

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
FORM 10-K/A

(Mark One)

Annual report pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

For the fiscal year ended.....DECEMBER 31, 2002

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from.....to.....

Commission File Number 0-19437  
CELLULAR TECHNICAL SERVICES COMPANY, INC.  
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE

11-2962080

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(State or Other Jurisdiction of  
Incorporation or Organization)

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(I.R.S. Employer Identification No.)

2815 SECOND AVENUE, SUITE 100, SEATTLE, WASHINGTON 98121  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (206) 443-6400

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section  
12(g) of the Act:

COMMON STOCK, \$.001 PAR VALUE  
(Title of Class)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to the filing requirements for the past 90 days. Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2). Yes  No

As of April 29, 2003, there were 2,291,770 shares of Common Stock, \$.001 par value outstanding. As of June 30, 2002 the aggregate market value of the Registrant's Common Stock, \$.001 par value, held by non-affiliates was approximately \$2.5 million. The aggregate market value of the Company's stock was calculated using \$1.11, the closing price for its Common Stock on June 30, 2002 as reported on The Nasdaq Stock Market (SmallCap System).

Documents incorporated by reference in Part III: None.

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INTRODUCTION

This Form 10-K/A amends the registrant's Form 10-K for the fiscal year ended December 31, 2002 by deleting the information contained in Items 10, 11, 12 and 13 of Part III of such form and substituting the following for such Items.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The name, age, position with the Company, and biographical information with respect to each of the Company's current directors and executive officers are provided below.

NAME	Age	POSITION WITH COMPANY
-----	---	-----
Stephen Katz	59	Chairman of the Board of Directors, Chief Executive Officer and Acting President
Lawrence J. Schoenberg	70	Director
Joshua J. Angel	67	Director
Barry J. Beil	56	Director
Bruce R. York	48	Vice President, Chief Financial Officer and

Stephen Katz, Chairman of the Board of Directors, was Acting Chief Executive Officer and Acting President from November 1992 until February 1994, at which time he became Chief Executive Officer. Mr. Katz was re-appointed as Acting President in September 1998. Mr. Katz has been Chairman of the Board and a director of the Company since its inception and a member of the Management Committee of the predecessor partnership during the entire period of its existence. From September 1984 until September 1995, Mr. Katz was Chairman of the Board, Chief Executive Officer and until September 1993, President of Nationwide Cellular Service, Inc., which was the Company's majority stockholder until May 1992 and its largest stockholder, owning 34% of its outstanding shares, until September 1995. At that time such shares were distributed to Nationwide's stockholders, immediately prior to Nationwide's merger with MCI Communications Corp. Mr. Katz served as Chief Executive Officer of Global Payment Technologies, Inc. (formerly Coin Bill Validator, Inc.) from May 1996 through March 2003 and as its Chairman of the Board from September 1996 to April 2003. Global Payment Technologies is engaged in the business of currency validation.

Lawrence J. Schoenberg joined the Company as a director in September 1996. Mr. Schoenberg also serves as Director of Government Technology Services, Inc., Merisel, Inc., and Sunguard Data Services, Inc. Former directorships include Systems Center, Inc. (which was sold to Sterling Software, Inc.), SoftSwitch, Inc. (which was sold to Lotus/IBM Corp.), Forecross Corporation, Image Business Systems, Inc., and Penn America Group, Inc. Mr. Schoenberg founded AGS Computers, Inc. in 1967 and served as its Chief Executive Officer until 1991. The company was sold to NYNEX in 1988. The micro-computer segment subsequently became a part of Merisel, Inc.

Barry J. Beil has been a director of the Company since April 2003. From 1980 to 1998 he was President and Chief Executive Officer of Sheldon Electric Co., Inc., a New York City based electrical contractor. Since 1985 he has been President of Hampton Hills Operating Corp. and Managing Partner of Hampton Hills Associates which collectively own and operate the Hampton Hills Golf & Country Club. Since 1996 he has been the Managing Member of Rugby Recreational Group LLC which owns and operates the Fox Hill Golf & Country Club. Since 1988 he has been Vice President and Secretary of M&M Beach Properties, Inc., a developer and builder of residential properties.

Joshua J. Angel has been a director of the Company since June 6, 2001. Mr. Angel is Founder and Senior Managing Shareholder of Angel & Frankel, P.C., a New York based law firm specializing in commercial insolvency and creditors' rights. Mr. Angel serves as a director of Dynacore Holdings Corporation. Mr. Angel has a B.S. from N.Y.U. and an L.L.B. from Columbia University.

Bruce R. York joined the Company in April 1999 as Vice President and Chief Financial Officer. Prior to joining the Company, Mr. York was the Director of Finance of Cell Therapeutics, Inc., a biopharmaceutical company, from February 1998 to February 1999. From May 1987 to January 1998, Mr. York held various positions with Physio Control International Corporation, a manufacturer of external defibrillators, in Seattle and London, including Director of Business Planning, Director of Finance - Europe, Director of Finance and Corporate Controller, and Finance Manager. From September 1978 to April 1987, Mr. York held several positions with Price Waterhouse in Seattle and New York, including Senior Tax Manager. Mr. York is a C.P.A. and has an A.B. and an M.B.A. from Dartmouth College.

