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

WF9-3-03

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

SEC FILE NUMBER  
8- 27880

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 07/01/02 AND ENDING 06/30/03  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Bryan Funding, Inc.

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

393 Vanadium Road

(No. and Street)

Pittsburgh

PA

15243

(City)

(State)

(Zip Code)

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

Richard Bryan

(412) 276-9393

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Poloka, Charles William

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

934 Western Avenue

Pittsburgh

PA

15233

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

SEP 10 2003

THOMSON  
FINANCIAL

**FOR OFFICIAL USE ONLY**

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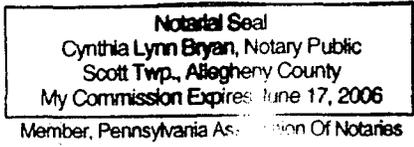
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Richard Bryan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Bryan Funding, Inc., as of June 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:

Richard Bryan  
Signature  
President  
Title

Cynthia Lynn Bryan  
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 Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (o) Independent Auditor's Report on Internal Accounting Control

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

FINANCIAL STATEMENTS

BRYAN FUNDING, INC,

JUNE 30, 2003

CHARLES W. POLOKA

CERTIFIED PUBLIC ACCOUNTANT

PITTSBURGH, PENNSYLVANIA

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**CHARLES W. POLOKA**  
**CERTIFIED PUBLIC ACCOUNTANT**

TELEPHONE: (412) 322-2662  
FAX: (412) 322-0513

934 WESTERN AVENUE  
PITTSBURGH, PA 15233

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**Independent Auditor's Report**

Board of Directors  
Bryan Funding, Inc.  
Pittsburgh, PA 15243

I have audited the accompanying statement of financial condition of Bryan Funding, Inc. as of June 30, 2003 and the related statements of income, changes in stockholder's equity, 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. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. 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 Bryan Funding, Inc. as of June 30, 2003, and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements, taken as a whole. The information contained in Schedules I and II is presented for the 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 my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Charles W. Poloka*

**BRYAN FUNDING, INC.**

**STATEMENT OF FINANCIAL CONDITION**

**JUNE 30, 2003**

**ASSETS**

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**Current Assets**

Cash and cash equivalents	\$ 22,216
Accounts receivable	<u>500</u>
	<u>\$ 22,716</u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**Current Liability**

Commissions payable	\$ 9,100
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**Stockholder's Equity**

Capital stock, \$1.00 par value; 5,000 shares authorized and outstanding	5,000
Paid-in capital	14,502
Retained earnings (deficit)	<u>(5,886)</u>
	<u>13,616</u>
	<u>\$ 22,716</u>

**BRYAN FUNDING, INC.**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDING JUNE 30, 2003**

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**Income**

Commissions	\$ 312,841
Other income	1,660
	<u>314,501</u>

**Expenses**

Commissions	304,287
Taxes	372
Insurance	1,667
Accounting fees	1,925
Licenses and permits	4,846
Entertainment	1,482
Miscellaneous	(50)
	<u>314,529</u>
<b>Net Income (Loss)</b>	<u><u>\$ (28)</u></u>

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

**BRYAN FUNDING, INC.**

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED JUNE 30, 2003

**Increase (Decrease) in Cash and Cash Equivalents**

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<b>Cash Flows from Operating Activities:</b>	
Cash received from customers	\$ 319,256
Cash paid to suppliers	(311,857)
Income taxes paid	(372)
	<u>7,027</u>
<b>Cash Flows from Investing Activities:</b>	
Additional paid-in capital	<u>100</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	7,127
<b>Cash and Cash Equivalents at July 1, 2002</b>	<u>15,089</u>
<b>Cash and Cash Equivalents June 30, 2003</b>	<u><u>\$ 22,216</u></u>

**Reconciliation of Net Income (Loss) to Net Cash Provided (Used)  
by Operating Activities:**

Net income (loss)	\$ (28)
Adjustment to reconcile net income to net cash provided by operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	4,755
Increase in accounts payable	<u>2,300</u>
<b>Net Cash Used in Operating Activities</b>	<u><u>\$ 7,027</u></u>

