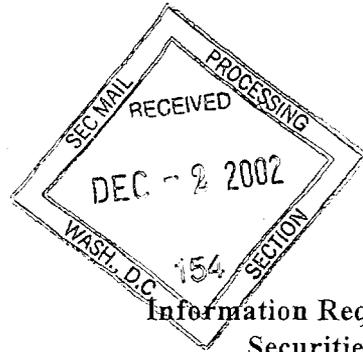


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12-4-02



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SECURITIES AND COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	October 31, 2004
Estimated average burden hours per response:	12.00

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

SEC FILE NUMBER
8- 20461

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: DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

215 W. HIGHLAND VIEW DRIVE
(No. and Street)

BOISE IDAHO 83702
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
DONALD STANTON DALY (208) 345-0721
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

TRAVIS-JEFFRIES, P.A.

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

1177 WEST STATE STREET BOISE, IDAHO 83702
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED

p DEC 05 2002
THOMSON
FINANCIAL

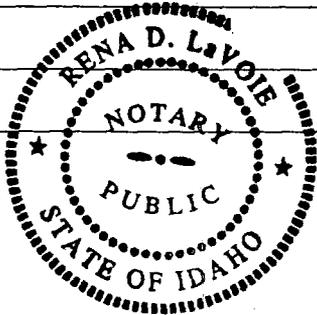
FOR OFFICIAL USE ONLY

*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)

DPZ-1

OATH OR AFFIRMATION

I, DONALD STANTON DALY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of STAN DALY FINANCIAL SERVICE, 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:



Donald Stanton Daly
Signature

owner
Title

Rena D. LaVoie
Notary Public 5-28-05

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.
 - (o) Independent Auditor's Report on Internal Control Structure
- **For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).
- (p) A reconciliation, including appropriate explanations, of the audited compilation of Net Capital and the Broker-Dealer's corresponding unaudited form X-17a-5, Part II, as required by SEC Rule 17a-5(d)(4)



Travis-Jeffries, P.A.
Certified Public Accountants

John C. Travis, CPA
Larry A. Jeffries, CPA
Lucinda L. Reinke, CPA

DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE

ANNUAL AUDITED REPORT

SEPTEMBER 30, 2002



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Statement Regarding Liabilities	12
Focus Report	



Travis-Jeffries, P.A.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Donald Stanton Daly dba
Stan Daly Financial Service
Boise, Idaho

We have audited the accompanying statement of financial condition of Donald Stanton Daly dba Stan Daly Financial Service as of September 30, 2002, and the related statements of income, changes in owners' equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under 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 Donald Stanton Daly dba Stan Daly Financial Service, as of September 30, 2002, and the results of its operations and its 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 Focus Report 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 under 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.

Travis-Jeffries, P.A.

Boise, Idaho
November 12, 2002

**DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE**

STATEMENT OF FINANCIAL CONDITION

September 30, 2002

ASSETS

CURRENT ASSETS

Cash in bank - U.S. Bank
Investments

\$ 3,615
677,268

Total Current Assets

680,883

FIXED ASSETS

Furniture and equipment (less accumulated
depreciation of \$1,044)

833

Total Assets

\$ 681,716

LIABILITIES AND OWNER'S EQUITY

LIABILITIES

Loan payable - U.S. Bank

\$ 55,136

OWNER'S EQUITY

626,580

Total Liabilities and Owner's Equity

\$ 681,716

See notes to financial statements.

**DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE**

STATEMENT OF INCOME

For the Year Ended September 30, 2002

INCOME	BT302A	
Commissions		\$ 3,009
Interest and dividend income		17,235
Net investment loss		<u>(299,734)</u>
Total Income		<u>(279,490)</u>
OPERATING EXPENSES		
Audit fees		1,350
SIPC assessment		150
Licenses		501
Office expense		537
Interest		3,786
Depreciation		<u>1,189</u>
Total Operating Expenses		<u>7,513</u>
Net Loss		<u>\$ (287,003)</u>

See notes to financial statements.

DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE

STATEMENT OF CHANGES IN OWNER'S EQUITY

For the Year Ended September 30, 2002

OWNER'S EQUITY, Beginning of Year	\$ 1,084,276.00
(800,000) \$	
Owner withdrawals - cash	(22,253)
Owner withdrawals - stock	(148,440)
Net loss for year	<u>(287,003)</u>
OWNER'S EQUITY, End of Year	<u>\$ 626,580</u>

See notes to financial statements.

DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE

STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2002

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	\$ (287,003)
Adjustments to reconcile net income to net cash provided by operating activities:	
Interest accrued on loans	3,786
Depreciation	1,189
Unrealized loss on investments	299,734
Net Cash Provided By Operating Activities	17,706
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(2,720)
Redemption of money market account	22,735
Purchase of computer	(877)
Net Cash Provided By Investing Activities	19,138
CASH FLOWS FROM FINANCING ACTIVITIES	
Loan proceeds	14,000
Repayment of loan	(33,693)
Owner withdrawals - cash	(22,253)
Net Cash Used By Financing Activities	(41,946)
Net Increase in Cash	(5,102)
CASH, Beginning of Year	8,717
CASH, End of Year	\$ 3,615

See notes to financial statements.

**DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE**

NOTES TO FINANCIAL STATEMENTS

September 30, 2002

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Entity:

Donald Stanton Daly doing business as Stan Daly Financial Service is a sole proprietorship organized to provide financial services to clients. The financial statements include those assets used in the proprietorship as well as the proprietor's personal investment account.

Cash:

For purposes of the financial statements and the statement of cash flows, cash includes only cash in demand deposit bank accounts.

Investments:

Investments are recorded at fair market value. The change in market value is recorded as income or expense.

Fixed Assets:

Fixed assets are recorded at cost and depreciated using the straight-line method over their estimated useful lives, which is five years.

Income Taxes:

The Proprietorship has no provision for income taxes since it is not a taxpaying entity. All items of income and expense are reported on the proprietor's individual income tax return.

Use of Estimates:

The Proprietorship uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses.

**DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE**

NOTES TO FINANCIAL STATEMENTS (Continued)

September 30, 2002

NOTE B - INFORMATION REQUIRED BY THE NATIONAL ASSOCIATION OF SECURITY DEALERS, INC.

- (a) As of September 30, 2002, the ratio of aggregate indebtedness to net capital was 12.23% against the allowable maximum of 1500%.
- (b) Computed in accordance with Rule 15c3-1 of the Securities Exchange Act of 1934, the firm's net capital was \$450,725, compared to a required minimum net capital of \$100,000.
- (c) The firm claims an exemption from the requirements of Rule 15c3-3 of the Securities Exchange Act of 1934 under Section (k)(2)(B) of the Act.
- (d) A copy of the September 30, 2002, annual audited report pursuant to Securities and Exchange Commission Rule 17a-5 is available for examination at the firm's office and at the Pacific Regional Office of the Securities and Exchange Commission.

NOTE C - No material differences existed between the Owner's Equity, as shown on the basic financial statements, and the Computation of Net Capital as shown on Form X-17a-5, Part IIA.

NOTE D - No material inadequacies were found to exist in the records supporting the basic financial statements or the supplementary information.



Travis-Jeffries, P.A.
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE REQUIRED BY SEC RULE 17a-5**

Donald Stanton, Daly dba
Stan Daly Financial Service

In planning and performing our audit of the financial statements of Donald Stanton Daly dba Stan Daly Financial Service for the year ended September 30, 2002, 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 the 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 compliance with such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g), (1) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and the reserve required by rule 15c3-3(e); (2) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13; (3) in 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; and (4) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining an internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments 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 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 errors 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 no matters involving internal control, including control activities 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 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 September 30, 2002, to meet the SEC objectives.

This report is intended solely for the information and use of management, the Securities and Exchange Commission, the New York Stock Exchange 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 is not intended to be and should not be used by anyone other than those specified parties.

Travis-Jeffries, P.A.

