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Washington, D.C. 20549

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PART III
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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 01/01/2012 AND ENDING 12/31/2012
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Financial Advisers of America, LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

1930 Palomar Point Way, Suite 104

(No. and Street)

Carlsbad

CA

92008

(City)

(State)

(Zip Code)

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

Todd Pack

760-444-6300

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Elizabeth Tractenberg, CPA

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

3832 Shannon Road,

Los Angeles

CA

90027

(Address)

(City)

(State)

(Zip Code)

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)

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Handwritten signature

OATH OR AFFIRMATION

I, Todd Pack, 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 Advisers of America, LLC, as of December 31, 2012, 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:

None

Todd A Pack Signature

President, COO, CEO Title

Nicholas J Mezin Notary Public 3-1-2013

NICHOLAS J. MEZIN NOTARY PUBLIC - MICHIGAN MACOMB COUNTY ACTING IN THE COUNTY OF MACOMB MY COMMISSION EXPIRES 05-28-2015



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).

Financial Advisers of America, LLC

Report Pursuant to Rule 17a-5 (d)

Financial Statements

For the Year Ended December 31, 2012

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PCAOB # 3621

Report of Independent Auditor

To the Members
Financial Advisers of America, LLC
Carlsbad, CA

Report on the Financial Statements

I have audited the accompanying statement of financial condition of Financial Advisers of America, LLC as of December 31, 2012 and related statements of income, changes in members' equity, and changes in financial condition for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements. These financial statements are the responsibility of Financial Advisers of America, LLC's management.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

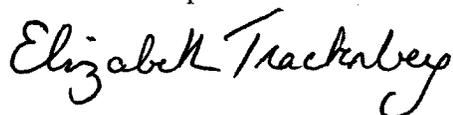
To the Members
Financial Advisers of America, LLC
Page 2

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Financial Advisers of America, LLC as of December 31, 2012, and the results of its operations and its changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

My 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, II and III 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 and Exchange Act of 1934. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information in Schedules I, II and III has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information in Schedules I, II and III is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Elizabeth Tractenberg".

Elizabeth Tractenberg, CPA
Los Angeles, CA
February 21, 2013

Financial Advisers of America, LLC
Statement of Financial Condition
December 31, 2012

Assets

Cash and equivalent	\$ 753,584
Receivable from clearing broker	240,093
Commissions receivable	295,620
Other receivables	13,165
Clearing broker and DTC deposit	80,000
Prepaid expenses	39,943
Furniture, fixtures and equipment net of accumulated depreciation of \$59,259	<u>2,441</u>
Total Assets	<u>\$ 1,424,846</u>

Liabilities and Members' Equity

Liabilities

Commissions payable	\$ 687,147
Due to clearing broker	19,548
Accrued expenses	<u>92,857</u>
Total Liabilities	799,552
Members' Equity	<u>625,294</u>
Total Liabilities and Members' Equity	<u>\$ 1,424,846</u>

See Accompanying Notes to Financial Statements

Financial Advisers of America, LLC
Statement of Income (Loss)
For the Year Ended December 31, 2012

Revenues	
Commission income	\$ 7,944,224
Broker commission revenue	1,924,666
Managed fee revenue	1,948,560
RIA supervisory fee	37,236
Other income	<u>542,874</u>
Total Revenues	<u>12,397,560</u>
Operating Expenses	
Commissions expense	10,620,289
Clearing fees	311,011
Conference expense	90,204
Depreciation	17,482
Finra dispute	9,150
Insurance	146,475
Internet expense	10,716
IT expense	182,348
Marketing and promotion	13,070
Office expense	80,701
Payroll and related expenses	1,010,866
Postage and delivery	14,055
Professional fees	221,634
Recruiting	9,999
Regulatory fees	110,929
Rent	117,665
Telephone	15,117
Training and education	43,286
Travel and entertainment	96,613
Utilities	38,619
Website	2,071
All other and prior year adjustment	22,065
Expense reimbursement	<u>(771,909)</u>
Total Operating Expenses	<u>12,412,456</u>
Income (Loss) Before Income Tax Provision	(14,896)
Income Tax Provision	<u>12,590</u>
Net Income (Loss)	<u>\$ (27,486)</u>

