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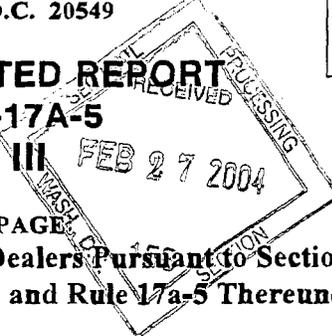


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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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



SEC FILE NUMBER
8- 05209

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 January 1, 2003 AND ENDING December 31, 2003
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
All Funds, Inc.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
24 North Park Terrace

OFFICIAL USE ONLY
FIRM I.D. NO.

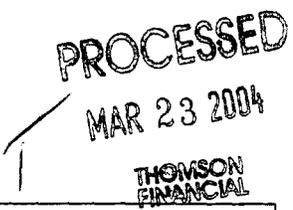
(No. and Street)
Congers, New York 10920
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Brian Mulkeen 845-268-6827
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Savastano, Kaufman & Company, LLC
(Name - if individual, state last, first, middle name)
625 From Road, Paramus NJ 07652
(Address) (City) (State) (Zip Code)

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



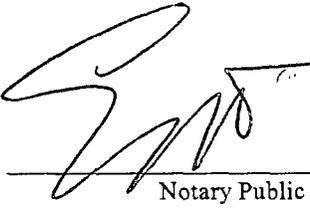
FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

22

OATH OR AFFIRMATION

I, Brian Mulkeen, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of All Funds, 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:



EDWARD T. BORG
Notary Public, State of New York
No. 4607335
Notary Public Qualified in Rockland County
Commission Expires March 30, 2005



Signature
Controller
Title

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).



ALL FUNDS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2003 AND 2002

FORM X-17A-5	<h1 style="margin: 0;">FOCUS REPORT</h1> <p style="margin: 5px 0;">(Financial and Operational Combined Uniform Single Report)</p> <h2 style="margin: 0;">Part IIA Quarterly 17a-5(a)</h2> <p style="margin: 0;">INFORMATION REQUIRED OF BROKERS AND DEALERS PURSUANT TO RULE 17</p>
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COVER

Select a filing method:

Basic Alternate [0011]

Name of Broker Dealer:	<u>ALL FUNDS, INC.</u> [0013]	SEC File Number: 8- <u>5209</u> [0014]
Address of Principal Place of Business:	<u>24 NORTH PARK TERRACE</u> [0020]	
	<u>CONGERS NY</u> [0021] [0022]	Firm ID: <u>23</u> [0015]
	<u>10920-2139</u> [0023]	

For Period Beginning 10/01/2003 And Ending 12/31/2003
[0024] [0025]

Name and telephone number of person to contact in regard to this report:

Name: BRIAN MULKEEN, COMPTROLLER Phone: 845-268-6827
[0030] [0031]

Name(s) of subsidiaries or affiliates consolidated in this report:

Name: _____	Phone: _____
[0032]	[0033]
Name: _____	Phone: _____
[0034]	[0035]
Name: _____	Phone: _____
[0036]	[0037]
Name: _____	Phone: _____
[0038]	[0039]

Does respondent carry its own customer accounts? Yes [0040] No [0041]

Check here if respondent is filing an audited report [0042]

ASSETS

Consolidated [0198]	Unconsolidated [0199]	Allowable	Non-Allowable	Total
1. Cash		63,077 [0200]		63,077 [0750]
2. Receivables from brokers or dealers:				
A. Clearance account		21,049 [0295]		
B. Other		[0300]	69 [0550]	21,118 [0810]
3. Receivables from non-customers		[0355]	[0600]	0 [0830]
4. Securities and spot commodities owned, at market value:				
A. Exempted securities		[0418]		
B. Debt securities		[0419]		
C. Options		[0420]		
D. Other securities		24,213 [0424]		
E. Spot commodities		[0430]		24,213 [0850]
5. Securities and/or other investments not readily marketable:				
A. At cost		[0130]		
B. At estimated fair value		[0440]	[0610]	0 [0860]
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:				
A. Exempted securities		[0150]		
B. Other securities		[0160]		

