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

SEC FILE NUMBER
~~8-51300~~

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 01/01/2004 AND ENDING 12/31/2004
MM/DD/YY MM/DD/YY

8-51300 RECEIVED
 APR 5 2005
 SECTION 17A-5

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: TJM Investments, LLC

OFFICIAL USE ONLY
 FIRM I.D. NO.

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

303 West Madison Street, Suite 400
(No. and Street)
Chicago IL 60606
(City) (State) (Zip Code)

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

Colleen Risinger (312-432-5102)
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ostrow Reisin Berk & Abrams
(Name - if individual, state last, first, middle name)
455 N. Cityfront Plaza Dr., Ste. 2600, Chicago, IL 60611-5555
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED

JUL 06 2005

THOMSON FINANCIAL

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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)

SEC 1410 (06-02)

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Handwritten initials/signature on the right margin.

**TJM INVESTMENTS, LLC
AND SUBSIDIARY**

YEARS ENDED DECEMBER 31, 2004 AND 2003

TJM INVESTMENTS, LLC AND SUBSIDIARY

YEARS ENDED DECEMBER 31, 2004 AND 2003

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Independent Affiliate
of KKR International

Independent Auditors' Report

Board of Directors
TJM Investments, LLC and Subsidiary
Chicago, Illinois

We have audited the accompanying consolidated statement of financial condition of TJM Investments, LLC and Subsidiary (the "Company"), (a 99% owned subsidiary of TJM Institutional Services, LLC) as of December 31, 2004 and 2003 and the related consolidated statements of operations, changes in members' capital and liabilities subordinated to claims of general creditors and cash flows for the years then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of Prestige Financial Center, Inc., a wholly-owned subsidiary of K.T. Prestige, LLC (a 50% equity investee of the Company). Those statements were audited by other auditors whose report has been furnished to us and our opinion for 2003, insofar as it relates to data included for Prestige Financial Center, Inc., is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 audits provide a reasonable basis for our opinion.

In our opinion, based on our report and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial condition of TJM Investments, LLC and Subsidiary as of December 31, 2004 and 2003, 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.

Allen M. Abrams
Nicola K. Chalik
Joel A. Herman
Brian R. Israel
Thomas M. Kosinski
Michael J. Kovacs
Jeffrey C. Newman
Joseph A. Odzer
Richard A. Reisin
Kalman K. Shiner
Laurence A. Sophian
Mark A. Thomson
Kenneth L. Tornheim
Frank L. Washelesky
Danielle M. Winkle
Alan M. Witt

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information on pages 13 through 16 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the procedures applied in the audits of the basic consolidated financial statements and, in our opinion, based upon our audits and the report of the other auditors as explained above, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

As discussed in Note 8. to the financial statements, certain balance sheet items have been reclassified to correct classification errors. The change had no effect on operations, however it did affect the Computation of Net Capital Under Rule 15c3-1 presented on page 16.

Ostrow Reisin Berk & Abrams, Ltd.

Chicago, Illinois

March 15, 2005, except as to Note 8 which is dated March 31, 2005

Oath or Affirmation

I, Colleen Risinger, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of TJM Investments, LLC and Subsidiary, as of December 31, 2004, 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.

Signature Colleen S. Risinger

Title

Subscribed and sworn

to before me this

4th day of April 2005

Julie A. Pritchard
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 cash flows.
- (e) Statement of changes in stockholders' equity or partners' or sole proprietor's capital.
- (f) Statement of changes in liabilities subordinated to claims of general creditors.
- (g) Computation of net capital for brokers and dealers pursuant to Rule 15c3-1.
- (h) Computation for determination of reserve requirements pursuant to Rule 15c3-3.
- (i) Information relating to the possession or control requirements for brokers and dealers 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.
- (o) Independent auditor's report on internal accounting control.
- (p) Schedule of segregation requirements and funds in segregation — customers' regulated commodity futures account pursuant to Rule 171-5.

