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

SEC FILE NUMBER
8-67155

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 01/01/19 AND ENDING 12/31/19
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Plexus Energy Capital, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

1601 Wewatta, Suite 600 Denver, CO 80202

(No. and Street)

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Tara Lee (303)225-5296

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Harding and Hittesdorf, P.C.

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

650 S. Cherry Street, Suite 10

Glendale

CO

80246

(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
Trading and Markets

FEB 14 2020

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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)

RMS

E.D.

OATH OR AFFIRMATION

I, Wayne W. Williamson, 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 Energy Capital, LLC, as of December, 2019, 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

W.W. Williamson
Signature

PRESIDENT OF MANAGER, TAC, INC.
Title

Tara N Lee

Notary Public

TARA N LEE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20084027861
MY COMMISSION EXPIRES JULY 18, 2022

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- (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 ENERGY CAPITAL, LLC
(SEC File No. 8-67155)

Report of Independent Registered Public Accounting Firm
on Financial Statements and Supplemental
Schedules for the Years Ended December 31, 2019 and 2018
and Review on Exemption Report

PLEXUS ENERGY CAPITAL, LLC

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HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050
Denver, Colorado 80246
(303) 393-0888
FAX (303) 393-0894
www.hhcapfirm.com



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To The Members
Plexus Energy Capital, LLC
Denver, Colorado

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Plexus Energy Capital, LLC (a limited liability company) as of December 31, 2019 and 2018, the related statements of operations, changes in members' equity and cash flows for the years then ended, and the related notes and schedules (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Plexus Energy Capital, LLC as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years 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 Energy Capital, LLC's management. Our responsibility is to express an opinion on Plexus Energy Capital 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 Energy Capital, 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Auditor's Report on Supplemental Information

The supplemental information contained in Schedules I and II has been subjected to audit procedures performed in conjunction with the audit of Plexus Energy Capital LLC's financial statements. The supplemental information is the responsibility of Plexus Energy Capital 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. Section 240.17a-5. In our opinion, the supplemental information contained in Schedules I and II is fairly stated, in all material respects, in relation to the financial statements as a whole.

Harding & Hittesdorf, P.C.

HARDING AND HITTESDORF, P.C.

Certified Public Accountants

We have served as Plexus Energy Capital, LLC's auditor since 2006.

Denver, Colorado

February 6, 2020

PLEXUS ENERGY CAPITAL, LLC

STATEMENTS OF FINANCIAL CONDITION

ASSETS

	<u>DECEMBER 31,</u>	
	<u>2019</u>	<u>2018</u>
CURRENT ASSET:		
Cash and cash equivalents	<u>\$ 19,738</u>	<u>\$ 42,017</u>
TOTAL ASSETS	<u>\$ 19,738</u>	<u>\$ 42,017</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES:		
Due to related party	\$ -	\$ 749
MEMBERS' EQUITY	<u>19,738</u>	<u>41,268</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 19,738</u>	<u>\$ 42,017</u>

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

PLEXUS ENERGY CAPITAL, LLC

STATEMENTS OF OPERATIONS

	<u>YEARS ENDED</u>	
	<u>DECEMBER 31,</u>	
	<u>2019</u>	<u>2018</u>
REVENUES:		
Engagement fees	\$ -	\$ -
OPERATING EXPENSES:		
Salaries and benefits	-	-
Consulting expense	-	-
Contract services	9,000	9,000
Professional fees	5,150	5,150
Overhead charges paid to related entity (Note C)	3,960	3,960
Other operating expenses	<u>3,420</u>	<u>3,425</u>
	21,530	21,535
NET INCOME (LOSS)	<u>\$ (21,530)</u>	<u>\$ (21,535)</u>

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

PLEXUS ENERGY CAPITAL, LLC

STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Members' equity at January 1, 2018	\$	62,803
Members' contributions	\$	-
Net loss		<u>(21,535)</u>
Members' equity at December 31, 2018		41,268
Members' contributions		-
Net income		<u>(21,530)</u>
Members' equity at December 31, 2019	\$	<u>19,738</u>

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

PLEXUS ENERGY CAPITAL, LLC

STATEMENTS OF CASH FLOWS

	YEARS ENDED	
	DECEMBER 31,	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (21,530)	\$ (21,535)
Adjustments to Reconcile Net Income to Net Cash Used For Operations:		
Increase (decrease) in cash resulting from change in:		
Due to related parties	<u>(749)</u>	<u>(30)</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(22,279)	(21,565)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Members' contributions	<u>-</u>	<u>-</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(22,279)	(21,565)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>42,017</u>	<u>63,582</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 19,738</u>	<u>\$ 42,017</u>

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

PLEXUS ENERGY CAPITAL, LLC

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 and 2018

A. Summary of Significant Accounting Policies

Organization

Plexus Energy Capital, LLC (the Company) is a Colorado Limited Liability Company formed September 23, 2005 to engage in investment banking and financial consulting. The Company currently operates as a consultant in debt and equity financing transactions for a fee. The Company's business is national in scope.

The Company is registered with the Securities and Exchange Commission ("SEC") and is also a member of the Financial Industry Regulatory Authority ("FINRA"). The Company operates pursuant to paragraph (k)(2)(B) of Rule 15c3-3 of the Securities and Exchange Act of 1934 (the "Act") and does not carry customer accounts or clear customer transactions, nor does it plan to hold any customers' securities or funds. As a result, the Company is exempt from the remaining provisions and requirements of Rule 15c3-3 of the Act. Under this exemption, *Computation for Determination of Reserve Requirements* and *Information Relating to Possession or Control Requirements* are not required.

