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SECURITIES AND COMMISSION

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

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

REPORT FOR THE PERIOD BEGINNING 01/01/2002 AND ENDING 12/31/2002
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
PROFESSIONAL BROKER DEALER FINANCIAL PLANNING, INC.

OFFICIAL USE ONLY
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
1111 WEST WOLFENSBERGER ROAD

CASTLE ROCK, CO 80104-9634
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
BLAINE STAHLMAN 303-688-7581
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
BERCHEM AND ASSOCIATES, INC

7055 PERRY PARK BLVD LARKSPUR CO 80118
(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 11 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).

OATH OR AFFIRMATION

I, BLAINE STAHLMAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of PROFESSIONAL BROKER-DEALER FINANCIAL, INC, as of 31 DECEMBER, 2001, 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:

Blaine Stahlman
Signature

PRESIDENT/CEO/PRINCIPAL

Title

Suzanne E. Archer
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).

Berchem and Associates, Inc.
7055 Perry Park Blvd.
Larkspur, CO 80135
(303) 681-6746

Board of Directors
PROFESSIONAL BROKER-DEALER FINANCIAL PLANNING, INC.
1111 West Wolfensberger Road
Castle Rock, CO 80104-9634

INDEPENDENT AUDITORS REPORT

I have audited the Statement of Financial Position of PROFESSIONAL BROKER-DEALER FINANCIAL PLANNING, INC. as of December 31, 2002 the related statements of income, cash flows, changes in stockholder's equity, and changes in liabilities subordinated to claims of creditors 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 PROFESSIONAL BROKER-DEALER FINANCIAL PLANNING, INC. as of December 31, 2002 the result of its operations, cash flows and changes in capital for the year then ended, in conformity with generally accepted accounting principles.

Edward M. Berchem
Public Accountant

February 11 2003

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Statement of Financial Condition
December 31, 2002

ASSETS

Current Assets

ALLIANCE MAP	164238.35
CLEARING DEPOSIT	15000.00
DEPOSIT WITH NASD	805.00
NASDAQ STOCK OFFERING	3300.00
DUE 12B1 FEES FROM MUTUALS	0.00
Total Current Assets	183343.85

Total Assets	183343.85
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LIABILITIES AND STOCKHOLDERS EQUITY

Liabilities

DUE TO FIRM 12B1 FEES	0.00
DUE TO REGISTERED REPS	0.00
EMPLOYER FICA	0.00
Total Current Liabilities	0.00

Total Liabilities	0.00
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Stockholders Equity

COMMON STOCK, \$1 PAR VALUE, UNLIMITED SHARES	AUTHORIZED; 161994.00
SHARES ISSUED AND OUTSTANDING	161994.00
RETAINED EARNINGS	21345.35
NET INCOME - CURRENT YEAR	3675.35
Total Stockholders Equity	183343.35

Total Liabilities and Equity	183343.35
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PROFESSIONAL BROKER-DEALER
 FINANCIAL PLANNING, INC
 Statement of Income (Loss)
 December 31, 2002

	<u>Revenues</u>
COMMISSION INCOME - MUTUAL FUNDS	99644.63
COMMISSION INCOME - LISTED SECURITIES	476.84
COMMISSION INCOME - OTC SECURITIES	364.33
COMMISSION INCOME - BONDS	0.00
INTEREST INCOME	1496.05
MISCELLANEOUS INCOME	1269.31
INVESTMENT INCOME	0.00
Total Revenues	103251.16
<u>Cost of Sales</u>	
REP COMMISSIONS	9730.94
CLEARING FEES - J W CHARLES LISTED	235.60
CLEARING FEES - J W CHARLES OTC	216.00
CLEARING FEES - J W CHARLES MUTUAL FUNDS	1490.00
ENTRY FEES	0.00
DUE TO REPRESENTATIVES	1306.84
BOND FEES	0.00
CLIENT WRITE-OFF	0.00
NEW ACCOUNT FEES	0.00
MISCELLANEOUS FEES	3.00
Total Cost of Sales	12979.38
Gross Profit	90271.78
<u>Operating Expenses</u>	
ACCOUNTING	175.00
AUTO EXPENSE	0.00
FIDELITY BOND	0.00
INSURANCE	5555.10
LEGAL	441.00
MEALS AND ENTERTAINMENT	2593.33
MISCELLANEOUS	0.00
MONEY PURCHASE PENSION	30000.00
OFFICE MAINTENANCE AND SERVICE	674.69
OFFICE SUPPLIES AND REPAIRS	5179.83
POSTAGE	217.60
PROFESSIONAL SUBSCRIPTIONS	838.14
REGULATORY FEES AND EXPENSES	3152.00
SALARIES EMPLOYEES INCLUDING OFFICERS	25000.00
SIPC	150.00
STATE UNEMPLOYMENT	0.00
SUB-CONTRACT	0.00
TAXES AND LICENSES	6688.71
TELEPHONE	1870.41
TRAVEL	3646.07
UTILITIES	424.55
PARKING	0.00
Total Operating Expenses	86596.43
Net Income <Loss>	3675.35
CASH FLOW FROM OPERATING ACTIVITIES:	
Net Income	3675.35

See accompanying notes and accountant's report

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Statement of Changes in Financial Condition Cash Flows
December 31, 2002

CASH FLOW FROM OPERATING ACTIVITIES:	
Net Income	3675.35
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Increase in Accounts Receivable	0.00
Decrease in Accounts Payable	1000.00
Decrease Adjustment Common Stock	0.00
Total Adjustments	1000.00
NET CASH PROVIDED BY OPERATIONS	3675.35
NET INCREASE IN CASH	3675.35
CASH AT BEGINNING OF YEAR	180668.00
CASH AT END OF PERIOD	183343.35

