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

FORM 10-QSB

[Mark One]
[x] QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended : June 30, 2003

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER: 33-19980-D

CGI HOLDING CORPORATION
(Exact name of small business issuer as specified in its charter)

Nevada	87-0450450
State of other jurisdiction of incorporation or organization	I.R.S. Employer I.D. No.

300 N MANNHEIM ROAD, HILLSIDE, ILLINOIS	60162
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number, including area code (708) 547-0401

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ] Yes [ ] No[x]

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 20,789,474 shares of its $0.001 par value common stock as of August 12, 2003.

Transitional Small Business Disclosures Format (check one) Yes [ ] No [x]

CGI HOLDING CORPORATION

FORM 10-QSB

For the quarter ended June 30, 2003

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PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

CGI HOLDING CORPORATION, INC.
COMPARATIVE CONSOLIDATED BALANCE SHEET
JUNE 30, 2003, DECEMBER 31, 2002 AND JUNE 30, 2002

	JUNE 30 2003	DECEMBER 31, 2002	JUNE 30 2002
CURRENT ASSETS			
Cash	84,777	68,945	160,823
Accounts Receivable	1,040,797	554,894	377,027
Allowance for Bad Debts	(30,025)	(89,866)	(44,999)
Other Current Assets	174,754	215,644	78,419
Note Receivable	337,935	326,884	212,667
Refundable Income Taxes	4,202	4,202	-
Deferred Tax Asset	90,954	90,954	158,250
Current Assets of Discontinued Operations	-	-	499,894
Total Current Assets	1,703,395	1,171,657	1,442,082
PROPERTY, PLANT AND EQUIPMENT			
Property, Plant and Equipment	131,202	127,727	111,084
Less:Accumulated Depreciation	(33,224)	(23,652)	(13,765)
Subtotal	97,978	104,075	98,119
Fixed Assets of Discontinued Operations(Net)	-	-	747,105
NET PROPERTY, PLANT AND EQUIPMENT	97,978	104,075	845,224
OTHER ASSETS			
Other Assets	69,250	137,182	302,583
Deferred Tax Asset	1,017,924	1,017,924	371,050
Other Assets of Discontinued Operations	-	-	413,527
TOTAL OTHER ASSETS	1,087,174	1,155,106	1,087,160
TOTAL ASSETS	2,888,546	2,430,838	3,374,466
CURRENT LIABILITIES			
Current Portion of Long Term Debt	700,437	785,531	752,093
Notes Payable-Line of Credit	-	25,485	45,485
Accounts Payable	94,779	180,048	284,388
Accrued Liabilities	214,417	23,709	109,260
Deferred Revenue	1,053,216	705,394	341,547
Current Liabilities of Discontinued Operations	-	-	1,566,212

TOTAL CURRENT LIABILITIES	2,062,849	1,720,167	3,098,985
LONG TERM LIABILITIES			
Long-Term Debt, Net of Current Portion	73,834	51,624	113,634
Loan Payable-Shareholder	33,627	63,276	180,225
Long Term Liabilities of Discontinued Operations	-	-	24,004
TOTAL LONG TERM LIABILITIES	107,461	114,900	317,863
STOCKHOLDERS' EQUITY			
Preferred Stock, $0.001 par value, 5,000,000 shares authorized; no shares issued or outstanding	-	-	-
Common Stock, $0.001 par value, 100,000,000 shares authorized, 20,089,474 shares issued and 17,589,474 outstanding	20,089	19,012	18,099
Additional Paid In Capital	5,309,060	5,209,368	5,070,967
Retained Earnings	(4,070,911)	(4,092,609)	(4,591,448)
Treasury Stock	(540,000)	(540,000)	(400,000)
TOTAL STOCKHOLDERS' EQUITY	718,237	595,771	(42,382)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	2,888,546	2,430,838	3,374,466

The accompanying notes are an integral part of these financial statement.

CGI HOLDING CORPORATION, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD ENDED JUNE 30, 2003

	COMMON SHARES	COMMON STOCK	PAID-IN CAPITAL	ACCUMULATED DEFICITS	TREASURY STOCK
BALANCE:JANUARY 1, 2002	16,499,627	17,999	5,056,067	(1,623,868)	(400,000)
SOLD 100,000 SHARES AT $.15 PER SHARE ON 1/2/02	100,000	100	14,900		
PURCHASED 1,000,000 SHARES ON APRIL 29, 2002 FOR $.14 PER SHARE	(1,000,000)				(140,000)
SOLD 744,000 SHARES ON 9/11/02 AT $.16 PER SHARE	744,000	744	118,296		
ISSUED 168,946 SHARES OF STOCK ON 12/31/02 FOR EMPLOYEE STOCK BONUS	168,946	169	20,105		
NET LOSS				(2,468,741)	
BALANCE:DECEMBER 31, 2002	16,512,573	19,012	5,209,368	(4,092,609)	(540,000)
76,901 OPTIONS EXERCISED AT $0.01 PER SHARE	76,901	77	692		
1,000,000 OPTIONS EXERCISED ON APRIL 1, 2003 AT $0.10 PER OPTION	1,000,000	1,000	99,000		
NET PROFIT				21,698	
BALANCE JUNE 30, 2003	17,589,474	20,089	5,309,060	(4,070,911)	(540,000)

The accompanying notes are an integral part of these financial statement.

