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

EC
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Section

FEB 29 2016

Washington DC

SEC FILE NUMBER
8- 47374

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 01/01/2015 AND ENDING 12/31/2015
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Adviser Dealer Services, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

6125 Memorial Drive

(No. and Street)

Dublin

(City)

OH

(State)

43017-9767

(Zip Code)

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

Douglas R. Cooper

614-766-7000

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

HHH CPA Group LLC

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

1250 Old Henderson Road

(Address)

Columbus

(City)

OH

(State)

43220

(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)

5

ACB

OATH OR AFFIRMATION

I, Douglas R. Cooper, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Adviser Dealer 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:



Ruth Kirkpatrick
Notary Public, State of Ohio
My Commission Expires 04-20-2017

[Signature]
Signature

Treasurer
Title

[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).



Richard B. Dumas, CPA
rdumas@hhhcpagroup.com

Dominic J. DiBartolomeo, CPA
nick@hhhcpagroup.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members
of Adviser Dealer Services, Inc.
Columbus, Ohio

We have audited the accompanying statements of financial condition of Adviser Dealer Services, Inc. as of December 31, 2015 and 2014, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of Adviser Dealer 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 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. 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 Adviser Dealer 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 schedule of Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission and Reconciliation with Company's Computation of Net Capital as Included in Part IIA of Form X-17A-5 has been subjected to audit procedures performed in conjunction with the audit of Adviser Dealer Services, Inc.'s financial statements. The supplemental information is the responsibility of Adviser Dealer 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

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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 Under Rule 15c3-1 of the Securities and Exchange Commission and Reconciliation with Company's Computation of Net Capital as Included in Part IIA of Form X-17A-5 is fairly stated, in all material respects, in relation to the financial statements as a whole.

HHH CPA Group, LLC

HHH CPA Group, LLC

Columbus, Ohio

February 22, 2016

ADVISER DEALER SERVICES, INC.

BALANCE SHEETS

DECEMBER 31, 2015 AND 2014

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
Cash	\$ 537,043	\$ 67,908
Accounts receivable	3,757	3,519
Accounts receivable - related party	-	5,544
Total current assets	540,800	76,971
Deposit with clearing organization	25,005	25,001
	\$ <u>565,805</u>	\$ <u>101,972</u>
<u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>		
Accounts payable	\$ -	\$ 500
Accounts payable - related party	450,794	-
Commissions payable	5,155	3,653
Accrued liabilities	5,500	6,463
Total current liabilities	461,449	10,616
Long-term liabilities	-	-
Total liabilities	461,449	10,616
Stockholder's equity:		
Common stock; no par value, 1,000 shares authorized, issued and outstanding	10,000	10,000
Paid in capital	740,000	740,000
Retained earnings	(645,644)	(658,644)
Total stockholder's equity	104,356	91,356
	\$ <u>565,805</u>	\$ <u>101,972</u>

See accompanying notes to financial statements

ADVISER DEALER SERVICES, INC.

STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenues:		
12b-1 fees	\$ 664,979	\$ -
Commissions	90,071	77,869
Other income	25,718	17,149
Interest	<u>463</u>	<u>397</u>
Total revenues	781,231	95,415
Expenses:		
Marketing reimbursement	664,979	-
Salaries	34,383	31,076
Registration fees	23,701	15,843
Commissions	21,667	14,156
Professional fees	4,807	17,366
Interest	-	9,551
Other	<u>18,694</u>	<u>7,423</u>
Total expenses	<u>768,231</u>	<u>95,415</u>
Net income	<u>\$ 13,000</u>	<u>\$ -</u>

See accompanying notes to financial statements

ADVISER DEALER SERVICES, INC.

