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

SEC FILE NUMBER
8- 42004

**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 01-01-2002 AND ENDING 12-31-02
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: CURREN & COMPANY
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
4400 MACARTHUR BLVD., SUITE 970

OFFICIAL USE ONLY
FIRM I.D. NO.

NEWPORT BEACH CALIFORNIA 92660
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
BILL F. CURREN 949-476-3230
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
GOODRICH, GOODYEAR & HINDS
(Name - if individual, state last, first, middle name)

6700 E. PACIFIC COAST HWY., SUITE 255 LONG BEACH CA 90803
(Address) (City) (State) (Zip Code)

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CHECK ONE:

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

PROCESSED

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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)

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.

OATH OR AFFIRMATION

I, BILL F. CURREN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CURREN & COMPANY, 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:



Bill Curren
Signature

PRESIDENT
Title

Lori Dean
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 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 Auditors' Report on Internal Accounting Control

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



CURREN & COMPANY

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2002

(With Independent Auditors' Report Thereon)

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Goodrich, Goodyear & Hinds

An Accountancy Corporation

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Curren & Company
Newport Beach, California

We have audited the accompanying statement of financial condition of Curren & Company as of December 31, 2002, and the related statements of income (loss), changes in stockholders' 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 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 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 Curren & Company as of December 31, 2002, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on page 9 is presented for the purpose 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 audit 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.



Long Beach, California
January 27, 2003

CURREN & COMPANY
STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2002

ASSETS

Cash in bank	\$ 9,285
Deposit - Clearing agent	75,347
Receivable - Clearing agent	10,317
Marketable securities	34,712
Other receivable - Employees	5,827
Prepaid income taxes	4,639
Property and equipment, net	6,271
Deferred tax asset	8,147
Other assets	<u>8,582</u>
Total assets	\$ <u>163,127</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:		
Accounts payable and accrued expenses		\$ 11,383
Deferred taxes payable		<u>1,406</u>
Total liabilities		12,789
Stockholders' equity:		
Common stock without par value; authorized, issued and outstanding, 100 shares	\$ 54,758	
Retained earnings	<u>95,580</u>	
Total stockholders' equity		<u>150,338</u>
Total liabilities and stockholders' equity		\$ <u>163,127</u>

The accompanying notes are an integral part of these financial statements.

CURREN & COMPANY
STATEMENT OF INCOME (LOSS)
YEAR ENDED DECEMBER 31, 2002

Revenues:		
Securities commissions		\$ 814,585
Interest		26,554
Realized and unrealized gains and losses		<u>4,316</u>
Total revenues		845,455
Expenses:		
Employee compensation and benefits	\$ 616,921	
Rent	82,271	
Floor brokerage, exchange and clearance fees	74,120	
Outside services	10,136	
Office expenses	47,880	
Telephone	10,312	
Professional fees	9,850	
Interest	603	
Depreciation	<u>11,832</u>	
Total expenses		<u>863,925</u>
Loss before income taxes		(18,470)
Income taxes:		
Current	1,100	
Deferred	<u>(3,949)</u>	
Total income taxes		<u>(2,849)</u>
Net loss		\$ <u>(15,621)</u>

The accompanying notes are an integral part of these financial statements.

CURREN & COMPANY
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

YEAR ENDED DECEMBER 31, 2002

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at December 31, 2001	\$ 54,758	111,201	165,959
Net loss for the year ended December 31, 2002	<u>-</u>	<u>(15,621)</u>	<u>(15,621)</u>
Balance at December 31, 2002	\$ <u>54,758</u>	<u>95,580</u>	<u>150,338</u>

The accompanying notes are an integral part of these financial statements.

CURREN & COMPANY
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2002

Cash flows from operating activities:		
Net loss		\$ (15,621)
Adjustments to reconcile net loss to net cash provided from operating activities:		
Unrealized and realized gains and losses	\$ (4,316)	
Depreciation	11,832	
Decrease in clearing deposits	17,292	
Increase in receivables	(8,932)	
Increase in other assets	(2,826)	
Decrease in accounts payable and accrued expenses	(11,727)	
Decrease in profit sharing plan payable	(10,000)	
Change in deferred taxes	<u>(3,949)</u>	
Total adjustments		<u>(12,626)</u>
Net cash flows used for operating activities		(28,247)
Cash flows from investing activities:		
Purchase of equipment	(549)	
Change in marketable securities	<u>2,655</u>	
Net cash flows provided by investing activities		2,106
Cash flows from financial activities		<u>-</u>
Net decrease in cash and cash equivalents		(26,141)
Cash at beginning of year		<u>35,426</u>
Cash at end of year		\$ <u><u>9,285</u></u>

SUPPLEMENTAL CASH INFORMATION

Cash payments for taxes	\$ <u><u>1,100</u></u>
Cash payments for interest	\$ <u><u>603</u></u>

The accompanying notes are an integral part of these financial statements.

