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

SEC FILE NUMBER
8- 36625

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 01/01/15 AND ENDING 12/31/15
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Investment Bank Services, Inc.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
6200 Dutchman's Lane, Suite 305

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

Louisville
(City)

Kentucky
(State)

40205
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Christopher L. Hargrove 502-451-6633 ext. 218
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Mountjoy Chilton Medley LLP

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

462 South Fourth Street
(Address)

Louisville
(City)

Kentucky
(State)

40200
(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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OATH OR AFFIRMATION

I, Christopher L. Hargrove, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Investment Bank Services, Inc., as 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:

N/A

Subscribed and sworn to before me, in my presence, this 25th day of February, 2016.

[Signature] Signature

President & CEO Title

[Signature] Notary Public

Notary Expires 5/2/18

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).

Investment Bank Services, Inc.
(a wholly-owned subsidiary of
Professional Bank Services, Inc.)

Financial Statements

Years Ended December 31, 2015 and 2014

Investment Bank Services, Inc.

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December 31, 2015 and 2014

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Report of Independent Registered Public Accounting Firm

To the Board of Directors
Investment Bank Services, Inc.

We have audited the accompanying financial statements of Investment Bank Services, Inc. (a Kentucky corporation and wholly-owned subsidiary of Professional Bank Services, Inc.) ("the Company"), which comprise the statements of financial condition as of December 31, 2015 and 2014, and the related statements of income, changes in stockholder's equity and cash flows for the years then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Investment Bank Services, Inc. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The supplementary information contained in Schedule 1 has been subjected to audit procedures performed in conjunction with the audit of Investment Bank Services, Inc.'s financial statements. The supplemental information is the responsibility of Investment Bank Services, 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 Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Louisville, Kentucky
February 18, 2016

Investment Bank Services, Inc.
Statements of Financial Condition
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Cash and cash equivalents	\$ 33,517	\$ 31,019
Prepaid expenses	<u>338</u>	<u>338</u>
Total Assets	<u>\$ 33,855</u>	<u>\$ 31,357</u>
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable, related party	<u>\$ 1,583</u>	<u>\$ -</u>
Total Current Liabilities	<u>1,583</u>	<u>-</u>
Commitments and Contingencies		
Stockholder's Equity		
Common stock, \$.01 par value, 100 shares authorized, issued and outstanding	1	1
Additional paid-in capital	55,999	55,999
Accumulated deficit	<u>(23,728)</u>	<u>(24,643)</u>
	<u>32,272</u>	<u>31,357</u>
Total Liabilities and Stockholder's Equity	<u>\$ 33,855</u>	<u>\$ 31,357</u>

See accompanying notes.

Investment Bank Services, Inc.
Statements of Income
Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues	\$ 1,736,267	\$ 1,095,261
Expenses		
Consultant fees to related party	806,507	229,965
Consultant fees	883,334	849,276
Overhead expenses to related party	21,563	-
Accounting fees	10,100	9,015
Filing fees	12,285	3,641
Insurance	450	587
Taxes and licenses	1,200	1,236
Miscellaneous	129	-
	<u>1,735,568</u>	<u>1,093,720</u>
Income from Operations	699	1,541
Interest Income	<u>216</u>	<u>199</u>
Net Income	<u>\$ 915</u>	<u>\$ 1,740</u>

See accompanying notes.

**Investment Bank Services, Inc.
 Statements of Stockholder's Equity
 Years Ended December 31, 2015 and 2014**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total
	Number of Shares	Amount			
Balance at December 31, 2013	100	\$ 1	\$ 55,999	\$ (26,383)	\$ 29,617
Net income	-	-	-	1,740	1,740
Balance at December 31, 2014	100	1	55,999	(24,643)	31,357
Net income	-	-	-	915	915
Balance at December 31, 2015	100	1	\$ 55,999	\$ (23,728)	\$ 32,272

See accompanying notes.

Investment Bank Services, Inc.
Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities		
Net Income	\$ 915	\$ 1,740
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in:		
Prepaid expenses	-	137
Accounts payable, related party	1,583	-
Net Cash Provided by Operating Activities	<u>2,498</u>	<u>1,877</u>
Increase in Cash and Cash Equivalents	2,498	1,877
Cash and Cash Equivalents at the Beginning of the Year	<u>31,019</u>	<u>29,142</u>
Cash and Cash Equivalents at the End of the Year	<u>\$ 33,517</u>	<u>\$ 31,019</u>

See accompanying notes.

Investment Bank Services, Inc.
Notes to Financial Statements
December 31, 2015 and 2014

Note A - Nature of Organization and Operations

Investment Bank Services, Inc. ("the Company"), a Kentucky S-corporation located in Louisville, Kentucky, is a wholly-owned subsidiary of Professional Bank Services, Inc. ("the Parent Company"). The Company is registered as a securities broker/dealer under the Securities Exchange Act of 1934 and is registered with the Financial Industry Regulatory Authority. The Company is primarily engaged in providing advice regarding the purchase and sale of financial institutions to investors, assisting thrift institutions in converting from a mutual to a stock form of ownership, and assisting financial institutions in raising new capital for multiple purposes. The financial statements include only the activity of the Company.

Note B - Summary of Significant Accounting Policies

1. Basis of Accounting: The financial statements of the Company are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Accounting Standards Codification ("ASC") as produced by the Financial Accounting Standards Board ("FASB") is the sole source of authoritative GAAP.
2. Accounting Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.
3. Subsequent Events: Subsequent events for the Company have been considered through the date of the Report of Independent Registered Public Accounting Firm which represents the date the financial statements were available to be issued.
4. Cash and Cash Equivalents: The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.
5. Revenue and Cost Recognition: Revenue associated with the sale or conversion of financial institutions is recognized as services are performed and earned per the contract. The contract generally requires an upfront non-refundable retainer, a payment when the definitive agreement is signed and the balance due upon closing. Expenses associated with service activities, such as consultant fees (see Notes C and F), are recognized concurrently with the revenues.

