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

SEC FILE NUMBER
8-16391

**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 1/1/03 AND ENDING 12/31/03
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Peter J. Marcus
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
127 Field Point Drive
(No. and Street)
Fairfield, CT
(City) (State)

OFFICIAL USE ONLY
FIRM I.D. NO.

06824
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Peter J. Marcus (203) 254-3356
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Eisman, Zucker, Klein + Rittenberg, LLP
(Name - if individual, state last, first, middle name)
120 Bloomingdale Road - Suite 402, White Plains, N.Y. 10605
(Address) (City) (State) (Zip Code)

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

PROCESSED
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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)

Handwritten initials

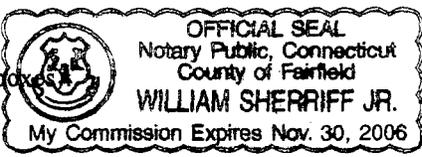
OATH OR AFFIRMATION

I, Peter J. Marcus, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Peter J. Marcus, 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:

Peter J. Marcus
Signature
Sole Proprietor
Title

STATE OF CT
COUNTY OF FAIRFIELD
SUBSCRIBED AND SWORN TO ~~TO ME~~ ^{BEFORE ME,}
THIS 27TH DAY OF FEBRUARY 2004

William Sherriff Jr.
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).



EISMAN, ZUCKER, KLEIN & RUTTENBERG, LLP
CERTIFIED PUBLIC ACCOUNTANTS
120 BLOOMINGDALE ROAD • SUITE 402
WHITE PLAINS, NEW YORK 10605
TEL: 914 428 7733 FAX: 914 428 7903

February 24, 2004

Mr. Peter J. Marcus
127 Field Point Drive
Fairfield, CT 06824

Dear Mr. Marcus:

We have examined the accompanying report of financial condition (cash basis) of Peter J. Marcus, a Proprietorship, at December 31, 2003. Our examination was made in accordance with auditing standards generally accepted in the United States of America and included such tests of the accounting records and such other auditing procedures, as we considered necessary in the circumstances.

Our examination included the following procedures:

1. Verifications were obtained with respect to bank balances and cash accounts were reconciled.
2. A detailed review of the accounting systems, the system of internal accounting control and the procedures and system for safeguarding securities was performed, and no inadequacies were found to exist.
3. Written verification was obtained from you as to the absence of unrecorded assets and liabilities.
4. We have ascertained that the conditions of your exemption from Rule 15c3-3 section (K) (2) (ii) have been complied with during the period of our examination and on the examination date.
5. No procedures deemed necessary by us for the conduct of this examination were omitted.

Mr. Peter J. Marcus
February 24, 2004
Page Two

6. No material differences exist, between the accompanying report as of December 31, 2003, and the most recently filed unaudited quarterly report for the three months ended December 31, 2003.

In our opinion, the accompanying report of financial condition (cash basis) presents fairly the financial condition of Peter J. Marcus, A Proprietorship, at December 31, 2003, in conformity with accounting principles generally accepted in the United States of America, applied on a basis consistent with that of the preceding year.

A handwritten signature in cursive script that reads "Eisman, Zucker, Klein & Ruttenberg". The signature is written in dark ink and is positioned above the firm's name.

Eisman, Zucker, Klein & Ruttenberg, LLP

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER PETER J. MARCUS	N2			100
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STATEMENT OF FINANCIAL CONDITION

