VINING SPARKS

STATEMENT OF FINANCIAL CONDITION

June 30, 2008
(Unaudited)

Assets	
Cash, including $2,847,632 segregated	
under federal regulations (note 2)	$ 5,236,296
Securities purchased under agreements to resell	260,231,481
Customers receivables	5,701,072
Brokers and dealers receivables (note 3)	5,349,493
Securities owned, at fair value (notes 4, 5, and 6)	643,320,407
Furniture, fixtures, and equipment, at cost, net of accumulated	
depreciation and amortization of $7,374,542	1,383,404
Accrued interest receivable on securities	1,322,283
Other receivables	381,296
Other assets	2,144,152
Total assets	$925,069,884
Liabilities and Partners' Capital	
Liabilities:	
Payable to banks, clearing agents	
and brokers and dealers (note 5 and 7)	$403,816,501
Securities sold under agreements to repurchase (note 6)	249,707,192
Payable to customers	2,881,650
Securities sold, not yet purchased, at fair value (note 4)	197,895,408
Accounts payable and accrued expenses	16,699,895
Total liabilities	871,000,646
Partners' capital (notes 8 and 10):	
Vining-Sparks Securities, Inc.	710,698
Vining-Sparks Fund, L.P.	30,592,678
Vining-Sparks & Associates, L.P.	22,765,862
Total partners' capital	54,069,238
Commitments and contingencies (notes 11 and 12)	
Total liabilities and partners' capital	$925,069,884

See accompanying notes to statement of financial condition.

Notes to Statement of Financial Condition
June 30, 2008 (Unaudited)

(1) Summary of Significant Accounting Policies

(a) Organization

Vining-Sparks IBG, Limited Partnership (the Partnership) primarily acts as a U.S. government and municipal securities broker-dealer. In the United States of America, the Partnership is registered with the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board (MSRB), the National Futures Association (NFA), and the Commodities Futures Trading Commission (CFTC). The Partnership is also registered in Europe with the Financial Services Authority (FSA) of the United Kingdom, and with regulatory agencies in Canada.

The partners are Vining-Sparks Securitie, Inc. (VSSI), as a general partner, Vining-Sparks Fund, L.P., as a limited partner, and Vining-Sparks & Associates, L.P., as a limited partner.

(b) Securities Transactions

Securities transactions in regular-way trades are recorded on the trade date. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded on a net basis and are included in other receivables on the statement of financial condition.

(c) Securities

Securities owned by the Partnership are stated at fair value. Marketable securities owned and securities sold, not yet purchased, are generally valued at fair value using quoted market prices as determined through third-party pricing services.

(d) Resale and Repurchase Agreements and Securities Lending Agreements

Transactions involving purchases of securities under agreements to resell (reverse repurchase agreements, reverse repos, or resale agreements) or sales of securities under agreements to repurchase (repurchase agreements or repos) are accounted for as collateralized financings. It is the policy of the Partnership to obtain possession of collateral with a market value equal to or in excess of the principal amount loaned under resale agreements. Collateral is valued daily, and the Partnership may require counterparties to deposit additional collateral or return collateral pledged when appropriate.

(e) Depreciation and Amortization

Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets (three to five years) or the life of the lease, whichever is less.

(f) Income Taxes

No provision for federal income taxes has been made because the Partnership is required to allocate income and expenses to the partners for inclusion in their respective federal income tax returns.

(g) Derivative Financial Instruments

The Partnership has entered into interest rate derivative (swaps and caps) agreements to assist customers in reducing exposure to market risks from changing interest rates. In order to mitigate the interest rate exposure associated with these agreements, the Partnership has also entered into interest rate derivative agreements with other counterparties, whose terms are identical to the customer interest rate swap agreements. These agreements are recorded in other assets and accounts payable and accrued expenses on the statement of financial condition.

(h) Fair Value of Financial Instruments

Substantially all of the Partnership's financial instruments are carried at fair value.

(i) Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) Cash and Securities Segregated under Federal Regulations

The Partnership maintains a special reserve bank account for the benefit of customers under Rule 15c3-3 of the Securities and Exchange Commission. As of June 30, 2008, restricted cash of $2,847,632 has been segregated into this account.