CGI HOLDING CORPORATION, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX AND THREE MONTHS ENDED JUNE 30, 2003 AND 2002

	SIX MONTHS ENDED JUNE 30		THREE MONTHS ENDED JUNE 30	
	2003	2002	2003	2002
SALES	2,320,398	2,003,929	1,135,037	1,109,743
COST OF GOODS SOLD	1,173,995	921,833	677,165	692,146
GROSS PROFIT	1,146,403	1,082,096	457,872	417,597
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,092,607	988,697	427,172	331,024
INCOME FROM OPERATIONS	53,796	93,399	30,700	86,573
OTHER INCOME (EXPENSES)				
Impairment of Goodwill	-	(2,154,052)	-	-
Other Income(Expense)	-	(335,000)	-	-
Interest Income	6,224	-	6,159	-
Interest Expense	(38,322)	(47,359)	(15,747)	(29,839)
TOTAL OTHER INCOME (EXPENSE)	(32,098)	(2,536,411)	(9,588)	(29,839)
INCOME BEFORE CORPORATE INCOME TAXES	21,698	(2,443,012)	21,112	56,734
INCOME TAX PROVISION	-	-	-	-
NET INCOME FROM CONTINUING OPERATIONS	21,698	(2,443,012)	21,112	56,734
DISCONTINUED OPERATIONS				
NET PROFIT FROM DISCONTINUED	-	(524,569)	-	(221,612)
NET LOSS FROM DISPOSITION	-	-	-	-
NET INCOME	21,698	(2,967,581)	21,112	(164,878)
NET INCOME PER COMMON SHARE FROM CONTINUING OPERATIONS	$0.00	($0.18)	$0.00	$0.00
NET INCOME PER COMMON SHARE FROM DISCONTINUED OPERATIONS	$0.00	($0.04)	$0.00	($0.01)
NET INCOME PER COMMON SHARE	$0.00	($0.22)	$0.00	($0.01)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	17,471,631	13,476,845	17,968,869	16,416,294

The accompanying notes are an integral part of these financial statement.

CGI HOLDING CORPORATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

SIX MONTHS ENDED JUNE 30, 2003 AND 2002

	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit(Loss)	21,698	(2,967,581)
Non-Cash Items Included in Net Profit		
Depreciation	9,572	70,683
Amortization	-	2,367,041
Allowance for Bad Debts	(59,841)	37,128
Allowance for Impaired Assets	-	350,000
OTHER CHANGES:		
Change in Accounts Receivable	(485,903)	(436,866)
Change in Other Current Assets	20,890	(83,807)
Change in Other Assets	87,932	73,451
Change in Accounts Payable	(85,269)	88,623
Change in Accrued Expenses	190,708	126,726
Change in Accrued Income Taxes	-	(29,712)
Change in Other Liabilities	-	113,341
Change in Deferred Revenue	347,822	36,712
NET CASH CHANGE FROM OPERATING ACTIVITIES	47,608	(254,261)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed Assets Acquired	(3,475)	(23,331)
Proceeds from Notes Receivable	88,949	-
Increase in Notes Receivable	(100,000)	-
Escrow Deposit	-	(400,000)
Received from ACS Construction	-	210,000
NET CASH CHANGE FROM INVESTING ACTIVITIES	(14,526)	(213,331)
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in Line of Credit	(25,485)	336,472
Proceeds from Loans	50,000	553,500
Principal Payments Made	(142,534)	(165,394)
Proceeds from Sale of Stock	100,769	15,000
Purchase of Treasury Stock	-	(140,000)
NET CASH CHANGE FROM FINANCING ACTIVITIES	(17,250)	599,578
NET CASH CHANGE	15,832	131,986
CASH BALANCE:JANUARY 1	68,945	73,118
CASH BALANCE: MARCH 31	84,777	205,104

Supplemental Information		
Interest Paid	38,322	68,283
Income Taxes Paid	-	29,712

Supplemental Schedule Of Noncash Investing and Financing Activities

During the first quarter of 2002, the Company received equipment in the amount of $697,460, and assumed liabilities totalling $76,752 from ACS Construction Company in lieu of part of their outstanding obligations to the Company.

CGI HOLDING CORPORATION, INC.
FOOTNOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTES RECEIVABLE

The Company's Form 8-K filed April 7, 2003 in regard to GMP, L.L.C. is hereby incorporated by reference.

