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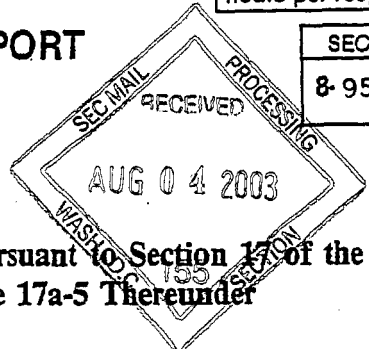
STATES
CHANGE COMMISSION
Washington, D.C. 20549

UF 8-6-03

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

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

SEC FILE NUMBER
8-9545



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 JUNE 1, 2002 AND ENDING MAY 31, 2003
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

WECHSLER & CO , INC.

OFFICIAL USE ONLY

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

105 SOUTH BEDFORD ROAD

FIRM ID. NO.

(No. and Street)

MT KISCO

NY

10549

(City)

(State)

(Zip Code)

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

JAY MITTENTAG

(Area Code - Telephone No.)
(914) 242 6060

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

SANFORD BECKER & CO , P C

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

1430 BROADWAY

NEW YORK

NY

10018

(Address)

(City)

(State)

Zip Code)

CHECK ONE:

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

PROCESSED
AUG 13 2003

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).

OATH OR AFFIRMATION

I, JAY MITTENTAG, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of WECHSLER & CO., INC., as of MAY 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:

*Sworn to before me this
29th day of July, 2003*

Deborah A. Berwa

Notary Public

Jay Mittenag

Signature
Chief FINANCIAL OFFICER

Title

DEBORAH A. BERWA
Notary Public, State of New York
No 01BE6016404
Qualified in Westchester County
Commission Expires November 16, 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~~. CASH FLOWS
- (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).

WECHSLER & CO., INC.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
ON PART IIA OF FORM X-17A-5

YEAR ENDING MAY 31, 2003

FOCUS REPORT

FORM

(Financial and Operational Combined Uniform Single Report)

X-17A-5

PART IIA 12

10/85

(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

OF BROKER-DEALER

WECHSLER & CO INC

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

105 SOUTH BEDFORD ROAD

(No and Street)

MT. KISCO

(City)

NY

(State)

10549

(Zip)

TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

JAY MITTENTAG

OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

SEC FILE NO

8-9545

FOR FIRM ID NO

13-1944376

FOR PERIOD BEGINNING (MM/DD/YY)

JUNE / 1 / 2002

AND ENDING (MM/DD/YY)

MAY / 31 / 2003

TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code) - Telephone No.

(914) 242-6060

OFFICIAL USE

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. 78:f (a))

WECHSLER & CO., INC.

MAY 31, 2003

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SANFORD BECKER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

RICHARD S. BECKER, C.P.A.
SANFORD E. BECKER, C.P.A.
GEORGE S. GETZ, C.P.A.

SANFORD BECKER, C.P.A. 1922-1994

1430 BROADWAY
NEW YORK, N.Y. 10018
TELEPHONE - (212) 921 - 9000
FACSIMILE - (212) 354 - 1822

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Quantitative Analysis Service, Inc.

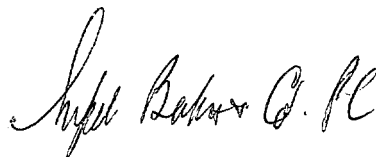
We have audited the accompanying statement of financial condition of Wechsler & Co., Inc. as of May 31, 2003 and the related statements of income, changes in stockholders' equity and cash flows for the year then ended, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 auditing standards generally accepted 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wechsler & Co., Inc. as of May 31, 2003 and the results of their operations and their 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 the schedules listed on the accompanying index 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 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.

New York, New York
July 10, 2003



**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER **WECHSLER & CO., INC.**

N3

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**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND
CERTAIN OTHER BROKERS OR DEALERS**

as of (MM/DD/YY) 5/31/03

SEC FILE NO. 8-9545

Consolidated 19

Unconsolidated 19

ASSETS

	<u>Allowable</u>	<u>Non-Allowable</u>	<u>Total</u>
1. Cash	\$ 96,636		\$ 96,636
2. Receivables from brokers or dealers:			
A. Clearance account	19,693,678		19,693,678
B. Other	300	550	850
3. Receivables from non-customers	355	600	955
4. Securities and spot commodities owned, at market value:			
A. Exempted securities	418		418
B. Debt securities	257,670		257,670
C. Options	420		420
D. Other securities	40,512,923		40,512,923
E. Spot commodities	430		430
5. Securities and/or other investments not readily marketable:			
A. At cost	8,721,776		8,721,776
B. At estimated fair value	440	7,703,467	7,703,907
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities	150		150
B. Other securities	160		160
7. Secured demand notes:	470	640	1,110
market value of collateral:			
A. Exempted securities	170		170
B. Other securities	180		180
8. Memberships in exchanges:			
A. Owned, at market	190		190
B. Owned, at cost		650	650
C. Contributed for use of the company, at market value		660	660
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	670	1,150
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	490	20,229	20,719
11. Other assets	535	6,867,284	6,867,819
12. TOTAL ASSETS	\$ 60,560,907	\$ 14,590,980	\$ 75,151,887

