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Washington, DC 20543

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

OMB APPROVAL
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**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 1/1/17 AND ENDING 12/31/17
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **Plexus Financial Services, LLC**
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
21805 Field Parkway, Ste 300

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)
Deer Park **IL** **60010**
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Thad A. Jurczak, 847-307-6100
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Plante Moran
(Name - if individual, state last, first, middle name)
10 S. Riverside Plaza **Chicago** **IL** **60606**
(Address) (City) (State) (Zip Code)

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

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAY 25 2018
DIVISION OF TRADING & MARKETS

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)

042
5/30/18

OATH OR AFFIRMATION

I, Thad A. Jurczak, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Plexus Financial Services, LLC, as of February 28, 2018, 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:

Thad A. Jurczak

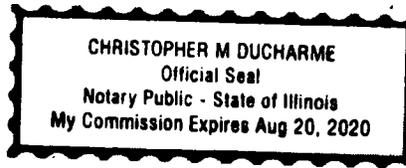
Signature

Financial Operations Principal

Title

[Handwritten Signature]

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).

PLEXUS FINANCIAL SERVICES, LLC
Deer Park, Illinois

Year Ended December 31, 2017
Together With Report of the Independent
Registered Public Accounting Firm

PLEXUS FINANCIAL SERVICES, LLC

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Year Ended December 31, 2017

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Managing Member
Plexus Financial Services, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Plexus Financial Services, LLC as of December 31, 2017 and the related statements of operations, changes in member's equity, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Plexus Financial Services, LLC as of December 31, 2017 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of Plexus Financial Services, LLC's management. Our responsibility is to express an opinion on Plexus Financial Services, LLC's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Plexus Financial Services, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The accompanying supplemental information in Schedules I, II and III, as listed in the table of contents, has been subjected to audit procedures performed in conjunction with the audit of Plexus Financial Services, LLC's financial statements. The supplemental information is the responsibility of Plexus Financial Services, LLC'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 is fairly stated, in all material respects, in relation to the financial statements as a whole.

Plante & Moran, PLLC

We have served as Plexus Financial Services, LLC's auditor since December 14, 2017.
Chicago, Illinois
February 27, 2018



Plexus Financial Services, LLC
Statement of Financial Condition
December 31, 2017

Assets

Cash and cash equivalents	\$ 628,123
Regulatory deposit – FINRA	283
Advisory fees receivable	25,660
Commissions receivable-group annuity	115,293
Fixed assets, net of accumulated depreciation of \$2,630	<u>2,428</u>
 Total Assets	 <u>\$ 771,787</u>

Liabilities and Member's Equity

Liabilities:	
Accrued expenses	\$ 43,981
Due to affiliate	89,482
Program payments payable	<u>486,988</u>
 Total Liabilities	 <u>620,451</u>
 Member's Equity	 <u>151,336</u>
 Total Liabilities and Member's Equity	 <u>\$ 771,787</u>

The accompanying notes are an integral part of these financial statements

Plexus Financial Services, LLC
Statement of Operations
Year Ended December 31, 2017

Revenue	
Commissions and advisory fees	<u>\$ 1,252,249</u>
Expenses	
Employee compensation and benefits	1,037,434
Commissions	55,204
Regulatory fees and expenses	36,757
Other office expenses	254,725
Return of program payments	486,988
Interest, net	<u>36</u>
 Total Expenses	 <u>1,871,144</u>
 Net Loss	 <u>\$ (618,895)</u>

The accompanying notes are an integral part of these financial statements

Plexus Financial Services, LLC
Statement of Changes in Member's Equity
Year Ended December 31, 2017

Member's Equity	
Balance, beginning of year	\$ 195,231
Capital contributions	575,000
Net loss	<u>(618,895)</u>
Balance, end of year	<u>\$ 151,336</u>

The accompanying notes are an integral part of these financial statements

Plexus Financial Services, LLC
Statement of Cash Flows
Year Ended December 31, 2017

Cash Flows from operating activities:	
Net loss	\$(618,895)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	1,618
Changes in operating assets and liabilities:	
Commissions and advisory receivable	12,588
Regulatory deposit - FINRA	(133)
Accrued expenses	8,740
Due to affiliates	89,482
Deferred revenue	(11,465)
Return of program payments	<u>486,988</u>
Net cash used in operating activities	(31,077)
Cash flows from financing activities:	
Capital contributions	<u>575,000</u>
Net increase in cash	543,923
Cash and cash equivalents at beginning of year	<u>84,200</u>
Cash and cash equivalents at end of year	<u>\$ 628,123</u>

