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

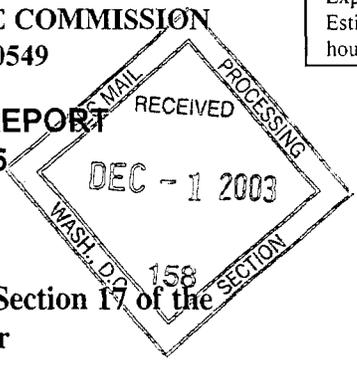
ANNUAL AUDITED REPORT FORM X-17A-5 PART III

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 10/01/02 AND ENDING 09/30/03 MM/DD/YY MM/DD/YY

OMB APPROVAL OMB Number: 3235-0123 Expires: September 30, 1998 Estimated average burden hours per response... 12.00



SEC FILE NUMBER 8-16207

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Share Financial Services, Inc.

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

14677 Midway Rd., #100

(No. and Street)

Addison

(City)

Texas

(State)

75001

(Zip Code)

OFFICIAL USE ONLY FIRM ID. NO.

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

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

C F & Co., L.L.P.

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

14175 Proton Rd.

(Address)

Dallas

(City)

TX

(State)

75244

(Zip Code)

CHECK ONE:

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

PROCESSED

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THOMSON FINANCIAL

FOR OFFICIAL USE ONLY

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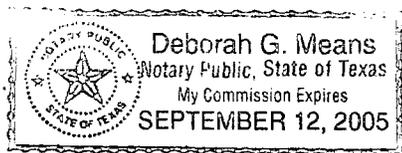
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

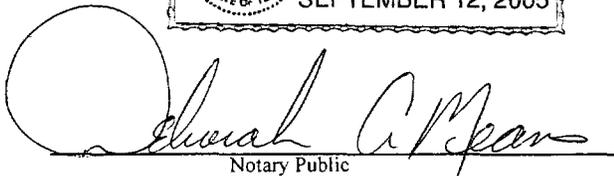
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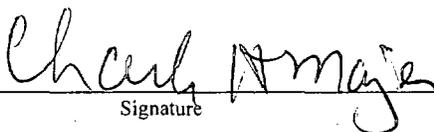
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OATH OR AFFIRMATION

I, Charles H. Major, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Share Financial Services, Inc., as of September 30, 2003, 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:




Notary Public


Signature

President

Title

This report** contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows
- (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.
- (o) Independent auditor's report on internal control

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

SHARE FINANCIAL SERVICES, INC.
REPORT PURSUANT TO RULE 17a-5(d)
YEAR ENDED SEPTEMBER 30, 2003

SHARE FINANCIAL SERVICES, INC.

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CF & Co., L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

14175 Proton Road • Dallas, Texas 75244-3692 • www.cflp.com
Phone: 972-387-4300 • 800-834-8586 • Fax: 972-960-2810

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Share Financial Services, Inc.

We have audited the accompanying statement of financial condition of Share Financial Services, Inc. as of September 30, 2003 and the related statements of income, changes in stockholder's equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the 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 Share Financial Services, Inc. as of September 30, 2003, 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 made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the Schedules I and II 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 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.

CF & Co., L.L.P.
CF & Co., L.L.P.

Dallas, Texas
November 4, 2003

SHARE FINANCIAL SERVICES, INC.
Statement of Financial Condition
September 30, 2003

ASSETS

Cash	\$ 101,320
Receivable from related party	29,500
Concessions receivable	169,776
Commissions receivable	69,758
Property and equipment, net of accumulated depreciation of \$19,953	19,654
Employee advances	73,922
Other assets	<u>2,701</u>
	<u>\$ 466,631</u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Financial Condition
September 30, 2003

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities

Accounts payable and accrued expenses	\$ 176,175
Commissions payable	109,107
Capital lease obligations	8,255
Payable to Parent - income taxes	3,300
State income taxes payable	<u>1,000</u>
	<u>297,837</u>

Stockholder's equity

Common stock, 100,000 shares authorized with \$1 par value, 8,000 shares issued and outstanding	8,000
Additional paid-in capital	100,000
Retained earnings	<u>60,794</u>
Total stockholder's equity	<u>168,794</u>
	<u>\$ 466,631</u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Income
For the Year Ended September 30, 2003

Revenues

Commissions income	\$2,568,074
Other income	<u>7,777</u>
	<u>2,575,851</u>

Expenses

Compensation and benefits	1,205,564
Commissions and clearance paid to all other brokers	794,565
Communications	105,218
Occupancy and equipment costs	74,176
Promotional costs	124,525
Regulatory fees and expenses	25,230
Interest expense	7,839
Other expenses	<u>215,151</u>
	<u>2,552,268</u>

Income before income taxes	23,583
Provision for federal income taxes	4,422
Provision for state income taxes	<u>1,936</u>
	<u>6,358</u>
Net income	<u>\$ 17,225</u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Changes in Stockholder's Equity
For the Year Ended September 30, 2003