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable	[1045]	[1255]	[1470]
14. Payable to brokers or dealers:			0
A. Clearance account	[1114]	[1315]	[1560]
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	23,846 [1205]	[1385]	23,846 [1685]
18. Notes and mortgages payable:			0
A. Unsecured	[1210]		[1690]
B. Secured	[1211]	[1390]	[1700]
19. Liabilities subordinated to claims of general creditors:			0
A. Cash borrowings:		[1400]	[1710]
1. from outsiders	[0970]		
2. Includes equity subordination (15c3-1(d)) of	[0980]		
B. Securities borrowings, at market value:		[1410]	[1720]
from outsiders	[0990]		
C. Pursuant to secured demand note collateral agreements:		[1420]	[1730]
1. from outsiders			

	[1000]		
	2. Includes equity subordination (15c3-1(d)) of		

	[1010]		
D.	Exchange memberships contributed for use of company, at market value	_____	0
		[1430]	[1740]
E.	Accounts and other borrowings not qualified for net capital purposes	_____	0
	[1220]	[1440]	[1750]
20.	23,846	0	23,846
TOTAL LIABILITIES	[1230]	[1450]	[1760]

Ownership Equity

	Total
21. Sole proprietorship	_____ [1770]
22. Partnership (limited partners _____ [1020])	_____ [1780]
23. Corporations:	
A. Preferred stock	_____ [1791]
B. Common stock	10,505 _____ [1792]
C. Additional paid-in capital	99,000 _____ [1793]
D. Retained earnings	-23,638 _____ [1794]
E. Total	85,867 _____ [1795]
F. Less capital stock in treasury	_____ [1796]
24. TOTAL OWNERSHIP EQUITY	85,867 _____ [1800]
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY	109,713 _____ [1810]

STATEMENT OF INCOME (LOSS)

Period Beginning <u>10/01/2003</u> [3932]	Period Ending <u>12/31/2003</u> [3933]	Number of months <u>3</u> [3931]
--	---	-------------------------------------

REVENUE

1. Commissions:		
a. Commissions on transactions in exchange listed equity securities executed on an exchange		25,780 [3935]
b. Commissions on listed option transactions		6,790 [3938]
c. All other securities commissions		67,514 [3939]
d. Total securities commissions		100,084 [3940]
2. Gains or losses on firm securities trading accounts		
a. From market making in options on a national securities exchange		[3945]
b. From all other trading		18,249 [3949]
c. Total gain (loss)		18,249 [3950]
3. Gains or losses on firm securities investment accounts		[3952]
4. Profit (loss) from underwriting and selling groups		[3955]
5. Revenue from sale of investment company shares		1,532 [3970]
6. Commodities revenue		[3990]
7. Fees for account supervision, investment advisory and administrative services		[3975]
8. Other revenue		11,339 [3995]
9. Total revenue		131,204 [4030]

EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers		[4120]
11. Other employee compensation and benefits		[4115]
12. Commissions paid to other broker-dealers		[4140]
13. Interest expense		[4075]
a. Includes interest on accounts subject to subordination agreements	[4070]	
14. Regulatory fees and expenses		[4195]
15. Other expenses		296,401 [4100]
		296,401

16. Total expenses	[4200]
NET INCOME	
17. Net Income(loss) before Federal Income taxes and items below (Item 9 less Item 16)	<u>-165,197</u> [4210]
18. Provision for Federal Income taxes (for parent only)	<u>-22,800</u> [4220]
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above	<u>[4222]</u>
a. After Federal income taxes of	<u>[4238]</u>
20. Extraordinary gains (losses)	<u>[4224]</u>
a. After Federal income taxes of	<u>[4239]</u>
21. Cumulative effect of changes in accounting principles	<u>[4225]</u>
22. Net income (loss) after Federal income taxes and extraordinary items	<u>-142,397</u> [4230]
MONTHLY INCOME	
23. Income (current monthly only) before provision for Federal income taxes and extraordinary items	<u>118,636</u> [4211]

