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STATES  
CHANGE COMMISSION  
D.C. 20549

WF 1-30-04

OMB APPROVAL	
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Estimated average burden hours per response.....	12.00

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

(A)

SEC FILE NUMBER
8- 37456

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 10/1/02 AND ENDING 9/30/03  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:  
Advance Capital Services, Inc.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
One Towne Square, Suite 444

OFFICIAL USE ONLY
FIRM I.D. NO.

Southfield Michigan 48076  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Steve LaPoint (248) 350-8543  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

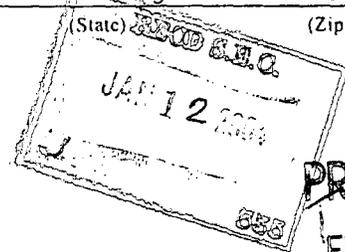
Button Eddy & Sorrentino, P.L.L.C.

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

33515 State Street Farmington Michigan 48335  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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



PROCESSED  
FEB 04 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)

(Handwritten signature)

OATH OR AFFIRMATION

I, Robert J. Cappelli, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Advance Capital Group, Inc. and Subsidiaries, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

KENNETH M. BENARDINO  
Notary Public, Oakland County, MI  
My Commission Expires Oct 19, 2005

Robert J. Cappelli  
Signature  
Treasurer-Advance Capital Group  
Title

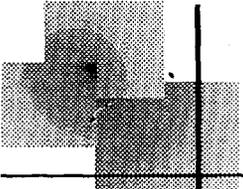
President-Advance Capital Services

Kenneth M. Benardino  
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~~ Cash Flows.
- (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 Auditors Report on Internal Accounting Control.

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



**ADVANCE Capital  
Management** INC

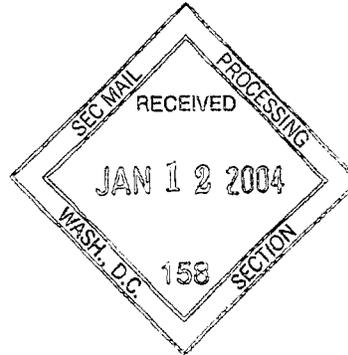
Investment Advisory Services

One Towne Square, Suite 444, Southfield, MI 48076

248-350-8543 • 800-345-4783 • Fax 248-350-0115

January 9, 2004

SEC – Division of Market Regulation  
450 5<sup>th</sup> Street, N.W.  
Washington, DC 20549



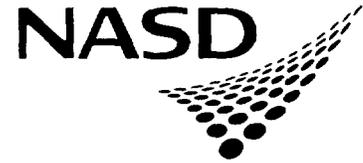
Dear Sir/Ms.,

In filing the X-17 A-5 report in November I failed to include a notarized copy of the report. I am doing so at this time. I apologize for any inconvenience this may have caused. If you need anything further, don't hesitate to contact me at (248) 350-8543.

Sincerely,

  
Steve LaPoint  
Advance Capital





December 23, 2003

Advance Capital Services, Inc.  
Mr. Robert Cappelli, President  
One Towne Square, Suite 444  
Southfield, MI 48076

Dear Mr. Cappelli:

This acknowledges receipt of your September 30, 2003 annual filing of audited financial statements made pursuant to Securities and Exchange Commission (SEC) Rule 17a-5(d). The report as submitted appears deficient in that it did not contain the following:

1. An Oath or Affirmation (Signed by duly authorized officer, general partner, of proprietor of member firm; and notarized)

Therefore, your submission cannot be considered to comply with the requirements of the Rule. The text of the Rule is reproduced in the NASD Manual under the section titled SEC Rules & Regulation T, and we suggest that you review it with your independent accountant.

Pursuant to the provisions of NASD Procedural Rule 8210, we request that you immediately send one copy of the items listed above to this office and to the SEC regional or district office, and two copies to the SEC Washington, D.C. office. A copy of Part III Facing Page and Oath or Affirmation page is enclosed for your convenience.

Please provide the requested information by January 13, 2003. If you have any questions, please contact the undersigned at (312) 899-4615.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. Derus".

Susan M. Derus  
Sr. Compliance Examiner

Enclosure

c: Lawrence Kendra  
Chicago Regional Office  
Securities and Exchange Commission  
175 West Jackson Blvd., Suite 900  
Chicago, IL 60604

**DEC 29 2003**