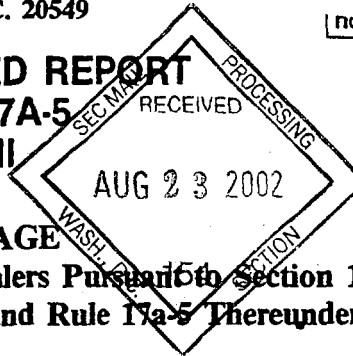


UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

02022965
SEC FILE NUMBER
8- 31934



FD 8-30-02

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 06/30/01 AND ENDING 06/28/02
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

PA

(City)

(State)

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 name)

1600 Market St. 12th Flr. Philadelphia PA 19103

(Address)

(City)

(State)

Zip Code

CHECK ONE:

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

PROCESSED

SEP 11 2002

FOR OFFICIAL USE ONLY

THOMSON
FINANCIAL

*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).

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, as of June 28, ~~19~~ 2002, 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:

NOTARIAL SEAL
FREDERICK A. BLUEFELD, Notary Public
Tredyffrin Twp., Chester County
My Commission Expires Oct. 4, 2004

Kathleen D. Hartung
Signature

Chief Financial Officer & Vice President
Title

Fredrick A. Bluefeld
Notary Public

Sworn to and subscribed before me
this 19 day of Aug, 2002

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.
- N/A ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- N/A ☐ (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).

Form
X-17A-5

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

FOCUS REPORT
(Financial and Operational Combined Uniform Single Report)

PART II 11

OMB APPROVAL

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

(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 ☐ 26

NAME OF BROKER-DEALER

SEC FILE NO.

Philadelphia Corporation For Investment Services 13

8-31934 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FIRM I.D. NO.

11-015275 15

(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

06/30/01 24

21

22

AND ENDING (MM/DD/YY)

06/28/02 25

(City)

(State)

(Zip Code)

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

(Area Code)—Telephone No.

Kathleen D. Hartung 30

(215) 419-6407 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

34

36

38

33

35

37

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 19th day of August 19 2002
Manual signatures of:

- 1) [Signature]
Principal Executive Officer or Managing Partner
- 2) [Signature]
Principal Financial Officer or Partner
- 3) [Signature]
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))

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1695 (10-91) 1 of 28

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

1600 Market St 12th Flr

71

Phila

72

PA

73

19103

74

Number and Street

City

State

Zip Code

CHECK ONE

☒ Certified Public Accountant

75

☐ Public Accountant

76

☐ Accountant not resident in United States
or any of its possessions

77

FOR SEC USE

DO NOT WRITE UNDER THIS LINE... FOR SEC USE ONLY

WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs.

N 2

100

STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 06/28/02

SEC FILE NO. 8-31934

Consolidated

Unconsolidated

89

88

188

189

ASSETS

Allowable

Non-Allowable

Total

1. Cash	\$ 68,195	200		\$ 68,195	750
2. Cash segregated in compliance with federal and other regulations	1,290	210		1,290	760
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"		280			
2. Other	142,078	280		142,078	800
E. Other		300	\$ 550		810
4. Receivables from customers:					
A. Securities accounts:					
1. Cash and fully secured accounts		310		680	
2. Partly secured accounts		320		570	
3. Unsecured accounts				580	
B. Commodity accounts		330			
C. Allowance for doubtful accounts	()	335	()	690	820
5. Receivables from non-customers:					
A. Cash and fully secured accounts		340			
B. Partly secured and unsecured accounts		350		600	830
6. Securities purchased under agreements to resell		360		805	840
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 Invt. Svcs

as of 06/28/02

STATEMENT OF FINANCIAL CONDITION

		<u>ASSETS</u>			
		<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>	
E. Stocks and warrants	410				
F. Options	420				
G. Arbitrage	422				
H. Other securities	956,270	424			
I. Sport commodities	430				
				\$ 956,270	850
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		450	15,600	620	15,600 870
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		890
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			660		900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	670		910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:					
At cost (net of accumulated depreciation and amortization)		490	32,856	680	32,856 920
15. Other Assets:					
A. Dividends and interest receivable		500		880	
B. Free shipments		510		700	
C. Loans and advances		520		710	
D. Miscellaneous	345,000	530	102,657	720	447,657 930
16. TOTAL ASSETS	\$ 1,512,833	540	\$ 151,113	740	\$ 1,663,946 940

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs.

