

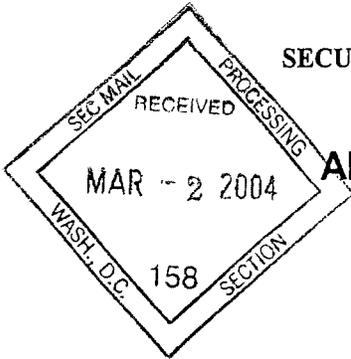
50
3-22-04



SECURITIES AND COMMISSION
Washington, D.C.

VF 3-17-04 ~~PK~~

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- 43559

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:

TRADITION ASIEL SECURITIES, INC.

OFFICIAL USE ONLY

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

75 PARK PLACE, 4TH FLOOR

FIRM ID. NO.

NEW YORK

(No. and Street)

NY

10007

(City)

(State)

(Zip Code)

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

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernst & Young LLP

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

5 Times Square

New York

NY

10036

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

FOR OFFICIAL USE ONLY

MAR 31 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).

OATH OR AFFIRMATION

I, Judith A. Ricciardi, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Tradition Asiel Securities, Inc, as of December 31, 20 03, 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:

Judith A. Ricciardi
Signature
FINOP
Title

Lyudmila Fayman
Notary Public

LYUDMILA FAYMAN
Notary Public, State of New York
No. 01FA6030084
Qualified in Nassau County
Commission Expires Sept. 7, 2005

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 or Creditors.
- (g) Computation of Net Capital.
- (h) Statement Regarding 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 or 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.
- (o) Statement regarding SEC Rule 15c3-3.
- (p) Supplementary report of Independent Auditors on Internal Control.

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

CONSOLIDATED STATEMENT OF FINANCIAL CONDITION AND
SUPPLEMENTAL INFORMATION

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

December 31, 2003
with Report of Independent Auditors

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Consolidated Statement of Financial Condition

December 31, 2003

Contents

Report of Independent Auditors	1
Consolidated Statement of Financial Condition.....	2
Notes to Consolidated Statement of Financial Condition.....	3
Supplemental Information	
Computation of Net Capital Pursuant to Rule 15c3-1	13

Report of Independent Auditors

To the Board of Directors of
Tradition Asiel Securities Inc. and Subsidiary

We have audited the accompanying consolidated statement of financial condition of Tradition Asiel Securities Inc. and Subsidiary (the "Company") (a wholly-owned subsidiary of Tradition (North America) Inc.) as of December 31, 2003. This consolidated statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this consolidated statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated statement of financial condition referred to above presents fairly, in all material respects, the consolidated statement of financial condition of Tradition Asiel Securities Inc. and Subsidiary at December 31, 2003 in conformity with accounting principles generally accepted in the United States.

The supplemental information is presented for purposes of additional analysis and is not a required part of the basic consolidated statement of financial condition. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated statement of financial condition and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated statement of financial condition taken as a whole.

Ernst & Young LLP

February 25, 2004

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Consolidated Statement of Financial Condition

December 31, 2003

Assets

Cash and cash equivalents (includes \$247,020 of cash segregated under federal and other regulations)	\$ 12,990,745
Receivable from brokers, dealers and clearing organizations	51,209,935
Securities owned, at market value	2,247,524
Commissions receivable, net of allowance of \$ 26,828	6,780,570
Deposits at clearing broker and clearing organizations	12,140,290
Due from Parent	7,514,032
Employee loans receivable, net of allowance of \$ 57,500	896,494
Other assets	1,079,958
Total assets	<u>\$ 94,859,548</u>

Liabilities and stockholder's equity

Liabilities:

Accounts payable and accrued expenses	\$ 6,381,239
Payable to brokers and dealers	42,545,034
Securities sold, not yet purchased, at market value	684,109
Collateralized bank loans	8,089,000
Due to affiliate	1,529,026
Total liabilities	<u>59,228,408</u>
 Subordinated loan	 <u>5,000,000</u>
 Stockholder's equity	 <u>30,631,140</u>
Total liabilities and stockholder's equity	<u>\$ 94,859,548</u>