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Common Stock:		
Balance at beginning of period	\$ 10,000	\$ 10,000
Issued/(Repurchased) stock	<u>-</u>	<u>-</u>
Balance at end of period	<u>10,000</u>	<u>10,000</u>
Paid In Capital:		
Balance at beginning of period	740,000	740,000
Contributed capital	<u>-</u>	<u>-</u>
Balance at end of period	<u>740,000</u>	<u>740,000</u>
Retained Earnings:		
Balance at beginning of period	(658,644)	(658,644)
Net income	13,000	-
Distributions	<u>-</u>	<u>-</u>
Balance at end of period	<u>(645,644)</u>	<u>(658,644)</u>
Total stockholder's equity	\$ <u>104,356</u>	\$ <u>91,356</u>

See accompanying notes to financial statements

ADVISER DEALER SERVICES, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Net income	\$ 13,000	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
(Increase) decrease in:		
Accounts receivable	5,544	(363)
Accounts receivable - related party	(238)	1,369
Deposit with clearing organization	(4)	-
Increase (decrease) in:		
Accounts payable	450,794	-
Accounts payable - related party	(500)	395
Commissions payable	1,502	900
Accrued liabilities	<u>(963)</u>	<u>(202,888)</u>
Total adjustments	<u>456,135</u>	<u>(200,587)</u>
Net cash provided by (used in) operating activities	469,135	(200,587)
Cash flows from investing activities	-	-
Cash flows from financing activities:	<u>-</u>	<u>-</u>
Net increase (decrease) in cash	469,135	(200,587)
Cash at beginning of period	<u>67,908</u>	<u>268,495</u>
Cash at end of period	<u>\$ 537,043</u>	<u>\$ 67,908</u>
Supplemental disclosures:		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements

ADVISER DEALER SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 1 - Summary of Significant Accounting Policies

A. Organization

Adviser Dealer Services, Inc. (the Company) has been operating as a broker-dealer registered with the Securities and Exchange Commission (SEC) and the State of Ohio Securities Division; it is a member of the Financial Industry Regulatory Authority, Inc. (FINRA).

The Company does not hold customer funds or safe-guard customer securities and clears all transactions on a fully disclosed basis through its clearing firm.

As of December 31, 2015, the Company is licensed in 7 states, including California, Delaware, Maryland, Nebraska, New Jersey, Ohio, and Pennsylvania.

B. Management's Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash

The Company maintains cash balances at one bank and in several money market accounts. The cash balance in the bank was under the federally insured limit of \$250,000 as of December 31, 2015. For purposes of the statement of cash flows, the Company considers all cash in checking accounts and money market accounts to be cash equivalents.

D. Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash and commissions receivable. The Company places its cash with high credit quality financial institutions, which at times may be in excess of FDIC insurance limits. The Company's receivables represent commissions from completed securities trades. All customer transactions are cleared through another broker-dealer on a fully disclosed basis.

(Continued)

ADVISER DEALER SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 1 - Summary of Significant Accounting Policies - Continued

E. Commissions

Commission income and commission expense are recorded on a trade-date basis as security transactions occur.

Note 2 - Reserve Requirements

The Company is not obligated to report under SEC Rule 15c3-3 since it does not maintain customer accounts or hold securities. All customer transactions are cleared through another broker-dealer on a fully disclosed basis. Therefore, the Company does not have a reserve requirement nor does it have any information relating to the possession or control requirement under Rule 15c3-3.

Note 3 - Net Capital Requirements (Schedules I and II)

Under SEC Rule 15c3-1, the Company is required to maintain net capital of not less than the greater of 6.67% of total liabilities, exclusive of subordinated debt, for the year ended December 31, 2015, \$30,779 or \$5,000. At December 31, 2015 the Company's net capital as defined by SEC Rule 15c3-1 was \$63,805 in excess of the minimum net capital required.

In addition to the minimum net capital provision, SEC Rule 15c3-1 requires that the Company maintain a ratio of aggregate indebtedness, as defined, to capital, of not more than 15 to 1. At December 31, 2015 the ratio was 4.878 to 1.

Note 4 - Related Parties

The Company is affiliated through common ownership with Meeder Asset Management, Inc. (MAM), which provides investment advisory services. At December 31, 2015, the Company owed MAM \$450,794 for the above mentioned services, which is included in the related party receivable in the accompanying balance sheet.

The Company from time to time invests cash balances in the Meeder Funds Money Market Fund (the Fund). The Fund is managed by MAM, and certain officers of the Company, Meeder Investment Management, Inc., and MAM are also officers and/or trustees of the Fund. At December 31, 2015, cash and cash equivalents included \$257,562 invested in the Fund.

(Continued)

ADVISER DEALER SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 5 – Income Taxes

Meeder Investment Management, Inc. files a consolidated income tax return which includes the Company and other related entities. Meeder Investment Management, Inc. has elected to be treated as an S corporation under the provision of Section 1362(a) of the internal Revenue Code (IRC), and the Company qualifies as a QSUB as defined by the IRC, which allows for the Company's income to be taxed directly to Meeder Financial, Inc. As a result, no provision for federal income taxes has been recognized.

