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UNITED STATE  
SECURITIES AND EXCHANGE  
Washington, D.C. 20549

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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5** SEC Mail Processing  
**PART III** Section

SEC FILE NUMBER  
8-50240

FEB 25 2011

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 01/01/2010 AND ENDING 12/31/2010  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: PERICULUM ADVISORS, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
CHASE TOWER/CIRCLE 111 MONUMENT CIRCLE - SUITE 1022

OFFICIAL USE ONLY  
FIRM I.D. NO.

INDIANAPOLIS IN 46204  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
ROBERT SHORTLE 317-636-1800  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
SHEDJAMA, INC dba EDWARD OPPERMAN, CPA

1901 KOSSUTH STREET LAFAYETTE IN 47905  
(Address) (City) (State) (Zip Code)

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

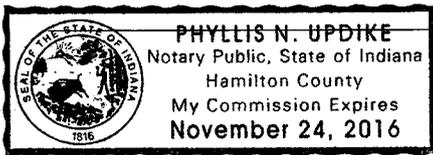
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

BB 3/11

OATH OR AFFIRMATION

I, ROBERT SHORTLE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of PERICULUM ADVISORS, LLC, as of DECEMBER 31, 2010, 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:



Robert Shortle

Signature

PRESIDENT

Title

Phyllis N. Updike
Notary Public

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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**PERICULUM ADVISORS, LLC**

**REPORT ON AUDIT OF  
FINANCIAL STATEMENTS**

**DECEMBER 31, 2010**

CERTIFIED PUBLIC ACCOUNTANT & BUSINESS CONSULTANT

1901 Kossuth Street | Lafayette, IN 47905 | 765-588-4335



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**PERICULUM ADVISORS, LLC**

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FEB 25 2011

**Independent Auditors' Report**

Washington, DC  
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The Board of Directors  
PERICULUM ADVISORS, LLC  
Indianapolis, Indiana

We have audited the accompanying balance sheet of PERICULUM ADVISORS, LLC (an Indiana Limited Liability Corporation), as of December 31, 2010, and the related statements of income, stockholders' equity and comprehensive income, and cash flows for the year then ended. PERICULUM ADVISORS, LLC's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Organization's 2009 financial statements which were audited by other independent auditors, and in their report dated March 25, 2010, they expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PERICULUM ADVISORS, LLC, as of December 31, 2010, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), PERICULUM ADVISORS, LLC's internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 15, 2011 expressed an unqualified opinion.

SHEDJAMA, INC  
dba Edward Opperman, CPA  
Lafayette, Indiana  
February 15, 2011

**PERICULUM ADVISORS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**As of December 31, 2010 and 2009**

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	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 182,429	\$ 194,832
<b>TOTAL ASSETS</b>	<u>\$ 182,429</u>	<u>\$ 194,832</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>MEMBERS' EQUITY</b>	<u>182,429</u>	<u>194,832</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u>\$ 182,429</u>	<u>\$ 194,832</u>

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

**PERICULUM ADVISORS, LLC**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

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	<u>2010</u>	<u>2009</u>
<b>REVENUE</b>		
Interest income	\$ 76	\$ 76
<b>TOTAL REVENUE</b>	<u>76</u>	<u>76</u>
<b>EXPENSES</b>		
Bank Fees	583	467
Insurance	364	364
Professional fees	10,000	315
Regulatory fees	<u>1,532</u>	<u>1,382</u>
<b>TOTAL EXPENSES</b>	<u>12,479</u>	<u>2,528</u>
<b>NET INCOME (LOSS)</b>	<u>\$ (12,403)</u>	<u>\$ (2,452)</u>

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

**PERICULUM ADVISORS, LLC**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

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	<u>2010</u>	<u>2009</u>
<b>Beginning Balance</b>	\$ 194,832	\$ 197,284
Net Income (Loss)	<u>(12,403)</u>	<u>(2,452)</u>
<b>Ending Balance</b>	<b><u>\$ 182,429</u></b>	<b><u>\$ 194,832</u></b>

