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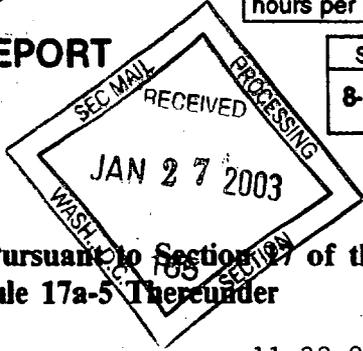
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SEC 03001610 COMMISSION
Washington, D.C. 20549

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
8-13675

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 12-01-2001 AND ENDING 11-30-2002
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
AGF SECURITIES INC.

OFFICIAL USE ONLY
FIRM ID. NO.

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

55 KING STREET WEST 31st FLOOR
(No. and Street)

TORONTO ONTARIO M5K 1E9
(City) (State) (Zip Code)

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

WILLIAM CAMERON (416) 865-4244
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

ROYAL TRUST TOWER, TD CENTRE, STE #3000, PO BOX 82 TORONTO, ONT. M5K 1G9
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED

FOR OFFICIAL USE ONLY | **MAR 04 2003**
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).

Handwritten initials/signature

OATH OR AFFIRMATION

I, WILLIAM CAMERON, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AGF SECURITIES INC., as of NOVEMBER 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:

W. Cameron
Signature

SECRETARY TREASURER
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.
- (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).

**FORM
X-17A-5**

FOCUS REPORT

OMB No. 3235-0123
(5-31-87)

(Financial and Operational Combined Uniform Single Report)

PART II 11

12/90

(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.

AGF SECURITIES INC. 13

81-13675
FIRM ID. NO.

25-00998

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

55 KING STREET, WEST 31st FLOOR 20
(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

12-01-2001 2

TORONTO 21 ONTARIO 22 M5K 1E9 23
(City) (State) (Zip Code)

AND ENDING (MM/DD/YY)

11-30-2002 2

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

(Area Code)—Telephone No.

30 3

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

OFFICIAL USE 3

32 3

34 3

36 3

38 3

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 4
 CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 4

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 24th day of JANUARY 2003
 Manual signatures of:

- 1) W.P. Cameron
Principal Executive Officer or Managing Partner
- 2) W.P. Cameron
Principal Financial Officer or Partner
- 3) W.P. Cameron
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:(a))

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

BROKER OR DEALER AGF SECURITIES INC.

N2

100

STATEMENT OF FINANCIAL CONDITION

As of (MM/DD/YY) 11-30-2002

99

SEC FILE NO. 81-13675

98

Consolidated

196

Unconsolidated

199

ASSETS

Allowable

Nonallowable

Total

1. Cash	\$ 1,392,722	200		\$ 1,392,722	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	25,108	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
b. 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			

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

BROKER OR DEALER **AGF SECURITIES INC.**

as of 11-30-2002

STATEMENT OF FINANCIAL CONDITION

ASSETS

	<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
E. Stocks and warrants	\$ 410		
F. Options	420		
G. Arbitrage	422		
H. Other securities	424		
I. Spot commodities	430		\$ 850
8. Securities owned not readily marketable:			
A. At Cost \$ 186,720 130			
B. At estimated fair value	440	\$ 1 610	1 860
9. Other investments not readily marketable:			
A. At Cost \$	140		
B. At estimated fair value	450	620	870
10. Securities borrowed under subordination agree- ments 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		20,100 650	
C. Contributed for use of company, at market value		660	20,100 900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	4,070 670	4,070 910
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	14,043 720	14,043 930
16. TOTAL ASSETS	\$ 1,417,830 540	\$ 38,214 740	\$ 1,456,044 940

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

BROKER OR DEALER

AGF SECURITIES INC.

as of 11-30-2002

STATEMENT OF FINANCIAL CONDITION

LIABILITIES AND OWNERSHIP EQUITY

<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 agreements		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	12,576	1170	12,576
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

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* 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

AGF SECURITIES INC.

