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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

PackerKiss Securities, Inc.

OFFICIAL USE ONLY

FIRM ID. NO.

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

One South Ocean Blvd. Suite 300

(No. and Street)

Boca Raton

Florida

33432

(City)

(State)

(Zip Code)

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

Mary A. Packer, President

561 393-0500

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

John P. Comparato, CPA

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

207 Hallock Road, Stony Brook, NY 11790

(Address)

(City)

(State)

Zip Code

CHECK ONE:

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

PROCESSED  
MAR 27 2002  
P THOMSON  
FINANCIAL

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SEC 1410(3-91)

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BTB  
3/21

OATH OR AFFIRMATION

I, Mary A. Packer, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of PackerKiss Securities, Inc., as of

December 31, 192001, 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:

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

Mary A. Packer  
Signature  
President  
Title

Carol L. Ehrlich  
Notary Public



Carol L Ehrlich  
My Commission CC989813  
Expires December 25, 2004

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).

**PACKERKISS SECURITIES, INC.**  
**REPORT ON EXAMINATION OF FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2001**

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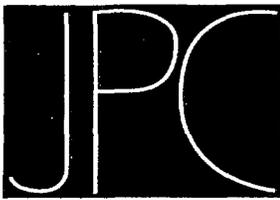
**PACKERKISS SECURITIES, INC.**

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**DECEMBER 31, 2001**

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JOHN P. COMPARATO C.P.A., P.C.

February 21, 2002

To the Board of Directors  
PackerKiss Securities, Inc.

We have audited the accompanying statements of financial condition of PackerKiss Securities, Inc. as of December 31, 2001, and the related statements of income, stockholder's equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 conformity with generally accepted accounting principles, the financial position of PackerKiss Securities, Inc. as of December 31, 2001 the results of its operations and cash flows for the year then ended.

Our audit was made for the purpose of forming an opinion on the basic financial statements, taken as a whole of PackerKiss Securities, Inc. The supplemental information 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 and Exchange Commission. 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.

A handwritten signature in cursive script that reads 'John P. Comparato'.

John P. Comparato

**STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2001**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 73,583
Commissions Receivable	41,342
Clearing Deposit	110

-----  
115,035

**FIXED ASSETS, Net of accumulated  
depreciation of \$9181**

6,122

**INVESTMENTS**

3,300

**TOTAL ASSETS**

-----  
\$ 124,457  
=====

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**CURRENT LIABILITIES**

Accrued Expenses	2,500
------------------	-------

**OTHER LIABILITIES**

Due to Officer	5,000
----------------	-------

**STOCKHOLDER'S EQUITY**

Common Stock	6,000
Additional Paid-In Capital	164,905
Retained Earnings <Deficit>	<53,948>

**TOTAL STOCKHOLDER'S EQUITY**

-----  
116,957

**TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY**

-----  
\$ 124,457  
=====

**THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS**

STATEMENT OF INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2001

REVENUE	\$ 750,646
	-----
EXPENSES	
Consulting Fees	659,370
Professional Fees	13,282
Regulatory Fees	10,083
Depreciation	3,060
Other Expenses	3,514
	-----
TOTAL EXPENSES	689,309
	-----
NET INCOME <LOSS>	\$ 61,337
	=====

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2001**

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings&lt;Deficit&gt;</u>	<u>Total Stockholder's Equity</u>
Balance, January 1, 2001	\$ 6,000	\$ 154,905	\$ <115,285>	\$ 45,620
Net Income <Loss>	--		61,337	61,337
Capital Contribution	--	10,000		10,000
	-----	-----	-----	-----
Balance, December 31, 2001	\$ 6,000	\$ 164,905	\$ <53,948>	\$ 116,957
	=====	=====	=====	=====

