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OMB APPROVAL  
OMB Number: 3235-0123  
Expires: October 31, 2001  
Estimated average burden  
hours per response..... 12.00

02021365  
ANNUAL AUDIT  
FORM X-17A-5  
PART III

JRT

SEC FILE NUMBER  
8-46999

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

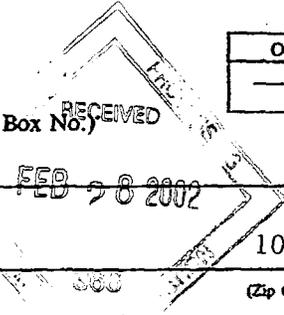
REPORT FOR THE PERIOD BEGINNING 01/01/01 AND ENDING 12/31/01  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:  
Myerberg & Company, L.P.

OFFICIAL USE ONLY  
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
780 Third Avenue  
New York NY 10017  
(City) (State) (Zip Code)



NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Marcia Myerberg (212) 750-3939  
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
Reminick, Aarons & Company, L.P.  
1430 Broadway, 17th Floor New York NY 10018  
(Address) (City) (State) (Zip Code)

CHECK ONE:  
 Certified Public Accountant  
 Public Accountant  
 Accountant not resident in United States or any of its possessions.

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PROCESSED  
MAR 14 2002  
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).

SEC 1410 (7-00)

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OATH OR AFFIRMATION

I, Marcia Myerberg, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Myerberg & Company, L.P., 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:

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

JOYCE CLARKE  
NOTARY PUBLIC, STATE OF NEW YORK  
NO. 41-4728674  
QUALIFIED IN QUEENS COUNTY  
CERTIFIED IN NEW YORK COUNTY  
COMMISSION EXPIRES OCTOBER 23, 2002

Joyce Clarke  
Notary Public

Marcia Myerberg  
Signature  
Chief Executive Officer  
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.

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

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2001

RA&CO

REMINICK, AARONS & COMPANY, LLP

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CERTIFIED PUBLIC ACCOUNTANTS

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2001

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

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REMINICK, AARONS & COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Partners  
Myerberg & Company, L.P.  
(A Limited Partnership):

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Myerberg & Company, L.P. (A Limited Partnership) at December 31, 2001, in conformity with accounting principles generally accepted in the United States of America.

*Remnick Aarons & Company LLP*

New York, New York  
February 7, 2002

1430 BROADWAY, NEW YORK, NY 10018-3308

TEL: (212) 697-6900 FAX: (212) 490-1412

E-MAIL: RACO@REMINICK.COM HTTP://WWW.REMINICK.COM



A MEMBER OF MACINTYRE STRÄTER INTERNATIONAL LIMITED (MSI), A WORLDWIDE ASSOCIATION OF INDEPENDENT PROFESSIONAL FIRMS

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2001

ASSETS

Cash and cash equivalents	\$ 1,522,878
Fees receivable	94,416
Receivable from clearing broker	100,009
Property and equipment	24,973
Other assets	<u>80,671</u>
	<u>\$ 1,822,947</u>

LIABILITIES AND PARTNERS' EQUITY

Accounts payable and accrued liabilities	\$ 291,253
Taxes payable	<u>103,093</u>
Total liabilities	394,346
<b>Commitments and contingencies</b>	
Partners' equity	<u>1,428,601</u>
	<u>\$ 1,822,947</u>

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

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

NOTES TO STATEMENT OF FINANCIAL CONDITION

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Myerberg & Company, L.P. (A Limited Partnership) ("Company") is a woman owned and managed investment banking firm operating in the taxable fixed income and equities markets with a primary focus in public and private mortgage and asset-backed securities and the full range of agency debt securities. The Company is an SEC registered broker-dealer and a member of the National Association of Securities Dealers, Inc. (NASD). The Company maintains its office in New York City.

The Company is also engaged by institutional clients to provide financial advisory and portfolio valuation services on a fee basis. Substantially all of the advisory fee income was earned from three clients.

Recognition of Revenue and Expenses

Customers' securities transactions, commission income and expenses are recorded on a trade date basis. Securities transactions of the Company and investment banking revenue, including management fees, sales concessions, and underwriting fees, are recorded at the trade date.

Use of Estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Securities Owned

Proprietary securities transactions are recorded on the transaction date; positions are marked to market with related gains and losses recognized currently in income.

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

NOTES TO STATEMENT OF FINANCIAL CONDITION

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -  
(CONTINUED)

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful life of the assets. Leasehold improvements are amortized over the lesser of the term of the lease or the useful life of the asset.

Payments to Partners

Payments to partners for services rendered are accounted for as partnership expenses rather than as allocations of partnership net income.

Income Taxes

As a partnership, the Company is not subject to federal and New York State income taxes; each partner is individually liable for income taxes, if any, on their proportionate share of the Company's net taxable income. The Company is, however, subject to the New York City Unincorporated Business Tax.

The Company's effective income tax rate is higher than what would be expected if the statutory rate were applied to income before provision for income taxes, primarily because of guaranteed payments to partners, which are deductible for financial reporting purposes but not deductible for tax purposes.

NOTE 2 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2001:

Office equipment	\$ 88,193
Office furniture	38,530
Leasehold improvements	<u>3,000</u>
	129,723
Accumulated depreciation and amortization	<u>(104,750)</u>
	<u>\$ 24,973</u>

Depreciation and amortization expense charged to operations for the year ended December 31, 2001 was \$6,735.

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

NOTES TO STATEMENT OF FINANCIAL CONDITION

NOTE 3 - NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (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 \$1,290,551, which was \$1,190,551 in excess of its required net capital of \$100,000.

NOTE 4 - RETIREMENT PLANS

The Company sponsors a profit-sharing plan covering all of its eligible employees. Under the plan, the Company may contribute to the plan an amount designated by management. The contribution to the plan for the year ended December 31, 2001 was \$77,552.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

Operating Lease

The Company is obligated under a five-year lease agreement for its office facilities expiring in April 2004. In addition to minimum monthly rent, the Company is obligated for real estate taxes and operating cost escalations.

Future minimum rental payments under this lease for each of the next three years are:

2002	\$ 62,514
2003	62,514
2004	<u>20,838</u>
	<u>\$ 145,866</u>

Rent expense charged to operations for the year ended December 31, 2001 was \$62,514.

Agreements with Clearing Broker

The Company processes all of its securities transactions through a clearing broker that is a member of the New York Stock Exchange, Inc. Accordingly, all of the money balances and long and short security positions for these securities transactions are carried on the books of the clearing broker, which is responsible for custody and processing.

MYERBERG & COMPANY, L.P.  
(A Limited Partnership)

NOTES TO STATEMENT OF FINANCIAL CONDITION

NOTE 7 - OFF BALANCE SHEET RISK AND CONCENTRATION OF ASSETS

In the normal course of business, securities transactions of customers are introduced to and cleared through a clearing broker. Pursuant to agreements between the Company and the clearing broker, the clearing broker has the right to charge the Company for unsecured losses that result from the customers' failure to complete such transactions.

A substantial portion of the Company's assets are held by one clearing broker.

The Company does not anticipate nonperformance by customers or the clearing broker in the above situations. In addition, the Company has a policy of reviewing, as it considers necessary, the credit standing of the customers and clearing broker with whom it conducts business.

The Company invests its excess cash in money market accounts which are considered cash equivalents. At times, cash balances may exceed federally insured limits.

The Company's cash equivalents consist of investments in two uninsured money market mutual funds.