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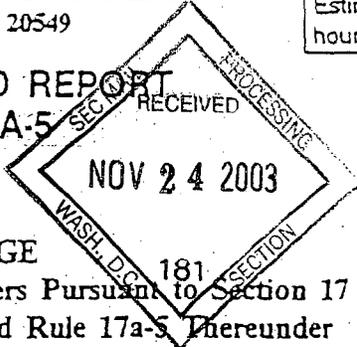


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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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



SEC FILE NUMBER
8-29988

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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

COVENTRY CAPITAL, INC.

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

1 EAST DELAWARE, SUITE 25F

(No. and Street)

CHICAGO,

ILLINOIS

60611

(City)

(State)

(Zip Code)

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

BRIAN F. SPENGE MANN

312-642-6408

(Area Code - Telephone No.)

OFFICIAL USE ONLY
014890
FIRM ID. NO.

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

DAVIS, KELLER & WIGGINS, LLC

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

2025 CRAIGSHIRE, SUITE 130 ST. LOUIS, MO 63146

(Address)

(City)

(State)

Zip Code)

CHECK ONE:

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

PROCESSED

DEC 23 2003

THOMSON
FINANCIAL

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Empty box 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).

12/5

0812-16

OATH OR AFFIRMATION

I, BRIAN F. SPENGE MANN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of COVENTRY CAPITAL. 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:

Brian F. Spengemann
Signature

President
Title

Ann Wiese
Notary Public

ANN WIESE
Notary Public - State of Missouri
County of St. Charles
My Commission Expires May 12, 2006

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.

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

**FORM
X-17A-5**

FOCUS REPORT

OMB No. 3235-0123
(5-31-87)

(Financial and Operational Combined Uniform Single Report)

PART IIA 12

3/91

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a) 16 2) Rule 17a-5(b) 17 3) Rule 17a-11 18
4) Special request by designated examining authority 19 5) Other 25

NAME OF BROKER-DEALER

COVENTRY CAPITAL, INC. 13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

1 EAST DELAWARE PLACE 20

(No. and Street)

CHICAGO 21

(City)

IL 22

(State)

60611 23

(Zip Code)

SEC FILE NO.

8-29988 14

FIRM ID. NO.

014890 15

FOR PERIOD BEGINNING (MM/DD/YY)

10/01/02 24

AND ENDING (MM/DD/YY)

09/30/03 25

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

BRIAN F. SPENGMANN 30

(Area Code)—Telephone No.

312-642-6408 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

- 32
- 34
- 36
- 38

OFFICIAL USE

- 33
- 35
- 37
- 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES 40 NO 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 22 day of NOVEMBER 2003
Manual signatures of:

- 1) B. F. Spengmann
Principal Executive Officer or Managing Partner
- 2) B. F. Spengmann
Principal Financial Officer or Partner
- 3) B. F. Spengmann
Principal Operations Officer or Partner

ATTENTION—Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78j(a))

FINANCIAL AND OPERATING STATEMENT COMBINED UNIFORM SINGLE REPORT
PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

N 3

100

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND
CERTAIN OTHER BROKERS OR DEALERS

as of (MM/00/YY) 09/30/03

99

SEC FILE NO. 8-29988

98

ASSETS

Consolidated

100

Unconsolidated

X

100

Allowable

Non-Allowable

Total

	Allowable	Non-Allowable	Total
1. Cash	\$ 46,200		\$ 46,750
2. Receivables from brokers or dealers:			
A. Clearance account	10,000,285		
B. Other	300	\$ 280,650	\$ 128,068,810
3. Receivables from non-customers	7,083,355	10,215,803	17,298,830
4. Securities and spot commodities owned, at market value:			
A. Exempted securities	410		
B. Debt securities	419		
C. Options	420		
D. Other securities	424		
E. Spot commodities	430		650
5. Securities and/or other investments not readily marketable:			
A. At cost \$	130		
B. At estimated fair value	420	010	050
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$	150		
B. Other securities \$	160		
7. Secured demand notes:			
market value of collateral:			
A. Exempted securities \$	170		
B. Other securities \$	180		
8. Memberships in exchanges:			
A. Owned, at market \$	180		
B. Owned, at cost		650	
C. Contributed for use of the company, at market value		690	900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	670	910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	460	20,022,680	20,022,920
11. Other assets	565,536	33,427,736	39,077,930
12. TOTAL ASSETS	17,694,640	36,385,740	54,079,940

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA

BROKER OR DEALER

as of 09/30/03

COVENTRY CAPITAL, INC.

STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING
AND CERTAIN OTHER BROKERS OR DEALERS

LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>A.I. Liabilities</u>	<u>Non-A.I. Liabilities</u>	<u>Total</u>
13. Bank loans payable	\$ 1045	\$ 1265	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account	1114	1310	1560
B. Other	1115	1205	1540
15. Payable to non-customers	1155	1355	1610
16. Securities sold not yet purchased, at market value		1300	1420
17. Accounts payable, accrued liabilities, expenses and other	3265 1203	1380	3265 1585
18. Notes and mortgages payable:			
A. Unsecured	1210		1690
B. Secured	1211	1390	1700
19. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders	\$ 870		1710
2. Includes equity subordination (15c3-1 (d)) of	\$ 800		
B. Securities borrowings, at market value: from outsiders	\$ 800	1410	1720
C. Pursuant to secured demand note collateral agreements:			
1. from outsiders	\$ 1070	1420	1730
2. Includes equity subordination (16c3-1 (d)) of	\$ 1010		
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
20. TOTAL LIABILITIES	\$ 3265 1290	\$ 1450	\$ 3265 1760

Ownership Equity

21. Sole proprietorship		\$ 1770
22. Partnership (limited partners)	1020	1780
23. Corporation:		
A. XXXXXX UNREALIZED GAIN ON SECURITY		2416 1791
B. Common stock		95000 1792
C. Additional paid-in capital		1000 1793
D. Retained earnings		(40763) 1794
E. Total		57653 1795
F. Less capital stock in treasury		6839 1795
24. TOTAL OWNERSHIP EQUITY		\$ 50814 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY		\$ 54079 1810

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BASIC FILERS ONLY

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER **COVENTRY CAPITAL, INC.**

For the period (MMDDYY) from 10/01/02 to 09/30/03
 Number of months included in this statement 12

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$	95060	95060
b. Commissions on listed option transactions	"		3229
c. All other securities commissions			3229
d. Total securities commissions			3060
2. Gains or losses on firm securities trading accounts:			
a. From market making in options on a national securities exchange			3348
b. From all other trading			3048
c. Total gain (loss)			3690
3. Gains or losses on firm securities investment accounts			2362
4. Profit (loss) from underwriting and selling groups	"		3953
5. Revenue from sale of investment company shares			9970
6. Commodities revenue			3989
7. Fees for account supervision, investment advisory and administrative services		35377	3576
8. Other revenue		1581	3889
9. Total revenue	\$	132018	4027

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers	\$	42000	4120
11. Other employee compensation and benefits	"	7251	4113
12. Commissions paid to other broker-dealers			4140
13. Interest expense			6075
a. Includes interest on accounts subject to subordination agreements		4070	
14. Regulatory fees and expenses		1400	6193
15. Other expenses		125599	4160
16. Total expenses	\$	176250	6227

NET INCOME

17. Net income (loss) before Federal income taxes and items below (Item 9 less Item 16)	\$	(44232)	4210
18. Provision for Federal income taxes (for parent only) DEFERRED TAX BENEFIT	"	(7629)	4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4222
a. After Federal income taxes of		4238	
20. Extraordinary gains (losses)			4220
a. After Federal income taxes of		4239	
21. Cumulative effect of changes in accounting principles			4225
22. Net income (loss) after Federal income taxes and extraordinary items	\$	(36603)	4232

