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SECURITIES AND EXCHANGE COMMISSION RECEIVED AUG 17 2005 BRANCH OF REGISTRATIONS AND EXAMINATIONS 05
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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER 8-31934

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 06/26/04 AND ENDING 06/24/05
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Philadelphia Corporation for Investment Services

OFFICIAL USE ONLY
FIRM ID. NO.

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

1650 Market Street Suite 3050

(No. and Street)

Philadelphia

(City)

PENNSYLVANIA

(State)

AUG 30 2005 E

19103

(Zip Code)

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

Kathleen D. Hartung

(215) 419-6407

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KPMG LLP

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

1601 Market Street

Address

Philadelphia

(City)

PA

(State)

19103

Zip Code

CHECK ONE:

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

FOR OFFICIAL USE ONLY

[Empty box 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).

BB
8/26

OATH OR AFFIRMATION

I, Kathleen D. Hartung

swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Philadelphia Corporation for Investment Services

June 24, 2005, as of

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:

Handwritten signature of Kathleen D. Hartung

Signature

Chief Financial Officer

Title

Handwritten signature of Frederick A. Bluefield

Notary Public

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL

FREDERICK A. BLUEFIELD, Notary Public

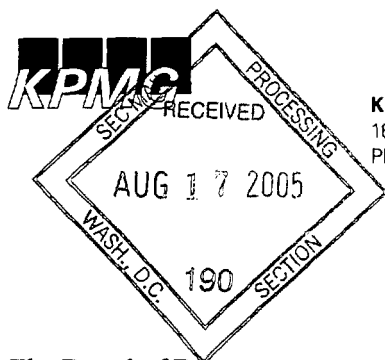
Tredyffrin Twp., Chester County

My Commission Expires October 4, 2008

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 Proprietor's 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).



KPMG LLP
1601 Market Street
Philadelphia, PA 19103-2499

The Board of Directors
Philadelphia Corporation for Investment Services:

In planning and performing our audit of the financial statements and supplemental schedule of Philadelphia Corporation for Investment Services for the fiscal year ended June 24, 2005, 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 consolidated financial statements and not to provide assurance on internal control.

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

The management of Philadelphia Corporation for Investment Services is responsible for establishing and maintaining internal control and 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 Philadelphia Corporation for Investment Services 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 the 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 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 them 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 internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error 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. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

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 Philadelphia Corporation for Investment Services' practices and procedures were adequate at June 24, 2005, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, and other regulatory agencies that 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.

KPMG LLP

Philadelphia, Pennsylvania
August 8, 2005

OMB APPROVAL
 OMB Number: 3235-0123
 Expires: September 30, 1998
 Estimated average burden
 hours per response . . . 12.00

UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

Form
 X-17A-5

FOCUS REPORT
 (Financial and Operational Combined Uniform Single Report)
PART II 17

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s):

- 1) Rule 17a-5(a) 16 2) Rule 17a-5(b) 17 3) Rule 17a-11 18
 4) Special request by designated examining authority 19 5) Other 28

NAME OF BROKER-DEALER			SEC FILE NO.		
Philadelphia Corporation for Investment Services <input type="checkbox"/> 13			8-31934 <input type="checkbox"/> 14		
ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)			FIRM I.D. NO.		
1650 Market St. Ste. 3050 <input type="checkbox"/> 20			11-015275 <input type="checkbox"/> 15		
(No. and Street)			FOR PERIOD BEGINNING (MM/DD/YY)		
Philadelphia <input type="checkbox"/> 21 PA <input type="checkbox"/> 22 19103 <input type="checkbox"/> 23			06/26/04 <input type="checkbox"/> 24		
(City) (State) (Zip Code)			AND ENDING (MM/DD/YY)		
NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT			(Area Code)—Telephone No.		
Kathleen D. Hartung <input type="checkbox"/> 30			(215) 419-6407 <input type="checkbox"/> 31		
NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:			OFFICIAL USE		
<input type="checkbox"/> 32			<input type="checkbox"/> 33		
<input type="checkbox"/> 34			<input type="checkbox"/> 35		
<input type="checkbox"/> 36			<input type="checkbox"/> 37		
<input type="checkbox"/> 38			<input type="checkbox"/> 39		

