



SEC

05038178

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

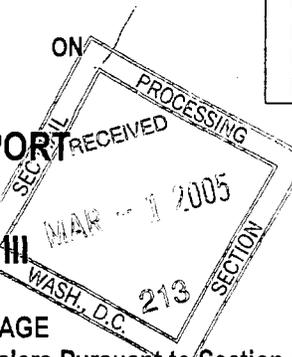
**ANNUAL AUDITED REPORT
FORM X-17A-5**

PART III

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 There under**

REPORT FOR THE PERIOD BEGINNING January 1, 2004 AND ENDING December 31, 2004
MM/DD/YY MM/DD/YY



SEC FILE NUMBER

~~8-31105~~ 8-65867

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Windsor Group, LLC

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

12010 Sunset Hills Road, Suite 700

(No. and Street)

Reston

(City)

Virginia

(State)

20190

(Zip Code)

OFFICIAL USE ONLY

FIRM ID. NO

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

J. Richard Knop

703-471-3850

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

McGladrey & Pullen, LLP

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

6701 Democracy Boulevard, Suite 600

(Address)

Bethesda

(City)

Maryland

(State)

20817

(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 29 2005

**THOMSON
FINANCIAL**

FOR OFFICIAL USE ONLY

* 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)

Handwritten mark

Handwritten: 3/16 st

Windsor Group, LLC

Statement Of Financial Condition
December 31, 2004



Contents

Independent Auditor's Report	1
Financial Statement	
Statement Of Financial Condition	2
Notes To Statement Of Financial Condition	3 - 4

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Members
Windsor Group, LLC
Reston, Virginia

We have audited the accompanying statement of financial condition of Windsor Group, LLC (the Company) as of December 31, 2004 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Windsor Group, LLC as of December 31, 2004 in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

Bethesda, Maryland
February 4, 2005

Windsor Group, LLC

Statement Of Financial Condition
December 31, 2004

Assets

Cash	\$	20,942
Accounts Receivable		4,832,301
	\$	<u>4,853,243</u>

Liabilities And Members' Equity

Members' Equity	\$	<u>4,853,243</u>
-----------------	----	------------------

See Notes To Statement Of Financial Condition.

Windsor Group, LLC

Notes To Statement Of Financial Condition

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Windsor Group, LLC (the Company), was incorporated in the Commonwealth of Virginia on April 13, 2000, and manages sell-side engagements for individual corporations and business owners as well as divestitures of corporate assets and divisions. The Company also assists strategic and financial acquirers and investors, as well as management teams seeking to execute a Management Buy-Out (MBO), in executing their growth strategies. Operations of the Company primarily commenced in 2003. The Company is registered as a broker-dealer pursuant to the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. (NASD) with clients throughout the United States and Canada.

A summary of the Company's significant accounting policies follows:

Basis of accounting: The Company operates under the exemptive provisions of paragraph (k)(2)(i) of rule 15c3-3 of the Securities and Exchange Commission (SEC) which provides that the Company carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with his activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers.

Revenue recognition: The Company recognizes revenue from merger and acquisition fees upon completion of the transaction.

Income taxes: The Company is treated as a partnership for Federal income tax purposes. Accordingly, Federal income taxes are not payable by, or provided for, by the Company. The Company's net income or loss is allocated among the members in accordance with the operating agreement of the Company.

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.

Financial risk: The Company, at times, has cash in banking institutions in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC). The Company has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Note 2. Related Party Transactions

An affiliated company, Windsor Advisory Services, LLC, provides the Company certain operational and administrative services, such as occupancy, personnel, travel, and insurance costs for which the Company pays a management fee. The management fee is negotiated annually between the Company and the affiliated company. The management fee paid to the affiliated company totaled \$3,347,892 for the years ended December 31, 2004.

Note 3. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's Uniform net Capital Rule (rule 15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The rule also requires that equity capital may not be withdrawn or cash dividends paid if the ratio of aggregate indebtedness to net capital exceeds 10 to 1. At December 31, 2004, the Company had net capital of \$20,942, which was \$15,942 in excess of required net capital of \$5,000. The Company ratio of aggregate indebtedness to net capital ratio was 0 to 1 at December 31, 2004.

Notes To Statement Of Financial Condition

Note 4. Subsequent Event

On January 5, 2005, the members of the Company and the stockholders of Windsor Advisory Services, LLC, entered into an agreement whereby the membership interest in the Company along with the assets of Windsor Advisory Services were sold to an unaffiliated third party.