COMPUTATION OF NET CAPITAL

1.	Total ownership equity from Statement of Financial Condition			85,867
				[3480]
2.	Deduct ownership equity not allowable for Net Capital			[3490]
3.	Total ownership equity qualified for Net Capital			85,867
				[3500]
4.	Add:			
	A. Liabilities subordinated to claims of general creditors allowable in computation of net capital			0
				[3520]
	B. Other (deductions) or allowable credits (List)			
		[3525A]	[3525B]	
		[3525C]	[3525D]	
		[3525E]	[3525F]	0
				[3525]
5.	Total capital and allowable subordinated liabilities			85,867
				[3530]
6.	Deductions and/or charges:			
	A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)		1,374	
			[3540]	
	B. Secured demand note deficiency			[3590]
	C. Commodity futures contracts and spot commodities - proprietary capital charges			[3600]
	D. Other deductions and/or charges			-1,374
				[3610]
7.	Other additions and/or credits (List)			
		[3630A]	[3630B]	
		[3630C]	[3630D]	
		[3630E]	[3630F]	0
				[3630]
8.	Net capital before haircuts on securities positions			84,493
				[3640]
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:			

	[3820A]	[3820B]	
	_____	_____	
	[3820C]	[3820D]	
	_____	_____	
	[3820E]	[3820F]	
		0	0
		[3820]	[3830]
19. Total aggregate indebtedness			23,846
			[3840]
20. Percentage of aggregate indebtedness to net capital (line 19 / line 10)			29
			[3850]

OTHER RATIOS

21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	0
		[3860]

SCHEDULED WITHDRAWALS

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	Name of Lender or Contributor	Insider or Outsider	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	Withdrawal or Maturity Date (MMDDYYYY)	Expect to Renew
[4600]		[4601] [4602]	[4603]	[4604]	[4605]
[4610]		[4611] [4612]	[4613]	[4614]	[4615]
[4620]		[4621] [4622]	[4623]	[4624]	[4625]
[4630]		[4631] [4632]	[4633]	[4634]	[4635]
[4640]		[4641] [4642]	[4643]	[4644]	[4645]
[4650]		[4651] [4652]	[4653]	[4654]	[4655]
[4660]		[4661] [4662]	[4663]	[4664]	[4665]
[4670]		[4671] [4672]	[4673]	[4674]	[4675]
[4680]		[4681] [4682]	[4683]	[4684]	[4685]
[4690]		[4691] [4692]	[4693]	[4694]	[4695]
		TOTAL	0		
		\$			
			[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 payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

Withdrawal Code	Description
1	Equity Capital
2	Subordinated Liabilities
3	Accruals
4	15c3-1(c)(2)(iv) Liabilities

STATEMENT OF CHANGES

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

1.	Balance, beginning of period		228,264
			[4240]
	A. Net income (loss)		-142,397
			[4250]
	B. Additions (includes non-conforming capital of	[4262])	[4260]
	C. Deductions (includes non-conforming capital of	[4272])	[4270]
2.	Balance, end of period (From item 1800)		85,867
			[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)		0
			[4330]

**FORM
X-17A-5**

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

Schedule I

INFORMATION REQUIRED OF BROKERS AND DEALERS PURSUANT TO RULE 17

Report for period beginning 01/01/2003 and ending 12/31/2003
[8005] [8006]

SEC File Number: 5209
[8011]
Firm ID: 23

1. Name of Broker Dealer: ALL FUNDS, INC.
[8020]

2. Name(s) of broker-dealer(s) merging with respondent during reporting period:

Name: _____	Phone: _____
[8053]	[8057]
Name: _____	Phone: _____
[8054]	[8058]
Name: _____	Phone: _____
[8055]	[8059]
Name: _____	Phone: _____
[8056]	[8060]