On April 1, 2003, the Company entered into an Agreement (the "GMP Note Restructuring Agreement") with GMP, L.L.C. ("GMP"), Safe Environment Corp. of Indiana ("SECO") and John Giura ("Giura"). Pursuant to the GMP Note Restructuring Agreement, among other things: (1) GMP and SECO agreed to use their best efforts to cause certain parties to sign an agreement pursuant to which an aggregate of $300,000 will be paid to the Company out of a certain escrow account established in regard to a SECO construction project located in St. Ann, Missouri (the "$300,000 From St. Ann Escrow Agreement"); (2) GMP and SECO agreed to use their best efforts to cause certain parties to sign agreements pursuant to which an aggregate of up to $200,000 will be paid to the Company in regard to a certain housing development in St. Charles, Missouri (the "$200,000 From St. Charles Housing Development Agreements"); (3) GMP agreed that the remaining monies due from GMP to the Company in regard to the purchase of the stock of SECO shall be paid by GMP to the Company as soon as practicable but in any event no later than July 31, 2003 (the "Remaining SECO Stock Payments"); and (4) the Company agreed that if GMP and SECO were to deliver the fully signed $300,000 From St. Ann Escrow Agreement and the fully signed $200,000 From St. Charles Housing Development Agreements, and if GMP timely makes the Remaining SECO Stock Payments, and if GMP and Giura are not in default of any of certain other obligations to the Company, then the principal amount of GMP's Promissory Note payable to the Company shall be reduced from $470,000 down to $337,495.09, of which $37,495.09 shall be paid by GMP to the Company as soon as practicable but in any event no later than July 31, 2003. To date, the following events have occurred in regard to the GMP Note Restructuring Agreement: (1) On May 7, 2003, the Company received the fully signed $300,000 From St. Ann Escrow Agreement; (2) On May 5, 2003, the Company received all but one of the $200,000 From St. Charles Housing Development Agreements; (3) As of August 7, 2003, the Remaining SECO Stock Payments equal $37,840.87; and (4) GMP has failed to make any payments on its Promissory Note payable to the Company. See the Risk Factor below in regard to the financial viability of GMP and SECO.

NOTES PAYABLE

	June 30, 2003	June 30, 2002
M & T BANK This is a demand loan due 3/23/02. The maximum amount available is $100,000. Interest is paid at prime plus one floating. It is secured by the general assets of Websourced, Inc.	-	45,485
TOTAL LINE OF CREDIT	$-	$45,485
CIB Bank - This note has a due date of November 2, 2003 and is guaranteed by John Giura, a shareholder of the Company. The note provides for interest at 13.0% plus a 1.0% per month mezzanine fee.	200,000	400,000
The Thomas More Association Note payable due June 30, 2002 with an interest rate of 8.50%. Note is unsecured. Note was paid in full in April 2003	-	50,000
OTTO BARTH Note payable due June 30, 2002 with interest rate of 8.25%. Note is unsecured.	-	15,000
AUDREY LOVE Note payable due October 30, 2002 with an interest rate of 8.25%. This note is unsecured.	70,000	170,000
PAUL DOLL TRUST Note payable due June 1, 2002 with		

interest rate of 10.00%. This note is unsecured.	28,000	35,000
High Falls Development This note carries an interest rate of 11.50% and payments are being made monthly in the amount of $4,292.06.	101,834	136,160
Note Payable -Unicyn Note dated 2/14/01 and is for 36 months at $2,196.19 principal plus interest per month. Secured by equipment of Websourced, Inc.	12,613	44,131
Note Payable - American Express 36 month note dated August 2000. Interest rate is 14.50%. Note is unsecured	2,384	15,436
Roberti Jacobs Family Trust Note dated October 31, 2002 with a maturity date of April 28, 2003. Interest rate is 15% per annum, payable monthly	28,870	-
Roberti Jacobs Family Trust Note dated November 7, 2002 with a maturity date of April 28, 2003. Interest rate is 18% per annum, payable monthly	30,570	-
Roberti Jacobs Family Trust Note dated December 23, 2002 with a maturity date of December 15, 2003. Interest rate is 13% per annum, payable monthly. 1,000,000 warrants were issued with this note.	250,000	-
Roberti Jacobs Family Trust Note dated March 30,2003. Interest rate is 13% per annum, payable monthly.	50,000	-
TOTALS	$774,271	$911,212

LOAN FROM SHAREHOLDERS

The Company borrowed funds from shareholders to cover operating expenses. The total outstanding principal balance due as of June 30, 2003 was $33,627. The details of the balance on March 31, 2003 were as follows.

Pat Martin $33,627 - No repayment terms. No interest paid or accrued.

PRESENTATION OF FINANCIAL STATEMENTS

The financial statements reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the six months ended June 30, 2003 and 2002.

ITEM II

CGI HOLDING CORPORATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Financial Condition

Total assets at June 30, 2003 were $2,888,546, compared to $3,374,466 at June 30, 2002. Included in total assets from a year earlier were assets of discontinued operations in the amount of $1,660,526.

