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

NO JG

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SEC  
**ANNUAL AUDITED REPORT**  
**FORM X-17A-5**  
PART III  
FEB-24-2016

SEC FILE NUMBER  
8-38383

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

JG  
RMS

REPORT FOR THE PERIOD BEGINNING 01/01/2015 AND ENDING 12/31/2015  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CORNERSTONE FINANCIAL SERVICES, INC.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
325 E. MAIN STREET  
(No. and Street)  
GREENFIELD, IN 46140  
(City) (State) (Zip Code)

OFFICIAL USE ONLY  
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
STEVEN BUCKSOT - 317-462-3310  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
SHEDJAMA, INC - dba EDWARD OPPERMAN, CPA  
(Name - if individual, state last, first, middle name)  
1901 KOSSUTH STREET - LAFAYETTE, IN 47905  
(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)



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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors  
Cornerstone Financial Services, Inc.  
Greenfield, Indiana

We have audited the accompanying statement of financial condition of Cornerstone Financial Services, Inc. (an Indiana corporation), as of December 31, 2015, and the related statements of income, changes in stockholders' equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of Cornerstone Financial Services, 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 auditing standards of the Public 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 from 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 Cornerstone Financial Services, Inc. as of December 31, 2015, 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 Computation of Net Capital Requirements – Schedule I has been subjected to audit procedures performed in conjunction with the audit of Cornerstone Financial Services, Inc.'s financial statements. The supplemental information is the responsibility of Cornerstone Financial Services, Inc.'s management. Our audit procedures including 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 Computation of Net Capital Requirements – Schedule I is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

SHEDJAMA, INC.  
dba EDWARD OPPERMAN, CPA  
LAFAYETTE, INDIANA  
FEBRUARY 10, 2016

OATH OR AFFIRMATION

I, STEVEN BUCKSOT, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CORNERSTON FINANCIAL SERVICES, INC. of DECEMBER 31, 2015, 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:

[Handwritten Signature]

Signature

FINANCIAL PRINCIPAL

Title

Notary Public [Handwritten Name] 8-15-2023

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).

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**AS OF DECEMBER 31, 2015**

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**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 16,487
Commissions receivable	<u>18,283</u>
<b>TOTAL ASSETS</b>	<u><u>34,770</u></u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**LIABILITIES**

Commissions payable	<u>5,623</u>
<b>TOTAL LIABILITIES</b>	5,623

**STOCKHOLDERS' EQUITY**

Common stock (Par value \$1, authorized 1,000 shares, issued and outstanding: 1,000 shares)	1,000
Additional paid in capital	73,360
Retained earnings	<u>(45,213)</u>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	29,147

<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 34,770</u></u>
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**CORNERSTONE FINANCIAL SERVICES, INC.**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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**REVENUE**

Commissions revenue	\$ 250,312
Advisory fees	60,112
Interest income	<u>5</u>
<b>TOTAL REVENUE</b>	<b>310,429</b>

**EXPENSES**

Commissions	289,558
Advertising	8,263
Professional fees	5,350
Insurance	1,586
Licenses and fees	3,160
Continuing education	150
Travel expenses	3,563
Bank fees	<u>34</u>
<b>TOTAL EXPENSES</b>	<b>311,664</b>

**NET INCOME (LOSS)** \$ (1,235)

Earning (Loss) per share of common stock \$ (12.35)

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Capital Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>BALANCE AT THE BEGINNING OF YEAR</b>	\$ 1,000	\$ 73,360	\$ (43,978)	\$ 30,382
Additional Paid In Capital	-	-	-	-
Stock issue	-	-	-	-
Purchase of shares	-	-	-	-
Net income (loss)	-	-	(1,235)	(1,235)
<b>BALANCE AT THE END OF YEAR</b>	<u>\$ 1,000</u>	<u>\$ 73,360</u>	<u>\$ (45,213)</u>	<u>\$ 29,147</u>

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income (Loss)	\$ (1,235)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
(Increase) decrease in operating assets:	
Commissions receivable	1,047
Increase (decrease) in operating liabilities:	
Commissions payable	178
Net Cash Provided by (Used in) Operating Activities	<u>(10)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(10)</b>

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 16,497

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR \$ 16,487

**SUPPLEMENTAL DISCLOSURES OF CASH FLOW ACTIVITIES**

Cash Paid During the Year for: Taxes \$ -

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR DECEMBER 31, 2015**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the Firm's significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