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

PRIVATE PLACEMENT SECURITIES, INC.  
**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income <Loss>	\$ 61,337
Adjustment to Reconcile Net Loss To Net Cash Used by Operating Activities:	
Depreciation	3,060
Changes in Operating Assets and Liabilities:	
Decrease in Due to Officer	<10,000>
Increase in Commissions Receivable	<41,342>
	-----
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<b>13,055</b>
	-----

**FINANCING ACTIVITIES**

Capital Contribution	10,000
	-----
<b>NET INCREASE IN CASH</b>	<b>23,055</b>
<b>CASH AT BEGINNING OF PERIOD</b>	<b>50,528</b>
	-----
<b>CASH AT END OF PERIOD</b>	<b>73,583</b>
	=====

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

**NOTE 1 -- GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES:**

PackerKiss Securities, Inc. (formerly PackerKane Securities, Inc.) was incorporated in July, 1992 for the purpose of engaging in a general business as a securities broker-dealer.

The following is a summary of significant accounting policies followed by the Company.

- a) The Company recognizes revenue and expenses on the accrual method of accounting.
- b) Fixed assets are stated at cost. Depreciation is provided using the straight-line method of over the estimated useful lives of the assets.

**NOTE 2 -- CAPITAL REQUIREMENTS:**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule F(Rule 15c3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2001, the Company had net capital of \$66,083 which was 61,083 in excess of the amount required. The Company's net capital ratio was .19 to 1.

**NOTE 3 -- FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK**

As a securities broker dealer, the Company is engaged in various trading and brokerage activities on a principal and agency basis. The Company's exposure to the credit risk occurs in the event that the customer, clearing agent or counterparts do not fulfill their obligations of the transaction.

**COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2001**

<b>NET CAPITAL</b>	
Total Ownership Equity	\$ 116,957
Add:	
Liabilities Subordinated to Claims of General Creditors Allowable in Computation of Net Capital	0
Other (Deductions) or Allowable Credits	0
	-----
<b>Total Capital and Allowable Subordinated Liabilities</b>	<b>116,957</b>
Deductions and /or Charges:	
Non-allowable Assets	50,874
	-----
Net Capital Before Haircuts on Securities Positions	66,083
Haircuts on Securities Positions	0
	-----
<b>Net Capital</b>	<b>\$ 66,083</b>
	=====
<b>AGGREGATE INDEBTEDNESS</b>	
Accrued Expenses	2,500
Due to Officer	10,000
	-----
	12,500
	=====
<b>COMPUTATION OF BASIC NET CAPITAL REQUIREMENT</b>	
Minimum Net Capital Required	5,000
	=====
Excess Net Capital @ 1000%	64,833
	=====
Ratio of Aggregate Indebtedness to Net Capital	.19 to 1
	=====

The \$2500 difference between this audited computation of net capital and that included in the Company's unaudited December 31, 2001 Focus PartIIA filing was due to accrued expenses.



JOHN P. COMPARATO C.P.A., P.C.

## **INDEPENDENT AUDITORS' REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17A-5**

To The Board of Directors  
PackerKiss Securities, Inc.

We have examined the financial statements of PackerKiss Securities, Inc. for the year ended December 31, 2001 and have issued our report therein dated February 20, 2001. As part of our examination, we made a study and evaluation of the Company's system of internal accounting control (which includes the procedures for safeguarding securities) to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a) (11) and the procedures for determining compliance with the exemptive provisions of Rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or in 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, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining a system of internal accounting control and practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of control procedures and practices and procedures referred to in the preceding paragraph to assess whether those practices and procedures can be expected to achieve the

Commission's above-mentioned objectives. The objectives of a system 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 the unauthorized use of disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance 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 any internal accounting control procedures or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of them to future period is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weakness in the system. Accordingly, we do not express an opinion on the system of internal accounting control of PackerKiss Securities, Inc. as a whole. However, our study and evaluation disclosed no condition that we believed to be a material weakness.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission 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, 2001, to meet the Commission's objectives.

This report is intended solely for the use of management and the Securities and Exchange Commission and should not be used for any other purpose.

*John L. Conject*