

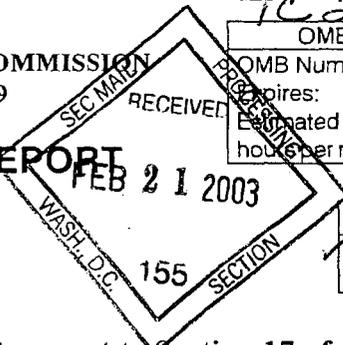
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

TC 2/24/03
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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**



SEC FILE NUMBER
8- 41080

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 01/01/02 AND ENDING 12/31/02
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
Haas Financial Products Inc
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
29600 Northwestern Hwy #114

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)
Southfield, MI 48034
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Donald Ray Haas 248-213-0101
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Tassoni, James D

(Name - if individual, state last, first, middle name)
37000 Grand River #280 Farmington Hills, MI 48331
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

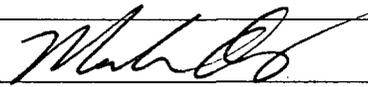
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THOMSON
FINANCIAL

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*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)

OATH OR AFFIRMATION

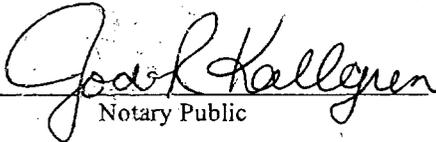
I, Mark Davis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Haas Financial Products Inc, as of February 14, 20 03, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



Signature

Vice President

Title



Notary Public

JODI R. KALLGREN
Notary Public, Oakland County, MI
My Commission Expires Nov. 8, 2004

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.

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

HAAS FINANCIAL PRODUCTS, INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2002

HAAS FINANCIAL PRODUCTS, INC.

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JAMES D. TASSONI

CERTIFIED PUBLIC ACCOUNTANT
37000 GRAND RIVER, SUITE 280
FARMINGTON HILLS, MICHIGAN 48335

MEMBER
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MEMBER
MICHIGAN ASSOCIATION OF
CERTIFIED PUBLIC ACCOUNTANTS

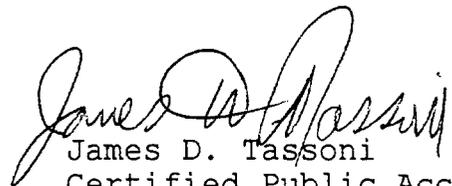
INDEPENDENT AUDITORS' REPORT

The Board of Directors
Haas Financial Products, Inc.
Southfield, Michigan

I have audited the accompanying balance sheet of Haas Financial Products, Inc., as of December 31, 2002, and the related statements of changes in stockholders' equity, income and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Haas Financial Products, Inc., as of December 31, 2002, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.


James D. Tassoni
Certified Public Accountant

January 16, 2003

HAAS FINANCIAL PRODUCTS, INC.

BALANCE SHEET
December 31, 2002

ASSETS

Current Assets:		
Cash		\$ 39,316
Accrued Commissions Receivable		<u>4,961</u>
Total Current Assets		\$ <u>44,277</u>
Property and Equipment:		
Office Equipment		\$ 68,850
Automobile		<u>25,584</u>
Total Property and Equipment		\$ 94,434
Less: Accumulated Depreciation		<u>76,668</u>
Net Property and Equipment		\$ <u>17,766</u>
Other Assets:		
Life Insurance-CSV		\$ <u>15,095</u>
Total Other Assets		\$ <u>15,095</u>
Total Assets		\$ <u><u>77,138</u></u>

LIABILITIES

Current Liabilities:		
Commissions Payable		\$ <u>3,969</u>
Total Current Liabilities		\$ <u>3,969</u>

STOCKHOLDERS' EQUITY

Common Stock, par value \$1.00		
Authorized	<u>50,000 Shares</u>	
Issued and Outstanding	<u>11,000 Shares</u>	\$ 11,000
Retained Earnings		<u>62,169</u>
Total Stockholders' Equity		\$ <u>73,169</u>
Total Liabilities and Stockholders' Equity		\$ <u><u>77,138</u></u>

Refer to Notes to Financial Statements

HAAS FINANCIAL PRODUCTS, INC.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the Year Ended December 31, 2002

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balance, January 1, 2002	\$ 11,000	\$ 101,417	\$ 112,417
Net Loss		<u>(39,248)</u>	<u>(39,248)</u>
Balance, December 31, 2002	<u>\$ 11,000</u>	<u>\$ 62,169</u>	<u>\$ 73,169</u>

Refer to Notes to Financial Statements

HAAS FINANCIAL PRODUCTS, INC.