See notes to consolidated statement of financial condition.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition

December 31, 2003

1. Organization

Tradition Asiel Securities Inc. ("TAS") is a Delaware corporation and a wholly owned subsidiary of Tradition (North America) Inc. (the "Parent"), which is in turn a wholly-owned subsidiary of Compagnie Financiere Tradition ("CFT"), a company organized in Switzerland. TAS is registered as a broker-dealer under Section 15(b) of the Securities Exchange Act of 1934 and is a member of the New York Stock Exchange, Inc. ("NYSE"), the American Stock Exchange ("AMEX"), and the National Association of Securities Dealers, Inc. ("NASD"). The NYSE is the firm's Self Regulatory Organization.

TAS is a broker of United States Government Treasuries and repurchase agreements, emerging market bonds and repurchase agreements, mortgage backed securities, corporate fixed income securities, money market instruments, equity, equity arbitrage, equity and index options, and municipal bonds.

TAS self-clears certain transactions, necessitating membership in the National Securities Clearing Corporation, the Depository Trust Company, the Options Clearing Corporation, and the Fixed Income Clearing Corporation ("FICC"). TAS is also a member of the Emerging Market Traders Association. TAS does not carry customer accounts or perform custodial functions related to customer securities. Other trades are conducted on an agency or riskless principal basis and are introduced on a fully disclosed basis to its clearing brokers. Accordingly, open customer transactions are not reflected in the accompanying consolidated statement of financial condition.

The consolidated statement of financial condition include the accounts of the Company and its wholly-owned subsidiary, Tradition (Global Clearing), Inc. ("TGC"). TGC is a clearing broker/dealer registered with the Securities and Exchange Commission ("SEC"), and the NASD. TGC's exclusive function is to facilitate the clearing for an affiliate.

2. Significant Accounting Policies

All significant inter-company accounts and transactions have been eliminated for purposes of consolidation. For the purposes of these consolidated statement of financial condition, the Company and TGC will be referred to as "the Company" unless otherwise identified.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

2. Significant Accounting Policies (continued)

The preparation of the consolidated statement of financial condition in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated statement of financial condition and accompanying notes. Management believes that the estimates utilized in preparing its consolidated statement of financial condition are reasonable and prudent; however, actual results could differ from those estimates.

The Company considers money market funds, which maintain a net asset value of \$1.00 and other highly liquid investments with original maturities of three months or less as cash equivalents.

All securities transactions and commissions are recorded on a trade date basis.

Marketable securities are valued using quoted market prices on an active exchange.

Securities borrowed and securities loaned transactions are recorded at the amount of cash collateral advanced or received. Securities borrowed transactions require the Company to deposit cash or other collateral with the lender. With respect to securities loaned, the Company receives collateral in the form of cash in an amount generally in excess of the market value of the securities loaned. The Company monitors the market value of the securities borrowed and loaned on a daily basis, with additional collateral obtained or refunded as necessary.

Goodwill of \$375,000 is included in other assets on the consolidated statement of financial condition. Goodwill was recorded in connection with the purchase of the assets of Asiel & Co LLC effective June 30, 2000.

In June 2001, the Financial Accounting Standards Board ("FASB") issued Statements of Financial Accounting Standard ("SFAS") No. 141, *Business Combinations*, and SFAS No. 142, *Goodwill and Other Intangible Assets*. Statement 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. SFAS 142 prohibits the amortization of goodwill and intangible assets with indefinite useful lives.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

2. Significant Accounting Policies (continued)

SFAS 142 requires that these assets be reviewed for impairment at least annually. Intangible assets with finite lives will continue to be amortized over their estimated useful lives. The Company adopted the provisions of SFAS No. 142 on January 1, 2002. SFAS No. 142 required the Company to perform an assessment of whether there was an indication that the remaining goodwill was impaired as of the date of adoption. The Company completed its reassessment of all its existing goodwill as of December 31, 2003 and has determined that goodwill has not been impaired.

