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FEDERAL STATES
EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES AND EXCHANGE COMMISSION

HF 7-16-02
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ANNUAL AUDITED REPORT RECEIVED
FORM X-17A-5
PART III

SEC FILE NUMBER
8- 40685

JUL 09 2002

FACING PAGE DIVISION OF MARKET REGULATION
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 01/01/2001 AND ENDING 12/31/2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Weller Anderson Cheneviere & Co., Ltd.

OFFICIAL USE ONLY
FIRM ID. NO.

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

811 Rusk Street, Suite 715

(No. and Street)

Houston,

TX

77002-2811

(City)

(State)

(Zip Code)

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

Mr. Fenner R. Weller, Jr.

(713) 222-1901

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Mann Frankfort Stein & Lipp CPAs LLP

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

12 Greenway Plaza, Suite 800

Houston

TX

77046

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

JUL 19 2002

THOMSON FINANCIAL

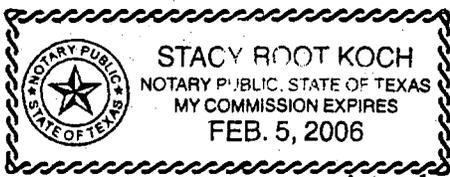
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

HF 7-18-02

OATH OR AFFIRMATION

I, Fenner R. Weller, Jr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Weller Anderson Cheneviere & Co., Ltd., 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:



Fenner R. Weller, Jr.
Signature
2/28/2002
Title

[Signature]
Notary Public

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).

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**MANN
FRANKFORT
STEIN &
LIPP**

Certified Public Accountants
A Limited Liability Partnership

12 Greenway Plaza, Suite 1202

Houston, Texas 77046-1289

(713) 561-6500

FAX: (713) 968-7128

Independent Auditors' Report

To the Partners of
Weller, Anderson, Cheneviere & Co., Ltd.

We have audited the accompanying statements of financial condition of Weller, Anderson, Cheneviere & Co., Ltd. (a Texas limited partnership) at December 31, 2001 and 2000, and the related statements of income, changes in partners' capital and cash flows for the years then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Weller, Anderson, Cheneviere & Co., Ltd. at December 31, 2001 and 2000, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying information included in Schedule I 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 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audits 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.

Mann Frankfort Stein & Lipp CPAs, L.L.P.

Houston, Texas
January 18, 2002

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
STATEMENTS OF FINANCIAL CONDITION

	December 31,	
	<u>2001</u>	<u>2000</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,434,571	\$ 1,152,528
Deposit with clearing organizations – cash	350,000	300,000
Receivable from brokers or dealers, and clearing organizations	21,605	31,888
Other current assets	6,561	8,008
TOTAL CURRENT ASSETS	<u>1,812,737</u>	<u>1,492,424</u>
PROPERTY AND EQUIPMENT		
Furniture, equipment and leasehold improvements at cost, net of accumulated depreciation and amortization of \$68,970 and \$57,421 at December 31, 2001 and 2000, respectively	25,919	37,468
OTHER ASSETS		
Investments	<u>72,100</u>	<u>72,100</u>
TOTAL ASSETS	<u>\$ 1,910,756</u>	<u>\$ 1,601,992</u>
LIABILITIES AND PARTNERS' CAPITAL		
LIABILITIES		
Accrued compensation	\$ 170,258	\$ 105,497
Accrued expenses – other	666	-
TOTAL LIABILITIES	<u>170,924</u>	<u>105,497</u>
COMMITMENTS AND CONTINGENCIES		
	-	-
PARTNERS' CAPITAL		
General partner	1,331,455	1,143,910
Limited partners	408,377	352,585
TOTAL PARTNERS' CAPITAL	<u>1,739,832</u>	<u>1,496,495</u>
TOTAL LIABILITIES AND PARTNERS' CAPITAL	<u>\$ 1,910,756</u>	<u>\$ 1,601,992</u>

See accompanying notes to financial statements.

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
STATEMENTS OF INCOME

	<u>Year Ended December 31,</u>	
	<u>2001</u>	<u>2000</u>
REVENUE		
Commissions	\$ 1,692,990	\$ 2,016,163
Interest	44,186	40,013
Other revenue	40,498	16,701
TOTAL REVENUE	<u>1,777,674</u>	<u>2,072,877</u>
EXPENSES		
Salaries and benefits	1,000,963	1,222,579
Clearance fees	57,121	60,420
Communications	115,724	100,501
Occupancy and equipment expenses	47,214	50,925
Regulatory fees and expenses	6,067	8,000
Taxes – other	10,312	8,688
Other operating expenses	37,864	25,979
TOTAL EXPENSES	<u>1,275,265</u>	<u>1,477,092</u>
NET INCOME	<u>\$ 502,409</u>	<u>\$ 595,785</u>

See accompanying notes to financial statements.