as of 11-30-2002

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>
24. Notes and mortgages payable:			
A. Unsecured	\$ 1210		\$ 1690
B. Secured	▼ 1211	\$ 1390	\$ 1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings		1400	1710
1. from outsiders ▼ \$ 970			
2. Includes equity subordination (15c3-1 (d)) of	\$ 980		
B. Securities borrowings, at market value:		1410	1720
from outsiders \$ 990			
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		▼ 1430	1740
E. Accounts and other borrowings not qualified for net capital purposes		1440	1750
26. TOTAL LIABILITIES	\$ 12,576 1220	\$ 1450	\$ 12,576 1750

Ownership Equity

27. Sole proprietorship		\$ 17	
28. Partnership- limited partners	\$ 1020		17
29. Corporation:			
A. Preferred stock			17
B. Common stock		▼ 25,850	17
C. Additional paid-in capital		51,700	17
D. Retained earnings		1,365,918	17
E. Total			17
F. Less capital stock in treasury		(17)	17
30. TOTAL OWNERSHIP EQUITY		\$ 1,443,468	17
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 1,456,044 17

OMIT PEN

*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 AGF SECURITIES INC.

as of 11-30-2002

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	1,443,468	3480
2. Deduct: Ownership equity not allowable for net capital	(3490
3. Total ownership equity qualified for net capital		1,443,468	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	\$	1,443,468	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Note B and C)	\$	38,214	3540
1. Additional charges for customers' and non-customers' security accounts			3550
2. Additional charges for customers' and non-customers' commodity accounts			3560
B. Aged fail-to-deliver:			3570
1. Number of items	▼	3450	
C. Aged short security differences-less reserve of	\$	3460	3580
number of items		3470	
D. Secured demand note deficiency			3590
E. Commodity futures contracts and spot commodities proprietary capital charges			3600
F. Other deductions and/or charges		25,000	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) ..			3615
H. Total deductions and/or charges	(63,214	362
7. Other additions and/or allowable credits (List)			363
8. Net Capital before haircuts on securities positions	\$	1,380,254	364
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1 (f)):			
A. Contractual securities commitments		513	3660
B. Subordinated securities borrowings			3670
C. Trading and Investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper	▼		3680
2. U.S. and Canadian government obligations			3690
3. State and municipal government obligations			3700
4. Corporate obligations			3710
5. Stocks and warrants			3720
6. Options			3730
7. Arbitrage			3732
B. Other securities	▼		3734
D. Undue concentration			3650
E. Other (list)			3736
10. Net Capital	\$	1,379,741	3

OMIT PEN

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

BROKER OR DEALER **AGF SECURITIES INC.**

as of 11-30-2002

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 19)	\$	838	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)	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	5,000	3760
14. Excess net capital (line 10 less 13)	\$	1,374,741	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$	1,378,483	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.L. liabilities from Statement of Financial Condition	\$		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))	\$		383
19. Total aggregate indebtedness	\$	12,576	384
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	%		385
21. Percentage of Aggregate Indebtedness to net capital <u>after</u> anticipated capital withdrawals (line 19 ÷ by line 10 less Item 4880 page 11)	%	1	385

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	\$		38
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$		38
24. Net capital requirement (greater of line 22 or 23)	\$		37
25. Excess net capital (line 10 less 24)	\$		39
26. Percentage of Net Capital to Aggregate Debits (line 10 ÷ by line 17 page 8)	%		38
27. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debits (line 10 less Item 4880 page 11 ÷ by line 17 page 8)	%		38
28. Net capital in excess of: 5% of combined aggregate debit items or \$120,000	\$		39

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%		38
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	%		3

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

PART II—FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

BROKER OR DEALER AGF SECURITIES INC.	For the period (MMDDYY) from 12-01-01 to 11-30-02	3932	3933
	Number of months included in this statement	11	3931

REVENUE

STATEMENT OF INCOME (LOSS)

1. Commissions:			
a. Commissions on transactions in listed equity securities executed on an exchange	\$ 294,140		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	294,140		3940
2. Gains or losses on firm securities trading accounts			
a. From market making in over-the-counter equity securities			3941
i. 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)	4236		
c. Total realized and unrealized gains (losses)			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			3975
8. Revenue from research services			3980
9. Commodities revenue			3990
10. Other revenue related to securities business			3981
11. Other revenue		18,249	3991
12. Total revenue		\$ 312,389	4031