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41
 CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:
 The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 21st day of August 19 2005
 Manual signatures of:
 1) [Signature]
 Principal Executive Officer or Managing Partner
 2) Kathleen D Hartung
 Principal Financial Officer or Partner
 3) _____
 Principal Operations Officer or Partner

ATTENTION—Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (if individual, state last, first, middle name)

KPMG LLP

70

ADDRESS

1601 Market St.

Number and Street

71

Philadelphia

City

72

PA

State

73

19103

Zip Code

74

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States
or any of its possessions

77

FOR SEC USE

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER Philadelphia Corp. for Investment Services

N 2

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STATEMENT OF FINANCIAL CONDITION

as of (MM/DDYY) 06/24/05 88
 SEC FILE NO. 8-31934 88
 Consolidated 188
 Unconsolidated 189

	ASSETS			Total
	Allowable	Non-Allowable		
1. Cash	\$ 53,772	200	\$	53,772.77 750
2. Cash segregated in compliance with federal and other regulations	769	210		769 780
3. Receivable from brokers or dealers and clearing organizations:				
A. Failed to deliver:				
1. Includable in "Formula for Reserve Requirements"		220		
2. Other		230		770
B. Securities borrowed:				
1. Includable in "Formula for Reserve Requirements"		240		
2. Other		250		780
C. Omnibus accounts:				
1. Includable in "Formula for Reserve Requirements"		260		
2. Other		270		780
D. Clearing organizations:				
1. Includable in "Formula for Reserve Requirements"	372,462	280		407,462 800
2. Other	35,000	290		
E. Other		300	\$ 50,736 550	50,736 810
4. Receivables from customers:				
A. Securities accounts:				
1. Cash and fully secured accounts		310		
2. Partly secured accounts		320		680
3. Unsecured accounts				570
B. Commodity accounts		330		680
C. Allowance for doubtful accounts		335		690
5. Receivables from non-customers:				
A. Cash and fully secured accounts		340		
B. Partly secured and unsecured accounts		350		690
6. Securities purchased under agreements to resell		360		690
7. Securities and spot commodities owned, at market value:				
A. Bankers acceptances, certificates of deposit and commercial paper		370		
B. U.S. and Canadian government obligations		380		
C. State and municipal government obligations		390		
D. Corporate obligations		400		

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

STATEMENT OF FINANCIAL CONDITION

		<u>ASSETS</u>			
		<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>	
E. Stocks and warrants	\$ 22,392	410			
F. Options		420			
G. Arbitrage		422			
H. Other securities	1,220,073	424			
I. Sport commodities		430			
				\$ 1,242,465	860
8. Securities owned not readily marketable:					
A. At Cost	\$ 130	440	610		860
9. Other investments not readily marketable:					
A. At Cost	\$ 140				
B. At estimated fair value		460	620		870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities	\$ 150				
B. Other	\$ 180	460	630		860
11. Secured demand notes—market value of collateral:					
A. Exempted securities	\$ 170				
B. Other	\$ 180	470	640		890
12. Memberships in exchanges:					
A. Owned, at market value	\$ 190				
B. Owned at cost			650		
C. Contributed for use of company, at market value			680		900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	670		810
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:					
At cost (net of accumulated depreciation and amortization)		490	35,033	660	35,033 820
15. Other Assets:					
A. Dividends and interest receivable		500		680	
B. Free shipments		510		700	
C. Loans and advances		520		710	
D. Miscellaneous		630	97,756	720	97,756 830
16. TOTAL ASSETS	\$ 1,704,468	640	\$ 183,525	740	\$ 1,887,993 840

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>A.I. Liabilities*</u>	<u>Non-A.I. Liabilities*</u>	<u>Total</u>
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	1470
18. Securities sold under repurchase agreement		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1060	1270	1490
2. Other	1080	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070	1290	1610
2. Other	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090	1300	1530
2. Other	1085	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1560
E. Other	1110	1320	1570
20. Payable to customers:			
A. Securities accounts—including free credits of ... \$ 860	1120	1330	1560
B. Commodities accounts	1130	1330	1560
21. Payable to non customers:			
A. Securities accounts	1140	1340	1500
B. Commodities accounts	1160	1360	1810
22. Securities sold not yet purchased at market value—including arbitrage of ... \$ 860		1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	149,256	1178	149,256
C. Income taxes payable	56,706	1180	56,706
D. Deferred income taxes		1370	1690
E. Accrued expenses and other liabilities	81,321	1180	81,321
F. Other	53,932	1200	53,932

