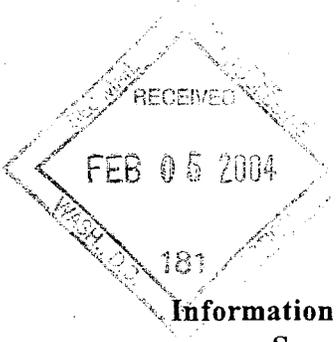


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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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



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

SEC FILE NUMBER  
8- 31336

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 01/01/03 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Financial Designs Corp.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
7220 ROSEMEAD BLVD #206  
(No. and Street)  
SAN GABRIEL CA 91775-1398  
(City) (State) (Zip Code)  
NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
RONALD A. BILECKI (626) 285-0178  
(Area Code - Telephone Number)

OFFICIAL USE ONLY  
FIRM I.D. NO.

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
GRIFFITH, PETER SCOTT  
(Name - if individual, state last, first, middle name)  
41 E. FOOTHILL BLVD ., #206 ARCADIA CA 91006  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED  
MAR 17 2004

FOR OFFICIAL USE ONLY  
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)

P  
3/16

OATH OR AFFIRMATION

I, SEAN P. BILECKI, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of FINANCIAL DESIGNS CORPORATION, as of DECEMBER 31, 20 03, 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:

Signature

Signature

V.P., CHIEF FINANCIAL OFFICER

Title

Maria Morton

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.

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

**PETER S. GRIFFITH**

CERTIFIED PUBLIC ACCOUNTANT

41 E. FOOTHILL BLVD. SUITE 204

ARCADIA, CA 91006

Phone (626) 447-5550

Fax (626) 447-1223

e-mail: [pete@petersgriffithcpa.com](mailto:pete@petersgriffithcpa.com)

**INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Financial Designs Corporation

I have audited the accompanying Balance Sheet of Financial Designs Corporation as of December 31, 2003, and the related Profit & Loss Statement, Retained Earnings, and Cash Flows and the Statement of Changes in Stockholder's Equity 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 audits.

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, in 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 Financial Designs Corporation as of December 31, 2003 and the results of its operations and its cash flow for the year then ended in conformity with generally accepted accounting principles.



Peter S. Griffith  
Certified Public Accountant

January 26, 2004

**Financial Designs Corporation**  
**Balance Sheet**  
 As of December 31, 2003

	Dec 31, 03
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 · Cash	94,381.16
1050 · Franklin Money Fund	559.00
1060 · Fidelity Money Market	235.27
<b>Total Checking/Savings</b>	95,175.43
<b>Other Current Assets</b>	
1100 · Commissions Receivable	465.00
1120 · Larkin Account	41,006.73
1125 · Bender Funds	6,912.81
1150 · Officer Loan	60,000.00
1160 · Prepaid Taxes Based on Income	
1161 · Federal	924.00
<b>Total 1160 · Prepaid Taxes Based on Income</b>	924.00
<b>Total Other Current Assets</b>	109,308.54
<b>Total Current Assets</b>	204,483.97
<b>Fixed Assets</b>	
1300 · Computer	66,369.00
1305 · Chairs	5,205.33
1310 · Copier & Stand	3,548.00
1320 · Telephone Equipment	4,936.00
1330 · Air Conditioner	2,707.00
1340 · File Cabinets	13,106.00
1350 · Security System	3,420.00
1360 · Paper Shredder	1,507.00
1370 · Xerox Copier	6,111.00
1380 · Office Equipment	13,939.19
1500 · Accumulated Depreciation	-102,099.00
<b>Total Fixed Assets</b>	18,749.52
<b>TOTAL ASSETS</b>	223,233.49
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
2000 · Clearing Charges	204.50
2005 · Asset Allocation Costs	52.00
2030 · Miscellaneous Liabilities	4,927.93
2050 · Employee Bonuses	5,000.00
<b>Total Other Current Liabilities</b>	10,184.43
<b>Total Current Liabilities</b>	10,184.43
<b>Total Liabilities</b>	10,184.43
<b>Equity</b>	
3000 · Common Stock	3,000.00
3010 · Unrealized Capital Losses	-4,252.09
3900 · Retained Earnings	209,495.96
Net Income	4,805.19
<b>Total Equity</b>	213,049.06
<b>TOTAL LIABILITIES &amp; EQUITY</b>	223,233.49