The Company's officers are elected annually and serve at the discretion of the Board of Directors.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Pursuant to Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), officers, directors and holders of more than 10% of the outstanding shares of the Company's Common Stock are required to file periodic reports of their ownership of, and transactions involving, the Company's Common Stock with the United States Securities and Exchange Commission ("SEC"). The Company believes that its reporting persons complied with all Section 16(a) filing requirements applicable to them with respect to the Company's fiscal year ended December 31, 2002.

ITEM 11. EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table sets forth information concerning annual and long-term compensation, paid or accrued, for the Named Executive Officers for services in all capacities to the Company during fiscal years 2002, 2001 and 2000.

	YEAR	ANNUAL COMPENSATION			OTHER ANNUAL COMPENSATION	LONG-TERM COMPENSATION AWARDS(1)	ALL OTHER COMPENSATION
		SALARY	BONUS	SECURITIES UNDERLYING OPTIONS			
	----	-----	-----	-----	-----	-----	-----
Stephen Katz.....	2002	\$50,000	\$0	\$322	10,000	\$ 0	
Chairman of the Board of Directors and Chief Executive Officer (2)	2001	99,355	0	645	15,000	0	
	2000	108,458	60,000	543	70,000	0	
Bruce R. York.....	2002	\$120,000	\$0	\$16,666	10,000	0	
Vice President, Chief Financial Officer and Corporate Secretary (3)	2001	116,651	18,750	14,690	15,000	0	
	2000	106,858	70,000	5,308	7,500	0	

1. None of the Named Executive Officers received any Restricted Stock Awards or LTIP Payouts in 2002, 2001 or 2000.
2. Other annual compensation represents taxable income originating from term life insurance premiums paid on behalf of the Named Executive Officer under the Company's standard employee group benefits plan.
3. Other annual compensation for 2002 includes 401(k) matching contributions by the Company of \$5,641, an automobile allowance of \$10,800 and taxable income originating from term life insurance premiums paid on behalf of the Named Executive Officer under the Company's standard employee group benefits plan. Other annual compensation for 2001 includes 401(k) matching contributions of \$6,817 an automobile allowance of \$7,650 and taxable income originating from term life insurance premiums paid on behalf of the Named Executive Officer under the Company's standard employee group benefits plan. Other annual compensation for 2000 includes 401(k) matching contributions of \$5,083 and taxable income originating from term life insurance premiums paid on behalf of the Named Executive Officer under the Company's standard employee group benefits plan.

#### GRANTS OF STOCK OPTIONS IN 2002

The following table sets forth information as to all grants of stock options to the Named Executive Officers during 2002.

NAME	INDIVIDUAL GRANTS (1)				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM (3)	
	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED (2)	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN 2002	EXERCISE PRICE	EXPIRATION DATE	AT 5%	AT 10%
Stephen Katz.....	10,000	13.3%	\$0.99	9/22/12	\$6,226	\$15,778
Bruce R. York.....	10,000	13.3%	0.99	9/22/12	6,226	15,778

1. No stock appreciation rights ("SARs") were granted to any of the Named Executive Officers during 2002.
2. The options become exercisable in cumulative annual installments of 25% per year on each of the first four anniversaries of the grant date. The options are exercisable over a ten-year period.
3. The dollar amounts set forth under these columns are the result of calculations at the 5% and 10% rates established by the SEC and are not intended to forecast future appreciation of the Company's stock price. The Company did not use an alternative formula for a grant date valuation as it is unaware of any formula that would determine with reasonable accuracy a present value based upon future unknown factors.

#### AGGREGATED OPTION EXERCISES IN 2002 AND YEAR-END OPTION VALUES

The following table sets forth information with respect to the exercise of stock options during 2002 by the Named Executive Officers and unexercised options held by them on December 31, 2002.

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT DECEMBER 31, 2002	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT DECEMBER 31, 2002
			EXERCISABLE/UNEXERCISABLE (1)	EXERCISABLE/UNEXERCISABLE (2)
Stephen Katz.....	0	\$0	43,290/55,110	\$0/\$0
Bruce R. York.....	0	0	11,820/27,880	\$0/\$0

1. There were no SAR exercises during 2002 and no SARs were outstanding at December 31, 2002.
2. The closing price for the Company's Common Stock as reported on the NASDAQ SmallCap Market on December 31, 2002 was \$0.69 per share. Value is calculated by multiplying: (i) the difference between \$0.69 and the option exercise price, by (ii) the number of shares of Common Stock underlying the option.

#### DIRECTOR COMPENSATION

Each director serving in 2002 who was not an officer or employee of the Company received an award of restricted shares of the Company's common stock, contingent upon stockholder approval of the 2002 Stock Incentive Plan and is reimbursed for his out-of-pocket expenses incurred in connection with attendance at Board and Committee meetings or other Company business. No cash payments other than reimbursement of expenses were made to non-employee directors during 2002.

