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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**

SEP 01 2004

SEC FILE NUMBER  
8:41557

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 07/01/03 AND ENDING 06/30/04  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: FN: Anima Enterprises, Inc.  
NN: The Orion Capital Group, Inc.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY  
FIRM I.D. NO.

1 North End Avenue

(No. and Street)

New York  
(City)

New York  
(State)

10282  
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Evan Brown - CEO (212) 857 - 6999  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

M. I. Grossman & Company, L.L.C.  
(Name - if individual, state last, first, middle name)

1496 Morris Avenue  
(Address)

Union  
(City)

New Jersey  
(State)

07083  
(Zip Code)

CHECK ONE:

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

PROCESSED  
SEP 10 2004  
THOMSON  
FINANCIAL

**FOR OFFICIAL USE ONLY**

\*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)

OATH OR AFFIRMATION

I, Evan Brown, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of The Orion Capital Group, Inc., as of June 30, 2004, 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:

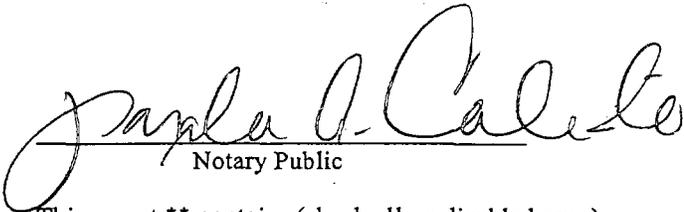
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature

President

Title

  
Notary Public

PAMELA A. CALIENDO  
Notary Public, State of New York  
No. 01CA4851643

Qualified in Kings County  
Commission Expires March 24, 2006

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).

THE ORION CAPITAL GROUP, INC.

FINANCIAL STATEMENTS AND

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED

JUNE 30, 2004

WITH

INDEPENDENT AUDITORS' REPORT

THE ORION CAPITAL GROUP, INC.

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Certified Public Accountants

M. I. GROSSMAN & COMPANY, L.L.C.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Orion Capital Group, Inc.  
1 North End Avenue, Suite 1101  
New York, NY 10282

We have audited the accompanying balance sheet of The Orion Capital Group, Inc. as at June 30, 2004, and the related statements of operations, cash flows, changes in stockholders' equity and changes in liabilities subordinated to claims of general creditors for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 generally accepted auditing standards. 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 The Orion Capital Group, Inc. as at June 30, 2004, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained in Schedules 1, 2, 3 and 4 is presented for purposes 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.

*M. I. Grossman & Company*

M.I. Grossman & Company, L.L.C.  
Certified Public Accountants

August 19, 2004 MORRIS I. GROSSMAN, CPA HENRY S. MILLIN, CPA JACK L. BOCK, CPA

1496 Morris Avenue, Union, New Jersey 07083

033580R6.04Y  
Tel: (908) 687-7740 E-Mail: MIGCPA@MICROSSMAN.COM Fax: (908) 686-6043

THE ORION CAPITAL GROUP, INC.  
BALANCE SHEET  
AS AT JUNE 30, 2004

ASSETS

|                  |                      |
|------------------|----------------------|
| Cash             | \$ <u>57,053</u>     |
| <br>TOTAL ASSETS | <br>\$ <u>57,053</u> |

LIABILITIES AND STOCKHOLDER'S EQUITY

|   |                      |
|---|----------------------|
| Accrued expenses  | \$ 455               |
| <br>Stockholder's Equity:   |                      |
| Common stock - par value \$1.00 per share,<br>1,000 shares authorized, 100 shares<br>issued and outstanding | 100                  |
| Paid in capital   | 122,072              |
| Accumulated deficit   | <u>(65,574)</u>      |
| Total stockholders' equity  | <u>56,598</u>        |
| <br>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY  | <br>\$ <u>57,053</u> |

See accompanying notes and independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 2004

|   |              |                    |
|---|--------------|--------------------|
| Revenues:                                 |              |                    |
| Total revenues                            |              | \$ -0-             |
|   |              |                    |
| General and Administrative expenses:      |              |                    |
| Bank charges                              | \$ 93        |                    |
| Insurance                                 | 519          |                    |
| Professional fees                         | 15,577       |                    |
| Regulatory fees                           | 5,342        |                    |
| Administrative fees                       | <u>6,000</u> |                    |
| Total general and administrative expenses |              | <u>27,531</u>      |
|   |              |                    |
| Net loss for the year                     |              | \$ <u>(27,531)</u> |

See accompanying notes and independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2004

|                                       |                 |
|---------------------------------------|-----------------|
| Cash flows from operating activities: |                 |
| Net loss                              | \$ (27,531)     |
| <br>                                  |                 |
| Cash flows from financing activities: |                 |
| Paid in capital contribution          | <u>21,577</u>   |
| <br>                                  |                 |
| Net decrease in cash                  | (5,954)         |
| <br>                                  |                 |
| Cash, beginning of year               | <u>63,007</u>   |
| <br>                                  |                 |
| Cash, end of year                     | <u>\$57,053</u> |

See accompanying notes and independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
FOR THE YEAR ENDED  
JUNE 30, 2004

|                        | <u>Common<br/>Stock</u> | <u>Additional<br/>Paid-In<br/>Capital</u> | <u>Accumulated<br/>Deficit</u> | <u>Total<br/>Stockholder's<br/>Equity</u> |
|------------------------|-------------------------|---|--------------------------------|---|
| Balances, July 1, 2003 | \$ 100                  | \$100,495                                 | \$(38,043)                     | \$62,552                                  |
| Capital contributions  | -0-                     | 21,577                                    | -0-                            | 21,577                                    |
| Net Loss               | <u>-0-</u>              | <u>-0-</u>                                | <u>(27,531)</u>                | <u>(27,531)</u>                           |
| Balance, June 30, 2004 | <u>\$ 100</u>           | <u>\$122,072</u>                          | <u>\$(65,574)</u>              | <u>\$56,598</u>                           |