**Financial Designs Corporation**  
**Profit & Loss**  
 January through December 2003

	<u>Jan - Dec 03</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4000 · Commission Income	16,362.81
4010 · Fees & Reimbursements	756,293.23
4020 · Interest & Dividends	6,115.45
4040 · Trail Commissions	44,638.34
4060 · Tax Preparation	18,768.00
4070 · SPDA Annuity Commission	123,308.27
<b>Total Income</b>	<u>965,486.10</u>
<b>Expense</b>	
6010 · Asset Allocation Fees	5,178.65
6015 · Bonuses	5,000.00
6020 · Clearing Charges Fees	6,401.99
6030 · Consulting	665.00
6040 · Commissions	27,743.31
6060 · Depreciation	4,732.00
6080 · Employment Taxes	37,216.12
6100 · Error Account Fees	1,140.20
6110 · Fees	3,177.32
6120 · Insurance	13,574.40
6130 · Lease - Equipment	79,584.00
6159 · Marketing	75.00
6160 · Medical Reimbursement	25,702.13
6165 · Medical Insurance	18,477.36
6170 · Office Supplies & Expense	54,294.93
6180 · Regulatory Fees	5,093.68
6190 · Retainer Fees & Costs	561.00
6195 · RIA Fees	1,566.85
6200 · Salaries	
6201 · Officer	330,500.00
6202 · Other	309,775.35
<b>Total 6200 · Salaries</b>	<u>640,275.35</u>
6210 · Seminars	10,686.04
6230 · Tax Processing	5,535.00
6235 · Tax & Accounting Fees	1,745.00
6240 · Telephone & Utilities	11,411.58
<b>Total Expense</b>	<u>959,836.91</u>
<b>Net Ordinary Income</b>	5,649.19
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
7000 · Provision for Income Taxes	
7010 · Federal	44.00
7020 · State	800.00
<b>Total 7000 · Provision for Income Taxes</b>	<u>844.00</u>
<b>Total Other Expense</b>	<u>844.00</u>
<b>Net Other Income</b>	<u>-844.00</u>
<b>Net Income</b>	<u><u>4,805.19</u></u>

FINANCIAL DESIGNS CORPORATION  
STATEMENT OF RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31, 2003

Retained Earnings, December 31, 2002	\$ 193,779
Net Income 2003	\$ 4,805
Adjustment from 2001 Reclassifying Unrealized Capital Losses	\$ 10,361
Unrealized Capital Losses - Decrease	<u>\$ 1,104</u>
Retained Earnings, December 31, 2003	\$ 210,049

**Financial Designs Corporation**  
**Statement of Cash Flows**  
 January through December 2003

	<u>Jan - Dec 03</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	4,805.19
Adjustments to reconcile Net Income to net cash provided by operations:	
1100 · Commissions Receivable	-202.50
1120 · Larkin Account	-9,632.54
1125 · Bender Funds	-2,223.72
1140 · Employee Loan	679.28
1160 · Prepaid Taxes Based on Income:1161 · Federal	44.00
2000 · Clearing Charges	-125.50
2005 · Asset Allocation Costs	52.00
2010 · Commissions Payable	-25.00
2030 · Miscellaneous Liabilities	1,927.93
2050 · Employee Bonuses	-10,498.00
<b>Net cash provided by Operating Activities</b>	<u>-15,198.86</u>
<b>INVESTING ACTIVITIES</b>	
1300 · Computer	-8,283.66
1380 · Office Equipment	-974.19
1500 · Accumulated Depreciation	4,732.00
<b>Net cash provided by Investing Activities</b>	<u>-4,525.85</u>
<b>FINANCING ACTIVITIES</b>	
3010 · Unrealized Capital Losses	1,104.25
3900 · Retained Earnings	10,360.97
<b>Net cash provided by Financing Activities</b>	<u>11,465.22</u>
<b>Net cash increase for period</b>	-8,259.49
<b>Cash at beginning of period</b>	<u>103,434.92</u>
<b>Cash at end of period</b>	<u><u>95,175.43</u></u>