Total debt at June 30, 2003 was $807,898 compared to $2,463,224 at June 30, 2002 which included debt from discontinued operations of $1,371,787.

After eliminating discontinued operations, total assets increased $1,228,020 and total debt increased $283,539 comparing June 30, 2003 to the same period a year ago.

Liquidity and Capital Resources

The Company experienced positive cash flow for the first six months of 2003 in the amount of $15,832 resulting in a cash balance on June 30, 2003 of $84,777. The Company's cash balance on June 30, 2002 was $205,104.

The Company's working capital at June 30, 2003 still remains negative in the amount of ($359,454). The negative working capital decreased during the first six months of 2003 from December 31, 2002 when it was ($548,510). Current assets at June 30, 2003 were $1,703,395 compared to December 31, 2002 of $1,171,657, an increase of $531,738. This increase in current assets was greater than the $342,682 increase in current liabilities for the same period.

The Company faces a short-term liquidity problem in relation to the impending maturity of its $200,000 CIB Bank loan in November 2003, and in relation to certain other notes which have come due for payment. In order to remain solvent, the Company will likely be required to raise additional capital during the next six months. The Company is actively exploring possible sales of shares of common stock to one or more institutional investors.

During the past year the Company's Websourced subsidiary experienced disruption of its relationship with one of its credit card processing companies. This disruption created a short-term liquidity issue for Websourced, but Websourced's liquidity has improved during the past few months.

Results of Operations

Sales for the three months ended June 30, 2003 were $1,135,037 compared to $1,109,743 for the same period last year, an increase of $25,294 or 2.28%. The gross profit for the three months ended June 30, 2003 was $457,872 compared to the same period last year of $417,597.

Sales for the six months ended June 30, 2003 were $2,320,398 compared to $2,003,929 for the same period last year, an increase of $316,469 or 15.79%. The gross profit for the three months ended June 30, 2003 was $1,146,403 compared to the same period last year of $1,082,096.

The increase in cost of sales was attributable to an approximate 50% increase in customer service staff, an increase in sales staff combined with increases in commission levels. It is the opinion of management that the commission level increase will create an incentive for greater sales volume.

General and administrative expenses were $1,096,607 compared to $988,697 for the six months ended June 30, 2003 and 2002, respectively. These expenses were $427,172 and $331,024 for the three months ended June 30, 2003 and 2002, respectively.

Interest expense during the first six months of 2003 was $38,322 compared to $47,539 for the same period last year.

Net income from continuing operations for the quarter was $21,112 compared to 2002 when it was $56,734. The Company's net income for the six months ended June 30, 2003 and 2002 were $21,698 and ($2,967,581) respectively. During the first quarter of 2002, the Company elected, in accordance with FASB 142, to write down existing goodwill of $2,367,041 as an asset impairment. The goodwill was associated with the Company's acquisition of Websourced, Inc. in March of 2001.

Net income per share from continuing operations for the three months ended June 30, 2003 and 2002 was $0.00 and $0.00, respectively. The Company's earnings per share for the six months ended June 30, 2003 was $0.00, compared with a net loss in 2002 of ($.22).

Cautionary Statement Regarding Forward-Looking Statements

Statements made in this document that express the Company's or management's Intentions, plans, beliefs, expectations or predictions of future events, are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are made pursuant to and in reliance on the safe harbor provisions of such sections. The words "believe", "expect", "intend", "estimate", "anticipate", "will" and similar expressions are intended to further identify such forward-looking statements, although not all forward-looking statements contain these identifying words. Those statements are based on many assumptions and are subject to many known and unknown risks, uncertainties and other factors that could cause the Company's actual activities, results or performance to differ materially from those anticipated or projected in such forward-looking statements, including risk factors summarized below. The Company cannot guarantee future results, levels of activity, performance or achievements and investors should not place undue reliance on the Company's forward-looking statements. The forward-looking statements contained herein represent the judgment of the Company as of the date of this document, and the Company expressly disclaims any intent, obligation or undertaking to update or revise such forward-looking statements to reflect any change in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statements are based.

Risk Factors

Factors that could cause the Company's actual activities and results of performance to differ materially from the Company's or management's intentions, plans, beliefs, expectations or predictions of future events include risks and uncertainties relating to the following:

The Company has lost money historically. The Company had net losses for the years ended December 31, 2002 and 2001. The Company's future operations may not be profitable. If the Company is not profitable in the future, the value of the Company's common stock may fall and the Company could have difficulty obtaining funds to continue its operations. The Company's balance sheet is weak. The Company lacks the capital to compete aggressively. The Company's growth is capital constrained.

The Company may not generate sufficient cash flow from operations to meet its current and future obligations. The Company's leverage is significant, and significant interest and principal payments will become due and payable during the next 12 months. The Company's corporate overhead is also significant. The Company may not be able to generate sufficient free cash flow from its operations to meet all of its current and future payments obligations. Any debt incurred to finance acquisitions will increase the Company's future payment obligations.

