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ANNUAL AUDITED REPORT
FORM X-1745
PART III

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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 JANUARY 1, 2003 AND ENDING DECEMBER 31, 2003
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: PWC SECURITIES CORPORATION

OFFICIAL USE ONLY
FIRM I.D. NO.

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

8 MEDFORD ST,

(No. and Street)

MORRIS PLAINS, NEW JERSEY 07950

(City)

(State)

(Zip Code)

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

PAUL W. CHOI

973-539-4009

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

ROGER SECCIA, CPA

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

250 ROUTE 565, WANTAGE, NJ 07461

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED
MAR 19 2004

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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)

Handwritten signature

OATH OR AFFIRMATION

I, PAUL W. CHOI, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of PWC SECURITIES 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:

Helen S. Fredrich
Notary Public of New Jersey
My Commission Expires
August 8, 2008

[Signature]
Signature
President
Title

[Signature]
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).

**PWC SECURITIES CORP.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2003**

**PWC SECURITIES CORP.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2003**

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Roger Seccia, CPA

150 Route 565 • Wantage, NJ 07461 • Phone: 973-702-3953 • Fax: 973-702-3954

INDEPENDENT AUDITOR'S REPORT

Board of Directors
PWC Securities Corp.

I have audited the accompanying statement of financial condition of PWC Securities Corp., as of December 31, 2003, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of PWC Securities Corp., at December 31, 2003, and the results of their operations, cash flow, and changes in stockholders' equity for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplemental schedules is presented for purposes for additional analysis and is not a required part of the basic financial statements, but is additional information required by Rule 12a-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 my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


Roger Seccia, CPA
February 15, 2004

PWC SECURITIES CORP.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2003

ASSETS:

Current Assets:

Cash	\$ 67,494
Investments	134,512
Due from Brokers	1,395
Total Current Assets	203,401

Non Current Assets:

Investment in NASD	13,815
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TOTAL ASSETS

217,216

LIABILITIES:

Income Tax Payable	1,400
Due to PWC Group	792

TOTAL LIABILITIES

2,192

STOCKHOLDERS' EQUITY:

Common Stock, \$10 Par Value, Authorized 1000 Shares, Issued 100 Shares	1,000
Additional Paid in Capital	99,000
Retained Earnings	119,284
Accumulated Other Comprehensive Income	(4,260)

TOTAL STOCKHOLDERS' EQUITY

215,024

TOTAL LIABILITIES AND EQUITY

\$ 217,216

See Auditor's Report and Notes to Financial Statements

**PWC SECURITIES CORP.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2003**

REVENUES:

Commission Income	\$ 23,007
Other Fee Income	5,737
Interest Income	951
TOTAL REVENUE	<u>29,695</u>

OPERATING EXPENSES:

Registration Fees	3,995
Professional Fees	3,000
Utilities	4,665
Office Supplies & Postage	1,297
Insurance	377
Prof. Subscriptions	746
Clearing Charges	6,097
Entertainment	1,831
TOTAL OPERATING EXPENSES	<u>22,008</u>

INCOME FROM OPERATIONS **7,687**

OTHER GAIN/(LOSSES)

Loss on Expiration of Warrants (825)

NET INCOME BEFORE TAXES **\$6,862**

INCOME TAX EXPENSE 1,400

NET INCOME **\$ 5,462**

See Auditor's Report and Notes to Financial Statements

PWC SECURITIES CORP.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2003

	COMMON STOCK SHARES	AMOUNT	ADDITIONAL		RETAINED EARNINGS	ACCUMULATED OTHER		TOTAL STOCKHOLDERS' EQUITY
			PAID IN CAPITAL	CAPITAL		COMPREHENSIVE INCOME	INCOME	
<u>BALANCES AT:</u>								
January 1, 2003	100	\$1,000	\$99,000		\$113,822		(\$3,600)	\$210,222
Net Income					5,462			5,462
Other Comprehensive Income:								
Unrealized Loss on Securities							(660)	(660)
December 31, 2003	100	\$1,000	\$99,000		\$119,284		(\$4,260)	\$215,024

See Auditor's Report and Notes to Financial Statements

**PWC SECURITIES CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2003**

Cash Flows from Operating Activities:

Net income	\$ 5,462
Increase in Amounts due from Brokers	(409)
Increase in Liabilities	<u>182</u>

Net Cash Flows from Operating Activities \$ 5,235

Cash Flows from Investing Activities:

Increase in Money Market Investments	(367)
Decrease in NASD Investments	<u>825</u>

Net Cash Flows from Investment Activities 458

Net Increase in Cash **5,693**

Cash - Beginning of Year **61,801**

Cash - End of Year **\$ 67,494**

See Auditor's Report and Notes to Financial Statements

PWC SECURITIES CORP.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE 1: ORGANIZATION AND NATURE OF BUSINESS

PWC Securities Corp. is registered with the Securities and Exchange Commission as a broker-dealer, and is a member of the National Association of Securities Dealers, Inc. PWC Securities Corp. is a one hundred percent (100%) owned subsidiary of PWC Group Inc.