As of (MM/DD/YY) 12/31/03 99
 SEC FILE NO. 8-16391 98

Consolidated 198
 Unconsolidated 199

ASSETS

	<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
1. Cash	\$ 2,976 200		\$ 2,976 750
2. Cash segregated in compliance with federal and other regulations	210		760
3. Receivable from brokers or dealers and clearing organizations:			
A. Failed to deliver:			
1. Includable in "Formula for Reserve Requirements"	220		
2. Other	230		770
B. Securities borrowed:			
1. Includable in "Formula for Reserve Requirements"	240		
2. Other	250		780
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	260		
2. Other	270		790
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	280		
2. Other	290		800
E. Other CLEARANCE ACCOUNT	15,000 300	550 295	15,000 810
4. Receivables from customers:			
A. Securities accounts:			
1. Cash and fully secured accounts	310		
2. Partly secured accounts	320	560	
3. Unsecured accounts		570	
B. Commodity accounts	330	580	
C. Allowance for doubtful accounts	335	590	820
5. Receivables from non-customers:			
A. Cash and fully secured accounts	340		
B. Partly secured and unsecured accounts	350	600	830
6. Securities purchased under agreements to resell	360	605	840
7. Securities and spot commodities owned, at market value:			
A. Bankers acceptances, certificates of deposit and commercial paper	370		
B. U.S. and Canadian government obligations	380		
C. State and municipal government obligations	390		
D. Corporate obligations	400		

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER PETER J. MARCUS

as of 12/31/03

STATEMENT OF FINANCIAL CONDITION

ASSETS

	<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
E. Stocks and warrants	\$ 410		
F. Options	420		
G. Arbitrage	422		
H. Other securities	424		
I. Spot commodities	430		\$ 850
8. Securities owned not readily marketable:			
A. At Cost	\$ 130		
B. At estimated fair value	440	\$ 610	860
9. Other investments not readily marketable:			
A. At Cost	\$ 140		
B. At estimated fair value	450	620	870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities	\$ 150		
B. Other	\$ 460	630	880
11. Secured demand notes - market value of collateral:			
A. Exempted securities	\$ 170		
B. Other	\$ 470	640	890
12. Memberships in exchanges:			
A. Owned, at market value	\$ 190		
B. Owned at cost		650	
C. Contributed for use of company, at market value		660	900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	670	910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements: At cost (net of accumulated depreciation and amortization)	490	2,197	2,197
15. Other Assets:			
A. Dividends and interest receivable	500	690	
B. Free shipments	510	700	
C. Loans and advances	520	710	
D. Miscellaneous	530	50	50
16. TOTAL ASSETS	\$ 17,976	\$ 2,247	\$ 20,223

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER PETER J. MARCUS

as of 12/31/03

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>A.I. Liabilities *</u>	<u>Non-A.I. Liabilities *</u>	<u>Total</u>
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	1470
18. Securities sold under repurchase agreements ..		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	1490
2. Other	1060	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		1510
2. Other	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1560
E. Other	1110	1320	1570
20. Payable to customers:			
A. Securities accounts -including free credits of	1120		1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value - including arbitrage of	960	1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	1170		1640
C. Income taxes payable	1180		1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities	1190		1670
F. Other	1200	1380	1680

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*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

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BROKER OR DEALER PETER J. MARCUS

as of 12/31/03

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Liabilities</u>	<u>A.I. Liabilities *</u>	<u>Non-A.I. Liabilities *</u>	<u>Total</u>
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	\$ 1211	\$ 1390	\$ 1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings		1400	1710
1. from outsiders \$ 970			
2. Includes equity subordination (15c3-1 (d)) of \$ 980			
R. Securities borrowings, at market value:		1410	1720
from outsiders \$ 990			
C. Pursuant to secured demand note collateral agreements;		1420	1730
1. from outsiders \$ 1000			
2. Includes equity subordination (15c3-1 (d)) of \$ 1010			
D. Exchange memberships contributed for use of company at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
26. TOTAL LIABILITIES	\$ 1230	\$ 1450	\$ - 0 - 1760

Ownership Equity

27. Sole proprietorship		\$ 20,223	1770
28. Partnership- limited partners \$ 1020			1780
29. Corporation:			
A. Preferred stock			1791
B. Common stock			1792
C. Additional paid-in capital			1793
D. Retained earnings			1794
E. Total			1795
F. Less capital stock in treasury			1796
30. TOTAL OWNERSHIP EQUITY		\$ 20,223	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY		\$ 20,223	1810

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*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

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