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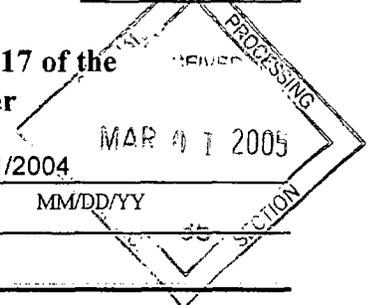
**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE
a- 48454

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 01/01/2004 AND ENDING 12/31/2004  
MM/DD/YY MM/DD/YY



**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Wayland Partners, Ltd.

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

(No. and Street)

19 Pine Needle Road, Wayland, MA 01778

(City)

(State)

(Zip Code)

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

Mr. Paul Rosenbaum

(508) 653-1000

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Sullivan Shuman & Freedberg LLC

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

Three Tech Circle, P.O. Box 3030, Natick, MA 01760

(Address)

(City)

PROCESSED

(State)

(Zip Code)

MAR 23 2005

THOMSON FINANCIAL

CHECK ONE:

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

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)

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 initials and date 3/17

OATH OR AFFIRMATION

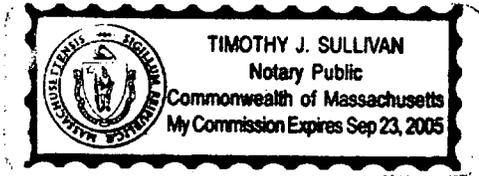
I, Paul Rosenbaum, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Wayland Partners, Ltd, as of December 31, 20 04, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
Signature

MANAGING PARTNER  
Title

[Signature]  
Notary Public



This report \*\* contains (check all applicable boxes):

- X (a) Facing Page.
- X (b) Statement of Financial Condition.
- X (c) Statement of Income (Loss).
- X (d) Statement of Changes in Cash Flows.
- X (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- X (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- X (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.
- X (l) An Oath or Affirmation.
- (in) 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.
- X (o) Independent Auditors report on internal accounting control.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

WAYLAND PARTNERS LTD.

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2004

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SULLIVAN SHUMAN FREEDBERG

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INDEPENDENT AUDITORS' REPORT

THE BOARD OF DIRECTORS AND STOCKHOLDER  
WAYLAND PARTNERS LTD.  
WAYLAND, MASSACHUSETTS

We have audited the accompanying statement of financial condition of Wayland Partners Ltd. as of December 31, 2004, and the related statements of operations, stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the 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 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 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 Wayland Partners Ltd. 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.

*Sullivan Shuman & Freedberg LLC*

January 25, 2005

WAYLAND PARTNERS LTD.  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2004

ASSETS

CASH	\$ 63,096
ACCOUNTS RECEIVABLE	48,292
SECURITIES OWNED - Not readily marketable, at estimated market value	75,300
EQUIPMENT, at cost less accumulated depreciation of \$14,240	<u>2,991</u>
	<u>\$ 189,679</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

ACCRUED EXPENSES	<u>\$ 4,384</u>
STOCKHOLDER'S EQUITY:	
Common stock, no par value, 1,000 shares authorized, 100 shares issued and outstanding	14,106
Retained earnings	<u>171,189</u>
TOTAL STOCKHOLDER'S EQUITY	<u>185,295</u>
	<u>\$ 189,679</u>

The accompanying notes are an integral part of the financial statements.

WAYLAND PARTNERS LTD.  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2004

REVENUES:	
Commissions and fee income	\$ 82,430
Investment income	249
	<hr/>
	82,679
	<hr/>
INVESTMENT LOSS	6,000
	<hr/>
OPERATING EXPENSES	15,855
	<hr/>
NET INCOME	\$ 60,824
	<hr/>

The accompanying notes are an integral part of the financial statements.