TJM INVESTMENTS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION

| December 31, | 2004 (As restated) | 2003 |
|---|-----------------------|---------------------|
| ASSETS | | |
| Current assets: | | |
| Cash | \$ 107,413 | \$ 343,871 |
| Accounts receivable | 8,365 | 19,675 |
| Securities owned, at market value | 1,121,519 | |
| Due from employees | 24,513 | 43,427 |
| Prepaid expenses | 19,354 | 3,066 |
| Receivable from broker-dealers and clearing organizations | 1,295,172 | 562,597 |
| Deposits with clearing organizations and others | 166,045 | 939,747 |
| Total current assets | 2,742,381 | 1,912,383 |
| Property and equipment: | | |
| Furniture and equipment | 872,368 | 834,172 |
| Less accumulated depreciation | (537,172) | (313,824) |
| Property and equipment, net | 335,196 | 520,348 |
| Other assets: | | |
| Investments in limited liability companies | | 150,000 |
| Note receivable | 133,000 | |
| Security deposits | 2,005 | |
| Goodwill | 10,000 | 10,000 |
| Covenant not to compete | 15,000 | 15,000 |
| Total other assets | 160,005 | 175,000 |
| Total assets | \$ 3,237,582 | \$ 2,607,731 |
| LIABILITIES AND MEMBERS' CAPITAL | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$ 888,242 | \$ 485,641 |
| Due to clearing organizations | 304,551 | |
| Total current liabilities | 1,192,793 | 485,641 |
| Other liabilities: | | |
| Due under purchase agreement | 395,713 | 399,713 |
| Loan payable, member, subordinated to claims of general creditors | 750,000 | 750,000 |
| Total other liabilities | 1,145,713 | 1,149,713 |
| Members' capital | 899,076 | 972,377 |
| Total liabilities and members' capital | \$ 3,237,582 | \$ 2,607,731 |

See notes to consolidated financial statements.

TJM INVESTMENTS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

| Years ended December 31, | 2004 | 2003 |
|---|--------------------|---------------------|
| Revenue: | | |
| Commissions and incentive fees | \$ 4,032,192 | \$ 2,466,705 |
| Technical services income | 16,588 | 92,275 |
| Consulting fees | 23,525 | 25,900 |
| Realized gain (loss) on sale of securities | (38,890) | 16,760 |
| Unrealized gain on investments | 27 | 8,486 |
| Equity in loss in investment in limited liability company | (17,000) | (50,000) |
| Interest | 2,817 | 11,414 |
| Miscellaneous income | 2,056 | |
| Total revenue | 4,021,315 | 2,571,540 |
| Operating expenses: | | |
| Employee compensation and related benefits | 2,341,883 | 1,602,746 |
| Communications | 130,540 | 255,961 |
| Rent and occupancy | 60,674 | 93,796 |
| Order execution expenses | 673,841 | 369,108 |
| Professional fees | 84,897 | 147,457 |
| Other operating expenses | 802,781 | 645,476 |
| Total operating expenses | 4,094,616 | 3,114,544 |
| Net loss | \$ (73,301) | \$ (543,004) |

See notes to consolidated financial statements.

TJM INVESTMENTS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' CAPITAL AND LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

| | Members' capital | Liabilities subordinated to claims of general creditors |
|-----------------------------------|---------------------|--|
| Balance, December 31, 2002 | \$ 1,290,381 | \$ 750,000 |
| Member contributions | 285,000 | |
| Member distributions | (60,000) | |
| Net loss | (543,004) | |
| Balance, December 31, 2003 | 972,377 | 750,000 |
| Net loss | (73,301) | |
| Balance, December 31, 2004 | \$ 899,076 | \$ 750,000 |

See notes to consolidated financial statements.

TJM INVESTMENTS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

| Years ended December 31, | 2004 (As restated) | 2003 |
|--|-----------------------|-------------------|
| Operating activities: | | |
| Net loss | \$ (73,301) | \$ (543,004) |
| Adjustments to reconcile above to cash provided by operating activities: | | |
| Loss on sale of investment in limited liability company | 17,000 | |
| Equity in loss in limited liability company | | 50,000 |
| Unrealized gain on investments | (27) | |
| Depreciation | 223,348 | 216,865 |
| (Increase) decrease in operating assets: | | |
| Accounts receivable | 11,310 | (6,675) |
| Employee receivable | 18,914 | 66 |
| Prepaid expenses | (16,288) | (3,066) |
| Receivable from broker-dealers and clearing organizations | (732,575) | (336,454) |
| Deposits with clearing organizations and others | 773,702 | 305,129 |
| Security deposits | (2,005) | |
| Increase in operating liabilities: | | |
| Accounts payable and accrued expenses | 402,601 | 403,130 |
| Due to clearing organizations | 304,551 | |
| Cash provided by operating activities | 927,230 | 85,991 |
| Investing activities: | | |
| Purchase of securities | (1,121,492) | |
| Purchase of furniture and equipment | (38,196) | (97,789) |
| Cash used in investing activities | (1,159,688) | (97,789) |
| Financing activities: | | |
| Payments on seller financing | (4,000) | (969) |
| Members' contributions | | 285,000 |
| Members' withdrawals | | (60,000) |
| Cash provided by (used in) financing activities | (4,000) | 224,031 |
| Increase (decrease) in cash | (236,458) | 212,233 |
| Cash, beginning of year | 343,871 | 131,638 |
| Cash, end of year | \$ 107,413 | \$ 343,871 |
| Non-cash financing activity: | | |
| Sale of interest in LLC through issuance of note receivable | \$ 133,000 | \$ - |

See notes to consolidated financial statements.