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items	\$	(3667)	4211
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**FINANCIAL AND OPERATIONS COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

COVENTRY CAPITAL, INC.

as of 09/30/03

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition		\$	50814	3400
2. Deduct ownership equity not allowable for Net Capital				3490
3. Total ownership equity qualified for Net Capital				3500
4. Add:				
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital				3520
B. Other (deductions) or allowable credits (List)				3525
5. Total capital and allowable subordinated liabilities		\$		3530
6. Deductions and/or charges:				
A. Total nonallowable assets from Statement of Financial Condition (Notes H and C)	36385		3540	
B. Secured demand note deficiency			3590	
C. Commodity futures contracts and spot commodities proprietary capital charges			3800	
D. Other deductions and/or charges			3810	
7. Other additions and/or allowable credits (List)			36385	3920
8. Net capital before haircuts on securities positions		\$	14429	3940
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1 (f)):				
A. Contractual securities commitments		\$	3660	
B. Subordinated securities borrowings			3670	
C. Trading and investment securities:				
1. Exempted securities			3736	
2. Debt securities			3733	
3. Options			3730	
4. Other securities	704		3734	
D. Undue Concentration			3550	
E. Other (List)			3738	
10. Net Capital		\$	13725	3750

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

as of 09/30/03

COVENTRY CAPITAL, INC.

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 10)	\$	218	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Rule 15c3-1(a)	\$	5000	3750
13. Net capital requirement (greater of line 11 or 12)	\$	5000	3760
14. Excess net capital (line 10 less 13)	\$	8725	3770
15. Excess net capital or 1000% (line 10 less 10% of line 13)	\$		3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.L. liabilities from Statement of Financial Condition	\$	3265	3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	3830
19. Total aggregate indebtedness	\$	3265	3840
20. Percentage of aggregate indebtedness to net capital (line 15 less line 10)	%	24	3850
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%		3860

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debit items as shown in Formula for Aggregate Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	3870	
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Rule 15c3-1(a)	\$		3880
24. Net capital requirement (greater of line 22 or 23)	\$		3760
25. Excess net capital (line 10 less 24)	\$		3910
26. Net capital in excess of: 5% of combined aggregate debit items or \$120,000	\$		3920

OMIT PENNIES

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of
1. Minimum dollar net capital requirement, or
 2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if the alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in standard form, and the market value of memberships in exchanges contributed for use of company (collectively "non-allowable assets") and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17e-5, respondent should provide a list of material non-allowable assets.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

For the period (MMDDYY) from 10/01/02 to 09/30/03

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period		\$	87139	4240
A. Net income (loss)			(36603)	4250
B. Additions (Includes non-conforming capital of	278	4262	278	4260
C. Deductions (Includes non-conforming capital		4272		4270
2. Balance, end of period (From item 1800)		\$	50814	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period		\$		4300
A. Increases				4310
B. Decreases				4320
4. Balance, end of period (From item 3520)		\$		4390

OMIT PENNIES

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

DAVIS KELLER & WIGGINS, LLC

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

Name (If individual, state last, first, middle name)

2025 CRAIGSHIRE, STE. 130 ST. LOUIS

MO 70

63146

ADDRESS Number and Street City State Zip Code

71

72

73

74

Check One

Certified Public Accountant

75

FOR SEC USE

Public Accountant

76

Accountant not resident in United States or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
S0	S1	S2	S3				

FINANCIAL AND OPERATING STATEMENT COMBINED UNIFORM SINGLE REPORT
PART WA

BROKER OR DEALER

COVENTRY CAPITAL, INC.

as of 09/30/03

Exemption Provision Under Rule 15c2-3

25. If an exemption from Rule 15c2-3 is claimed, identify below the section upon which such exemption is based (check one only).