The Company needs to raise additional capital, which capital may not be available on acceptable terms or at all. The Company needs to raise additional funds, both for operating capital and for acquisitions. The Company may not be able to obtain the needed additional financing on favorable terms or at all. If the Company cannot raise capital on acceptable terms, the Company may not be able to: meet all of its current and future payment obligations; expand its existing Websourced, Inc. business; pursue acquisition opportunities; enhance its infrastructure and leveragable assets; open new offices; hire, train and retain employees; or respond to competitive pressures or unanticipated requirements. The Company's failure to do any of these things could seriously harm the Company and the Company's stock.

The Company may not be able to negotiate, finance or close acquisitions. The Company intends to pursue one or more acquisitions of companies engaged in businesses that may or may not be similar to its Websourced, Inc. subsidiary. The Company may not be able to negotiate such acquisitions on acceptable terms or at all. If such acquisitions are successfully negotiated, the terms thereof may require the Company to incur additional indebtedness or issue equity. The Company may not be able to obtain such financing on acceptable terms or at all.

The terms and conditions of acquiring businesses could adversely affect the price of the Company's stock. In order to consummate acquisitions, the Company may be required to take action that could adversely affect the price of the Company's stock, such as issuing common stock, convertible preferred stock, convertible subordinated debt, or other equity-linked securities, potentially resulting in the dilution of existing shareholders or in other adverse effects upon existing shareholders; undertaking a reverse stock split, expected to be in the range of 1-for-4(minimum) to 1-for-8(maximum); changing the name, Board of Directors, or officers of the Company; entering into new lines of business; forming business combinations or strategic alliances with potential business partners; or taking other actions. Any one or more of these actions may adversely affect the Company and the Company's common stock.

The Company may be unable to successfully integrate acquired businesses. The Company may acquire other businesses in the future, which may significantly complicate the management of the Company. The Company may need to integrate widely dispersed operations with different corporate cultures, operating margins, competitive environments, computer systems, compensation schemes, business plans and growth potential. Such integration efforts may not succeed, or may distract the Company's management from servicing its existing clients. Any failure to manage acquisitions successfully could seriously harm the Company's operating results. Also, the acquisition costs could cause the Company's quarterly operating results to vary significantly.

The Company may experience difficulty in handling growth. The Company expects to grow both by hiring new employees and by servicing new business and geographic markets. The Company's growth will place a significant strain on the Company's management and on the Company's operating and financial systems. The Company's personnel, systems, procedures and controls may be inadequate to support the Company's future operations. In order to accommodate the increased size of the Company's operations, the Company will need to hire, train and retain appropriate personnel to manage the Company's operations. The Company will also need to improve its financial and management personnel, controls, reporting systems and operating systems.

The Company depends on the availability of skilled labor, which is difficult to attract and retain. The success of the Company's growth strategy will depend to a significant extent upon the Company's ability to attract, train and retain skilled operational, technical, financial, management, sales and marketing personnel. Competition for skilled personnel is intense. The Company may not be successful in attracting and retaining the personnel necessary to conduct the Company's business successfully. If the Company is unable to attract, hire, assimilate, and retain such personnel, it could have a material adverse effect on the Company's business, financial condition and results of operations. Moreover, even if the Company is able to expand its employee base, the resources required to attract and retain such employees may adversely affect the Company's operating margins.

The Company's growth heavily depends on its key personnel, the loss of whom would materially adversely affect the Company. The Company believes that its success will depend on the continued employment of its key personnel, including Gerard M. Jacobs, the CEO of the Company, and S. Patrick Martin, the CEO of the Company's Websourced, Inc. subsidiary. If one or more of the Company's key management personnel were unable of unwilling to continue their present positions, such persons would be very difficult to replace and the Company's business could be seriously harmed. In addition, the Company expects that until it is in a financial position to provide its key personnel with adequate cash compensation, the Company will find it necessary to offer such key personnel and the independent members of its Board of Directors compensation in the form of Company common stock and stock options. During 2003 this compensation will include at least 3,200,000 shares of the Company's common stock and at least options to purchase an additional 3,200,000 shares of the Company's common stock at purchase prices (exercise prices) between $0.13 and $.16 per share. The issuance of these shares of common stock and options will result in the dilution of existing shareholders and could adversely affect the price of the Company's stock. In addition, if any of Websourced, Inc.'s key employees joins a competitor or forms a competing company, some of the Company's clients might choose to use the services of that competitor or new company instead of the Company's.

Weak general economic and business conditions may adversely affect the Company's revenues and operating margins. Weak general economic and business conditions, international tensions and wars, terrorism, and epidemics, globally, nationally, regionally or locally, may have a significant adverse effect on the Company's revenues and operating margins.

