

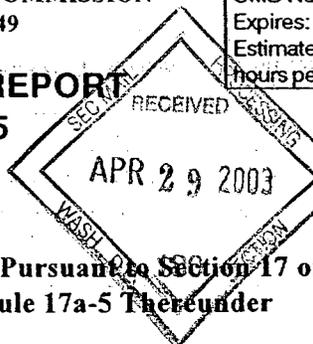


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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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



SEC FILE NUMBER
28862

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 03/01/2002 AND ENDING 02/28/2003
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Bradley Woods & Co.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

555 Madison Avenue
(No. and Street)
New York New York 10022
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Edward Cohen (203) 454-2210
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

The Lieb Group LLP
(Name - if individual, state last, first, middle name)
880 Third Avenue New York New York 10022
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED
MAY 07 2003

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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)

SEC 1410 (06-02)

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OP 5-5

OATH OR AFFIRMATION

I, Paul Ripp, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Bradley Woods & Co., as of February 28, 20 03, 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:

DAVID S. LOCKER
Notary Public, State of New York
No. 01LO4970053
Qualified in New York County
Commission Expires July 30, 2006

Handwritten signature of Paul A. Ripp

Signature

President
Title

Handwritten signature of David S. Locker
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 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.

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

BRADLEY WOODS & CO.

STATEMENT OF FINANCIAL CONDITION

FEBRUARY 28, 2003

BRADLEY WOODS & CO.

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INDEPENDENT AUDITORS' REPORT

To the Stockholders of
Bradley Woods & Co.

We have audited the accompanying statement of financial condition of Bradley Woods & Co. as of February 28, 2003. 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 U.S. generally accepted auditing standards. 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 Bradley Woods & Co. as of February 28, 2003 in conformity with U.S. generally accepted accounting principles.

The Lieb Group LLP

New York, New York
April 17, 2003

BRADLEY WOODS & CO.

STATEMENT OF FINANCIAL CONDITION

FEBRUARY 28, 2003

ASSETS

Cash and cash equivalents	\$ 7,312
Due from broker	15,641
Securities owned, at market value	34,289
Loan receivable – stockholders	34,335
Other assets	<u>4,674</u>
TOTAL ASSETS	<u>\$ 96,251</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES:

Accrued expenses and other liabilities	\$ 12,522
Deferred income taxes	<u>2,400</u>

TOTAL LIABILITIES 14,922

STOCKHOLDERS' EQUITY:

Preferred stock, no par value; authorized 200 shares; issued and outstanding 18.5263 shares; liquidation value \$10,000	\$ 185,263
Common stock, no par value; authorized 200 shares; issued and outstanding 30 shares	20
Deficit	<u>(103,954)</u>

TOTAL STOCKHOLDERS' EQUITY 81,329

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY \$ 96,251

The accompanying notes are an integral part of this statement.

BRADLEY WOODS & CO.

NOTES TO STATEMENT OF FINANCIAL CONDITION

FEBRUARY 28, 2003

1. HISTORY AND ORGANIZATION:

Bradley Woods & Co. (a Corporation) is a member of the National Association of Securities Dealers, Inc.

2. SIGNIFICANT ACCOUNTING POLICIES:

The Corporation records fee income, securities transactions and related income and expenses on a trade date basis.

Securities owned are stated at quoted market values with the resulting unrealized gains and losses reflected in the results of operations.

Deferred income taxes result from timing differences in the recognition of revenues and expenses for income tax and financial reporting purposes. These timing differences arise principally from the filing of income tax returns on the cash basis of accounting.

3. NET CAPITAL REQUIREMENT:

As a registered broker-dealer and member of the National Association of Securities Dealers, Inc., the Corporation is subject to the Securities and Exchange Commission's Uniform Net Capital Rule which requires that the Corporation maintain minimum net capital, as defined, of one-fifteenth of aggregate indebtedness, as defined, or \$5,000 whichever is greater. Net capital and aggregate indebtedness change from day to day, but as of February 28, 2003 the Corporation had net capital of \$35,401, which exceeded requirements by \$30,401.

4. COMMITMENTS:

The Company leases office space on a month-to-month basis for approximately \$2,900 per month. The monthly rental is also subject to customary escalations for real estate taxes and building operating expenses.

5. CONCENTRATION OF CREDIT RISK:

The Company's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents, marketable securities and due from broker.

The Company primarily places excess cash balances in money market accounts with high credit quality financial institutions, most of which are federally insured. The Company also invests in marketable securities, which management believes there is no significant risk of loss.

No credit risk exists at February 28, 2003 with respect to amount due from broker, since the receivable has been fully collected subsequent to year-end.

BRADLEY WOODS & CO.

NOTES TO STATEMENT OF FINANCIAL CONDITION

FEBRUARY 28, 2003

6. FAIR VALUE OF FINANCIAL INSTRUMENTS:

Management believes that the carrying amounts of financial instruments reported on the balance sheet approximate their fair value.

7. ESTIMATES:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BRADLEY WOODS & CO.

INDEPENDENT AUDITORS' REPORT

ON INTERNAL CONTROL STRUCTURE REQUIRED

BY SEC RULE 17A-5

YEAR ENDED FEBRUARY 28, 2003

THE LIEB GROUP LLP

ACCOUNTANTS & CONSULTANTS

880 THIRD AVENUE
NEW YORK, N. Y. 10022-4730

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE REQUIRED
BY SEC RULE 17A-5

To the Stockholders of
Bradley Woods & Co.

In planning and performing our audit of the financial statements of Bradley Woods & Co. for the year ended February 28, 2003, 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 and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by Bradley Woods & Co. 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 the procedures for determining compliance with the exemptive provisions of rule 15c3-3. The Company was in compliance with the conditions of the exemption and no facts came to our attention indicating that such conditions had not been complied with during the period.

We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and the procedures for determining compliance with the exemptive provisions of rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13 or in 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, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and 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 Commission'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 preparation of financial statements in conformity with U.S. 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 accounting control procedures 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 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 Commission 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 February 28, 2003, to meet the Commission's objectives.

This report is intended solely for the use of management, the Securities and Exchange Commission, the New York Stock Exchange and other regulatory agencies which rely on rule 17a-5(g) under the Securities Exchange Act of 1934, and should not be used for any other purpose.

The Lieb Group LLP

New York, New York
April 17, 2003