TJM INVESTMENTS, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of business and significant accounting policies

Operations:

The consolidated financial statements of TJM Investments, LLC (the "Company") include the accounts of the Company and its 75 percent owned subsidiary, TJM Trading Systems, LLC. All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company is an Illinois Limited Liability Company formed in January 1999 for the purposes of conducting business as a broker-dealer in securities. The Company is 99 percent owned by TJM Institutional Services, LLC. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers, Inc.(NASD). The Company is scheduled to terminate operations on December 31, 2046.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that Rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker-dealer, and promptly transmit all customer funds and securities to the clearing broker-dealer. The clearing broker-dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker-dealer.

TJM Trading Systems, LLC was organized on November 19, 2002, as a limited liability company under the laws of the State of Illinois. TJM Trading Systems, LLC provides front end computer software services for use in the securities and futures industries. The Company is scheduled to terminate operations on November 14, 2052.

Accounting 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue recognition:

Commissions are recorded on a trade-date basis. Securities transactions and related revenue and expenses are recorded on a trade-date basis.

TJM INVESTMENTS, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Nature of business and significant accounting policies (continued)

Trade accounts receivable:

Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management had used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Management has concluded that realization losses on balances outstanding at year end will be immaterial.

Property and equipment and related depreciation:

Furniture and equipment are recorded at cost. Depreciation is provided by accelerated methods over the estimated useful lives of the assets.

Income taxes:

The Company is treated as a partnership for income tax purposes and, as such, is not taxed. Under Subchapter K of the Internal Revenue Code, each member is taxed on his distributive share of the Partnership's income whether or not that income is actually distributed.

Valuation of investments in securities:

Investments in securities are carried at fair value based on quoted market prices or, if such are not available, the Company's management estimates the fair value. Whenever valuation of the Company's investments is required to be made, the Company's management makes a good faith determination of the fair value of the investment. When determining the estimated fair value, consideration is given to the investee company and its business operating results, financial and economic conditions, recent sales prices of similar securities and other information pertaining to the investee company and its business. Due to the inherent uncertainty of the estimated fair value of the investments, the estimated fair values may differ materially from the values that would have been used had a ready market for the investments existed.

TJM INVESTMENTS, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Investment in limited liability companies

In November 2004, the Company sold its 50% ownership interest in K.T. Prestige, LLC. K.T. Prestige, LLC owns 100% of the Prestige Financial Center, Inc., a broker-dealer registered with the Securities and Exchange Commission. The statement of financial condition of K.T. Prestige, LLC included net goodwill associated with the acquisition of the Prestige Financial Center, Inc. of \$723,333 at December 31, 2003.

As consideration for the sale, the company accepted a note receivable from the buyer in the amount of \$133,000 due October 20, 2006 with interest paid quarterly at the 5 Year Treasury Rate. Subsequent to the signing of the note, the buyer is in default of the note agreement. The Company believes that the entire balance will ultimately be collected.

The Company's management estimated the fair value of the investment at \$150,000 at December 31, 2003. The estimate is based on operating results, financial and economic conditions and other information.

3. Due under purchase agreement

TJM Trading Systems, LLC purchased certain computer software and equipment during the year ended December 31, 2002 from an unrelated party which financed a portion of the purchase price. In addition, the Company owes the seller approximately \$400,000 at December 31, 2004 and 2003 which is to be paid in quarterly installments equal to 25% of the Company's annual net profits as defined. No interest shall accrue on the unpaid balance.

4. Related party transactions

The Company shares office space with its parent. Rent expense paid to the parent was approximately \$57,000 and \$54,000 for the years ended December 31, 2004 and 2003, respectively.

Certain expenses of the Company are paid by an affiliate and reimbursed. The amount due to the affiliate was \$376,500 and \$190,600 at December 31, 2004 and 2003, respectively.