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
STATEMENTS OF CHANGES IN PARTNERS' CAPITAL

	<u>Year Ended December 31,</u>	
	<u>2001</u>	<u>2000</u>
Balance at beginning of year	\$ 1,496,495	\$ 965,270
Net income	502,409	595,785
Distributions to partners	<u>(259,072)</u>	<u>(64,560)</u>
Balance at end of year	<u>\$ 1,739,832</u>	<u>\$ 1,496,495</u>

See accompanying notes to financial statements.

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31,</u>	
	<u>2001</u>	<u>2000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 502,409	\$ 595,785
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,549	11,277
Changes in operating assets and liabilities:		
Receivable from brokers or dealers, and clearing organizations and other receivables	10,283	(18,723)
Other current assets	1,447	14,218
Accrued compensation	64,761	87,071
Accrued expenses – other	666	(15,050)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>591,115</u>	<u>674,578</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property and equipment	-	(1,298)
Increase in deposits with clearing organizations	(50,000)	(650)
Purchase of investments	-	(72,100)
NET CASH USED IN INVESTING ACTIVITIES	<u>(50,000)</u>	<u>(74,048)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to partners	(259,072)	(64,560)
NET CASH USED IN FINANCING ACTIVITIES	<u>(259,072)</u>	<u>(64,560)</u>
NET INCREASE IN CASH	282,043	535,970
CASH AT BEGINNING OF YEAR	<u>1,152,528</u>	<u>616,558</u>
CASH AT END OF YEAR	<u>\$ 1,434,571</u>	<u>\$ 1,152,528</u>

See accompanying notes to financial statements.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization: Weller, Anderson, Cheneviere & Co., Ltd. (the "Partnership"), formerly Anderson, Cheneviere & Co., Ltd., is a limited partnership formed in Texas on June 17, 1985. Unless dissolved sooner by the general partner, the term of the Partnership shall continue until December 31, 2031. The managing general partner of the Partnership is Fenner R. Weller, Jr., Inc. (Mr. Fenner R. Weller, Jr., President). The office of the Partnership is located at 811 Rusk Street, Suite 715, Houston, Texas.

Nature of Operations: The Partnership is a broker-dealer registered with the Securities and Exchange Commission ("SEC"), a member of the National Association of Securities Dealers, Inc., and a securities dealer registered with the Texas Securities Board.

The Partnership began operations as a registered broker-dealer on March 6, 1989. The Partnership retails equity and debt securities, sells interests in mortgages, and is a U.S. Government and municipal securities broker. The Partnership is registered as a broker-dealer in various state jurisdictions.

Under the terms of agreements with clearing organizations, the Partnership must maintain in deposit accounts either cash, U.S. Government or U.S. Government-insured securities, having an aggregate market value of \$350,000. The Partnership must maintain the accounts until the termination of the clearing agreements.

The Partnership does not carry customer accounts or perform custodial functions relating to customer securities. Accordingly, the Partnership is exempt under SEC Rule 15c3-3(k) 2(B) from certain regulations concerning reserves and protection of customer securities; consequently, Computation for Determination of Reserve Requirements, and Information Relating to the Possession or Control Requirements pursuant to SEC Rule 15c3-3 are not required.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. Actual results could differ from those estimates.

Revenue and Expense Recognition: Revenues are recorded when earned, and expenses when incurred utilizing the accrual method of accounting. Commission income and related expenses are recognized on a trade date basis.

Cash and Cash Equivalents: The Partnership considers all highly liquid investment purchases with a maturity of three months or less to be cash equivalents.

Depreciation and Amortization: Furniture and equipment are depreciated on a straight-line basis over their estimated useful lives of seven years. Leasehold improvements are amortized over the lesser of their useful life or the life of the lease (five years) using the straight-line method.

NOTE B – NET CAPITAL REQUIREMENT

As a registered broker-dealer, the Partnership is subject to the SEC Uniform Net Capital Rule 15c3-1. The Partnership does not hold funds or securities for, or owe money or securities to customers or carry accounts of or for customers. In accordance with paragraph (a) (2) of SEC Rule 15c3-1, the Partnership is required to maintain minimum net capital equal to the greater of the minimum net capital requirement of \$50,000 as defined in the regulations or 6 2/3% of aggregate indebtedness. At December 31, 2001, the Partnership had net capital of \$1,635,252, which was \$1,585,252 in excess of its minimum required net capital of \$50,000.