EXPENSES

13. Registered representatives' compensation			4111
14. Clerical and administrative employees' expenses			4041
15. Salaries and other employment costs for general partners, and voting stockholder officers		15,268	4121
a. Includes interest credited to General and Limited Partners capital accounts	4130		
16. Floor brokerage paid to certain brokers (see definition)			4051
17. Commissions and clearance paid to all other brokers (see definition)		110,148	4141
18. Clearance paid to non-brokers (see definition)			4131
19. Communications			4061
20. Occupancy and equipment costs			4011
21. Promotional costs			4111
22. Interest expense			4011
a. Includes interest on accounts subject to subordination agreements	4070		
23. Losses in error account and bad debts			4111
24. Data processing costs (including service bureau service charges)			4111
25. Non-recurring charges			4111
26. Regulatory fees and expenses			4111
27. Other expenses		22,872	4111
28. Total expenses		\$ 148,288	4211

NET INCOME

29. Income (loss) before Federal income taxes and items below (Item 12 less Item 28)		\$ 164,101	4211
30. Provision for Federal income taxes (for parent only)		(6,193)	4211
31. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4211
a. After Federal income taxes of	4238		
32. Extraordinary gains (losses)			4211
a. After Federal income taxes of	4239		
33. Cumulative effect of changes in accounting principles			4211
34. Net income (loss) after Federal income taxes and extraordinary items		\$ 170,294	4211

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

BROKER OR DEALER

AGF SECURITIES INC.

as of 11-30-2002

**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 one only)

- A. (k) (1)—\$2,500 capital category as per Rule 15c3-1 N/A 455-0
- B. (k) (2)(A)—"Special Account for the Exclusive Benefit of customers" maintained 456-0
- C. (k) (2)(B)—All customer transactions cleared through another broker-dealer on a fully disclosed basis. Name of clearing firm Y 4335 457-0
- D. (k) (3)—Exempted by order of the Commission 458-0

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

State the market valuation and the 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 frames specified under Rule 15c3-3, Notes A and B 459-6
 - A. Number of items 459-7
- 2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary tags which result from normal business operations" as permitted under Rule 15c3-3, Notes B, C and D 459-8
 - A. Number of items 459-9
- 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 458-4 No 458-5

OMIT PENNIE:

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 within 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 tags 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 **AGF SECURITIES INC.**

as of 11-30-2002

**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)	\$	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	N/A
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 longs 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		4420	
10. Other (List)		4425	
11. TOTAL CREDITS	\$		44

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	\$	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 the 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	\$		4
18. **less 3% (for alternative method only — see Rule 15c3-1 (f) (5) (ii))	(4
19. **TOTAL 15c3-3 DEBITS	\$		4

RESERVE COMPUTATION

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

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FREQUENCY OF COMPUTATION

▼ 1200 Monthly 4222 4114

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

BROKER OR DEALER

AGF SECURITIES INC.

as of 11-30-2002

SCHEDULE OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION

CUSTOMERS' REGULATED COMMODITY FUTURES ACCOUNTS

SEGREGATION REQUIREMENTS

1. Net ledger balance:		
A. Cash	\$	N/A
B. Securities (at market)		7010
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		7020
3. Exchange traded options:		7030
A. Add: Market Value of open option contracts purchased on a contract market		7032
B. Deduct: Market Value of 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 4 and 5)		7060

FUNDS ON DEPOSIT IN SEGREGATION

7. Deposited in segregated funds bank accounts:		
A. Cash	\$	7070
B. Securities representing investments of customers' funds (at market)		7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		7090
8. Margins on deposit with clearing organizations of contract markets:		
A. Cash		7100
B. Securities representing investments of customers' funds (at market)		7110
C. Securities held for 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		7140
B. Deduct: Unrealized obligations for option contracts granted (sold) on contract markets		7150
11. Net equities with other FCMs		7160
12. Segregated funds on hand:		
A. Cash		7170
B. Securities representing investments of customers' funds (at market)		7180
C. Securities held for particular customers in lieu of cash (at market)		7190
13. Total amount in segregation (total of 7 through 12)	\$	7200
14. Excess (insufficiency) funds in segregation (13 minus 6)	\$	7210

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

BROKER OR DEALER **AGF SECURITIES INC,** as of 11-30-2002

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 Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (yes or no)	
Y	4600	4601	4602 \$	4603	4604	4605
Y	4610	4611	4612	4613	4614	4615
Y	4620	4621	4622	4623	4624	4625
Y	4630	4631	4632	4633	4634	4635
Y	4640	4641	4642	4643	4644	4645
Y	4650	4651	4652	4653	4654	4655
Y	4660	4661	4662	4663	4664	4665
Y	4670	4671	4672	4673	4674	4675
Y	4680	4681	4682	4683	4684	4685
Y	4690	4691	4692	4693	4694	4695
			TOTAL \$ Y NIL	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:	DESCRIPTION
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 AGF SECURITIES INC.

