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

SEC FILE NUMBER
8- 34710

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 03-01-2002 AND ENDING 02-28-2003
MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Capital Resources, Inc.

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

19457 Olson Avenue

(No. and Street)

Lake Oswego
(City)

Oregon
(State)

97034
(Zip Code)

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

J. Kevin McAuliffe

(503) 638-9685

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Gold, Leins & Adoff, CPA's

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

51 Monroe Street, Suite 1900
(Address)

Rockville
(City)

MD
(State)

20850
(Zip Code)

CHECK ONE:

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

PROCESSED

MAY 07 2003

**THOMSON
FINANCIAL**

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)

SEC 1410 (05-01)

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OATH OR AFFIRMATION

I, Agnelo G. Gonsalves, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Capital Resources, Inc., as of February 28, 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:

Agnelo Gonsalves
Signature

Financial Operations Principal
Title

Beverly J. Slayton
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).

CAPITAL RESOURCES, INC.
(A Wholly Owned Subsidiary of Capital Resources Group, Inc.)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED FEBRUARY 28, 2003

WITH

INDEPENDENT AUDITORS' REPORT

GOLD, LEINS & ADOFF

CERTIFIED PUBLIC ACCOUNTANTS

CAPITAL RESOURCES, INC.
(A Wholly owned Subsidiary of Capital Resources Group, Inc.)
BALANCE SHEET
February 28, 2003

ASSETS

Current assets:

Cash	\$ 122,769
Securities - long	76,568

Total assets	<u>\$ 199,337</u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:

Accrued expenses	\$ 1,013
Payable to clearing broker	1,044

Total liabilities	<u>2,057</u>
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Stockholder's equity:

Common stock, par value \$1.00 per share 100,000 shares authorized 2,000 shares issued and outstanding	2,000
Contributed capital in excess of par	210,806
Retained earnings (deficit)	<u>(15,526)</u>
Total stockholder's equity	<u>197,280</u>

Total liabilities and stockholder's equity	<u>\$ 199,337</u>
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See accompanying notes and independent auditors' report.