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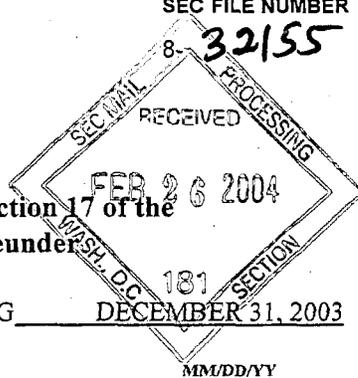
SECURITIES AND COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER

8-32155



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: ADVISORY GROUP EQUITY SERVICES, Ltd

OFFICIAL USE ONLY

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

FIRM ID. NO.

264 NORTH MAIN STREET
(No. and Street)

NATICK
(City)

MA
(state)

01760-1122
(zip Code)

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

STEPHEN OLSSON

800-255-2964
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Karll, Harvey CPA, P.C.
(NAME- IF INDIVIDUAL STATE LAST, FIRST, MIDDLE NAME)

41 Middle Street
(Address)

Newburyport
(City)

MA
(State)

01950-2755
(ZIP Code)

CHECK ONE:

Certified Public Accountant
Public Accountant

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

PROCESSED
MAR 19 2004

FOR OFFICIAL USE ONLY

**THOMSON
FINANCIAL**

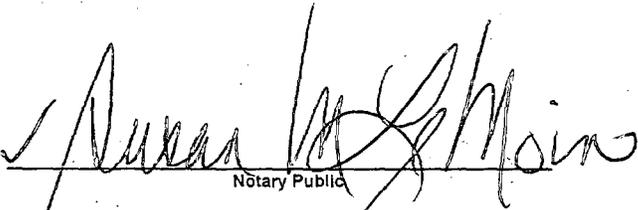
*Claims -for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant
must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

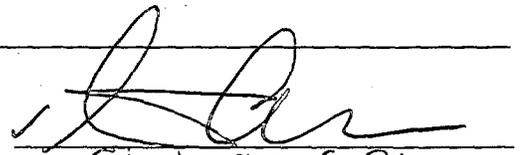
SEC 1410 (3-91)

Potential persons who are to respond to the collection of information
contained in this form are not required to respond unless the form displays
a currently valid control number

OATH OR AFFIRMATION

I, Stephen Olsson swear
(or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting
schedules pertaining to the firm of Advisory Group Equity Services, Ltd, as of December 31, 2003 are true
and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principle officer or
director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Notary Public


Signature Stephen C. Olsson
✓ President
Title

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

- X (a) Facing page.
- X (b) Statement of Financial Condition.
- X (c) Statement of Income (Loss).
- X (d) Statement of Changes in Financial Condition.
- X (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.
- X (g) Computation of Net Capital
- X (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- X (l) 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.
- X (K) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation
- X (l) An Oath or Affirmation
- (m) A copy of the SIPC Supplemental Report.
- X (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 240.17d-5(e)(3).

Harvey E. Karll CPA, PC

41 Middle Street
Newburyport, Massachusetts 01950
(978) 465-9512 Fax (978) 462-9043

INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SECTION 17A-5

To the Shareholder of
Advisory Group Equity Services, Ltd

I have examined the financial statements of Advisory Group Equity Services, Ltd for the year ended December 31, 2003 and have issued my report thereon dated February 20, 2004. As part of my examination, I made a study and evaluation of the Company's system of internal accounting control, which includes the procedures for safeguarding securities, to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of my study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

I also made a study of the practices and procedures followed by the Company in making periodic computations of aggregate indebtedness and net capital under rule 17a-3 (a) (11) and the procedures for determining compliance with the exemptive provisions of rule 15c-13 or (ii) in section 4(c) of regulation T of the board of governors of the Federal Reserve System, because the company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the company is responsible for establishing and maintaining a system of internal accounting 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 control 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 objectives of the SEC described in rule 17a-5(g). The objectives of a system of 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 accordance with generally accepted accounting principles. Rule 17a05(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of the inherent limitation in any system of internal accounting control procedures or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. Also, projection or any evaluation of them to future period is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate.

My study and evaluation made for the limited purposes described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of Advisory group Equity Services, Ltd taken as a whole. However, my study and evaluation disclosed no condition that I believed to be a material weakness.