- a. Nature of Operations—Cornerstone Financial Services, Inc., (the Firm), is a registered broker-dealer with the Financial Industry Regulatory Authority (FINRA), the Securities and Exchange Commission (SEC) and various states within the United States. The Firm operates as an introducing broker on a fully disclosed basis, and forwards all transactions to its clearing broker. Accordingly, the Firm operates under the exemptive provision of the SEC Rule 15c3-3(k) (2) (ii).
- b. Cash Equivalents—For purposes of the statements of cash flows, the Firm considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents. There were no cash equivalents at December 31, 2015.
- c. Use of 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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- d. Concentrations of Credit Risk—The Firm places its cash in accounts with a local financial institution. At times, such accounts may be in excess of FDIC insured limits. The Firm did not have amounts in excess of insured limits as of December 31, 2015.
- e. Commissions Receivable—Commissions Receivable consists of commissions, fees and other amounts owed to the Firm. The Firm, on a periodic basis evaluates its commissions receivable and establishes an allowance for doubtful accounts, based on history of past write-offs and collections and current credit conditions. The Firm considers commissions receivable to be fully collectible; accordingly, no allowance for doubtful accounts currently is provided. Uncollectible commissions receivable are charged directly against operations when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by accounting principles generally accepted in the United States of America.
- f. Advertising—The Firm's advertising costs are expensed as incurred. During 2015, advertising costs of \$8,263 were incurred.
- g. Method of Accounting—The Firm's financial statements are presented on the accrual basis method of accounting.
- h. Revenue Recognition—The Firm recognizes revenue on its variable annuity and mutual funds products when the necessary policy documents have been completed by the customer as well as the premiums associated with the related products have been received by the carrier. Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur. Investment advisory fees are received quarterly and are recognized as earned on a pro rata basis over the term of the contract.

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR DECEMBER 31, 2015**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- i. Use of 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 reported period. Actual results could differ from those estimates.

**NOTE 2: RECEIVABLES AND PAYABLES FROM AND TO BROKERS**

Commissions receivables from brokers represent commissions due and accrued to the Firm from their correspondents. The commissions payable to brokers are commissions due to the brokers. At December 31, 2015 there were \$18,283 of accrued commissions receivable. At December 31, 2015 there were \$5,623 of accrued commissions payable.

**NOTE 3: INCOME TAX EXPENSE**

The Firm has elected to be treated as an S Corporation for tax purposes. In lieu of corporation income taxes, the shareholders of an S Corporation are taxed on their proportionate share of the Firm's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Accounting principles generally accepted in the United States of American require the Firm to examine its tax positions for uncertain positions. Management is not aware of any tax positions that are more likely than not to change in the next twelve months or that would not sustain an examination by applicable taxing authorities.

The Firm's policy is to recognize penalties and interest as incurred in its Statement of Income, there were none for the year ended December 31, 2015.

The Firm's federal and state income tax returns for 2012 through 2015 are subject to examination by the applicable tax authorities, generally for three years after the later of the original or extended due dates.

**NOTE 4: COMMON STOCK AND BASIC EARNINGS PER SHARE**

Basic earnings per share of common stock were computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the year. Diluted earnings per share are not presented because the Firm has issued no dilutive potential common shares.

The Firm has one class of common stock with no par value that has equal rights, preferences, qualifications, limitations and restrictions. At December 31, 2015, the Firm's had common stock of 1,000 shares authorized, with 1,000 shares issued and outstanding.

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR DECEMBER 31, 2015**

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**NOTE 5: NET CAPITAL REQUIREMENTS**

The Firm is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum net capital balance. The minimum dollar amount for the Firm is \$5,000. At December 31, 2015, the Firm's net capital was \$16,784 which was \$11,784 in excess of its minimum net capital requirement. There is a difference of \$297 between this computation of net capital pursuant to Rule 15c3-1 and the corresponding computation prepared by the Firm and included in the unaudited Part II of Form X-17a-5 as of December 31, 2015. The difference relates to audit adjustments to accounts included in net capital.

**NOTE 6: STATEMENTS OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

For the year ended December 31, 2015, the Firm did not have any subordinated liabilities subject to claims of general creditors. Therefore, no statement has been prepared.

