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

SEC FILE NUMBER
8- 53478

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 01/01/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Financial Advisors Network, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

PROCESSED
MAR 11 2005

3261 US Highway 441/27, Suite F2

(No. and Street)

Fruitland Park

(City)

Florida

(State)

THOMSON
FINANCIAL 34731
(Zip Code)

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

Amy Roy Haegar, President

(352) 326-4000
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in the Report*

Cuthill & Eddy LLC

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

1031 W. Morse Blvd., Suite 200, Winter Park, Florida 32789

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

SEC MAIL RECEIVED
FEB 24 2005
WASH. D.C. 179 SEC

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*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 (06-02)

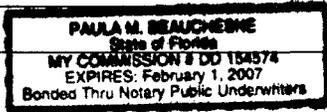
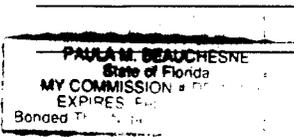
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten signature

OATH OR AFFIRMATION

I, Amy Roy Haegar, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Financial Advisors Network, LLC, as of December 31, 2004, 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:

None



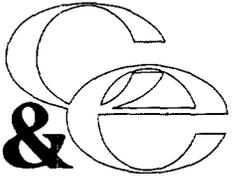
Amy Roy Haegar
Signature
President
Title

Paula M. Beauchesne
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 Proprietor's 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 Pursuant to Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 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).



Cuthill & Eddy LLC
CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Carson L. Eddy
Victor J. Incinelli
Harry E. Harp
Todd Hitchens

Independent Auditor's Report

To the Members
Financial Advisors Network, LLC
Fruitland Park, Florida

We have audited the accompanying statement of financial condition of Financial Advisors Network, LLC as of December 31, 2004, and the related statements of income, changes in members' equity, and cash flows for the year ended December 31, 2004 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Financial Advisors Network, LLC as of December 31, 2004, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplementary schedules, computation of net capital and computation of aggregate indebtedness, as of December 31, 2004, are presented for purposes of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Cuthill & Eddy LLC

January 17, 2005

1031 W. MORSE BLVD., SUITE 200, WINTER PARK, FL 32789-3738 • PHONE (407) 644-7455 • FAX (407) 628-5277
ceddy@cuthilleddy.com • www.cuthilleddy.com

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FINANCIAL ADVISORS NETWORK, LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2004

ASSETS

| | | |
|------------------------------------------|----|---------------|
| Cash | \$ | 26,046 |
| Accounts receivable from clearing broker | | 1,781 |
| CRD deposits | | <u>93</u> |
| | \$ | <u>27,920</u> |

LIABILITIES AND MEMBERS' EQUITY

| | | |
|------------------|----|---------------|
| Accounts payable | \$ | 250 |
| Members' equity | | <u>27,670</u> |
| | \$ | <u>27,920</u> |

FINANCIAL ADVISORS NETWORK, LLC
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2004

| | |
|-------------------------------------|------------------|
| Revenues: | |
| Commission income | \$ 31,889 |
| Expenses: | |
| Selling, general and administrative | <u>10,326</u> |
| Net income | <u>\$ 21,563</u> |

FINANCIAL ADVISORS NETWORK, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2004

| | |
|----------------------------|------------------|
| Balance, January 1, 2004 | \$ 27,107 |
| Capital distribution | (21,000) |
| Net income | <u>21,563</u> |
| Balance, December 31, 2004 | <u>\$ 27,670</u> |

FINANCIAL ADVISORS NETWORK, LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004

| | |
|-----------------------------------------------------------------------------------|------------------|
| Cash flows from operating activities: | |
| Net income | \$ 21,563 |
| Adjustments to reconcile net income to net cash provided by operating activities: | |
| Changes in operating assets and liabilities: | |
| Decrease in accounts receivable from clearing broker | 2,136 |
| Decrease in accounts payable | <u>(250)</u> |
| Total adjustments | <u>1,886</u> |
| Net cash provided by operating activities | <u>23,449</u> |
| Cash flows from financing activities: | |
| Capital distributions and cash used by financing activities | <u>(21,000)</u> |
| Net increase in cash | 2,449 |
| Cash, January 1, 2004 | <u>23,597</u> |
| Cash, December 31, 2004 | <u>\$ 26,046</u> |

FINANCIAL ADVISORS NETWORK, LLC
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

1. Nature of operations and summary of significant accounting policies:

Nature of operations:

Financial Advisors Network, LLC (the "Company") was incorporated in Delaware on May 23, 2001 for the purpose of conducting business as a broker/dealer in securities. The Company is registered with the Securities and Exchange Commission (the "SEC") and is a member of the National Association of Securities Dealers, Inc. (the "NASD").