3. Respondent conducts a securities business exclusively with registered broker-dealers: Yes No [8073]

4. Respondent is registered as a specialist on a national securities exchange: Yes No [8074]

5. Respondent makes markets in the following securities:

(a) equity securities	Yes <input type="radio"/>	No <input checked="" type="radio"/>	[8075]
(b) municipals	Yes <input type="radio"/>	No <input checked="" type="radio"/>	[8076]
(c) other debt instruments	Yes <input type="radio"/>	No <input checked="" type="radio"/>	[8077]

6. Respondent is registered solely as a municipal bond dealer: Yes No [8078]

7. Respondent is an insurance company or an affiliate of an insurance company: Yes No [8079]

8. Respondent carries its own public accounts: Yes No [8084]

9. Respondent's total number of public customer accounts:

(carrying firms filing X-17A-5 Part II only)

- (a) Public customer accounts _____ [8080]
- (b) Omnibus accounts _____ [8081]

10. Respondent clears its public customer and/or proprietary accounts: Yes No [8085]

11. Respondent clears its public customer accounts in the following manner:

- (a) Direct Mail (New York Stock Exchange Members Only) [8086]
- (b) Self Clearing [8087]
- (c) Omnibus [8088]
- (d) Introducing [8089]
- (e) Other [8090]
- (f) Not Applicable [8091]

12. Yes No [8100]

- (a) Respondent maintains membership(s) on national securities exchange(s):
- (b) Names of national securities exchange(s) in which respondent maintains memberships:

- (1) American [8120]
- (2) Boston [8121]
- (3) CBOE [8122]
- (4) Midwest [8123]
- (5) New York [8124]
- (6) Philadelphia [8125]
- (7) Pacific Coast [8126]
- (8) Other [8129]

13. Employees:

- (a) Number of full-time employees _____ 0 [8101]
- (b) Number of full-time employees registered representatives employed by respondent included in 13(a) _____ 0 [8102]

14. Number of NASDAQ stocks respondent makes market _____ 0 [8103]

15. Total number of underwriting syndicates respondent was a member _____ 0 [8104]

16. Number of respondent's public customer transactions:

Actual Estimate

- (a) equity securities transactions effected on a national securities exchange _____ [8107]
- (b) equity securities transactions effected other than on a national securities exchange _____ [8108]
- (c) commodity, bond, option, and other transactions effected on or off a national securities exchange _____ [8109]

17. Respondent is a member of the Securities Investor Protection Corporation

Yes No [8111]

18. Number of branch offices operated by respondent

_____ 0
[8112]

19.

Yes No [8130]

(a) Respondent directly or indirectly controls, is controlled by, or is under common control with a U.S. bank

(b) Name of parent or affiliate _____ [8131]

(c) Type of institution _____ [8132]

20. Respondent is an affiliate or subsidiary of a foreign broker-dealer or bank

Yes No [8113]

21.

Yes No [8114]

(a) Respondent is a subsidiary of a registered broker-dealer

(b) Name of parent _____ [8116]

22. Respondent is a subsidiary of a parent which is not a registered broker or dealer

Yes No [8115]

23. Respondent sends quarterly statements to customers pursuant to Rule 10b-10(b) in lieu of daily or immediate confirmations:

Yes No [8117]

* Required in any Schedule I filed for the calendar year 1978 and succeeding years.

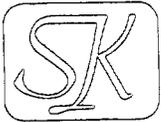
24. Aggregate Dollar Amount of Non-Exempted OTC Sales of Exchange-Listed Securities Done by Respondent During the Reporting Period

_____ 0
[8118]

N.A.S.D. Miscellaneous Information

Annual Municipal Income

_____ 400
[8151]



Savastano, Kaufman & Company, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Stockholders
All Funds, Inc.

We have audited the accompanying statements of financial condition of ALL FUNDS, INC. as of December 31, 2003 and 2002, and the related statements of operations and accumulated deficit, and cash flows for the years then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 ALL FUNDS, INC. at December 31, 2003 and 2002 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Savastano, Kaufman & Company, LLC".

Paramus, New Jersey
February 11, 2004

ALL FUNDS, INC.



