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

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

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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 01/01/10 AND ENDING 12/31/10
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

BOUCHEY & ASSOCIATES, INC.

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

16 Silo Drive

(No. and Street)

Waterford

(City)

New York

(State)

12188

(Zip Code)

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

Barbara J. Bouchey, President

(518) 583-0090

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

VB&T Certified Public Accountants, PLLC

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

250 West 57TH Street, Suite 1632

(Address)

New York

(City)

New York

(State)

10107

(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).

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OATH OR AFFIRMATION

I, Barbara J. Bouchey, President, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Bouchey & Associates, Inc. (Company), 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:


Barbara J. Bouchey, President

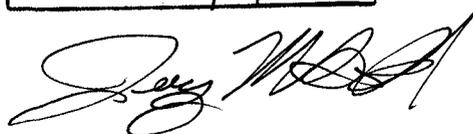
Sworn and subscribed to before me this 22 day of Feb, 2011.

This report contains (check all applicable boxes):

Page

- (a) Independent Certified Public Accountants' Report. 1
- (x) (a) Facing page.
- (x) (b) Balance Sheet. 2
- (x) (c) Statement of Operations. 3
- (x) (d) Statement of Cash Flows. 4
- (x) (e) Statement of Changes in Stockholder's Equity. 5
- (f) Statement of Changes in Subordinated Liabilities (not applicable).
- (x) Notes to Financial Statements. 6 - 8
- (x) (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934. 9
- (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- (j) A Reconciliation, including Appropriate Explanations, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Rule 15c3-3 (not required).
- (k) A Reconciliation Between the Audited and Unaudited Consolidated Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- (x) (l) An Affirmation.
- (m) A Copy of the SIPC Supplemental Report (not required).
- (x) (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control). 10 - 11

JEREMY M BOND
NOTARY PUBLIC STATE OF NEW YORK
SCHENECTADY COUNTY
LIC. #01BO6222721
COMM. EXP. 6/1/2014



VB&T

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder of
Bouche & Associates, Inc.

We have audited the accompanying balance sheet of Bouche & Associates, Inc. (the "Company"), as of December 31, 2010, and the related statements of operations, cash flows and changes in stockholder's equity for the year then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the balance sheet of Bouche & Associates, Inc. at December 31, 2010, and the results of its operations, cash flows and changes in stockholder's equity for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained on page 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the examination 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 a whole.

VB&T CERTIFIED PUBLIC ACCOUNTANTS, PLLC

New York, NY

February 16, 2011

Registered with the Public Company Accounting Oversight Board
Member of the American Institute of Certified Public Accountants

BOUCHEY & ASSOCIATES, INC.
BALANCE SHEET
DECEMBER 31, 2010

ASSETS

Cash	\$ 6,275
Commissions receivable	<u>900</u>
Total Assets	<u><u>\$ 7,175</u></u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:

Accounts payable and accrued expenses	<u>\$ 516</u>
Total Liabilities	<u>516</u>

Stockholder's Equity

Common stock - no par value	
200 shares authorized,	
10 shares issued and outstanding	100
Additional paid-in capital	15,716
Accumulated (deficit)	<u>(9,157)</u>
Total Stockholder's Equity	<u>6,659</u>
Total Liabilities and Stockholder's Equity	<u><u>\$ 7,175</u></u>

See Independent Accountants' Report and Accompanying Notes

BOUCHEY & ASSOCIATES, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

Revenues:	
Commissions	\$ 17,615
Interest income	15
Total Revenues	<u>17,630</u>
Costs and Expenses:	
Commission expense	8,802
Professional fees	14,000
Insurance	349
Fees and licenses	835
Office supplies and expense	777
Total Costs and Expenses	<u>24,763</u>
Net Loss	<u>\$ (7,133)</u>

See Independent Accountants' Report and Accompanying Notes

BOUCHEY & ASSOCIATES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010

Cash Flows From Operating Activities:	
Net Loss	\$ (7,133)
Adjustment to reconcile net loss to net cash (used) by operating activities:	
Changes in operating assets and liabilities:	
Decrease in commissions receivable	509
Decrease in prepaid expenses	349
(Decrease) in accounts payable and accrued expenses	<u>(1,001)</u>
Net Cash (Used) by Operating Activities	<u>(7,276)</u>
Cash flows from investing activities:	
None	<u>-</u>
Net Cash (Used) by Investing Activities	<u>-</u>
Cash flows from financing activities:	
Shareholder contribution	<u>5,816</u>
Net Cash Provided by Financing Activities	<u>5,816</u>
Net (decrease) in cash	<u>(1,460)</u>
Cash at beginning of year	<u>7,735</u>
Cash at end of year	<u><u>\$ 6,275</u></u>
Supplemental disclosures of cash flow information:	
Cash paid during the period for:	
Income taxes	<u><u>\$ 51</u></u>

See Independent Accountants' Report and Accompanying Notes

BOUCHEY & ASSOCIATES, INC.
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balances, January 1, 2010	\$ 100	\$ 9,900	\$ (2,024)	\$ 7,976
Shareholder contributions	-	5,816	-	5,816
Net income for the year	<u>-</u>	<u>-</u>	<u>(7,133)</u>	<u>(7,133)</u>
Balances, December 31, 2010	<u>\$ 100</u>	<u>\$ 15,716</u>	<u>\$ (9,157)</u>	<u>\$ 6,659</u>

See Independent Accountants' Report and Accompanying Notes

BOUCHEY & ASSOCIATES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

1. ORGANIZATION AND NATURE OF BUSINESS

Bouche & Associates, Inc. (the "Company") is registered as a broker-dealer in securities transactions under the Securities Exchange Act of 1934. The Company is a member of the Financial Industry Regulatory Inc. (FINRA) and the Securities Investor Protection Corporation. The Company has adopted December 31 as its year end.

