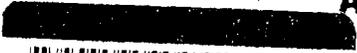


UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: September 30, 1998  
Estimated average burden  
hours per response ... 12.00

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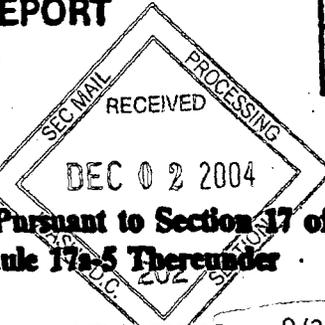
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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

SEC FILE NUMBER  
16190



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 10/1/03 AND ENDING 9/30/04  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

M. ZUCKER, INC.

PROCESSED

OFFICIAL USE ONLY  
FIRM ID. NO.

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

771 WEST END AVE

DEC 10 2004  
THOMSON  
FINANCIAL

(No. and Street)

NEW YORK

NEW YORK

10025

(City)

(State)

(Zip Code)

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

MURRAY ZUCKER

(212)749-6907

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

BRAND SONNENSCHINE LLP, CPA'S

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

377 BROADWAY

NEW YORK

NY

10013

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED  
DEC 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-3(e)(2).

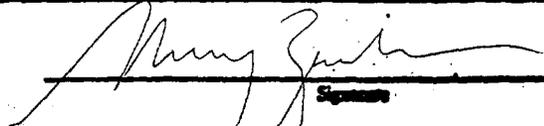
OATH OR AFFIRMATION

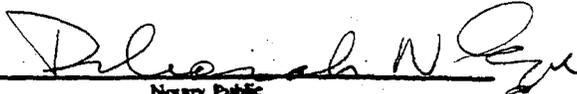
I, MURRAY ZUCKER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of M. ZUCKER, INC., as of

SEPTEMBER 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:

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

Subscribed and affirmed to before me this 30th day of November 2004

  
\_\_\_\_\_  
PRESIDENT  
Title

  
\_\_\_\_\_  
Notary Public

DEBORAH N. ENGEL  
Notary Public, State of New York  
No. 31-4523550  
Qualified in New York County  
Commission Expires June 30, 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 Proprietor's 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 15c3-1 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).

**M. ZUCKER, INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2004**

## TABLE OF CONTENTS

FACING PAGE	
INDEPENDENT AUDITOR'S REPORT	
STATEMENT OF FINANCIAL CONDITION	2
STATEMENT OF INCOME	3
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6
SUPPLEMENTARY SCHEDULES	7



# BRAND SONNENSCHINE LLP

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
M. Zucker, Inc.

We have audited the accompanying statement of financial condition of M. Zucker, Inc. as of September 30, 2004 and the related statements of income, changes in stockholders' equity and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities and 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 audits.

We conducted our audits 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 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 audits provide 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 M. Zucker, Inc. as of September 30, 2004 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II 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 and 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 respect in relation to the basic financial statements taken as a whole.

*Brand Sonnenschine LLP*

November 4, 2004

**M. ZUCKER, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**SEPTEMBER 30, 2004**

**ASSETS**

Cash	\$	1,619
Marketable Securities, at market value		52,724
Dividend receivable		210
Prepaid taxes		<u>790</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>55,343</u></b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Liabilities**

Accounts payable and accrued expenses	\$	8,151
Due to stockholder		<u>150</u>

**Total liabilities**

8,301

**Stockholders' equity**

Common stock, no par value, authorized 200 shares, issued 100 shares		5,000
Additional paid-in-capital		3,000
Retained earnings		<u>39,042</u>

**Total stockholders' equity**

47,042

**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY**

**\$ 55,343**

See accompanying notes to financial statements.

**M. ZUCKER, INC.**  
**STATEMENT OF INCOME**  
**YEAR ENDED SEPTEMBER 30, 2004**

<b>Revenues</b>	
Commissions	\$ 20,414
Interest and dividends	2,494
Unrealized gain on firm's securities account	<u>1,870</u>
	<u>24,778</u>
<b>Expenses</b>	
Officer compensation	6,000
Payroll taxes and benefits	11,395
Regulatory fees	1,389
Other expenses	<u>1,657</u>
	<u>20,441</u>
<b>Earnings before income taxes</b>	4,337
Provision for income taxes	<u>589</u>
<b>NET EARNINGS</b>	\$ <u><u>3,748</u></u>

See accompanying notes to financial statements.