See Accompanying Notes to Financial Statements

Financial Advisers of America, LLC
Statement of Changes in Members' Equity
For the Year Ended December 31, 2012

	<u>Total</u>
Members' equity, December 31, 2011	\$ 652,780
Members' contribution	-
Net Income (loss)	<u>(27,486)</u>
Balance, December 31, 2012	<u>\$ 625,294</u>

See Accompanying Notes to Financial Statements

Financial Advisers of America, LLC
Statement of Changes in Financial Condition
December 31, 2012

Cash Flows from Operating Activities:	
Net income (loss)	\$ (27,486)
Depreciation	17,482
Changes in operating assets and liabilities:	
Receivable from clearing broker	206
Commissions receivable	(32,113)
Other receivables	8,456
Prepaid expenses	3,568
Commissions payable	136,794
Due to clearing broker	19,548
Accrued expenses	<u>56,051</u>
Net cash used in operating activities	182,506
Cash Flows for Investing Activities:	
Purchases of property and equipment	<u>(4,838)</u>
Net Cash Used in Investing Activities	<u>(4,838)</u>
Cash Flows from Financing Activities:	
Net increase in cash	177,668
Cash at beginning of year	<u>575,916</u>
Cash at end of year	<u>\$ 753,584</u>
<u>SUPPLEMENTAL INFORMATION</u>	
Interest paid	<u>\$ -</u>
Income taxes paid	<u>\$ 12,590</u>

See Accompanying Notes to Financial Statements

Financial Advisers of America, LLC
Notes to Financial Statements
December 31, 2012

Note 1 – Organization and Nature of Business

Financial Advisers of America, LLC (the "Company") was incorporated in the State of California on June 23, 2006 under the name of Independent Financial Advisers of America, LLC. Subsequently, on September 29, 2006 the Company's name was changed to Financial Advisers of America, LLC. It was changed again on May 24, 2007 to Financial Advisers of America, LLC. The Company is a registered broker-dealer with the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC").

Note 2 – Significant Accounting Policies

Basis of Presentation – The Company conducts the following types of business as a securities broker-dealer, which comprises several classes of services, including:

- Broker or dealer retailing corporate equity securities over-the-counter
- Broker or dealer selling corporate debt securities
- Mutual fund retailer
- U.S. government securities broker
- Municipal securities dealer
- Municipal securities broker
- Broker or dealer selling variable life insurance or annuities
- Broker or dealer selling oil and gas interest
- Put and call broker or dealer or option writer
- Investment advisory services
- Broker or dealer selling tax shelters or limited partnerships in primary distributions
- Broker or dealer selling tax shelters or limited partnerships in the secondary market
- Private placements of securities

Under its membership agreement with FINRA and pursuant to Rule 15c3-3 (k) (2) (ii), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Use of Estimates - The preparation of financial statements in conformity with U.S. 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.

Commissions - Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur.

Financial Advisers of America, LLC
Notes to Financial Statements
December 31, 2012

Note 2 – Significant Accounting Policies (continued)

Investment Advisory Income – Investment advisory fees are received quarterly but are recognized as earned on a pro rate basis over the term of the contract.

Securities Transactions – Proprietary securities transactions, commission revenue and related expenses are recorded on a settlement date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net on the statement of financial condition.

Income Taxes - The Company, with consent of its Members, has elected to be a California Limited Liability Company. For tax purposes the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company's taxable income. Therefore, no provision or liability for Federal Income Taxes is included in these financial statements. The State of California has a similar treatment, although there exists a provision for a gross receipts tax and a minimum Franchise Tax of \$800.

