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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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3/4

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

SEC FILE NUMBER
8-019935

8-37924

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

MAR 9 5 2004

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:

CAPITAL MANAGEMENT CONSULTANTS, INC.

OFFICIAL USE ONLY
FIRM ID. NO.

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

3400 DUNDEE RD. SUITE 200

(No. and Street)

NORTHBROOK

IL

60062

(City)

(State)

(Zip Code)

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

MARC DAVIS

847-498-8899

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

CHARLES GRIGSBY & CO.

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

3605 W. BRYN MAWR, CHICAGO, IL 60631

(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

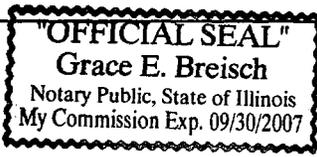
THOMSON
FINANCIAL

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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, MARC DAUIS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAPITAL MANAGEMENT CONSULTANTS, INC, as of DECEMBER 31, 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:



Marc Davis
Signature
President
Title

Grace E. Breisch
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 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.

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

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

CHARLES GRIGSBY & CO CPAs

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

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

CHARLES GRIGSBY

70

ADDRESS

8605 W BRYN MAUR

71

CHICAGO

72

IL

73

60631

74

Number and Street

City

State

Zip Code

CHECK ONE

Certified Public Accountant

75

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				
50	51	52	53				

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

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC.

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

as of (MM/DD/YY) 12/31/03 99
 SEC FILE NO. 019935 98
 Consolidated 198
 Unconsolidated 199

ASSETS

	<u>Allowable</u>		<u>Non-Allowable</u>		<u>Total</u>
1. Cash	\$ 7767	200			\$ 7767 750
2. Receivables from brokers or dealers:					
A. Clearance account		295			
B. Other		300	\$ 550		810
3. Receivables from non-customers		355	2958	600	2958 830
4. Securities and spot commodities owned, at market value:					
A. Exempted securities	22742	418			
B. Debt securities		419			
C. Options		420			
D. Other securities		424			
E. Spot commodities		430			22742 850
5. Securities and/or other investments not readily marketable:					
A. At cost	\$ 130				
B. At estimated fair value		440	610		860
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	\$ 190				
B. Owned, at cost			650		
C. Contributed for use of the company, at market value			660		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		490	2456	680	2456 920
11. Other assets		535	8176	735	8176 930
12. TOTAL ASSETS	\$ 30509	540	\$ 13590	740	\$ 44099 940

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

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC

as of 12/31/03

**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	\$ 1255	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account.....	1114	1315	1561
B. Other.....	1115	1305	1540
15. Payable to non-customers.....	1155	1355	1610
16. Securities sold not yet purchased, at market value.....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other.....	2332 1205	1385	2332 1680
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:		1400	1710
1. from outsiders \$.....	970		
2. Includes equity subordination (15c3-1 (d)) of \$.....	980		
B. Securities borrowings, at market value:...		1410	1720
from outsiders \$.....	990		
C. Pursuant to secured demand note collateral agreements:.....		1420	1730
1. from outsider: \$.....	1000		
2. Includes equity subordination (15c3-1 (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.....	\$ 2332 1230	\$ 1450	\$ 2332 1760

Ownership Equity

21. Sole proprietorship.....		\$ 177	177
22. Partnership (limited partners.....)	\$ 1020		178
23. Corporation:			
A. Preferred stock.....			179
B. Common stock.....			14500 179
C. Additional paid-in capital.....			6500 179
D. Retained earnings.....			20767 179
E. Total.....			41767 179
F. Less capital stock in treasury.....			179
24. TOTAL OWNERSHIP EQUITY.....		\$ 41767	180
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY.....		\$ 47099	181

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

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC

as of

12/31/03

**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	\$ 1255	\$ 1471
14. Payable to brokers or dealers:			
A. Clearance account.....	1114	1315	1561
B. Other.....	1115	1305	1541
15. Payable to non-customers.....	1155	1355	1611
16. Securities sold not yet purchased, at market value.....		1360	1621
17. Accounts payable, accrued liabilities, expenses and other.....	2332 1205	1385	2332 1581
18. Notes and mortgages payable:			
A. Unsecured.....	1210		1691
B. Secured.....	1211	1390	1701
19. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1711
1. from outsiders \$.....	970		
2. Includes equity subordination (15c3-1 (d)) of \$.....	980		
B. Securities borrowings, at market value:...		1410	1721
from outsiders \$.....	990		
C. Pursuant to secured demand note collateral agreements:.....		1420	1731
1. from outsider: \$.....	1000		
2. Includes equity subordination (15c3-1 (d)) of \$.....	1010		
D. Exchange memberships contributed for use of company, at market value.....		1430	1741
E. Accounts and other borrowings not qualified for net capital purposes.....	1220	1440	1751
20. TOTAL LIABILITIES.....	\$ 2332 1230	\$ 1450	\$ 2332 1761