TJM INVESTMENTS, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Off-balance-sheet credit and market risk

Customer transactions are introduced to and cleared through clearing brokers. Under the terms of its clearing agreement, the Company is required to guarantee the performance of its customers in meeting contracted obligations. In conjunction with the clearing brokers, the Company seeks to control the risks associated with its customer activities by requiring customers to maintain collateral in compliance with various regulatory and internal guidelines. Compliance with the various guidelines is monitored daily and, pursuant to such guidelines, the customers may be required to deposit additional collateral, or reduce positions where necessary.

The Company does not anticipate nonperformance by customers or its clearing brokers. In addition, the Company has a policy of reviewing, as deemed necessary from time to time, the performance of the clearing broker with which it conducts business.

6. Net capital requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2004, the Company had net capital of \$227,962 which was \$222,962 in excess of its required net capital of \$5,000. At December 31, 2004, the Company's net capital ratio was 4.67 to 1. At December 31, 2003, the Company had net capital of \$876,343, which was \$871,343 in excess of its required net capital of \$5,000. At December 31, 2003, the Company's net capital ratio was .44 to 1.

7. Concentration of credit risk

The Company maintains its cash in a bank account which, at times, may exceed federally insured limits. The Company believes it is not exposed to any significant credit risk on cash.

TJM INVESTMENTS, LLC AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Correction of an error

The Company's financial statements were previously issued with a report dated March 15, 2005. Subsequent to the issuance of those financial statements, certain classification errors were noted in the balance sheet. These errors had no effect on operations, however they did affect the Computation of Net Capital Under Rule 15c3-1. The correction results in an increase in total assets of \$304,579 and a corresponding increase in total liabilities of the same amount. The corrections are summarized as follows:

| December 31, 2004 Consolidated | As Restated | As Previously Presented | Change |
|---|----------------|----------------------------|----------------|
| Accounts receivable | \$ 8,365 | \$ 8,000 | \$ 365 |
| Securities owned, at market value | 1,121,519 | - | 1,121,519 |
| Due from employees | 24,513 | 24,850 | (337) |
| Deposits with clearing organizations and others | 166,045 | 985,018 | (818,973) |
| Security deposits | 2,005 | - | 2,005 |
| Increase in total assets | | | <u>304,579</u> |
| Accounts payable and accrued expenses | 888,242 | 888,214 | 28 |
| Due to clearing organizations | 304,551 | - | 304,551 |
| Increase in total liabilities | | | <u>304,579</u> |

TJM INVESTMENTS, LLC (UNCONSOLIDATED)

STATEMENT OF FINANCIAL CONDITION

| December 31, | 2004 (As restated) | 2003 |
|---|-----------------------|--------------|
| ASSETS | | |
| Current assets: | | |
| Cash | \$ 105,035 | \$ 326,523 |
| Securities owned, at market value | 1,121,519 | |
| Due from employees | 24,513 | 43,427 |
| Due from affiliates | 68,685 | |
| Prepaid expenses | 19,354 | |
| Receivable from broker-dealers and clearing organizations | 1,295,172 | 562,597 |
| Deposits with clearing organizations and others | 166,045 | 935,747 |
| Total current assets | 2,800,323 | 1,868,294 |
| Property and equipment: | | |
| Furniture and equipment | 249,468 | 211,272 |
| Less accumulated depreciation | (165,798) | (121,262) |
| Property and equipment, net | 83,670 | 90,010 |
| Other assets: | | |
| Investments in limited liability companies | | 150,000 |
| Note receivable | 133,000 | |
| Securitiy deposits | 2,005 | |
| Total other assets | 135,005 | 150,000 |
| Total assets | \$ 3,018,998 | \$ 2,108,304 |
| LIABILITIES AND MEMBERS' CAPITAL | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$ 518,709 | \$ 317,631 |
| Due to clearing organizations | 304,551 | |
| Total current liabilities | 823,260 | 317,631 |
| Other liabilities: | | |
| Equity deficit in subsidiary | 546,662 | 68,296 |
| Loan payable, member, subordinated to claims of general creditors | 750,000 | 750,000 |
| Total other liabilities | 1,296,662 | 818,296 |
| Members' capital | 899,076 | 972,377 |
| Total liabilities and members' capital | \$ 3,018,998 | \$ 2,108,304 |

TJM INVESTMENTS, LLC (UNCONSOLIDATED)