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER **WECHSLER & CO., INC**

as of **5/31/03**

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING
AND CERTAIN OTHER BROKERS OR DEALERS**

LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>A.I. Liabilities</u>	<u>Non-A.I. Liabilities</u>	<u>Total</u>
13. Bank loans payable	\$ 1045	\$ 1255	\$ 147
14. Payable to brokers or dealers:			
A. Clearance account	1114	142,101 1315	142,101 156
B. Other	1115	1305	154
15. Payable to non-customers	1155	1355	161
16. Securities sold not yet purchased, at market value		22,580,695 1360	22,580,695 162
17. Accounts payable, accrued liabilities, expenses and other	316,775 1205	17,280,059 1385	17,596,834 168
18. Notes and mortgages payable:			
A. Unsecured	1210		169
B. Secured	1211	1390	170
19. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	171
1. from outsiders \$ 970			
2. Includes equity subordination (15c3-1 (d)) of \$ 980			
B. Securities borrowings, at market value: . . . from outsiders \$ 990		1410	172
C. Pursuant to secured demand note collateral agreements:		1420	173
1. from outsider: \$ 1000			
2. Includes equity subordination (15c3-1 (d)) . of \$ 1010			
D. Exchange memberships contributed for use of company, at market value		1430	174
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	175
20. TOTAL LIABILITIES	\$ 316,775 1230	\$ -40,002,855 1450	\$ 40,319,630 176

Ownership Equity

21. Sole proprietorship		\$ 17	17
22. Partnership (limited partners	\$ 1020		17
23. Corporation:			
A. Preferred stock		2,604,750	17
B. Common stock		50,247	17
C. Additional paid-in capital			17
D. Retained earnings		32,177,260	17
E. Total		34,832,257	17
F. Less capital stock in treasury			17
24. TOTAL OWNERSHIP EQUITY		\$ 34,832,257	18
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY		\$ 75,151,887	18

SEE NOTES TO FINANCIAL STATEMENTS

WECHSLER & CO., INC.
STATEMENT OF EARNINGS
YEAR ENDED MAY 31, 2003

REVENUE

Commissions	9,070
Loss Trading - Securities	(11,798,676)
Dividends & Interest (Net)	225,804
Other	339,339
	<u>(11,224,463)</u>

EXPENSES

Employee Compensation and Benefits	2,044,525
Communications	263,490
Interest	41,539
Occupancy Expenses	176,676
Clearance Charges	43,997
Other Operating Expenses	(1,198,730)
	<u>1,371,497</u>

Net Loss Before Federal Income Tax and Unrealized Losses	(12,595,960)
Unrealized Loss-Trading and Investment Securities	(10,386,137)
Elimination of Intercompany Receivable - Weks, Inc.	(217,100)
Net Loss Before Federal Income Tax	<u>(23,199,197)</u>
Provision for Taxes	
Current	(4,654,471)
Deferred	(3,159,463)
	<u>7,813,934</u>
Net Loss	<u>(15,385,263)</u>

SEE NOTES TO FINANCIAL STATEMENTS

WECHSLER & CO., INC.
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
YEAR ENDED MAY 31, 2003

	<u>COMMON STOCK</u>	<u>PREFERRED STOCK</u>	<u>RETAINED EARNINGS</u>	<u>TOTAL</u>
Balance - June 1, 2002	\$ 50,247	\$ 52,604,750	\$ 47,562,523	\$ 50,217,520
Deduct:				
Net Loss for the Year			(15,385,263)	(15,385,263)
Balance - May 31, 2003	<u>\$ 50,247</u>	<u>\$ 52,604,750</u>	<u>\$ 32,177,260</u>	<u>\$ 34,832,257</u>

WECHSLER & CO., INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MAY 31, 2003

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Profit (Loss) For the Year		\$ (15,385,263)
Adjustment to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation	24,055	
Decrease in Receivable From Brokers or Dealers	7,981,763	
Increase in Other Assets	(6,278,941)	
Decrease in Payable to Broker or Dealers	(4,632,426)	
Decrease in Accounts Payable and Accrued Expenses Payable	(5,561,338)	
Decrease in Intercompany Receivables	<u>213,100</u>	
Total Adjustments		<u>(8,253,787)</u>
Net Cash Used in Operating Activities		(23,639,050)

