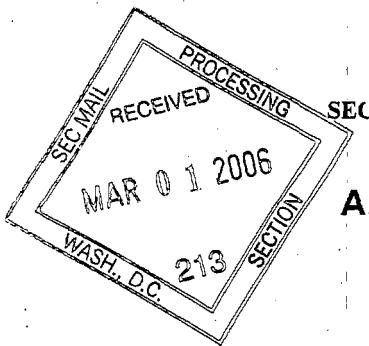




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Washington, D.C. 20549

MISSION

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

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

SEC FILE NUMBER
8- 52393

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 01/01/05 AND ENDING 12/31/05
MM/DD/YY MM/DD/YY**A. REGISTRANT IDENTIFICATION**NAME OF BROKER-DEALER: UNIVEST, INC.

OFFICIAL USE ONLY

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

FIRM I.D. NO.

112 LAKE STREET, Ste. 204

(No. and Street)

Kirkland

(City)

WA

(State)

98033

(Zip Code)

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

Anne Prewitt425 576-9170

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Farrell & Co., P.S.

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

17 Central Way

(Address)

Kirkland

(City)

WA

(State)

98033

(Zip Code)

CHECK ONE:

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

PROCESSED

JUN 06 2006

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)

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.

mr
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OATH OR AFFIRMATION

I, William Teude, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Univest, Inc., as of December 31, 20 05, 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

President

Title

Kawth Sangi 2-27-06
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 15c3-1 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).

INDEPENDENT AUDITORS' REPORT

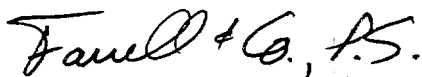
Board of Directors
Univest, Inc.
Kirkland, Washington

We have audited the accompanying statement of financial condition of Univest, Inc. as of December 31, 2005, and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended 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 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 Univest, Inc. as of December 31, 2005, 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 Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. 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.



Farrell & Co., P.S.
Kirkland, Washington
February 27, 2006

UNIVEST, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2005

ASSETS:

Cash and cash equivalents	\$ 3,931
Certificates of deposit	16,019
Commissions receivable, no allowance for doubtful accounts is considered necessary	280,502
Automobile, furniture and equipment, net of accumulated depreciation of \$18,242	<u>35,637</u>
TOTAL ASSETS	<u>\$336,089</u>

LIABILITIES AND STOCKHOLDER'S EQUITY:

Accounts payable and accrued expenses	\$ 3,180
Stockholder's Equity:	
Common stock, authorized 50,000 shares, issued and outstanding 1,000 shares	10,000
Additional paid in capital	13,100
Retained earnings	<u>309,809</u>
Total stockholder's equity	<u>332,909</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$336,089</u>

UNIVEST, INC.
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2005

REVENUES:

Commissions	\$316,387
Interest	<u>447</u>

Total Revenues	316,834
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EXPENSES:

Payroll	43,494
Rent	23,050
General and administrative	<u>111,594</u>

Total Expenses	<u>178,138</u>
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NET INCOME	<u>\$138,696</u>
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UNIVEST, INC.**STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY**
YEAR ENDED DECEMBER 31, 2005

COMMON STOCK:

Balance, beginning of year	\$10,000
Shares issued	<u>-</u>
Balance, end of year	<u>\$10,000</u>

ADDITIONAL PAID IN CAPITAL:

Balance, beginning of year	\$13,100
Stockholder investment	<u>-</u>
Balance, end of year	<u>\$13,100</u>

RETAINED EARNINGS (DEFICIT):

Balance, beginning of year	\$117,284
Shareholder contributions, net	53,829
Net income	<u>138,696</u>
Balance, end of year	<u>\$309,809</u>

UNIVEST, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2005

OPERATING ACTIVITIES:

Net Income	\$138,696
Adjustments to reconcile net income to net cash used by operating activities:	
Depreciation	11,358
Cash used by change in operating activity:	
Commissions receivable	(224,429)
Accrued interest receivable	270
Deposit	2,000
Accounts payable and accrued expenses	<u>(42,257)</u>
Cash used by operating activities	(114,362)

INVESTING ACTIVITIES:

Purchase of furniture and equipment	(2,946)
Investment in certificates of deposit	(16,019)
Sale of certificate of deposits	<u>15,302</u>
Cash used by investing activities	(3,663)

FINANCING ACTIVITY:

Contributions from shareholder	<u>53,829</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS (64,196)

CASH AND CASH EQUIVALENTS:

Beginning of year	<u>68,127</u>
End of year	<u>\$ 3,931</u>

UNIVEST, INC.
NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2005

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of business: Univest, Inc. (the Company) is a broker-dealer registered with the Securities and Exchange Commission and is a member of the National Association of Securities Dealers. The Company is a Washington Corporation.

Management estimates and assumptions: Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses.

Cash and cash equivalents: The Company considers all short term investments with an original maturity of three months or less to be cash equivalents.

Allowance for doubtful accounts: The allowance for doubtful accounts is determined using the reserve method.

Automobile, furniture and equipment: The automobile, furniture and equipment are stated at cost and depreciated over the estimated useful lives of the assets of five years, using the straight-line method.

Security transactions: The Company had no security transactions during the year ended December 31, 2005 nor did the Company transact or hold funds or securities for, or owe money or securities to customers.

Federal income taxes: The Company is an S corporation; accordingly, the shareholder is responsible for the payment of taxes on the Company's taxable income.

NOTE 2: NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The Company is also required by NASD to maintain a minimum net capital of \$5,000. At December 31, 2005 the Company had net capital of \$16,770, which was \$11,770 in excess of its required net capital of \$5,000. The Company's net capital was in excess of the amount required under the 15 to 1 ratio of aggregate indebtedness to net capital.

NOTE 3: CONCENTRATIONS OF RISK

Substantially all of the Company's commissions and are earned from the sale of secured interest bearing debt securities from three entities. The Company's owner has a 25% ownership interest in each of these entities; however, he does not participate in their management.

Schedule I

Univest, Inc.
Computation of Net Capital Under Rule 15c3-1 of
the Securities and Exchange Commission
As of December 31, 2005

	As filed in Part II Focus Report (unaudited)	Difference	Amount based on audit report
Net capital:			
Total stockholder's equity	\$332,909		\$332,909
Less nonallowable assets			
Commissions receivable, net	280,502		280,502
Equipment, net	<u>35,637</u>	<u>-</u>	<u>35,637</u>
Net capital	<u>\$ 16,770</u>	<u>\$ -</u>	<u>\$ 16,770</u>
Total aggregate indebtedness	<u>\$3,180</u>	<u>\$ -</u>	<u>\$3,180</u>
Minimum net capital required*	<u>\$212</u>	<u>\$ -</u>	<u>\$212</u>
Net capital requirement	<u>\$5,000</u>	<u>\$ -</u>	<u>\$5,000</u>
Excess net capital	<u>\$11,770</u>	<u>\$ -</u>	<u>\$11,770</u>

- Minimum per Rule 15c3-1

Schedule II

Univest, Inc. Other Required Schedules As of December 31, 2005

The Company is exempt from the provisions of Rule 15c3-3 under paragraph (k)(2)(1) of the Rule because the Company does not carry margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers.

**Report of Independent Accountants on Internal Control Required
By SEC Rule 17a-5**

Board of Directors
Univest, Inc.

In planning and performing our audit of the financial statements and supplemental schedules of Univest, Inc. (the Company), for the year ended December 31, 2005, 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 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 security 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 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.

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 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, including control activities 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 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, 2005, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the National Association of Security Dealers, Inc., 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.

Farrell & Co., P.S.

Farrell & Co., P.S.
Kirkland, Washington
February 27, 2006