Cash and Cash Equivalents

The Company considers cash on hand and investments with original maturities of three months or less to be cash equivalents.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of temporary cash investments. The Company restricts temporary cash investments to financial institutions with high credit standing. Such temporary cash investments are often in excess of the FDIC insurance limit.

Revenue Recognition

Transaction fees related to mergers, acquisitions, finders, and financing fees are recognized upon closing of the related transaction. These are reflected as "engagement fees" in the accompanying statement of operations.

PLEXUS ENERGY CAPITAL, LLC

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 and 2018

A. Summary of Significant Accounting Policies (Continued)

Income Taxes

The Company is not a taxpaying entity for federal or state income tax purposes. Accordingly, no income tax expense has been recorded in the financial statements. Income of the Company is taxed to the members' in their individual returns.

The Company records a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authority. The Company continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. The Company's evaluation on December 31, 2019 revealed no uncertain tax positions that would have a material impact on the financial statements. The Company does not believe that any reasonably possibility changes will occur within the next twelve months that will have a material impact on the financial statements.

Interest and penalties associated with the Company's tax positions are reflected as other expense in the financial statements. There were no interest or penalties incurred during the year ended December 31, 2019.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. Significant Clients

The Company generally derives significant revenue from a few key clients. However, the makeup of the Company's client base varies from year to year. Accordingly, an annual concentration in revenue from the same clients is remote. The Company did not have any revenue in 2019.

PLEXUS ENERGY CAPITAL, LLC

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 and 2018

C. Transactions with Related Entities

The Company has an expense paying and sublease agreement with two related entities. These related entities provide administrative services including payroll functions and bill paying services. The Company reimburses the related entities through direct cost reimbursement agreements. The Company paid \$3,960 each year for the years 2019 and 2018, respectively, for the personal property, utilities, office space and payroll to the related parties. The members' of the Company feel that this amount represents a reasonably approximate valuation of the personal property, utilities and office space provided. The amount due to the related entities at December 31, 2019 was \$0.

D. Subsequent Events

Management has evaluated subsequent events through the date of the auditors' report which is the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

E. Statutory Requirements

Pursuant to Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital as defined under such rule. At December 31, 2019, the Company's net capital was \$19,738 and the required net capital was \$5,000.

The Company is exempt from certain provisions of Rule 15c3-3 of the Securities Exchange Act of 1934 and, accordingly, is not required to maintain a "Special Account for Exclusive Benefit of Customers". Such exemption is in accordance with paragraph (k) (2) (i) of the Rule.

F. Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09. "Revenue from Contracts with Customers (Topic 606)." This ASU, as amended, provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services, guidance on accounting for certain contract costs, and new disclosures. The Company adopted this ASU in January 2019 using a modified retrospective approach. The ASU did not have a material impact on its financial condition, results of operations or cash flows.

PLEXUS ENERGY CAPITAL, LLC

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 and 2018

G. Going Concern

Management has addressed the Company's ongoing existence due to a lack of revenue. Specifically, the members of the Company are prepared to make capital contributions to fund the Company for at least the next year.

SUPPLEMENTARY INFORMATION

PLEXUS ENERGY CAPITAL, LLC

SUPPLEMENTAL SCHEDULE OF COMPUTATION OF NET CAPITAL,
MINIMUM NET CAPITAL REQUIRED, AND AGGREGATE INDEBTEDNESS

DECEMBER 31, 2019

COMPUTATION OF NET CAPITAL AND MINIMUM NET CAPITAL REQUIRED

MEMBERS' EQUITY	\$ 19,738
DEDUCTIONS:	<u>-</u>
NET CAPITAL	<u>\$ 19,738</u>
MINIMUM NET CAPITAL REQUIRED (greater of 6-2/3% of aggregate indebtedness or \$5,000)	<u>\$ 5,000</u>

AGGREGATE INDEBTEDNESS

TOTAL LIABILITIES AND AGGREGATE INDEBTEDNESS	<u>\$ 0</u>
RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>0</u>

There is no material difference between the above net capital computation and the corresponding computation included in the Company's Form X-17A-5 Part IIA Filing.

PLEXUS ENERGY CAPITAL, LLC

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3

DECEMBER 31, 2019

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (i) of the Rule.

SCHEDULE II

HARDING AND HITTESDORF, P.C.

Certified Public Accountants

650 S. Cherry Street, Suite 1050
Denver, Colorado 80246
(303) 393-0888
FAX (303) 393-0894
www.hhcpafirm.com



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To The Members
of Plexus Energy Capital, LLC

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

Harding and Hittesdorf, P.C.

HARDING AND HITTESDORF, P.C.

Certified Public Accountants

Denver, Colorado

February 6, 2020

EXEMPTION REPORT

Plexus Energy Capital, LLC, (Company) is a registered broker-dealer subject to Rule 17-5 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)(i)
2. The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k) throughout the most recent fiscal year without exemption.

Plexus Energy Capital, LLC

I, Wayne Williamson, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By: Wayne Williamson

Title: Managing Member

January 22, 2020