3. Related Party Transactions

The Company is charged for facilities and other services provided by its Parent on a monthly basis in accordance with an inter-company arrangement which is subject to renegotiation on an annual basis. The Company conducts business with an affiliated entity for which the Company executes certain transactions.

Due from Parent on the accompanying consolidated statement of financial condition primarily includes non-interest bearing cash advances and are due on demand.

Due to affiliate consists of cash on deposit with a clearing organization on behalf of the affiliate.

On December 23, 2002, TAS entered into a subordinated loan agreement with its Parent in the amount of \$5 million. This loan bears interest annually at LIBOR (1.16% at December 31, 2003) and matures December 31, 2005. This loan is subject to the claims of general creditors and has been approved by the NYSE for inclusion as equity in computing TAS' net capital pursuant to the Securities and Exchange Commission's uniform net capital rule. To the extent that such borrowings are required for TAS's continued compliance with minimum net capital requirements, they may not be repaid.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

4. Deposits at Clearing Broker and Clearing Organizations

The Company is required to maintain deposits at the clearing broker and clearing organizations in order to conduct its business. At December 31, 2003, deposits at the clearing broker and clearing organizations consist of cash of approximately \$4,794,000; U.S. Treasury Bills and certificates of deposit with a total market value of approximately \$4,817,000 including accrued interest; and the United States dollar value of foreign currencies totaling approximately \$2,529,000. The foreign currency amounts were translated at year-end exchange rates.

5. Receivable from and Payable to Brokers, Dealers and Clearing Organizations

Amounts receivable from and payable to brokers, dealers and clearing organizations at December 31, 2003 are comprised of the following:

	<u>Receivable</u>	<u>Payable</u>
Securities failed-to-deliver/receive	\$ 44,424,479	\$ 42,205,572
Securities borrowed/loaned	250,500	-
Receivable from/payable to clearing organizations	6,534,956	-
Other	-	339,462
Total	<u>\$ 51,209,935</u>	<u>\$ 42,545,034</u>

6. Cash Segregated under Federal and Other Regulations

As a clearing broker-dealer, the Company has elected to compute a reserve requirement for Proprietary Accounts of Introducing Broker-Dealers ("PAIB Calculation"), as defined. The PAIB calculation is completed in order for each correspondent firm that uses the Company as its clearing broker-dealer to classify its assets held by the Company as allowable assets in the correspondents' net capital calculation. The Company maintains a separate reserve bank account for PAIB. The reserve requirement, as computed, totaled \$247,020 at December 31, 2003, all of which is included in cash and is on deposit in a special reserve bank account as of December 31, 2003.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

7. Securities Owned and Securities Sold, Not Yet Purchased

Securities owned and securities sold, not yet purchased at December 31, 2003 include the following:

	<u>Securities Owned</u>	<u>Securities Sold, not yet Purchased</u>
Corporate bonds	\$ 618,434	\$ 162,790
Government securities	32,139	-
Equities	1,596,951	476,795
Options	-	44,525
Total	<u>\$ 2,247,524</u>	<u>\$ 684,109</u>

Securities sold, not yet purchased commit the Company to deliver specified securities at predetermined prices, and thereby create a liability to purchase the security in the market at prevailing market prices. Accordingly, these transactions result in off-balance sheet risk, as the Company's ultimate obligation to satisfy the sale of securities sold, not yet purchased may exceed the amounts reflected in the consolidated statement of financial condition.

8. Collateralized Bank Loans

Short-term bank loans are fully collateralized by securities owned and certain securities held in custody awaiting delivery, with a market value of approximately \$8,089,000 and bear interest at rates between 1.5% and 1.75% at December 31, 2003.

9. Employee Benefits

The Company participates in the Parent's defined contribution plan ("the Plan") covering substantially all employees who qualify as to age, length of service, and employment date. The Company contributes 40 cents for every dollar of each participant's contributions up to 6% of the employee's salary within the IRS limits of \$11,000.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

10. Income Taxes

The Company accounts for income taxes in accordance with the liability method as required by Statement of Financial Accounting Standard (SFAS) No. 109, "Accounting for Income Taxes". Under the liability method, tax rates are applied to cumulative temporary differences based on which and how they are expected to affect the tax return. Deferred tax assets and liabilities are adjusted for tax rate changes.