**BRYAN FUNDING, INC.**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**

**FOR THE YEAR ENDED JUNE 30, 2003**

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	<u>Common Stock</u>	<u>Paid-in Capital</u>	<u>Retained Earnings</u>
Balances at July 1, 2002	\$ 5,000	\$ 14,402	\$ (5,858)
Additional paid-in capital		100	
Net Income(Loss) for the Year			<u>(28)</u>
Balances at June 30, 2003	<u>\$ 5,000</u>	<u>\$ 14,502</u>	<u>\$ (5,886)</u>

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

## BRYAN FUNDING, INC.

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2003

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#### **Formation of Company**

The Company was formed on May 21, 1981. The principal activity of the Company is to be a broker/dealer for the sale of oil and gas interests and securities.

#### **Significant Accounting Policies**

Commission revenue is recognized when rendered and related expenses are recorded when incurred. Commission income and expense from customers' security transactions on introduced accounts are recorded on a trade date basis.

#### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

#### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Income Taxes**

The Company has no current or deferred income taxes due as of June 30, 2003.

#### **Related Party Transactions**

The Company paid commissions of \$ 17,200 to Richard Bryan during the fiscal year ending June 30, 2003 and has a payable of \$ 0 due him at June 30, 2003. Richard Bryan is the sole owner of Bryan Funding, Inc.

#### **Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (see rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At June 30, 2003, the Company had net capital of \$13,616, which was \$8,616 in excess of its required net capital of \$5,000. The Company's net capital ratio was .67 to 1.

The Company is exempt from the Customer Protection Reserves and Custody of Securities Requirement Rule 15c3-3, under the exemptive provision provided by section (k)(2)(i).

**BRYAN FUNDING, INC.**

**COMPUTATION OF AGGREGATE INDEBTEDNESS AND NET CAPITAL**

**SCHEDULE I**

**JUNE 30, 2003**

**Aggregate Indebtedness:**

Total money liabilities	\$ 9,100
Total aggregate indebtedness	<u>9,100</u>

**Net Capital:**

Common stock	\$ 5,000
Paid in capital	14,502
Retained earnings	<u>(5,886)</u>
Net Capital	<u>13,616</u>

**Capital Requirements:**

6 2/3% of aggregate indebtedness	606
Minimum dollar capital requirement	5,000
Net capital requirement	\$ 5,000
Net capital in excess of requirements	<u>8,616</u>
Net capital as above	<u>\$ 13,616</u>
Ratio of aggregate indebtedness to net capital	<u>0.67</u>

**BRYAN FUNDING, INC.**  
RECONCILIATION OF NET CAPITAL COMPUTATION TO  
JUNE 30, 2003 FOCUS REPORT  
SCHEDULE II

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JUNE 30, 2003

	<u>Audit Report</u>	<u>Focus Report</u>
Total ownership equity	\$ 13,616	\$ 13,616
Net capital requirements	<u>5,000</u>	<u>5,000</u>
Excess net capital	<u><u>\$ 8,616</u></u>	<u><u>\$ 8,616</u></u>

No differences exist in the computation of net capital between the audit report and Bryan Funding, Inc's Focus Report (Part IIA filing) for the period ending June 30, 2003.

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 conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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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.

My consideration of internal control would not necessarily disclose all matters in the 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, I noted no matters involving internal control, including control activities for safeguarding securities that I consider to be material weaknesses as defined above. In addition, no facts came to my attention which indicated that the exemptive provisions of the rule 15c3-3(k)(2)(i) were not complied with during the year ended June 30, 2003.

I 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 my study, we believe that the Company's practices and procedures were adequate at June 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 New York Stock Exchange and the National Association of Securities Dealers 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 those specified parties.



Charles W. Poloka, CPA  
Pittsburgh, Pennsylvania  
August 10, 2003