

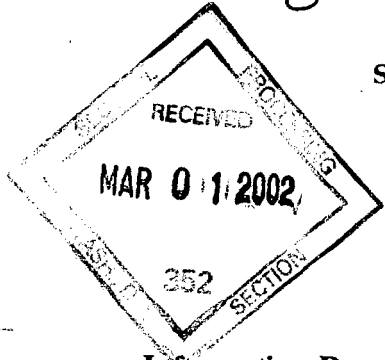
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SECURITIES AND COMMISSION  
Washington, D.C. 20549



SEC FILE NUMBER
8-43632

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

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 1/1/01 AND ENDING 12/31/01  
MM/DD/YY MM/DD/YY

#### A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

CITATION FINANCIAL GROUP, L.P.

OFFICIAL USE ONLY
FIRM ID. NO.

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

120 BROADWAY, 17th FLOOR

(No. and Street)

NEW YORK

NEW YORK

10271

(City)

(State)

(Zip Code)

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

RICHARD T. PETRI

212 618-0962

(Area Code - Telephone No.)

#### B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

PRICEWATERHOUSECOOPERS, LLP

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

1177 AVENUE OF THE AMERICAS, NEW YORK, NY 10036

(Address)

(City)

(State)

Zip Code)

CHECK ONE:

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

PROCESSED

JUN 10 2002

THOMSON FINANCIAL

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).

PS 5/02

VF 6-7-02

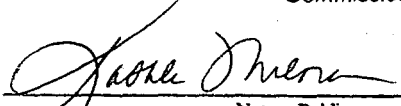
OATH OR AFFIRMATION

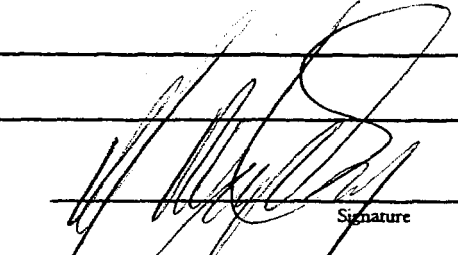
I, RICHARD J. MURPHY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CITATION FINANCIAL GROUP, L.P., as of

DECEMBER 31, 19 2001 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

KATHLEEN MILOHA  
Notary Public, State of New York  
No. 01MI4907666  
Qualified in Richmond County  
Commission Expires October 13, 2005

  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Signature  
PRESIDENT  
\_\_\_\_\_  
Title

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.
- XX STATEMENT OF CASH FLOWS

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

**Citation Financial Group, L.P.**  
**Index to Financial Statements and Supplementary Information**  
**December 31, 2001**

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**Facing Page**

**Oath or Affirmation**

**Report of Independent Accountants**

**Financial Statements**

Statement of Financial Condition  
Statement of Income  
Statement of Changes in Partners' Capital  
Statement of Cash Flows  
Notes to Financial Statements

**Supplementary Information**

Schedule I – Computation of Net Capital Pursuant to  
Uniform Net Capital Rule 15c3-1 of the Securities and Exchange Commission

Schedule II – Computation for Determination of Reserve Requirements and Information  
Relating to Possession or Control Requirements Pursuant to Rule 15c3-3 of the Securities  
and Exchange Commission

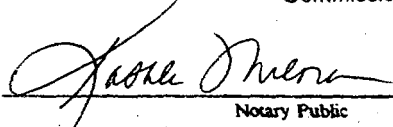
Report of Independent Accountants on  
Internal Control Required by SEC Rule 17a-5

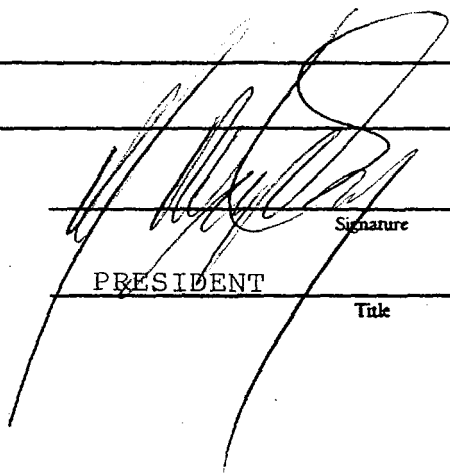
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Notary Public, State of New York  
No. 01M14907666  
Qualified in Richmond County  
Commission Expires October 13, 2005

  
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