	<u>Shares</u>	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balances at October 1, 2002	8,000	\$ 8,000	\$ 100,000	\$ 43,569	\$ 151,569
Net income	_____	_____	_____	<u>17,225</u>	<u>17,225</u>
Balances at September 30, 2003	<u>8,000</u>	<u>\$ 8,000</u>	<u>\$ 100,000</u>	<u>\$ 60,794</u>	<u>\$ 168,794</u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Changes in Liabilities Subordinated
to Claims of General Creditors
For the Year Ended September 30, 2003

Balance at October 1, 2002	\$ -0-
Increases	-0-
Decreases	<u>-0-</u>
Balance at September 30, 2003	<u>\$ -0-</u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Cash Flows
For the Year Ended September 30, 2003

Cash flows from operating activities:	
Net income	\$ 17,225
Adjustments to reconcile net income to net cash provided (used) by operating activities:	
Depreciation	11,559
Change in assets and liabilities:	
Increase in concessions receivable	(14,930)
Decrease in commissions receivable	8,437
Increase in employee advances	(60,759)
Increase in accounts payable and accrued expenses	90,703
Increase in commissions payable	33,794
Decrease in interest payable	(5,596)
Decrease in deposits	(5,000)
Increase in payable to Parent – income taxes	575
Increase in state income taxes payable	<u>1,000</u>
Net cash provided (used) by operating activities	<u>77,008</u>
Cash flows from investing activities:	
Purchase of property and equipment	<u>(20,394)</u>
Net cash provided (used) by investing activities	<u>(20,394)</u>
Cash flows from financing activities:	
Increase in capital lease obligations	8,771
Payments on capital leases	<u>(6,824)</u>
Net cash provided (used) by financing activities	<u>1,947</u>
Net increase in cash	58,561
Cash at beginning of period	<u>42,759</u>
Cash at end of period	<u><u>\$ 101,320</u></u>

The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.
Statement of Cash Flows
For the Year Ended September 30, 2003

Supplemental Disclosures

Cash paid for:

Income taxes	<u>\$ 4,855</u>
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Interest	<u>\$ 7,839</u>
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The accompanying notes are an integral part of these financial statements.

SHARE FINANCIAL SERVICES, INC.

Notes to Financial Statements

September 30, 2003

Note 1 - Summary of Significant Accounting Policies

Share Financial Services, Inc. (the "Company") is a broker-dealer in securities registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). The Company operates under (SEC) Rule 15c3-3(k)(2)(i). The Company is a wholly-owned subsidiary of Share Holdings, Inc. (the "Parent"). The Company's revenue is generated through the consulting and underwriting services to churches and not-for-profit organizations and the brokerage of securities of its client issues. The Company's customers are primarily located throughout the Midwestern and Southwestern portions of the United States.

Revenues from program fees are recognized when all provisions of the contract between the Company and the client have been fulfilled. Expenses relating directly to programs are recognized when revenue is recorded. All other revenues and expenses are recognized as earned or incurred, using the accrual method of accounting.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising costs are expensed as incurred. Advertising costs charged to expense were \$1,445 for the year ended September 30, 2003 and are reflected in promotional costs.

Compensated absences have not been accrued because the amount cannot be reasonably estimated.

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due. The provision for federal income taxes differs from the expected amount using statutory rates because certain expenses included in the determination of net income are non-deductible for tax reporting purposes.

SHARE FINANCIAL SERVICES, INC.
Notes to Financial Statements
September 30, 2003

Note 1 - Summary of Significant Accounting Policies, continued

Property and equipment are stated at cost. Depreciation on office equipment and furniture is computed using an accelerated method over the estimated useful lives of the assets. Depreciation expense for the year ended September 30, 2003 was \$11,559, and is reflected in occupancy and equipment costs.

Note 2 - Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities and Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis. At September 30, 2003, the Company had net capital of approximately \$43,017 and net capital requirements of \$19,866. The Company's ratio of aggregate indebtedness to net capital was 6.92 to 1. The Securities and Exchange Commission permits a ratio no greater than 15 to 1.

Note 3 - Possession or Control Requirements

The Company does not have any possession or control of customer funds or securities. There were no material inadequacies in the procedures followed in adhering to the exemptive provisions of (S.E.C.) Rule 15c3-3(k)(2)(i).

Note 4 - Income Taxes

The Company files a consolidated income tax return with the Parent. Income taxes are recorded using the separate company method to comply with FASB Statement 109. Any resulting provision or benefit for income taxes is recorded as receivable from or payable to the Parent.

Note 5 - Lease Commitments

The following is an analysis of leased property under capital leases:

Office equipment	\$ 28,035
Less: accumulated amortization	<u>(15,705)</u>
	<u>\$ 12,330</u>

Amortization of the lease property is included in accumulated depreciation.