The Company is included in the consolidated federal and combined state and local income tax returns of the Parent. The Company calculates its income tax expense as though it filed a separate tax return.

11. Net Capital Requirements

TAS is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (15c3-1), ("the Rule") which specifies, among other requirements, minimum net capital requirements for registered broker-dealers. TAS elected to compute its net capital under the alternative method, permitted by the Rule, which requires TAS to maintain minimum net capital, as defined, of \$250,000. The Rule provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital would be less than 120 percent of the minimum net capital requirement. In addition, certain advances, payments of dividends and other equity withdrawals are subject to certain notification provisions of the Rule. At December 31, 2003, TAS had net capital of approximately \$21.9 million which was approximately \$21.6 million, including flow-through capital benefits as described below, in excess of the required net capital on a consolidated basis.

Under the clearing arrangement with the clearing brokers, TAS is required to maintain certain minimum levels of net capital and comply with other financial ratio requirements. At December 31, 2003, TAS was in compliance with all such requirements

TAS is including flow-through capital from TGC in its net capital computation computed on a consolidated basis (see Note 16). The amount of flow-through capital benefits that a parent/broker-dealer may receive from broker-dealer subsidiaries has certain restrictions as prescribed in the Rule. At December 31, 2003, the amount of flow-through capital benefits that TAS may receive from TGC is approximately \$2.1 million in net capital and \$1.8 million in excess net capital.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

11. Net Capital Requirements (continued)

TGC is also subject to the Rule and also elected to compute its net capital under the alternative method. At December 31, 2003, TGC had net capital of approximately \$2.1 million, which was approximately \$1.8 million in excess of its required net capital of \$250,000.

Neither TAS nor TGC carries the accounts of its customers, and accordingly, they are exempt from SEC Rule 15c3-3.

12. Commitments and Contingencies

As of December 31, 2002, the Company had future minimum rental commitments under operating and equipment leases as follows:

	<u>Minimum Rentals</u>
Year:	
2004	\$ 2,013,181
2005	1,542,621
2006	1,496,885
2007	1,446,867
2008	1,299,650
Thereafter	758,129
Total	<u>\$ 8,557,333</u>

The operating lease expires in July 2009 and is subject to escalations. The equipment lease expires in 2007.

The Company has obtained an unsecured letter of credit in the amount of \$600,000, expiring July 21, 2004, for the benefit of its landlord to satisfy a security deposit requirement.

The Company has satisfied margin requirements with clearing organizations with unsecured letters of credit totaling \$3.1 million.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

12. Commitments and Contingencies (continued)

The Company and its Parent have been named a defendant in certain lawsuits and other legal proceedings. After considering all relevant facts and advice of outside counsel, in the opinion of management, such litigation will not, in the aggregate, have a material adverse effect on the Company's financial position or results of operations. The Parent as agreed to indemnify the Company of all liabilities resulting from these lawsuits and other legal proceedings.

13. Financial Instruments with Off-Balance Sheet Risk, Concentration of Credit Risk, and Derivative Contracts

In the normal course of business, the Company purchases and sells securities as both principal and agent. If another party to the transaction fails to fulfill its contractual obligation, the Company may incur a loss if the market value of the security is different from the contract amount of the transaction.

In addition, the Company will enter into a matched transaction to purchase and sell securities, however, the Company may not be able to deliver the securities in the manner requested by the buyer. In this instance, the Company will deliver the securities to the buyer when the total amount has been aggregated.

The Company's policy is to continually monitor its market exposure and counterparty risk. The Company does not anticipate nonperformance by counterparties and maintains a policy of reviewing the credit standing of all parties with which it conducts business.