STATEMENT OF OPERATIONS

| Years ended December 31, | 2004 | 2003 |
|---|--------------|--------------|
| Revenue: | | |
| Commissions and incentive fees | \$ 4,032,192 | \$ 2,466,705 |
| Realized gain (loss) on sale of securities | (38,890) | 16,760 |
| Unrealized gain on investments | 27 | 8,486 |
| Equity in loss in investment in limited liability company | (17,000) | (50,000) |
| Equity in loss in subsidiary | (478,366) | (574,220) |
| Interest | 2,817 | 11,414 |
| Miscellaneous | 1,745 | |
| Total revenue | 3,502,525 | 1,879,145 |
| Operating expenses: | | |
| Employee compensation and related benefits | 2,140,398 | 1,460,148 |
| Communications | 92,693 | 33,623 |
| Rent and occupancy | 60,674 | 57,796 |
| Order execution expenses | 626,468 | 356,893 |
| Professional fees | 82,461 | 132,940 |
| Other operating expenses | 573,132 | 380,749 |
| Total operating expenses | 3,575,826 | 2,422,149 |
| Net loss | \$ (73,301) | \$ (543,004) |

TJM INVESTMENTS, LLC (UNCONSOLIDATED)

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1

| December 31, 2004 | | (As restated) |
|--|----|---------------|
| Total members' capital | \$ | 899,076 |
| Loan payable, member, subordinated to claims of general creditors | | 750,000 |
| Total capital and allowable subordinated liabilities | | 1,649,076 |
| Deductions and/or charges: | | |
| Nonallowable assets: | | |
| Receivable from broker-dealers and clearing organizations | \$ | 771,643 |
| Due from employees | | 24,513 |
| Prepaid assets | | 19,354 |
| Furniture and equipment, net | | 83,670 |
| Note receivable | | 133,000 |
| Security deposits | | 2,005 |
| | | 1,034,185 |
| Net capital before haircuts on securities positions | | 614,891 |
| Haircuts on securities: | | |
| Trading and investment securities | | 143,988 |
| Undue concentration | | 242,941 |
| | | 386,929 |
| Adjusted net capital | | 227,962 |
| Minimum net capital requirement | | 5,000 |
| Excess net capital | \$ | 222,962 |
| Aggregate indebtedness: | | |
| Accounts payable and accrued expenses | \$ | 518,709 |
| Deficit in subsidiary | | 546,662 |
| Aggregate indebtedness | \$ | 1,065,371 |
| Ratio of aggregate indebtedness to net capital | | 4.67 to 1 |
| Reconciliation with Company's computation of minimum capital requirements: | | |
| Net Capital, as reported in the Company's X-17A-5 | \$ | 823,175 |
| Increase in other charges against capital | | (595,213) |
| Net capital per above | \$ | 227,962 |

TJM INVESTMENTS, LLC AND SUBSIDIARY

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKER-DEALERS UNDER RULE 15c3-3**

DECEMBER 31, 2004

None, the Company is exempt from Rule 15c3-3 pursuant to the provisions of subparagraph (k)(2)(ii) thereof.

**INFORMATION RELATING TO POSSESSION OR CONTROL
REQUIREMENTS UNDER RULE 15c3-3**

None, the Company is exempt from Rule 15c3-3 pursuant to the provisions of subparagraph (k)(2)(ii) thereof.



Certified Public Accountants
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Web site www.orba.com
Chicago, Joliet

Independent Affiliate
of BKR International

Independent Auditors' Report on Internal Control

To the Members
TJM Investments, LLC and Subsidiary
Chicago, Illinois

In planning and performing our audit of the consolidated financial statements of TJM Investments, LLC and Subsidiary (the Company) for the year ended December 31, 2004, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission, we made a study of the practices and procedures followed by the Company including tests of compliance with such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g)(1) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and the procedures for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company 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.
2. Recordation of differences required by rule 17a-13.
3. 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.

Allen M. Abrams
Nicola K. Chalik
Joel A. Herman
Brian R. Israel
Thomas M. Kosinski
Michael J. Kovacs
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Joseph A. Odzer
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Kalman K. Shiner
Laurence A. Sophian
Mark A. Thomson
Kenneth L. Tornheim
Frank L. Washelesky
Danielle M. Winkle
Alan M. Witt

The management of the Company is responsible for establishing and maintaining a system of internal control including 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 above-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 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 any system of internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of the system of internal control 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.

Our consideration of the internal control system would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of the specific internal control elements does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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 the Company's practices and procedures were adequate at December 31, 2004 to meet the SEC's objective.

This report is intended solely for the use of the members, management, the SEC, the National Association of Securities Dealers, Inc. and other regulatory agencies which 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.

Ostrou Reisin Berk & Abrams, Ltd.

Chicago, Illinois
March 15, 2005