**NOTE 7: SUBSEQUENT EVENTS**

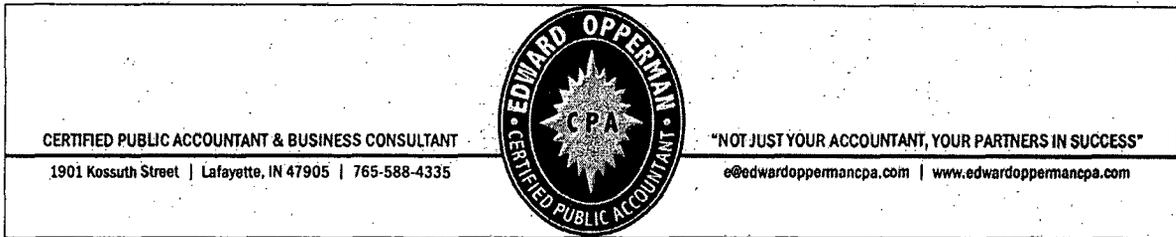
The Firm has evaluated subsequent events through the date of this report, the date on which the financial statements were available to be issued.

**CORNERSTONE FINANCIAL SERVICES, INC.**  
**COMPUTATION OF NET CAPITAL REQUIREMENTS**  
**AS OF DECEMBER 31, 2015**  
**Schedule I**

Total ownership equity from Statement of Financial Condition	\$ 29,147
less nonallowable assets from Statement of Financial Condition	12,363
Net capital before haircuts on securities positions	<u>16,784</u>
Haircuts on securities	-
Net capital before haircuts on securities positions	<u>\$ 16,784</u>
Aggregate indebtedness	5,623
Net capital required based on aggregate indebtedness (6-2/3%)	375

**COMPUTATION OF NET CAPITAL REQUIREMENTS**

Minimum net capital required	5,000
Excess net Capital	11,784
Total aggregate indebtedness	
(A) - 10% of total aggregate indebtedness	38
(B) - 120% of minimum net capital requirement	6,000
Net Capital less the greater of (A) or (B)	10,784
Percentage of Aggregate Indebtedness to Net Capital	33.50%



## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL UNDER SEC RULE 17A-5(g)(1)

The Board of Directors  
Cornerstone Financial Services, Inc.  
Greenfield, Indiana

In planning and performing our audit of the financial statements of Cornerstone Financial Services, Inc. as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered Cornerstone Financial Services, Inc.'s internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cornerstone Financial Services, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Cornerstone Financial Services, Inc.'s internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by [Name of Broker-dealer] including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the provisions of Rule 15c3-3. Because Cornerstone Financial Services, Inc. does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of Cornerstone Financial Services, Inc. is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

(CONTINUED)

(CONTINUED)

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that CORNERSTONE FINANCIAL SERVICES'S practices and procedures, as described in the second paragraph of this report, were adequate at JANUARY 21, 2016, to meet the SEC's objectives.

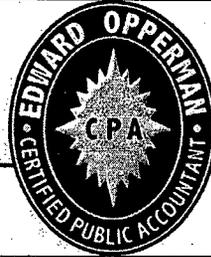
This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



SHEDJAMA, INC.  
dba EDWARD OPPERMAN, CPA  
LAFAYETTE, INDIANA  
FEBRUARY 10, 2016

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The Board of Directors  
Cornerstone Financial Services, Inc.  
Greenfield, Indiana

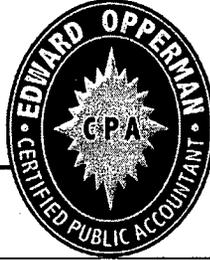
Reference: Reconciliation between the audited computation of net capital and the broker-dealer's unaudited net capital computation as reported on the December 31, 2015 Part 11A filing.

Conclusion: There were no material differences between the audited and unaudited net capital computation. The only difference was the accrual adjustment of receivables and payables.