I 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 SEC Act of 1934 and related regulations, and the practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding on my study, I believe that the Company's practices and procedures were adequate at December 31, 2003 to meet the attention that would indicate that conditions of the exemption for rule 15c-3-3 had not been complied with during the period.

This report is intended solely for the use of management and the SEC and should not be used for any other purpose.

February 20, 2004

Harvey E. Karl CPA, PC

Harvey E. Karl CPA, P.C.

ADVISORY GROUP EQUITY SERVICES, LTD

AUDITED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2003

ADVISORY GROUP EQUITY SERVICES, LTD

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Harvey E. Karll CPA, P.C.

41 Middle Street
Newburyport, Massachusetts 01950
(978) 465-9512 Fax (978) 462-9043

February 20, 2004

Report of Independent Accountant

To The Shareholder of
Advisory Group Equity Services, Ltd

I have audited the accompanying statement of financial condition of Advisory group Equity Services, Ltd. as of December 31, 2003, and the related statements of income, stockholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the management of the company. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 the management of the Company, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of Advisory Group Equity Services, Ltd as of December 31, 2003, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of Advisory Group Equity Services, Ltd. are presented for the purpose of additional analysis and are not required as part of the basic financial statements, but are supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. These schedules are the responsibility of the Company's management. Such schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated, in all material respects, when considered in relation to the basic financial statements taken as a whole.

Harvey E. Karll CPA, P.C.

Advisory Group Equity Services, LTD
 Balance Sheet
 December 31, 2003

Assets

Current Assets

Cash-Checking	\$	103,756.73
Money Market-Clearing Ac		23,188.56
Securities-Clearing Acct		14,030.00
Commissions Receivable		80,171.92
Prepaid NASD Fees		13,439.00
Pr Pd Web CRD		1,333.70
Prepaid Insurance		24,317.44
L/R-Trust Advisory		6,795.22

Total Current Assets		\$ 267,032.57
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Fixed Assets

Furniture & Equipment	\$	141,107.05
A/D- Furn & Equip	(131,437.00)
		9,670.05
Computer Equipment		10,753.99
A/D-Computer Equipment	(3,563.33)
		7,190.66
Leasehold Improvements		7,000.00
Accum Depre - L'H Impr	(358.00)
		6,642.00

Total Fixed Assets		23,502.71
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Other Assets

Security Deposit-NPS LLC		19,000.00
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Total Other Assets		19,000.00
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Total Assets	\$	309,535.28
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See Accountant's Audit Report

Advisory Group Equity Services, LTD
Balance Sheet
December 31, 2003

Liabilities & Equity

Liabilities

Current Liabilities

Accounts Payable	\$ 1,038.97
Commissions Payable	85,473.85
State Income Tax Payable	456.00

Total Current Liab. **\$ 86,968.82**

Long Term Liabilities

Total Long Term Liab. **0.00**

Total Liabilities **86,968.82**

Equity

Common Stock	6,500.00
Retained Earnings	688,277.56
Current Earnings	295,427.91
Accumulated Adjustments	(518,079.56)
Distributions	(249,559.45)

Total Equity **222,566.46**

Total Liabilities & Equity **\$ 309,535.28**

See Accountant's Audit Report

Advisory Group Equity Services, LTD
Statement of Income
Twelve Months Ended December 31, 2003

	Year To Date	%
Income		
Commissions Income	\$ 2,448,942.26	97.8
Fee Income	54,668.40	2.2
	2,503,610.66	100.0
General & Administrative Exp.		
(See Schedule A)	2,214,685.26	88.5
Net Income/(Loss)		
From Operations	288,925.40	11.5
Other Income		
Interest Income	109.27	0.0
Dividend Income	285.00	0.0
Unrealized Loss on Secut	(1,383.76)	-0.1
Other Income	7,948.00	0.3
	6,958.51	0.3
Net Income/(Loss)		
Before Taxes	295,883.91	11.8
Provision for		
Income Taxes		
Provision for SIT	456.00	0.0
	456.00	0.0
Net Income/(Loss)	\$ 295,427.91	11.8

See Accountant's Audit Report

Advisory Group Equity Services, LTD
Statement of Income
Twelve Months Ended December 31, 2003