The Company faces competition from bigger, more established competitors. Competition in technology service markets is intense. If the Company fails to compete successfully against current or future competitors, the Company's business, financial condition and operating results would be seriously harmed.

Because relatively low barriers to entry characterize the Company's current and many prospective markets, the Company expects other companies to enter its markets. In addition, some of the Company's competitors may develop services that are superior to, or have greater market acceptance than, the services that the Company offers. Also, if the Company's market sectors appear attractive, then numerous existing companies that have greater financial and human resources may be expected to enter those markets. The superior financial and marketing resources of those potential competitors may provide a substantial advantage to those competitors over the Company.

The Company lacks long-term contracts with clients. Few if any of the Company's clients retain the Company under long-term contracts. As a result, the Company's revenues may be difficult to predict. Because the Company sometimes incurs costs based on expectations of future revenues, the Company's failure to predict future revenues accurately may seriously harm the Company's financial condition and results of operations.

There is a lack of brand awareness of the Company's services. Due to lack of marketing resources, the Company has not been able to develop any widespread awareness of the Company's brand name. Any increase in the Company's advertising and marketing expenditures could cause the Company's operating margins to decline. Moreover, the Company's brand may be closely associated with the business success or failure of some of the Company's Internet clients, some of who are pursuing unproven business models in competitive markets. As a result, the failure or difficulties of one of the Company's clients may damage the Company's reputation. If the Company fails to successfully promote and maintain the Company's brand name or incurs significant related expenses, the Company's operating margins and the Company's growth may decline.

A failure by the Company to meet client expectations could result in losses and negative publicity. Any failure to meet the Company's clients' expectations could result in: delayed or lost revenues due to adverse client reactions; requirements to provide additional services to clients at no charge; negative publicity regarding the Company and its services, which could adversely affect the Company's ability to attract or retain clients; and claims for damages against the Company, regardless of the Company's responsibility for such failure. The Company cannot be sure that its contracts will protect the Company from liability for damages in the event the Company is sued. Also, if the Company is sued, the legal fees involved in defending a lawsuit may exceed the amount of the claim in question.

The Company's success depends upon increased adoption of the Internet as a means for commerce. The Company's success depends heavily on the continued use and acceptance of the Internet as a means for commerce. The widespread acceptance and adoption of the Internet for conducting business is likely only in the event that the Internet provides businesses with greater efficiencies and improvements. If commerce on the Internet does not continue to grow, or grows more slowly than expected, the Company's business would be seriously harmed. Consumers and businesses may reject the Internet as a viable commercial medium for a number of reasons, including: Potentially inadequate network infrastructure; delays in the development of Internet enabling technologies and performance improvements; delays in the development or adoption of new standards and protocols required to handle increased levels of Internet activity; delays in the development of security and authentication technology necessary to effect secure transmission of confidential information; changes in, or insufficient availability of, telecommunications services to support the Internet; and failure of companies to meet their customers' expectations in delivering goods and services over the Internet.

Increasing government regulations or taxation could adversely affect the Company's business. The Company is affected not only by regulations applicable to businesses generally, but also by laws, regulations and taxes directly applicable to eBusiness. Although there are currently few such laws, regulations and taxes, state, federal and foreign governments may adopt a number of these laws, regulations and taxes. Any such legislation, regulation or tax could dampen the growth of the Internet and decrease its acceptance as a communications and commercial medium. If such a decline occurs, companies may decide in the future not to use the Company's services. This decrease in the demand for the Company's services would seriously harm the Company's business and operating results. Any new laws, regulation and taxes may govern, restrict, tax or affect any of the following issues: user privacy, the pricing and taxation of goods and services offered over the Internet; the content of websites; consumer protection; and the characteristics and quality of products and services offered over the Internet.