CASH FLOWS FROM INVESTING ACTIVITIES:

Decrease in Securities Owned (Net)		<u>23,633,957</u>
Net Cash Provided by Investing Activities		<u>23,633,957</u>
Increase in Cash and Cash Equivalents		(5,093)
Cash at Beginning of Year		<u>101,729</u>
Cash at End of Year		96,636

WECHSLER & CO., INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MAY 31, 2003

1) General Business:

The company is registered as a broker/dealer in securities with the Securities and Exchange Commission. In this capacity, it executes principal and agency transactions. The company conducts business primarily with broker/dealers for its own proprietary accounts and also introduces customer transactions to Bear Stearns Securities Corp. on a fully disclosed basis.

In the normal course of its business, the Company enters into financial transactions where the risk of potential loss due to changes in market value (market risk) or failure of the other party to the transaction to perform (credit risk) exceeds the amounts recorded for the transaction. The Company has a policy of reviewing the credit standing of each customer and counter party with which it conducts business. Wechsler & Co., Inc. does not do business in foreign currency, futures or forward contracts.

2) Summary of Significant Accounting Policies:

- (a) Securities sold, but not yet purchased include marketable securities stated at quoted market values, with unrealized gains and losses reflected in income. Subsequent market fluctuation of securities sold, but not yet purchased may require purchasing the securities at prices which may differ from the market values reflected on the statement of financial condition.
- (b) Furniture and equipment are stated at cost less accumulated depreciation. Depreciation is computed using accelerated methods over the estimated useful lives of the related assets.
- (c) The current and deferred portions of the income tax expense included in the statement of operations as determined in accordance with FASB statement No. 109 "Accounting for Income Taxes," are as follows:

	<u>Current</u>	<u>Deferred</u>
Federal	\$ (4,654,471)	\$ (3,159,463)
State	<u>(1,611,174)</u>	<u>(1,093,660)</u>
	\$ (6,265,645)	(4,253,123)

Deferred income taxes are applicable to unrealized appreciation of investment securities.

(Continue on next page)

(d) The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

(e) The company is obligated under a noncancelable operating lease for its office premises expiring October 31, 2003. Total remaining obligations under this lease amount to \$51,692.50.

3) Capital Stock:

Capital Stock consists of the following:

\$1,000 Cumulative Preferred 6% No Par Value

Authorized 10,000 Shares

Issued and Outstanding 2,604.75 Shares

\$ 2,604.750

Authorized 482 Share Common Shares

Issued and Outstanding 160 Shares

\$ 50,247

Cumulative dividends remain unpaid and undeclared.

On liquidation preference dividends will only be paid if declared from earnings.

As of May 31, 2003 dividends in the amount of \$ 3,349,157.35 remain unpaid and undeclared

Cumulative Pfd dividends which remain unpaid would be an additional liquidation preference upon sale or liquidation of the corporation.

4) Net Capital Requirements:

The Company is subject to the uniform net capital rule (Rule 15c3-1) of the Securities Exchange Act of 1934, which requires that the Company maintain a ratio of aggregate indebtedness to the net capital as defined, not to exceed 15 to 1. At May 31, 2003 the Company's net capital was \$17,025,489 whereas the required net capital was \$100,000. Aggregate indebtedness was \$316,775. The percentage indebtedness to the net capital was 1.36%.

5) The corporation presently has under appeal to the appellate division of the Internal Revenue Service for the tax years ended May 31, 1992 through May 31, 1999 proposed adjustments to Income. The proposed additional tax claimed due by the Internal Revenue Service is \$10,393.392.33 plus interest. The firm considers these to be without merit.

**FINANCIAL AND OPERATION COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER **WECHSLER & CO , INC**

as of 5/31/03

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	34,832,257		3480
2. Deduct ownership equity not allowable for Net Capital	19	(3490
3. Total ownership equity qualified for Net Capital		34,832,257		3500
4. Add:				
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital				3520
B. Other (deductions) or allowable credits (List)				3525
5. Total capital and allowable subordinated liabilities	\$	34,832,257		3530
6. Deductions and/or charges:				
A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)	17	\$ 14,590,980		3540
B. Secured demand note deficiency				3590
C. Commodity futures contracts and spot commodities- proprietary capital charges				3600
D. Other deductions and/or charges		12,865		3610
7. Other additions and/or allowable credits (List)			(14,603,845	3620
8. Net capital before haircuts on securities positions	20	\$	20,228,412	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1 (f)):				
A. Contractual securities commitments		\$		3660
B. Subordinated securities borrowings				3670
C. Trading and investment securities:				
1. Exempted securities	18			3735
2. Debt securities		38,651		3733
3. Options				3730
4. Other securities		2,753,256		3734
D. Undue Concentration		411,016		3650
E. Other (List)				3736
10. Net Capital		\$	3,202,923	3740
			17,025,489	3750

OMIT PENNIE!