STATEMENT OF INCOME
For the Year Ended December 31, 2002

Commission Revenue	\$ 858,816
Operating Expenses:	
Commissions	\$ 726,200
Office Operations	61,246
Outside Services	39,600
Depreciation	15,588
Travel and Entertainment	12,511
Computer Expense	9,999
Regulatory Expense	9,118
Insurance	7,799
Professional Fees	4,889
Printing and Postage	4,133
Dues and Fees	3,096
Auto Expense	2,566
Telephone	2,344
Office Expense	538
Contributions	200
Total Operating Expenses	\$ 899,827
Operating Loss	\$ (41,010)
Other Income:	
Miscellaneous Income	\$ 1,763
Total Other Income	\$ 1,763
Net Loss	\$ (39,248)

Refer to Notes to Financial Statements

HAAS FINANCIAL PRODUCTS, INC.

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2002

Operating Activities Cash Flows:	
Net Loss	<u>\$ (39,248)</u>
Add Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	\$ 15,587
(Increase) Decrease in Certain Assets:	
Commissions Receivable	16,510
Prepaid Expenses	18,187
CSV Life Insurance	(1,234)
Accounts Receivable-Other	5,315
Increase (Decrease) in Certain Liabilities:	
Accrued Expenses	<u>(13,207)</u>
Total Adjustments	<u>\$ 41,158</u>
Net Operating Activities Cash Flows	<u>\$ 1,910</u>
Investing Activities Cash Flows:	
Purchases of Assets	<u>\$ (9,683)</u>
Net Investing Activities Cash Flows	<u>\$ (9,683)</u>
Decrease in Cash	\$ (7,773)
Cash, Beginning of Year	<u>47,089</u>
Cash, End of Year	<u>\$ 39,316</u>

Refer to Notes to Financial Statements

HAAS FINANCIAL PRODUCTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

Note A: Accounting Policies:

The following is a summary of significant accounting policies followed in the preparation of the financial statements:

Nature of Business:

Haas Financial Products, Inc. is a registered broker-dealer of securities and a member of the National Association of Securities Dealers, Inc. (NASD).

Haas Financial Products, Inc. sells mutual funds, variable life insurance policies, variable annuities, and some direct participation programs. SEC Rule 15c3-1 details the net capital requirements the Company must meet. Haas Financial Products, Inc. has adopted the \$5,000 minimum net capital requirement contained in that rule. This rule places significant restrictions on the manner in which it must handle customer funds and transact business. The Company does not collect any cash from its customers. Cash is paid by the customer directly to the issuing entity. The Company also does not hold any securities for customers or effect any financial transactions with its customers. It, therefore, conforms to the reserve exemption provision under rule 15c3-3.

Revenue Recognition:

The Company records commissions revenue when earned. Generally the earnings process is not complete until investments, placed on behalf of its customers, are accepted by the investment sponsor.

Property and Equipment:

Property and equipment are stated at cost and are being depreciated using accelerated methods for book purposes based upon their estimated useful lives.

Income Taxes:

Income taxes are provided at the applicable rates on the basis of items included in the determination of income for financial reporting purposes.

HAAS FINANCIAL PRODUCTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2002

Note. B: Related Party Transactions:

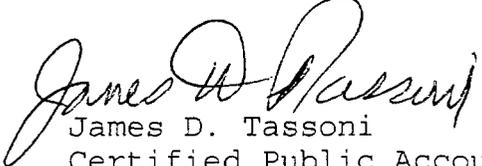
The Company has entered into an agreement with various stockbrokers, including Shareholders, to pay commissions for services performed as a Registered Representative of the Company. The commission rates are dependent upon the individual broker's performance. The commissions paid to the Stockholders were \$383,845, or about 49% of the total commissions expense for the year ended December 31, 2002.

The Company also is provided administrative and office support services from a related entity, one of whose owners is a stockholder. Total amounts paid under this arrangement amounted to \$61,246 for the year ended December 31, 2002.

AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors
Haas Financial Products, Inc.
Southfield, Michigan

My audit of the basic financial statements included in the preceding section of this report was performed for the purpose of forming an opinion on those statements taken as a whole. The supplemental material presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. I have found no material differences in the audited computations of the net capital. I have found no material inadequacies to exist.


James D. Tassoni
Certified Public Accountant

January 16, 2003

HAAS FINANCIAL PRODUCTS, INC.

STATEMENT OF COMPUTATION OF MINIMUM CAPITAL REQUIREMENTS
For the Year Ended December 31, 2002

Total Assets	\$ 77,138
Unallowable Assets-Auto	(25,584)
Total Liabilities	<u>(3,969)</u>
Adjusted Net Capital	\$ 47,585
Minimum Net Capital Requirement	<u>5,000</u>
Excess Net Capital	<u><u>\$ 42,585</u></u>

The information on this statement is in agreement in all material respects with the unaudited Focus Report 2-A filed by the Company as of December 31, 2002. The year end audit adjustments for asset capitalization and depreciation, which are immaterial in amount, have been made in this calculation of the minimum capital requirement.

Refer to Independent Auditor's Report on Supplemental Information