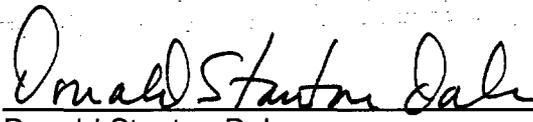
Boise, Idaho
November 12, 2002

DONALD STANTON DALY
dba STAN DALY FINANCIAL SERVICE

STATEMENT REGARDING LIABILITIES

September 30, 2002

I, Donald Stanton Daly, doing business as Stan Daly Financial Service (a sole proprietorship) state and affirm that the liabilities which have not been incurred in the course of my business as broker or dealer do not exceed the assets not used in the business.



Donald Stanton Daly

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

OMB APPROVAL
OMB Number: 3235-0123
Expires: October 31, 2004
Estimated average burden
hours per response: 12.00

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

SEC FILE NO.

STAN DALY FINANCIAL SERVICE 13

8-20461 14

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

FIRM I.D. NO.

215 W. HIGHLAND VIEW DRIVE 20

519-24-5911 15

FOR PERIOD BEGINNING (MM/DD/YY)

(No. and Street)

10/01/01 24

AND ENDING (MM/DD/YY)

BOISE 21 IDAHO 22 83702 23

09/30/02 25

(City)

(State)

(Zip Code)

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

(Area Code) — Telephone No.

DONALD STANTON DALY 30

(208) 345-0721 31

NAMES OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32 33

34 35

36 37

38 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 26th day of November 2002

Manual signatures of:

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

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

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

TRAVIS-JEFFRIES, P.A.

70

ADDRESS

1177 WEST STATE STREET

71

BOISE

72

IDAHO

73

83702

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

FOR SEC USE

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DO NOT WRITE UNDER THIS LINE . . . FOR SEC USE ONLY

WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER STAN DALY FINANCIAL SERVICE	N2			100
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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 09/30/02	99
SEC FILE NO. 8-20461	98
Consolidated	198
Unconsolidated	199

	<u>ASSETS</u>				
	<u>Allowable</u>	<u>Non-Allowable</u>		<u>Total</u>	
1. Cash	\$ 3,615	200		\$ 3,615	750
2. Cash segregated in compliance with federal and other regulations		210			760
3. Receivable from brokers or dealers and clearing organizations:					
A. Failed to deliver:					
1. Includable in "Formula for Reserve Requirements"		220			
2. Other		230			770
B. Securities borrowed:					
1. Includable in "Formula for Reserve Requirements"		240			
2. Other		250			780
C. Omnibus accounts:					
1. Includable in "Formula for Reserve Requirements"		260			
2. Other		270			790
D. Clearing organizations:					
1. Includable in "Formula for Reserve Requirements"		280			
2. Other		290			800
E. Other		300	\$ 550		810
4. Receivables from customers:					
A. Securities accounts:					
1. Cash and fully secured accounts		310			
2. Partly secured accounts		320		560	
3. Unsecured accounts				570	
B. Commodity accounts		330		580	
C. Allowance for doubtful accounts	()	335	()	590	820
5. Receivables from non-customers:					
A. Cash and fully secured accounts		340			
B. Partly secured and unsecured accounts		350		600	830
6. Securities purchased under agreements to resell		360		605	840
7. Securities and spot commodities owned, at market value:					
A. Bankers acceptances, certificates of deposit and commercial paper		370			
B. U.S. and Canadian government obligations		380			
C. State and municipal government obligations		390			
D. Corporate obligations		400			

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER **STAN DALY FINANCIAL SERVICE**
as of 09/30/02

STATEMENT OF FINANCIAL CONDITION

ASSETS

	Allowable	Non-Allowable	Total
E. Stocks and warrants	410		
F. Options	420		
G. Arbitrage	422		
H. Other securities	677,268	424	
I. Sport commodities	430		\$ 677,268 850
8. Securities owned not readily marketable:			
A. At Cost	130	\$ 440 610	860
9. Other investments not readily marketable:			
A. At Cost	140		
B. At estimated fair value	450	620	870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities	150		
B. Other	160	460 630	880
11. Secured demand notes- market value of collateral:			
A. Exempted securities	170		
B. Other	180	470 640	890
12. Memberships in exchanges:			
A. Owned, at market value	190		
B. Owned at cost		650	
C. Contributed for use of company, at market value		660	900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	670	910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)	490	680	920
15. Other Assets:			
A. Dividends and interest receivable	500	690	
B. Free shipments	510	700	
C. Loans and advances	520	710	
D. Miscellaneous	530	720	930
16. TOTAL ASSETS	\$ 680,883 540	\$ 740	\$ 680,883 940