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Liabilities</u>	<u>A.L. Liabilities*</u>	<u>Non-A.L. Liabilities*</u>	<u>Total</u>
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1680
B. Secured	\$ 1211	\$ 1380	\$ 1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1710
1. from outsiders \$ 870			
2. Includes equity subordination (15c3-1(d)) of ... \$ 990			
B. Securities borrowings, at market value		1410	1720
from outsiders \$ 990			
C. Pursuant to secured demand note collateral agreements:		1420	1730
1. from outsiders \$ 1000			
2. Includes equity subordination (15c3-1(d)) of ... \$ 1010			
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
26. TOTAL LIABILITIES	\$ 341,215 1230	\$ 1450	\$ 341,215 1760
Ownership Equity			
27. Sole proprietorship			\$ 1770
28. Partnership-limited partners	\$ 1020		\$ 1780
29. Corporation:			
A. Preferred stock			1781
B. Common stock		10	1782
C. Additional paid-in capital		348,894	1793
D. Retained earnings		1,197,874	1794
E. Total		1,546,778	1795
F. Less capital stock in treasury			() 1796
30. TOTAL OWNERSHIP EQUITY			\$ 1,546,778 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 1,887,993 1810

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

COMPUTATION OF NET CAPITAL:

1. Total ownership equity from Statement of Financial Condition - Item 1800	\$ 1,546,778	3480	
2. Deduct: Ownership equity not allowable for Net Capital	()	3480	
3. Total ownership equity qualified for Net Capital	1,546,778	3500	
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		3520	
B. Other (deductions) or allowable credits (List)		3525	
5. Total capital and allowable subordinated liabilities	1,546,778	3530	
6. Deductions and/or charges:			
A. Total nonallowable assets from			
Statement of Financial Condition (Notes B and C)	\$ 183,525	3640	
1. Additional charges for customers' and non-customers' security accounts	\$	3550	
2. Additional charges for customers' and non-customers' commodity accounts		3580	
B. Aged fail-to-deliver		3570	
1. Number of items	3450		
C. Aged short security differences-less reserve of	\$ 3470	3580	
number of items	3470		
D. Secured demand note deficiency		3590	
E. Commodity futures contracts and spot commodities - proprietary capital charges		3600	
F. Other deductions and/or charges		3610	
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(d)		3615	
H. Total deductions and/or charges	183,525	3620	
7. Other additions and/or allowable credits (List)		3630	
8. Net capital before haircuts on securities positions	1,363,253	3640	
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$	3660	
B. Subordinated securities borrowings		3670	
C. Trading and investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper		3680	
2. U.S. and Canadian government obligations		3690	
3. State and municipal government obligations		3700	
4. Corporate obligations		3710	
5. Stocks and warrants	3,359	3720	
6. Options		3730	
7. Arbitrage		3732	
8. Other securities	24,401	3734	
D. Undue Concentration		3650	
E. Other (list)		3736	
10. Net Capital	27,760	3740	
	1,335,493	3750	

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (8 1/4% of line 19)	\$ 22,747	3758
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 250,000	3788
13. Net capital requirement (greater of line 11 or 12)	\$ 250,000	3780
14. Excess net capital (line 10 less 13)	\$ 1,085,493	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 1,301,371	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.L. liabilities from Statement of Financial Condition	\$ 341,215	3780
17. Add:		
A. Drafts for immediate credit	\$ 3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 3810	
C. Other unrecorded amounts (List)	\$ 3820	3830
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))		3838
19. Total aggregate indebtedness	\$ 341,215	3840
20. Percentage of aggregate indebtedness to net capital (line 18 + by line 10)	%	26 3850
21. Percentage of aggregate indebtedness to net capital <u>after</u> anticipated capital withdrawals (line 19 + by line 10 less item 4880 page 11)	%	26 3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	3880
24. Net capital requirement (greater of line 22 or 23)	\$	3780
25. Excess net capital (line 10 less 24)	\$	3810
26. Percentage of Net Capital to Aggregate Debts (line 10 + by line 17 page B)	%	3851
27. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debts (Line 10 less item 4880 page 11 + by line 17 page B)	%	3854
28. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000	\$	3820