In the normal course of business, the Company obtains securities under securities borrow agreements on terms which permit it to re-pledge or resell the securities to others. At December 31, 2003, the Company obtained securities with a fair value of approximately \$251,000 on such terms, substantially all of which have been either pledged or otherwise transferred to others in connection with the Company's financing activities or to satisfy its commitments under proprietary short sales.

Commissions receivable represent amounts due from clearing brokers and customers, which primarily consist of securities firms. The Company's policy is to monitor the credit standing of each customer with which it conducts business.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

13. Financial Instruments with Off-Balance Sheet Risk, Concentration of Credit Risk, and Derivative Contracts (continued)

For transactions in which the Company, through the clearing brokers, extends credit to customers, the Company seeks to control the risks associated with these activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. The Company and the clearing brokers monitor required margin levels daily and, pursuant to such guidelines, request customers to deposit additional collateral or reduce securities positions when necessary.

The Company has agreed to indemnify its clearing brokers for losses that they may sustain from the customer accounts introduced by the Company. At December 31, 2003, there were no amounts to be indemnified to the clearing brokers for these transactions.

14. Guarantees

The Company applies the provisions of the Financial Accounting Standards Board's Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45") which provides accounting and disclosure requirements for certain guarantees.

As described in Note 13, the Company has agreed to indemnify its clearing brokers for losses that it may sustain from the customer accounts introduced by the Company. In accordance with applicable margin lending practices, customer balances are typically collateralized by customer securities or supported by other types of recourse provisions. The Company has determined that it is not possible to develop an estimate of the maximum payout under these guarantees. As such, the Company has not recorded any liabilities in the statement of financial condition as of December 31, 2003 related to these arrangements and believes that it is not probable that it will have to make material payments pursuant to such arrangements. Unsettled trades at December 31, 2003 were settled without any losses.

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Notes to Consolidated Statement of Financial Condition (continued)

15. Estimated Fair Value of Financial Instruments

SFAS No. 107, "Disclosure about Fair Value of Financial Instruments," requires the disclosure of the fair value of financial instruments, including assets and liabilities recognized in the consolidated statement of financial condition. Management estimates that the aggregate net fair value of financial instruments recognized in the consolidated statement of financial condition (including receivables and payables), approximates their carrying value, as financial instruments are short-term in nature, or carry floating rates of interest.

16. Consolidated Subsidiary

At December 31, 2003, TAS's consolidated subsidiary has total assets and stockholder's equity of approximately \$3,632,000 and \$2,103,000, respectively.

The Net Capital of the broker-dealer subsidiary is included as capital in computing the TAS's net capital, because the assets of the subsidiary are readily available for the protection of customers, broker-dealers, and other creditors, as permitted by rule 15c3-1 (see Note 11).

Supplemental Information

Tradition Asiel Securities Inc. and Subsidiary
(a wholly-owned subsidiary of Tradition (North America) Inc.)

Computation of Net Capital Pursuant to Rule 15c3-1
of the Securities and Exchange Commission

December 31, 2003

Computation of net capital		
Total stockholder's equity		\$ 30,631,140
Additions		
Liabilities subordinated to claims of general creditors allowable in computation of net capital		5,000,000
Flow through capital of subsidiary		1,774,524
		37,405,664
Total Capital and allowable subordinated liabilities		
Nonallowable assets, deductions and/or charges		
Nonallowable assets		
Commissions receivable over 30 days	\$ 3,571,254	
Due from Parent and affiliate	7,514,032	
Investment in subsidiary	2,103,164	
Employee loans receivable	896,494	
Other assets	538,755	
Aged fails-to-deliver	290,074	
Other—fidelity bond	2,174	
Total nonallowable assets, deductions and/or charges		14,915,947
Net capital before haircuts		22,489,717
Haircuts on securities positions		562,903
Net capital		\$ 21,926,814
Computation of alternative net capital requirement		
Minimum net capital required		\$ 250,000
Total		\$ 250,000
Excess net capital		\$ 21,676,814

There were no material differences between the audited Computation of Net Capital included in the above report and the corresponding schedule included in the Company's unaudited December 31, 2003 Part II FOCUS filing.