For the period (MMDDYY) from 12-01-2001 to 11-30-2002

RECAP

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, which have not been deducted in the computation of net capital.

1. Equity Capital

A. Partnership Capital:

1. General Partners	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)	4760
4. Other (describe below)	4770

2. Subordinated Liabilities

A. Secured Demand Notes	4780
B. Cash Subordinations	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	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	\$ 1,273,174	4240
A. Net income (loss)	170,294	4250
B. Additions (Includes non-conforming capital of	\$ 4262	4260
C. Deductions (Includes non-conforming capital of	\$ 4272	4270
2. Balance, end of period (From Item 1800)	\$ 1,443,468	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$	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 **AGF SECURITIES INC.**

as of 11-30-2002

FINANCIAL AND OPERATIONAL DATA

1.	Month end total number of stock record breaks unresolved over three business days	<u>Valuation</u>		<u>Number</u>
	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 checked="" type="checkbox"/> 4930	No
	A) If response is negative attach explanation of steps being taken to comply with Rule 17a-13.			
3.	Personnel employed at end of reporting period			
	A. Income producing personnel			4950
	B. Non-income producing personnel (all other)		2	4960
	C. Total		2	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
6.	Money differences	<u>No. of Items</u>	<u>Debit (Short Value)</u>	<u>No. of Items</u>
		5000	\$ 5010	5020
7.	Security suspense accounts	5040	\$ 5050	5060
8.	Security difference accounts	5080	\$ 5090	5100
9.	Commodity suspense accounts	5120	\$ 5130	5140
10.	Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and intercompany accounts which could result in a charge-unresolved amounts over 30 calendar days	5160	\$ 5170	5180
11.	Bank account reconciliations-unresolved amounts over 30 calendar days	5200	\$ 5210	5220
12.	Open transfers over 40 calendar days, not confirmed	5240	\$ 5250	5260
13.	Transactions in reorganization accounts-over 60 calendar days	5280	\$ 5290	5300
14.	Total	5320	\$ 5330	5340
15.	Failed to deliver 5 business days or longer (21 business days or longer in the case of Municipal Securities)	<u>No. of Items</u>	<u>Ledger Amount</u>	<u>Market Value</u>
		5360	\$ 5361	536
16.	Failed to receive 5 business days or longer (21 business days or longer in the case of Municipal Securities)	5363	\$ 5364	536
17.	Security concentrations (See instructions in Part I)			
	A. Proprietary positions			537
	B. Customers' accounts under Rule 15c3-3			537
18.	Total of personal capital borrowings due within six months			537
19.	Maximum haircut on underwriting commitments during the period			537
20.	Planned capital expenditures for business expansion during next six months			537
21.	Liabilities of other individuals or organizations guaranteed by respondent			537
22.	Lease and rentals payable within one year			537
23.	Aggregate lease and rental commitments payable for entire term of the lease			
	A. Gross			537
	B. Net			537

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AGF SECURITIES, INC.
(incorporated under the laws of the State of New York)
(a wholly-owned subsidiary of AGF Management Limited)

FINANCIAL STATEMENTS

NOVEMBER 30, 2002

PricewaterhouseCoopers LLP
Chartered Accountants
PO Box 82
Royal Trust Tower, Suite 3000
Toronto Dominion Centre
Toronto, Ontario
Canada M5K 1G8
Telephone +1 416 863 1133
Facsimile +1 416 365 8215

January 17, 2003

Auditors' Report

To the Shareholder and the Board of Directors of
AGF Securities, Inc.