Ownership Equity

21. Sole proprietorship.....		\$ 177
22. Partnership (limited partners.....)	\$ 1020	\$ 178
23. Corporation:		
A. Preferred stock.....		179
B. Common stock.....		179
C. Additional paid-in capital.....		179
D. Retained earnings.....		179
E. Total.....		179
F. Less capital stock in treasury.....		179
24. TOTAL OWNERSHIP EQUITY.....		\$ 180
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY.....		\$ 181

14500
 6500
 20767
 41767
 41767
 44099

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

BROKER OR DEALER CAPITAL MANAGEMENT CONSULTANTS INC as of 12/31/03

COMPUTATION OF NET CAPITAL

<p>1. Total ownership equity from Statement of Financial Condition.....</p> <p>2. Deduct ownership equity not allowable for Net Capital.....</p> <p>3. Total ownership equity qualified for Net Capital.....</p> <p>4. Add:</p> <p style="padding-left: 20px;">A. Liabilities subordinated to claims of general creditors allowable in computation of net capital.....</p> <p style="padding-left: 20px;">B. Other (deductions) or allowable credits (List).....</p> <p>5. Total capital and allowable subordinated liabilities.....</p> <p>6. Deductions and/or charges:</p> <p style="padding-left: 20px;">A. Total nonallowable assets from Statement of Financial Condition (Notes B and C) \$.....</p> <p style="padding-left: 20px;">B. Secured demand note deficiency.....</p> <p style="padding-left: 20px;">C. Commodity futures contracts and spot commodities-proprietary capital charges.....</p> <p style="padding-left: 20px;">D. Other deductions and/or charges.....</p> <p>7. Other additions and/or allowable credits (List).....</p> <p>8. Net capital before haircuts on securities positions.....</p> <p>9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1 (f)):</p> <p style="padding-left: 20px;">A. Contractual securities commitments.....</p> <p style="padding-left: 20px;">B. Subordinated securities borrowings.....</p> <p style="padding-left: 20px;">C. Trading and investment securities:</p> <p style="padding-left: 40px;">1. Exempted securities.....</p> <p style="padding-left: 40px;">2. Debt securities.....</p> <p style="padding-left: 40px;">3. Options.....</p> <p style="padding-left: 40px;">4. Other securities.....</p> <p style="padding-left: 20px;">D. Undue Concentration.....</p> <p style="padding-left: 20px;">E. Other (List).....</p> <p>10. Net Capital.....</p>	<table border="0" style="width:100%; border-collapse: collapse;"> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">41767</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">34</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">▼</td><td style="border-bottom: 1px solid black;">()</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">34</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">41767</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">35</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">41767</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">35</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">41767</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">35</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">13590</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3540</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3590</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3590</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3600</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3600</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3610</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3610</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">13590</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">36</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">28177</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">36</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3660</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3660</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3670</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3670</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">1592</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3735</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3733</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3733</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3730</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3730</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3734</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3734</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3650</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3650</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">3736</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">3736</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">1592</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">37</td></tr> <tr><td style="border-right: 1px solid black; padding-right: 5px;">\$</td><td style="border-bottom: 1px solid black;">26585</td><td style="border-left: 1px solid black; border-bottom: 1px solid black; padding-left: 5px;">37</td></tr> </table>	\$	41767	34	▼	()	34	\$	41767	35	\$	41767	35	\$	41767	35	\$	13590	3540	\$	3590	3590	\$	3600	3600	\$	3610	3610	\$	13590	36	\$	28177	36	\$	3660	3660	\$	3670	3670	\$	1592	3735	\$	3733	3733	\$	3730	3730	\$	3734	3734	\$	3650	3650	\$	3736	3736	\$	1592	37	\$	26585	37
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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC

as of 12/31/03

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 19)	.....	\$		cc
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	.....	\$	5000	cc
13. Net capital requirement (greater of line 11 or 12)	.....	\$	5000	cc
14. Excess net capital (line 10 less 13)	.....	\$	21585	cc
15. Excess net capital at 1000% (line 10 less 10% of line 19)	.....	\$	26352	cc

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	.....	\$	2332	cc
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	
19. Total aggregate indebtedness	.....	\$	2332	cc
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	.....	%	8.7	cc
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	.....	%	8.7	cc

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

22. 2% of combined aggregate debit items as shown in Formula for Reserve 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	.....	\$		cc
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	.....	\$		cc
24. Net capital requirement (greater of line 22 or 23)	.....	\$		cc
25. Excess net capital (line 10 less 24)	.....	\$		cc
26. Net capital in excess of:				
5% of combined aggregate debit items or \$120,000	\$		cc

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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 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 satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

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

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC.