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Liabilities</u>	<u>A.I. Liabilities*</u>	<u>Non-A.I. Liabilities*</u>	<u>Total</u>
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	1470
18. Securities sold under repurchase agreement....		1260	1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	1490
2. Other	1060	1280	1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		1510
2. Other	1080	1290	1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		1550
2. Other	1105	1310	1560
E. Other:	1110	1320	1570
20. Payable to customers:			
A. Securities accounts-including free credits of \$ 950	1120		1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value-including arbitrage of \$ 960		1360	1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		1630
B. Accounts payable	1170		1640
C. Income taxes payable	1180		1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities	1190		1670
F. Other	1200	1380	1680

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY (continued)

	A.I. Liabilities*	Non-A.I. Liabilities*	Total
Liabilities			
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	25 55,136 1211	\$ 1390	55,136 1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1710
1. from outsiders	24 \$ 970		
2. Includes equity subordination (15c3-1(d)) of	\$ 980		
B. Securities borrowings, at market value from outsiders	\$ 990	1410	1720
C. Pursuant to secured demand note collateral agreements:		1420	1730
1. from outsiders	\$ 1000		
2. Includes equity subordination (15c3-1(d)) of	\$ 1010		
D. Exchange memberships contributed for use of company, at market value		26 1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
26. TOTAL LIABILITIES	\$ 55,136 1230	\$ 1450	\$ 55,136 1760
Ownership Equity			
27. Sole Proprietorship			\$ 625,747 1770
28. Partnership-limited partners	\$ 1020		\$ 1780
29. Corporation:			
A. Preferred stock			1791
B. Common stock			28 1792
C. Additional paid-in capital			1793
D. Retained earnings			1794
E. Total			1795
F. Less capital stock in treasury			1796
30. TOTAL OWNERSHIP EQUITY			\$ 625,747 1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 680,883 1810