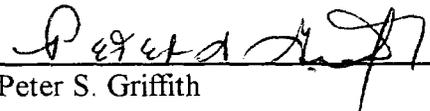
FINANCIAL DESIGNS CORPORATION

STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY

December 31, 2003

Stockholders Equity		
Common Stock	\$ 3,000	
Retained Earnings	<u>\$ 193,779</u>	
Total Stockholders' Equity (12/31/02)		\$ 196,779
Stockholders' Equity		
Common Stock	\$ 3,000	
Retained Earnings	<u>\$ 210,049</u>	
Total Stockholders' Equity (12/31/02)		<u>\$ 213,049</u>
CHANGE IN STOCKHOLDERS' EQUITY		<u><u>\$ 16,270</u></u>

I have examined the financial statements of Financial Designs Corporation as of December 31, 2003, and determined that the above information is correct.

  
\_\_\_\_\_  
Peter S. Griffith  
Certified Public Accountant

**PETER S. GRIFFITH**

CERTIFIED PUBLIC ACCOUNTANT

41 E. FOOTHILL BLVD. SUITE 204

ARCADIA, CA 91006

Phone (626) 447-5550

Fax (626) 447-1223

e-mail: pete@petersgriffithcpa.com

FINANCIAL DESIGNS CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2003

1. Principles of Accounting

The financial statement of Financial Designs Corporation are prepared in the accrual basis of accounting. No material inadequacies have been found to exist.

2. Income Taxes

The corporation provides for income taxes utilizing the accrual method of accounting.

3. Common Stock

Shares Authorized:	10,000
Issued & Outstanding:	1,000
Par Value	\$ 3.00

4. Equipment

The company depreciated its fixed assets for financial accounting purposes on the straight line method.

See accompanying accountant's report.

---

**PETER S. GRIFFITH**

CERTIFIED PUBLIC ACCOUNTANT  
41 E. FOOTHILL BLVD. SUITE 204  
ARCADIA, CA 91006  
Phone (626) 447-5550  
Fax (626) 447-1223  
e-mail: pete@petersgriffithcpa.com

**FINANCIAL DESIGNS CORPORATION**  
**Report Regarding Material Inadequacies**

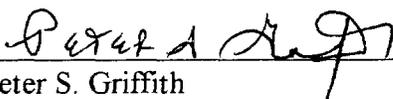
I have examined the financial statements of Financial Designs Corporation as of December 31, 2003. My Accountants Report was dated January 26, 2004.

Pursuant to Rule 17a-5(d)(i), no material inadequacies were found to exist since my last audit of February 2, 2003.

My audit was made in accordance with generally accepted auditing standards and included a review of the books, records, accounting systems, bank statements, mutual fund statements, general ledger, blotter, products sales ledger, internal accounting controls, and procedures for safeguarding securities. I reviewed the Statement of Financial Position, the Statement of Operations, the Statement of Cash Flow, the Statement of Changes in Stockholders' Equity, the Computation of Net Capital. The scope of the audit and review of the accounting system were sufficient to provide reasonable assurance that any material inadequacies existing at the date of the examination would be disclosed.

In addition, the audit included reviews of the practices and procedures followed by the client:

1. in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the reserve required by Rule 15c3-3(e);
2. in filing the various Focus Reports;
3. in monitoring insider trading and suspicious trades.

  
\_\_\_\_\_  
Peter S. Griffith  
Certified Public Accountant

**PETER S. GRIFFITH**

CERTIFIED PUBLIC ACCOUNTANT  
41 E. FOOTHILL BLVD. SUITE 204  
ARCADIA, CA 91006  
Phone (626) 447-5550  
Fax (626) 447-1223  
e-mail: [pete@petersgriffithcpa.com](mailto:pete@petersgriffithcpa.com)

I have examined the financial statements of Financial Designs Corporation as of December 31, 2003. My Accountants Report was dated January 26, 2004.

