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

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9/12/03

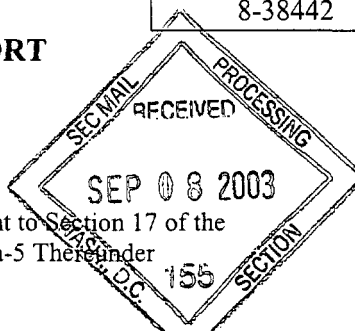
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SEC FILE NO.
8-38442

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

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 07/01/02 AND ENDING 06/30/03
mm/dd/yy mm/dd/yy

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

CAZENAVE & COMPANY, INC.

OFFICIAL USE ONLY

FIRM ID. NO

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

ONE EMBARCADERO CENTER, SUITE 500, PMB #5160

(No and Street)

SAN FRANCISCO

CALIFORNIA

94111

(City)

(State)

(Zip Code)

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

BEVERLY PASLEY

(415) 778-0914

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose option is contained in this Report*

Ernst Wintter & Associates, Certified Public Accountants

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

675 Ygnacio Valley Road, Suite B-213,

Walnut Creek,

California

94596

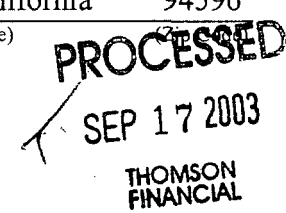
(Address)

(City)

(State)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant nor resident in United State or any of its possession.



FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the option 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).

289-110

OATH OR AFFIRMATION

I, BEVERLY PASLEY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAZENAVE & COMPANY, INC., as of JUNE 30, 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:

NONE

STATE OF California
COUNTY OF San Francisco

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 26th DAY OF Aug, 2003,
BY Beverly Pasley

Signature
Vice President
Title

Notary Public
MARLYN A. ANO



This report** contains (check all applicable boxes):

- (X) (a) Facing page.
(X) (b) Statement of Financial Conditions.
(X) (c) Statement of Income (Loss).
(X) (d) Statement of Cash Flows.
(X) (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.
(X) (g) Computation of Net Capital.
(X) (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(X) (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
(X) (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirement 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.
(X) (l) An Oath or Affirmation.
() (m) A copy of the SIPC Supplemental Report.
(X) (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
() (o) Independent Auditor's Report on Internal Accounting Control.

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

Cazenave & Company, Inc.

Annual Audit Report

June 30, 2003

ERNST WINTTER & ASSOCIATES
Certified Public Accountants

Cazenave & Company, Inc.

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Walnut Creek, California 94596

(925) 933-2626
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Independent Auditor's Report

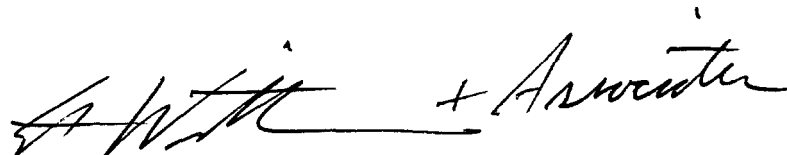
Board of Directors
Cazenave & Company, Inc.
San Francisco, California

We have audited the accompanying statement of financial condition of Cazenave & Company, Inc. (the Company) as of June 30, 2003, and the related statements of income (loss), 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 our audit provides a reasonable basis in our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cazenave & Company, Inc. at June 30, 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 Schedules I & 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 of 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 respects in relation to the basic financial statements taken as a whole.



August 12, 2003

Cazenave & Company, Inc.
Statement of Financial Condition

June 30, 2003

Assets

Cash	\$ 63,040
Commissions receivable	8,618
Due from shareholders	20,600
Other assets	<u>665</u>
Total assets	<u>\$ 92,923</u>

Liabilities and Stockholders' Equity

Commissions payable	<u>\$ 3,437</u>
Total liabilities	<u>\$ 3,437</u>
Stockholders' equity	
Common stock (no par value; 100 shares issued and outstanding)	\$ 6,500
Paid-in capital	93,081
Retained earnings deficit	<u>(10,095)</u>
Total stockholders' equity	<u>89,486</u>
Total liabilities and stockholders' equity	<u>\$ 92,923</u>

See independent auditor's report and accompanying notes.

Cazenave & Company, Inc.