The Company's primary activity is acting as an introducing broker for clients, and uses a non-affiliated clearing broker on a fully disclosed basis to perform trades, settlements and related activities.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Securities Transactions: All securities transactions, related commission income, and related expenses are recorded on the trade date.

Cash & Cash Equivalents: Consists of cash, money market funds, and a deposit in the amount of \$35,000.00 being held by Fiserv Securities, Inc. Fiserv Securities, Inc. is the primary clearing firm used by PWC Securities Corporation.

Investment in NASD: The investment in NASD consists of 1200 shares of NASD stock and 900 warrants. The 1200 shares of NASD stock are considered to be "available for sale" marketable securities and accordingly are shown at market value in accordance with SFAS 115. Any unrealized gains and losses that may occur are included in Comprehensive Income in accordance with SFAS 130. (see Comprehensive Income below) The 900 warrants are not considered to be marketable securities, and therefore are stated at their original cost of \$2475.

Investments: The investments consist of cash & cash equivalents, and accordingly, are shown at cost.

Comprehensive Income: Comprehensive Income consists of unrealized losses on the decline in market value in the NASD stock. Management believes that the Company will never realize any tax benefit from this loss, and therefore these losses are stated at their pre-tax amount.

NOTE 3: INCOME TAXES

Current income taxes are provided on taxable income at the appropriate statutory rates. There were no deferred income taxes as of December 31, 2003. PWC Securities Corp. is a one hundred percent (100%) owned subsidiary of PWC Group Inc., and accordingly, files a consolidated federal income tax return with PWC Group Inc. All taxable income, tax provisions, and tax liabilities are allocated between the two entities on a separate return basis, but may, where applicable, recognize the tax benefits of net operating losses or capital losses utilizable in the consolidated entity. State and local tax returns are filed separately.

NOTE 4: USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 5: CONTINGENCIES

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the Company to maintain a minimum net capital, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2003, the company had net capital of \$ 208,158 which was \$ 203,158 in excess of its required net capital of \$ 5000. The company's net capital ratio was 0.0105 to 1.

NOTE 6: RELATED PARTY TRANSACTIONS

A. All furniture, fixtures, and equipment used by PWC Securities Corp. are owned by it's one hundred percent (100%) parent shareholder, PWC Group Inc. Accordingly, these assets do not appear on PWC Securities Corp.'s financial statements. No charges are assessed for the use of these assets.

B. The office space occupied by PWC Securities Corp. is owned by the sole shareholder of PWC Group Inc., the parent company and sole shareholder of PWC Securities Corp. No rental fees are assessed for the use of the office space.

PWC SECURITIES CORP.

SUPPLEMENTAL SCHEDULES

- I Computation of Net Capital under Rule 15c-3-1 of the Securities and Exchange Commission.
- II Reconciliation of the Audited Net Capital and the Unaudited Net Capital as shown on the Firm's Part IIA Report.
- III Report of Material Inadequacies.

SCHEDULE I

PWC SECURITIES CORP.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
DECEMBER 31, 2003

Net Capital:

Total Stockholders' Equity:	\$ 215,024
Deductions, Charges, and Allowable Credits:	
NASD Warrants	<u>(2,475)</u>
Net Capital before Haircuts on Securities	212,549
Haircuts on Securities	(4,391)
Net Capital	<u><u>\$208,158</u></u>

Aggregate Indebtedness:

Income Taxes Payable	\$ 1,400
Due to PWC Group Inc.	<u>792</u>
Total Aggregate Indebtedness	<u><u>2,192</u></u>
Minimum Net Capital Required	<u>5,000</u>
Excess Net Capital	<u><u>\$ 203,158</u></u>
Ratio: Aggregate Indebtedness to Net Capital	<u><u>.0105 to 1</u></u>

SCHEDULE II

**PWC SECURITIES CORP.
RECONCILIATION OF AUDITED NET CAPITAL
AND THE UNAUDITED NET CAPITAL AS SHOWN
ON THE PART IIA FOCUS REPORT
DECEMBER 31, 2003**

Net Capital per Focus Report	\$ 209,431
Net Capital per the Audited Report	<u>208,158</u>
Difference	<u>\$ 1,273</u>

Note: The above difference is due to the following audit adjustments:

1. Audit adjustment to properly reflect the expiration of
300 NASD warrants. \$825
 2. Audit adjustment to the provision for federal and
state income taxes. 448
- \$ 1,273

SCHEDULE III

**PWC SECURITIES CORP.
REPORT OF MATERIAL INADEQUACIES
DECEMBER 31, 2003**

THERE WERE NO MATERIAL INADEQUACIES FOUND TO EXIST DURING MY
AUDIT OF THE FINANCIAL STATEMENTS OF PWC SECURITIES
CORPORATION FOR THE YEAR ENDED DECEMBER 31, 2003