**M. ZUCKER, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**YEAR ENDED SEPTEMBER 30, 2004**

<b>Balance – September 30, 2003</b>	
Common stock	\$ 5,000
Additional paid-in-capital	3,000
Retained earnings	<u>35,294</u>
Total	43,294
Net earnings	<u>3,748</u>
<b>BALANCE – SEPTEMBER 30, 2004</b>	<b>\$ <u>47,042</u></b>

See accompanying notes to financial statements.

**M. ZUCKER, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2003**

**Cash flows from operating activities**

Net earnings	\$ 3,748
Adjustments to reconcile net earnings to net cash provided by operating activities:	
Investment gains	(1,870)
<b>(Increase) decrease in assets</b>	
Receivables	(210)
Prepaid expenses	134
<b>Increase (decrease) in liabilities</b>	
Accounts payable and accrued expenses	<u>(950)</u>
<b>Net cash used in operating activities</b>	<u>852</u>

**Cash flows from financing activities**

Loans from stockholders	<u>(1,850)</u>
<b>Net cash provided by financing activities</b>	<u>(1,850)</u>

**NET DECREASE IN CASH**

(998)

Cash – September 30, 2003

2,617

**CASH – SEPTEMBER 30, 2004**

\$ 1,619

Supplemental disclosures of cash flows information

Cash paid during the year for:

Income taxes	\$ 455
--------------	--------

See accompanying notes to financial statements.

**M. ZUCKER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2004**

**NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS**

The Company was organized in the state of New York in October 1970. The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). It is engaged solely in the sale of mutual funds and variable annuities.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

Securities owned – Securities owned are held for investment. Marketable securities are valued at market value. Not readily marketable securities are valued at fair value as determined by management.

Statement of cash flows – For purposes of the statement of cash flows, the company defines cash equivalents as highly liquid investments, with original maturities of less than ninety days.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

**NOTE 3 – SECURITIES OWNED**

Marketable securities consist of mutual funds only.

**NOTE 4 – NET CAPITAL REQUIREMENT**

The company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1). Since the Company is engaged only in the sale of mutual funds and variable annuities and does not handle customer funds and securities, it must maintain a minimum net capital of \$5000.

**M. ZUCKER, INC.**  
**SUPPLEMENTARY SCHEDULE I**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1 OF THE**  
**SECURITIES AND EXCHANGE COMMISSION**  
**SEPTEMBER 30, 2004**

<b>Net capital</b>	
Total stockholders' equity	\$ 47,042
Deductions for non-allowable assets	<u>790</u>
Net capital before haircuts on securities positions	46,252
Haircuts on securities owned	<u>7,909</u>
<b>Net capital</b>	<b>\$ <u>38,343</u></b>
<b>Aggregate indebtedness</b>	
Items included in statement of financial condition:	
Accounts payable and other liabilities	\$ <u>8,301</u>
Total aggregate indebtedness	\$ <u>8,301</u>
<b>Computation of basic net capital requirements</b>	
Minimum net capital required	\$ <u>553</u>
Minimum dollar net capital requirement	\$ <u>5,000</u>
Net capital requirement (greater of above)	\$ <u>5,000</u>
Excess net capital	\$ <u>33,343</u>
Excess net capital at 1,000 percent	\$ <u>37,513</u>
Percentage of aggregate indebtedness to net capital	<u>21.65%</u>
<b>Reconciliation with company's computation ( included in part IIA of Form X-17A-5 as of September 30, 2003)</b>	
Net capital, as reported in Company's Part IIA (unaudited) FOCUS report	38,343
Net capital per above	38,343

See accompanying notes to financial statements.

**M. ZUCKER, INC.**  
**SUPPLEMENTARY SCHEDULE II**  
**STATEMENT REGARDING NON-APPLICABILITY OF ITEMS**  
**(I) AND (J) ON PAGE 2 OF THE FACING SHEET**  
**YEAR ENDED SEPTEMBER 30, 2004**

The Company's income is derived solely from the sale of mutual funds and variable annuities. It does not carry margin accounts or extend credit for customers, and it does not hold securities for the account of its customers.



BRAND SONNENSCHINE LLP  
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON MATERIAL INADEQUACIES

Board of Directors of  
M. Zucker, Inc.

We have examined the financial statements and related schedules of M. Zucker, Inc. as of September 30, 2004 and have issued our report thereon dated November 4, 2004.

In connection with our audit we found no material inadequacies to exist since the date of our last audit.

*Brand Sonnenschine LLP*

November 4, 2004