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Statement of Changes in Liabilities Stockholders Equity
DECEMBER 31, 2002

	Common Stock	<u>Par Value</u>	<u>RETAINED EARNINGS</u>
Balances at January 1, 2002	161994.00		17542.02
Net Income	3675.35		3675.35
Balances at December 31, 2000	161994.00		21349.35

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Statements of Changes in Liabilities Subordinated to Claims of Creditors
December 31, 2002

Subordinated Liabilities at January 1, 2002	0.00	0.00
Changes in 2002	0.00	0.00
Subordinated Liabilities at December 31, 2002	0.00	0.00

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Notes to Financial Statements
December 31, 2002

1) SIGNIFICANT ACCOUNTING POLICIES

PROFESSIONAL BROKER-DEALER FINANCIAL PLANNING, INC. prepares its financial statements on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

2) INCOME TAXES

The Company is an "S" corporation and as such has not provided for income taxes.

3) REQUIRED NET CAPITAL

At December 31, 2002, the required net capital was \$5000.00

PROFESSIONAL BROKER-DEALER
FINANCIAL PLANNING, INC
Statement of Computation of Net Capital
December 31, 2002

1.	Total ownership equity from statement of Financial Condition.	183343.35
2.	Deduct ownership equity not allowable for Net Capital.	0.00
3.	Total ownership equity qualified for Net Capital.	183343.35
4.	Add:	
	A. Liabilities subordinate to claims of general creditors allowable	computation of net
	capital.	Na
	B. Secured demand note deficiency.	Na
5.	Total capital and allowable subordinated liabilities	183343.35
6.	Deductions and/or changes	
	A. Total non-allowable assets from Statement of Financial Position.	0.00
	1000.00	
	B. Commodity futures contracts and spot commodities proprietary	capital charges.
	na	
	C. Other deductions and/or charges.	na
7.	Other additions and/or allowable credits (List).	na
8.	Net Capital before haircuts on securities positions.	183343.35
9.	Haircuts on securities (computed, where applicable, pursuant to 15c3-1):	
	A. Contractual securities commitments.	na
	B. Subordinated securities borrowings.	na
	C. Trading and investment securities.	na
	1. Exempted securities	na
	2. Debt Securities	na
	3. Opinions	na
	4. Other securities	3666.86
	D. Undue Concentration	na
	E. Other (List)	na
10.	Net Capital.	179676.49

Edward M. Berchem
Public Accountant

BERCHEM and ASSOCIATES
7055 PERRY PARK BLVD.
LARKSPUR, CO 80118
303-681-6746

Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.

Professional Broker-Dealer Financial Planning, Inc. is exempted from Rule 15c3-3 by section (K) (2) (B). All customer transactions cleared through Broker-Dealer on a fully disclosed basis. Name of the clearing firm is FISERV CORRESPONDENT SERVICES, Inc.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO 80118
303-681-6746

Information Relating to the Possession or Control Requirements Under Rule 15c3-3.

Professional Broker-Dealer Financial Planning, Inc. is exempted from Rule 15c3-3 by section (K) (2) (b). All customer transactions cleared through another Broker-Dealer on a fully disclosed basis. Name of the clearing firm is FISERV CORRESPONDENT SERVICES, Inc.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO 80118
303-681-6746

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.

A Reconciliation is not applicable because no material difference existed regarding computation of net capital under Rule 15c3-1.

Professional Broker-Dealer Financial Planning, Inc. is exempted from Rule 15c3-3 by section (K) (2) (B). All customer transactions cleared through another Broker-Dealer on a fully disclosed basis. Name of the clearing firm is FISERV CORRESPONDENT Securities, Inc.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO 80118
303-681-6746

A reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.

No reconciliation is necessary since there is no consolidation.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO
80118

303-681-6746

The SIPC Supplemental Report is not required for Professional Broker-Dealer Financial Planning, Inc. since the SIPC has suspended assessments based on net operating revenue.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO 80118
303-681-6746

There were no material inadequacies found to exist or found to have existed since the date of the previous audit.

Edward M. Berchem
Public Accountant

BERCHEM AND ASSOCIATES, INC
7055 PERRY PARK BLVD
LARKSPUR, CO
80118
303-681-6746
February 11, 2003

Mr. Blaine R. Stahlman
Professional Broker-Dealer
Financial Planning, Inc.
1111 West Wolfensberger Road
Castle Rock, CO 80104

Dear Mr. Stahlman:

I, Edward M. Berchem, Public Accountant, audited the statement of financial position of Professional Broker-Dealer Financial Planning, Inc., S.E.C. file number 8-40598 and N.A.S.D. CRD number 023651 as of December 31, 2002 (Annual Audited Report, Form X-17a-5 part III). My responsibility is to express an opinion on this statement relating to Internal Controls.

Professional Broker-Dealer Financial Planning, Inc. internal control structure relating to the accounting estimates were satisfactory including all the below itemized areas.

- a) Management communication of the need for proper accounting estimates.
- b) Accumulation of relevant, sufficient, and reliable data on which to base an accounting estimate.
- c) Preparation of the accounting estimate by qualified personnel.
- d) Adequate review and approval of the accounting estimates by appropriate levels of authority.
- e) Comparison of prior accounting estimates with subsequent results to assets reliability.
- f) Consideration by management of whether the resulting accounting estimate is consistent with the plan of the entity.

Sincerely,



Edward M. Berchem
Public Accountant

cc: Colorado Securities Division
District of Columbia Securities Division
Maryland Securities Division
N.A.S.D. Automated Reports Department
New York Securities Division
Pennsylvania Securities Division
SEC Regional Administration

SEC Washington, D.C. Office
Virginia Securities Division
Wyoming Securities Division