(3) Brokers and Dealers Receivables

The receivable from brokers and dealers is comprised of the following at June 30, 2008:

Securities failed to deliver	$ 4,855,223
Other	494,270
	$ 5,349,493

(4) Securities Owned and Securities Sold, Not Yet Purchased

Marketable securities owned and sold, not yet purchased, consist of trading securities at market values.

(5) Payable to Clearing Agents and Brokers and Dealers

The payable to clearing agents, for which the Partnership incurs interest, is collateralized by securities owned either by the Partnership or held for the account of customers and other brokers and dealers for which the Partnership has yet to be paid.

(6) Securities Sold under Agreements to Repurchase

The Partnership enters into sales of securities under agreements to repurchase, with the obligation to repurchase the securities sold reflected as a liability on the statement of financial condition.

(7) Working Capital Line of Credit

The Partnership has a $10,000,000 working capital line of credit available from a bank, which bears interest at the prime rate minus one percent. At June 30, 2008 the balance was $0.

(8) Partner Transactions

Under the terms of the partnership agreement, a minimum of 35% of the Partnership's taxable net income, as defined, is to be distributed to the Partners based on their respective percentage interests in the Partnership.

(9) Agreements with Other Broker Dealers

The Partnership has an agreement with ICBA Securities Corporation wherein the Partnership agrees to act as clearing broker and manage the sales and back office functions for ICBA Securities Corporation. Under terms of the agreement, all expenses related to such activities, including management of the related accounts, are borne by the Partnership. During 2008, the Partnership paid such expenses and received commissions from business generated from this relationship.

(10) Net Capital Requirements

The Partnership is subject to the Securities and Exchange Commission Uniform Net Capital Rule, which requires the maintenance of minimum net capital. The Partnership has elected to use the alternative method, which requires the Partnership to maintain minimum net capital, as defined, equal to the greater of $250,000, or 2% of aggregate debit balances, arising from customer transactions, as defined. At June 30, 2008, the Partnership had net capital of $24,075,362, which was $23,825,362 in excess of required net capital.

(11) Commitments and Contingencies

Leases

At June 30, 2008, the Partnership was obligated under noncancelable operating leases for office space with remaining terms in excess of one year. Estimated commitments for the remaining six months of the current year and the estimated future annual commitments are as listed below:

Year ending December 31:	
2008 (6 months)	$ 820,000
2009	1,600,000
2010	1,300,000
2011	200,000
2012 (and thereafter)	150,000
	$4,070,000

Litigation

In the normal course of business, the Partnership is subject to claims and litigation. Management of the Partnership believes that such matters will not have a material adverse effect on the Partnership's results of operations, liquidity, or financial condition.

(12) Financial Instruments with Off-Balance-Sheet Risk

The Partnership enters into various transactions involving derivatives and other instruments with off-balance-sheet risk. These financial instruments include mortgage-backed and SBA to-be-announced securities (TBAs), securities purchased and sold on a when-issued basis, including SBA-guaranteed loans (when-issued securities) and interest rate swaps. These financial instruments are used to meet the needs of customers, conduct trading activities, and manage market risks and are, therefore, subject to varying degrees of market and credit risk.

TBAs and when-issued securities provide for the delayed delivery of the underlying instrument. Management does not anticipate that losses, if any, as a result of credit or market risk would materially affect the Partnership's financial position due in part to the short-term nature of the commitments.

Interest rate swaps, including interest rate caps, involve the exchange of payments based on fixed or floating rates applied to notional amounts. The contractual or notional amounts related to these financial instruments reflect the volume and activity and do not reflect the amounts at risk. The Partnership enters into interest rate swap and cap arrangements for customers. The Partnership enters into interest rate swap and cap agreements, with other counterparties, whose terms are identical to the interest rate swap and cap agreements.

In the normal course of business, the Partnership's customer activities involve the execution, settlement, and financing of various customer securities transactions. These activities may expose the Partnership to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contractual obligations and the Partnership has to purchase or sell the financial instrument underlying the contract at a loss.

VINING SPARKS®

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