Issues exist in regard to the financial viability of GMP, LLC and SECO. On April 1, 2003, the Company entered into an Agreement (the "GMP Note Restructuring Agreement") with GMP, L.L.C. ("GMP"), Safe Environment Corp. of Indiana ("SECO") and John Giura ("Giura"). Pursuant to the GMP Note Restructuring Agreement, among other things: (1) GMP and SECO agreed to use their best efforts to cause certain parties to sign an agreement pursuant to which an aggregate of $300,000 will be paid to the Company out of a certain escrow account established in regard to a SECO construction project located in St. Ann, Missouri (the "$300,000 From St. Ann Escrow Agreement"); (2) GMP and SECO agreed to use their best efforts to cause certain parties to sign agreements pursuant to which an aggregate of up to $200,000 will be paid to the Company in regard to a certain housing development in St. Charles, Missouri (the "$200,000 From St. Charles Housing Development Agreements"); (3) GMP agreed that the remaining monies due from GMP to the Company in regard to the purchase of the stock of SECO shall be paid by GMP to the Company as soon as practicable but in any event no later than July 31, 2003 (the "Remaining SECO Stock Payments"); and (4) the Company agreed that if GMP and SECO were to deliver the fully signed $300,000 From St. Ann Escrow Agreement and the fully signed $200,000 From St. Charles Housing Development Agreements, and if GMP timely makes the Remaining SECO Stock Payments, and if GMP and Giura are not in default of any of certain other obligations to the Company, then the principal amount of GMP's Promissory Note payable to the Company shall be reduced from $470,000 down to $337,495.09, of which $37,495.09 shall be paid by GMP to the Company as soon as practicable but in any event no later than July 31, 2003. To date, the following events have occurred in regard to the GMP Note Restructuring Agreement: (1) On May 7, 2003, the Company received the fully signed $300,000 From St. Ann Escrow Agreement; (2) On May 5, 2003, the Company received all but one of the $200,000 From St. Charles Housing Development Agreements; (3) As of August 7, 2003, the Remaining SECO Stock Payments equal $37,840.87; and (4) GMP has failed to make any payments on its Promissory Note payable to the Company. The Company has become aware that GMP and SECO are having severe financial difficulties, including but not limited to restricted access to credit, liquidity problems in regard to non-collection of various receivables, delays in completion of certain projects, delays in the awarding of certain projects, and generally weak conditions within their industry. An insolvency or bankruptcy of either GMP and/or SECO, or a delay or failure by SECO in the completion of the SECO construction project in St. Ann, Missouri, might significantly adversely affect the Company's ability to collect the $300,000 payable to the Company under the $300,000 From St. Ann Escrow Agreements, the $200,000 payable to the Company under the $200,000 From St Charles Housing Development Agreements, the Remaining SECO Stock Payments, or payments due from GMP to the Company under GMP's Promissory Note to the Company.

Issues exist in regard to The Voice and Data Group, Inc.'s proposed merger with the Company. While the Company remains hopeful that it can successfully close its planned merger with The Voice and Data Group, Inc., the terms of such planned merger may be required to be amended depending upon the results of the audit of The Voice and Data Group, Inc. That audit has not been completed, and is not expected to be completed until certain issues relating to the amount of The Voice and Data Group, Inc.'s accounts receivable have been resolved between The Voice and Data Group, Inc. and AT & T. Discussions between The Voice and Data Group, Inc. and AT & T in regard to such issues are continuing, and the Company cannot guarantee when they will be resolved on mutually acceptable terms, if at all. If the merger agreement between the Company and The Voice and Data Group, Inc. is terminated for any reason, there is no guarantee that The Voice and Data Group, Inc. will be able to repay the $100,000 unsecured loan made by the Company to The Voice and Data Group, Inc. in connection with the merger agreement.

Inability to protect the Company's intellectual property. The Company cannot guarantee that it can safeguard or deter misappropriation of the Company's intellectual property. In addition, the Company may not be able to detect unauthorized use of the Company's intellectual property and take appropriate steps to enforce the Company's rights. If former employees or third parties infringe or misappropriate the Company's trade secrets, copyrights, trademarks or other proprietary information or intellectual property, the Company's business could be seriously harmed. In addition, although the Company believes that their proprietary rights do not infringe the intellectual property rights of others, other parties may assert infringement claims against the Company or claim that the Company has violated their intellectual property rights. Such claims, even if not true, could result in significant legal and other costs and may be a distraction to the Company's management.

The Company's stock is illiquid. The Company's stock is illiquid, often with no shares trading for days at a time. Consequently, shareholders may find it difficult to sell their common stock in the Company, and the owners of potential acquisition target companies may find the Company's common stock to be unacceptable consideration in any proposed transaction.

A significant portion of the Company's stock is owned by insiders. The current directors and officers of the Company and its subsidiary Websourced, Inc., as a group, together with their affiliates and related parties, beneficially own a significant percentage of the Company's outstanding shares of common stock. Accordingly, these stockholders will have substantial influence over the Company's policies and management. Voting control over a significant portion of these stockholders' shares has been transferred, pursuant to irrevocable proxies, to Gerard M. Jacobs, the Company's President and CEO.

The Company has not paid dividends and does no expect to do so in the foreseeable future. The Company has not paid dividends since it inception and does not expect to in the foreseeable future, so the Company's stockholders will not be able to receive any return on their investment without selling their shares. The Company presently anticipates that all earnings, if any, will be retained for development of the Company's business. Any future dividends will be subject to the discretion of the Board of Directors and will depend on, among other things, the Company's future earnings, operating and financial condition, capital requirements, and general business conditions.

