

OFFICERS/DIRECTORS

Douglas W. McQueen
Chairman of the Board
and President

David A. Daugherty
Vice President,
Managing Director

Carl H. Holliday
Vice President,
Managing Director

Robert H. Northwood, Jr.
Vice President,
Managing Director

J. Steven Porter
Vice President,
Managing Director

Craig H. Stanley
Vice President,
Managing Director

Jim C. Wolfe
Vice President,
Managing Director

Rick L. Hansing
Associate Partner

Edward A. Krei
Associate Partner

Mike W. Mackey
Associate Partner

Greg Nieto
Associate Partner
Public Finance Division

Phillip C. Stenseth, C.F.A.
Associate Partner

Daniel R. Tonseth
Associate Partner

Tim Beloit
Vice President

Mike Crake
Vice President

Nellie Dry
Vice President

Susan K. Evans
Vice President and
Chief Financial Officer

John Goodman
Vice President

Eric Harland
Vice President

Ryan Hayhurst
Vice President

L. Keith Lindell, C.F.P.
Vice President

Terry McElwee
Vice President

Todd Mettenbrink
Vice President

Lester F. Murray
Vice President

Janice VonHolten
Vice President



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STATEMENT OF FINANCIAL CONDITION

JUNE 30, 2001

(UNAUDITED)



James Baker & Associates

INDUSTRY RESPONSIVE
A LIMITED PARTNERSHIP

Oklahoma City
(405) 415-7200
(800) 937-2257

Indianapolis
(317) 567-0016
(800) 406-0016

Salt Lake City
(801) 256-2155
(800) 288-9411

Austin
(512) 320-0301
(888) 486-0301

Springfield
(217) 241-0835
(888) 333-7704



James Baker & Associates

INDUSTRY RESPONSIVE
A LIMITED PARTNERSHIP

**Member: National Association of Securities Dealers, Inc.
Securities Investor Protection Corporation**

JAMES BAKER & ASSOCIATES
A LIMITED PARTNERSHIP
STATEMENT OF FINANCIAL CONDITION JUNE 30, 2001

ASSETS

Cash	\$ 841,270
Cash and securities segregated under federal and other regulations	133,461
Receivable from brokers-dealers and clearing organizations	104,218
Receivable from customers	1,864,300
Securities owned, at market	17,813,519
Furniture and equipment, less accumulated depreciation of \$1,222,653	390,109
Cash surrender value of life insurance policies	573,950
Prepaid expenses and other assets.....	204,683
TOTAL.....	\$ 21,925,510

LIABILITIES AND PARTNERS' CAPITAL

Liabilities:

Payable to clearing bank.....	\$ 13,923,577
Payable to broker-dealers	26,195
Payable to customers.....	101,694
Accrued liabilities.....	2,038,099
Total liabilities	16,089,565

Commitments

Partners Capital

General Partner and Limited Partners	5,835,945
TOTAL.....	\$ 21,925,510

NOTES TO FINANCIAL STATEMENTS AS OF JUNE 30, 2001

1. ORGANIZATION AND OPERATIONS

James Baker & Associates, A Limited Partnership (the "Partnership") is registered under the Securities Exchange Act of 1934 (the "Act") as a general securities broker and dealer. The Partnership's customer base consists primarily of community banks. The Partnership is also registered as an investment adviser under the Investment Adviser Act of 1940.

2. NET CAPITAL REQUIREMENTS

The Partnership is subject to the Uniform Net Capital Rule (15c3-1) under the Securities Exchange Act which requires the maintenance of minimum net capital. Rule 15c3-1 also limits the amount of capital withdrawals that can be made within any 30-day period without notification and/or approval of the Securities and Exchange Commission. The Partnership has elected to use the alternative method, permitted by the rule, which requires the Partnership to maintain minimum net capital, as defined, equal to the greater of \$250,000 or two percent of aggregate debit balances arising from customer transactions, as defined. At June 30, 2001, the Partnership had net capital of \$4,414,681, which was 226% of aggregate debit balances and \$4,164,681 in excess of required net capital.