Depreciation - Property and equipment are recorded at cost. Depreciation is computed using the straight line method over the estimated useful lives of the assets, currently five to seven years. Repairs and maintenance costs are expensed as incurred and expenditures for additions and major improvements are capitalized.

Statement of Changes in Financial Condition - The Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business.

Note 3 – Fair Value

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.

Financial Advisers of America, LLC
Notes to Financial Statements
December 31, 2012

Note 3 – Fair Value (continued)

- Level 3 inputs are unobservable inputs for the asset or liability and rely on management’s own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company’s own data.)

The following table presents the Company’s fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2012.

Fair Value Measurements on a Recurring Basis
As of December 31, 2012

	Level 1	Level 2	Level 3	Total
Assets				
Cash	\$753,584	\$ -	\$ -	\$753,584
Clearing deposits	<u>80,000</u>			<u>80,000</u>
Total	<u>\$833,584</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$833,584</u>

Note 4 – Receivable From and Payable to Broker-Dealers and Clearing Organizations

Amounts receivable from and payable to broker-dealers and clearing organizations at December 31, 2012, consist of the following:

	Receivable	Payable
Fees and commissions receivable/payable	\$240,093	\$19,548

The Company clears certain of its proprietary and customer transactions through another broker-dealer on a fully disclosed basis.

Note 5 – Concentration of Credit Risk

The Company is engaged in various trading and brokerage activities in which counter-parties primarily include broker-dealers, banks, and other financial institutions. In the event counter-parties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counter-party or issuer of the instrument. It is the Company’s policy to review, as necessary, the credit standing of each counter-party.

Financial Advisers of America, LLC
Notes to Financial Statements
December 31, 2012

Note 6 – Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (SEC 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. 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, 2012, the Company had net capital of \$394,871 which was \$294,871 in excess of its required net capital of \$100,000. The Company's net capital ratio was 2.02 to 1.

Note 7 – Income Taxes

The Company is subject to a limited liability company gross receipts tax, with a minimum provision of \$800. For the year ended December 31, 2012, the Company recorded the minimum liability company income tax of \$800 and gross receipts tax of \$11,790.

Note 8 – Clearing Broker Deposit

The Company has an agreement with two clearing brokers which requires a minimum deposit of \$75,000 and \$5,000 respectively.

Note 9 – Operating Lease Commitments

The Company leases office space under a non-cancellable operating lease expiring June 1, 2016. The Company subleases a portion of the office space.

At December 31, 2012, future minimum lease payments under this agreement were as follows:

2013	\$124,167
2014	127,822
2015	131,559
2016	<u>100,912</u>
	<u>\$484,460</u>

The Company paid \$117,665 rent during the year ending December 31, 2012.

Financial Advisers of America, LLC
Notes to Financial Statements
December 31, 2012

Note 10 – Off Balance Sheet Risks

The 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 execution, collection and payment of funds, and receipt and delivery of securities relative to customers' transactions. If securities are purchased on margin and the customer funds are not adequate to meet the obligations, the Company may be liable for the negative balance in the account. Off balance-sheet risk exists with respect to these transactions if the customer purchases securities on a margin account and is unable to meet its commitment. The Company seeks to minimize this risk through procedures designed to monitor the credit worthiness of its customers and to ensure that customer transactions are executed properly by the clearing broker-dealer.

The Company maintains cash in bank deposit accounts, which at times may exceed federally insured limits.

Note 11 – Litigation

A complaint has been filed against the Company alleging breach of fiduciary duty relating to current representative. The representative was not registered with the Company at the time of the sale of certain private investments. However, the Company has been named in the suit. Management intends to vigorously defend itself. The Company has E&O coverage eligible on the suit with a maximum exposure of \$80,000. There exists two additional cases against the Company that are currently in negotiation and a Motion to Dismiss has been filed. Maximum exposure to the firm has been reported as a contingent liability of a total \$138,850. [See Note 13 Subsequent Events]

Note 12 – Exemption from the SEC Rule 15c3-3

The Company is an introducing broker-dealer that clears all transactions with and for customers on a fully disclosed basis with an independent securities clearing company and promptly transmits all customer funds and securities to the clearing company, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of the SEC Rule 17a-3 and 17a-4, as are customarily made and kept by a clearing broker or dealer.

