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

SEC FILE NUMBER
8-34061

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 10/01/2016 AND ENDING 09/30/2017
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: WILSON PARKER CONNALLY STEPHENS

OFFICIAL USE ONLY
FIRM I.D. NO.

INC.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
100 LEXINGTON ST. STE. 150
(No. and Street)
FORT WORTH TEXAS 76102
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
PHILLIP V. GEORGE, PLLC
(Name - if individual, state last, first, middle name)
5179 CR 1026 CELESTE TEXAS 75423
(Address) (City) (State) (Zip Code)

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

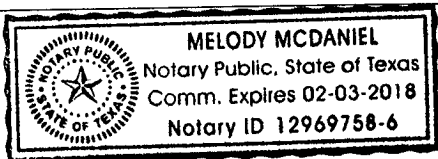
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, JAMES A. PARKER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of WILSON PARKER COMPANY STEPHENSON INC., as of SEPTEMBER 30, 2017, 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:

NONE



James Parker
Signature
CHIEF FINANCIAL OFFICER
Title

Melody McDaniel
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).

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PHILLIP V. GEORGE, PLLC
CERTIFIED PUBLIC ACCOUNTANT

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

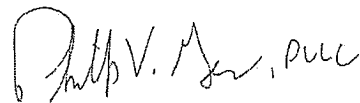
Board of Directors
Wilson Parker Connally Stephenson, Inc.

We have audited the accompanying statement of financial condition of Wilson Parker Connally Stephenson, Inc. (a Texas corporation) as of September 30, 2017, and the related statements of operations, changes in stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of Wilson Parker Connally Stephenson, Inc.'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 position of Wilson Parker Connally Stephenson, Inc. as of September 30, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplemental information contained in Schedule I has been subjected to audit procedures performed in conjunction with the audit of Wilson Parker Connally Stephenson, Inc.'s financial statements. The supplemental information is the responsibility of Wilson Parker Connally Stephenson, Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the supplemental information contained in Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.



PHILLIP V. GEORGE, PLLC

Celeste, Texas
November 22, 2017

Wilson Parker Connally Stephenson, Inc.
Statement of Financial Condition
September 30, 2017

ASSETS

Cash	\$ 165,227
Commissions receivable	37,000
Prepaid expenses	4,132
Clearing deposit	100,000
Security deposit	5,190
Property and equipment, net	<u>7,902</u>
Total Assets	<u><u>\$ 319,451</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities

Accounts payable	\$ 6,972
Commissions payable	145,868
Income tax payable	<u>5,816</u>
Total Liabilities	<u>158,656</u>

Stockholders' Equity

Common stock; no par value; 100,000 shares authorized; 57,000 shares issued; and 42,000 shares outstanding.	26,000
Additional paid-in capital	36,190
Retained earnings	<u>178,605</u>
	240,795
Treasury stock, 15,000 shares at cost	<u>(80,000)</u>
Total Stockholders' Equity	<u>160,795</u>
Total Liabilities and Stockholders' Equity	<u><u>\$ 319,451</u></u>

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

Wilson Parker Connally Stephenson, Inc.
Statement of Operations
Year Ended September 30, 2017

Revenue

Securities commissions	\$ 1,252,839
Mutual fund commissions	525,511
Referral fees	<u>67,527</u>
Total Revenue	<u>1,845,877</u>

Expenses

Compensation and related costs	1,587,224
Occupancy and equipment costs	102,214
Clearing charges	74,529
Communications	26,664
Other expenses	20,874
Promotion	20,173
Regulatory fees	16,819
Professional fees	11,684
Expense reimbursements from related parties	<u>(29,779)</u>
Total Expenses	<u>1,830,402</u>
Net income before provision for income taxes	15,475
Current income taxes - federal	2,232
- state	<u>5,964</u>
Total current provision for income taxes	<u>8,196</u>
Net Income	<u><u>\$ 7,279</u></u>

