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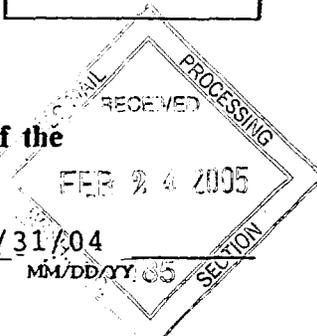
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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

SEC FILE NUMBER
8-22589

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 01/01/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: P. R. HERZIG & CO., INC.

OFFICIAL USE ONLY
FIRM ID. NO.

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

ONE EXPRESSWAY PLAZA, SUITE 200

(No. and Street)

ROSLYN HEIGHTS

NY

11577

(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*

ERE LLP

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

440 PARK AVENUE SOUTH

NEW YORK

NY

10016

(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 11 2005
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, THOMAS HERZIG, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of P.R. HERZIG & CO., INC., as of DECEMBER 31, 20 04, 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:

ARTHUR S. PESNER
Notary Public, State of New York
No. 01PE5063292
Qualified in Nassau County
Commission Expires July 15, 20 06

Arthur S. Pesner 2/20/05
Notary Public

Thomas Herzig
Signature
PRESIDENT
Title

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).

P. R. HERZIG & CO., INC.
AUDITED ANNUAL REPORT
DECEMBER 31, 2004

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INDEPENDENT AUDITOR'S REPORT

Officers and Stockholders'
P. R. Herzig & Co., Inc.

We have audited the accompanying statement of financial condition of P.R. Herzig & Co., Inc. as of December 31, 2004, and the related statements of operations, changes in stockholders' equity and cash flows for the year then ended. 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 in the United States of America. 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.

We did not find any material inadequacies in the accounting system, internal accounting control and procedures for safeguarding securities.

The above firm claims specific exemptions from Rule 15C3-3 of the Securities and Exchange Commission.

We have reviewed the necessary records and have determined that the firm is in compliance with the exemption provision of 15c3-3.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of P.R. Herzig & Co., Inc. as of December 31, 2004, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles 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 Schedule I 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 of the Securities and Exchange Commission. 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 basis financial statements taken as a whole.

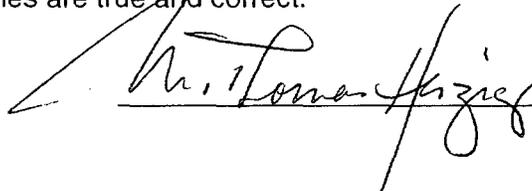
ERE LLP

February 7, 2005

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

Thomas Herzig being duly sworn deposes and says:

1. That he is an officer in the firm of P.R. Herzig & Co., Inc.
2. That he has examined the attached Financial Statements and supporting schedules as of December 31, 2004 and to the best of his knowledge and belief, the financial statement and supporting schedules are true and correct.

 (L.S.)

Sworn to before me this
22nd day of February 2005

ARTHUR S. PESNER
Notary Public, State of New York
No. 01PE5063292
Qualified in Nassau County
Commission Expires July 15, 2006



NOTARY PUBLIC

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

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

Form
 X-17A-5

FOCUS REPORT
 (Financial and Operational Combined Uniform Single Report)
PART II 11

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a) 16 2) Rule 17a-5(b) 17 3) Rule 17a-11 18
 4) Special request by designated examining authority 19 5) Other 26

NAME OF BROKER-DEALER

P.R. HERZIG & CO., INC. 13

SEC FILE NO.

8-22589 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

ONE EXPRESSWAY PLAZA, SUITE 200 20

(No. and Street)

ROSLYN HEIGHTS 21 NY 22 11577 23

(City)

(State)

(Zip Code)

FIRM I.D. NO.

13-2919194 15

FOR PERIOD BEGINNING (MM/DD/YY)

01/01/04 24

AND ENDING (MM/DD/YY)

12/31/04 25

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

ARTHUR PESNER 30

(Area Code)—Telephone No.

