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

SEC FILE NUMBER
8-069291

Washington DC
 Information Required of Brokers and Dealers Pursuant to Section 17 of the
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

FACING PAGE

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: Steward Securities Group LLC

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

17615 Primrose Meadow Ln

(No. and Street)

Houston TX 77095

(City) (State) (Zip Code)

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

William C. Hoover (281-221-9954)

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Harper & Pearson Company, PC

(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.

FOR OFFICIAL USE ONLY

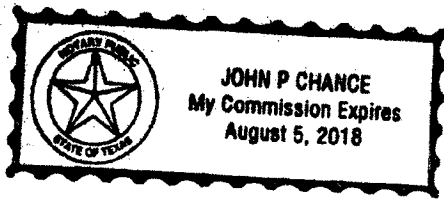
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, William C. Hoover, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Steward Securities Group LLC, 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:

Signature: William C. Hoover
Title: William C. Hoover, Member

Notary Public: [Signature] 2-28-17



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).

STEWARD SECURITIES GROUP, LLC
FINANCIAL REPORT
DECEMBER 31, 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To Management of
Steward Securities Group, LLC

We have audited the accompanying statement of financial condition of Steward Securities Group, LLC (the Company) as of December 31, 2016, and the related statements of operations, changes in member'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 Steward Securities Group, LLC 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.

As discussed in Note 4 to the financial statements, as of September 30, 2016, the Company terminated their relationship with their selected clearing organization. Under the terms of the Company's exemption claimed under rule 15c3-3, the Company shall not conduct securities transactions until they are able to secure an agreement with another clearing organization.

The Computation of Net Capital Under Rule 15c3-1 of Securities and Exchange Commission (SEC) and the Information Relating to Possession or Control of Securities Under Rule 15c3-3 of the SEC have been subjected to audit procedures performed in conjunction with the audits of Steward Securities Group, LLC's financial statements. The supplemental information is the responsibility of Steward Securities Group, LLC'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 28, 2017

STEWARD SECURITIES GROUP, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

ASSETS	2016
Cash and cash equivalents	\$ 99,080
Subtotal cash and cash equivalents	99,080
Other current assets	5,677
Fixed assets, net	5,882
TOTAL ASSETS	\$ 110,639

MEMBER'S EQUITY	
MEMBER'S EQUITY	\$ 110,639
TOTAL MEMBER'S EQUITY	\$ 110,639

The Notes to the Financial Statement are an Integral part of this statement.

STEWARD SECURITIES GROUP, LLC
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>
Commission income	\$ 401,992
Interest Income	15
	<u>402,007</u>
Commissions expense	306,581
Clearing fees	39,230
Bloomberg fees	26,736
Regulatory fees and assessments	7,928
Professional fees	18,799
Other administrative expenses	9,420
Total Expenses	<u>408,694</u>
Net Loss	<u>\$ (6,687)</u>

The Notes to the Financial Statement are an Integral part of this statement.

STEWARD SECURITIES GROUP, LLC
STATEMENT OF CHANGES OF MEMBER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

Balance, December 31, 2015	\$	117,526
Net Loss		(6,687)
Equity Distribution		(200)
		<hr/>
Balance, December 31, 2016	\$	110,639
		<hr/>

The Notes to the Financial Statement are an Integral part of this statement.

STEWARD SECURITIES GROUP, LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016</u>
CASH FLOW FROM OPEATING ACTIVITIES	
Net Loss	\$ (6,687)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	1,064
Increase in other assets	(235)
Decrease in Commissions receivable	63,518
Decrease in Commissions payable	(62,928)
Net cash provided by operating activities	<u>(5,268)</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Fixed Assets	(6,946)
Net cash used by Investing activities	<u>(6,946)</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Distributions	(200)
Net cash used by Financing activities	<u>(200)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,414)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>111,494</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 99,080</u>

The Notes to the Financial Statement are an Integral part of this statement.

STEWARD SECURITIES GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 1: BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Steward Securities Group, LLC ("the Company") maintains its accounts on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Accounting principles followed by the Company and the methods of applying those principles which materially affect the determination of financial position, results of operations and cash flows are summarized below:

Nature of Business - The Company is located in Houston, Texas and is a limited business broker dealer that transacts in institutional fixed income securities only through an arrangement with another Broker Dealer on a fully disclosed basis. Consequently, the Company has claimed an exemption from the Securities and Exchange Commission's (SEC) Rule 15c3-3 under Section (K)(2)(ii). The Company is registered as a Broker-Dealer with the SEC, and a member of the Financial Industry Regulatory Authority (FINRA). Its principal market is the general public in the Southeastern region of Texas.

Statement Presentation - An unclassified Balance Sheet is presented in accordance with industry standards.

Cash and Cash Equivalents - Cash and cash equivalents include cash held in banks. The Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. The Company had no cash equivalents at December 31, 2016.

Revenue Recognition - Commissions are recognized when the transaction settles and receivables are recorded at that time. Revenues are primarily generated from commissions on sales of fixed income securities.

Income Taxes - The Company has elected to be taxed as a Limited Liability Company, a disregarded entity, and therefore, no provision has been made for federal income tax since these taxes are the responsibility of the member. The Company is subject to the Texas Margin Tax which is a state income tax. The Company did not owe any Texas Margin Tax at December 31, 2016.

The Company believes that all tax positions 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 (year of inception) forward (with limited exceptions). Tax penalties and interest, if any, would be accrued as incurred and would be classified as a tax expense in the Statement of Income.

Estimates - The preparation of financial statements 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.

