

Ans
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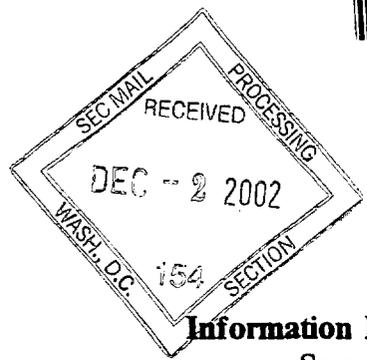


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ED STATES
XCHANGE COMMISSION
on, D.C. 20549

VF12-6-02

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

SEC FILE NUMBER
8-5255

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 October 1, 2001 AND ENDING September 30, 2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

UNITED EQUITIES COMPANY, LLC

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

OFFICIAL USE ONLY
FIRM ID. NO.

New York New York 10038
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Mr. Moses Marx (212) 349-2875
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Jacob Edelstein CPA

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

21 East 40th Street New York NY 10016
(Address) (City) (State)

CHECK ONE:

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

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PROCESSED
DEC 13 2002
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THOMSON
FINANCIAL

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).

081212

OATH OR AFFIRMATION

I, Moses Marx, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of United Equities Company, as of September 30, 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:

SUSAN S. GOLDENBERG
Notary Public, State of New York
No. 01GO6067664
Qualified in Kings County
Commission Expires December 10, 2005

[Handwritten Signature]

Signature

[Handwritten Signature] member

Title

[Handwritten 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).

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT
21 EAST 40TH STREET
NEW YORK, NY 10016
(212) 779-8923

United Equities Company
160 Broadway
New York, New York 10038

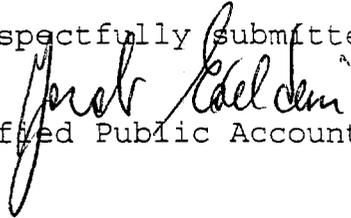
ACCOUNTANT'S REPORT

Gentlemen:

I have examined the Schedules and Statements of the Financial Reports as of September 30, 2002 of United Equities Company. My examination was made in accordance with generally accepted auditing standards and, accordingly, included a review of the system of internal control and the procedures for safeguarding securities and such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances, including the audit procedures prescribed by the Securities and Exchange Commission.

In my opinion, the Schedules and Statements present fairly the financial position of United Equities Company as of September 30, 2002 in the form required by the Securities and Exchange Commission, in conformity with that of the preceding year. My examination of the respondents' books and records revealed no material inadequacies to exist since the date of the last previous audit.

Respectfully submitted,


Certified Public Accountant

New York, New York
November 25, 2002

UNITED EQUITIES COMPANY
BALANCE SHEET
AS AT SEPTEMBER 30, 2002

ASSETS

Current Assets

Cash in bank - unrestricted	\$ 115,496
Cash in bank - restricted	14,117
Trading and Investment Accounts - Securities at Market	1,423,835
Due from brokers - dealers	<u>921,998</u>
Total current assets	<u>2,475,446</u>

Fixed Assets

Fixtures and Equipment	143,754
Less: Accumulated Depreciation	<u>122,954</u>
Total fixed assets	<u>20,800</u>

Other Assets

Security Deposit	<u>708</u>
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TOTAL ASSETS \$ 2,496,954

LIABILITIES AND NET WORTH

Liabilities

Accounts Payable	\$ 32,649
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Net Worth

Partners' Net Worth	<u>2,464,305</u>
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TOTAL LIABILITIES AND NET WORTH \$ 2,496,954

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2002

Income

Commissions	\$ 2,677
Loss on Principal Transactions	(494,225)
Interest and Dividends	<u>8,625</u>
Total	<u>(482,923)</u>

Expenses

Clerical and Employee Expenses	139,838
Guaranteed payment to Partners	133,728
Commission Expense	15,544
Communications	27,078
Occupancy Costs	64,625
Interest Expense	12,056
Other Expenses	<u>195,722</u>
Total	<u>588,591</u>
NET LOSS	<u><u>\$ (1,071,514)</u></u>

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
STATEMENT OF CHANGES IN PARTNER'S EQUITY
FOR THE YEAR ENDED SEPTEMBER 30, 2002

BALANCE - OCTOBER 1, 2001	\$ 3,835,819
Drawings	(300,000)
Net Loss for the period	<u>(1,071,514)</u>
BALANCE - SEPTEMBER 30, 2002	<u>\$ 2,464,305</u>

STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

NONE

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2002

Cash flows from operating activities:

Net loss	\$(1,071,514)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation expense	<u>8,828</u>
	(1,062,686)

Changes in operating assets and liabilities:

Decrease in Trading and Investment Accounts	3,365,368
Increase in Fixed Assets	(9,956)
Decrease in Accounts Payable	(151)
Decrease in Due to Brokers - Dealers	<u>(1,975,940)</u>
Net cash provided by operating activities	<u>316,635</u>
Cash flow from financing activities	
Withdrawal by partner	300,000
Increase in Cash	16,635
Cash - beginning of year	<u>112,978</u>
Cash - end of year	<u>\$ 129,613</u>

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
COMPUTATION OF NET CAPITAL (RULE 15c3 - 1)
AS AT SEPTEMBER 30, 2002

ASSETS

Cash in bank - unrestricted	\$ 115,496
Cash in bank - restricted	14,117
Trading and Investment Accounts - Securities at Market	1,423,835
Due from brokers - dealers	921,998
Fixed Assets	20,800
Other Assets	<u>708</u>
TOTAL ASSETS	<u>2,496,954</u>

LIABILITIES

Accounts payable	<u>32,649</u>
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CAPITAL

Partners' Net Worth	2,464,305
Less: Fixed and Other Non-Allowable Assets	<u>(57,023)</u>
Net Capital before Haircuts	2,407,282
Less: Haircuts	<u>225,568</u>
Adjusted Net Capital	<u>\$ 2,181,714</u>

Ratio of Liabilities to Net Capital - .014965 to 1

Reconciliation of Adjusted Net Capital

Per Form X-17-A-5	<u>\$ 2,181,714</u>
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JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
SEPTEMBER 30, 2002

Computation for determination of the reserve requirements
(Rule 15c3-3)

Exempt under paragraph K-(2) (A)

Information relating to possession or control requirements
(Rule 15c3-3)

Not applicable

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT

UNITED EQUITIES COMPANY
SEPTEMBER 30, 2002
ANNUAL AUDIT REPORT

My review of the system of internal control, procedures for safeguarding securities and accounting system of your company, indicates that no material inadequacies exist therein.

JACOB EDELSTEIN
CERTIFIED PUBLIC ACCOUNTANT