The accompanying notes are an integral part of these financial statements

PLEXUS FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Note 1 - Organization and Nature of Business

Plexus Financial Services, LLC (PFS, the Company) is a licensed introducing broker-dealer registered with the Securities and Exchange Commission (SEC) as an investment advisor and The Financial Industry Regulatory Authority (FINRA) as a broker-dealer. PFS is wholly-owned by The Plexus Groupe, LLC (TPG), an independent national insurance brokerage firm, and obtained its license on December 3, 2010. PFS receives advisory fees and commissions for servicing retirement and group annuity plans primarily of new and existing TPG customers.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

PFS uses the accrual method of accounting for financial reporting purposes.

Revenue Recognition

Commissions are recorded as earned at the end of each month based upon reports received from third-party retirement plan sponsors/custodians who calculate such commissions based upon a written agreement between PFS and the administrator. Advisory fees are recorded as earned on a monthly basis.

There are some accounts in which a predetermined fixed fee is earned in lieu of commissions. Additionally, PFS may bill for various consulting and due diligence activities. Revenue for these transactions is recorded on a monthly basis as services are performed.

Commissions and Advisory Fees Receivable

Commissions and advisory fees receivable are carried at original invoice amount. No allowance for uncollectible accounts has been provided. In the opinion of management, based upon historical experience any needed allowance for potential uncollectible accounts would be immaterial to the financial statements.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Company considers cash on deposit in demand accounts and money market funds as cash and cash equivalents.

PLEXUS FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Concentration of Risk

Cash on deposit with financial institutions totaled approximately \$628,123 as of December 31, 2017. Cash deposits could potentially be subject to credit risk as the deposits are only insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits.

Income taxes

The Company is a pass-through entity for income tax purposes whereby any income tax liabilities or benefits are attributable to TPG and their owners. Therefore, no provision for income taxes has been reflected in the accompanying financial statements. It is the opinion of management that the Company has no significant uncertain tax positions that would be subject to change upon examination. The federal income tax returns of the Company are subject to examination by the IRS, generally for three years after they were filed.

Note 3 – Net Capital

PFS is subject to the Securities and Exchange Commission's (SEC) regulations and operational policies which require PFS to maintain a minimum amount of net capital equal to the greater of 6 2/3 percent of aggregate indebtedness (AI), as defined, or \$5,000 and a ratio of AI to net capital not exceeding 15 to 1. The Company's regulated net capital as of December 31, 2017 was \$33,332 which was less than required net capital by \$8,031. The Company's ratio of AI to net capital as of December 31, 2017 was 18.61 to 1.0.

The Company notified FINRA and the SEC regarding this deficiency and on the following day the Company received a \$15,000 capital contribution which increased net capital above its minimum requirement and reduced the AI to net capital ratio below the maximum. Furthermore, the Company's unaudited January 31, 2018 financial statements reflected excess net capital of \$161,152 and an AI to net capital ratio of 3.70 to 1.

PLEXUS FINANCIAL SERVICES, LLC
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Note 4 – Related Party Transactions

PFS shares office space and various office-related expenses including payroll with TPG and another party related by common ownership, CEM Insurance Company (CEMIC), an expense agreement approved by FINRA. Additionally, TPG may collect a commission fee on behalf of PFS. At the end of each month the two parties settle the balances due on a net basis. During 2017 expenses charged by TPG and CEMIC to PFS were \$310,128. Amounts owed to TPG totaled \$89,482 at December 31, 2017.

Note 5 – Program Payments Payable

In February 2017, the Company received an inquiry from The U.S. Department of Labor (DOL) regarding certain compensation payments received from one of its retirement plan custodians. The payments cover the period from 2012 to 2017. The Company no longer receives such payments from the custodian. The Company has been notified that it may have to refund \$486,989 which is the total amount received. The Company has recognized this amount as a liability in its statement of financial condition at December 31, 2017. The Company has offered to refund a lesser amount which it believes is more accurate and is currently being reviewed by the DOL.

Note 6 - Subsequent Events

No significant events occurred subsequent to PFS's year end. Subsequent events have been evaluated through February 27, 2018, which is the date these financial statements were issued.