as of 06/28/02

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
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		1510
2. Other	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1580
E. Other	1110	1320	1570
20. Payable to customers:			
A. Securities accounts-including free credits of \$ 850	1120		1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
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	1,230		1640
C. Income taxes payable	127,720		1850
D. Deferred income taxes		1370	1860
E. Accrued expenses and other liabilities	91,854		1670
F. Other	24,666	1380	1680

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 Invt. Svcs.

as of 06/28/02

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	A.I. Liabilities*	Non-A.I. Liabilities*	Total
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	\$ 1211	\$ 1390	\$ 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 \$ 980		1410	1720
B. Securities borrowings, at market value 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	\$ 245,470 1230	\$ 1450	\$ 245,470 1760
Ownership Equity			
27. Sole proprietorship			\$ 1770
28. Partnership-limited partners	\$ 1020		1780
29. Corporation:			
A. Preferred stock			1791
B. Common stock		10	1792
C. Additional paid-in capital		348,894	1793
D. Retained earnings		1,069,572	1794
E. Total		1,418,476	1795
F. Less capital stock in treasury		()	1796
30. TOTAL OWNERSHIP EQUITY			\$ 1,418,476 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 1,663,946 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 Invt. Svcs.

as of 0628/02

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition - Item 1800	\$ 1,418,476	3480
2. Deduct: Ownership equity not allowable for Net Capital	()	3480
3. Total ownership equity qualified for Net Capital	1,418,476	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	\$ 1,418,476	3530
6. Deductions and/or charges:		
A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)	\$ 151,113	3540
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)(8), (a)(7) and (c)(2)(x)		3615
H. Total deductions and/or charges	(151,113	3620
7. Other additions and/or allowable credits (List)		3630
8. Net capital before haircuts on securities positions	\$ 1,267,363	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		3720
6. Options		3730
7. Arbitrage		3732
8. Other securities	19,125	3734
D. Undue Concentration		3650
E. Other (list)		3736
10. Net Capital	\$ 1,248,238	3740

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs.

as of 06/28/02

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 2/3% of line 10)	\$ 16,364	3766
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	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 250,000	3760
14. Excess net capital (line 10 less 13)	\$ 998,238	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 1,223,691	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 245,470	3790
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)(v)(i))	\$ 3838	
19. Total aggregate indebtedness	\$ 245,470	3840
20. Percentage of aggregate indebtedness to net capital (line 18 + by line 10)	% 20	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)	% 20	3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debt 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' debts	\$ N/A	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)	\$ 3760	
25. Excess net capital (line 10 less 24)	\$ 3910	
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 debt 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 2/3% of aggregate indebtedness or 2% of aggregate debts 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 06/30/01 3932 to 06/28/02 3933
	Number of months included in this statement 12 3931

REVENUE

STATEMENT OF INCOME (LOSS)

1. Commissions:		
a. Commissions on transactions in listed equity securities executed on an exchange	\$ 1,501,069	3935
b. Commissions on transactions in exchange listed equity securities executed over-the-counter		3937
c. Commissions on listed option transactions	13,632	3938
d. All other securities commissions	563,824	3939
e. Total securities commissions	2,078,525	3940
2. Gains or losses on firm securities trading accounts		3941
a. From market making in over-the-counter equity securities		
1. Includes gains or (losses) OTC market making in exchange listed equity securities	3943	
b. From trading in debt securities	215,550	3944
c. From market making in options on a national securities exchange		3945
d. From all other trading		3949
e. Total gains or (losses)	215,550	3950
3. Gains or losses on firm securities investment accounts		
a. Includes realized gains (losses)	4235	
b. Includes unrealized gains (losses)	4238	
c. Total realized and unrealized gains (losses)		3952
4. Profits or (losses) from underwriting and selling groups		3955
a. Includes underwriting income from corporate equity securities	4237	
5. Margin interest		3960
6. Revenue from sale of investment company shares	70,658	3970
7. Fees for account supervision, investment advisory and administrative services	812,299	3975
8. Revenue from research services		3980
9. Commodities revenue		3990
10. Other revenue related to securities business	538,984	3985
11. Other revenue	110,419	3986
12. Total revenue	\$ 3,826,435	4030