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	3860
30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) + Net Capital	%	3852

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6 1/4% of aggregate indebtedness or 2% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

PART II — FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

BROKER OR DEALER Philadelphia Corp. for Invt. Svcs.	For the period (MMDDYY) from 06/26/04 3832 to 06/24/0 3833	Number of months included in this statement 12	3831
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REVENUE

STATEMENT OF INCOME (LOSS)

1. Commissions:			
a. Commissions on transactions in listed equity securities executed on an exchange	\$ 527,267	3836	
b. Commissions on transactions in exchange listed equity securities executed over-the-counter		3837	
c. Commissions on listed option transactions	6,857	3838	
d. All other securities commissions	1,525,038	3839	
e. Total securities commissions	2,059,162	3840	
2. Gains or losses on firm securities trading accounts			3841
a. From market making in over-the-counter equity securities			
1. Includes gains or (losses) OTC market making in exchange listed equity securities	3843		
2. Includes gains or (losses) OTC market making in exchange listed equity securities	126,729	3844	
b. From trading in debt securities		3845	
c. From market making in options on a national securities exchange		3846	
d. From all other trading		3847	
e. Total gains or (losses)	126,729	3850	
3. Gains or losses on firm securities investment accounts			
a. Includes realized gains (losses)		4235	
b. Includes unrealized gains (losses)		4236	
c. Total realized and unrealized gains (losses)	14,460	3852	
4. Profits or (losses) from underwriting and selling groups			3855
a. Includes underwriting income from corporate equity securities			
b. Includes underwriting income from corporate equity securities	9,025	3860	
5. Margin interest	68,021	3870	
6. Revenue from sale of investment company shares	1,088,078	3875	
7. Fees for account supervision, investment advisory and administrative services		3880	
8. Revenue from research services		3890	
9. Commodities revenue	557,479	3885	
10. Other revenue related to securities business	89,858	3886	
11. Other revenue			
12. Total revenue	\$ 4,012,812	4030	
EXPENSES			
13. Registered representatives' compensation	\$ 1,662,129	4110	
14. Clerical and administrative employees' expenses	622,561	4040	
15. Salaries and other employment costs for general partners, and voting stockholder officers	13,100	4120	
a. Includes interest credited to General and Limited Partners capital accounts		4130	
16. Floor brokerage paid to certain brokers (see definition)		4055	
17. Commissions and clearance paid to all other brokers (see definition)	263,652	4145	
18. Clearance paid to non-brokers (see definition)		4135	
19. Communications	256,251	4080	
20. Occupancy and equipment costs	235,369	4080	
21. Promotional costs	27,342	4160	
22. Interest expense		4075	
a. Includes interest on accounts subject to subordination agreements		4070	
23. Losses in error account and bad debts	4,674	4170	
24. Data processing costs (including service bureau service charges)		4186	
25. Non-recurring charges		4190	
26. Regulatory fees and expenses	40,586	4195	
27. Other expenses	323,454	4100	
28. Total expenses	\$ 3,449,118	4200	
NET INCOME			
29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)	563,694	4210	
30. Provision for Federal income taxes (for parent only)	191,656	4220	
31. Equity in earnings (losses) of unconsolidated subsidiaries not included above		4222	
a. After Federal income taxes of	4238		
32. Extraordinary gains (losses)		4224	
a. After Federal income taxes of	4239		
33. Cumulative effect of changes in accounting principles		4225	
34. Net income (loss) after Federal income taxes and extraordinary items	\$ 372,038	4230	
MONTHLY INCOME			
35. Income (current month only) before provision for Federal income taxes and extraordinary items		4211	

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (See Rule 15c3-3, Exhibit A and Related Notes)

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3).....	N/A	4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (See Note B)		4380
3. Monies payable against customers' securities loaned (see Note C)		4380
4. Customers' securities failed to receive (see Note D)		4370
5. Credit balances in firm accounts which are attributable to principal sales to customers		4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days		4390
7. **Market value of short security count differences over 30 calendar days old		4400
8. **Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days		4420
10. Other (List)		4425
11. TOTAL CREDITS		4430