For the period (MMDDYY) from 10/01/03 3932 to 12/31/03 31
Number of months included in this statement 12 31

STATEMENT OF INCOME (LOSS)

REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$		3E
b. Commissions on listed option transactions	▼		3E
c. All other securities commissions			3E
d. Total securities commissions			3E
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange			3E
b. From all other trading			3E
c. Total gain (loss)			3E
3. Gains or losses on firm securities investment accounts			3E
4. Profit (loss) from underwriting and selling groups	▼		3E
5. Revenue from sale of investment company shares		45488	3E
6. Commodities revenue			3E
7. Fees for account supervision, investment advisory and administrative services		379264	3E
8. Other revenue		726	3E
9. Total revenue	\$	425478	4E

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers	\$	6000	4E
11. Other employee compensation and benefits	▼	358320	4E
12. Commissions paid to other broker-dealers			4E
13. Interest expense			4E
a. Includes interest on accounts subject to subordination agreements		4070	
14. Regulatory fees and expenses		4609	4E
15. Other expenses		56111	4E
16. Total expenses	\$	425040	4E

NET INCOME

17. Net income (loss) before Federal income taxes and items below (Item 9 less Item 16)	\$	438	4E
18. Provision for Federal income taxes (for parent only)	▼	112	4E
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above			4E
a. After Federal income taxes of		4238	
20. Extraordinary gains (losses)			4E
a. After Federal income taxes of		4239	
21. Cumulative effect of changes in accounting principles			4E
22. Net income (loss) after Federal income taxes and extraordinary items	\$	326	4E

MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items	\$	<14,550>	4E
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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA**

BROKER OR DEALER

CAPITAL MANAGEMENT CONSULTANTS INC.

For the period (MMDDYY) from 01/01/03 to 12/31/03

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

1. Balance, beginning of period	\$	<u>41,441</u>	4:
A. Net income (loss)		<u>376</u>	4:
B. Additions (Includes non-conforming capital of	▼ \$	<u>4262</u>	4:
C. Deductions (Includes non-conforming capital of	\$	<u>4272</u>	4:
2. Balance, end of period (From item 1800)	\$	<u>41,767</u>	4:

**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS**

3. Balance, beginning of period	▼ \$	<u>N/A</u>	4:
A. Increases			4:
B. Decreases			4:
4. Balance, end of period (From item 3520)	\$		4:

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER CAPITAL MANAGEMENT CONSULTANTS, LLC

as of 12/31/03

EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 L/A 455
- B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained 456
- C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.
Name of clearing firm³⁰ 4335 457
- D. (k)(3) — Exempted by order of the Commission (include copy of letter) 458

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
31	4600	4601	4602	4603	4604
32	4610	4611	4612	4613	4614
33	4620	4621	4622	4623	4624
34	4630	4631	4632	4633	4634
35	4640	4641	4642	4643	4644
			Total \$ ³⁶	4699	

OMIT PENNIES

Instructions. Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts for bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

WITHDRAWAL CODE:	DESCRIPTIONS
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

CHARLES GRIGSBY & CO.

CERTIFIED PUBLIC ACCOUNTANTS
8605 W. BRYN MAWR SUITE 305 CHICAGO, IL 60631

January 23, 2004

National Association of
Securities Dealers, Inc.
Suite 2700
55 West Monroe
Chicago, Illinois 60603-5001

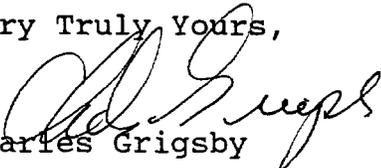
RE: Capital Management
Consultants, Inc.
Northbrook, Illinois

Supervisor or Examiners:

Per your request we are hereby reporting no differences in the computation of net capital between unaudited Part IIA as previously submitted by Capital Management Consultants, Inc. and the audited Part IIA for the audit period January 1 through December 31, 2003.

No material inadequacies existed for the audit period January 1 through December 31, 2003.

Very Truly Yours,


Charles Grigsby

CC: Marc Davis

CHARLES GRIGSBY & CO.