Revenue from consulting is generally recognized when the related service has been performed by the Company.

6. Income Taxes: The Company's parent, with the consent of its stockholders, has elected under the Internal Revenue Code to be taxed as an S corporation. In lieu of corporation income taxes, the stockholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability or benefit for income taxes has been included in the accompanying financial statements.

The Company recognizes uncertain income tax positions using the "more-likely-than-not" approach as defined in the ASC. No liability for uncertain tax positions has been recorded in the accompanying financial statements.

Investment Bank Services, Inc.
Notes to Financial Statements (Continued)
December 31, 2015 and 2014

Note C - Related Party Transactions

The Company and its parent, Professional Bank Services, Inc., engage in various related party transactions in the normal course of business. Many of the customers of the Company are also customers of the Parent Company. The distinction lies in the nature of the services provided by the Company and the Parent Company. The Parent Company generally provides on-going consulting and professional services to these customers, while the Company is involved primarily in negotiating merger and acquisition agreements, providing advice regarding the purchase or sale of financial institutions, and raising new capital.

The Company has no employees of its own, but often contracts with the Parent Company under a consultant arrangement to provide the resources to staff its engagement needs. The consulting fees are judgmentally established by the Parent Company. Consultant fee expense to the Parent Company under this arrangement was \$806,507 and \$229,965 during the years ended December 31, 2015 and 2014, respectively.

The Parent Company provided general administrative and related services to the Company with no allocation of costs during 2014. In February 2015, the Company entered into a management services agreement (renewable annually) with the Parent Company. In February of each year, the Parent Company will determine the cost of providing services to the Company based on the total number of registered representatives in relation to the total number of employees of the Parent Company consulting division, the amount of time spent by the registered representatives on Company related projects and the expenses of the Parent Company consulting division. Expenses to be reimbursed to the Parent Company include rent, printing, postage and freight, entertainment, database research, IT and electronic communications and total indirect expenses. The monthly expense reimbursement was \$2,416 from February through June 2015 and \$1,583 from July - December 2015 and totaled \$21,563 for the year ended December 31, 2015.

Note D - Net Capital 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," as defined by the rule. At December 31, 2015 and 2014, the Company has net capital, as defined, of \$31,934 and \$31,019, respectively, which is in excess of the minimum requirement for the Company of \$5,000.

Note E - Concentrations of Risk

Two engagements represented 23% of total revenues for the year ended December 31, 2015. One engagement represented 68% of total revenues for the year ended December 31, 2014.

Additionally, the Company is dependent on the Parent Company for administrative support and staffing for engagements.

Note F - Consulting Agreement

The Company has an agreement with an unrelated party to provide services to the Company in connection with financial institution transactions. The agreement is cancellable with thirty days written notice, and payments are due upon collection of fees by the Company. Consultant fee expenses under this agreement were \$883,334 and \$849,276, during the years ended December 31, 2015 and 2014, respectively.

Supplementary Information

Investment Bank Services, Inc.
Schedule 1 - Schedule of Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Net Capital		
Total Stockholder's Equity	\$ 32,272	\$ 31,357
Non-Allowable Assets		
Prepaid expenses	<u>(338)</u>	<u>(338)</u>
Net Capital	<u>\$ 31,934</u>	<u>\$ 31,019</u>

There are no differences between net capital as reported above for the years ended December 31, 2015 and 2014, and those amounts included on the Company's computation included in Part IIA of Form X-17A-5, as of December 31, 2015 and 2014.

The Company claimed an exemption from Rule 15c3-3 under Section (k)(1) and, as a result, has not included Schedule II, Computation for Determination of Reserve Requirements Under Rule 15c3-3, or Schedule III, Information for Possession or Control Requirements Under Rule 15c3-3.

See independent auditor's report.

**Report of Independent Registered Public Accounting Firm -
Exemption Report Review**

To the Board of Directors
Investment Bank Services, Inc.

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

Mountjoy Chilton Medley LLP

Louisville, Kentucky
February 18, 2016

Investment Bank Services, Inc. Exemption Report

Investment Bank Services, Inc.
6200 Dutchman's Lane
Suite 305
Louisville, Kentucky 40205

SEC File No.:8-36625
CRD No.:18490

Fiscal Year Ended December 31, 2015

In accordance with Rule 17a-5(d)(4), we confirm, to the best of our knowledge and belief, that:

1. We are exempt from §240.15c3-3 under the provisions of §240.15c3-3(k)(1);
2. We met the exemption provisions in §240.15c3-3(k)(1) throughout the period from January 1, 2015 through December 31, 2015, without exception.



Christopher L. Hargrove
President

Investment Bank Services, Incorporated

SEC Registered
Broker/Dealer
Member FINRA

The 1000 Building
8200 Dutchman's Lane, Suite 305
Louisville, Kentucky 40205

502 451-6633
502 451-6755 (FAX)
800-523-4778



InvestmentBankServices

February 25, 2016

SEC
Mail Processing
Section

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

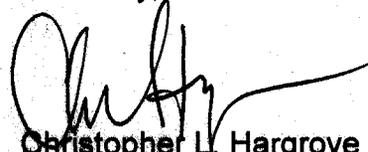
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Washington DC
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To Whom it May Concern:

Enclosed please find two copies of the annual audited financial statements of Investment Bank Services, Inc. (broker/dealer #18490), along with the Form X-17A-5, Part III facing page. Please advise if additional information is required.

Thank you for your assistance with this matter.

Sincerely,



Christopher L. Hargrove
President

CLH/jlt

Enclosure