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

Wilson Parker Connally Stephenson, Inc.
Statement of Changes in Stockholders' Equity
Year Ended September 30, 2017

	Common Shares Outstanding	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total Stockholders' Equity
Balances at September 30, 2016	30,000	\$6,000	\$36,190	\$171,326	(\$80,000)	\$133,516
Proceeds from stock issuance	12,000	20,000	-	-	-	20,000
Net income	-	-	-	7,279	-	7,279
Balances at September 30, 2017	<u>42,000</u>	<u>\$26,000</u>	<u>\$36,190</u>	<u>\$178,605</u>	<u>(\$80,000)</u>	<u>\$160,795</u>

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

Wilson Parker Connally Stephenson, Inc.
Statement of Cash Flows
Year Ended September 30, 2017

Cash flows from operating activities:	
Net income	\$ 7,279
Adjustments to reconcile net income to net cash used in operating activities:	
Depreciation expense	2,615
Changes in assets and liabilities	
Increase in commissions receivable	(11,000)
Decrease in referral fees receivable	17,319
Increase in prepaid expenses	(1,120)
Increase in clearing deposit	(75,000)
Decrease in accounts payable	(1,161)
Increase in commissions payable	10,693
Increase in income taxes payable	<u>884</u>
Net cash used in operating activities	<u>(49,491)</u>
 Cash flows from financing activities:	
Proceeds from stock issuance	<u>20,000</u>
Net change in cash	(29,491)
Cash at beginning of year	<u>194,718</u>
Cash at end of year	<u>\$ 165,227</u>

Supplemental Disclosures of Cash Flow Information:

Cash paid during the year for:

Income taxes - federal	<u>\$ 3,630</u>
Income taxes - state	<u>\$ 3,682</u>
Interest	<u>\$ -</u>

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

Wilson Parker Connally Stephenson, Inc.
Notes to Financial Statements
September 30, 2017

Note 1 – Nature of Business and Summary of Significant Accounting Policies

Nature of Business:

Wilson Parker Connally Stephenson, Inc. (the Company) was organized in May 1985 as a Texas Corporation. The Company is a broker/dealer in securities registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). The Company is also a registered investment advisor with the state of Texas.

The Company operates pursuant to section (k)(2)(ii) exemptive provisions of Rule 15c3-3 of the Securities Exchange Act of 1934, and accordingly, is exempt from the remaining provisions of that Rule. The Company, does not hold customer funds or securities, but as an introducing broker or dealer, will clear transactions on behalf of customers on a fully disclosed basis through a clearing broker/dealer. The clearing broker/dealer carries accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

The Company's operations consist primarily of providing securities brokerage services to individuals located in the State of Texas.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepting accounting principles requires management to make estimates and assumptions that 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.

Fair Value of Financial Instruments

Substantially all of the Company's financial asset and liability amounts reported in the statement of financial condition are short-term in nature and approximate fair value.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over estimated useful lives of five to seven years.

Wilson Parker Connally Stephenson, Inc.
Notes to Financial Statements
September 30, 2017

Note 1 – Nature of Business and Summary of Significant Accounting Policies (continued)

Revenue Recognition

General securities commissions and related expenses are recorded on a trade date basis. Securities commissions also include commissions on unit investment trusts, interest rebates on customer accounts and other revenue related to customer accounts which is recorded on the trade date or is accrued as earned.

Mutual fund commissions and the related expenses are recorded on the trade date. Mutual fund trail fees are accrued as earned.

Referral fees consist of a percentage of the management fee and performance allocation earned by the unaffiliated hedge funds to whom clients are referred and are recorded as earned. The performance allocation is earned based on investment return benchmarks and can vary significantly from year-to-year.

Income Taxes

As of September 30, 2017, open Federal tax years subject to examination include the tax years ended September 30, 2014 through September 30, 2016.

The Company is also subject to state franchise taxes.