DEBIT BALANCES

12. **Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3		4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver		4450
14. Failed to deliver of customers' securities not older than 30 calendar days		4460
15. Margin required and on deposit with Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)		4465
16. Other (List)		4468
17. **Aggregate debit items		4470
18. **Less 3% (for alternative method only—see Rule 15c3-1(f)(3)(i))		4471
19. **TOTAL 15c3-3 DEBITS		4472

RESERVE COMPUTATION

20. Excess of total credits over total debits (line 10 less line 11)		4480
21. Excess of total credits over total debits (line 11 less line 19)		4490
22. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits		4500
23. Amount held on deposit in "Reserve Bank Account(s)," including value of qualified securities, at end of reporting period		4510
24. Amount of deposit (or withdrawal) including \$ 4515 value of qualified securities		4520
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ 4525 value of qualified securities		4530
26. Date of deposit (MMDDYY)		4540

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FREQUENCY OF COMPUTATION

27. Daily 4332 Weekly 4333 Monthly 4334

**In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c-3-3 (continued)

EXEMPTIVE PROVISIONS

28. If an exemption from Rule 15c-3-3 is claimed, identify below the section upon which such exemption is based (check one only)

A. (K)(1) — \$2,500 capital category as per Rule 15c-3-1	X		4550
B. (K)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained	X		4580
C. (K)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm <u>NF Clearing Inc.</u>	X	4335	4570
D. (K)(3) — Exempted by order of the Commission			4580

Information for Possession or Control Requirements Under Rule 15c-3-3

State the market valuation and number of items of:

1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frame specified under Rule 15c-3-3. Notes A and B	\$		4588
A. Number of items			4587
2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c-3-3. Notes B, C and D	\$		4588
A. Number of items	#		4589
OMIT PENNIES			
3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c-3-3		Yes	4584
		No	4585

NOTES

- A—Do not include in Item one customers' fully paid and excess margin securities required by Rule 15c-3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent within the time frames specified under Rule 15c-3-3.
- B—State separately in response to Items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C—Be sure to include in Item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c-3-3.
- D—Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to Item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

SCHEDULE OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

CUSTOMERS' REGULATED COMMODITY FUTURES ACCOUNTS

SEGREGATION REQUIREMENTS

1. Net ledger balance:			
A. Cash	N/A	7010	
B. Securities (at market)		7020	
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		7030	
3. Exchange traded options:			
A. Add: Market Value of open option contracts purchased on a contract market		7032	
B. Deduct: Market Value of open option contracts granted (sold) on a contract market		7033	
4. Net equity (deficit) (total of 1, 2 and 3)		7040	
5. Add accounts liquidating to a deficit and accounts with debit balances with no open trades		7050	
6. Amount required to be segregated (total of 5 and 4)		7060	

FUNDS ON DEPOSIT IN SEGREGATION

7. Deposited in segregated funds bank accounts:			
A. Cash		7070	
B. Securities representing investments of customers' funds (at market)		7080	
C. Securities held for particular customers or option customers in lieu of cash (at market)		7090	
8. Margins on deposit with clearing organizations of contract markets:			
A. Cash		7100	
B. Securities representing investments of customers' funds (at market)		7110	
C. Securities held for particular customers or option customers in lieu of cash (at market)		7120	
9. Settlement due from (to) clearing organizations of contract markets		7130	
10. Exchange traded options:			
A. Add: Unrealized receivables for option contracts purchased on contract markets		7132	
B. Deduct: Unrealized obligations for option contracts granted (sold) on contract markets		7133	
11. Net equities with other FCMs		7140	
12. Segregated funds on hand:			
A. Cash		7150	
B. Securities representing investments of customers' funds (at market)		7160	
C. Securities held for particular customers in lieu of cash (at market)		7170	
13. Total amount in segregation (total of 7 through 12)	\$	7180	
14. Excess (insufficiency) funds in segregation (13 minus 6)	\$	7190	