	Year To Date	%
General & Administrative Exp.		
(Schedule A)		
Salaries - Office	\$ 107,431.98	4.3
Leased Auto	16,240.25	0.6
Contract Labor	9,114.00	0.4
Depreciation	13,485.00	0.5
Dues & Subscriptions	3,391.00	0.1
Leased Equipment	9,187.92	0.4
Insurance- E & O	7,860.83	0.3
Insurance-Health	8,347.58	0.3
Marketing	2,957.72	0.1
Office Expenses	13,249.46	0.5
Payroll Services	1,180.00	0.0
Postage & Delivery	7,373.97	0.3
Printing & Reproduction	16,329.93	0.7
Regulatory Fee	2,992.26	0.1
Professional Fees	23,852.11	1.0
Taxes Payroll	11,210.00	0.4
Taxes Others	125.00	0.0
Telephone	22,458.57	0.9
Travel	27,212.00	1.1
Consulting Expense	4,260.01	0.2
Commissions	1,906,425.67	76.1
Total G & A Expense	\$ 2,214,685.26	88.5

See Accountant's Audit Report

ADVISORY GROUP EQUITY SERVICES, LTD.
Statements of Changes in Retained Earnings
Year Ended December 31, 2003

Retained earnings, beginning of year	\$ 170,198.00
Net income	295,427.91
Distributions to shareholder	<u>(249,559.45)</u>
Retained earnings, end of year	\$ <u>216,006.46</u>

(See Accountants Audit Report)

Advisory Group Equity Services, LTD
Statement of Cash Flows
Twelve Months Ended December 31, 2003

Year To Date

Cash Provided from Operations		
Net Income (Loss)	\$ 295,427.91	
Adjustments		
Add:		
Depreciation	13,485.00	
L/R-Estate Insurance Svc	2,082.00	
L/R - Olsson Law	4,753.00	
Commissions Payable	36,649.15	
Less:		
Commissions Receivable	(18,116.84)	
Prepaid NASD Fees	(2,163.00)	
Pr Pd Web CRD	(651.00)	
Prepaid Insurance	(16,659.98)	
Accounts Payable	(292.03)	
	<hr/>	
Cash from Operations		314,514.21
Cash Flows - Invested		
Computer Equipment	(7,989.66)	
	<hr/>	
Investing Cash Flows		(7,989.66)
Cash Flows - Financing		
Accumulated Adjustments	(695,758.49)	
Distributions	453,259.80	
	<hr/>	
Financing Cash Flows		(242,498.69)
		<hr/>
Cash Increase (Decrease)		64,025.86
Cash - Beginning of Year		
Cash-Checking	45,881.64	
Money Market-Clearing Ac	22,791.79	
Securities-Clearing Acct	8,276.00	
	<hr/>	
Total Beginning of Year		76,949.43
		<hr/>
Cash on Statement Date		\$ 140,975.29
		<hr/> <hr/>

See Accountant's Audit Report

ADVISORY GROUP EQUITY SERVICES, LTD.
Notes to Financial Statements'
Year ended December 31, 2003

NOTE I - SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Advisory Group Equity Services, Ltd., (the Company) was incorporated on June 25, 1994 under the laws of the Commonwealth of Massachusetts to engage in a line of business as a securities broker and dealer. The Company clears its customer accounts on an introducing, basis through Raymond James Associates, Inc. The Company is a closely held corporation.

Use of Estimates

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

Cash and Cash Equivalents

For the purposes of reporting cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The Company places its temporary cash investments with high credit quality financial institutions. At times such investments may be in excess of the Federal Insurance Deposit Corporation (FDIC) insurance limit.

Property and Equipment

Property and equipment are stated at cost. Depreciation is recorded on the straight-line basis over the estimated useful life of the related assets. Routine repairs and maintenance are expensed as incurred. The estimated useful lives of the Company's assets are as follows:

Furniture	5 and 7 Years
Office equipment	5 Years
Leasehold Improvements	39 years

Revenue and Cost Recognition

The Company recognizes commission income and related expenses on a settlement date basis, the industry standard. Generally accepted accounting principles require trade date presentation. Income and related expenses as a result of a settlement date to trade date conversion are immaterial to the financial statement.

Uncollectable Accounts Receivable

Accounts receivable has been adjusted for all known uncollectible amounts. No allowance for uncollectable accounts receivable is considered necessary at December 31, 2003.