Note 2 – Transactions with Clearing Broker/Dealer

The Company has an agreement with a national clearing broker/dealer to provide clearing, execution and other related services. The agreement requires minimum quarterly charges of \$25,000. The agreement also requires the Company to maintain a minimum of \$100,000 in an account with the clearing broker/dealer.

Note 3 – Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (SEC 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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At September 30, 2017, the Company had net capital of \$143,571, which was \$93,571 in excess of its net capital requirement of \$50,000. The Company's net capital ratio was 1.105 to 1.

Wilson Parker Connally Stephenson, Inc.
Notes to Financial Statements
September 30, 2017

Note 4 – Property and Equipment

Property and equipment is carried at cost less accumulated depreciation and consists of the following:

Furniture and fixtures and computer equipment	\$ 33,967
Accumulated depreciation	<u>(26,065)</u>
	<u>\$ 7,902</u>

Depreciation expense for the year was \$2,615 and is reflected in the accompanying statement of operations as occupancy and equipment costs.

Note 5 – Income Taxes

The current federal income tax provision differs from the expense expected that would result from applying the Federal statutory rate to the net income before provision for federal income taxes due to permanent non-deductible differences.

At September 30, 2017, \$3,534 and \$2,282, totaling \$5,816 is payable for federal and Texas income taxes; respectively.

Note 6 – Commitments and Contingencies

Office Lease

The Company leases office space under a noncancelable operating lease through March 2023. The monthly lease payment is currently \$5,662 per month. Future minimum lease payments due for each of the years ending September 30 are as follows:

September 30, 2018	\$ 32,556
September 30, 2019	71,778
September 30, 2020	68,475
September 30, 2021	70,598
September 30, 2022	72,721
Thereafter	<u>36,803</u>
Total	<u>\$ 352,931</u>

Wilson Parker Connally Stephenson, Inc.
Notes to Financial Statements
September 30, 2017

Note 6 – Commitments and Contingencies (continued)

Office Lease (continued)

The terms of the lease require the Company to provide liability insurance and cover certain general operating expenses with provision for escalation. Office rent expense for the year was \$80,835 and is reflected in the accompanying statement of operations as occupancy and equipment costs.

Contingencies

The nature of the Company's business subjects it to various claims, regulatory examination, and other proceedings in the ordinary course of business. The ultimate outcome of any such action against the Company could have an adverse impact on the financial condition, results of operations, or cash flows by the company.

Note 7 – Retirement Plan

The Company has established a Simple IRA Plan (Plan) for its employees. The Company and employees may contribute to the Plan. The Company will contribute matching contributions equal to the elective deferral of each employee, but not more than 3% of the individual employee's compensation, up to \$14,500. Company matching contributions totaled \$31,653 for the year, and are included in compensation and related costs in the accompanying statement of operations.

Note 8 – Related Party Transaction/Economic Dependency/Concentration of Services

The shareholders of the Company, who are also registered securities representatives and officers of the Company, generated approximately 74% of the Company's revenue and accounted for approximately 82% of the Company's commission expense for the year ended September 30, 2017. The Company is economically dependent upon the shareholders due to the concentration of services provided them.

The Company shares office space, personnel and resources with another company owned by one of the shareholders. The Company receives expense reimbursements related to these shared expenses which is computed and paid monthly. For the year ended September 30, 2017, the Company received \$29,779 in expense reimbursements from this related party.

Wilson Parker Connally Stephenson, Inc.
Notes to Financial Statements
September 30, 2017

Note 9 – Off-Balance-Sheet Risk and Concentrated Credit Risk

As discussed in Note 1, the Company's customers' securities transactions are introduced on a fully disclosed basis with its clearing broker/dealer. The clearing broker/dealer carries the accounts of the customers of the Company and are responsible for execution, collection and payment of funds, and receipt and delivery of securities relative to customer transactions. Off-balance-sheet risk exists with respect to these transactions due to the possibility that customers may be unable to fulfill their contractual commitments wherein the clearing broker/dealer may charge any losses it incurs to the Company.