NOTE C – PARTNERS' CAPITAL

Distributions of the Partnership's cash may be made to partners upon determination by the managing partner that such cash is not required to satisfy ongoing net capital requirements of the applicable regulatory authorities or for the conduct of the Partnership's business. Distributions were made to partners during 2001 and 2000 of \$259,072 and \$64,560, respectively.

NOTE D – COMMITMENTS AND CONTINGENT LIABILITIES

Office lease expense attributable to non-cancelable leases was \$36,399 and \$37,643 for 2001 and 2000, respectively. Future minimum rental commitments under the office space lease agreement are as follows:

Year Ending December 31,

2002	<u>\$ 12,000</u>
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NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consists of:

	<u>December 31,</u>	
	<u>2001</u>	<u>2000</u>
Furniture and office equipment	\$ 76,644	\$ 76,644
Leasehold improvements	18,245	18,245
	<u>94,889</u>	<u>94,889</u>
Less: accumulated depreciation and amortization	68,970	57,421
	<u>\$ 25,919</u>	<u>\$ 37,468</u>

Depreciation and amortization for the years ended December 31, 2001 and 2000 was \$11,549 and \$11,277, respectively.

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

NOTE F – INVESTMENTS

Investments consist of common stock and stock warrants of a non-related private company, and are stated at cost. At December 31, 2001, the fair value approximates cost.

NOTE G – INCOME TAXES

No provision for income taxes is recorded because partnership items of income and expense flow-through to the partners in accordance with the Internal Revenue Code.

NOTE H – CONCENTRATION OF CREDIT RISK

The Partnership maintains cash deposits with banks which from time to time may exceed federally insured limits. Management periodically assesses the financial condition of the institutions and believes that any possible loss is minimal.

NOTE I – MAJOR CUSTOMERS

For the years ended December 31, 2001 and 2000, commissions earned attributable to three and two customers, exceeded sixty-eight percent and seventy-three percent of total commission revenue, respectively.

SUPPLEMENTARY INFORMATION

WELLER, ANDERSON, CHENEVIERE & CO., LTD.
 SCHEDULE I – CALCULATION OF NET CAPITAL REQUIREMENT UNDER RULE 15c3-1
 OF THE SECURITIES AND EXCHANGE COMMISSION
 DECEMBER 31, 2001

TOTAL PARTNERS' CAPITAL		\$ 1,739,832
Deductions for nonallowable assets:		
Property and equipment	25,919	
Other current assets	6,561	
Investments	72,100	104,580
		<u>104,580</u>
NET CAPITAL BEFORE HAIRCUT ON SECURITIES POSITIONS		1,635,252
Haircuts on securities		<u>-</u>
NET CAPITAL		<u>\$ 1,635,252</u>
AGGREGATE INDEBTEDNESS		
Items included on statement of financial condition:		
Accounts payable and accrued expenses		<u>\$ 170,924</u>
TOTAL AGGREGATE INDEBTEDNESS		<u>\$ 170,924</u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS		
Minimum net capital required (6 2/3% of total aggregate indebtedness)		<u>\$ 11,394</u>
Minimum dollar net capital requirement		<u>\$ 50,000</u>
Net capital requirement (greater of minimum net capital required or minimum dollar net capital requirement)		<u>\$ 50,000</u>
EXCESS NET CAPITAL		<u>\$ 1,585,252</u>
Ratio: aggregate indebtedness to net capital		<u>10.45%</u>

There is no material difference between the above computation and the Company's computation of net capital as reported in Company's Part II of Form X-17A-5 as of December 31, 2001.

See independent auditors' report.

CONFIDENTIAL

**WELLER, ANDERSON,
CHENEVIERE & CO., LTD.**

FINANCIAL STATEMENTS

DECEMBER 31, 2001 AND 2000

SECURITIES AND EXCHANGE COMMISSION
RECEIVED

JUL 09 2002

DIVISION OF MARKET REGULATION

WELLER, ANDERSON, CHENEVIERE & CO., LTD.

**INDEPENDENT AUDITORS' SUPPLEMENTARY
REPORT ON INTERNAL CONTROL**

DECEMBER 31, 2001

**Independent Auditors' Report on the Internal
Control Required by SEC Rule 17a-5**

To the Partners
Weller, Anderson, Cheneviere & Co., Ltd.

In planning and performing our audit of the financial statements and supplemental schedules of Weller, Anderson, Cheneviere & Co., Ltd. for the year ended December 31, 2001, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by Rule 17a-13
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control 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 unauthorized use or 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 internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC 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, 2000, to meet the SEC's objectives.

This report is intended solely for the use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than the specified parties.

Moss Frankfort Stein & Lipp CPAs, L.L.P.

Houston, Texas
January 18, 2002