SHARE FINANCIAL SERVICES, INC.
Notes to Financial Statements
September 30, 2003

Note 5 - Lease Commitments, continued

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of September 30, 2003:

<u>Year Ending</u> <u>September 30,</u>	
2004	\$ 4,302
2005	3,645
2006	<u>2,371</u>
	10,318
Less: amount representing interest	<u>(2,063)</u>
Present value of net minimum lease payments	<u>\$ 8,255</u>

The following is a schedule by years of future minimum lease payments under operating leases that have initial or remaining non-cancelable lease terms in excess of one year.

<u>Year Ending</u> <u>September 30,</u>	
2004	\$ 9,156
2005	7,518
2006	2,604
2007	2,604
2008	<u>1,953</u>
	<u>\$ 23,835</u>

Rent expense of \$9,303 was charged to occupancy and equipment costs.

Note 6 - Related Party Transactions

During the year ended September 30, 2003 the Company paid the Parent approximately \$153,900 for allocated overhead. This amount is reflected in other expenses.

SHARE FINANCIAL SERVICES, INC.
Notes to Financial Statements
September 30, 2003

Note 7 - Concentrations of Credit Risk

At various times throughout the year ended September 30, 2003, the Company had cash balances in excess of federally insured limits of \$100,000.

Note 8 - Employee Benefit Plan

The Company sponsors a defined contribution 401(k) and profit sharing plan to which both the Company and eligible employees may contribute. Company contributions are voluntary and at the discretion of the board of directors. There were no contributions made by the Company for the year ended September 30, 2003.

Supplemental Information
Pursuant to Rule 17a-5 of the
Securities Exchange Act of 1934
as of
September 30, 2003

Schedule I

SHARE FINANCIAL SERVICES, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of September 30, 2003

COMPUTATION OF NET CAPITAL

Total stockholder's equity qualified for net capital		\$ 168,794
Add:		
Other deductions or allowable credits		<u>-0-</u>
Total capital and allowable subordinated liabilities		168,794
Deductions and/or charges		
Non-allowable assets:		
Receivable from related party	\$ 29,500	
Property and equipment	19,654	
Employee advances	73,922	
Other assets	<u>2,701</u>	<u>(125,777)</u>
Net capital before haircuts on securities positions		43,017
Haircuts on securities (computed, where applicable, pursuant to rule 15c3-1(f))		<u>-0-</u>
Net capital		<u>\$ 43,017</u>

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition:		
Accounts payable and accrued expenses		\$ 176,175
Commissions payable		109,107
Capital lease obligations		8,255
Payable to Parent – income taxes		3,300
State income taxes payable		<u>1,000</u>
Total aggregate indebtedness		<u>\$ 297,837</u>

Schedule I (continued)

SHARE FINANCIAL SERVICES, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of September 30, 2003

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum net capital required (6-2/3% of total aggregate indebtedness)	<u>\$ 19,866</u>
Minimum dollar net capital requirement of reporting broker or dealer	<u>\$ 5,000</u>
Net capital requirement (greater of above two minimum requirement amounts)	<u>\$ 19,866</u>
Net capital in excess of required minimum	<u>\$ 23,151</u>
Excess net capital at 1000%	<u>\$ 13,233</u>
Ratio: aggregate indebtedness to net capital	<u>6.92 to 1</u>

RECONCILIATION WITH COMPANY'S COMPUTATION

The following serves to reconcile differences in the computation of net capital under Rule 15c3-1 from the Company's computation.

Net capital, as reported in Company's (unaudited) Focus report	\$ 71,480
Increase (decrease) due to adjustments for:	
Increase in non-allowable assets	(8,758)
Increase in accounts payable and accrued expenses	(9,237)
Increase in commissions payable	(6,168)
Increase in payable to Parent - income taxes	(3,300)
Increase in State income taxes payable	<u>(1,000)</u>
Net capital per audited report	<u>\$ 43,017</u>

Schedule II

SHARE FINANCIAL SERVICES, INC.
Computation for Determination of Reserve Requirements Under
Rule 15c3-3 of the Securities and Exchange Commission
As of September 30, 2003

EXEMPTIVE PROVISIONS

The Company has claimed an exemption from Rule 15c3-3 under section (k)(2)(i).

Independent Auditor's Report
On Internal Control
Required By SEC Rule 17a-5
Year Ended September 30, 2003

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

The Board of Directors
Share Financial Services, Inc.

In planning and performing our audit of the financial statements and supplemental schedules of Share Financial Services, Inc. (the "Company"), for the year ended September 30, 2003, 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 internal control.

Also, as required by rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by rule 17a-13
3. 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

The management of the Company is responsible for establishing and maintaining 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.

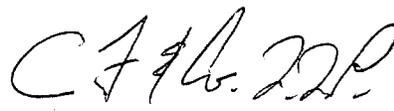
Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. 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, error 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 error 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 procedures 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, 2003, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies that 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 these specified parties.


C F & Co., L.L.P.

Dallas, Texas
November 4, 2003