The Company clears its trades through a third-party reintroducing broker agreement with UVEST Investment Services on a fully disclosed basis. Therefore, the Company does not carry securities accounts for customers or perform custodial functions.

Classes of membership interest:

There are two classes of membership interest in the Company, designated as Class A and Class B interests. The only difference between the classes of ownership is that Class A interests have full voting rights, whereas Class B interests have no voting rights, except as expressly provided in the Articles of Organization.

Revenue and expense recognition:

The revenue of the Company is derived primarily from override commissions earned on the sale of securities. Commission income is recorded on the date of the transaction leading to the commission.

Computation of customer reserve:

The Company is exempt from customer reserve requirements and providing information relating to possession or control of securities pursuant to Rule 15c3-3 of the Securities Exchange Act of 1934. The Company meets the exempting provisions of Paragraph (k)(2)(ii).

Income taxes:

The Company is not a taxpaying entity for federal or state income tax purposes, and thus no income tax expense has been recorded in the financial statements. The net revenues and expenses of the Company pass through to the individual members.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

FINANCIAL ADVISORS NETWORK, LLC
NOTES TO FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2004

2. Net capital requirements:

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital at an amount equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, and requires that the ratio of aggregate indebtedness to net capital not exceed 15 to 1.

At December 31, 2004, the Company had excess net capital of \$22,577 and a net capital ratio of .91 to 1.

3. Supplemental disclosures of cash flow information:

Cash was paid during the year for:

| | |
|--------------|-------------|
| Interest | <u>None</u> |
| Income taxes | <u>None</u> |

FINANCIAL ADVISORS NETWORK, LLC

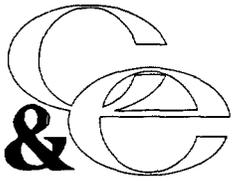
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION

DECEMBER 31, 2004

| | |
|------------------------------------------------------------------------------------------------------------|------------------|
| Net capital | |
| Total members' equity | \$ 27,670 |
| Deductions: | |
| Nonallowable assets: | |
| CRD deposits | <u>(93)</u> |
| Net capital | <u>\$ 27,577</u> |
| Reconciliation with Company's computation (included in Part II of Form Z-17A-5 as of December 31, 2004) | |
| Net capital, as reported in Company's Part II FOCUS report | \$ 30,902 |
| Adjustment to record accounts receivable | 1,782 |
| Adjustment to cash balance | <u>(5,107)</u> |
| | <u>\$ 27,577</u> |

FINANCIAL ADVISORS NETWORK, LLC
COMPUTATION OF AGGREGATE INDEBTEDNESS
DECEMBER 31, 2004

| | |
|------------------------------------------------|-----------------|
| Accounts payable and aggregate indebtedness | <u>\$ 250</u> |
| Ratio of aggregate indebtedness to net capital | <u>.91 to 1</u> |



Cuthill & Eddy LLC
CERTIFIED PUBLIC ACCOUNTANTS
Limited Liability Company

Carson L. Eddy
Victor J. Incinelli
Harry E. Harp
Todd Hitchins

Independent Auditor's Report
On Internal Control Required By SEC Rule 17a-5

To the Members
Financial Advisors Network, LLC
Fruitland Park, Florida

In planning and performing our audit of the financial statements and supplemental schedules of Financial Advisors Network, LLC (the "Company") for the year ended December 31, 2004, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons
2. Recordation of differences required by rule 17a-13
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2004, to meet the SEC's objectives.

This report recognizes that it is not practicable in an organization the size of Financial Advisors Network, LLC to achieve all the divisions of duties and cross-checks generally included in a system of internal control and that, alternatively, greater reliance must be placed on surveillance by management.

This report is intended solely for the information and use of the Members, management, the Securities and Exchange Commission and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Cumme & Egan LLC

January 17, 2005