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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

05036368

3-7
OMB APPROVAL
OMB Number: 3235-0123
Expires: January 31, 2007
Estimated average burden
hours per response... 12.00

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

SEC FILE NUMBER
8-49397

**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 January 1, 2004 AND ENDING December 31, 2004
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Financial World Corporation

OFFICIAL USE ONLY
FIRM I.D. NO.

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

9312 W. 150th Terrace

Overland Park (No. and Street) KS 66221
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Brad Bervert (913) 681-0475
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Acord Cox & Company

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

15700 College Blvd., Suite 100 Lenexa KS 66219
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED
MAR 11 2005
THOMSON
FINANCIAL

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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)

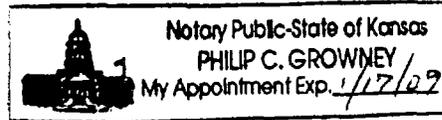
OATH OR AFFIRMATION

I, Brad Bervert, 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 World Corporation, as of December 31, 20 04, 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:

Brad Bervert
Signature

CEO
Title

Philip C. Growney
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 Proprietors' 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 Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 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).

FINANCIAL WORLD CORPORATION

**Financial Statements for the
Years Ended December 31, 2004 and 2003
and Independent Auditors' Report**

FINANCIAL WORLD CORPORATION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Financial World Corporation
Overland Park, Kansas

We have audited the accompanying balance sheets of Financial World Corporation (the "Company") as of December 31, 2004 and 2003, and the related statements of operations, stockholders' equity and cash flows for the years then ended. 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 audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2004 and 2003, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information listed in the table of contents is not a required part of the basic financial statements, but is supplementary information required by 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.

Acord Cox & Company

January 25, 2005

FINANCIAL WORLD CORPORATION

BALANCE SHEETS

DECEMBER 31, 2004 AND 2003

ASSETS

	2004	2003
CURRENT ASSETS		
Cash and cash equivalents	\$ 114,182	\$ 74,654
Deposits with clearing organization	50,000	50,000
Accounts receivable	57,553	12,118
Membership in NASD Exchange		3,000
Other		500
Total current assets	<u>221,735</u>	<u>140,272</u>

FIXED ASSETS

Vehicle	17,215	
Furniture	5,631	5,631
Equipment	88,878	66,108
	<u>111,724</u>	<u>71,739</u>
Accumulated depreciation	<u>(70,938)</u>	<u>(54,677)</u>
	40,786	17,062

DUE FROM STOCKHOLDER

	<u>34,070</u>	<u>33,500</u>
	<u>\$ 296,591</u>	<u>\$ 190,834</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 135,460	\$ 86,309
Other current liabilities	6,447	11,091
Total current liabilities	<u>141,907</u>	<u>97,400</u>

STOCKHOLDERS' EQUITY

Common stock, no par value, 100,000,000 shares authorized, 7,516,495 and 6,379,093 shares issued and outstanding	424,000	42,000
Additional paid-in capital	126,433	126,433
Retained deficit	(376,286)	(55,536)
Treasury stock, 39,093 shares, at cost	<u>(19,463)</u>	<u>(19,463)</u>
	154,684	93,434
	<u>\$ 296,591</u>	<u>\$ 190,834</u>

FINANCIAL WORLD CORPORATION

STATEMENTS OF OPERATIONS YEARS ENDING DECEMBER 31, 2004 AND 2003

	2004	2003
REVENUES		
Net commissions	\$ 1,217,013	\$ 1,158,461
Trading loss	<u>(45,315)</u>	<u> </u>
	1,171,698	1,158,461
GENERAL & ADMINISTRATIVE EXPENSES	<u>1,495,018</u>	<u>1,161,336</u>
NET LOSS FROM OPERATIONS	<u>(323,320)</u>	<u>(2,875)</u>
OTHER INCOME		
Interest income	<u>2,570</u>	<u>220</u>
NET LOSS	<u>\$ (320,750)</u>	<u>\$ (2,655)</u>

FINANCIAL WORLD CORPORATION

STATEMENTS OF CASH FLOWS YEARS ENDING DECEMBER 31, 2004 AND 2003

	2004	2003
OPERATING ACTIVITIES		
Net loss	\$ (320,750)	\$ (2,655)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	16,260	10,726
Sale of equity securities received in exchange for common stock	360,000	
Changes in operating assets and liabilities:		
Accounts receivable	(45,435)	1,978
Other assets	3,500	(200)
Accounts payable and accrued expenses	49,151	73,075
Other current liabilities	(4,644)	952
Cash provided by operating activities	<u>58,082</u>	<u>83,876</u>
INVESTING ACTIVITIES		
Purchase of equipment	(39,984)	
Increase in due from stockholder	(570)	(3,500)
Cash used in investing activities	<u>(40,554)</u>	<u>(3,500)</u>
FINANCING ACTIVITIES		
Proceeds from issuance of common stock	22,000	
Cash provided by financing activities	<u>22,000</u>	
NET INCREASE IN CASH	39,528	80,376
CASH, BEGINNING OF YEAR	<u>74,654</u>	<u>(5,722)</u>
CASH, END OF YEAR	<u>\$ 114,182</u>	<u>\$ 74,654</u>
NON-CASH ACTIVITIES:		
Common stock issued for marketable securities	<u>\$ 360,000</u>	<u>\$</u>

