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

BP 3/5

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

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

SEC FILE NUMBER
8- 14900

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:

Muriel Siebert & Co., Inc.

OFFICIAL USE ONLY
FIRM ID. NO.

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

885 Third Avenue

(No. and Street)

New York

New York

(City)

(State)

10022

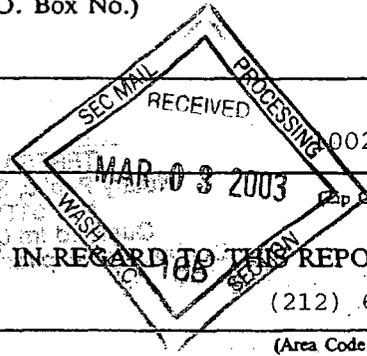
(Zip Code)

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

Muriel F. Siebert

(212) 644-2400

(Area Code — Telephone No.)



B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Richard A. Eisner & Company, LLP/Now Known As
Eisner LLP

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

750 Third Avenue

New York

NY

10017

(Address)

(City)

(State)

Zip Code)

CHECK ONE:

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

PROCESSED

FOR OFFICIAL USE ONLY
MAR 18 2003
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).

MAR 18 2003

OATH OR AFFIRMATION

I, Muriel F. Siebert and Nicholas P. Dermigny, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Muriel Siebert & Co., Inc., as of

December 31, 2002, 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:

We further affirm that these financial statements are being made available to all members or allied members of the New York Stock Exchange, Inc. employed by the Company.

State of New York
County of New York

Muriel F. Siebert
Signature

Title
Signature

Teresa E. Tyler
Notary Public

TERESA E. TYLER
Notary Public, State of New York
No. 01TY4878212
Qualified in Queens County
Commission Expires December 15, 2006

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).

MURIEL SIEBERT & CO., INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2002

Eisner

Richard A. Eisner & Company, LLP
Accountants and Consultants

750 Third Avenue
New York, NY 10017-2703
Tel 212.949.8700 Fax 212.891.4100
www.eisnerllp.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Muriel Siebert & Co., Inc.
New York, New York

We have audited the accompanying statement of financial condition of Muriel Siebert & Co., Inc. (a wholly owned subsidiary of Siebert Financial Corp.) 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Muriel Siebert & Co., Inc. as of December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

Richard A. Eisner & Company, LLP

New York, New York
February 13, 2003

MURIEL SIEBERT & CO., INC.

**Statement of Financial Condition
December 31, 2002**

ASSETS

Cash and cash equivalents	\$ 18,355,000
Cash equivalents - restricted	1,300,000
Securities owned, at market value	5,225,000
Receivable from clearing broker	1,098,000
Receivable from parent and affiliate	3,197,000
Furniture, equipment and leasehold improvements, net	2,616,000
Investment in and advances to investee	2,748,000
Prepaid expenses and other assets	1,773,000
Intangibles, net	910,000
Deferred taxes, net	<u>691,000</u>

\$ 37,913,000

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:

Accounts payable and accrued liabilities	<u>\$ 5,347,000</u>
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Commitments and contingent liabilities

Stockholder's equity:

Common stock, \$1 par value; 1,000 shares authorized; 743 shares issued	1,000
Additional paid-in capital	10,099,000
Retained earnings	22,491,000
Less 94 shares of treasury stock, at cost	<u>(25,000)</u>

32,566,000

\$ 37,913,000

MURIEL SIEBERT & CO., INC.

Notes to Statement of Financial Condition December 31, 2002

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

Muriel Siebert & Co., Inc. (the "Company"), a wholly owned subsidiary of Siebert Financial Corp. ("Siebert" or "Parent"), engages in the business of providing discount brokerage services for customers, investment banking, and trading securities for its own account.

[2] Security transactions:

Security transactions are recorded on a trade date basis. The Company clears all its security transactions through unaffiliated clearing firms on a fully-disclosed basis. Accordingly, the Company does not hold funds or securities for or owe funds or securities to its customers. Those functions are performed by the clearing firms, which are highly capitalized. Marketable securities are valued at market value.

[3] Income taxes:

The Company is included in the consolidated federal income tax return filed by Siebert. Federal income taxes are calculated as if the Company filed on a separate-return basis.

The Company accounts for income taxes utilizing the asset and liability approach requiring the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the basis of assets and liabilities for financial reporting purposes and tax purposes.

[4] Furniture, equipment and leasehold improvements:

Furniture and equipment is stated at cost and depreciation is calculated using the straight-line method over the lives of the assets, generally five years. Leasehold improvements are amortized over the period of the lease.

[5] Cash equivalents:

For purposes of reporting cash flows, cash equivalents include money market funds.

[6] Use of estimates:

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 at the date of the financial statement. Actual results could differ from those estimates.

[7] Cash equivalents - restricted:

Cash equivalents - restricted represents cash invested in a money market account which is pledged as collateral for a secured demand note in the amount of \$1,200,000 executed in favor of Siebert, Brandford, Shank & Co., LLC ("SBS"), a registered broker-dealer (see Note H).

[8] Investment in and advances to investee:

The Company's 49% investment in SBS, including advances of \$33,000, is accounted for on the equity method. Summarized financial data of SBS for 2002 is as follows: Total assets of \$8,944,000, total liabilities of \$3,404,000, including subordinated liabilities of \$1,200,000, and total members' capital of \$5,541,000.