Note 13 – Subsequent Events

Management has reviewed the results of operations for the period of time from its year end December 31, 2012 through February 7, 2013, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying combined financial statements. The subsequent events of reported potential litigation are as such; one case was dismissed and a final settlement amount of \$40,000 was paid.

Financial Advisers of America, LLC
Schedule 1 - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
December 31, 2012

Computation of Net Capital

Total ownership equity from statement of financial condition		\$ 625,294
Nonallowable assets:		
Other receivables	\$ 136,874	
Other assets	53,108	
Furniture, fixtures and equipment net of accumulated depreciation of \$250	2,441	(192,423)
Haircuts		(38,000)
Net Capital		\$ 394,871

Computation of Net Capital Requirements

Minimum net aggregate indebtedness - 6-2/3% of net aggregate indebtedness		\$ <u>53,304</u>
Minimum dollar net capital required		\$ <u>100,000</u>
Net Capital required (greater of above amounts)		\$ <u>100,000</u>
Excess Capital		\$ <u>294,871</u>

Excess net capital at 1000% (net capital less 10% of aggregate indebtedness) \$ 314,915

Computation of Aggregate Indebtedness

Total liabilities		\$ <u>799,552</u>
Aggregate indebtedness to net capital		2.02

The following is a reconciliation of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):

Net Capital Per Company's Computation		\$ 394,869
Variance -		
Rounding		2
Net Capital Per Audited Report		\$ <u>394,871</u>

See Accompanying Notes to Financial Statements

Financial Advisers of America, LLC
Schedule II – Computation for Determination of Reserve
Requirements Pursuant to Rule 15c3-3
As of December 31, 2012

A computation of reserve requirement is not applicable to Financial Advisers of America, LLC as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (ii).

Financial Advisers of America, LLC
Schedule III – Information Relating to Possession or Control
Requirements under Rule 15c3-3
As of December 31, 2012

Information relating to possession or control requirements is not applicable to Financial Advisers of America, LLC as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (ii).

Elizabeth Tractenberg, CPA

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LOS ANGELES, CALIFORNIA 90027
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PCAOB # 3621

Part II

Report on Internal Control Required by SEC Rule 17a-5(g) (1) for a Broker-Dealer Claiming an Exemption from SEC Rule 15c3-3

Members

Financial Advisers of America, LLC
Carlsbad, California

In planning and performing my audit of the financial statements of Financial Advisers of America, LLC (the Company), as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g) (1) of the Securities and Exchange Commission (SEC), I have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that I 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, I did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and 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 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 previously 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 and the practices and procedures referred to above, error 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.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I 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 my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2012 to meet the SEC's objectives.

This report is intended solely for the information and use of the Members, management, the SEC, and FINRA, 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.



Elizabeth Tractenberg, CPA
Los Angeles, California
February 21, 2013

Elizabeth Tractenberg, CPA

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Part III

SIPC Supplemental Report Pursuant to SEC Rule 17a-5(e) (4)

Members

Financial Advisers of America, LLC
Carlsbad, California

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, I have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2012, which were agreed to by Financial Advisers of America, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, and SIPC, solely to assist you and the other specified parties in evaluating Financial Advisers of America, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7).

Financial Advisers of America, LLC's management is responsible for the Financial Advisers of America, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures I performed and my findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2012, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2012 noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 in the related schedules and working papers supporting the adjustments, noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

Members

Financial Advisers of America, LLC

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I was not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Elizabeth Tractenberg".

Elizabeth Tractenberg, CPA

Los Angeles, California

February 21, 2013