STATEMENTS OF FINANCIAL CONDITION

DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash	\$ 9,563	\$ 23,002
Investments	77,827	79,196
Accrued interest receivable	69	260
Due from broker	21,049	30,026
Other receivables	1,205	1,205
Property, plant and equipment, at cost less accumulated depreciation of \$207,521 and \$186,935, respectively	<u>0</u>	<u>126</u>
TOTAL	<u>\$ 109,713</u>	<u>\$ 133,815</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Commissions payable	\$ 0	\$ 313
Accrued expenses payable	21,646	46,666
Income taxes payable	<u>2,200</u>	<u>1,900</u>
Total liabilities	<u>\$ 23,846</u>	<u>\$ 48,879</u>
Stockholders' equity:		
Capital stock, no par value, 1000 shares authorized, 273 shares issued and outstanding	\$ 10,505	\$ 10,505
Additional paid in capital	99,000	99,000
Accumulated deficit	<u>(23,638)</u>	<u>(24,569)</u>
Total stockholders' equity	<u>\$ 85,867</u>	<u>\$ 84,936</u>
TOTAL	<u>\$ 109,713</u>	<u>\$ 133,815</u>

The accompanying notes are an integral
part of these financial statements.

STATEMENT 1

ALL FUNDS, INC.



STATEMENTS OF OPERATIONS AND ACCUMULATED DEFICIT

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Revenue:		
Commissions earned	\$ 490,161	\$ 551,860
Fees earned	41,682	51,373
Gains on principal trades	116,541	93,097
Interest income	18,013	22,437
Realized (losses) on investments	(77)	0
Unrealized (losses) on investments	<u>(1,430)</u>	<u>(3,384)</u>
Total revenues	<u>\$ 664,890</u>	<u>\$ 715,383</u>
Operating expenses:		
Brokerage clearance charges and equipment rental	\$ 147,065	\$ 208,606
Commissions	3,878	3,684
Depreciation	20,586	10,721
Dues and subscriptions	1,416	1,541
Insurance	10,910	3,234
Management and administrative fees	111,000	117,000
Other taxes and fees	40,037	70,644
Professional fees	65,670	61,248
Promotion	8,000	7,880
Rent	72,000	72,000
Telephone and office expenses	140,317	122,168
Travel and entertainment	<u>41,407</u>	<u>34,475</u>
Total operating expenses	<u>\$ 662,286</u>	<u>\$ 713,201</u>
Income before provision for income taxes	\$ 2,604	\$ 2,182
Provision for income taxes	<u>1,673</u>	<u>2,079</u>
Net income	931	103
Accumulated deficit, January 1,	<u>(24,569)</u>	<u>(24,672)</u>
Accumulated deficit, December 31,	<u>\$(23,638)</u>	<u>\$(24,569)</u>

The accompanying notes are an integral part of these financial statements.

ALL FUNDS, INC.



STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:		
Net income	\$ <u>931</u>	\$ <u>103</u>
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	\$ 20,586	\$ 10,721
Unrealized loss on investments	1,430	3,384
Realized loss on sale of investments	77	0
Changes in net assets and liabilities:		
(Increase) decrease in accrued interest receivable	191	(8)
(Increase) decrease in due from broker	8,977	(10,138)
Decrease in other receivables	0	19,342
(Decrease) in commissions payable	(313)	(207)
Increase (decrease) in accrued expenses payable	(25,020)	19,265
Increase in income taxes payable	<u>300</u>	<u>1,206</u>
Total adjustments	\$ <u>6,228</u>	\$ <u>43,565</u>
Net cash provided by operating activities	\$ <u>7,159</u>	\$ <u>43,668</u>
Cash flows provided from investing activities:		
Proceeds from sale of treasury notes and bills	\$ 59,980	\$ 0
Purchases of investments	(60,118)	(72,133)
Purchases of equipment	<u>(20,460)</u>	<u>(9,982)</u>
Net cash (used in) investing activities	\$(<u>20,598</u>)	\$(<u>82,115</u>)
(Decrease) in cash	\$(13,439)	\$(38,447)
Cash - January 1,	<u>23,002</u>	<u>61,449</u>
Cash - December 31,	\$ <u>9,563</u>	\$ <u>23,002</u>

The accompanying notes are an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003 AND 2002

1. Nature of operations:

All Funds, Inc. was incorporated in the State of New York on May 1, 1956 for the purpose of conducting business as a broker/dealer of marketable securities. The Company's office is located in Congers, New York.