- A. (X) (1)—\$2,500 capital category as per Rule 15c2-3 4550
- B. (K) (2)(A)—“Special Account for the Exclusive Benefit of customers” maintained 4560
- C. (X) (2)(B)—All customer transactions cleared through spot broker-dealer on a fully disclosed basis through clearing firm RPR CLEARING 4025 4570
- D. (K) (3)—Exempted by order of the Commission 4580

COVENTRY CAPITAL, INC.
 RECONCILIATION OF THE AUDITED
 COMPUTATION OF NET CAPITAL AND BROKER/DEALERS'
 CORRESPONDING UNAUDITED PART IIA

	UNAUDITED PART II				AUDITED PART II							
	DEBIT	CREDIT	NON-ALLW ASSETS	LIAB	A.I.	AUDIT JOURNAL DEBIT	REPORT ENTRIES CREDIT	DEBIT	CREDIT	NON-ALLW ASSETS	LIAB	A.I.
CASH-CHECKING	46							46				
CLEARING-C/F												
CLEARING ACCT	10,391					2,415		12,806		2,806		
SAFEKEEPING ACCT												
INTEREST RECEIVABLE	6,994					89		6,994				
A/R TRANSACTIONS												
DUE FROM OFFICER	12,963		12,963				2,748	10,215		10,215		
DEPOSIT-RENT	1,088		1,088					1,088		1,088		
OFFICE EQUIPMENT	56,465							56,465				
A/D OFFICE EQUIPMENT		36,629	19,836			187			36,442	20,022		
CSV-LIFE INSURANCE	884							565				
ACCOUNTS PAYABLE									1,698		1,698	1,698
DEFERRED INCOME TAXES		5,501		5,501								
PAYROLL TAXES		1,513		1,513		7,755		2,254		2,254		
INCOME TAX PAYABLE												
CAPITAL STOCK		95,000							95,000			
PAID IN CAPITAL		1,000							1,000			
TREASURY STOCK	6,839							6,839				
UNREALIZED GAIN OF SECURITY												
RETAINED EARNINGS	43,973							40,763				
	139,643	139,643	33,887	7,014	7,014	10,446	10,446	138,124	138,124	36,385	3,267	3,267

- (1) ADJUST TO MARKET
 (2) RECORD CHANGES TO OFFICER LOAN ACCT.
 (3) ADJUST DEFERRED TAXES
 (4) ADJUST ACCUM. DEPRN. FOR YEAR
 (5) ADJUST CSV-LIFE INSURANCE
 (6) RECLASS AND ADJUST FIXED ASSETS-N/A FOR 2003
 (7) RECORD INCOME TAX DEPOSITS/PAYABLE-N/A FOR 2003
 (8) RECORD UNREALIZED GAIN ON SECURITY
 (9) ADJUST P/R TAXES FOR Y/E
 (10) RECORD NET EFFECT ON R/E FOR AJFS
 (11) RECORD Y/E PAYABLE
 (12) ROUNDING OF \$2 FOR FOCUS REPORT.

COVENTRY CAPITAL, INC.
FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2003 AND 2002

CONTENTS

	Pages
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1
FINANCIAL STATEMENTS	
STATEMENTS OF FINANCIAL CONDITION	2
STATEMENTS OF LOSS	3
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY	4
STATEMENTS OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6-9
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTARY FINANCIAL INFORMATION	10
SUPPLEMENTARY INFORMATION	
SCHEDULES OF COMPUTATION OF NET CAPITAL	11
SUPPLEMENTAL REPORT ON MATERIAL INADEQUACIES	12
SCHEDULES OF CHANGES IN SUBORDINATED LIABILITIES	13



**DAVIS
KELLER &
WIGGINS, LLC**

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Coventry Capital, Inc.
Chicago, Illinois

We have audited the accompanying statements of financial condition of Coventry Capital, Inc., a Delaware corporation, as of September 30, 2003 and 2002, and the related statements of loss, changes in stockholder's equity, changes in subordinated liabilities and cash flows for the years then ended. 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 U.S. generally accepted auditing standards. 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 audits provide 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 Coventry Capital, Inc. as of September 30, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Davis, Keller & Wiggins, LLC

Certified Public Accountants

October 31, 2003

COVENTRY CAPITAL, INC.