We have audited the balance sheets of AGF Securities, Inc. as at November 30, 2002 and 2001 and the statements of operations, retained earnings and cash flow for the years then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the corporation as at November 30, 2002 and 2001 and the results of its operations and its cash flow for the years then ended in accordance with United States generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers LLP
Chartered Accountants
PO Box 82
Royal Trust Tower, Suite 3000
Toronto Dominion Centre
Toronto, Ontario
Canada M5K 1G8
Telephone +1 416 863 1133
Facsimile +1 416 365 8215

January 17, 2003

Supplementary Report of Independent Accountants

To the Board of Directors of
AGF Securities, Inc.

We have examined the balance sheet of **AGF Securities, Inc.** and supplementary Schedule I as at November 30, 2002 and the related statements of operations, retained earnings and cash flow for the year then ended and have issued our report thereon dated January 17, 2003. As part of our examination, we have reviewed and tested the system of internal accounting control for the year since our last examination as at November 30, 2001 including the accounting system, procedures for safeguarding securities and practices and procedures established for computing the ratio of aggregate indebtedness to net capital.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our review and tests of the system of internal accounting control were of the extent we considered necessary to evaluate the system for the purpose of establishing a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that were necessary for expressing our opinion on the balance sheet of **AGF Securities, Inc.** and supplementary Schedule I as at November 30, 2002 and the related statements of operations, retained earnings and cash flow for the year then ended and to provide a basis for reporting material weaknesses in internal accounting control. The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgements by management.



Board of Directors of AGF Securities, Inc.
January 17, 2003

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgement, carelessness or other personal factors. Control procedures whose effectiveness depend upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgements required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

It is not practicable in an organization the size of **AGF Securities, Inc.** to achieve all the division of duties and cross-checks generally included in a system of internal accounting control and procedures for safeguarding securities and we noted that the company has not complied in all respects with Rule 17a-13 because of the limited number of personnel involved in its operation.

Our review and tests of the system of internal accounting control which were made for the purpose set forth in the first paragraph above and would not necessarily disclose all weaknesses in the system which may have existed during the period under review, disclosed no conditions which we believe to be material weaknesses.

Price Waterhouse Coopers LLP

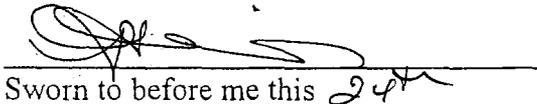
Chartered Accountants

AGF SECURITIES, INC.
618 SOUTH SPRING STREET
LOS ANGELES, CALIFORNIA 90014

I have examined the Focus Report, Part II of AGF Securities, Inc. as at November 30, 2002 and affirm that, to the best of my knowledge and belief, it is a true, correct and complete disclosure of the financial condition of AGF Securities, Inc. I affirm that, to the best of my knowledge and belief, neither AGF Securities, Inc. nor any stockholder, officer or director of AGF Securities, Inc. has any proprietary interest in any account classified solely as a customer.



W. D. Cameron
Authorized officer of AGF Securities, Inc.



Sworn to before me this

day of January 2003

AGF SECURITIES, INC.
(incorporated under the laws of the State of New York)
(a wholly-owned subsidiary of AGF Management Limited)

BALANCE SHEETS
(stated in United States currency)

	November 30	
	2002	2001
Current assets:		
Cash and term-deposit	\$ 1,392,722	\$ 1,062,881
Amount due from carrying broker	25,108	125,468
Accounts receivable	2,645	6,374
Income tax recoverable	11,398	65,946
	1,431,873	1,260,669
Investment in AGF Securities (Canada) Limited, an associated company, at cost	4,070	4,070
NASD warrants	20,100	20,100
Investment in non-marketable security, at lower of cost and net realizable value	1	1
Total assets	\$ 1,456,044	\$ 1,284,840
Current liabilities:		
Accounts payable and accrued liabilities	\$ 12,576	\$ 11,666
Shareholder's equity:		
Capital stock (note 2)	25,850	25,850
Capital paid in excess of par value of common shares	51,700	51,700
Retained earnings	1,365,918	1,195,624
	1,443,468	1,273,174
Total liabilities and shareholder's equity	\$ 1,456,044	\$ 1,284,840

AGF SECURITIES, INC.

