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

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### ANNUAL AUDITED REPORT

~~FORM X-17A-5~~

### PART III

SEC FILE NUMBER
8- 39319

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 10/01/01 AND ENDING 09/30/02  
MM/DD/YY MM/DD/YY

#### A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Midwest Resources Securities Corp.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

P.O. Box 76

2511 North 124th Street

(No. and Street)

Elm Grove

WI

53122

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Bruce J. Robertson

(362) 786-6538

(Area Code - Telephone Number)

#### B. ACCOUNTANT IDENTIFICATION

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

Kolb Lauwasser+Co., S.C.

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

2400 South 102nd Street

Milwaukee

WI

53227

(Address)

(City)

(State)

(Zip Code)

#### CHECK ONE:

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

**PROCESSED**

**DEC 19 2002**

**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)

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SEC 1410 (06-02)

DS  
12/12/02

OATH OR AFFIRMATION

I, Bruce J. Robertson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Midwest Resources Securities Corp., as of September 30, 2002, 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:

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

[Signature]  
Signature  
President  
Title

[Signature]  
Notary Public

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 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).

**MIDWEST RESOURCES  
SECURITIES CORP.**

**Financial Statements  
September 30, 2002**

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INDEPENDENT AUDITOR'S REPORT

October 17, 2002

To the Board of Directors  
Midwest Resources Securities Corp.

We have audited the accompanying Statements of Financial Condition of Midwest Resources Securities Corp. as of September 30, 2002 and 2001. 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 audits.

We conducted our audits in accordance with United States 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 audits of the Statements of Financial Condition provide a reasonable basis for our opinion.

In our opinion, the Statements of Financial Condition referred to above present fairly, in all material respects, the financial position of Midwest Resources Securities Corp. as of September 30, 2002 and 2001 in conformity with United States generally accepted accounting principles.

*Kolb Lauwasser + Co. sc*

Kolb Lauwasser+Co., SC

Robert F. Kolb, CPA  
Chairman

Bart Adams, CPA

Thomas P. Luken, CPA

Keith I. Kamperschroer, CPA

Mark W. Miller, CPA

Les S. Tarjan, CPA

Timothy J. Tremel, CPA

James D. Brandenburg, CPA

Mark S. Sobczak, CPA

David S. Laske, CPA

Suzanne M. Denzine, CPA

Bryan L. Pautsch, CPA

**Kolb+Co. Affiliates:**

Financial Advisers, LLC

Medical Billing, LLC

Performance Advisers, LLC

Technology Advisers, LLC

Retirement Plan Services

2400 South 102nd Street  
Milwaukee, WI 53227-2199  
414/543-2100 Phone  
414/543-6681 Fax  
800/461-8843 Toll Free  
[www.KolbCo.com](http://www.KolbCo.com)

**MIDWEST RESOURCES SECURITIES CORP.**  
**Statements of Financial Condition**  
 (With the auditor's report of October 17, 2002)  
 As of September 30,

<b><u>ASSETS</u></b>	<u>2002</u>	<u>2001</u>
<b><u>Current Assets</u></b>		
Cash	27,540	25,677
Prepaid expenses	<u>441</u>	<u>526</u>
Total Assets	<u>27,981</u>	<u>26,203</u>
<b><u>LIABILITIES AND STOCKHOLDER'S EQUITY</u></b>		
<b><u>Current Liabilities</u></b>		
Accounts payable	<u>894</u>	<u>135</u>
<b><u>Stockholder's Equity</u></b>		
Common stock, \$1 par value, 56,000 shares authorized, 10,000 shares issued and outstanding	10,000	10,000
Retained earnings	<u>17,087</u>	<u>16,068</u>
Total Stockholder's Equity	<u>27,087</u>	<u>26,068</u>
Total Liabilities and Stockholder's Equity	<u>27,981</u>	<u>26,203</u>

**MIDWEST RESOURCES SECURITIES CORP.**  
**Notes to Statements of Financial Condition**  
(With the auditor's report of October 17, 2002)  
As of September 30, 2002 and 2001

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

**Nature of Business**

Midwest Resources Securities Corp. (the Company) was formed on February 5, 1988 as a broker-dealer to offer and sell limited and general partnership interests through direct participation private placements, throughout the United States.

**Commission Revenue and Expense**

Commission revenue is considered earned when the specified minimum sales level of each offering is achieved. Commissions for sales of securities are due the registered representatives when both the minimum sales level of each offering is achieved and the offer to purchase is accepted by the Company and the issuer of the securities.

**Use of Estimates**

The preparation of financial statements in conformity with United States 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. Actual results could differ from these estimates.

**Cash and Temporary Cash Investments**

The Company considers all short-term investments in interest-bearing accounts, securities, and other instruments with an original maturity of three months or less, to be equivalent to cash.

**Income Taxes**

The Company has elected to be treated as an S Corporation, "small business corporation," for income tax purposes. Under this election, profits and losses are passed directly to the shareholder for inclusion in his personal income tax returns. As such, the Company does not pay corporate income taxes on its taxable income. Accordingly, no liability or provision for federal or state income taxes is included in the accompanying statements.

**Note #2 Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At the fiscal years ended 2002 and 2001, the Company had net capital of \$26,646 and \$25,542, respectively, which, in each instance, exceeded its required net capital of \$5,000. The Company's net capital ratio was .0336 to 1 and .0053 to 1 at the fiscal years ended 2002 and 2001, respectively.

**MIDWEST RESOURCES SECURITIES CORP.**  
**Notes to Statements of Financial Condition**  
 (With the auditor's report of October 17, 2002)  
 As of September 30, 2002 and 2001

**Note #3 Related Party Transactions**

Steven L. Baptie is a shareholder and director of the Company and Midwest Resources, Inc. Midwest Resources, Inc. is the general partner of Midwest Resources 2002-1 and 2001-1 Oil and Gas Income Limited Partnerships.

The Company was involved in the following related party transactions:

	<u>2002</u>	<u>2001</u>
Commission revenue from Midwest Resources 2002-1 Oil and Gas Income Limited Partnership	254,450	-
Commission revenue from Midwest Resources 2001-1 Oil and Gas Income Limited Partnership	<u>-</u>	<u>235,550</u>
Total	<u>254,450</u>	<u>235,550</u>
Commission expense paid to Midwest Resources, Inc.	<u>179,000</u>	<u>173,100</u>