Statement of Income (Loss)

For the Year Ended June 30, 2003

Revenues:		
Commissions	\$	217,380
Expenses:		
Commissions		86,065
Clearing		67,327
Director fees		40,000
Professional fees		27,400
Occupancy		3,322
Depreciation		202
Other operating expenses		<u>9,671</u>
Total expenses		<u>233,987</u>
Loss before income taxes		(16,607)
Income tax provision		<u>800</u>
Net loss	\$	<u>(17,407)</u>

See independent auditor's report and accompanying notes.

Cazenave & Company, Inc.

Statement of Changes in Stockholders' Equity

For the Year Ended June 30, 2003

	<u>Common Stock</u>	<u>Paid In Capital</u>	<u>Retained Earnings Deficit</u>	<u>Stockholders' Equity</u>
June 30, 2002	\$ 6,500	\$ 93,081	\$ 7,312	\$ 106,893
Net loss			(17,407)	(17,407)
June 30, 2003	<u>\$ 6,500</u>	<u>\$ 93,081</u>	<u>\$ (10,095)</u>	<u>\$ 89,486</u>

See independent auditor's report and accompanying notes.

Cazenave & Company, Inc.

Statement of Cash Flows

For the Year Ended June 30, 2003

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ (17,407)
Adjustments to reconcile net income to net cash provided (used) by operating activities:	
Depreciation	202
(Increase) decrease in:	
Commissions receivable	6,620
Due from shareholders	(3,500)
Other assets	5,000
(Decrease) increase in:	
Commissions payable	(4,677)
Accrued expenses	<u>(1,200)</u>
Net cash provided by operating activities	<u>\$ (14,962)</u>
Net decrease in cash	(14,962)
Cash at beginning of year	<u>78,002</u>
Cash at end of year	<u>\$ 63,040</u>
SUPPLEMENTAL DISCLOSURE	
Income taxes paid	<u>\$ 800</u>

See independent auditor's report and accompanying notes.

Cazenave & Company, Inc.

Notes to the Financial Statements

June 30, 2003

(1) Organization

Cazenave & Company, Inc., a California corporation (the "Company"), is a fully disclosed broker-dealer, registered with the National Association of Securities Dealers, Inc., and licensed by the Securities and Exchange Commission ("SEC"). The Company primarily derives commissions and underwriting revenues from a few institutional investors.

(2) Summary of Significant Accounting Policies

Security Transactions

The Company clears all customers' transactions on a fully disclosed basis in accordance with clearing agreements with Bank of New York, ESI & Company, Inc. and Merrill Lynch/Broadcort Capital. Commission income and expenses and related clearing charges generated from customer securities transactions are recorded on a settlement date basis. The financial statement effect of recording these transactions at the settlement date rather than on the trade date is not significant.

Office Furniture & Equipment

Furniture and equipment are stated at cost. Depreciation of furniture and equipment is provided on a double-declining balance basis using estimated useful lives of the assets, which range from five to seven years.

Cash and Cash Equivalents

The Company considers all demand deposits held in banks and certain highly liquid investments with maturities of 90 days or less, other than those held for sale in the ordinary course of business, to be cash equivalents.

Income Taxes

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards ("SFAS") No. 109, Accounting for Income Taxes. SFAS 109 requires the recognition of deferred tax liabilities and assets at tax rates expected to be in effect when these balances reverse. Future tax benefits attributable to temporary differences are recognized currently to the extent that realization of such benefits is more likely than not.

Estimated Fair Value of Financial Instruments

The Company considers the amounts presented for financial instruments on the statement of financial condition to be reasonable estimates of fair value.

Cazenave & Company, Inc.

Notes to the Financial Statements

June 30, 2003

(2) Summary of Significant Accounting Policies

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 report amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(3) Income Taxes

The Company's total deferred tax assets and liabilities as of June 30, 2003 are as follows:

Deferred tax asset	\$ 9,370
Valuation allowance	(9,370)
Net deferred tax assets	<u>\$ 0</u>
Deferred tax liabilities	<u>0</u>
Net deferred tax liabilities	<u>\$ 0</u>

The deferred tax assets are primarily the result of net operating loss and charitable contribution carryforwards. As of June 30, 2003, the Company had federal and state loss carryforwards of \$28,695 and \$54,353, respectively, that may be used to offset future taxable income. The federal loss carryforwards are due to expire in the years ending 2020 through 2023. The California net operating loss carryforwards are suspended until 2004 and are due to expire in 2006 through 2013. As of June 30, 2003, the Company had federal and state charitable contribution carryforwards of \$1,115 that may be used to offset future taxable income. The federal and state contribution carryforwards are due to expire in the years 2005 through 2008. A valuation allowance of \$9,370 has been established because it is more likely than not that deferred tax assets will be unrealized. The valuation allowance increased \$2,236 over the year ended June 30, 2002.

