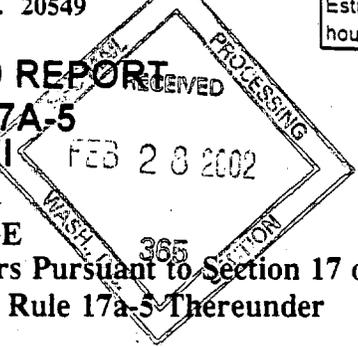




ANNUAL AUDITED REPORT FORM X-17A-5 PART III



SEC FILE NUMBER 8 - 47527

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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: MFI Securities, L.P. ADDRESS OF PRINCIPAL PLACE OF BUSINESS: 950 Third Avenue, 19th Floor New York New York 10022

OFFICIAL USE ONLY FIRM ID. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Joe Hoban (212) 935-6500

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\* Rothstein, Kass & Company, P.C. 85 Livingston Avenue Roseland New Jersey 07068

PROCESSED MAR 14 2002 THOMSON FINANCIAL

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

FOR OFFICIAL USE ONLY

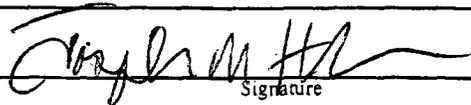
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

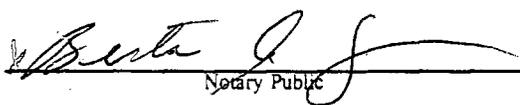
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**OATH OR AFFIRMATION**

I, Joe Hoban, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of MFI Securities, L.P., as of December 31, 20 01, 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:

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

  
 \_\_\_\_\_  
 Signature  
 VP  
 \_\_\_\_\_  
 Title

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

NOTARY PUBLIC  
 STATE OF NEW YORK  
 BERTA A. GUERRA  
 MY APPOINTMENT EXPIRES 8/31/2002  
 QUALIFIED QUEENS COUNTY # 01GU6012756

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.
- (o) Independent auditor's report on internal accounting control.
- (p) Schedule of segregation requirements and funds in segregation--customers' regulated commodity futures account pursuant to Rule 171-5.

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

# MFI SECURITIES, L.P.

## STATEMENT OF FINANCIAL CONDITION

December 31, 2001

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### ASSETS

Cash	\$	31,980
Receivable from clearing broker		12,322
Securities owned, at market		101,235
Other assets		<u>100</u>
	\$	<u>145,637</u>

### LIABILITIES AND PARTNERS' CAPITAL

Liabilities, accrued expenses	\$	8,000
Commitments and contingencies		
Partners' capital		<u>137,637</u>
	\$	<u>145,637</u>