SEE NOTES TO FINANCIAL STATEMENTS

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

WECHSLER & CO., INC

as of 5/31/03

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 19)	\$	21,118	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	100,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	100,000	3760
14. Excess net capital (line 10 less 13)	\$	16,925,489	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$		3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	316,775	3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	3830
19. Total aggregate indebtedness	\$	316,775	3840
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	%	1.86%	3850
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%		3860

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	N/A	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$		3880
24. Net capital requirement (greater of line 22 or 23)	\$		3760
25. Excess net capital (line 10 less 24)	\$		3910
26. Net capital in excess of:			
5% of combined aggregate debit items or \$120,000	\$		3920

OMIT PENNI

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER **WECHSLER & CO., INC.**

as of 5/31/03

Exemptive Provision Under Rule 15c3-3

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based (check one only)

- A. (k) (1)—\$2,500 capital category as per Rule 15c3-1 4550
- B. (k) (2)(A)—"Special Account for the Exclusive Benefit of customers" maintained 4560
- C. (k) (2)(B)—All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm BEAR STEARNS SECURITIES CORP. 4335 4570
- D. (k) (3)—Exempted by order of the Commission 4580

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed withdrawal or Accrual See below for code to enter	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be With- drawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (yes or no)	
4600		4601	4602	4603	4604	4605
4610		4611	4612	4613	4614	4615
4620		4621	4622	4623	4624	4625
4630		4631	4632	4633	4634	4635
4640		4641	4642	4643	4644	4645
4650		4651	4652	4653	4654	4655
4660		4661	4662	4663	4664	4665
4670		4671	4672	4673	4674	4675
4680		4681	4682	4683	4684	4685
4690		4691	4692	4693	4694	4695
			TOTAL \$	4699		

OMIT PENNIES

Instructions: Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

- WITHDRAWAL CODE: DESCRIPTION
- 1. Equity Capital
 - 2. Subordinated Liabilities
 - 3. Accruals
 - 4. 15c3-1(c)(2)(iv) Liabilities

SEE NOTES TO FINANCIAL STATEMENTS

RECONCILIATION OF COMPUTATION OF NET CAPITAL PURSUANT TO
UNIFORM NET CAPITAL RULE 15C3-1 TO CORPORATIONS
CORRESPONDING UNAUDITED FORM X-17A-5 PART IIA

FILING MAY 31, 2003

Net Capital Per Corporation's Unaudited Form X-17A-5 Part IIA Amended Filing May 31, 2003	\$ 17,025,489
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Net Capital Per Computation Pursuant to Rule 17A-5(d) Audited Filing	<u>\$ 17,025,489</u>
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SEE NOTES TO FINANCIAL STATEMENTS

SANFORD BECKER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

RICHARD S. BECKER, C.P.A.
SANFORD E. BECKER, C.P.A.
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REPORT ON INTERNAL CONTROL

Board of Directors
Wechsler & Co., Inc.

In planning and performing our audit of the financial statements and supplemental schedules of Wechsler & Co., Inc. for the year ended May 31, 2003 we considered its internal control structure including procedures 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 structure.

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 Wechsler & Co., Inc. 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 (or aggregate debits) and net capital under rule 17a-3(a) (11) and or determining compliance with the exemptive provisions of rule 15c3-3. 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 any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons.
2. Recordation of differences required by rule 17a-13.
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining an internal control structure and practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures 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 Commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the company has responsibility and safeguarded against loss from unauthorized use or disposition and that the transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

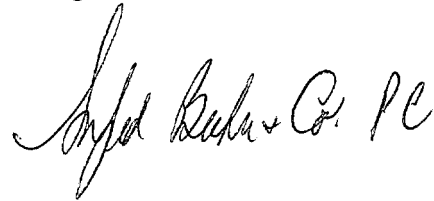
Because of inherent limitations in an internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection on any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 the internal control structure, including procedures 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 Commission 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 of such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at May 31, 2003 to meet the Commission's objectives.

This report is intended solely for the use of management, the Securities Exchange Commission, 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.

New York, New York
July 10, 2003

Handwritten signature in cursive script, appearing to read "Jeffrey Rubin, CPA".