OMIT PENNIES

*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

COMPUTATION OF NET CAPITAL

<p>1. Total ownership equity from Statement of Financial Condition - Item 1800</p> <p>2. Deduct Ownership equity not allowable for Net Capital</p> <p>3. Total ownership equity qualified for Net Capital</p> <p>4. Add:</p> <p style="padding-left: 20px;">A. Liabilities subordinated to claims of general creditors allowable in computation of net capital</p> <p style="padding-left: 20px;">B. Other (deductions) or allowable credits (List)</p> <p>5. Total capital and allowable subordinated liabilities</p> <p>6. Deductions and/or charges:</p> <p style="padding-left: 20px;">A. Total nonallowable assets from</p> <p style="padding-left: 40px;">Statement of Financial Condition (Notes B and C)</p> <p style="padding-left: 40px;">1. Additional charges for customers' and non-customers' security accounts</p> <p style="padding-left: 40px;">2. Additional charges for customers' and non-customers' commodity accounts</p> <p style="padding-left: 20px;">B. Aged fail-to-deliver</p> <p style="padding-left: 40px;">1. Number of items</p> <p style="padding-left: 20px;">C. Aged short security differences-less reserve of</p> <p style="padding-left: 40px;">number of items</p> <p style="padding-left: 20px;">D. Secured demand note deficiency</p> <p style="padding-left: 20px;">E. Commodity futures contracts and spot commodities - proprietary capital charges</p> <p style="padding-left: 20px;">F. Other deductions and/or charges</p> <p style="padding-left: 20px;">G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)</p> <p style="padding-left: 20px;">H. Total deductions and/or charges</p> <p>7. Other additions and/or allowable credits (List)</p> <p>8. Net capital before haircuts on securities positions</p> <p>9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):</p> <p style="padding-left: 20px;">A. Contractual securities commitments</p> <p style="padding-left: 20px;">B. Subordinated securities borrowings</p> <p style="padding-left: 20px;">C. Trading and investment securities:</p> <p style="padding-left: 40px;">1. Bankers' acceptances, certificates of deposit and commercial paper</p> <p style="padding-left: 40px;">2. U.S. and Canadian government obligations</p> <p style="padding-left: 40px;">3. State and municipal government obligations</p> <p style="padding-left: 40px;">4. Corporate obligations</p> <p style="padding-left: 40px;">5. Stocks and warrants</p> <p style="padding-left: 40px;">6. Options</p> <p style="padding-left: 40px;">7. Arbitrage</p> <p style="padding-left: 40px;">8. Other securities</p> <p style="padding-left: 20px;">D. Undue Concentration</p> <p style="padding-left: 20px;">E. Other (List)</p> <p>10. Net Capital</p>	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"></td> <td style="width: 15%;"></td> <td style="width: 15%; border-bottom: 1px solid black;">625,747</td> <td style="width: 5%; border-bottom: 1px solid black;">3480</td> </tr> <tr> <td></td> <td style="text-align: center;">(</td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3490</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">625,747</td> <td style="border-bottom: 1px solid black;">3500</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3520</td> </tr> <tr> <td></td> <td style="text-align: center;">33</td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3525</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">625,747</td> <td style="border-bottom: 1px solid black;">3530</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3540</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3550</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3560</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3570</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3580</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3590</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3600</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3610</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3615</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3620</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3630</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">625,747</td> <td style="border-bottom: 1px solid black;">3640</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3660</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3670</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3680</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3690</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3700</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3710</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3720</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3730</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3732</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">101,590</td> <td style="border-bottom: 1px solid black;">3734</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">73,432</td> <td style="border-bottom: 1px solid black;">3650</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black;">3736</td> </tr> <tr> <td></td> <td style="text-align: center;">(</td> <td style="border-bottom: 1px solid black;">175,022</td> <td style="border-bottom: 1px solid black;">3740</td> </tr> <tr> <td></td> <td></td> <td style="border-bottom: 1px solid black;">450,725</td> <td style="border-bottom: 1px solid black;">3750</td> </tr> </table>			625,747	3480		(3490			625,747	3500				3520		33		3525			625,747	3530				3540				3550				3560				3570				3580				3590				3600				3610				3615				3620				3630			625,747	3640				3660				3670				3680				3690				3700				3710				3720				3730				3732			101,590	3734			73,432	3650				3736		(175,022	3740			450,725	3750
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OMIT PENNIES

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

BROKER OR DEALER

as of 09/30/02

STAN DALY FINANCIAL SERVICE

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 2/3% of line 19)	\$	3,675	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)	\$	350,725	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$	445,211	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	55,136	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
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))	\$		3838
19. Total aggregate indebtedness	\$	55,136	3840
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	%	12.23%	3850
21. Percentage of aggregate indebtedness to net capital <u>after</u> anticipated capital withdrawals (line 19 ÷ by line 10 less item 4880 page 25)	%		3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debt items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debts	\$	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. Percentage of Net Capital to Aggregate Debts (line 10 ÷ by line 17 page 8)	%		3851
27. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debts (line 10 less item 4880 page 11 ÷ by line 17 page 8)	%		3854
28. Net capital in excess of the greater of:			
A. 5% of combined aggregate debt items or \$120,000	\$		3920

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	3860
30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) ÷ Net Capital	%	3852

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 notes 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.

PART II - FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

BROKER OR DEALER STAN DALY FINANCIAL SERVICE	For the period (MMDDYY) from <u>10/01/01</u> 13932 to <u>09/30/02</u> 3933	3933
	Number of months included in this statement <u>12</u>	3931

STATEMENT OF INCOME (LOSS)

