



SI

17016631

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

PUBLIC

SEC  
Mail Process Section  
ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

MAR 10 2017

SEC FILE NUMBER
8-68473

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: MCP SECURITIES, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
777 THIRD AVENUE, 25TH FLOOR

(No. and Street)  
NEW YORK NY 10017  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
JILL RECKAMP 678-679-8639  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

OHAB AND COMPANY, P.A.

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

100 E SYBELIA AVE, SUITE 130 MAITLAND FL 32751  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

RECEIVED  
MAR 13 PM 2:42  
SEC / TM

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, JILL RECKAMP, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MCP SECURITIES, 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  
CFO/FINOP  
Title

\_\_\_\_\_  
Notary Public



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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

**MCP SECURITIES, LLC  
FINANCIAL STATEMENTS AND SCHEDULES**

**December 31, 2016  
With Report of Registered Public Accounting Firm**

**PUBLICLY AVAILABLE**



# **Ohab and Company, P.A.**

100 E. Sybelia Ave. Suite 130  
Maitland, FL 32751

*Certified Public Accountants*  
Email: [pam@ohabco.com](mailto:pam@ohabco.com)

Telephone 407-740-7311  
Fax 407-740-6441

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and MCP Securities, LLC  
of MCP Securities, LLC

We have audited the accompanying statement of financial condition of MCP Securities, LLC as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of MCP Securities, LLC's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of MCP Securities, LLC as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

*Ohab and Company, P.A.*

Maitland, Florida

March 7, 2017

**MCP SECURITIES, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**As of December 31, 2016**

ASSETS

Cash	\$ 1,269,846
Accounts receivable	1,010,000
Property and equipment, at cost, less accumulated depreciation and amortization of \$3,251	8,883
Prepaid expenses and other assets	<u>36,232</u>
Total assets	<u><u>\$ 2,324,961</u></u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities	
Accounts payable and accrued expenses	\$ 33,576
Deferred revenue	<u>96,161</u>
Total liabilities	<u>129,737</u>
Member's equity	<u>2,195,224</u>
Total liabilities and member's equity	<u><u>\$ 2,324,961</u></u>

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

**MCP SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization and Description of Business:** MCP Securities, LLC (the "Company"), a Delaware Limited Liability Company organized in December 2009, is a securities broker-dealer registered with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). The Company is a wholly owned subsidiary of McCarvill Capital Partners, LLC ("Member"). The Member purchased the Company in April 2016.

The Company's primary purpose is to provide funding for private placement of securities.

**Basis of Presentation:** The Company's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

**Income Taxes:** As a single member limited liability company, the Company is a disregarded entity for federal income tax purposes. Income taxes are, therefore, the responsibility of the Member of the Company.

The Company has adopted the provisions of FASB Accounting Standards Codification 740-10, Accounting for Uncertainty in Income Taxes. Under ASC 740-10, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a tax return. The Company is subject to New York City taxes. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary. The member and the Company are generally not subject to U.S. federal, state, or local income tax examinations related to the Company's activities for tax years before 2013.

**Estimates:** Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

**Cash and Cash Equivalents:** For the purposes of reporting the statement of cash flows, the Company considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash balances in excess of FDIC and similar insurance coverage are subject to the usual banking risks associated with funds in excess of those limits. The Company maintains its bank accounts at a high credit quality bank in the United States. Balances, at times may exceed federally insured limits. Generally, these deposits may be redeemed upon demand and, therefore, bear minimal risk.

**MCP SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Accounts Receivables:** Accounts receivable consist of trade receivables for the private placement of securities. The Company regularly reviews its accounts receivable for any bad debts. The review for bad debts is based on an analysis of the Company's collection experience, customer worthiness, and current economic trends. At December 31, 2016 the Company did not have an allowance for doubtful accounts as all receivable amounts are deemed to be fully collectible.

**Revenue Recognition:** Placement fees are recognized as earned upon acceptance of capital commitments by a fund. Non-refundable retainers are received in connection with the private placement engagements. The non-refundable retainers are deferred and recognized on the straightline basis over the life of the engagement or the estimated date of completion, whichever comes first. Advisory fees are recognized as earned upon completion of the advisory portion of the contract.

**Property and Equipment:** Property and equipment are carried at cost and depreciated using the straight-line method over the estimated useful lives of the asset which is estimated to be five years. Depreciation expense for the year ended December 31, 2016 equaled \$1,579.

NOTE B - NET CAPITAL AND AGGREGATE INDEBTEDNESS REQUIREMENTS

The Company is subject to the Securities and Exchange Commission 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. At December 31, 2016, the Company had net capital of \$1,161,984, which was \$1,156,984 more than its required net capital of \$5,000 and the ratio of aggregate indebtedness to net capital was .03 to 1.0.

NOTE C - RELATED PARTY TRANSACTIONS

The Company entered into an expense sharing agreement with McCarvill Capital Partners LLC ("McCarvill"), an entity owned by an officer of the Company. The agreement became effective September 30, 2015. Under the agreement McCarvill pays the monthly rent expenses and allocates expenses to the Company based on the Company's usage of space.

The amount expensed in the financial statements for 2016 under the arrangement with McCarvill is \$268,976.

NOTE D - COMMITMENTS AND CONTINGENCIES

The Company does not have any commitments or contingencies.

NOTE E - BUSINESS CONCENTRATIONS

The Company earned revenue from one major customers that accounted for 67% of placement fees for the year ended December 31, 2016.

**MCP SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE F - LEASES**

The Company occupies office facilities leased under an operating lease. The Company entered into a twenty-four month lease agreement on December 27, 2016.

Future minimum rental payments under the office premises leases are the following:

2017	\$ 17,292
2018	<u>17,292</u>
Total	<u><u>\$ 34,584</u></u>

**NOTE G - PROPERTY AND EQUIPMENT**

A summary of the cost and accumulated depreciation of premises and equipment follows:

December 31, 2016	
Computer equipment and software	\$ 12,134
Accumulated depreciation	<u>(3,251)</u>
Property and equipment, net	<u><u>\$ 8,883</u></u>

Depreciation expense for the year ended December 31, 2016 amounted to \$1,579.

**NOTE H - SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through March 07, 2017, the date which the financial statements were available to be issued, and has determined that the Company had no events occurring subsequent to December 31, 2016 requiring disclosure.





# **Ohab and Company, P.A.**

100 E. Sybelia Ave. Suite 130  
Maitland, FL 32751

*Certified Public Accountants*  
Email: [pam@ohabco.com](mailto:pam@ohabco.com)

Telephone 407-740-7311  
Fax 407-740-6441

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members  
of MCP Securities, LLC

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

*Ohab and Company, P.A.*

Maitland, Florida

March 7, 2017

---

# MCP Securities

---

February 20, 2017

Ohab and Company, P.A.  
100 E. Sybelia Ave. Ste 130  
Maitland, FL 32751

Attn: Pamela Ohab

MCP Securities (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17C.F.R. 240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17C.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 17C.F.R. §240.15c3-3 under the following provisions of 17C.F.R. §240.15c3-3(k)(2)(i):
- (2) The Company met the identified exemption provisions in 17C.F.R. §240.15c3-3(k)(2)(i) throughout the most recent fiscal year without exception.

I, Jill Reckamp affirm that, to the best of my knowledge and belief, this Exemption report is true and correct.

By: \_\_\_\_\_

Title: CFO/FINOP

Date: February 20, 2017

MCP Securities, LLC  
Member FINRA/SIPC