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corporation Investment Services

as of 06/24/05

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual See below for code to enter	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
Y 4800		4801	4802 \$	4803	4804 4806
Y 4810		4811	4812	4813	4814 4816
Y 4820		4821	4822	4823	4824 4825
Y 4830		4831	4832	4833	4834 4835
Y 4840		4841	4842	4843	4844 4845
Y 4850		4851	4852	4853	4854 4855
Y 4860		4861	4862	4863	4864 4866
Y 4870		4871	4872	4873	4874 4876
Y 4880		4881	4882	4883	4884 4885
Y 4890		4891	4892	4893	4894 4895

Total \$ Y None 4899*

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*To agree with the total on Recap (Item No. 4880)

Instructions: Detail Listing must include the total of Items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals
4.	15c3-1(c)(2)(iv) Liabilities

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
Capital Withdrawals
PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

RECAP

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, which have not been deducted in the computation of net capita.

1. Equity Capital

A. Partnership Capital:

1. General Partners	\$	4700
2. Limited		4710
3. Undistributed Profits		4720
4. Other (describe below)		4730
5. Sole Proprietorship		4735

B. Corporation Capital:

1. Common Stock		4740
2. Preferred Stock		4750
3. Retained Earnings (Dividends and Other)		4750
4. Other (describe below)		4770

2. Subordinated Liabilities

A. Secured Demand Notes		4780
B. Cash Subordinates		4790
C. Debentures		4800
D. Other (describe below)		4810

3. Other Anticipated Withdrawals

A. Bonuses		4820
B. Voluntary Contributions to Pension or Profit Sharing Plans		4830
C. Other (describe below)		4870

Total \$ NONE 4880

4. Description of Other

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period		\$ 1,174,740	4240
A. Net Income (loss)		372,038	4250
B. Additions (includes non-conforming capital of	\$	4262	4260
C. Deductions (includes non-conforming capital of	\$	4272	4270
2. Balance, end of period (From Item 1800)		\$ 1,546,778	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period		\$ NONE	4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (From Item 3520)			4330

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. for Investment Services

as of 06/24/05

FINANCIAL AND OPERATIONAL DATA

1. Month end total number of stock record breaks unresolved over three business days	Valuation		Number	
A. breaks long	\$	4890		4900
B. breaks short	\$	4810		4820
2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter? (Check one)				
	Yes	<input checked="" type="checkbox"/>	4930	No
				<input type="checkbox"/> 4840
3. Personnel employed at end of reporting period:				
A. Income producing personnel			14	4850
B. Non-income producing personnel (all other)			7	4860
C. Total			21	4970
4. Actual number of tickets executed during current month of reporting period			1,007	4980
5. Number of corrected customer confirmations mailed after settlement date			2	4990

	No. of Items	Debit (Short Value)		No. of Items	Credit (Long Value)
6. Money differences	5000	\$ 6010		5020	\$ 5030
7. Security suspense accounts	5040	\$ 6060		5060	\$ 5070
8. Security difference accounts	6080	\$ 6090		5100	\$ 5110
9. Commodity suspense accounts	6120	\$ 5130		5140	\$ 5150
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and inter-company accounts which could result in a charge — unresolved amounts over 30 calendar days	5160	\$ 5170		5180	\$ 5190
11. Bank account reconciliations — unresolved amounts over 30 calendar days	6200	\$ 5210		5220	\$ 5230
12. Open transfers over 40 calendar days, not confirmed	6240	\$ 5260		5280	\$ 5270
13. Transactions in reorganization accounts — over 60 calendar days	5280	\$ 5290		5300	\$ 5310
14. Total	6320	\$ 5330		5340	\$ 5360

	No. of Items	Leger Amount	Market Value
15. Failed to deliver 11 business days or longer (21 business days or longer in the case of Municipal Securities)	5360	\$ 5361	5382
16. Failed to receive 11 business days or longer (21 business days or longer in the case of Municipal Securities)	5363	\$ 5364	5385
17. Security concentrations (See instructions in Part I):			
A. Proprietary positions			5370
B. Customers' accounts under Rule 15c3-3			5374
18. Total of personal capital borrowings due within six months			5378
19. Maximum haircuts on underwriting commitments during the period			5380
20. Planned capital expenditures for business expansion during next six months			5382
21. Liabilities of other individuals or organizations guaranteed by respondent			5384
22. Lease and rentals payable within one year			5386
23. Aggregate lease and rental commitments payable for entire term of the lease			
A. Gross			5388
B. Net			5390

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