REVENUE

1.	Commissions:		
	a. Commissions on transactions in listed equity securities executed on an exchange	\$	3935
	b. Commissions on transactions in exchange listed equity securities executed over-the-counter		3937
	c. Commissions on listed option transactions		3938
	d. All other securities commissions		3939
	e. Total securities commissions		3940
2.	Gains or losses on firm securities trading accounts		
	a. From market making in over-the-counter equity securities		3941
	1. Includes gains or (losses) OTC market making in exchange listed equity securities	3943	
	b. From trading in debt securities		3944
	c. From market making in options on a national securities exchange		3945
	d. From all other trading		3949
	e. Total gains or (losses)		3950
3.	Gains or losses on firm securities investment accounts		
	a. Includes realized gains (losses)	4235	
	b. Includes unrealized gains (losses)	(299,734) 4236	
	c. Total realized and unrealized gains (losses)		(299,734) 3952
4.	Profits or (losses) from underwriting and selling groups		3955
	a. Includes underwriting income from corporate equity securities	4237	
5.	Margin interest		3960
6.	Revenue from sale of investment company shares		3970
7.	Fees for account supervision, investment advisory and administrative services	3,009	3975
8.	Revenue from research services		3980
9.	Commodities revenue		3990
10.	Other revenue related to securities business		3985
11.	Other revenue	17,235	3995
12.	Total revenue	(279,490)	4030

EXPENSES

13.	Registered representative's compensation		
	14. Clerical and administrative employees' expenses	\$	4110
	15. Salaries and other employment costs for general partners, and voting stockholder officers		4040
	a. Includes interest credited to General and Limited Partners capital accounts	4130	
	16. Floor brokerage paid to certain brokers (see definition)		4055
	17. Commissions and clearance paid to all other brokers (see definition)		4145
	18. Clearance paid to non-brokers (see definition)		4135
	19. Communications		4060
	20. Occupancy and equipment costs		4080
	21. Promotional costs		4150
	22. Interest expense		3,786 4075
	a. Includes interest on accounts subject to subordination agreements	4070	
	23. Losses in error account and bad debts		4170
	24. Data processing costs (including service bureau service charges)		4185
	25. Non-recurring charges		4190
	26. Regulatory fees and expenses		4195
	27. Other expenses	3,414	4100
	28. Total expenses	7,200	4200

NET INCOME

29.	Income (loss) before Federal income taxes and items below (Item 12 less Item 28)		
	30. Provision for Federal income taxes (for parent only)		(286,690) 4210
	31. Equity in earnings (losses) of unconsolidated subsidiaries not included above		4220
	a. After Federal income taxes of	4238	4222
	32. Extraordinary gains (losses)		4224
	a. After Federal income taxes of	4239	
	33. Cumulative effect of changes in accounting principles		4225
	34. Net income (loss) after Federal income taxes and extraordinary items	(286,690)	4230

MONTHLY INCOME

35.	Income (current month only) before provision for Federal income taxes and extraordinary items		
		\$	700 4211

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER **STAN DALY FINANCIAL SERVICE**

as of 09/30/02

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (See Rule 15c3-3, Exhibit A and Related Notes)

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3)	46	\$		4340
2. Monies borrowed collateralized by securities carried for the accounts of customers (see Note B)				4350
3. Monies payable against customers' securities loaned (see Note C)				4360
4. Customers' securities failed to receive (see Note D)				4370
5. Credit balances in firm accounts which are attributable to principal sales to customers				4380
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days				4390
7. **Market value of short security count differences over 30 calendar days old				4400
8. ***Market value of short securities and credits (not to be offset by logs or by debits) in all suspense accounts over 30 calendar days				4410
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days	47			4420
10. Other (List)				4425
11. TOTAL CREDITS			\$	4430

DEBIT BALANCES

12. **Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3	48	\$		4440
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver				4450
14. Failed to deliver of customers' securities not older than 30 calendar days				4460
15. Margin required and on deposit with Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)				4465
16. Other (List)				4469
17. **Aggregate debit items			\$	4470
18. **Less 3% (for alternative method only—see Rule 15c3-1(f)(5)(i))				4471
19. **TOTAL 14c3-3 DEBITS			\$	4472

RESERVE COMPUTATION

20. Excess of total debits over total credits (line 19 less line 11)	49	\$		4480
21. Excess of total credits over total debits (line 11 less line 19)				4490
22. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits				4500
23. Amount held on deposit in "Reserve Bank Account(s)," including value of qualified securities, at end of reporting period				4510
24. Amount of deposit (or withdrawal) including \$ <u>4515</u> value of qualified securities				4520
25. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ <u>4525</u> value of qualified securities			\$	4530
26. Date of deposit (MMDDYY)				4540

FREQUENCY OF COMPUTATION

27. Daily 4332 Weekly 4333 Monthly 4334

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKER-DEALERS UNDER RULE 15c3-3 (continued)