STATEMENTS OF FINANCIAL CONDITION
SEPTEMBER 30, 2003 AND 2002

2003

2002

ASSETS

Cash	\$ 46	\$ 35,443
Clearing deposit - marketable security	12,806	13,063
Commissions receivable	6,994	1,918
Interest receivable	89	0
Advances to related party	10,215	14,187
Deposit - rent	1,088	3,765
Prepaid expenses	0	840
Office equipment and software, net of accumulated depreciation of \$36,442 and \$28,229	20,022	28,236
Cash surrender value officer's life insurance, net of policy loan	565	3,900
Deferred tax benefit	2,254	0
Total Assets	\$ 54,079	\$ 101,352

LIABILITIES AND STOCKHOLDER'S EQUITY**LIABILITIES**

Accounts payable	\$ 1,697	\$ 6,687
Accrued payroll taxes	1,568	2,025
Deferred income tax liability	0	5,501
Total liabilities	3,265	14,213

STOCKHOLDER'S EQUITY

Common stock, authorized 2,000 shares, no par value, issued 107.5 shares, outstanding 97.5 shares	95,000	95,000
Contributed capital	1,000	1,000
Treasury stock at cost, 10 shares	(6,839)	(6,839)
Retained deficit	(40,763)	(4,160)
Accumulated other comprehensive income	2,416	2,138
Total stockholder's equity	50,814	87,139

Total Liabilities And Stockholder's Equity**\$ 54,079** **\$ 101,352**

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF LOSS
YEARS ENDED SEPTEMBER 30, 2003 AND 2002

	2003	2002
REVENUES		
Fee and commissions	\$ 130,437	\$ 268,326
OPERATING EXPENSES		
Advertising	1,082	914
Auto expense	752	2,890
Contributions	250	480
Depreciation	8,213	8,809
Delivery expense	3,466	5,425
Dues	2,890	2,620
Compensation	49,251	48,497
Entertainment and meals	5,205	13,861
Employee benefits	24,665	18,225
Interest	1,495	1,323
News services	0	3,105
Office and other services	23,512	32,774
Outside services	1,207	4,152
Professional services	3,760	3,580
Regulatory fees	1,400	384
Rent	21,332	49,391
Client statement preparation	10,000	59,600
Taxes & licenses	4,683	3,992
Telephone	10,824	15,258
Travel	2,263	3,336
Total Operating Expenses	176,250	278,616
OPERATING LOSS	(45,813)	(10,290)
OTHER INCOME		
Dividend and interest income	1,581	2,144
Miscellaneous income	0	1,088
Total Other Income	1,581	3,232
NET LOSS BEFORE INCOME TAXES	(44,232)	(7,058)
INCOME TAX EXPENSE (BENEFIT), NET		
Current	(126)	0
Deferred	7,755	1,553
Total Income Tax Expense (Benefit), Net	7,629	1,553
NET LOSS	\$ (36,603)	\$ (5,505)

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
YEARS ENDED SEPTEMBER 30, 2003 AND 2002

2003

2002

COMMON STOCK

Authorized - 2,000 shares, no par value, issued 107.5 shares,
 outstanding 97.5 shares

\$ 95,000

\$ 95,000

CONTRIBUTED CAPITAL

1,000

1,000

LESS TREASURY STOCK AT COST, 10 shares

(6,839)

(6,839)

RETAINED DEFICIT

Beginning balance

(4,160)

1,345

Net loss

(36,603)

(5,505)

Ending balance

(40,763)

(4,160)