CERTIFIED PUBLIC ACCOUNTANTS
8605 W. BRYN MAWR SUITE 305 CHICAGO, IL 60631

Board of Directors

Capital Management Consultants, Inc.
Northbrook, Illinois

We have audited the accompanying statement of financial condition of Capital Management Consultants, Inc. as of December 31, 2003 and the related statements of income, changes in stockholders' equity, and cash flows for the year 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 generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in 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 statement referred to above presents fairly, in all material respects, the financial position of Capital Management Consultants, Inc. as of December 31, 2003 and the results of their operations and their cash flows for the year then ended in conformity with generally accepted accounting principles.

Chicago, Illinois
January 23, 2004



CAPITAL MANAGEMENT CONSULTANTS, INC.
BALANCE SHEET
DECEMBER 31, 2003

ASSETS

Current Assets:

Cash - Checking Account	\$ 7,767
Short-Term Investment (Note 5)	22,742
Accounts Receivable	2,958
Prepaid Expenses	<u>8,176</u>

Total Current Assets \$ 41,643

Other Assets:

Equipment Net of Accumulated Depreciation	<u>2,456</u>
	44,099
	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:

Advisory Fee Payable	2,220
Accrued Income Tax	<u>112</u>
Total Current Liabilities	2,332

Shareholders' Equity:

Common Stock	14,500
Paid-in-Capital	6,500
Retained Earnings	<u>20,767</u>
	41,767

Total Shareholders' Equity 44,099
=====

See Notes to Financial Statements

CAPITAL MANAGEMENT CONSULTANTS, INC.
 STATEMENT OF EARNINGS FROM OPERATIONS AND RETAINED EARNINGS
 FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Commission and Advisory Income	\$ 424,752
Dividend and Interest Income	<u>726</u>
	425,478
OPERATING EXPENSES:	
Salary-Officers	6,000
Advertising and Brochures	200
Professional Fees	2,560
Filing Fees	4,609
Insurance	4,861
Office Costs	18,091
Telephone	1,502
Dues, Subscriptions	1,273
Promotion, Travel	1,611
Occupancy Expense	8,400
Payroll Tax	543
Seminar	1,950
Computer Usage	12,438
Commissions	358,320
Newsletter, Postage & Printing	1,592
Depreciation & Amortization	<u>1,090</u>
	425,040
Net Income From Operations Before Income Tax	438
Provision For Income Tax	112
Net Income From Operations	326
Retained Earnings- Beginning of Year	20,441
Retained Earnings-End of Year	20,767
	=====

See Notes To Financial Statements

CAPITAL MANAGEMENT CONSULTANTS, INC.
STATEMENT OF CASH FLOWS
FOR THE PERIOD JANUARY 1, 2003 THROUGH DECEMBER 31, 2003

Cash Resources Provided By:

Net Income for the Year	\$	326
Items Not Requiring the Use of Cash-		
Depreciation and Amortization	\$	1,090
Acquisition of Equipment		(866)
Changes In Operating Assets & Liabilities:		
Increase in Accounts Receivable		(2,897)
Increase in Pre-Paid Expenses		(2,159)
Decrease in Advisory Fee Payable		(2,557)
Increase in Short-Term Investment		(727)
Decrease in Income Tax Payable		<u>(938)</u>
		(9,054)
Cash (Used) By Operating Activities		(8,728)
CASH BALANCE - BEGINNING OF YEAR		<u>16,495</u>
CASH BALANCE - END OF YEAR		<u>7,767</u> =====

See Notes To Financial Statements

CAPITAL MANAGEMENT CONSULTANTS, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES-BUSINESS ACTIVITY

The Company is a registered broker dealer and a member of the National Association of Securities Dealers, Inc. It has been registered with the Security Exchange Commission and the State of Illinois Securities Department. The Company was incorporated under laws of the state of Illinois on September 1, 1987.

NOTE 2 - FEDERAL INCOME TAX EXPENSE

The Company has provided for \$ 112 income tax expense. The current period income of \$ 438 at a 25 % marginal tax rate for income tax purposes adjusted for 50% of promotion expenses.

NOTE 3 - NET CAPITAL REQUIREMENTS

The Company is subject to rule 15c 3-1 of the Securities Exchanges Act of 1934 which requires the Company to maintain a ratio of aggregate indebtedness to net capital, as defined, not to exceed 8 to 1. In addition, net capital shall not be less than \$5,000. At December 31, 2003 net capital was \$ 26,585 the ratio of aggregate indebtedness to net capital was 9 %.

NOTE 4 -SHORT-TERM INVESMENTS

The Company has an investment in a money market account the principal investments of which consist of governmental obligations. The asset is valued at historical cost which equal to a market value of \$ 22,742.