



03052811

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

OMB APPROVAL
OMB Number: 3235-0123
Expires: October 31, 2004
Estimated average burden hours per response: 12.00

SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

RECEIVED

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

DIVISION OF MARKET REGULATION

SEC FILE NUMBER
8-52719

AMF
11-28-2003

MAY 12 2003

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: Emat Securities, Inc.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
OFFICIAL USE ONLY
FIRM I.D. NO.

10 Valley Stream Parkway
Malvern PA 19355
(No. and Street) (City) (State) (Zip Code)

PROCESSED

DEC 01 2003

THOMSON FINANCIAL

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Chris McClellan 610-651-5350
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Ernst & Young, LLP
2 Commerce Square Ste 4000 Market Str Philadelphia PA 19163
(Address) (City) (State) (Zip Code)

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

FOR OFFICIAL USE ONLY

*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))

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

1. Gerard Scarpato, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Emat Securities, FNC., as of December 31, 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:

Gerard Scarpato
Signature
Chief Financial Officer
Title

Michele Gefvert 5/9/03
Notary Public

Notarial Seal
Michele Gefvert, Notary Public
Malvern Boro, Chester County
My Commission Expires July 5, 2005
Member, Pennsylvania Association of Notaries

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).

EMAT SECURITIES, INC.

Financial Statements and Supplemental Information

Year ended December 31, 2002 with Report of Independent Auditors

EMAT Securities, Inc.

Statement of Financial Condition

December 31, 2002

Assets

Cash and cash equivalents	\$ 407,674
Prepaid expenses and other assets	19,825
Deferred tax asset	238,000
Total assets	<u>\$ 665,499</u>

Liabilities and stockholder's equity

Payable to related party	\$ 26,240
Payable to clearing broker	4,414
Accounts payable and accrued expenses	92,023
Total liabilities	<u>122,677</u>

Stockholder's equity:

Capital stock, \$250 par value:	250
Authorized shares - 2,000	
Issued and outstanding share - 1	
Additional paid-in capital	985,697
Accumulated deficit	<u>(443,125)</u>
Total stockholder's equity	<u>542,822</u>
Total liabilities and stockholder's equity	<u>\$ 665,499</u>

See accompanying notes.