EXPENSES

13. Registered representatives' compensation	\$ 1,559,378	4110
14. Clerical and administrative employees' expenses	569,197	4040
15. Salaries and other employment costs for general partners, and voting stockholder officers		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)	265,566	4145
18. Clearance paid to non-brokers (see definition)		4135
19. Communications	264,047	4080
20. Occupancy and equipment costs	228,089	4080
21. Promotional costs	24,333	4150
22. Interest expense	167	4075
a. Includes interest on accounts subject to subordination agreements	4070	
23. Losses in error account and bad debts	4,376	4170
24. Data processing costs (including service bureau service charges)		4186
25. Non-recurring charges		4190
26. Regulatory fees and expenses	31,796	4185
27. Other expenses	258,035	4100
28. Total expenses	\$ 3,204,984	4200

NET INCOME

29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)	621,451	4210
30. Provision for Federal income taxes (for parent only)	185,927	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	\$ 435,524	4230

MONTHLY INCOME

35. Income (current month only) before provision for Federal income taxes and extraordinary items	\$ 55,175	4211
---	-----------	------

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs

as of 06/28/02

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)		4350
3. Monies payable against customers' securities loaned (see Note C)		4390
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		4480
15. Margin required and on deposit with Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)		4485
16. Other (List)		4489
17. **Aggregate debit items	\$	4470
18. **Less 3% (for alternative method only—see Rule 15c3-1(f)(5)(i))	(	4471
19. **TOTAL 15c3-3 DEBITS	\$	4472

RESERVE COMPUTATION

20. Excess of total debits over total credits (line 19 less line 11)	\$	4480
21. Excess of total credits over total debits (line 11 less line 19)		4480
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

OMIT PENNIES

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 Invt. Svcs.

as of 06/28/02

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 | Y \$ | 4560 |
| 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 Y | | 4570 |
| | | 4580 |
| D. (k)(3) — Exempted by order of the Commission | | |

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).

PHILADELPHIA CORPORATION FOR INVESTMENT SERVICES

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

June 28, 2002

Computation of Net Capital Under Rule 15c3-1

No material difference exists between broker's most recent, unaudited Part II filing and the Annual Audit Report.

Computation for Determination of Reserve Requirements

No material difference exists between broker's most recent, unaudited Part II filing and the Annual Audit Report.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs.

as of 06/28/02

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 Corp. For Invt. Svcs.

as of 06/28/02

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)	
4600	4601	4602	\$	4603	4604	4605
4610	4611	4612		4613	4614	4615
4620	4621	4622		4623	4624	4625
4630	4631	4632		4633	4634	4635
4640	4641	4642		4643	4644	4645
4650	4651	4652		4653	4654	4655
4660	4661	4662		4663	4664	4665
4670	4671	4672		4673	4674	4675
4680	4681	4682		4683	4684	4685
4690	4691	4692		4693	4694	4695
Total \$			0.00	4699*		

OMIT PENNIES

*To agree with the total on Recap (Item No. 4680)

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 Invt. Svcs.

as of 06/28/02

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)		4760
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		4880
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	\$	1,547,522	4240
A. Net Income (loss)		360,954	4250
B. Additions (includes non-conforming capital of	\$	4282	4280
C. Deductions (includes non-conforming capital of	\$	4272	4270
2. Balance, end of period (From Item 1800)	\$	1,418,476	4280

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

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER Philadelphia Corp. For Invt. Svcs.

as of 06/28/02

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	\$ 4910	4920
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 ☒	4930	No ☐	4940
---	------	-----------------------------	------
3. Personnel employed at end of reporting period:

A. Income producing personnel	14	4950
B. Non-income producing personnel (all other)	9	4960
C. Total	23	4970
4. Actual number of tickets executed during current month of reporting period
5. Number of corrected customer confirmations mailed after settlement date

	No. of Items	Debit (Short Value)		No. of Items	Credit (Long Value)
6. Money differences	5000	\$ 5010		5020	\$ 5030
7. Security suspense accounts	5040	\$ 5050		5060	\$ 5070
8. Security difference accounts	5080	\$ 5090		5100	\$ 5110
9. Commodity suspense accounts	5120	\$ 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	5200	\$ 5210		5220	\$ 5230
12. Open transfers over 40 calendar days, not confirmed	5240	\$ 5250		5280	\$ 5270
13. Transactions in reorganization accounts — over 60 calendar days	5280	\$ 5290		5300	\$ 5310
14. Total	5320	\$ 5330		5340	\$ 5350

	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	\$ 5362
16. Failed to receive 11 business days or longer (21 business days or longer in the case of Municipal Securities)	5363	\$ 5364	\$ 5365
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

OMIT PENNIES