

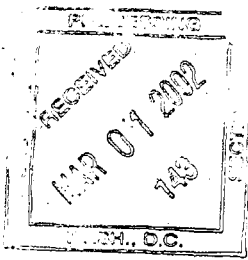


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Washington, D.C. 20549

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

SEC FILE NUMBER
8-18291

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 January 1, 2001 AND ENDING December 31, 2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Gordon, Haskett & Co.

OFFICIAL USE ONLY
FIRM ID. NO.

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

55 Railroad Avenue

(No. and Street)

Greenwich, CT 06830

(City)

(State)

(Zip Code)

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

Allan S. Gordon

203-862-5100

(Area Code — Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

TODMAN & CO., CPAS, P.C.

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

120 Broadway,

New York,

NY

10271

(Address)

(City)

(State)

Zip Code)

CHECK ONE:

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

PROCESSED

P MAR 20 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).

VF 3-19-02

OATH OR AFFIRMATION

I, Allan S. Gordon, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Gordon, Haskett & Co., as of December 31, 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:

Allan S. Gordon
Signature
General Partner
Title

Sworn and signed before me this 13th day of February 2002

David Hill
Notary Public

DAVID HILL
NOTARY PUBLIC
MY COMMISSION EXPIRES 10/31/2006



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.

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

**GORDON, HASKETT & CO.
(A PARTNERSHIP)**

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2001

TODMAN & Co., CPAs, P.C.

Certified Public Accountants and Business Consultants
An Affiliate of TRIEN ROSENBERG

120 Broadway
New York, NY 10271
TEL. (212) 962-5930
FAX (212) 385-0215

INDEPENDENT AUDITORS' REPORT

To the Partners of
Gordon, Haskett & Co.
55 Railroad Avenue
Greenwich, CT 06830

We have audited the accompanying statement of financial condition of Gordon, Haskett & Co. (A Partnership) as of December 31, 2001. This financial statement is the responsibility of the Partnership's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with U. S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Gordon, Haskett & Co. (A Partnership) as of December 31, 2001, in conformity with U. S. generally accepted accounting principles.

Todman & Co. CPAs P.C.

New York, New York
February 18, 2002

GORDON, HASKETT & CO.
(A PARTNERSHIP)
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2001

ASSETS

Cash and cash equivalents	\$ 526,010
Receivables from brokers and dealers	26,574
Securities owned at market value	
U.S. Treasury bills and notes	318,924
Stock	572
Exchange membership, at cost (approximate market value \$2,200,000)	155,000
Security deposit	<u>3,300</u>
 Total assets	 <u>\$ 1,030,380</u>

LIABILITIES AND PARTNERSHIP CAPITAL

Accounts payable and accrued liabilities	\$ 29,362
 Commitments and contingencies	
 Partnership capital	 <u>1,001,018</u>
 Total liabilities and partnership capital	 <u>\$ 1,030,380</u>

The accompanying notes are an integral part of this financial statement.

GORDON, HASKETT & CO.
(A PARTNERSHIP)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

Note 1 - Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

The Partnership is primarily engaged in buying and selling securities as a securities broker. The Partnership also provides consulting, research and financial services to various institutions. The Partnership, like other securities entities, is affected by economic and political conditions.

The Firm operates under the provisions of Paragraph (k)(2)(ii) of rule 15c3-3 of the Securities and Exchange Commission (SEC) and accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k) (2) (ii) provides that the Company clears all transactions on behalf of customers on a fully-disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

(b) Basis of Accounting

Securities transactions (and related revenues and expenses) are reflected in the financial statements on a settlement date basis. There is no material difference between the trade and settlement dates. The Partnership trading and investment accounts are valued at market and the resulting unrealized gains and losses are reflected in earnings.

(c) Cash Equivalents

For purposes of the statement of cash flows, the Company has defined cash equivalents as short-term money market funds, highly liquid debt instruments purchased with a maturity of three months or less, other than securities held for sale in the ordinary course of business.

(d) Income Taxes

No provision has been made for income taxes, since each partner is liable for his proportionate share of income taxes on partnership income.

(e) Use of Estimates

The preparation of financial statements in conformity with U. S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Note 2 - Net Capital Requirement

The Firm's minimum net capital requirement under rule 15c3-1 of the SEC was \$50,000, whereas the net capital as computed was \$829,524, leaving an excess net capital of \$779,524. The capital ratio computed was 4%, versus an allowable maximum of 1500%.

GORDON, HASKETT & CO.
(A PARTNERSHIP)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

Note 3 - Related Party Transactions

- (a) The Partnership engaged an affiliated partnership to provide computer and other professional services. The partners of the Partnership are also partners in this entity. For the year ended December 31, 2001, payments of \$50,000 were made to this entity.
- (b) The Partnership incurred and paid \$1,110,000 of marketing fees to an entity which is 100% owned by one of the Partners for the year ended December 31, 2001.

Note 4 - Commitments and Contingencies

(a) Lease

The Partnership occupies office space under a sublease agreement expiring December 31, 2003, with annual rentals, plus its share of utility costs. The minimum annual rentals are as follows:

<u>Year</u>	<u>Amount</u>
2002	\$ 99,923
2003	56,700

Office rent expense for the year ended December 31, 2001, included in general and administrative expenses, was \$167,672.

(b) Sales and Use Tax Assessment

The Partnership has been assessed state sales and use tax totaling approximately \$161,000, including interest and late penalties as of December 31, 2001 for the period from January 1, 1994 through December 31, 1996. The Partnership believes that this assessment has no validity and is vigorously pursuing to settle this claim for a de minimis amount. Accordingly, no provision has been made in the accompanying financial statements. Nevertheless, due to uncertainties in the settlement process, it is at least relatively possible that management's view of the outcome will change in the near term.

Note 5 - Financial Instruments with Off-Balance-Sheet Credit Risk

As a securities broker, the Partnership is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Partnership's transactions are collateralized and are executed with and on behalf of banks, brokers and dealers and other financial institutions. The Partnership introduces these transactions for clearance to another broker/dealer on a fully-disclosed basis.

The Partnership's exposure to credit risk associated with nonperformance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets, which may impair customers' ability to satisfy their obligations to the Partnership and the Partnership's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Partnership and its clearing broker provides that the Partnership is obligated to assume any exposure related to such nonperformance by its customers.

GORDON, HASKETT & CO.
(A PARTNERSHIP)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

Note 5 - Financial Instruments with Off-Balance-Sheet Credit Risk (Continued)

The Partnership seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing brokers internal guidelines. The Partnership monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

A copy of the Firm's statement of financial condition, as at December 31, 2001, pursuant to SEC rule 17a-5, is available for examination at the Firm's main office and at the regional office of the SEC.