Pursuant to Rule 17a-5 (d) (i), no material inadequacies were found to exist since my last audit of February 2, 2003.

  
\_\_\_\_\_  
Peter S. Griffith  
Certified Public Accountant

**PETER S. GRIFFITH**

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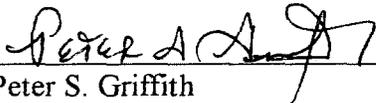
Fax (626) 447-1223

e-mail: [pete@petersgriffithcpa.com](mailto:pete@petersgriffithcpa.com)

To: Securities and Exchange Commission  
NASD, Inc.

Enclosed is a computation of Net Capital under SEC Rule 15c 3-1. In my annual audited report (Form x-17a-5) for fiscal year ending December 31, 2003, I found no major differences between my computation of net capital and Financial Designs Corporations' computation of net capital as determined on the Focus 2A report filed for fiscal year ending December 31, 2003.

Very best regards,



Peter S. Griffith

Certified Public Accountant

FINANCIAL DESIGNS CORPORATION

COMPUTATION OF NET CAPITAL

December 31, 2003

Computation of Net Capital (12/31/03)		
Ownership equity per audit		\$ 213,049
Modifications		
Net fixed assets		(18,749)
Prepaid Income Taxes		<u>(924)</u>
Ownership equity per Focus IIA		\$ 193,376
Nonallowable assets		
Officer loan	\$ 60,000	<u>(60,000)</u>
Net capital before haircuts on securities positions		\$ 133,376
Haircuts		
Pilgrim Prime Rate \$40,046 x 15% =	\$ 6,007	
Emmett Larkin MM \$950 x 2% =	19	
Franklin Money Fund \$559 x 2% =	11	
Fidelity Prime Fund \$235 x 2% =	5	
Bender Growth Fund \$6,913 x 15% =	1,037	
		<u>(7,079)</u>
Net Capital		<u>\$ 126,297</u>

COMPUTATION OF BASIS NET CAPITAL EQUIPMENT

Minimum net capital requirement	\$	50,000
Excess net capital	\$	76,297
Excess net capital at 1000%	\$	10,184
Total A.I. Liabilities from Statement of Financial Condition	\$	10,184
Total aggregate indebtedness	\$	8
Percentage of aggregate indebtedness to net capital		8%
Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)		0%

There are no material differences in this computation and the unaudited Focus IIA report.

# FINANCIAL DESIGNS CORPORATION

7220 Rosemead Blvd., Suite 206, San Gabriel, CA 91775 • Phone: (626) 285-0178

Ronald A. Bilecki, CFP, *President*

Sean P. Bilecki, CFP, *Vice President, Chief Financial Officer*

Nino G. Pavan, Esq., *Vice President, Chief Operations Officer*

Fax: (626) 285-9378

e-mail: [fdc@earthlink.net](mailto:fdc@earthlink.net)

[www.financialdesignscorp.com](http://www.financialdesignscorp.com)

February 3, 2004

Mr. David S. Anderson, Supervisor  
Securities & Exchange Commission  
300 South Grand Ave, Suite 1600  
Los Angeles, CA 90071-3126

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

Dear Mr. Anderson

Financial Designs Corporation is a fully disclosed Broker/Dealer. Our clearing broker is Emmett A. Larkin Co., Inc.

Financial Designs Corporation does not carry customer accounts and does not perform custodial functions relating to customer securities, therefore Financial Designs Corporation claims exemption from the requirements referenced above.

Sincerely,



Ronald A. Bilecki, CFP  
President

SECURITIES THROUGH EMMETT A. LARKIN CO., INC.

*Member of the National Association of Securities Dealers, Inc. and the Securities Investor Protection Corporation  
Financial Designs Corporation is registered with the Securities and Exchange Commission as a Broker/Dealer and Investment Advisor*