EXEMPTIVE PROVISIONS

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

- | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------|
| 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 ⁵¹ : <u>U. S. BANCORP, PIPER JAFFRAY</u> | \$ | 4570 |
| D. (k)(3) — Exempted by order of the Commission | | 4580 |

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

State the market valuation and number of items of:

- | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|
| 1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frame specified under Rule 15c3-3. Notes A and B | \$ | 4586 |
| A. Number of items | | 4587 |
| 2. Customers' fully paid securities and excess margin securities for which instructions to reduce possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B, C and D | \$ | 4588 |
| A. Number of items | \$ | 4589 |
| OMIT PENNIES | | |
| 3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 | Yes | 4584 |
| | No | 4585 |

NOTES

- A—Do not include in item one customers' fully paid and excess margin securities required by Rule 15c3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent with the time frames specified under Rule 15c3-3.
- B—State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C—Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.
- D—Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

SCHEDULE OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

CUSTOMER'S REGULATED COMMODITY FUTURES ACCOUNTS

SEGREGATION REQUIREMENTS

1.	Net ledger balance:		
	A. Cash		7010
	B. Securities (at market)		7020
2.	Net unrealized profit (loss) in open futures contracts traded on a contract market		7030
3.	Exchange traded options:		
	A. Add: Market Value of an open option contracts purchased on a contract market		7032
	B. Deduct: Market Value of an open option contracts granted (sold) on a contract market		7033
4.	Net equity (deficit) (total of 1, 2 and 3)		7040
5.	Add accounts liquidating to a deficit and accounts with debit balances with no open trades		7050
6.	Amount required to be segregated (total of 5 and 4)		7060

FUNDS ON DEPOSIT IN SEGREGATION

7.	Deposited in segregated funds bank accounts:		
	A. Cash		7070
	B. Securities representing investments of customers' fund (at market)		7080
	C. Securities held in particular customers or option customers in lieu of cash (at market)		7090
8.	Margin on deposits with clearing organizations of contract markets:		
	A. Cash		7100
	B. Securities representing investments of customers' fund (at market)		7110
	C. Securities held in particular customers or option customers in lieu of cash (at market)		7120
9.	Settlement due from (to) clearing organizations of contract markets		7130
10.	Exchange traded options:		
	A. Add: Unrealized receivables for option contracts purchased on contract markets		7132
	B. Deduct: Unrealized obligations for option contracts granted (sold) on contract markets		7133
11.	Net equities with other FCMs		7140
12.	Segregated funds on hand:		
	A. Cash		7150
	B. Securities representing investments of customers' funds (at market)		7160
	C. Securities held for particular customers in lieu of cash (at market)		7170
13.	Total amount in segregation *total of 7 through 12)	\$	7180
14.	Excess (insufficiency) funds in segregation (13 minus 6)	\$	7190

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

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 Proposal Withdrawal or Accrual See below for code to enter	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
54 4600	4601	4602	\$	4603	4604 4605
55 4610	4611	4612		4613	4614 4615
56 4620	4621	4622		4623	4624 4625
57 4630	4631	4632		4633	4634 4635
58 4640	4641	4642		4643	4644 4645
59 4650	4651	4652		4653	4654 4655
60 4660	4661	4662		4663	4664 4665
61 4670	4671	4672		4673	4674 4675
62 4680	4681	4682		4683	4684 4685
63 4690	4691	4692		4693	4694 4695
Total \$				64	4699*

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* To agree with the total on Recap (Item No. 4880)

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

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
Capital Withdrawals
PART II

BROKER OR DEALER STAN DALY FINANCIAL SERVICE as of 09/30/02

RECAP

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.