Subsequent Events - The Company has evaluated subsequent events through February 28, 2017, the date the financial statements were available to be issued. No subsequent events occurred, which require adjustment or disclosure to the financial statements at December 31, 2016.

STEWARD SECURITIES GROUP, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE 2: NET CAPITAL REQUIREMENTS

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis.

At December 31, 2016, the Company had net capital of \$99,080 and a net capital requirement of \$5,000 for the year. The Company's ratio of aggregate indebtedness to net capital was 0 to 1 at December 31, 2016. The Securities and Exchange Commission permits a ratio of aggregate indebtedness to net capital for the Company at this time of no greater than 15 to 1.

NOTE 3: CREDIT RISK

The Company's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. It is the Company's practice to utilize high net worth financial institutions to minimize credit risk.

The Company is engaged in 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.

NOTE 4: RECEIVABLE FROM CLEARING ORGANIZATION

The Company had 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 was required to maintain cash on deposit in a clearance account with the Clearing Organization in the amount of \$100,000. This clearing agreement and related cash restriction was terminated as of September 30, 2016.

The Company is currently in the process of securing an agreement with a clearing organization to perform clearing functions for all securities transactions with customers and brokers and dealers.

The Company, under the terms of the exemption claimed under SEC rule 15c3-3, will not engage in Securities transactions until a new clearing agreement is executed.

STEWARD SECURITIES GROUP, LLC

SCHEDULE I

**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2016**

	<u>2016</u>
NET CAPITAL	
Total Member's equity	\$ 110,639
Deductions and /or charges:	
Non allowable assets	
Other Current Assets	5,677
Fixed Assets	5,822
	<u>11,559</u>
NET CAPITAL BEFORE HAIRCUTS ON SECURITIES POSITION	<u>99,080</u>
Haircuts on securities	-
Net Capital	<u>\$ 99,080</u>
COMPUTATION ON BASIC NET CAPITAL REQUIREMENTS	
Minimum net capital required (6.67% of aggregate indebtedness)	<u>\$ -</u>
Minimum dollar net capital requirement	<u>\$ 5,000</u>
Net Capital requirement (greater of two above minimum requirements)	<u>\$ 5,000</u>
Excess net capital	<u>\$ 94,080</u>
Ratio: Aggregate indebtedness to net capital	0 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.

STEWARD SECURITIES GROUP, LLC

SCHEDULE II

**INFORMATION RELATING TO THE POSSESSION OR CONTROL
REQUIREMENTS UNDER RULE 15c3-3**

DECEMBER 31, 2016

Exemption Provision

The Company has claimed an exemption 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.



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To Management of
Steward Securities Group, LLC

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

Harper & Pearson Company, P.C.

Houston, Texas
February 28, 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-3:

20*20*****2768*****MIXED AADC 220
69291 FINRA DEC
STEWARD SECURITIES GROUP LLC
17615 PRIMROSE MEADOW LN
HOUSTON TX 77095-4949

Note: If any of the information shown on the mailing label requires correction, please email any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

2. A. General Assessment (Item 2e from page 2)

1004.98

B. Less payment made with SIPC-6 filed (exclude interest)

821.70

Date Paid

C. Less prior overpayment applied

D. Assessment balance due or (overpayment)

E. Interest computed on late payment (see instruction 2i for ___ days at 20% per annum)

183.28

F. Total assessment balance and interest due (or overpayment carried forward)

G. PAYMENT: [X] the box
Check mailed to P.O. Box [X] Funds Wired []
Total (must be same as F above)

183.28

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.

STEWARD SECURITIES GROUP LLC

William C. Brown

PRES/CEO

Dated the 14 day of FEB, 2017.

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

Amended through 1993 forms
Expirates 1/1/94
Replaces 10-31-89FF

Form No. 10
Do Not Write In This Area (For Use by SIPC Only)

Eligible assets:
401,992

1. Expenses:

- (1) Net revenue from the sale of the business of subsidiaries, except foreign subsidiaries, and from the sale of other assets.
- (2) Net revenue from the sale of assets in trading accounts.
- (3) Net revenue from the sale of securities in commodity trading accounts.
- (4) Net revenue from the sale of securities in other trading accounts.
- (5) Net revenue from the sale of securities in the underlying of derivatives contracts.
- (6) Expenses for the advertising, printing, reproduction and other business costs of the business of the SIPC member, including all other expenses of the SIPC member in conducting its business operations.
- (7) **ALL OTHER EXPENSES IN GENERAL ASSETS**
 (a) 0

2. Deductions:

- (1) Expenses for the purchase of stock of a SIPC member from a SIPC member, including all other expenses for the purchase of stock from a SIPC member, including all other expenses for the purchase of stock from a SIPC member, including all other expenses for the purchase of stock from a SIPC member.
- (2) Expenses for the purchase of stock from a SIPC member.
- (3) Commercial, investment and interest paid to other SIPC members in connection with business operations.
- (4) Expenses for the purchase of stock from a SIPC member.
- (5) Expenses for the purchase of stock from a SIPC member.
- (6) Expenses for the purchase of stock from a SIPC member.
- (7) Expenses for the purchase of stock from a SIPC member.
- (8) Other expenses not related to the SIPC member's business.

(Deductions in excess of \$100,000 require documentation)

- (9) (a) Any interest and dividend income (FDICUS Line 2 - PARTIAL Line 11) (Line 4075) less the 10% SIPC interest on deposits (Line 4075) and other income: 0
- (b) 10% of net operating assets in SIPC member accounts (Line 4075) less 10% of FDICUS line 2 (Line 4075): 0
- (c) Other (Line 4075) less 10% of net: 0

0
401,992
1,004.98