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

**PERICULUM ADVISORS, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009**

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	2010	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income (Loss)	\$ (12,403)	\$ (2,452)
Adjustment to reconcile net income to net cash provided by operating activities:		
Increase (decrease) in operating liabilities:		
Accounts payable	-	(8,867)
Net Cash Provided by (Used in) Operating Activities	(12,403)	(11,319)
Net increase (decrease) in cash	(12,403)	(11,319)
Cash - beginning of year	194,832	206,151
Cash - end of year	\$ 182,429	\$ 194,832

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

**PERICULUM ADVISORS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR DECEMBER 31, 2010**

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NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Firm's significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

- a. Nature of Operations—PERICULUM ADVISORS, LLC (the Firm) was organized in 1995 as an Indiana limited liability company. The Firm is a broker - dealer registered with the Securities and Exchange Commission (the SEC) and is a member of the Financial Industry Regulatory Authority, Inc. (FINRA). The Firm, which has one location in Indianapolis, Indiana, is wholly-owned by Periculum Capital Company, LLC (PCC). The primary business purpose is to provide advisory services related to corporate merger and acquisition transactions, the private placement of debt and equity financings and general corporate advisory services.

The Firm does not carry securities accounts for customers or perform custodial functions relating to customer securities and, accordingly, claims exemption from SEC Rule 15c3-3, pursuant to paragraph (k)(2)(i).

- b. Cash Equivalents—For purposes of the statements of cash flows, the Firm considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents. There were no cash equivalents as of December 31, 2010 and 2009.
- c. Use of 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 the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- d. Concentrations of Credit Risk—The Firm places its cash in accounts with a local financial institution. At times, such accounts may be in excess of FDIC insured limits. The Firm did not have amounts in excess of insured limits for both years.
- e. Accounts Receivable—Accounts Receivable consists of commissions, fees and other amounts owed to the Firm. The Firm considers accounts receivable to be fully collectible. Uncollectible accounts receivable are charged directly against operations when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by accounting principles generally accepted in the United States of America.
- f. Advertising—The Firm's advertising costs are expensed as incurred. During 2010 no advertising costs were incurred.

**PERICULUM ADVISORS, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR DECEMBER 31, 2010**

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**NOTE 2: RECEIVABLES AND PAYABLES FROM AND TO BROKERS**

Receivables from brokers represent commissions due and accrued to the Firm from their correspondents. The payable to brokers are commissions due to the brokers. At December 31, 2010 there were no receivables or payables to accrue.

**NOTE 3: INCOME TAXES**

The Firm is a limited liability company whereby taxable income, losses, credits, etc. are recognized for federal and state income tax reporting purposes by its member. Accordingly, no provision or liability for federal or state income taxes has been reflected in the accompanying financial statements. The Firm files income tax returns in the U.S. federal jurisdiction and various state jurisdictions.

The Firm has adopted recently issued accounting principles related to uncertain tax positions for the year ended December 31, 2010 and has evaluated its tax positions taken for all open years. Currently, all tax years subsequent to 2006 are open and subject to federal and state income tax examination by tax authorities. However the Firm is not currently under audit nor has the Firm been contacted by any of these jurisdictions.

Based on the evaluation of the Firm's tax positions, Management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain positions has been recorded for the year ended December 31, 2010.

**NOTE 4: NET CAPITAL REQUIREMENT UNDER RULE 15c3-1**

Pursuant to the net capital provision of Rule-15c3-1 of the Securities and Exchange Act of 1934, the Firm is required to maintain a minimum net capital which may fluctuate on a daily basis. At December 31, 2010, the required minimum net capital was \$5,000. On December 31, 2010 the Firm's net capital was \$182,429. There were no material difference between the unaudited Part II of Form X-17 A-5 as of December 31, 2010.

