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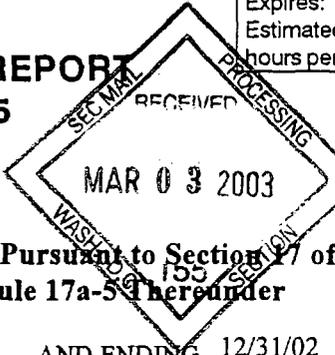


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**ANNUAL AUDITED REPORT
 FORM X-17A-5
 PART III**



SEC FILE NUMBER
 29314

39214

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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: ROBERT M. COHEN & CO. INC.

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

287 NORTHERN BLVD

(No. and Street)

GREAT NECK

NY

11021

(City)

(State)

(Zip Code)

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

ROBERT M COHEN

516-829-7910

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KAUFMANN, GALLUCCI & GRUMER, LLP

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

ONE BATTERY PARK PLAZA

NEW YORK

NY

10004

(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 20 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)

KY

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1410 (06-02)

OATH OR AFFIRMATION

I, ROBERT M COHEN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of ROBERT M. COHEN & CO. INC., as of DECEMBER 31, 20 02, 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:

[Handwritten Signature]
Signature
PRESIDENT
Title

ROSEMARY J. MICHAEL
Notary Public, State of New York
No. 01M16065956
Qualified in Nassau County
Commission Expires November 5, 2005
Notary Public

[Handwritten Signature] 2/13/03

This report ** contains (check all applicable boxes):

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Operations.
(d) Statement of Cash Flows.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' 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 15c3-3 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.
(o) Independent auditor's report on internal control.

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



ROBERT M. COHEN & CO., INC.

**REPORT ON STATEMENT OF
FINANCIAL CONDITION**

AS OF DECEMBER 31, 2002

ROBERT M. COHEN & CO., INC.

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KAUFMANN,
GALLUCCI &
GRUMER LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of Robert M. Cohen & Co., Inc.:

We have audited the accompanying statement of financial condition of Robert M. Cohen & Co., Inc. (the "Company") as of December 31, 2002 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 statement referred to above presents fairly, in all material respects, the financial position of Robert M. Cohen & Co., Inc. as of December 31, 2002 in conformity with accounting principles generally accepted in the United States of America.

February 6, 2003

Kaufmann, Gallucci & Grumer LLP

ROBERT M. COHEN & CO., INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2002

ASSETS

Cash	\$	2,470
Receivable from clearing organization		54,305
Securities owned, at market value		41,979
Deposit with clearing organization		150,171
Office equipment, net of accumulated depreciation of \$71,879		9,086
Other assets		<u>7,633</u>
	\$	<u><u>265,644</u></u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:

Accounts payable and accrued expenses	\$	32,208
Commissions payable		9,443
		<u>41,651</u>
Subordinated borrowing		<u>50,000</u>

Shareholders' equity:

Common stock, no par value, authorized 200 shares, issued and outstanding 106 shares		100
Additional paid-in capital		49,317
Retained earnings		<u>124,576</u>
		<u>173,993</u>
	\$	<u><u>265,644</u></u>

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

ROBERT M. COHEN & CO., INC.
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2002

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

The Company is a registered broker-dealer with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers.

The Company is engaged in various securities and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. These transactions are generally cleared through and carried by a clearing broker-dealer on a fully disclosed basis. The Company may be exposed to off-balance-sheet risk in the event counterparties do not fulfill their contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (a) The Company records proprietary securities transactions in regular-way trades and related profit and loss arising from these transactions on the settlement date. Customers' securities and commodities transactions are reported on a settlement date basis, as well as the related commission income and expenses. Securities owned at market value and revenues and expenses would not be materially different if reported on a trade date basis. The Company records revenue from its investment banking and other business activities at the time the transaction is closed.
- (b) Marketable securities are valued at fair value with the resulting unrealized gains and losses reflected in the statement of operations.
- (c) The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of December 31, 2002, and the reported amounts of revenues and expenses during the year then ended. Actual results could differ from those estimates.
- (d) Depreciation was computed using the straight-line method over the estimated useful lives of the assets.

ROBERT M. COHEN & CO., INC.
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2002

NOTE 3 - RECEIVABLE FROM AND DEPOSIT WITH CLEARING ORGANIZATION

The receivable from the clearing organization represents the cash held by the clearing organization for commissions generated in December 2002 and paid in January 2003, and residual balances from the Company's trading activity. The deposit with the clearing organization is required by the clearing agreement.

NOTE 4 - COMMITMENTS

The Company leases office space under an operating lease which expires August 31, 2007. Future minimum annual payments required as of December 31, 2002 over the term of the current lease are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Minimum</u> <u>lease payments</u>
2003	\$37,826
2004	38,999
2005	40,207
2006	41,454
To August 2007	<u>28,201</u>
Total	<u>\$186,687</u>

NOTE 5 - INCOME TAXES

For income tax purposes, the shareholders have elected that the Company be treated as an "S" corporation under Subchapter S of the Internal Revenue Code and as a Small Business Corporation under New York State Corporate Franchise Tax Law. Accordingly, no provision has been made for Federal income taxes since the net income or loss of the Company is to be included in the tax returns of the individual shareholders. State minimum tax is included in other expenses.

NOTE 6 - SUBORDINATED BORROWINGS

At December 31, 2002, the Company had a subordinated borrowing of \$50,000 which were unconditionally subordinated to all claims of general creditors pursuant to written agreements. The subordinated agreement is subject to the rules and regulations of the

ROBERT M. COHEN & CO., INC.
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2002

NOTE 6 - CONTINUED

Securities and Exchange Commission, and thus, the borrowing is available in computing net capital as defined. The borrowing is scheduled to mature on March 31, 2003, unless extended. The interest rate on the loans is equal to the greater of 12% or 4% above the prime rate announced by Citibank.

NOTE 7 - REGULATORY 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, 2002, the Company had net capital of \$199,212 which was \$99,212 in excess of its required minimum net capital of \$100,000. The Company's aggregate indebtedness to net capital ratio was .18 to 1.