CURREN & COMPANY
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Company is a registered broker-dealer incorporated under the laws of the State of California maintaining its only office in Newport Beach, California. The Company is subject to a minimum net capital requirement of \$50,000 under SEC Rule 15c3-1 and operates pursuant to the (K)(2)(ii) exemptive provision of SEC Rule 15c3-3 and does not hold customer funds or securities. The Company acts as an introducing broker/dealer and clears transactions on a fully disclosed basis through a clearing agent.

Method of Accounting

The Company maintains its books and records on the accrual basis of accounting. Security transactions and related commissions are recorded on the trade-date basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could differ from those estimates.

SIPC

The SIPC assessment has been determined fairly in accordance with applicable instructions and was remitted timely.

Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(2) PROPERTY AND EQUIPMENT

Furniture and computer equipment are stated at cost. Depreciation is provided by the straight-line method over an estimated useful life of seven and five years, respectively. At December 31, 2002, the financial statement memorandum account for fixed assets consisted of the following:

Equipment	\$ 29,306
Computers	<u>16,583</u>
Total	45,889
Accumulated depreciation	<u>(39,618)</u>
Net book value	\$ <u>6,271</u>

CURREN & COMPANY
NOTES TO FINANCIAL STATEMENTS, CONTINUED

DECEMBER 31, 2002

(3) COMMITMENTS AND CONTINGENCIES

The Company leases office space and signed a lease agreement in June 2001 for five years. The lease is in the name of the Company's president with lease payments to be made by the Company. The following is a schedule of the annual lease (rent) payments due, which are subject to an increase based on the building's operating expense allowance.

<u>Year Ended December 31</u>	<u>Amount</u>
2003	\$ 83,552
2004	85,313
2005	87,075
2006	<u>51,393</u>
Total commitments	\$ <u>307,333</u>

(4) PROFIT-SHARING PLAN

The Company adopted a profit-sharing plan on December 27, 1997, covering all employees after the completion of one-year eligibility service. Currently, there are six employees who are eligible to participate in the plan. No contributions were made during 2002.

(5) INCOME TAXES

The Company has adopted Statement of Financial Standards No. 109 ("SFAS 109"), Accounting for Income taxes. SFAS 109 is an asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events recognized in the Company's financial statements in different periods from the tax returns. In estimating future tax consequences, SFAS 109 generally considers all expected future events other than enactment of changes in law or rates. A deferred tax asset of \$8,147 has been recognized for the tax effect of net operating losses, and a deferred tax liability of \$1,406 has been recognized for the taxable temporary differences related to accumulated depreciation.

(6) SECURITIES OWNED AT MARKET VALUE

The Company holds securities available for sale which are stated at fair market value as of December 31, 2002. These securities are listed on national exchanges and the fair value is determined based on published market prices.

CURREN & COMPANY
NOTES TO FINANCIAL STATEMENTS, CONTINUED

DECEMBER 31, 2002

(7) NET CAPITAL

The Company is subject to a \$50,000 minimum capital requirement under SEC Rule 15c3-1, which requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. Net capital and the related net capital ratio fluctuate on a daily basis; however, as of December 31, 2002, the net capital was \$108,133 which exceeded the required minimum capital by \$58,133. The aggregate indebtedness to net capital ratio was .12 to 1.

CURREN & COMPANY
COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1

DECEMBER 31, 2002

Total ownership equity		\$ 150,338
Less non-allowable assets:		
Property and equipment, net	\$ 6,271	
Prepaid taxes	4,639	
Receivables - Employees	5,827	
Deferred taxes	8,147	
Deposits - Other assets	<u>8,582</u>	<u>(33,466)</u>
Net capital before haircuts		116,872
Haircut on securities (15% of \$34,712)	5,207	
Haircut on undue concentration	<u>3,532</u>	<u>(8,739)</u>
Net capital		\$ <u>108,133</u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum net capital required (6-2/3% of aggregate indebtedness)	\$ <u>852</u>
Minimum dollar net capital required	\$ <u>50,000</u>
Net capital requirement (greater of above two figures)	\$ <u>50,000</u>
Excess net capital	\$ <u>58,133</u>

COMPUTATION OF RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL

Total aggregate indebtedness	\$ <u>12,789</u>
Ratio of aggregate indebtedness to net capital	<u>.12 to 1</u>
Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	<u>N/A</u>

The computation of net capital as reported in the unaudited Focus IIA filing agrees with the audited net capital as noted above.

Goodrich, Goodyear & Hinds

An Accountancy Corporation

REPORT ON INTERNAL CONTROL STRUCTURE

The Board of Directors
Curren & Company
Newport Beach, California

In planning and performing our audit of the financial statements and supplemental schedules of Curren & Company for the year ended December 31, 2002, we have 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
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 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 control procedures 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 an internal control structure 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 any internal control structure or the practices and procedures referred to above, errors or irregularities 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 the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 the internal control structure, including procedures for safeguarding securities, that we consider to be a material weakness as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of the 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 SEC's objectives.

This report is intended solely for the use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934, and should not be used for any other purpose.

Woodrich, Lyall & Hinds

Long Beach, California
January 27, 2003