PLEXUS FINANCIAL SERVICES, LLC
Computation of Net Capital Under Rule 15c3-1
December 31, 2017

The components of the net capital computation as of December 31, 2017 are as follows:

Total Member's Equity	\$ 151,336
Deductions:	
Non allowable assets	
FINRA deposit	\$ 283
Fixed assets	2,428
Commissions and fees receivable	<u>115,293</u>
	<u>118,004</u>
Net Capital Before Haircuts	33,332
Total Haircut Charges	<u>-</u>
Net Capital	33,332
Less: Minimum Required Capital	<u>41,363</u>
Excess Net Capital	<u>\$ (8,031)</u>
Net capital less the greater of 10% of AI or 120% of \$5,000	<u>\$ (28,713)</u>
Computation of Aggregate Indebtedness:	
Total aggregate indebtedness	\$ 620,451
Minimum net capital required	\$ 41,363
Total net capital	\$ 33,332
Ratio of aggregate indebtedness to net capital computed in accordance with Rule 15c-3-1(d)	18.6

There are no material differences between the computation of net capital above and the calculation performed by PFS for regulatory filings.

See independent auditor's report regarding supplemental information

PLEXUS FINANCIAL SERVICES, LLC
Computation for Determination of Reserve Requirement Under Rule 15c3-3 (exemption)
December 31, 2017

The Computation for Determination of Reserve Requirements for Brokers and Dealers pursuant to Rule 15c3-3 under the Securities and Exchange Act of 1934 is not included herein as Plexus Financial Services, LLC claims exemption pursuant to section (k)(1) since it does not hold any customer funds or securities.

See independent auditor's report regarding supplemental information

PLEXUS FINANCIAL SERVICES, LLC
Information for Possession or Control Requirements Under
Rule 15c3-3 (exemption)
December 31, 2017

Information relating to possession or control requirements pursuant to Rule 15c3-3 under the Securities and Exchange Act of 1934 is not included herein as Plexus Financial Services, LLC claims exemption pursuant to section (k)(1) since it does not hold any customer securities or cash and did not maintain possession or control of any customer funds or securities in 2017.

See independent auditor's report regarding supplemental information



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Managing Member
Plexus Financial Services, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Plexus Financial Services, LLC identified the following provision of 17 C.F.R. §15c3-3(k) under which Plexus Financial Services, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(1) (the "exemption provision") and (2) Plexus Financial Services, LLC stated that Plexus Financial Services, LLC met the identified exemption provision throughout the most recent fiscal year without exception. Plexus Financial Services, LLC's management is responsible for compliance with the exemption provision 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 Plexus Financial Services, LLC's compliance with the exemption provision. 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 provision set forth in paragraph (k)(1) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Plante & Moran, PLLC

Chicago, Illinois
February 27, 2018



December 31, 2017

**Re: Exemption Report Pursuant to SEC 17a-5(d)(4) - Plexus Financial Services, LLC
Period Covered - 2017**

The below information is designed to meet the Exemption Report criteria pursuant to SEC Rule 17a-5(d)(4):

PLEXUS FINANCIAL SERVICES, LLC is a broker-dealer registered with the SEC and FINRA.

PLEXUS FINANCIAL SERVICES, LLC claimed an exemption under paragraph (k)(1) of Rule 15c-3 for the year ended December 31, 2017.

PLEXUS FINANCIAL SERVICES, LLC has met the identified exemption provisions in paragraph k(1) of Rule 15c-3 throughout the period of January 1, 2017 through December 31, 2017 without exception.

The above statements are true and correct to the best of my and the Firm's knowledge.



Thad A. Jurczak, CPA
Financial Operations Principal
Plexus Financial Services, LLC

Plexus Financial Services, LLC

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www.plexusfs.com

Securities and advisory services offered through Plexus Financial Services, LLC, member FINRA/SIPC, a registered investment adviser.



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING
AGREED-UPON PROCEDURES

To the Managing Member
Plexus Financial Services, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by Plexus Financial Services, LLC and the Securities Investor Protection Corporation (SIPC) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Plexus Financial Services, LLC for the year ended December 31, 2017, solely to assist you and SIPC in evaluating Plexus Financial Services, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Plexus Financial Services, LLC's management is responsible for Plexus Financial Services, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). 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:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
2. Compared the total revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2017 with the total revenue amount reported in Form SIPC-7 for the year ended December 31, 2017, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
4. Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 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 with the applicable instructions of the Form SIPC-7. 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.

Plante & Moran, PLLC

Chicago, Illinois
February 27, 2018

Praxity
MEMBER
OF THE
FEDERAL BOARD OF
INDEPENDENT ACCOUNTANTS