

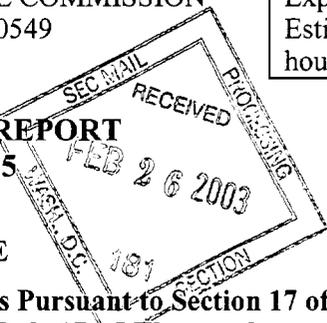


UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
OMB Number: 3235-0123
Expires: September 30, 1998
Estimated average burden
hours per response . . . 12.00

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



SEC FILE NUMBER
8-48571

**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 01/01/02 AND ENDING 12/31/02
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

GREENWICH FINANCIAL SERVICES, LLC

OFFICIAL USE ONLY
FIRM ID. NO.

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

124 WEST PUTNAM AVE.

(No. and Street)

GREENWICH
(City)

CT
(State)

06830
(Zip Code)

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

WILLIAM FREY

(203) 862-3600
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

VAN BUREN & HAUKE, LLC, CPA's

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

183 MADISON AVENUE, SUITE 204
(Address)

NEW YORK
(City)

NY
(State)

10016
(Zip Code)

CHECK ONE:

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

PROCESSED
MAR 11 2003
THOMSON
FINANCIAL

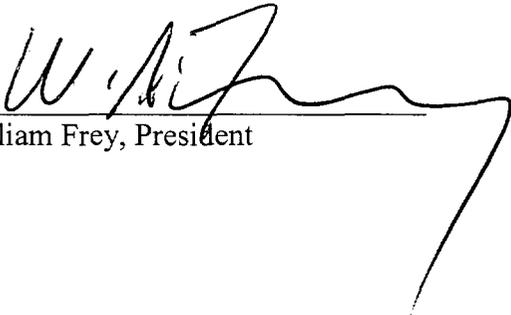
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

KA

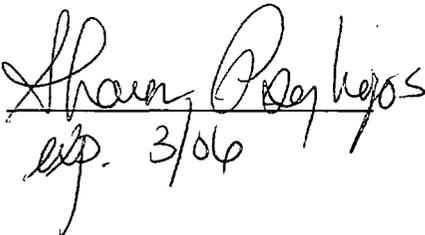
AFFIRMATION

I, William Frey, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to the firm of Greenwich Financial Services, LLC (Company) at December 31, 2002 and for the year then ended are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified as that of a customer.



William Frey, President

Sworn and subscribed to before me this 25th day of February, 2003.



exp. 3/06

GREENWICH FINANCIAL SERVICES, LLC

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Van Buren & Hauke, LLC
Certified Public Accountants

63 Wall Street
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New York, New York 10005

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E-mail: VBH@wallstcpas.com

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' REPORT

To the Members of
Greenwich Financial Services, L.L.C.

We have audited the accompanying balance sheet of Greenwich Financial Services, L.L.C. as of December 31, 2002 and the related statements of operations, changes in members' 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 U.S. 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 all material respects, the financial position of Greenwich Financial Services, L.L.C. at December 31, 2002, and the results of its operations, changes in members' equity, and cash flows for the year then ended in conformity with U.S. generally accepted accounting principals.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained on page 9 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 Act of 1934. 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.

New York, NY
February 13, 2003

GREENWICH FINANCIAL SERVICES, L.L.C.
BALANCE SHEET
DECEMBER 31, 2002

ASSETS

Cash	\$ 64,496
Receivable from broker/dealers	699,370
Clearing deposit	400,616
Prepaid expenses	4,061
Equipment, net	328
Security deposit	11,401
Investments, at cost	46,100
Employee advances	6,000
Total Assets	<u>\$ 1,232,372</u>

LIABILITIES AND MEMBERS' EQUITY

Accounts payable and accrued expenses	<u>\$ 11,600</u>
Contingencies	-
Members' equity	<u>1,220,772</u>
Total Liabilities and Members' Equity	<u>\$ 1,232,372</u>

See accompanying notes.

GREENWICH FINANCIAL SERVICES, L.L.C.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2002

Revenues - Commissions	<u>\$ 4,669,190</u>
Costs and Expenses:	
Salaries and related taxes	519,200
Clearing expenses	319,047
Rent	55,800
Quote services	19,935
Professional fees	61,629
Telephone	16,873
Regulatory fees	2,770
Insurance	4,482
Marketing and promotion	150,653
Depreciation	219
Office supplies and expenses	37,373
Repairs	12,800
Other	<u>8,192</u>
Total Costs and Expenses	<u>1,208,973</u>
Operating income	<u>3,460,217</u>
Interest income	<u>8,159</u>
Net income	<u><u>\$ 3,468,376</u></u>

See accompanying notes.

GREENWICH FINANCIAL SERVICES, L.L.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2002

Cash Flows From Operating Activities:	
Net income	\$ 3,468,376
Adjustment to reconcile net income	
to net cash provided by operating activities:	
Depreciation	219
(Increase) in receivable from broker/dealer	(316,667)
Decrease in clearing deposit	3,365
Decrease in prepaid expenses	3,005
(Increase) in employee advances	<u>(6,000)</u>
Net Cash Provided By Operating Activities	<u>3,152,298</u>
Cash Flows From Investing Activities	
	-
Cash Flows from Financing Activities:	
Members' withdrawals	<u>(3,101,760)</u>
Net Cash (Used) By Financing Activities	<u>(3,101,760)</u>
Net Increase In Cash	50,538
Cash, beginning of year	<u>13,958</u>
Cash, end of year	<u><u>\$ 64,496</u></u>

See accompanying notes.