FINANCIAL WORLD CORPORATION

**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDING DECEMBER 31, 2004 AND 2003**

	Common Stock		Additional Paid-In Capital	Retained Deficit	Treasury Stock		Total
	Shares	Amount			Shares	Amount	
BALANCES, DECEMBER 31, 2002	5,959,093	\$ 42,000	\$ 126,433	\$ (52,881)	(39,093)	\$ (19,463)	\$ 96,089
Stock granted to employees	420,000						
Net loss				(2,655)			(2,655)
BALANCES, DECEMBER 31, 2003	6,379,093	\$ 42,000	\$ 126,433	\$ (55,536)	(39,093)	\$ (19,463)	\$ 93,434
Stock issued for marketable securities	1,037,402	360,000					360,000
Stock issued for cash	100,000	22,000					22,000
Net loss				(320,750)			(320,750)
BALANCES, DECEMBER 31, 2004	7,516,495	\$ 424,000	\$ 126,433	\$ (376,286)	(39,093)	\$ (19,463)	\$ 154,684

See notes to financial statements.

FINANCIAL WORLD CORPORATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2004 AND 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Description of Business - Financial World Corporation ("the Company") is engaged in the brokerage of financial products to the general public and accredited investors. The Company has an agreement with a third party clearinghouse to process all of their clients' transactions. The Company is based in the Kansas City Metropolitan area, with satellite offices in various locations in the United States. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD).
- b. Revenue Recognition - Customers' security transactions are recorded on a trade date basis. Management fees and interest income are accrued as earned.
- c. Cash and Cash Equivalents - For purposes of reporting cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.
- d. Furniture and Equipment - Furniture and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the corresponding assets.
- e. Advertising Costs - Advertising costs are charged to operations when incurred. Advertising expense was \$5,896 and \$6,414 for the years ended December 31, 2004 and 2003.
- f. Income Taxes - Deferred tax liabilities and assets are recognized for the tax effect of differences between the financial statement and tax bases of assets and liabilities. A valuation allowance is established to reduce deferred tax assets if it is more likely than not that a deferred tax asset will not be realized.

2. SIGNIFICANCE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. NET CAPITAL REQUIREMENTS

The company is subject to the SEC Uniform Net Capital Rule (rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2004, the Company had net capital of \$79,828, which was \$74,828 in excess of its required net capital of \$5,000. The Company's net capital ratio was 1.90 to 1.

4. STOCKHOLDER'S EQUITY

In May and June of 2004, the Company issued a total of 1,037,402 shares of common stock to the Company's CEO and majority stockholder in exchange for marketable equity securities with a market value, on the date of the exchange, which totaled \$360,000.

5. RELATED PARTY TRANSACTIONS

The Company currently has month-to-month rental agreements with its majority stockholder. Under the agreements, office space and equipment are rented to the Company. Total rental expense and cost reimbursement paid to the majority stockholder under these agreements was \$44,646 and \$59,691 for the years ended December 31, 2004 and 2003. Included in accounts payable at December 31, 2004 is \$10,809 due to the majority stockholder.

In June of 2002 the majority stockholder adopted a resolution that allows the Company to loan him an amount up to \$100,000 at any time until June of 2007 at an annual interest rate of 4%, for a period of five years. Accrued interest is due at the time the loan is paid. The loan amount included in *Due From Stockholder* was \$34,070 and \$33,500 at December 31, 2004 and 2003.

6. INVESTMENT IN LIMITED LIABILITY COMPANY

The Company is the managing member, under an operating agreement, in the Hedge Fund, LLC. The Hedge Fund, LLC, a limited liability company under the laws of the state of Kansas, was formed in June 1999. The purpose of the LLC is to invest primarily in stocks and bonds, mutual fund shares, stock options, index options and other benefits for the members. At December 31, 2004 and 2003, the Company owned less than 1% of the LLC, and the Company's equity interest in the LLC was valued at zero. The Company received no management fees or commissions from the LLC in 2004 and 2003.

7. CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities in which counterparts primarily include broker-dealers and buyers and sellers of securities. In the event counterparts do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterpart. It is the Company's policy to review, as necessary, the credit standing of each counterpart.

8. INCOME TAXES

The Company's deferred tax asset, principally related to its net operating loss carryforward, totaled \$125,800 and \$17,500 at December 31, 2004 and 2003. A corresponding valuation allowance of the same amount was recorded at December 31, 2004 and 2003.

As of December 31, 2004, the Company has available approximately \$370,000 of unused net operating loss carryforwards for regular tax purposes, which expire through 2018.

