

Att
3-1-2004

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



OMB APPROVAL
OMB Number: 3235-0123
Expires: October 31, 2004
Estimated average burden
hours per response..... .12.00

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

SEC FILE NUMBER
8-48055

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 01/01/03 AND ENDING 12/31/03
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER:

Larkspur Capital Corporation

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

445 Park Avenue

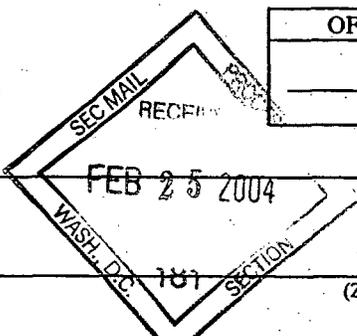
(No. and Street)

New York
(City)

New York
(State)

10022
(Zip Code)

OFFICIAL USE ONLY
FIRM ID. NO.



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

Robert C. Mayer, Jr.

(212) 376-5790

(Area Code — Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

BDO Seidman, LLP

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

330 Madison Avenue
(Address)

New York
(City)

NY
(State)

10017
(Zip Code)

CHECK ONE:

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

PROCESSED

FOR OFFICIAL USE ONLY
MAR 03 2004
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).

18632

OATH OR AFFIRMATION

I, Robert C. Mayer, Jr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Larkspur Capital Corporation, as of December 31, 2003, 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:

Robert C. Mayer, Jr.
Signature

Chief Financial Officer

Title

Kenneth A. Hicks

Notary Public
KENNETH A. HICKS
Notary Public, State of New York
No. 31-0861911
Qualified in New York County
Commission Expires 12/19/2006

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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Financial Condition.
- (f) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (g) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (h) Computation of Net Capital.
- (i) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (j) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (k) 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.
- (l) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (m) An Oath or Affirmation.
- (n) A copy of the SIPC Supplemental Report.
- (o) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (p) Independent Auditors' Report on internal accounting control required by SEC Rule 17a-5.

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

Larkspur Capital Corporation

Statement of Financial Condition

December 31, 2003

Larkspur Capital Corporation

Contents

Facing page to Form X-17A-5	2A
Affirmation of officer	2B
Independent auditors' report	3
Statement of financial condition	4
Summary of business and significant accounting policies	5
Notes to statement of financial condition	6



BDO Seidman, LLP
Accountants and Consultants

330 Madison Avenue
New York, New York 10017
Telephone: (212) 885-8000
Fax: (212) 697-1299

Independent Auditors' Report

The Stockholders of
Larkspur Capital Corporation
New York, New York

We have audited the accompanying statement of financial condition of Larkspur Capital Corporation as of December 31, 2003. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition 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 Larkspur Capital Corporation as of December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP

February 13, 2004

Larkspur Capital Corporation

Statement of Financial Condition

December 31, 2003

Assets

Cash and cash equivalents	\$ 28,256
	<hr/>
	\$ 28,256

Liabilities and Stockholders' Equity**Liabilities:**

Accrued expenses	\$ 12,921
Commitments (Notes 1 and 3)	
Stockholders' equity (Note 1)	15,335
	<hr/>
	\$ 28,256

See accompanying summary of business and significant accounting policies and notes to statement of financial condition.

Larkspur Capital Corporation

Summary of Business and Significant Accounting Policies

Business

Larkspur Capital Corporation (“Company”) is a Delaware corporation. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers operating as a placement agent.

The Company does not hold funds or securities for, or owe any money or securities to, customers and does not carry accounts of, or for, customers. Accordingly, the Company operates under the exemptive provisions of Securities and Exchange Commission (“SEC”) Rule 15c3-3(k)(2)(i).

Cash Equivalents

The Company classifies short-term highly liquid investments with an initial maturity of three months or less as cash equivalents.

Income Taxes

The Company has elected to be taxed as an S corporation pursuant to the Internal Revenue Code and New York State (“NYS”) tax law and is not subject to Federal and a portion of its NYS income taxes as a separate entity. The income or loss of the Company is reportable by the stockholders.

Use of Estimates

The preparation of a statement of financial condition in conformity with 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 statement of financial condition. Actual results could differ from those estimates.

Larkspur Capital Corporation

Notes to Statement of Financial Condition

1. **Regulatory Net Capital Requirements** The Company is subject to the SEC's Uniform Net Capital Rule, which requires the maintenance of minimum regulatory net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of December 31, 2003, the Company had regulatory net capital of \$15,335 and a minimum regulatory net capital requirement of \$5,000. The Company's ratio of aggregate indebtedness to regulatory net capital is .84 to 1.

2. **Retirement Plan** The Company has a defined contribution CODA Simplified Employee Pension Plan ("Plan") covering substantially all of its employees. Contributions to the Plan are at the discretion of the Company.

3. **Commitments** *Operating Lease*
The Company leases office facilities under a lease agreement expiring in 2006.

Future minimum rental payments approximate the following:

	Minimum rental payments
2004	\$117,000
2005	117,000
2006	107,000

4. **Subsequent Event** Subsequent to year-end, the Company received approximately \$284,000 of investment banking fees.