

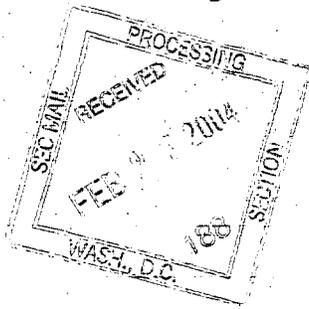
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MISSION

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

SEC FILE NUMBER  
 8-18291

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 January 1, 2003 AND ENDING December 31, 2003  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Gordon, Haskett & Co.

OFFICIAL USE ONLY  
 FIRM I.D. NO.

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

71 Arch Street

(No. and Street)

Greenwich,

CT

06830

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Allan S. Gordon 203-862-5100

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

TODMAN & CO., CPAs, P.C.

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

120 Broadway,

New York,

NY

10271

(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 25 2004**

**FOR OFFICIAL USE ONLY**

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, Allan S. Gordon, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Gordon, Haskett & Co., 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:

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

Allan S. Gordon  
Signature  
GENERAL PARTNER  
Title

Ellen J. Kost  
Notary Public

ELLEN J. KOST  
Notary Public, State of Connecticut  
Commission Expires 6/30/06

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).

**GORDON, HASKETT & CO.  
(A PARTNERSHIP)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2003**

# TODMAN & Co., CPAs, P.C.

Certified Public Accountants and Business Consultants  
An Affiliate of TRIJEN ROSENBERG

120 Broadway  
New York, NY 10271  
TEL. (212) 962-5930  
FAX (212) 385-0215

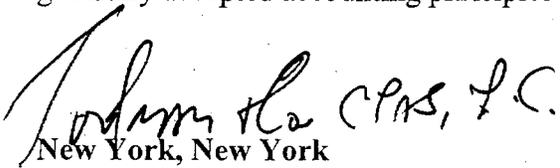
## INDEPENDENT AUDITORS' REPORT

To the Partners of  
**Gordon, Haskett & Co.**  
71 Arch Street  
Greenwich, CT 06830

We have audited the accompanying statement of financial condition of Gordon, Haskett & Co. (A Partnership) as of December 31, 2003. This financial statement is the responsibility of the Partnership's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Gordon, Haskett & Co. (A Partnership) as of December 31, 2003, in conformity with U.S. generally accepted accounting principles.

  
New York, New York  
February 23, 2004

**GORDON, HASKETT & CO.**  
**(A PARTNERSHIP)**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2003**

**ASSETS**

Cash and cash equivalents	\$ 44,174
Receivables from brokers and dealers	1,531
Securities owned, at market value	
U.S. Treasury bills and notes	1,258,594
Stock	745
Exchange membership, at cost	
(approximate market value \$2,000,000)	155,000
Security deposit	<u>3,300</u>
 Total assets	 <u>\$ 1,463,344</u>

**LIABILITIES AND PARTNERSHIP CAPITAL**

Accounts payable and accrued liabilities	\$ 24,900
 Commitments and contingencies	
 Partnership capital	 <u>1,438,444</u>
 Total liabilities and partnership capital	 <u>\$ 1,463,344</u>

The accompanying notes are an integral part of these financial statements.

**GORDON, HASKETT & CO.**  
**(A PARTNERSHIP)**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

**Note 1 - Nature of Business and Summary of Significant Accounting Policies**

**(a) Nature of Business**

Gordon, Haskett & Co. (the "Partnership") is primarily engaged in buying and selling securities as a securities broker. The Partnership also provides consulting, research and financial services to various institutions. The Partnership, like other securities entities, is affected by economic and political conditions.

The Partnership operates under the provisions of Paragraph (k)(2)(ii) of rule 15c3-3 of the Securities and Exchange Commission ("SEC") and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provides that the Partnership clears all transactions on behalf of customers on a fully-disclosed basis with a clearing broker-dealer, and promptly transmits all customer funds and securities to the clearing broker-dealer. The clearing broker-dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker-dealer.

**(b) Basis of Accounting**

Securities transactions (and related revenues and expenses) are reflected in the financial statements on a settlement date basis. There is no material difference between the trade and settlement dates. The Partnership trading and investment accounts are valued at market and the resulting unrealized gains and losses are reflected in earnings.

**(c) Cash Equivalents**

For purposes of the statement of cash flows, the Partnership has defined cash equivalents as short-term money market funds, highly-liquid debt instruments purchased with a maturity of three months or less, other than securities held for sale in the ordinary course of business.

**(d) Income Taxes**

No provision has been made for income taxes, since each partner is liable for his proportionate share of income taxes on partnership income.

**(e) Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

**Note 2 - Net Capital Requirement**

The Partnership's minimum net capital requirement under rule 15c3-1 of the SEC was \$50,000, whereas the net capital as computed was \$1,279,312, leaving an excess net capital of \$1,229,312. The capital ratio computed was 2%, versus an allowable maximum of 1500%.

**GORDON, HASKETT & CO.**  
**(A PARTNERSHIP)**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2003**

**Note 3 - Related Party Transactions**

- (a) The Partnership engaged an affiliated partnership to provide computer and other professional services. The partners of the Partnership are also partners in this entity. For the year ended December 31, 2003, payments of \$55,000 were made to this entity.
- (b) The Partnership incurred and paid \$1,115,000 of marketing fees to an entity which is 100% owned by one of the partners for the year ended December 31, 2003.

**Note 4 - Commitments and Contingencies**

(a) **Lease**

The Partnership occupies office space under a sublease agreement expiring January 31, 2004, with annual rentals, plus its share of utility costs. The Partnership is currently on a month-to-month basis with the landlord, a related party, at \$5,000 per month.

Office rent expense for the year ended December 31, 2003, included in general and administrative expenses, was approximately \$57,000.

(b) **Sales and Use Tax Assessment**

During September 2003, the Partnership settled state sales and use tax assessments for the period from January 1, 1994 through December 31, 1996, for approximately \$3,500 including interest.

**Note 5 - Financial Instruments with Off-Balance-Sheet Credit Risk**

As a securities broker, the Partnership is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Partnership's transactions are collateralized and are executed with and on behalf of banks, brokers and dealers and other financial institutions. The Partnership introduces these transactions for clearance to another broker-dealer on a fully-disclosed basis.

The Partnership's exposure to credit risk associated with nonperformance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets, which may impair customers' ability to satisfy their obligations to the Partnership and the Partnership's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Partnership and its clearing broker provides that the Partnership is obligated to assume any exposure related to such nonperformance by its customers.

The Partnership seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Partnership monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

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A copy of the Partnership's statement of financial condition, as at December 31, 2003, pursuant to SEC rule 17a-5, is available for examination at the Partnership's main office and at the regional office of the SEC.