9. CONTINGENCIES

NASD – Notification of Capital Deficiencies

The NASD advised the Company of a net capital deficiency as of April 30, 2004 and inaccurate net capital computations as of April 30 and May 31, 2004. The Company responded with a Letter of Acceptance, Waiver and Consent to the NASD Department of Enforcement. This letter was accepted by the NASD in January of 2005. The Company will be notified by the NASD regarding sanctions and any fines to be paid.

NASD – Excess Proprietary Trades

The Company completed approximately 105 proprietary trades through July 17, 2004 involving two securities. The 1934 Securities Exchange Act requires a broker/dealer to be considered a “dealer” once it has engaged in more than ten proprietary trades for its investment account in any given calendar year. The minimum capital requirement applicable to dealers is \$100,000. In July of 2004 the Company requested relief from the NASD regarding the dealer net capital requirement. The NASD granted the Company relief from the \$100,000 minimum capital requirement on the basis that the Company would not engage in any proprietary trading for the remainder of the calendar year.

The ultimate outcome of these matters cannot be determined; no provision for any liability has been made in these financial statements.

* * * * *

FINANCIAL WORLD CORPORATION

GENERAL & ADMINISTRATIVE EXPENSES YEARS ENDING DECEMBER 31, 2004 AND 2003

	2004	2003
COSTS AND EXPENSES		
Commissions	\$ 969,720	\$ 879,730
Advertising expense	5,896	6,414
Automobile expense	59,702	13,563
Cleaning	10,288	3,503
Depreciation	16,260	10,726
Telephone expense	13,605	10,831
Printing and reproduction expense	2,377	478
Insurance	4,199	4,507
Meeting expense	19,998	16,116
Legal and professional	177,720	60,856
Office expense	33,209	10,303
Postage and delivery	6,952	4,160
Office rent	33,992	38,127
Payroll expenses	1,371	1,381
Repairs and maintenance	10,654	21,564
Utilities	5,798	6,180
Computer and information services expense	6,065	10,556
Travel, meals and entertainment	26,722	13,172
Dues and subscriptions	2,250	2,750
Moving expense	385	360
Other fees and clearing charges	77,227	35,440
Miscellaneous expense	10,628	10,619
	<u>\$ 1,495,018</u>	<u>\$ 1,161,336</u>

FINANCIAL WORLD CORPORATION

Schedule I

Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission December 31, 2004

NET CAPITAL

Total Stockholder's Equity	\$ 154,684
Less Non-Allowed Assets:	
Due from stockholder	34,070
Vehicle, furniture and equipment, net	<u>40,786</u>
	<u>74,856</u>
Net Capital	<u>\$ 79,828</u>

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition	
Accounts payable and accrued expenses	\$ 135,460
Other current liabilities	<u>6,447</u>
Total Aggregate Indebtedness	<u>\$ 141,907</u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum Dollar Net Capital Required	<u>\$ 5,000</u>
Excess net capital	<u>\$ 74,828</u>
Ratio of aggregate indebtedness to net capital	<u>1.90 to 1</u>

RECONCILIATION WITH COMPANY'S COMPUTATION:

Net Capital per Company's fourth quarter FOCUS report	\$ 79,828
Audit adjustments (net)	<u>-</u>
Net Capital reported above	<u>\$ 79,828</u>

FINANCIAL WORLD CORPORATION

Schedule II

**Computation of Reserve Requirements Under Rule 15c3-3 of the
Securities and Exchange Commission**

December 31, 2004 and 2003

An exemption is claimed from Rule 15c3-3 under the exemptive provisions of paragraph (k)(2)(ii) as the Company does not hold customer funds or securities. All accounts are on a fully disclosed basis.

FINANCIAL WORLD CORPORATION

Schedule III

Information Relating to Possession or Control Requirements Under Rule 15c3-1 of the Securities and Exchange Commission

December 31, 2004 and 2003

The Company has complied with the exemptive requirements of Rule 15c3-3 of the Securities and Exchange Commission and did not maintain possession or control of any customer funds or securities as of December 31, 2004.

FINANCIAL WORLD CORPORATION

Schedule IV

**Schedule of Segregation Requirements and Funds in Segregation for Customers Regulated
Commodity Futures and Options Accounts**

December 31, 2004 and 2003

The Company is exempted under Rule 15c3-3(k)(2)(ii).

Memorandum Regarding Internal Accounting Control

To Directors and Shareholders of
Financial World Corporation

In planning and performing our audit of the financial statements of Financial World Corporation as of December 31, 2004, we considered its internal control structure, which includes the procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5 (g) (1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by the company 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 the procedures for determining compliance with the exemptive provisions of rule 15c3-3. We did not review the practices and procedures followed by the company in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 Commissions' above mentioned objectives. The objectives of internal control structure 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 the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5 (g) list additional objectives of the practices and procedures listed in the preceding paragraph.

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

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure 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 structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 the accounting system and control procedures, including procedures for safeguarding securities, 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 Commission to be adequate for its purposes in accordance with the Securities and Exchange Act of 1934 and related regulation, 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 Commission's objectives.

This report is intended solely for the information and use of the board of directors, management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and State security regulatory agencies and should not be used for any other purpose.

January 25, 2005