Segment Analysis

INDUSTRY SEGMENT
SIX MONTHS ENDED JUNE 30, 2003

	WORLDMALL	CGI	CONSOLIDATED
SALES	2,320,398	-	2,320,398
COST OF SALES	1,173,995	-	1,173,995
GROSS PROFIT	1,146,403	-	1,146,403
SELLING AND ADMINISTRATION	1,006,768	72,401	1,079,169
INCOME FROM OPERATIONS	139,635	(72,401)	67,234
OTHER INCOME (EXPENSE)			
OTHER INCOME	-	-	-
INTEREST INCOME	-	6,224	6,224
INTEREST EXPENSE	(12,556)	(25,766)	(38,322)
TOTAL	(12,556)	(19,542)	(32,098)
INCOME BEFORE TAXES	127,079	(91,943)	35,136

INDUSTRY SEGMENT
THREE MONTHS ENDED JUNE 30, 2003

	WORLDMALL	CGI	CONSOLIDATED
SALES	1,135,037	-	1,135,037

COST OF SALES	677,165	-	677,165
GROSS PROFIT	457,872	-	457,872
SELLING AND ADMINISTRATION	383,001	30,733	413,734
INCOME FROM OPERATIONS	74,871	(30,733)	44,138
OTHER INCOME (EXPENSE)			
OTHER INCOME	-	-	-
INTEREST INCOME	-	6,159	6,159
INTEREST EXPENSE	(5,196)	(10,551)	(15,747)
TOTAL	(5,196)	(4,392)	(9,588)
INCOME BEFORE TAXES	69,675	(35,125)	34,550

INDUSTRY SEGMENT
SIX MONTHS ENDED JUNE 30, 2003

	WORLDMALL	CGI	CONSOLIDATED
SALES	2,003,929	-	1,185,361
COST OF SALES	921,833	-	496,830
GROSS PROFIT	1,082,096	-	688,531
SELLING AND ADMINISTRATION	846,778	41,668	665,435
INCOME FROM OPERATIONS	235,318	(41,668)	23,096
OTHER INCOME (EXPENSE)			
IMPAIRMENT OF ASSETS	(2,154,052)	(350,000)	(2,504,052)
OTHER INCOME	-	15,000	15,000
INTEREST INCOME	-	-	-
INTEREST EXPENSE	(31,448)	(15,911)	(47,359)
TOTAL	(2,185,500)	(350,911)	(2,536,411)
INCOME BEFORE TAXES	(1,950,182)	(492,830)	(2,443,012)

INDUSTRY SEGMENT
THREE MONTHS ENDED JUNE 30, 2002

	WORLDMALL	CGI	CONSOLIDATED
SALES	1,109,743	-	1,109,743
COST OF SALES	692,146	-	692,146
GROSS PROFIT	417,597	-	417,597

SELLING AND ADMINISTRATION	251,717	79,307	331,024
INCOME FROM OPERATIONS	165,880	(79,307)	86,573
OTHER INCOME (EXPENSE)			
OTHER INCOME	-	-	-
INTEREST INCOME	-	-	-
INTEREST EXPENSE	(15,841)	(13,998)	(29,839)
TOTAL	(15,841)	(13,998)	(29,839)
INCOME BEFORE TAXES	150,039	(93,305)	56,734

Item 3. CONTROLS AND PROCEDURES

The Company's chief executive officer has evaluated the effectiveness of the Company's disclosures, controls and procedures(as defined in Rule 13a-14(c) and 15d-14(c) of the Securities Exchange Act of 1934 as amended) as of a date within 90 days prior to the filing of this quarterly report and concluded that, as of the date of their evaluation, the Company's disclosure controls and procedures were effective to ensure that material information relating to the Company, including its consolidated subsidiary, is made known to him by others within that entity, particularly during the period in which this quarterly report is being prepared.

There have been no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

NONE

ITEM 2. CHANGES IN SECURITIES

NONE

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

NONE

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

NONE

ITEM 5. OTHER INFORMATION

NONE

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) EXHIBITS

NONE

(B)REPORTS ON FORM 8-K

NONE

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on this 13th day of August, 2003.

CGI Holding Corporation

By: /s/ Gerard M. Jacobs

Gerard M. Jacobs
President, Chief Executive Officer,
Treasurer, Secretary

906 CERTIFICATION

Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Form 10-QSB of CGI Holding Corporation (the "Company") for the quarter ended June 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned certifies, pursuant to 18 U.S.C. paragraph 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of their knowledge and belief, that:

1) the Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities and Exchange Act of 1934, as amended; and

2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is made solely for purpose of 18 U.S.C. paragraph 1350 and not for any other purpose. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to Poulos & Bayer and will be retained by Poulos and Bayer and furnished to the Securities and Exchange Commission or its staff upon request.

CGI Holding Corporation

August 13, 2003

By: /s/ Gerard M. Jacobs

Gerard M. Jacobs
President, Chief Executive Officer,
Treasurer, Secretary

302 CERTIFICATION

I, Gerard M. Jacobs, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CGI Holding Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. I am responsible for establishing and maintaining disclosure controls and procedures(as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a)designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report(the "Evaluation Date"; and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

a)all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b)any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

August 13, 2003

/s/ Gerard M. Jacobs
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Gerard M. Jacobs
President, Chief Executive Officer,
Treasurer and Secretary