MURIEL SIEBERT & CO., INC.

Notes to Statement of Financial Condition December 31, 2002

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[9] Intangible assets:

Intangible assets consist of acquired customer brokerage accounts, which are being amortized on a straight-line basis over their estimated useful lives of three years.

NOTE B - STRATEGIC ALLIANCE AGREEMENT AND CLEARING ARRANGEMENT

On April 29, 2002, the Company entered into an exclusive Strategic Alliance Agreement with Intuit, Inc. to offer a joint brokerage service (the "JBS"), with Intuit as the technology, marketing and content provider and the Company as a broker-dealer and provider of certain brokerage and other services. The financial arrangement between the Company and Intuit generally provides that gross revenue, as defined, generated from the JBS and incremental expenses, as defined, incurred by the Company and Intuit be split on a 50/50 basis. The term of the agreement is for an initial period of ten years and is extended automatically for successive two-year periods. The JBS was launched on September 16, 2002.

On April 30, 2002, the Company signed a fully disclosed clearing agreement (the "Clearing Agreement") with the Pershing division of Donaldson, Lufkin, & Jenrette Securities Corporation ("Pershing"). Pursuant to the Clearing Agreement and the JBS, the Company and Intuit will advance Pershing \$1,500,000, principally for software customization setup. Pershing has agreed that it shall rebate such amount to the Company payable in three equal annual installments, without interest, over the initial three years of the Clearing Agreement, provided that the Clearing Agreement has not been terminated. In addition, the Company and Intuit will incur one-time charges aggregating approximately \$485,000 for the setup of the JBS's website and related matters. The Company and Intuit will share equally in the advance and the one-time charges. The advance to Pershing was made in January 2003.

NOTE C - INTANGIBLES, NET

During 2002, the Company purchased certain retail discount brokerage accounts in two separate transactions for an aggregate cost of approximately \$1,045,000, which is being amortized over three years.

NOTE D - FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET

Furniture, equipment and leasehold improvements, at costs, consist of the following:

Equipment	\$ 3,562,000
Leasehold improvements	484,000
Furniture and fixtures	<u>154,000</u>
	4,200,000
Less accumulated depreciation and amortization	<u>(1,584,000)</u>
	<u>\$ 2,616,000</u>

NOTE E - INCOME TAXES

Temporary differences which give rise to net deferred tax assets of \$691,000 at December 31, 2002, consist principally of net operating losses and depreciation and amortization, all of which have been recognized based on the likelihood of realization.

MURIEL SIEBERT & CO., INC.

Notes to Statement of Financial Condition December 31, 2002

NOTE F - NET CAPITAL

The Company is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Company has elected to use the alternative method, permitted by the rule, which requires that the Company maintain minimum net capital, as defined, equal to the greater of \$250,000 or 2 percent of aggregate debit balances arising from customer transactions, as defined. (The net capital rule of the New York Stock Exchange also provides that equity capital may not be withdrawn or cash dividends paid if resulting net capital would be less than 5 percent of aggregate debits.) At December 31, 2002, the Company had net capital of approximately \$16,448,000, which was approximately \$16,198,000 in excess of required net capital. The Company claims exemption from the reserve requirement under Section 15c3-3(k)(2)(ii).

NOTE G - FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND CONCENTRATIONS OF CREDIT RISK

In the normal course of business, the Company enters into transactions in various financial instruments with off-balance sheet risk. This risk includes both market and credit risk, which may be in excess of the amounts recognized in the statement of financial condition.

Retail customer transactions are cleared through clearing brokers on a fully disclosed basis. In the event that customers are unable to fulfill their contractual obligations, the clearing brokers may charge the Company for any loss incurred in connection with the purchase or sale of securities at prevailing market prices to satisfy customers' obligations. The Company regularly monitors the activity in its customer accounts for compliance with its margin requirements.

The Company is exposed to the risk of loss on unsettled customer transactions in the event customers and other counterparties are unable to fulfill contractual obligations. Securities transactions entered into as of December 31, 2002 settled with no material adverse effect on the Company's statement of financial condition.

NOTE H - COMMITMENTS AND CONTINGENT LIABILITIES

The Company rents office space under long-term operating leases expiring in various periods through 2007. These leases call for base rent plus escalations for taxes and operating expenses.

Future minimum base rental payments under these operating leases are as follows:

<u>Year</u>	<u>Amount</u>
2003	\$ 892,000
2004	633,000
2005	330,000
2006	182,000
2007	<u>84,000</u>
	<u>\$ 2,121,000</u>

The Company is party to certain claims, suits and complaints arising in the ordinary course of business. In the opinion of management, all such claims, suits and complaints are without merit, or involve amounts which would not have a significant effect on the financial position of the Company.

MURIEL SIEBERT & CO., INC.

**Notes to Statement of Financial Condition
December 31, 2002**

NOTE H - COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

The Company sponsors a defined contribution retirement plan under Section 401(k) of the Internal Revenue Code that covers substantially all employees. Participant contributions to the plan are voluntary and are subject to certain limitations. The Company may also make discretionary contributions to the plan. No contributions were made by the Company in 2002.

The Company executed a demand note payable agreement in favor of SBS in the amount of \$1,200,000 collateralized by \$1,300,000 of cash equivalents, which are reported as cash equivalents-restricted. This obligation is not included in the Company's statement of financial condition because it has not been drawn down by SBS.