business as a broker-dealer is expected to consist exclusively of:
<input checked="" type="checkbox"/>	(I) the distribution of shares of registered open end investment companies or unit investment trusts;
<input checked="" type="checkbox"/>	(II) the sale of variable annuities;
<input type="checkbox"/>	(III) the business of insurance;
<input type="checkbox"/>	(IV) the business of rendering investment advisory services to one or more registered investment companies or insurance company separate accounts;
<input type="checkbox"/>	(iii) it is registered pursuant to 15 U.S.C. 78o(b)(11)(A) as a broker-dealer with respect to transactions in securities futures products;
Pursuant to the terms of this form (detailed below).	
X	_____ 12/28/2015
	Authorized Signature Title Date

Securities Investor Protection Corporation  
1667 K Street NW, Ste 10000  
Washington, DC 20006-1620

### Form SIPC-3

FY 2016

#### Certification of Exclusion From Membership.

TO BE FILED BY A BROKER-DEALER WHO CLAIMS EXCLUSION FROM MEMBERSHIP IN THE SECURITIES INVESTOR PROTECTION CORPORATION ("SIPC") UNDER SECTION 78ccc(a)(2)(A) OF THE SECURITIES INVESTOR PROTECTION ACT OF 1970 ("SIPA").

The above broker-dealer certifies that during the year ending December 31, 2016 its business as a broker-dealer is expected to consist exclusively of one or more of the following (check appropriate boxes):

- (i) its principal business, in the determination of SIPC, taking into account business of affiliated entities, is conducted outside the United States and its territories and possessions;\*
- (ii) its business as a broker-dealer is expected to consist exclusively of:
  - (I) the distribution of shares of registered open end investment companies or unit investment trusts;
  - (II) the sale of variable annuities;
  - (III) the business of insurance;
  - (IV) the business of rendering investment advisory services to one or more registered investment companies or insurance company separate accounts;
- (iii) it is registered pursuant to 15 U.S.C. 78o(b)(11)(A) as a broker-dealer with respect to transactions in securities futures products;

and that, therefore, under section 78ccc(a)(2)(A) of SIPA it is excluded from membership in SIPC.

\*If you have any questions concerning the foreign exclusion provision please contact SIPC via telephone at 202-371-8300 or e-mail at asksipc@sipc.org to request a foreign exclusion questionnaire.

The following bylaw was adopted by the Board of Directors:

#### Interest on Assessments.

... If any broker or dealer has incorrectly filed a claim for exclusion from membership in the Corporation, such broker or dealer shall pay, in addition to all assessments due, interest at the rate of 20% per annum of the unpaid assessment for each day it has not been paid since the date on which it should have been paid.

In the event of any subsequent change in the business of the undersigned broker-dealer that would terminate such broker-dealer's exclusion from membership in SIPC pursuant to section 78ccc(a)(2)(A) of the SIPA, the undersigned broker-dealer will immediately give SIPC written notice thereof and make payment of all assessments thereafter required under section 78ddd(c) of the SIPA.

Sign, date and return this form no later than 30 days after the beginning of the year, using the enclosed return envelope.

Retain a copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.