The income tax provision (benefit) for the year ended June 30, 2003 consists of the following:

Current:	
Federal	0
State	<u>\$ 800</u>
Total income tax provision	<u>\$ 800</u>

Cazenave & Company, Inc.

Notes to the Financial Statements

June 30, 2003

(4) Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's uniform net capital rule (Rule 15c3-1) which requires the Company to maintain a minimum net capital equal to or greater than \$5,000 and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1, both as defined. At June 30, 2003, the Company's net capital was \$63,924 which exceeded the requirement by \$58,924.

(5) Related Party Transactions

Eric Cazenave, a 40% shareholder of the Company, owes the Company \$17,100 and Beverly Pasley, vice president and eleven percent shareholder of the Company, owes the Company \$3,500 at June 30, 2003.

(6) Lease

The Company maintains a month-to-month operating lease on its office space. The monthly rent is \$350 and credits are received for services that are not used at full capacity. During the year ending June 30, 2003, the rent expense was \$3,322.

(7) Financial Instruments With Off-Balance-Sheet Risk

In the normal course of business, the Company's customer activities involve the execution, settlement, and financing of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

SUPPLEMENTAL INFORMATION

Cazenave & Company, Inc.
Schedule I
Computation of Net Capital Under Rule 15c3-1 of
the Securities and Exchange Commission
As of June 30, 2003

Net Capital:	
Total stockholders' equity qualified for net capital	\$ 89,486
Less: Non-allowable assets	
Commissions receivable	\$ 4,297
Due from shareholders	20,600
Other assets	665
Total non-allowable assets	<u>25,562</u>
Net Capital	<u>63,924</u>
Net minimum capital requirement of 6 2/3% of aggregate indebtedness of \$3,437 or \$5,000, whichever is greater	5,000
Excess net capital	<u><u>\$ 58,924</u></u>

Reconciliation with Company's Net Capital Computation
(included in Part II of Form X-17A-5) as of June 30, 2003

Net capital, as reported in Company's Part II of Form X-17A-5 as of June 30, 2003	\$ 66,161
Increase in stockholders' equity	2,403
Increase in non-allowable assets	<u>(4,640)</u>
Net capital per above computation	<u><u>\$ 63,924</u></u>

Cazenave & Company, Inc.

Schedule II

**Computation for Determination of Reserve Requirements
Pursuant to Rule 15c3-3 of the
Securities and Exchange Commission**

For the Year Ended June 30, 2003

An exception from Rule 15c3-3 is claimed, based upon section (k)(2)(ii). All customer transactions are cleared through Merrill Lynch/Broadcort and BNY Brokerage, Inc. or otherwise processed in accordance with Rule 15c3-1(a)(2).

**Information for Possession or Control
Requirements Under Rule 15c3-3**

For the Year Ended June 30, 2003

Not applicable

675 Ygnacio Valley Road, Suite B-213
Walnut Creek, California 94596

(925) 933-2626
Fax (925) 944-6333

Independent Auditor's Report on Internal
Accounting Control Required by SEC Rule 17a-5

Board of Directors
Cazenave & Company, Inc.
San Francisco, California

In planning and performing our audit of the financial statements and supplemental schedules of Cazenave & Company, Inc. (the Company) for the period ended June 30, 2003, we considered its internal control including control activities 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 internal control.

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 the Company including tests of such practices and procedures that we considered relevant to the objective 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 for 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 payments 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 internal control and the 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 controls 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 SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

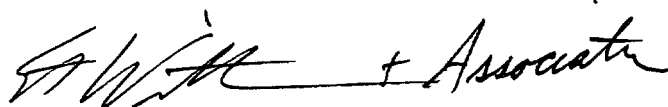
Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or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

Our consideration of internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud 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 the following matter involving the Company's internal control and its operation that we consider to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of procedures to be performed in our audit of the financial statements of the Company for the year ended June 30, 2003, and this report does not affect our report thereon dated August 12, 2003.

The size of the business and the resultant limited number of employees imposes practical limitations on the effectiveness of those internal control policies and procedures that depend on the segregation of duties. Because this condition is inherent in the size of the Company, the specific weaknesses are not described herein and no corrective action has been taken or proposed by the Company.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC 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 for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at June 30, 2003, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the Securities and Exchange Commission, the National Association of Securities Dealers and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulations of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "A. W. Smith + Associates".

August 12, 2003