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

SEC FILE NUMBER
8-51538

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 08/01/02 AND ENDING 05/31/03
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

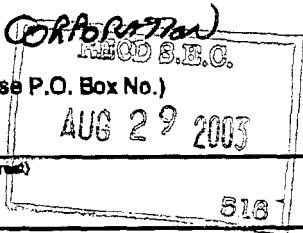
NAME OF BROKER-DEALER:

GEORGESON SHAREHOLDER SECURITIES CORPORATION
REG. S.E.C.

OFFICIAL USE ONLY
FIRM ID. NO.

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

17 STATE STREET



NEW YORK

NY
(No. and Street) (State)

11561
(Zip Code)

(City)

(State)

(Zip Code)

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

GERALD P WARD

212 440 9927
(Area Code - Telephone No.)

PROCESSED

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernst & Young LLP

SEP 25 2003
THOMSON FINANCIAL

5 Times Square

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

New York

NY

10036

(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).

OATH OR AFFIRMATION

I, GERALD WARD, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Georgeson Shareholder Securities Corporation, as of July 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:

Gerald P Ward
Signature
FINANCIAL + OPERATIONS PRINCIPAL
Title

Wallace Mahr
WALLACE MAHR
Notary Public State of New York
No. 4520560
Qualified in Nassau County
Commission Expires July 31, 2006

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 or 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 Pursuant to 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 or 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).

Georgeson Shareholder Securities Corporation**Statement of Financial Condition**

May 31, 2003

Assets

| | |
|---|---------------------|
| Cash | \$ 324,708 |
| Cash segregated under federal regulations | 4,060 |
| Accounts receivable (net of allowance of \$747,737) | 4,207,004 |
| Deposit with clearing broker | 250,000 |
| Deferred tax asset | 324,518 |
| Other assets | 3,300 |
| Total assets | <u>\$ 5,113,590</u> |

Liabilities and Stockholder's equity**Liabilities:**

| | |
|--|----------------|
| Accrued expenses and other liabilities | \$ 6,831 |
| Payable to customers | 3,115 |
| Due to affiliates | 161,223 |
| | <u>171,169</u> |

Stockholder's equity:

| | |
|---|---------------------|
| Common stock, \$.01 par value; 200 shares authorized, issued and outstanding | 2 |
| Additional paid-in-capital | 149,998 |
| Retained earnings | 4,792,421 |
| Total stockholder's equity | <u>4,942,421</u> |
| Total liabilities and stockholder's equity | <u>\$ 5,113,590</u> |

See accompanying notes.