ACCUMULATED OTHER COMPREHENSIVE INCOME

Unrealized gain on available for sale security,
 net of tax effect

2,416

2,138

TOTAL STOCKHOLDER'S EQUITY

\$ 50,814

\$ 87,139

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2003 AND 2002

2003 2002

OPERATING ACTIVITIES

Net loss	\$ (36,603)	\$ (5,505)
Adjustments to reconcile net cash provided (used) by operating activities:		
Depreciation and amortization	8,213	8,809
Deferred income taxes	(7,755)	(1,019)
Effects of changes in:		
Commissions receivable	(5,076)	5,101
Other assets, net	2,469	3,227
Accounts payable	(4,990)	4,198
Accrued payroll taxes	(457)	100
Income taxes payable	0	(460)
	(44,199)	14,451

FINANCING ACTIVITIES

Decrease in related-party advances	3,972	20,587
Purchase of equipment	0	(6,130)
Proceeds from life insurance policy loan	4,830	0
	8,802	14,457

NET INCREASE (DECREASE) IN CASH

(35,397) 28,908

CASH AT BEGINNING OF YEAR

35,443 6,535

CASH AT END OF YEAR

\$ 46 \$ 35,443

SUPPLEMENTAL DISCLOSURES

Cash paid during the year for:

Interest	\$ -	\$ -
Income taxes	\$ 126	\$ 460

See Accountant's Audit Report

The Notes to Financial Statements are an integral part of these statements.

COVENTRY CAPITAL, INC.
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

The Company is an introducing broker-dealer that receives no securities. It is subject to regulation by the Securities and Exchange Commission ("SEC"). The Company provides stock and bond brokerage services (approximately 73 and 69 percent of 2003 and 2002 revenues, respectively) and investment advisory services (approximately 27 and 31 percent of 2003 and 2002 revenues, respectively). Brokerage commission income is recorded net of clearing house charges on a settlement date basis. Advisory fees are computed and billed in advance for the following period at a contractual percentage of the client's month-end portfolio fair market value. As the broker-dealer's primary source of revenue is providing brokerage services to customers, who are predominantly middle-income individuals, its operations may be affected by economic fluctuations.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

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.

Office equipment and software

Equipment is stated at cost and is depreciated principally using accelerated methods over a five-year estimated life. The cost of purchased software is amortized on a straight-line basis over 36 months.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses amounted to \$1,082 and \$914 during the years ended September 30, 2003 and 2002, respectively.

Income taxes

The Company is taxed as a C Corporation under the Internal Revenue Code. For the year ended September 30, 2003, the Company has incurred an operating loss for tax purposes and currently has a net operating loss of \$33,959, which will be carried back two years and any remainder forward for twenty years and will expire September 30, 2023. The provision for income taxes is based on an asset and liability approach to financial accounting and reporting for income taxes. The difference between the financial statement and tax basis of assets and liabilities is determined annually. Deferred income tax assets and liabilities are computed for those differences that have future tax consequences using the currently enacted tax laws and rates that apply to the periods in which they are expected to affect taxable income. Valuation allowances are established, if necessary, to reduce the deferred tax asset to the amount that will, more likely than not, be realized. Income tax expense is the current tax payable or refundable for the period plus or minus the change in the deferred tax assets and liabilities.

Marketable Securities

In accordance with Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities (FAS 115), marketable securities considered available-for-sale are recorded at fair market value if they have a readily determinable fair value. The corresponding accumulated unrealized gain or loss in the fair market value in relation to cost is accounted for as a separate item in the stockholder's equity section of the statement of financial condition, net of tax effect. Management believes that its investments in marketable securities should be classified as investments that are available-for-sale. Realized gains and losses on the disposition of securities and declines in value judged to be other than temporary are computed on the specific identification method and included in income.

Comprehensive Income Reporting

The Company accounts for comprehensive income in accordance with Statement of Financial Accounting Standards No. 130 "Reporting Comprehensive Income", which requires comprehensive income and its components to be reported when a Company has items of other comprehensive income. During the years ended September 30, 2003 and 2002, the Company recognized other comprehensive income of \$278 and \$790, respectively, which is included in the total of accumulated other comprehensive income in the statements of stockholder's equity. The comprehensive income amounts are attributed to the unrealized gain in the fair value of marketable securities (Note 3). Comprehensive loss, consisting of net loss plus other comprehensive income, aggregated to \$(36,325) and \$(4,715) for the years ended September 30, 2003 and 2002, respectively.