SHEDJAMA, INC.  
dba EDWARD OPPERMAN, CPA  
LAFAYETTE, INDIANA  
FEBRUARY 10, 2016

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### Independent Accountants' Report on Applying Agreed-Upon Procedures Related to an Entity's SIPC Assessment Reconciliation

The Board of Directors  
Cornerstone Financial Services, Inc.  
Greenfield, Indiana

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation (SIPC) for the period from January 1, 2015 to December 31, 2015, which were agreed to by Cornerstone Financial Services, Inc. and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Cornerstone Financial Services, Inc.'s compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). Cornerstone Financial Services, Inc.'s management is responsible for Cornerstone Financial Services, Inc.'s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- Compared the listed assessment payments in Form SIPC-7T with respective cash disbursement records entries, noting no differences;
- Compared the Total Revenue amounts of the audited Form X-17A-5 for the year ended December 31, 2015 less revenues reported on the FOCUS reports for the period from January 1, 2015 to March 31, 2015, as applicable, with the amounts reported in Form SIPC-7T for the period from April 1, 2015 to December 31, 2015 noting no material differences;
- Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers, noting the only difference was the accrual adjustment of receivables;
- Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments noting the difference was the accrual adjustment of receivables; and
- Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

SHEDJAMA, INC  
dba EDWARD OPPERMAN, CPA  
LAFAYETTE, INDIANA  
FEBRUARY 10, 2016

# CORNERSTONE FINANCIAL SERVICES, INC.

Established 1987

Exemption Statement with regards to 15c3-3

Cornerstone Financial Services Inc (CFS) (GRD 20627), SEC file 8-38383, is a \$5000 minimum net capital non-carrying, non-clearing broker/dealer and is exempt from reserve requirements with exemptions according to rules 15c(k)(1).

Exemption Report under rule 15c3-3(k)

CFS has met the exemption provisions above mentioned throughout the year ending December 31, 2015.

To the best of my knowledge and belief, the above statements are true without exception.



Steven L. Bucksot, CPA/PFS, CFP  
Financial Principal

Member - FINRA / SIPC

CERTIFIED PUBLIC ACCOUNTANT & BUSINESS CONSULTANT

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

THE BOARD OF DIRECTORS  
CORNERSTONE FINANCIAL SERVICES, INC.  
GREENFIELD, INDIANA

We have examined CORNERSTONE FINANCIAL SERVICES, INC.'s statements, included in the accompanying Exemption Report, that (1) CORNERSTONE FINANCIAL SERVICES, INC.'s internal control over compliance was effective during the most recent fiscal year ended DECEMBER 31, 2015; (2) CORNERSTONE FINANCIAL SERVICES, INC.'s internal control over compliance was effective as of DECEMBER 31, 2015; (3) CORNERSTONE FINANCIAL SERVICES, INC. was in compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of December 31, 2015; and (4) the information used to state that CORNERSTONE FINANCIAL SERVICES, INC. was in compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) was derived from CORNERSTONE FINANCIAL SERVICES, INC.'s books and records. CORNERSTONE FINANCIAL SERVICES, INC.'s management is responsible for establishing and maintaining a system of internal control over compliance that has the objective of providing CORNERSTONE FINANCIAL SERVICES, INC. with reasonable assurance that non-compliance with 17 C.F.R. § 240.15c3-1, 17 C.F.R. § 240.15c3-3, 17 C.F.R. § 240.17a-13, that requires account statements to be sent to the customers of CORNERSTONE FINANCIAL SERVICES, INC. will be prevented or detected on a timely basis. Our responsibility is to express an opinion on CORNERSTONE FINANCIAL SERVICES, INC.'s statements based on our examination.

We conducted our examination in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether CORNERSTONE FINANCIAL SERVICES, INC.'s internal control over compliance was effective as of and during the most recent fiscal year ended DECEMBER 31, 2015; CORNERSTONE FINANCIAL SERVICES, INC. complied with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of DECEMBER 31, 2015; and the information used to assert compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e) as of DECEMBER 31, 2015 was as derived from CORNERSTONE FINANCIAL SERVICES, INC.'s books and records. Our examination includes testing and evaluating the design and operating effectiveness of internal control over compliance, testing and evaluating CORNERSTONE FINANCIAL SERVICES, INC.'s compliance with 17 C.F.R. §§ 240.15c3-1 and 240.15c3-3(e), determining whether the information used to assert compliance with 240.15c3-1 and 240.15c3-3(e) was derived from CORNERSTONE FINANCIAL SERVICES, INC.'s books and records, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, CORNERSTONE FINANCIAL SERVICES, INC.'s statements referred to above are fairly stated, in all material respects.

Sincerely,

**SHEDJAMA, INC.**  
**dba EDWARD OPPERMAN, CPA**  
**1901 KOSSUTH STREET**  
**LAFAYETTE, IN**  
**FEBRUARY 10, 2016**