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

SEC FILE NUMBER
8- 66004

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

FEB 20 2004

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 04/30/03 AND ENDING 12/31/03
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Solidarity Investments, Inc.

OFFICIAL USE ONLY
FIRM ID. NO.

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

9011 Reservoir Road

Little Rock, Arkansas 72227
(City) (State) (Zip Code)

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

Thomas S. Russell 501-225-9011
(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wewers, Denis D.

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

2224 Cottondale Lane, St. 100 Little Rock, AR 72202
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

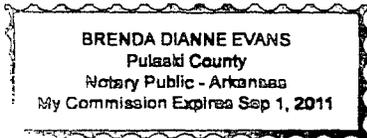
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THOMSON FINANCIAL

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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, Thomas S. Russell, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Solidarity Investments, 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:



Thomas S. Russell
Signature
President
Title

Brenda Dianne Evans 2/19/04
Notary Public

This report** contains (check all applicable boxes):

- (a) Facing page.
(b) Statement of Financial Condition.
(c) Statement of ~~Income Tax~~ operations
(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).

SOLIDARITY INVESTMENTS, INC.

SEC FILE NO. 8-66004

FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
DECEMBER 31, 2003 AND THE EIGHT MONTHS PERIOD THEN ENDED

with

REPORT OF INDEPENDENT AUDITOR

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REPORT OF INDEPENDENT AUDITOR

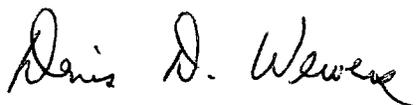
The Board of Directors and Stockholder
Solidarity Investments, Inc.

We have audited the accompanying statement of financial condition of Solidarity Investments, Inc. (a corporation) at December 31, 2003, and the related statements of operations, changes in stockholder's equity, and cash flows for the eight months period 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 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 audit provides 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 Solidarity Investments, Inc. at December 31, 2003, and the results of operations and cash flows for the eight months period then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit has been made primarily for the purpose of expressing an opinion on the basic financial statements taken as a whole. The accompanying additional information is presented for purposes of additional analysis and is not a required part of the basic financial statements but is additional information required by Rule 17a-5 of the Securities and Exchange Commission. Such additional information has been subjected to the 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.



Denis D. Wewers, CPA
Little Rock, Arkansas
January 30, 2004

SOLIDARITY INVESTMENTS, INC.

STATEMENT OF FINANCIAL CONDITION

December 31, 2003

ASSETS

Cash	\$ 1,289
Certificate of deposit	<u>6,000</u>
	<u>\$ 7,289</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities	- 0 -
Stockholder's equity:	
Common stock, \$1 par value:	
Authorized 300 shares; issued and outstanding 10 shares	10
Additional paid-in capital	14,990
Retained earnings (deficit)	<u>-7,711</u>
Total stockholder's equity	<u>7,289</u>
	<u>\$ 7,289</u>

See accompanying notes.

SOLIDARITY INVESTMENTS, INC.

STATEMENT OF OPERATIONS

For the eight months period ended December 31, 2003

Revenues:		
Income		<u>- 0 -</u>
Total revenue		- 0 -
Expenses:		
Business development and travel	478	
Communications	135	
Insurance	380	
Office supplies	560	
Professional fees	750	
Regulatory fees and licenses	<u>5,408</u>	
Total expenses	<u>7,711</u>	
Expense in excess of revenue		<u>\$-7,711</u>

See accompanying notes.

SOLIDARITY INVESTMENTS, INC.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

For the eight months period ended December 31, 2003

	<u>Common Stock</u>	<u>Capital in excess of par value</u>	<u>Retained earnings (deficit)</u>	<u>Total</u>
Issuance of 10 shares common stock	\$10			\$ 10
Contribution of capital in excess of par value		\$14,990		14,990
Net loss for the period	—	—	<u>\$-7,711</u>	<u>-7,711</u>
Balance - December 31, 2003	<u>\$10</u>	<u>\$14,990</u>	<u>\$-7,711</u>	<u>\$ 7,289</u>

See accompanying notes.

SOLIDARITY INVESTMENTS, INC.

STATEMENT OF CASH FLOWS

For the eight months ended December 31, 2003

Cash flows from operating activities:		
Net loss		\$ <u>-7,711</u>
	Cash used by operating activities	<u>-7,711</u>
Cash flows from investing activities:		
Purchase of certificate of deposit		<u>-6,000</u>
	Cash used by investing activities	<u>-6,000</u>
Cash flows provided by financing activities:		
Issuance of common stock		10
Capital contributed in excess of par value		<u>14,990</u>
	Cash provided by financing activities	<u>15,000</u>
Net change in cash and cash equivalents		<u>7,289</u>
Cash and cash equivalents:		
Beginning of period		<u>- 0 -</u>
End of period		\$ <u>1,289</u>
Other disclosures:		
Interest paid		\$ -0-
Income taxes paid		\$ -0-

See accompanying notes.

SOLIDARITY INVESTMENTS, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1: Organization and Summary of Significant Accounting PoliciesOrganization

Solidarity Investments, Inc. (the "Company") was formed April 30, 2003, under the laws of the State of Arkansas pursuant to the Arkansas Business Corporation Act, and subsequently filed an application for a limited broker/dealer registration with the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and the Arkansas Securities Department. The application process has been completed and registration with respective regulatory authorities has been consummated.