1. Equity Capital

A. Partnership Capital:

1. General Partners	55	\$ 4700
2. Limited		4710
3. Undistributed Profits		4720
4. Other (describe below)		4730
5. Sole Proprietorship		4735

B. Corporation Capital:

1. Common Stock		4740
2. Preferred Stock		4750
3. Retained Earnings (Dividends and Other)	66	4760
4. Other (describe below)		4770

2. Subordinated Liabilities

A. Secured Demand Notes		4780
B. Cash Subordinates		4790
C. Debentures		4800
D. Other (describe below)		4810

3. Other Anticipated Withdrawals

A. Bonuses		4820
B. Voluntary Contributions to Pension or Profit Sharing Plans	67	4860
C. Other (describe below)		4870

Total \$ 4880

4. Description of Other

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period		\$ 1,083,130	4240
A. Net income (loss)		(286,690)	4250
B. Additions (includes non-conforming capital of	\$ 4263		4260
C. Deductions (includes non-conforming capital of	\$ 4272		4270
2. Balance, end of period (From Item 1800)		\$ 625,747	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period		\$ N/A	4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (From Item 3520)			4330

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER

STAN DALY FINANCIAL SERVICE

as of 09/30/02

FINANCIAL AND OPERATIONAL DATA

	<u>Valuation</u>	<u>Number</u>
1. Month end total number of stock record breaks unresolved over three business days		
A. breaks long	\$ 4890	4900
B. breaks short	\$ 4910	4920
2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter? (Check one)	Yes <input type="checkbox"/> 4930	No <input type="checkbox"/> 4940
3. Personnel employed at end of reporting period:		
A. Income producing personnel		4950
B. Non-income producing personnel (all other)		4960
C. Total		4970
4. Actual number of tickets executed during current month of reporting period		4980
5. Number of corrected customer confirmations mailed after settlement date		4990

	<u>No. of Items</u>	<u>Debit (Short Value)</u>		<u>No. of Items</u>	<u>Credit (Long Value)</u>
6. Money differences	5000	\$ 5010		5020	\$ 5030
7. Security suspense accounts	5040	\$ 5050		5060	\$ 5070
8. Security difference accounts	5080	\$ 5090		5100	\$ 5110
9. Commodity suspense accounts	5120	\$ 5130		5140	\$ 5150
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and inter-company accounts which could result in a charge — unresolved amounts over 30 calendar days	5160	\$ 5170		5180	\$ 5190
11. Bank account reconciliations — unresolved amounts over 30 calendar days	5200	\$ 5210		5220	\$ 5230
12. Open transfers over 40 calendar days, not confirmed	5240	\$ 5250		5260	\$ 5270
13. Transactions in reorganization accounts — over 60 calendar days	5280	\$ 5290		5300	\$ 5310
14. Total	5320	\$ 5330		5340	\$ 5350

	<u>No. of Items</u>	<u>Leger Amount</u>	<u>Market Value</u>
15. Failed to deliver 11 business days or longer (21 Business Days or longer in the case of Municipal Securities)	5360	\$ 5361	5362
16. Failed to receive 11-business days or longer (21 business Days or longer in the case of Municipal Securities)	5363	\$ 5364	5365
17. Security concentrations (See instructions in Part I):			
A. Proprietary positions			5370
B. Customers' accounts under Rule 15c3-3			5374
18. Total of personal capital borrowings due within six months			5378
19. Maximum haircuts on underwriting commitments during the period			5380
20. Planned capital expenditures for business expansion during next six months			5382
21. Liabilities of other individuals or organizations guaranteed by respondent			5384
22. Lease and rentals payable within one year			5386
23. Aggregate lease and rental commitments payable for entire term of the lease			
A. Gross			5388
B. Net			5390

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STAN DALY FINANCIAL SERVICE
Reconciliation as required by SEC Rule 17a-5(d)(4)
September 30, 2002

Line 1 Part II per unaudited report [3480]		\$625,747
Furniture & equipment not included on unaudited report	1,877	
Accumulated depreciation on above furniture & equipment	(1,044)	
Net book value of furniture & equipment not included on unaudited report		<u>833</u>
Capital per attached Audited Financial Statements		<u><u>\$626,580</u></u>

Statement of Changes in Ownership Equity

Balance, Beginning of period, Ownership equity

Line 1 Unaudited Report[4240]		\$1,083,130
Furniture & equipment not included on unaudited report	4,278	
Accumulated depreciation on above furniture & equipment	(3,132)	
Net book value of furniture & equipment not included on unaudited report		<u>1,146</u>
Per attached Audited Financial Statements		<u><u>\$1,084,276</u></u>