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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER
8-45531

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 07/01/02 AND ENDING 06/30/03
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

45 EXCHANGE STREET

(No. and Street)

PORTLAND

ME

04101

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
KAREN C. LOWELL 207-775-2354

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

BAKER, NEWMAN AND NOYES, LLC

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

100 MIDDLE STREET

PORTLAND

ME 04101

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

SEP 09 2003

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)

8-6-8

OATH OR AFFIRMATION

I, KAREN C. LOWELL, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of ATLANTIC FINANCIAL SERVICES OF MAINE, Inc., as of July 19, 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:

N/A

Cheri M. Gaudet
Notary Public, State of Maine
My Commission Expires July 17, 2008

Karen C Lowell
Signature

PRESIDENT

Title

Cheri M. Gaudet
Notary Public

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

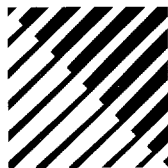
- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims 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).

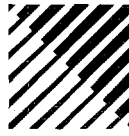
Atlantic Financial Services of Maine, Inc.
(A Subsidiary of Ram Trust Services, Inc.)

Audited Financial Statements

Years Ended June 30, 2003 and 2002
With Independent Auditors' Report



BAKER NEWMAN & NOYES



BAKER NEWMAN & NOYES

LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Stockholder
Atlantic Financial Services of Maine, Inc.

We have audited the accompanying statements of financial condition of Atlantic Financial Services of Maine, Inc., a subsidiary of Ram Trust Services, Inc., as of June 30, 2003 and 2002, and the related statements of income, changes in stockholder's equity and cash flows for the years 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 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.

As described in note 3, the Company derives a substantial portion of its revenues and other financial support from, and has material transactions with, related parties.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Atlantic Financial Services of Maine, Inc. as of June 30, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying additional information (Schedules I, II and III) 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 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in our 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.

Baker Newman & Noyes

Limited Liability Company

Portland, Maine
July 22, 2003

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

STATEMENTS OF FINANCIAL CONDITION

June 30, 2003 and 2002

ASSETS

	<u>2003</u>	<u>2002</u>
Current assets:		
Cash	\$57,810	\$36,303
Commissions receivable	13,916	7,226
Accounts receivable – related party (note 3)	–	1,051
Prepaid expenses	<u>1,862</u>	<u>1,553</u>
Total current assets	73,588	46,133
Equipment	2,037	–
Less: accumulated depreciation	<u>(896)</u>	<u>–</u>
Net equipment	<u>1,141</u>	<u>–</u>
	<u>\$74,729</u>	<u>\$46,133</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:		
Current liabilities:		
Accounts payable (note 3)	\$ 1,863	\$ 5,384
Income taxes payable to parent company	<u>10,454</u>	<u>4,172</u>
Total current liabilities	12,317	9,556
Stockholder's equity (notes 2 and 4):		
Common stock, \$.01 par value; authorized 10,000 shares, issued 100 shares	1	1
Additional paid-in capital	36,576	36,576
Retained earnings	<u>25,835</u>	<u>–</u>
Total stockholder's equity	<u>62,412</u>	<u>36,577</u>
	<u>\$74,729</u>	<u>\$46,133</u>

See accompanying notes.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

STATEMENTS OF INCOME

For the Years Ended June 30, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Revenues:		
Commission revenue (note 3)	\$141,664	\$163,081
Other income (note 3)	139	506
Management fee income	<u>—</u>	<u>5,625</u>
Total revenues	141,803	169,212
Expenses (note 3):		
Salaries, wages and commissions	11,345	67,329
Payroll taxes and benefits	47	14,463
Professional fees	5,393	5,275
NASD fees	1,165	1,429
Clearing broker charges	18,244	10,199
Other expenses	12,515	14,582
Education/training	—	641
Travel	208	91
Depreciation expense	<u>896</u>	<u>—</u>
Total expenses	<u>49,813</u>	<u>114,009</u>
Income before income taxes	91,990	55,203
Income tax expense	<u>23,655</u>	<u>11,253</u>
Net income	<u>\$ 68,335</u>	<u>\$ 43,950</u>