Significant Accounting Policies

Because of only recently becoming fully registered with the appropriate regulatory authorities, operations have not commenced or related accounting policies fully established. However, accounting policies currently include, or, ultimately will include the following:

Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property and Depreciation

Property and equipment will be recorded at cost and depreciation provided on the straight-line method over estimated useful lives of the respective assets - generally 3 - 5 years.

Securities Transactions

Customers' securities transactions will be recorded on a settlement date basis with related commission revenue and expenses recorded on a trade date basis. A provision for uncollectible accounts will be provided when justified in management's opinion.

Income Taxes

Revenue will be recognized under the market value method for securities owned and income taxes

calculated thereon. Deferred income taxes will be provided on material temporary differences, when existing, between financial statement and income tax reporting.

A net operating loss carry forward of \$7,700 is available to offset future taxable income for the next 20 years and five years, respectively, for federal and state income tax purposes.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2: Net Capital Requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 8 to 1 during its initial year of operations. At December 31, 2003, the Company had net capital of \$7,289, which was \$2,289 in excess of its required net capital of \$5,000. The Company's net capital ratio was -0- to one.

ADDITIONAL INFORMATION

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

BROKER OR DEALER

SOLIDARITY INVESTMENTS, INC.

as of DECEMBER 31, 2003

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition.....	\$ 7,289		3480
2. Deduct ownership equity not allowable for Net Capital.....		19	3490
3. Total ownership equity qualified for Net Capital.....	7,289		3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital.....			3520
B. Other (deductions) or allowable credits (List).....			3525
5. Total capital and allowable subordinated liabilities.....	\$ 7,289		3530
6. Deductions and/or charges:			
A. Total nonallowable assets from Statement of Financial Condition (Notes B and C) \$			3540
B. Secured demand note deficiency.....			3590
C. Commodity futures contracts and spot commodities- proprietary capital charges.....			3600
D. Other deductions and/or charges.....			3610
7. Other additions and/or allowable credits (List).....			3620
8. Net capital before haircuts on securities positions.....			3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1 (f)):			
A. Contractual securities commitments.....	\$		3660
B. Subordinated securities borrowings.....			3670
C. Trading and investment securities:			
1. Exempted securities.....		18	3735
2. Debt securities.....			3733
3. Options.....			3730
4. Other securities.....			3734
D. Undue Concentration.....			3650
E. Other (List).....			3736
10. Net Capital.....	\$ 7,289		3740
			3750

OMIT PENNIE

There were no material differences between net capital computed above and as filed by Solidarity Investments, Inc. in its FOCUS report as of December 31, 2003.

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

BROKER OR DEALER Solidarity Investments, Inc.

December 31, 2003
as of _____

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-2/3% of line 19)	\$ -0-	3766
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 5,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 5,000	3766
14. Excess net capital (line 10 less 13)	\$ 2,289	3776
15. Excess net capital at 100% (line 10 less 10% of line 19)	\$	3786

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.L. liabilities from Statement of Financial Condition	\$ -0-	3796
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	3836
18. Total aggregate indebtedness	\$ =0=	3846
20. Percentage of aggregate indebtedness to net capital (line 19 ÷ by line 10)	% -0-	3856
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	3866

There were no material differences between aggregate indebtedness computed above and as filed by Solidarity Investments, Inc. in its FOCUS report as December 31, 2003.

INDEPENDENT AUDITOR'S SUPPLEMENTARY
REPORT ON INTERNAL CONTROL STRUCTURE

INDEPENDENT AUDITOR'S SUPPLEMENTARY
REPORT ON INTERNAL CONTROL STRUCTURE

The Board of Directors and Stockholder
Solidarity Investments, Inc.

In planning and performing our audit of the financial statements of Solidarity Investments, Inc. (the Company) as of December 31, 2003, and for the eight months period then ended, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by the Company 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 the procedures for determining compliance with the exemptive provision of Rule 15a3-3.

The management of the Company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 Commission's above mentioned objectives. Two of the objectives of an internal control structure 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 preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities 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 the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure elements does not reduce to a relatively low level the risk that errors or irregularities 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, our study and evaluation disclosed the condition described in the following paragraph, which we believe solely, results in a more than relatively low risk that errors or irregularities in amounts that could be material in relation to the financial statements of the Company may potentially occur and not be detected within a timely period.

Since the Company is small, one individual performs essentially all of its operational and record-keeping procedures. Consequently, the segregation of duties, which is normally required for effective internal control, is not achievable. The Company has no plans to change operational and record keeping procedures until justified by future growth.

This condition was considered in determining the nature, timing, and extent of the audit tests applied in our examination of the financial statements, and this report does not affect our report on those financial statements dated January 30, 2004.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission 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 our study, we believe that the Company's practices and procedures were adequate at December 31, 2003, to meet the Commission's objectives except for the condition discussed in the second preceding paragraph which we believe is a material inadequacy in the practices and procedures comprehended in the Commission's objectives.

This report is intended solely for the use of management, the Board of Directors and Stockholders, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and the applicable state regulatory authorities and should not be used for any other purpose.



Denis D. Wewers, CPA
Little Rock, Arkansas
January 30, 2004