STATEMENTS OF OPERATIONS
(stated in United States currency)

	Years ended November 30	
	<u>2002</u>	<u>2001</u>
Revenue		
Interest	\$ 18,249	\$ 27,883
Net commission revenue	183,992	687,780
	<u>202,241</u>	<u>715,663</u>
General and administrative expenses	<u>38,140</u>	<u>26,704</u>
Income before provision for income taxes	164,101	688,959
Provision for income taxes	<u>(6,193)</u>	<u>421,455</u>
Net income for the year	<u>\$ 170,294</u>	<u>\$ 267,504</u>
Earnings per share	<u>\$ 6.59</u>	<u>\$ 10.35</u>

STATEMENTS OF RETAINED EARNINGS
(stated in United States currency)

Retained earnings, beginning of year	\$ 1,195,624	\$ 928,120
Net income for the year	170,294	267,504
Retained earnings, end of year	<u>\$ 1,365,918</u>	<u>\$ 1,195,624</u>

AGF SECURITIES, INC.

STATEMENTS OF CASH FLOW
(stated in United States currency)

	Years ended November 30	
	2002	2001
Operating activities		
Net income for the year	\$ 170,294	\$ 267,504
Change in non-cash working capital:		
Amount due from carrying broker	100,360	(15,833)
Accounts receivable	3,729	396
Income tax recoverable	54,548	(24,853)
Accounts payable and accrued liabilities	910	4,698
	<u>329,841</u>	<u>231,912</u>
Investing activity		
Purchase of NASD warrants	--	(20,100)
Increase in cash and cash equivalents during the year	329,841	211,812
Balance of cash and cash equivalents, beginning of year	<u>1,062,881</u>	<u>851,069</u>
Balance of cash and cash equivalents, end of year	<u>\$ 1,392,722</u>	<u>\$ 1,062,881</u>
Supplemental disclosure of cash flow information:		
Interest Payments during the year	\$ -	\$ -
Income tax payments (refunds) during the year	<u>\$ (60,741)</u>	<u>\$ 446,308</u>

AGF SECURITIES, INC.

**NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2002**

1. Summary of significant accounting policies

Foreign currency translation

The accounts of the company are stated in United States currency. Revenue and expenses occurring in other than United States currency have been translated into United States currency at the rate of exchange prevailing at the dates of the transactions. Asset and liability balances are translated at the rate of exchange prevailing at the year end.

Revenue recognition

Securities transactions are recorded in the accounts on the settlement date.

Investments

Long-term investments are carried at cost and are only written down on indication of permanent impairment in the carrying value.

2. Share capital

At November 30, 2002 and 2001, the share capital consisted of 125,000 authorized common shares with a par value of \$1 per share of which 25,850 shares were issued and fully paid.

3. Net capital requirements

As a registered broker-dealer with the Securities and Exchange Commission, the company must maintain minimum capital requirements, as defined, in accordance with the provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, as amended.

As at November 30, 2002, the company's net capital of \$1,379,741 as calculated in accordance with the provisions of Rule 15c3-1 exceeded required net capital of \$5,000 by \$1,374,741 and the ratio of aggregate indebtedness to net capital was 0.0091.

4. Related party transactions

The corporation receives net commission revenue for providing brokerage services to mutual funds and other assets managed by AGF Funds Inc., a common controlled enterprise. These services are in the normal course of operations and are recorded at the amount of the consideration agreed to by the parties.

5. Fair value of financial instruments

The carrying value of cash, short term deposits, accounts receivable and accounts payable approximate their fair values due to their short-term nature and normal commercial terms and conditions

** ** *

A copy of Form X-17A-5, Part II (Focus Report) is available for review at the company's Toronto office and at the Washington office of the Securities and Exchange Commission.

Schedule I

AGF SECURITIES, INC.

**COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15C3-1
(stated in United States currency)**

	<u>Years ended November 30</u>	
	<u>2002</u>	<u>2001</u>
Total capital and allowable subordinated liabilities	\$ 1,443,468	\$ 1,273,174
Deduct:		
Financial Condition in the Focus Report as at November 30, respectively	38,214	30,545
Other deductions and/or charges	<u>25,000</u>	<u>25,000</u>
Net capital before haircuts on securities positions	1,380,254	1,217,629
Deduct: Haircuts on securities	<u>513</u>	<u>2,846</u>
	<u>\$ 1,379,741</u>	<u>\$ 1,214,783</u>