See accompanying notes.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

For the Years Ended June 30, 2003 and 2002

	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balances at June 30, 2001	\$ 1	\$36,576	\$ -	\$ 36,577
Net income	-	-	43,950	43,950
Dividends paid to parent company (\$440 per share) (note 3)	=	=	(43,950)	(43,950)
Balances at June 30, 2002	1	36,576	-	36,577
Net income	-	-	68,335	68,335
Dividends paid to parent company (\$425 per share) (note 3)	=	=	(42,500)	(42,500)
Balances at June 30, 2003	<u>\$ 1</u>	<u>\$36,576</u>	<u>\$ 25,835</u>	<u>\$ 62,412</u>

See accompanying notes.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Cash flows from operating activities:		
Net income	\$ 68,335	\$ 43,950
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	896	-
Changes in operating assets and liabilities:		
Commissions receivable	(6,690)	5,034
Accounts receivable – related party	1,051	16,202
Prepaid expenses	(309)	(923)
Accounts payable	(3,521)	1,681
Income taxes payable to parent company	<u>6,282</u>	<u>4,172</u>
Net cash provided by operating activities	66,044	70,116
Cash flows from investing activities:		
Fixed assets additions	<u>(2,037)</u>	<u>-</u>
Net cash used by investing activities	(2,037)	-
Cash flows from financing activities:		
Dividends paid	<u>(42,500)</u>	<u>(43,950)</u>
Net cash used by financing activities	<u>(42,500)</u>	<u>(43,950)</u>
Net increase in cash	21,507	26,166
Cash at beginning of year	<u>36,303</u>	<u>10,137</u>
Cash at end of year	<u>\$ 57,810</u>	<u>\$ 36,303</u>
Supplemental disclosure:		
Income taxes paid to parent company	<u>\$ 17,373</u>	<u>\$ 7,081</u>

See accompanying notes.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

NOTES TO FINANCIAL STATEMENTS

June 30, 2003 and 2002

1. Summary of Significant Accounting Policies

Nature of Business

Atlantic Financial Services of Maine, Inc. (AFS), a wholly-owned subsidiary of Ram Trust Services, Inc., was incorporated to engage in the business of performing securities transactions as a nonclearing broker. The Company's office is located in Portland, Maine. The Company's customers consist primarily of its parent's investment management clients. See note 3 for information regarding transactions with affiliates.

The Company is registered as a broker/dealer under the Securities Exchange Act of 1934 with the National Association of Securities Dealers, Inc. (NASD), and is a member of SIPC (Securities Investors Protection Corporation).

The Company introduces customers to independent clearing brokers on a fully-disclosed basis. Customer accounts are held and maintained by the clearing brokers. Only one clearing broker was used in 2003 and 2002.

Income Taxes

The parent company, Ram Trust Services, Inc., files a consolidated tax return which includes Atlantic Financial Services of Maine, Inc. Accordingly, income taxes are charged to the subsidiary by applying statutory rates to its pre-tax income as if it were a stand-alone taxpayer. Deferred income taxes are not significant.

Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from such estimates.

Equipment

Equipment is carried at capitalized cost less accumulated depreciation. Depreciation is computed using accelerated methods over the estimated useful lives of assets.

Commissions Receivable

Commissions receivable represent commission revenue earned but not yet received. Accounts are charged off to expense if deemed uncollectible by management. No allowance for uncollectible amounts is considered necessary.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

NOTES TO FINANCIAL STATEMENTS

June 30, 2003 and 2002

2. 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 of \$5,000 and a ratio of Aggregate Indebtedness to Net Capital, as defined, not to exceed 1500%. At June 30, 2003, the Company's ratio of Aggregate Indebtedness to Net Capital was 21% and its Net Capital, Minimum Net Capital and Excess Net capital were as follows:

Net Capital	\$59,409
Minimum Net Capital	<u>5,000</u>
Excess Net Capital	<u>\$54,409</u>

3. Related Party Transactions

Due to common ownership and/or control, the Company is related to certain entities and it may enter into economic transactions with such entities that affect its financial condition and operations.