The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers and that customer transactions are executed properly by the clearing broker/dealer.

The Company has \$108,529 or approximately 34% of its total assets in cash and clearing deposit due from or held at the Company's clearing broker/dealer.

Note 10 – Subsequent Events

Management has evaluated the Company's events and transactions that occurred subsequent to September 30, 2017, through November 22, 2017, the date which the financial statements were available to be issued.

Schedule I
Wilson Parker Connally Stephenson, Inc.
Supplemental Information Pursuant to Rule 17a-5
September 30, 2017

Computation of Net Capital

Total stockholders' equity qualified for net capital	\$ 160,795
Deductions and/or charges	
Non-allowable assets:	
Prepaid expenses	4,132
Security deposit	5,190
Property and equipment, net	7,902
Total deductions and/or charges	17,224
Net Capital	\$ 143,571

Aggregate indebtedness

Accounts payable	\$ 6,972
Commissions payable	145,868
Income taxes payable	5,816
Total aggregate indebtedness	\$ 158,656

Computation of basic net capital requirement

Minimum net capital required (greater of \$50,000 or 6 2/3% of aggregate indebtedness)	\$ 50,000
Net capital in excess of minimum requirement	\$ 93,571
Ratio of aggregate indebtedness to net capital	1.105 to 1

See accompanying report of independent registered public accounting firm.

Schedule I (Continued)
Wilson Parker Connally Stephenson, Inc.
Supplemental Information Pursuant to Rule 17a-5
September 30, 2017

Reconciliation of Computation of Net Capital

The above computation does not differ from the computation of net capital under Rule 15c3-1 as of September 30, 2017 as filed by Wilson Parker Connally Stephenson, Inc. on Form X-17A-5. Accordingly, no reconciliation is deemed necessary.

Statement Regarding the Reserve Requirements and Possession or Control Requirements

The Company operates pursuant to section (k)(2)(ii) exemptive provisions of Rule 15c3-3 of the Securities Exchange Act of 1934, in which all customer transactions are cleared on a fully disclosed basis through a clearing broker/dealer. Under these exemptive provisions, the Computation of Determination of the Reserve Requirements and Information Relating to the Possession or Control Requirements are not required.

Statement Regarding Changes in Liabilities Subordinated to Claims of General Creditors.

No statement is required as no subordinated liabilities existed at any time during the year.

See accompanying report of independent registered public accounting firm.

PHILLIP V. GEORGE, PLLC
CERTIFIED PUBLIC ACCOUNTANT

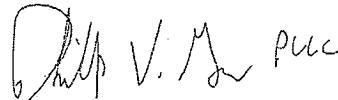
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Wilson Parker Connally Stephenson, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Wilson Parker Connally Stephenson, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Wilson Parker Connally Stephenson, Inc. claimed an exemption from 17 C.F.R. §240.15c3-3:(2)(ii) (the "exemption provisions") and (2) Wilson Parker Connally Stephenson, Inc. stated that Wilson Parker Connally Stephenson, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Wilson Parker Connally Stephenson, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

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

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.



PHILLIP V. GEORGE, PLLC

Celeste, Texas
November 22, 2017

WILSON PARKER CONNALLY STEPHENSON, INC.

100 LEXINGTON STREET, SUITE 150

FORT WORTH, TX 76102

817-926-4415 • 817-922-8000

Wilson Parker Connally Stephenson, Inc.'s Exemption Report

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

- (1) The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3 (k):(2)(ii), and
- (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.

Wilson Parker Connally Stephenson, Inc.

I, James A. Parker, swear and affirm that, to the best of my knowledge and belief, this Exemption Report is true and correct.

By: _____

James A. Parker

Chief Financial Officer

November 14, 2017