The Company recognizes and discloses uncertain tax positions in accordance with accounting principles generally accepted in the United States of America (US GAAP). As of and during the year ended December 31, 2015, the Company did not have a liability for unrecognized tax benefits. The Company is no longer subject to examination by federal and state taxing authorities prior to 2012.

Note 6 – Subsequent Events

Management has reviewed all events subsequent to December 31, 2015, up to the date of audit report and has not encountered any subsequent events that effect the current financial statements or that require additional disclosure.

ADVISER DEALER SERVICES, INC.

SUPPLEMENTARY SCHEDULES

AS OF DECEMBER 31, 2015

Schedule I

**Computation of Net Capital under Rule 15c3-1
of the Securities and Exchange Commission**

NET CAPITAL

Total stockholder's equity		\$104,356
Add:		
Liabilities subordinated to claims of general creditors allowable in computation of net capital		_____ -
Total capital and allowable subordinated liabilities		104,356
Non-allowable assets:		
Accounts receivable – related party	\$_____ -	_____ -
Net capital before haircuts on securities positions		104,356
Haircuts on securities (computed, where applicable, pursuant to rule 15c3-1(f)):		
Other securities	<u>9,772</u>	<u>9,772</u>
Total net capital		<u>\$ 94,584</u>
Computation of aggregate indebtedness – Total liabilities from Balance Sheet		<u>\$461,449</u>
Ratio of aggregate indebtedness to net capital		<u>4.878 to 1</u>

Schedule II

**Reconciliation with Company's Computation of Net Capital as
Included in Part IIA of Form X-17A-5**

Net capital, as reported in Company's Part IIA (unaudited) FOCUS report		\$ 94,584
Audit adjustments		_____ (-)
Net capital per audited financial statements		<u>\$ 94,584</u>

SEC Rule 15c3-3 Exemption Report

Board of Directors
Adviser Dealer Services, Inc.

Adviser Dealer Services, Inc. is exempt from Securities Exchange Act of 1934 Rule 15c3-3. This exemption is based on provision (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934. Adviser Dealer Services, Inc. met the identified exemption provision identified above throughout the most recent fiscal year without exception.

Doug Cooper

February 16, 2015



Richard B. Dumas, CPA
rdumas@hhhcpagroup.com

Dominic J. DiBartolomeo, CPA
nick@hhhcpagroup.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members
of Adviser Dealer Services, Inc.
Columbus, Ohio

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

HHH CPA Group, LLC

HHH CPA Group, LLC
Columbus, Ohio
February 22, 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members
of Adviser Dealer Services, Inc.
Columbus, Ohio

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 (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2015, which were agreed to by Adviser Dealer 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 Adviser Dealer Services, Inc.'s compliance with the applicable instructions of Form SIPC-7. Adviser Dealer Services, Inc.'s management is responsible for Adviser Dealer 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:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2015, as applicable, with the amounts reported in Form SIPC-7 for the year ended December, 31 2015, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Proved 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 (if applicable).

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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.

HHH CPA Group, LLC

HHH CPA Group, LLC
Columbus, Ohio
February 22, 2016

ADVISER DEALER SERVICES, INC.
SCHEDULE OF ASSESSMENT PAYMENTS

YEAR ENDED DECEMBER 31, 2015

	<u>Payment Date</u>	<u>Payee</u>	<u>Amount</u>
1st Half	July 30, 2015	SIPC	\$ <u>114</u>

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ADVISER DEALER SERVICES, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014



Adviser Dealer Services

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416

February 26, 2016

FedEx Standard Overnight

Securities and Exchange Commission
Division of Document Control
100 F Street, N.E.
Washington, D.C. 20549

RE: Adviser Dealer Services, Inc.
SEC File No.: 8-47374

Ladies and Gentlemen:

Enclosed please find two copies of the annual audited report for Adviser Dealer Services, Inc., together with Form X-17A-5, Part III, pursuant to Rule 17a-5 of the Securities Exchange Act of 1934.

Sincerely,

Ruth Kirkpatrick
Senior Legal Specialist

Enclosures

cc: Douglas R. Cooper