In December 1993, the Company adopted the 1993 Non-Employee Director Stock Option Plan ("1993 Plan") pursuant to which each person who is not a salaried employee of the Company who first becomes a director after December 29, 1993 shall be granted on the date he first becomes a director an option to purchase 2,000 shares of Common Stock and on January 2 of each year beginning with January 2, 1994, each person who is not a salaried employee of the Company and is then a director shall be granted an option to purchase an additional 1,200 shares of Common Stock. In addition, the 1993 Plan authorizes the Board of Directors to approve additional stock option grants to such non-employee directors. The per share exercise price of each option granted under the 1993 Plan shall be equal to the fair market value of a share of Common Stock on the date the option is granted.

#### COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation and Stock Option Committee of the Board of Directors consists of Messrs. Angel (Chairman), Schoenberg and Beil. None of such committee members is or has been an officer or employee of the Company.

#### ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table and footnotes thereto set forth, as of April 17, 2003, information with respect to the beneficial ownership of the Company's Common Stock by: (i) each person known by the Company to beneficially own more than 5% of the outstanding shares of Common Stock; (ii) each director of the Company; (iii) the Chief Executive Officer and each of the other executive officers of the Company who received salary and bonus in excess of \$100,000 during 2002 (collectively, the "Named Executive Officers"); and (iv) all current directors and executive officers of the Company as a group.

NAME OF BENEFICIAL OWNER -----	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP (1) -----	PERCENT OF OUTSTANDING SHARES -----
Stephen Katz 20 E. Sunrise Highway, Suite 200 Valley Stream, NY 11581.....	186,194 (2)	8.0%
Lawrence J. Schoenberg.....	20,950 (3)	*
Joshua J. Angel.....	3,200 (4)	*
Barry J. Beil.....	----	*
Bruce R. York.....	12,820 (5)	*
All directors and executive officers as a group (5 persons).....	223,164 (6)	9.4%

\* Less than 1%

1. Unless otherwise indicated, each person or group has sole voting and investment power with respect to such shares. For purposes of this table, a person or group of persons is deemed to have "beneficial ownership" of any shares which such person or group has the right to acquire within 60 days. For purposes of computing the percent of outstanding shares held by each person or group named above as of a given date, any shares which such person or group has the right to so acquire are deemed to be outstanding, but are not deemed to be outstanding for the purpose of computing the percentage owned by any other person or group.
2. Includes 41,273 shares held by a partnership controlled by Mr. Katz and 3,090 shares held by a trust for the benefit of his wife. Also includes 43,290 shares subject to currently exercisable options, none of which are at prices lower than the market price of the Company's Common Stock.
3. Consists of 20,950 shares subject to currently exercisable options, none of which are at prices lower than the market price of the Company's Common Stock.
4. Consists of 3,200 shares subject to currently exercisable options, none of which are at prices lower than the market price of the Company's Common Stock.
5. Includes 12,820 shares subject to currently exercisable options, none of which are at prices lower than the market price of the Company's Common Stock.
6. Includes an aggregate of 83,460 shares subject to currently exercisable options, none of which are at prices lower than the market price of the Company's Common Stock.

#### EQUITY COMPENSATION PLAN INFORMATION

The following table provides information about the Company's equity compensation plans as of December 31, 2002.

Plan Category	A Number of securities to be issued upon exercise of outstanding options, warrants and rights	B Weighted average exercise price of outstanding options, warrants and rights securities reflected in column (A)	C Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A))
Equity compensation plans approved by security holders	240,009	\$8.17	148,951
Equity compensation plans not approved by security holders	35,000	--	75,000
<b>Total</b>	----- 275,009	----- --	----- 223,951

On June 6, 2002, the Board adopted the 2002 Stock Incentive Plan and issued restricted shares to its non-management directors subject to stockholder approval. This Plan will be submitted for stockholder approval at the 2003 annual meeting.

#### ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

SIGNATURES

Pursuant to the requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Amended Annual Report on Form 10-K/A to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: April 29, 2003

CELLULAR TECHNICAL SERVICES COMPANY, INC.

By: /s/ Bruce R. York

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Name: Bruce R. York  
Title: Vice President and Chief  
Financial Officer

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 10-K/A for the Year Ended December 31, 2002 (the "Report") by Cellular Technical Services Company, Inc. ("Registrant"), I, Bruce R. York, certify that:

1. I have reviewed this annual report on Form 10-K/A of Cellular Technical Services Company, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15 and 15d - 15) for the registrant and we 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 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 report (the "Evaluation Date"); and c) presented in this report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function): 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. The registrant's other certifying officer and I have indicated in this 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.

By: /s/ Bruce R. York

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Bruce R. York

Vice President and Chief Financial Officer

April 29, 2003



CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Annual Report on Form 10-K/A for the Year Ended December 31, 2002 (the "Report") by Cellular Technical Services Company, Inc. ("Registrant"), I, Stephen Katz, certify that:

1. I have reviewed this annual report on Form 10-K/A of Cellular Technical Services Company, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15 and 15d - 15) for the registrant and we 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 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 report (the "Evaluation Date"); and c) presented in this report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function): 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. The registrant's other certifying officer and I have indicated in this 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.

By: /s/ Stephen Katz  
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Stephen Katz  
Chief Executive Officer  
April 29, 2003