GREENWICH FINANCIAL SERVICES, L.L.C.
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2002

	Total Members' Equity
Balance, January 1, 2002	<u>\$ 854,156</u>
Withdrawals	(3,101,760)
Net Income	<u>3,468,376</u>
Balance, December 31, 2002	<u><u>\$ 1,220,772</u></u>

See accompanying notes.

GREENWICH FINANCIAL SERVICES, L.L.C.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002

1. ORGANIZATION AND NATURE OF BUSINESS

Greenwich Financial Services, L.L.C. (Company) was formed in the State of Delaware on August 9, 1995, and is registered as a broker-dealer in securities transactions under the Securities Exchange Act of 1934. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers, Inc. (NASD). The Company has adopted December 31 as its year end.

The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services, including principal transactions, agency transactions and investment banking.

The Company clears all of its transactions through security clearing brokers. The Company acts as a broker-dealer and is exempt from Securities and Exchange Commission Rule 15c3-3 under paragraph k(2)(ii) since it uses other security firms for clearing.

Pursuant to an agreement between the Company and Bear, Stearns Securities Corp. (BSSC), securities transactions of the Company are cleared through BSSC, and its customers are introduced and cleared on a fully disclosed basis. The Company is exempt from provisions of Rule 15c3-3 and is not responsible for compliance with Section 4(c) of Regulation T of the Board of Governors of the Federal Reserve System, as all customers' accounts, as defined by such rules, are carried by BSSC.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's financial statements are prepared using the accrual method of accounting.

Securities Transactions

Customers' transactions are recorded on a settlement date basis with related commission income and expenses recorded on a trade date basis. Proprietary securities transactions are recorded on a trade date basis.

Marketable securities are valued at market value, and securities not readily marketable are valued at fair value as determined by management.

Revenues

Profits and losses from trading activities and commissions realized on agency transactions are recorded on a trade date basis.

Income Taxes

The Company is a limited liability Company taxed as a partnership, and therefore, the accompanying financial statements do not include any provision for federal income taxes.

GREENWICH FINANCIAL SERVICES, L.L.C.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002

Each member of the Company is individually responsible for reporting his share of the Company's income or loss.

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 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.

3. NET CAPITAL REQUIREMENTS

The Company is a member of the NASD and subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$100,000 and requires that the ratio of aggregate indebtedness to net capital, both as defined shall not exceed 15 to 1. At December 31, 2002, the Company had net capital of \$1,152,882, which was in excess of its required net capital of \$100,000.

4. LEASES

The Company leases office space on a five-year lease expiring April 30, 2004, paying rental payments of \$55,800 in 2002, and future payments approximating \$49,200 in 2003 and \$15,884 in 2004.

5. CONTINGENCIES

In the normal course of business, the Company is engaged in various trading and brokerage activities on an agency basis through a clearing broker.

In connection with these activities, a customer's unsettled transactions may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contractual obligations.

Significant credit exposure may result in the event that the Company's clearing broker is unable to fulfill their contractual obligation.

GREENWICH FINANCIAL SERVICES, L.L.C.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
DECEMBER 31, 2002

NET CAPITAL:		
Total members' equity		\$ 1,220,772
Deductions and/or charges:		
Non-allowable assets:		
Equipment - net	328	
Security deposits	11,401	
Prepaid expenses	4,061	
Investments, at cost	46,100	
Employee advances	<u>6,000</u>	<u>67,890</u>
Net capital before haircuts on securities positions		<u>1,152,882</u>
Haircuts on securities positions		<u>-</u>
Net Capital		<u><u>\$ 1,152,882</u></u>
AGGREGATE INDEBTEDNESS:		
Items included in the statement of financial condition:		
Accounts payable and accrued expenses		<u><u>\$ 11,600</u></u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:		
Minimum net capital required		<u><u>\$ 100,000</u></u>
Excess net capital		<u><u>\$ 1,052,882</u></u>

The above computation does differ materially from the December 31, 2002 computation of net capital filed electronically by the Company on FOCUS Form X-17A-5 Part IIA primarily because the Company incorrectly reduced its net capital by its minimum net capital required.



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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5

To the Members of
Greenwich Financial Services, L.L.C.

In planning and performing our audit of the financial statements and supplementary information of Greenwich Financial Services, L.L.C. (the "Company") for the year ended December 31, 2002, we considered its internal control structure, including procedures 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 the internal control structure.

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 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, or, 3) 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.

The management of the Company is responsible for establishing and maintaining a system of internal accounting 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 transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity 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, error 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 error 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, 2002, to meet the Commission's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc., (N.A.S.D.), 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 these specified parties.



New York, NY
February 13, 2003

Van Buren & Hauke, LLC
Certified Public Accountants