(See Accountant's Audit Report)

ADVISORY GROUP EQUITY SERVICES, LTD.
Notes to Financial Statements
Years Ended December 31, 2003

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company elected under the provisions of the Internal Revenue Code to be treated as an "S" Corporation. As a result, income and losses of the Company are passed through to its shareholder for federal income tax purposes. Accordingly, no provision has been made for federal income taxes. Certain states in which the Company operates impose an income tax on S-Corporations. Accordingly, a provision for state income taxes is reflected in the financial statements.

Fair Values of Financial Instruments

Financial Accounting Standards Board Statement No. 107 (SFAS No. 107), *Disclosures about Fair Value of Financial Instruments*, requires disclosure of the fair values of most on- and off-balance sheet financial instruments for which it is practicable to estimate that value. The scope of SFAS No. 107 excludes certain financial instruments, such as trade receivables and payables when the carrying value approximates the fair value, employee benefit obligations and all non-financial instruments, such as fixed assets. The fair value of the Company's assets and liabilities which qualify as financial instruments under SFAS No. 107 approximate the carrying amounts presented in the Statement of Financial Condition.

NOTE 3 - DEPOSITS

The company has a deposit of \$37,219 with a clearing broker to be used as a reserve requirement. The deposit is held in an investment portfolio. Investment income is reported in the statement of operations.

NOTE 4 - RELATED PARTY TRANSACTIONS

The Company leases office space from a related party under a tenant-at-will agreement. The Lessor is a trust wholly owned by the sole shareholder of the Company. Lease payments for the year ended December 31, 2003 was \$ 0.

The Company pays operating expenses on behalf of related parties. The related party is owned 100% by the sole shareholder of the Company. For the year ended December 31, 2003, operating expenses in the amount of \$0 for rent and utilities were charged to the related party. The amount of \$6,795.22 is due from the related parties at December 31, 2003.

(See Accountants Audit Report)

ADVISORY GROUP EQUITY SERVICES, LTD.

Notes to Financial Statements

Year ended December 31, 2003

NOTE 5 - NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2003, the Company had net capital of \$ 127,073 which was sufficient to meet the required capital of \$50,000. The Company's net capital ratio for 2003 was .78.

NOTE 6-LONG TERM LEASES

The Company has a lease on two automobiles which expire April 2006, a lease on a postage meter which expires July 2004 and a lease on a Minolta Copier which expires March 2005. Total future minimum lease payments are \$58,488.

The following is a schedule of future minimum lease payments for the next three years:

2004	\$28,923
2005	22,553
2006	<u>7,012</u>
	<u>\$58,488</u>

(See Accountants Audit Report)

ADVISORY GROUP EQUITY SERVICES, LTD.
Computation of Net Capital
Year ended December 31, 2003

		<u>2003</u>
Total shareholder's equity		\$ 222,566
Less: Non-allowable assets	88,388	
Haircuts on securities	2,105	
Excess fidelity bond	<u>5,000</u>	<u>95,493</u>
Net capital		\$ 127,073
Net capital requirement:		<u>50,000</u>
Excess net capital		\$ 77,073
Aggregate indebtedness		\$ 86,969
Percentage of aggregate indebtedness to net capital		.78

(See Accountant's Audit Report)

ADVISORY GROUP EQUITY SERVICES, LTD.

Reconciliation of Audited vs. Unaudited Net Capital

As of December 31, 2003

Unaudited Net Capital	\$ 129,446
Adjustments	<u>(2,373)</u>
Audited Net Capital	<u>\$ 127,073</u>

(See Accountant's Audit Report)

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIA

BROKER OR DEALER Advisory Group Equity Services, Ltd. asof 12/31/03

EXEMPTIVE PROVISION UNDER RULE 15c3-3

If an exemption from Rule 15c3-3 is claimed, identify below; the section upon which such exemption is based:

- A. (k) (1) \$2,500 capital category as per Rule 15c3-1 _____ 4550
- B. (k) (2)(A) "Special Account for the exclusive benefit of customers" maintained _____ 4560
- C. (k) (2)(B) All customer transactions cleared through another broker-dealer on a fully disclosed basis
Name of clearing firm Raymond James and Associates 4335 _____ X 4570
- D. (k) (3) Exempted by order of the Commission _____ 4580

(See Accountant's Audit Report)