2. **ADVANCES TO RELATED PARTY**

The Company has made advances to its sole officer, which are due upon demand. The Company charged interest at six percent for 2003 and 2002 on the average loan balances. Interest income for the years ended September 30, 2003 and 2002 was \$711 and \$1,426, respectively.

3. **CLEARING DEPOSIT - MARKETABLE SECURITY**

The Company is required to maintain a minimum deposit of \$10,000 in the Clearing account. The Company currently owns the following marketable security that is valued at market. The resulting difference between cost and market is included in other accumulated comprehensive income in the statement of stockholder's equity, net of tax effect. The cost and market values of these securities at September 30, 2003 and 2002 are as follows:

	2003	
	Cost	Market
\$10,000 U.S. Treasury Bond at 7-1/8 percent due February 2023	\$ 10,390	\$ 12,806
	2002	
	Cost	Market
\$10,000 U.S. Treasury Bond at 7-1/8 percent due February 2023	\$ 10,390	\$ 13,063

4. **CASH SURRENDER VALUE OF OFFICER'S LIFE INSURANCE, NET**

The Company owns a whole life insurance policy on its president; face amount \$100,000. Cash surrender value and policy loans with a 7.4 percent interest rate are as follows:

	2003	2002
Cash surrender value	\$ 28,351	\$ 25,943
Less: Loan payable	27,786	22,043
Cash Surrender Value Officer's Life Insurance, Net of Policy Loan	\$ 565	\$ 3,900

5. **RENT EXPENSE**

The Company conducts its operations from facilities that are leased on a month-to-month basis.

6. INCOME TAXES

The deferred tax asset (liability) components as of September 30, 2003 and 2002 are as follows:

	2003	2002
Tax over book depreciation	\$ (4,004)	\$ (4,967)
Unrealized gain on marketable securities	(483)	(534)
Net operating loss	6,741	0
	<hr/>	<hr/>
Deferred Income Tax Benefit (Liability)	\$ 2,254	\$ (5,501)
	<hr/> <hr/>	<hr/> <hr/>

7. CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.



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CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

SUPPLEMENTARY INFORMATION

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Coventry Capital, Inc.
Chicago, Illinois

Our report on our audits of the basic financial statements of Coventry Capital, Inc. for the years ended September 30, 2003 and 2002 appears on page 1. These audits were done for the purpose of forming an opinion on the basic financial statements taken as a whole. The information on the following schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied on the examination 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.

Davis, Keller & Wiggins, LLC

Certified Public Accountants

October 31, 2003

COVENTRY CAPITAL, INC.
SCHEDULES OF COMPUTATION OF NET CAPITAL
SEPTEMBER 30, 2003 AND 2002

	2003	2002
Assets	\$ 54,079	\$ 101,352
Liabilities	(3,265)	(14,213)
Stockholder's equity	50,814	87,139
Nonallowable assets	36,385	49,251
Tentative net capital	14,429	37,888
Haircuts	(704)	(715)
Net capital	13,725	37,173
Required capital	(5,000)	(5,000)
Excess net capital	\$ 8,725	\$ 32,173

See accountants' report on supplementary information.



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CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

SUPPLEMENTAL REPORT ON MATERIAL INADEQUACIES

To the Board of Directors
Coventry Capital, Inc.
Chicago, Illinois

For the years ended September 30, 2003 and 2002, there were no material inadequacies in the records of Coventry Capital, Inc.

Davis, Keller & Wiggins, LLC

Certified Public Accountants

October 31, 2003

COVENTRY CAPITAL, INC.
SCHEDULES OF CHANGES IN SUBORDINATED LIABILITIES
SEPTEMBER 30, 2003 AND 2002

	2003	2002
Subordinated liabilities at beginning and end of year	\$ -	\$ -

See accountants' report on supplementary information.