2. Significant accounting policies:

Cash and cash equivalents:

For purposes of the balance sheets and statements of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Income recognition:

Income from commissions and fees is recognized as earned; costs relating to the current period are expensed as incurred.

Property, plant and equipment:

Equipment is stated at cost. The equipment is depreciated on a tax basis using accelerated methods over the estimated useful lives of the assets when they are placed in service, ranging from 5 to 7 years. These income tax depreciation methods approximate the expense that would be calculated under the various accelerated methods which are required by generally accepted accounting principles.

Related party:

The Company conducts business with Balanced Estate Agency, Inc., a family-owned office management and real estate business. These transactions include rent and management fees. Management is of the opinion that these transactions are at terms that are no less favorable than with unrelated third parties.

Securities transactions:

Proprietary securities transactions in regular-way trades are recorded on the trade date, as if they had settled. Profit and loss arising from all securities and commodities transactions entered into for the account and risk of the Company are recorded on a trade date basis. Customers' securities and commodities transactions are reported on a settlement date basis with related commission income and expenses reported on a trade date basis.

Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net on the statement of financial condition.

Marketable securities are valued at market value, and securities not readily marketable are valued at fair value as determined by management.

NOTES TO FINANCIAL STATEMENTS



DECEMBER 31, 2003 AND 2002

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2. Significant accounting policies: (continued)

Commissions:

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur.

Advertising:

The Company follows the policy of charging the costs of advertising to expense as incurred. Advertising expense charged to operations was \$8,000 and \$7,880 for the years ended December 31, 2003 and 2002, respectively.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Investments:

The Company has investments classified as trading securities as follows:

	<u>December 31, 2003</u>		
	<u>Cost</u>	<u>Gross Unrealized Gain</u>	<u>Market Value</u>
U.S. Treasury Notes	\$ 10,036	\$ 2	\$ 10,038
Common stocks	18,900	(4,725)	14,175
Money market funds	<u>53,614</u>	<u>0</u>	<u>53,614</u>
	<u>\$ 82,550</u>	<u>\$(4,723)</u>	<u>\$ 77,827</u>
	<u>December 31, 2002</u>		
	<u>Cost</u>	<u>Gross Unrealized Gain (Loss)</u>	<u>Market Value</u>
U.S. Treasury Notes	\$ 9,966	\$ 97	\$ 10,063
Common stocks	18,900	(3,000)	15,900
Money market funds	<u>53,233</u>	<u>0</u>	<u>53,233</u>
	<u>\$ 82,099</u>	<u>\$(2,903)</u>	<u>\$ 79,196</u>

Proceeds from sale of securities were \$59,980 and \$0 during the years ended December 31, 2003 and 2002, respectively. (Losses) of \$(77) and \$0 were realized on those sales during the years ended December 31, 2003 and 2002, respectively.

ALL FUNDS, INC.

NOTES TO FINANCIAL STATEMENTS



DECEMBER 31, 2003 AND 2002

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4. Due from broker:

Amounts receivable from broker-dealers and clearing organizations at December 31, 2003 and 2002, consist of the following:

	<u>2003</u>	<u>2002</u>
Fees and commissions receivable	<u>\$ 21,049</u>	<u>\$ 30,026</u>

5. Principal transactions:

The Company's principal transactions revenue by reporting categories, at December 31, 2003 and 2002 are the following:

	<u>2003</u>	<u>2002</u>
Fixed income	<u>\$ 116,541</u>	<u>\$ 93,097</u>

6. Property, plant and equipment:

Depreciation expense for the years ended December 31, 2003 and 2002 totaled \$20,586 and \$10,721, respectively.

7. Related party transactions:

As disclosed in Note 1, the Company conducts business with Balanced Estate Agency, Inc., a family owned office management and real estate business. Total management fees and rent paid to this entity totaled \$183,000 and \$189,000 for the years ended December 31, 2003 and 2002, respectively.