The parent company has periodically provided certain administrative services to the Company. During 2003 and 2002, the Company was charged \$24,700 and \$93,998, respectively, for such services by the parent, and the costs are reflected in the statements of income. At June 30, 2003 and 2002, accounts payable includes \$1,448 and \$2,605, respectively, owed to the parent.

At June 30, 2002, accounts receivable included \$1,051 due from the parent.

During the years ended June 30, 2003 and 2002, the Company paid dividends to the parent company totaling \$42,500 and \$43,950, respectively.

4. Subsequent Events

On July 14, 2003, the directors of the Company declared and authorized a payment of a dividend in the amount of \$22,000 (\$2.20 per share) to the parent company, Ram Trust Services, Inc.

ADDITIONAL INFORMATION

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION

June 30, 2003

Net Capital:	
Total stockholder's equity:	
Common stock	\$ 1
Additional paid-in capital	36,576
Retained earnings	<u>25,835</u>
Total stockholder's equity qualified for Net Capital	62,412
Deductions:	
Nonallowable assets:	
Prepaid expenses	1,862
Equipment, net	<u>1,141</u>
Total deductions	<u>3,003</u>
Net Capital	59,409
Minimum Net Capital	<u>5,000</u>
Excess Net Capital	<u>\$54,409</u>
Aggregate Indebtedness:	
Accounts payable	\$ 1,863
Income taxes payable to parent company	<u>10,454</u>
	<u>\$12,317</u>
Ratio of Aggregate Indebtedness to Net Capital	<u>21%</u>
Reconciliation with Company's computation (included in Part II of Form X-17A-5 as of June 30, 2003):	
Net Capital, as reported in Company's Part II (Unaudited) Focus Report	\$57,646
Audit adjustments, net	<u>1,763</u>
Net Capital per above	<u>\$59,409</u>

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

COMPUTATION FOR DETERMINATION OF RESERVE
REQUIREMENT PURSUANT TO RULE 15c3-3

June 30, 2003

The provisions of this rule are not applicable to Atlantic Financial Services of Maine, Inc. pursuant to Rule 15c3-3, paragraph (k)(2)(ii). Atlantic Financial Services of Maine, Inc. is an introducing broker/dealer which neither receives nor holds customer funds or securities and clears all transactions with and for customers on a fully-disclosed basis with a clearing broker/dealer.

ATLANTIC FINANCIAL SERVICES OF MAINE, INC.
(A Subsidiary of Ram Trust Services, Inc.)

INFORMATION RELATING TO THE POSSESSION OR CONTROL
REQUIREMENTS PURSUANT TO RULE 15c3-3

June 30, 2003

The provisions of this rule are not applicable to Atlantic Financial Services of Maine, Inc. pursuant to Rule 15c3-3, paragraph (k)(2)(ii). Atlantic Financial Services of Maine, Inc. is an introducing broker/dealer which neither receives nor holds customer funds or securities and clears all transactions with and for customers on a fully-disclosed basis with a clearing broker/dealer.



BAKER NEWMAN & NOYES
LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON INTERNAL CONTROLS

The Stockholder
Atlantic Financial Services of Maine, Inc.

In planning and performing our audit of the financial statements of Atlantic Financial Services of Maine, Inc. (a subsidiary of Ram Trust Services, Inc.) for the year ended June 30, 2003, we considered its internal controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal controls.

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 (including tests of compliance with such practices and procedures) followed by Atlantic Financial Services of Maine, Inc. 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 provisions of Rule 15c3-3. Because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons and the recordation of differences required by Rule 17a-13 or in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal controls 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 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 SEC's above-mentioned objectives. Two of the objectives of internal controls 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.

The Stockholder
Atlantic Financial Services of Maine, Inc.

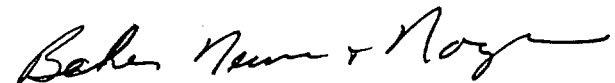
Because of inherent limitations in any internal controls or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in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

Our consideration of the internal controls would not necessarily disclose all matters in the internal controls 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 specific internal control 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, we noted no matters involving the internal controls 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 June 30, 2003 to meet the SEC's objectives.

This report is intended solely for the use of management, the SEC and other regulatory agencies which 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.

Portland, Maine
July 22, 2003



Limited Liability Company