516-621-0200 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

- 32
34
36
38

OFFICIAL USE

- 33
35
37
39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41
 CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 19____
 Manual signatures of:

- 1) _____
 Principal Executive Officer or Managing Partner
 2) _____
 Principal Financial Officer or Partner
 3) _____
 Principal Operations Officer or Partner

ATTENTION—Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

ERE LLP

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report
 NAME (If individual, state last, first, middle name)

70

ADDRESS
 440 PARK AVENUE SOUTH 71 NEW YORK 72 NY 73 10016 74
 Number and Street City State Zip Code

CHECK ONE

- Certified Public Accountant 75
- Public Accountant 76
- Accountant not resident in United States or any of its possessions 77

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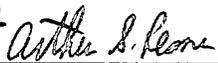
This is to confirm that the 2004 annual statements and operational reports filed with the NASD by P.R. Herzig & Co., Inc. have been made available to all members of the firm.


THOMAS HERZIG L.S.

Sworn to before me this,

22nd day of February 2005

ARTHUR S. PESNER
Notary Public, State of New York
No. 01PE5063292
Qualified in Nassau County
Commission Expires July 15, 2006



NOTARY PUBLIC

P.R. HERZIG & CO., INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2004

ASSETS

Cash	\$ 257,801
Securities – at market	3,019,719
Deposits	48,193
Loans receivable	89,000
Prepaid expense	115
Property and equipment, net of accumulated depreciation of \$24,841	34,101
Commissions receivable	<u>113,673</u>
Total Assets	<u>\$3,562,602</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:	
Due to broker	\$ 663,244
Accounts payable and accrued expenses	68,140
Due to estate of former shareholder	<u>256,719</u>
Total Liabilities	<u>988,103</u>
Shareholders' equity:	
Common Stock: authorized 500 shares no par value, 200 shares issued and outstanding	100,000
Retained earnings	<u>2,474,499</u>
Total Shareholders' Equity	<u>2,574,499</u>
Total Liabilities and Shareholders' Equity	<u>\$3,562,602</u>

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

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

Note 1 – Organization and Significant Accounting Policies:

Organization:

The Company is a broker-dealer registered with the Security and Exchange Commission (SEC) and is a member of NASD.

Security Transactions:

Security transactions are recorded on a trade date basis.

The Company clears all transactions on a fully disclosed basis with a clearing broker. They promptly transmit all funds and deliver all securities to the clearing broker. They do not hold funds or securities for or owe money or securities to customers.

Cash and Cash Equivalents:

For financial statement purposes, the Company considers all highly liquid debt instruments purchased with original maturity of three months or less to be cash equivalents.

Property and Equipment:

Property and equipment, at cost, consists of the following at December 31, 2004

		<u>Estimated Useful Life</u>
Equipment	\$ 28,236	5-7 Years
Leasehold improvement	<u>30,706</u>	39 Years
	58,942	
Less: accumulated depreciation and amortization	<u>(24,841)</u>	
	<u>\$ 34,101</u>	

Depreciation and amortization expense for the year ended December 31, 2004 was \$4,583.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

Note 1 – Organization and Significant Accounting Policies (Continued):

Investments:

Investments are classified as trading securities and are valued at market value.

Use of Estimates:

The preparation of financial statements in conformity with 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. Actual results could differ from those estimated.

Note 2 – Commitments and Contingencies:

Leases:

Effective February 1, 2002, the corporation executed a new lease for space in Roslyn Heights, New York. The terms of the agreement call for 5 year period ending January 31, 2007. The future minimum lease payments are as follows:

<u>For The Year Ending December 31,</u>	
2005	\$118,272
2006	122,606
2007	<u>10,217</u>
	<u>\$251,095</u>

The rent expense for 2004 was \$113,370.

The above is subject to escalation due to increases in real estate taxes.

Profit Sharing Plan:

The Company has a profit-sharing plan that covers all qualified employees. Contributions to the plan are at the discretion of the Board of Directors. For the year 2004, a 10% contribution was accrued for qualified employees in the amount of \$43,140.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

Note 3 – Securities:

Securities at December 31, 2004 are as follows:

Equity securities, at cost	\$3,126,455
Net unrealized loss	<u>(106,737)</u>
Fair market value	<u>\$3,019,718</u>

Note 4 – Due to Estate of Former Shareholder

Upon the death of an officer on February 2004, the liability due to him was passed on to his estate.