The Company was incorporated on September 5, 1997 in the State of New York and provides services to business and the general public throughout the Capital District of New York.

The Company acts as a broker-dealer and is exempt from Securities and Exchange Commission Rule 15c3-3 under paragraph (k)(1). The Company will not hold customer funds or safekeep customer securities.

The Company is engaged in a single line of business as a non-clearing securities broker-dealer, and provides on class of service as agency transactions. These transactions involve the use of mutual funds and insurance products only.

2. SIGNIFICANT ACCOUNTING POLICIES

INCOME TAXES

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal income taxes on its corporate income. Instead, the stockholder is liable for individual federal income taxes on his share of the Company's income, deductions, losses and credits.

REVENUES

The Company's financial statements are prepared using the accrual method of accounting.

COMMISSIONS RECEIVABLE

The receivable at December 31, 2010 consists of mutual fund commissions. Management has determined that no allowance for doubtful accounts is necessary at December 31, 2010.

BOUCHEY & ASSOCIATES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

3. NET CAPITAL REQUIREMENTS

The Company is a member of the FINRA and subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000 and requires the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2010 the Company had net capital of \$6,275, which was \$275 in excess of the FINRA minimum capital requirement.

4. CONTINGENCIES

In the normal course of business, the Company always acts on an agency basis when selling mutual fund and insurance products.

In connection with these activities, a customer's unsettled transactions may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contractual obligations.

There were no asserted or unasserted claims against the Company at December 31, 2010 and to the date of this report.

5. USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at December 31, 2010 and the reported amounts of revenues and expenditures during the year ended December 31, 2010. Actual results could differ from those estimates.

6. RELATED PARTY TRANSACTIONS

Bouche & Associates, Inc. is related by common ownership to Barbara J. Bouche Asset Management, Inc. Barbara J. Bouche Asset Management, Inc. provides office space plus the use of office equipment at no cost as a convenience to Bouche & Associates, Inc.'s clients.

7. CASH AND SECURITIES SEGREGATED UNDER FEDERAL AND OTHER REGULATION

The Company is exempt under rule 15c3-3 of the Securities and Exchange Commission for the use of a special reserve as the Company provides services only as a non-clearing broker.

BOUCHEY & ASSOCIATES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

8. CASH FLOW INFORMATION

The Company considers all short-term investments with an original maturity of three months or less to be cash equivalents.

9. SUBORDINATED BORROWINGS

There are no subordinated borrowings at December 31, 2010.

BOUCHEY & ASSOCIATES, INC.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2010

NET CAPITAL:	
Total stockholder's equity	\$ 6,659
Deductions and/or charges:	
Non-allowable assets:	
Prepaid expenses	<u>(900)</u>
Net capital before haircuts on securities positions	<u>5,759</u>
Haircuts on securities positions	<u>-</u>
Net Capital	<u><u>\$ 5,759</u></u>
AGGREGATE INDEBTEDNESS:	
Items included in the statement of financial condition:	
Accounts payable and accrued expenses	<u>\$ 516</u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:	
Minimum net capital required	<u>\$ 5,000</u>
Excess net capital	<u>\$ 759</u>
Net capital less greater of 10% of total AI or 120% of min. net capital	<u>\$ (241)</u>
Ratio: Aggregate indebtedness to net capital is	<u>9%</u>

The above computation agrees with the December 31, 2010 computation of net capital filed electronically by the company on FOCUS Form X-17A-5 Part IIA.



Certified Public Accountants, PLLC

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON
INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5**

To the Shareholder of
Bouchey & Associates, Inc.

In planning and performing our audit of the financial statements of Bouchey & Associates, Inc. (the "Company"), for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we consider the Company's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company 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 the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

- 1) Making quarterly securities examinations, counts, verifications and comparisons;
- 2) Recordation of differences required by Rule 17a-13;
- 3) Complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining a system of internal accounting 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 the Company has responsibility are safeguarded against loss from unauthorized use or disposition and 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.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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 Company's practices and procedures were adequate at December 31, 2010, to meet the Commission's objectives.

This report is intended solely for the information and use of management, the Securities and Exchange Commission, the Financial Industry Regulatory Authority (FINRA), 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.

VB&T CERTIFIED PUBLIC ACCOUNTANTS, PLLC

New York, NY
February 16, 2011

**Registered with the Public Company Accounting Oversight Board
Member of the American Institute of Certified Public Accountants**

BOUCHEY & ASSOCIATES, INC.
(SEC I.D. No. 8-50550)
FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE
FOR THE YEAR ENDED December 31, 2010
AND
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
AND
SUPPLEMENTAL REPORT ON INTERNAL CONTROL