**NOTE 5: SEC RULE 15c3-3**

The Firm claims an exemption to 15c3-3 (Customer Protection Rule) under subparagraph (k) (1) of the rule. Nothing came to our attention during the course of our examination that would indicate the Firm was not in compliance with the requirement of that examination.

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**INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY INFORMATION**

The Board of Directors  
PERICULUM ADVISORS, LLC  
Indianapolis, Indiana

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as whole.

SHEDJAMA, INC.  
dba Edward Opperman, CPA  
Lafayette, Indiana  
February 15, 2011

**PERICULUM ADVISORS, LLC**  
**COMPUTATION OF NET CAPITAL REQUIREMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**  
**Schedule I**

---

1.	Total ownership equity from Statement of Financial Condition	\$ 182,429
2.	Deduct ownership equity not allowable for Net Capital	<u>-</u>
3.	Total ownership equity qualified for Net Capital	\$ 182,429
4.	Add:	
	Liabilities subordinated to claims of general creditors allowable	
	a. in computation of net capital	-
	b. Other deductions or allowable in computation of net capital	<u>-</u>
5.	Total capital and allowable subordinated liabilities	182,429
6.	Deductions and/or charges:	
	Total nonallowable assets from Statement of Financial	
	a. Condition	-
	b. Secured demand note deficiency	-
	Commodity futures contracts and spot commodities-	
	c. proprietary capital charges	-
	d. Other deductions and/or charges	<u>-</u>
7.	Other additions and/or allowable credits	-
8.	Net capital before haircuts on securities positions	182,429
9.	Haircuts on securities (computed, where applicable pursuant to 15c3-1 ((f)))	
	a. Contractual securities commitments	-
	b. Subordinated securities borrowings	-
	c. Trading and investments securities	-
	1. Exempted securities	-
	2. Debt securities	-
	3. Options	-
	4. Other securities	-
	d. Undue Concentrations	-
	e. Other	<u>-</u>
10.	Net Capital	<u>182,429</u>

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

**PERICULUM ADVISORS, LLC**  
**COMPUTATION OF NET CAPITAL REQUIREMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**  
**Schedule I**

---

COMPUTATION OF NET CAPITAL REQUIREMENTS

11. Minimum net capital requested (6 2/3% of line 18)	\$	-
Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirements of subsidiaries		
12. computed in accordance with Note A		5,000
13. Net capital requirement (greater of line 11 or 12)		5,000
14. Excess net capital (line 10 less 13)		177,429
15. Excess net capital at 100% (line 10 less 10% of line 18)	\$	182,429
16. Total liabilities from Statement of Financial Condition	\$	-
17. Add:		
a. Drafts for immediate credit	-	
Market value of securities borrowed for which no equivalent		
b. value is paid or credited	-	
c. Other unrecorded amounts (List)	-	-
	<u>          </u>	<u>          </u>
18. Total aggregate indebtedness	\$	-
Percentage of aggregate indebtedness to net capital (line 18		
19. divided by line 10)		0.00%

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

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## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Board of Directors  
PERICULUM ADVISORS, LLC  
Indianapolis, Indiana

We have audited PERICULUM ADVISORS, LLC's internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). PERICULUM ADVISORS, LLC's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying audit report. Our responsibility is to express an opinion on the Firm's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

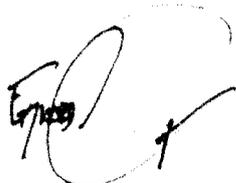
Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

(CONTINUED)

(CONTINUED)

In our opinion, PERICULUM ADVISORS, LLC, maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the balance sheets and the related statements of income, stockholders' equity and comprehensive income, and cash flows of PERICULUM ADVISORS, LLC, and our report dated February 15, 2011 expressed an unqualified opinion.

A handwritten signature in black ink, appearing to read 'E. Opperman', with a large, sweeping flourish extending from the end of the signature.

SHEDJAMA, INC.  
dba Edward Opperman, CPA  
Lafayette, Indiana  
February 15, 2011