See accompanying notes and independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS  
FOR THE YEAR ENDED JUNE 30, 2004

|                             |               |
|-----------------------------|---------------|
| Balance - beginning of year | \$ -0-        |
| Increases                   | <u>-0-</u>    |
| Balance - end of year       | <u>\$ -0-</u> |

See accompanying notes and independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
NOTES TO FINANCIAL STATEMENT  
AS AT JUNE 30, 2004

Note 1 - Organization and Summary of Significant Accounting Policies:

Name Change

The Orion Capital Group, Inc. formerly Anima Enterprises, Inc. changed its name on March 9, 2004

Organization

The Orion Capital Group, Inc. (the "Company") is a broker-dealer registered with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers (NASD) and the Securities Investor Protection Corporation (SIPC).

The Company is a wholly-owned subsidiary of Orion Capital Holdings, L.L.C. Under an agreement between the company and its parent, the parent pays substantially all of the Company's operating expenses.

As at June 30, 2004, the company was in compliance with all minimum capital requirements.

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 these estimates.

Note 2 - Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities and Exchange Commission, the Company is required to maintain a minimum net capital balance and requires that the ratio of aggregate indebtedness to net capital not to exceed 15 to 1. At June 30, 2004, the company had net capital of \$56,598, which was \$51,598 in excess of its minimum dollar net capital requirement of \$5,000.

THE ORION CAPITAL GROUP, INC.  
SUPPLEMENTAL SCHEDULE OF COMPUTATION OF NET CAPITAL  
REQUIREMENTS PURSUANT TO RULE 15c3-3  
AS AT JUNE 30, 2004

Schedule 1

|  |                        |
|--|------------------------|
| Total stockholder's equity                                   | \$56,598               |
| Total capital  | 56,598                 |
| Less: Deductions and/or charges:                             |                        |
| Non-allowable assets   | <u>-0-</u>             |
| Net capital before haircuts on securities positions          | 56,598                 |
| Less: Haircuts on securities                                 | <u>-0-</u>             |
| Net capital  | 56,598                 |
| Less: Greater of 6 2/3% of aggregate indebtedness or \$5,000 | <u>5,000</u>           |
| REMAINDER: Net capital in excess of all requirements         | <u>\$51,598</u>        |
| <u>Aggregate indebtedness</u>                                | \$ <u>458</u> = 0.008% |
| Net capital  | \$56,598               |

We have compared the computation of net capital under Section 240.15C3-1 of the Securities Exchange Act, to your most recent unaudited Part IIA Filing of Form X-17a-5, and found a difference of \$180. The difference was a result of year end closing adjustments which were not considered material.

See independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
SUPPLEMENTAL SCHEDULE OF COMPUTATION FOR DETERMINATION OF RESERVE  
REQUIREMENTS PURSUANT TO RULE 15C3-3  
AS AT JUNE 30, 2004

Schedule 2

The Company is exempt from the computation for determination of reserve requirements in that all customer transactions are cleared through another broker-dealer on a fully disclosed basis.

See independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
SUPPLEMENTAL SCHEDULE OF INFORMATION RELATING TO POSSESSION OR  
CONTROL REQUIREMENTS UNDER RULE 15C3-3  
FOR THE YEAR ENDED JUNE 30, 2004

Schedule 3

We have found no material inadequacies in the accounting system, internal accounting control, and that procedures for safeguarding securities are adequate.

See independent auditors' report.

THE ORION CAPITAL GROUP, INC.  
SUPPLEMENTAL SCHEDULE OF RECONCILIATION PURSUANT TO RULE 17a-5(d); 4  
AS AT JUNE 30, 2004

Schedule 4

The computation of net capital per the audited financial statements as at June 30, 2004, compared to the net capital computed on Form X-17a-5 (Focus Report) differed by \$180. The difference was a result of year end closing adjustments and these are considered normal and ordinary in nature.

See independent auditors' report.

Certified Public Accountants

M. I. GROSSMAN COMPANY, L. L.C.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
REQUIRED BY SEC RULE 17A-5 FOR A BROKER-DEALER  
CLAIMING AN EXEMPTION FROM SEC RULE 15C-3-3

Board of Directors  
The Orion Capital Group, Inc.  
1 North End Avenue, Suite 1101  
New York, NY 10282

In planning and performing our audit of the financial statements and supplementary information of The Orion Capital Group, Inc. for the year ended June 30, 2004, we considered its internal control, including control activities 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.

Also, as required by rule 17A-5(g)(1) of the Securities and 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 15C-3-3. 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 making quarterly securities examinations.

The management of the Company is responsible for establishing and maintaining internal 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 controls 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 internal control 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

(cont'd...)

MORRIS I. GROSSMAN, CPA    HENRY S. MILLIN, CPA    JACK L. BOCK, CPA

1496 Morris Avenue, Union, New Jersey 07083

Tel: (908) 687-7740    E-Mail: MIGCPA@MIGROSSMAN.COM    Fax: (908) 686-6043

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 or the practices and procedures referred to above, error or fraud 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 internal control would not necessarily disclose all matters in internal control 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 components does not reduce to a relatively low level the risk that error or fraud 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 internal control, including control activities 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 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 June 30, 2004, to meet the SEC's objectives.

This report is intended solely for the use of management, the SEC and other regulatory agencies which rely on Rule 17A-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers and should not be used for any other purpose.

*M. I. Grossman & Company*  
M.I. Grossman & Company, L.L.C.  
Certified Public Accountants

August 19, 2004