

OFFICERS/DIRECTORS

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Chairman of the Board
and President

David A. Daugherty
Managing Director

Carl H. Holliday
Managing Director

Robert H. Northwood, Jr.
Managing Director

J. Steven Porter
Managing Director

Craig H. Stanley
Managing Director

Phillip C. Stenseth, C.F.A.
Managing Director

Jim C. Wolfe
Managing Director

Rick L. Hansing
Associate Partner

Edward A. Krei
Associate Partner

Mike W. Mackey
Associate Partner

Greg Nieto
Associate Partner
Public Finance Division

Daniel R. Tonseth
Associate Partner

Brian Bates
Vice President

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

Skoshi Heron
Vice President

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

Ruth McClean
Vice President

Terry McElwee
Vice President

Valle L. McGinnis
Vice President

Todd Mettenbrink
Vice President

Lester F. Murray
Vice President

Gerry Skousen
Vice President

Janice VonHolten
Vice President



2002 STATEMENT OF FINANCIAL CONDITION

JUNE 30, 2002

(UNAUDITED)



James Baker & Associates

INDUSTRY RESPONSIVE
A LIMITED PARTNERSHIP

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Indianapolis
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(800) 406-0016

Salt Lake City
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James Baker & Associates

INDUSTRY RESPONSIVE
A LIMITED PARTNERSHIP

JAMES BAKER & ASSOCIATES A LIMITED PARTNERSHIP STATEMENT OF FINANCIAL CONDITION JUNE 30, 2002

ASSETS

Cash	\$ 453,917
Cash and securities segregated under federal and other regulations	203,475
Receivable from brokers-dealers and clearing organizations	32,309
Receivable from customers	609,955
Securities owned, at market	18,527,294
Furniture and equipment, less accumulated depreciation of \$1,222,653	324,871
Cash surrender value of life insurance policies	683,826
Prepaid expenses and other assets.....	298,162
TOTAL	\$ 21,133,809

LIABILITIES AND PARTNERS' CAPITAL

Liabilities:

Payable to clearing bank.....	\$ 11,347,673
Payable to broker-dealers.....	608,178
Payable to customers.....	29,548
Accrued liabilities.....	2,085,975
Total liabilities	14,071,374

Commitments

Partners Capital

General Partner and Limited Partners	7,062,435
TOTAL	\$ 21,133,809

NOTES TO FINANCIAL STATEMENTS AS OF JUNE 30, 2002

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, 2002, the Partnership had net capital of \$5,566,806, which was 870% of aggregate debit balances and \$5,316,806 in excess of required net capital.