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UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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

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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: Old Name: Ruane Cunniff, LLC

N.Y. RUANE, CUNNIFF & GOLDFARB LLC

OFFICIAL USE ONLY FIRM ID. NO

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

767 FIFTH AVENUE SUITE 4701 (No. and Street)

NEW YORK NEW YORK 10153-4798 (City) (State) (Zip Code)

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

JOSEPH QUINONES, JR (212) 832-5280 (Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

PRICEWATERHOUSECOOPERS LLP

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

300 MADISON AVENUE NEW YORK NEW YORK 10017 (Address) (City) (State) (Zip Code)

CHECK ONE:

- [x] 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)

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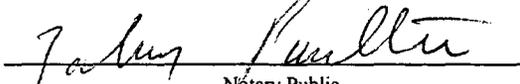
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OATH OR AFFIRMATION

I, **JOSEPH QUINONES**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **RUANE, CUNNIFF & GOLDFARB LLC**, as of **DECEMBER 31, 2004**, are true and correct. I further swear (or affirm) that neither the company nor any partner, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_ None \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ZAHRA PAULTRE  
Notary Public, State of New York  
No. 01PA6004783  
Qualified in Queens County  
Commission Expires March 30, 2006

  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Signature  
**TREASURER**  
\_\_\_\_\_  
Title

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

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (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 Under 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.
- (o) Independent Auditor's Report on Internal Control

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

**Ruane, Cunniff & Goldfarb LLC**  
Statement of Financial Condition and  
Independent Auditor's Report on Internal Control  
December 31, 2004

PricewaterhouseCoopers LLP  
PricewaterhouseCoopers Center  
300 Madison Avenue  
New York NY 10017  
Telephone (646) 471 3000  
Facsimile (813) 286 6000

**Report of Independent Auditors**

To the Member of  
Ruane, Cunniff & Goldfarb LLC

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Ruane, Cunniff & Goldfarb LLC at December 31, 2004, in conformity with accounting principles generally accepted in the United States of America. 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 of this statement 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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

*PricewaterhouseCoopers LLP*

February 23, 2005

**Ruane, Cunniff & Goldfarb LLC**  
**Statement of Financial Condition**  
**December 31, 2004**

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<b>Assets</b>	
Cash and cash equivalents	\$ 347,116
Securities owned (Note 2)	2,001,317
Due from clearing broker	38,605
Other assets	149,545
Total assets	<u>\$ 2,536,583</u>
<b>Liabilities and Member's Equity</b>	
Accrued expenses	\$ 137,731
Total liabilities	<u>137,731</u>
Member's equity	<u>2,398,852</u>
Total liabilities and member's equity	<u>\$ 2,536,583</u>

The accompanying notes are an integral part of this financial statement.

**Ruane, Cunniff & Goldfarb LLC**  
**Notes to Financial Statement**  
**December 31, 2004**

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**1. Nature of Business and Significant Accounting Policies**

**Nature of Business**

Ruane, Cunniff & Goldfarb LLC ("the Company"), formerly known as Ruane Cunniff, LLC, is a Limited Liability Company formed on December 3, 2003, pursuant to the Laws of the State of Delaware to engage in the general business of a broker or dealer in securities, and commenced operations on January 1, 2004. The Company is a wholly owned subsidiary of Ruane, Cunniff & Goldfarb Inc. ("the Parent"), a registered investment adviser under the Investment Advisers Act of 1940.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmit all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by the clearing broker/dealer.

**Significant Accounting Policies**

A summary of significant accounting policies follows:

**Cash and Cash Equivalents**

Cash equivalents include money market instruments and other highly liquid investments with original maturities of three months or less. Cash equivalents are stated at cost which approximates market value.

**Investments**

Investments in securities include short-term U.S. Government obligations valued at amortized cost, investments in equity securities reported at fair value, and investments in mutual funds valued at the funds' quoted net asset value. Therefore, the Company recognizes realized and unrealized appreciation or depreciation in income.

**Income Taxes**

The Company is a single member limited liability company and is treated as a Partnership for federal income tax purposes. As such, the member is responsible for its respective tax liability, if any, related to its share of the income and expenses of the Company. Accordingly, the Company's financial statements include no provision for income taxes.

**Accounting 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.

**Ruane, Cunniff & Goldfarb LLC**  
**Notes to Financial Statement**  
**December 31, 2004**

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**2. Securities Owned**

Securities owned at quoted market value as of December 31, 2004 are summarized as follows:

Short-term U.S. Government obligations	\$ 1,527,320
Investment in equity securities	68,300
Investment in money market funds	405,697
	<u>\$ 2,001,317</u>

**3. Member's Equity**

**Capital Contributions**

The initial capital of the Company was \$500,000, all of which was contributed by the Parent. The Company may accept additional contributions or loans from other persons upon written consent of the Parent.

**Withdrawals**

Members may withdraw all or any part of the capital upon written consent of the Parent and if such withdrawal is in compliance with requirements of regulatory authorities.

**4. Commitments and Contingencies**

In the normal course of business, the Company may enter into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these agreements is unknown as this involves potential future claims against the Company. However, the Company expects the risk of loss to be remote.

**5. 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 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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2004, the Company had net capital of \$2,167,201 which was \$2,067,201 in excess of its required net capital of \$100,000. The Company's ratio of aggregate indebtedness to net capital was .06 to 1 at December 31, 2004.

**6. Related Party Transactions**

Rent for office space, charges for employees' salaries, and equipment usage are paid to the Parent at rates agreed.

**7. Financial Instruments with Off-Balance-Sheet Credit Risk**

As discussed in Note 1, the Company's customers securities transactions are introduced on a fully disclosed basis with its clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers of the Company and is responsible for custody, collection of and payment of funds, and receipt and delivery of securities relative to customer transactions. Off-balance-sheet risk exists with respect to these transactions due to the possibility that customers may be unable to fulfill their contractual commitments wherein the clearing broker/dealer may charge any losses it incurs to the Company. The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers and that customer transactions are processed properly by the clearing broker/dealer.

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To the Member of  
Ruane, Cunniff & Goldfarb LLC  
New York, New York

In planning and performing our audit of the financial statement and supplemental schedule of Ruane, Cunniff & Goldfarb LLC (the "Company") 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 statement 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 compliance with such practices and procedures, that we considered relevant to the objectives stated in Rule 17a-5(g) in the following:

1. Making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11); and
2. 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 the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13;
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation I of the Board of Governors of the Federal Reserve System; and
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3;