WAYLAND PARTNERS LTD.  
STATEMENT OF STOCKHOLDER'S EQUITY  
YEAR ENDED DECEMBER 31, 2004

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
BALANCE, December 31, 2003	\$ 14,060	\$ 110,365	\$ 124,425
CAPITAL CONTRIBUTIONS	46	-	46
NET INCOME	-	60,824	60,824
BALANCE, December 31, 2004	<u>\$ 14,106</u>	<u>\$ 171,189</u>	<u>\$ 185,295</u>

The accompanying notes are an integral part of the financial statements.

WAYLAND PARTNERS LTD.  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2004

OPERATING ACTIVITIES:

Net income	\$ 60,824
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	950
Realized loss on not readily marketable securities	6,000
Changes in operating assets and liabilities:	
Accounts receivable	(48,292)
Accrued expenses	773
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>20,255</u>
FINANCING ACTIVITIES -	
Proceeds from capital contributions	<u>46</u>
NET INCREASE IN CASH	20,301
CASH, beginning of year	<u>42,795</u>
CASH, end of year	<u>\$ 63,096</u>

The accompanying notes are an integral part of the financial statements.

WAYLAND PARTNERS LTD.  
NOTES TO FINANCIAL STATEMENTS

A. Line of Business:

Wayland Partners Ltd. (the Company) provides consulting services to businesses in need of assistance with raising capital. The Company is a registered securities broker-dealer. The Company does not hold funds or securities for the accounts of its customers and thus claims an exemption from the requirements of Securities and Exchange Commission Rule 15(c)3-3.

B. Summary of Significant Accounting Policies:

Securities Owned:

Securities consist of common stock and preferred stock of nonpublic corporations and warrants held by the Company, all of which are not readily marketable. These securities are carried at cost, which approximates estimated fair value as determined by management.

Equipment:

Equipment is stated at cost and consists primarily of office and computer equipment. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. The estimated useful lives of these assets are three to seven years.

Use 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 statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Taxes on Income:

The Company has elected to be treated as an S-Corporation for both federal and state tax purposes whereby the stockholder reports all income and losses on his individual tax return. Accordingly, no taxes on income have been provided.

D. Subordinated Liabilities:

The Company did not have any subordinated liabilities at any time during the year.

WAYLAND PARTNERS LTD.  
NOTES TO FINANCIAL STATEMENTS

E. Net Capital Requirement under Rule 15(c)3-1:

The Company's net capital as calculated under the Uniform Net Capital Rule (Rule 15(c)3-1) is as follows:

Stockholder's equity as of December 31, 2004	\$ 185,295
Less:	
Accounts receivable	48,292
Equipment	2,991
Haircuts:	
Securities not readily marketable	<u>75,300</u>
Net capital as of December 31, 2004	<u>\$ 58,712</u>
Minimum required	<u>\$ 5,000</u>

Following is a reconciliation of the Company's net capital as calculated above to that shown on the Company's December 31, 2004 unaudited Part II of Form X-17-A-5 filed previously:

Net capital as reported on Part II of Form X-17-A-5	\$ 64,333
Correction to paid in capital	(243)
Correction to accumulated depreciation	(1,449)
Correction to haircuts on securities	(3,000)
Correction to retained earnings balance	21
Record depreciation expense	<u>(950)</u>
Net capital as above	<u>\$ 58,712</u>

F. Supplemental Cash Flow Information:

During 2004 \$456 was expended on taxes.

THE BOARD OF DIRECTORS AND STOCKHOLDER  
WAYLAND PARTNERS LTD.  
WAYLAND, MASSACHUSETTS

In planning and performing our audit of the financial statements of Wayland Partners Ltd. for the year ended December 31, 2004, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (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 (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive positions of Rule 15(c)3-3. 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 the 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 the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, errors 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 errors 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, including internal control activities for safeguarding securities, that we consider to be material weakness 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 purpose 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 is intended solely for information and use of the Board of Directors, management, the SEC, the NASD, 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.

*Sullivan Shuman + Freeberg LLC*

January 25, 2005