8. Income taxes:

The components of the income tax provision for the years ended December 31, 2003 and 2002 are as follows:

	<u>2003</u>	<u>2002</u>
Federal	\$ 1,242	\$ 1,379
State	431	700
Total income tax provision	<u>\$ 1,673</u>	<u>\$ 2,079</u>

NOTES TO FINANCIAL STATEMENTS



DECEMBER 31, 2003 AND 2002

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8. Income taxes: (continued)

The Company has a capital loss carryforward of \$449 which may be used to offset future capital gains. The capital loss carryforwards will expire as follows:

<u>Years ended</u> <u>December 31,</u>	<u>Amount</u>
2004	\$ 190
2005	179
2006	63
2008	<u>17</u>
	<u>\$ 449</u>

9. 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.

10. Other commitments:

As a member of the National Association of Securities Dealers, Inc. (NASD), the Company is required to maintain a minimum capital balance of \$5,000.

11. Supplemental disclosures:

Supplemental disclosures of cash flow information include cash paid for income taxes for the years ended December 31, 2003 and 2002 of \$1,355 and \$873, respectively.



Savastano, Kaufman & Company, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY
INFORMATION REQUIRED BY RULE 17a-5 OF THE SECURITIES
AND EXCHANGE COMMISSION

To the Stockholders
All Funds, Inc.

We have audited the accompanying financial statements of All Funds, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated February 11, 2004. Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in 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 rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit 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.

Savastano, Kaufman & Company, LLC

Paramus, New Jersey
February 11, 2004

ALL FUNDS, INC.



SUPPLEMENTARY SCHEDULES

DECEMBER 31, 2003

COMPUTATION OF NET CAPITAL

Total stockholders' equity from statement of financial condition	\$ 85,867
Assets not allowed for net capital computation	(1,374)
Haircuts on securities	<u>(2,277)</u>
Net capital	<u>\$ 82,216</u>

COMPUTATION OF BASIC NET CAPITAL

Minimum net capital required	<u>\$ 5,000</u>
Excess net capital	<u>\$ 77,216</u>
Excess net capital at 1000%	<u>\$ 79,831</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

Total liabilities from statement of financial condition and A.I. liabilities	<u>\$ 23,846</u>
Debt-equity ratio	N/A

There is no difference between the computation for determination of net capital and aggregate indebtedness as presented herein and as reported by the Company in Part IIA of Form X-17A-5 as of December 31, 2003.

ALL FUNDS, INC.



SUPPLEMENTARY SCHEDULES

DECEMBER 31, 2003

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

Stockholders' equity, January 1, 2003	\$ 84,936
Net income for the year	<u>931</u>
Stockholders' equity, December 31, 2003	<u>\$ 85,867</u>

STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF CREDITORS

Not Applicable

COMPUTATION FOR DETERMINATION OF
RESERVE REQUIREMENTS UNDER RULE 15C3-3

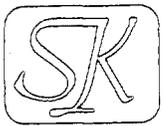
All Funds, Inc. introduces its customers on a fully disclosed basis, and therefore, is eligible for the (K)(2)(b) exemption to SEC Rule 15C3-3.

INFORMATION RELATING TO POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15C3-3

Not Applicable

SCHEDULE OF SEGREGATION REQUIREMENTS AND
FUNDS IN SEGREGATION FOR CUSTOMERS' REGULATED
COMMODITY FUTURES AND OPTIONS ACCOUNTS

Not Applicable



Savastano, Kaufman & Company, LLC

CERTIFIED PUBLIC ACCOUNTANTS

To the Stockholders
All Funds, Inc.

In planning and performing our audit of the financial statements and supplemental schedules of All Funds, Inc. (the Company), for the year ended December 31, 2003, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications and comparisons.
2. Recordation of differences required by rule 17a-13.
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2003 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, which appears to read "Savitar K. Gupta, CFA".

Paramus, New Jersey
February 11, 2004