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

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

SEC FILE NUMBER 52819

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 Jan 1, 2004 AND ENDING Dec 31, 2004 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Sonenshine Pastor & Co.

OFFICIAL USE ONLY FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 400 Madison Avenue, 19th Floor

(No. and Street) New York, NY 10017 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Marshall Sonenshine 212-994-3330 (Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Stein de Visser & Muntz

(Name - if individual, state last, first, middle name) 29 West 38th St, 14th Floor New York, NY 10018 (Address) (City) (State) (Zip Code)

- CHECK ONE: [X] Certified Public Accountant [] Public Accountant [] Accountant not resident in United States or any of its possessions.

PROCESSED APR 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 initials/signature

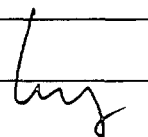
OATH OR AFFIRMATION

I, Marshall Sorenshine, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Sorenshine Pastor & Co., as of March 29, 2005, 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:

DANIELLE HREHA
NOTARY PUBLIC, STATE OF NEW YORK
No. 01HR6121685
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES JAN. 24, 2009



Notary Public



Signature
Managing Partner

Title

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 15c3-3 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.
- (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).

SONENSHINE PASTOR & CO., LLC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

SONENSHINE PASTOR & CO., LLC
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STEIN deVISSER & MINTZ, P.C.
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SARAH HALGRIMSON

INDEPENDENT AUDITORS' REPORT

To the Member of
Sonenshine Pastor & Co., LLC
400 Madison Avenue - 19th Floor
New York, NY 10017

We have audited the accompanying statement of financial condition of Sonenshine Pastor & Co., LLC as of December 31, 2004, and the related statements of operations, member's equity and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 Sonenshine Pastor & Co., LLC 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information 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 Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in our 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.

Stein de Visser & Mintz P.C.

March 29, 2005

SONENSHINE PASTOR & CO., LLC
STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2004

ASSETS

Cash	\$	462,347
Other assets		<u>3,527</u>
 TOTAL ASSETS	 \$	 <u>465,874</u>

LIABILITIES AND MEMBER'S CAPITAL

Accrued expenses		<u>5,190</u>
 TOTAL LIABILITIES		 5,190
 MEMBER'S CAPITAL		 <u>460,684</u>
 TOTAL LIABILITIES AND MEMBER'S CAPITAL	 \$	 <u>465,874</u>

See independent auditors' report and notes to financial statements.

SONENSHINE PASTOR & CO., LLC
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2004

Income:

Commissions income	\$ 436,014
Interest income	<u>156</u>

Total Income	\$436,170
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Expenses:

Office expenses	11,550
Professional fees	10,905
Other expenses	<u>3,051</u>

Total expenses	<u>25,506</u>
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NET INCOME	<u>\$410,664</u>
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See independent auditors' report and notes to financial statements.

SONENSHINE PASTOR & CO., LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2004

MEMBER'S EQUITY – December 31, 2003	(22,213)
NET INCOME	410,664
CAPITAL CONTRIBUTIONS	<u>72,233</u>
MEMBER'S EQUITY – December 31, 2004	<u>\$ 460,684</u>

See independent auditors' report and notes to financial statements.

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SONENSHINE PASTOR & CO., LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 410,664
Adjustments to reconcile net income to net cash provided by operating activities:	
(Increase)Decrease in:	
Other assets	(3,250)
Increase(Decrease) in:	
Accrued expenses	(50)
Due to affiliates	<u>(18,633)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	388,731
CASH FLOWS FROM FINANCING ACTIVITIES	
Capital contributions	<u>72,233</u>
NET INCREASE IN CASH	460,964
CASH AT BEGINNING OF YEAR	<u>1,383</u>
CASH AT END OF YEAR	<u>\$ 462,347</u>

See independent auditors' report and notes to financial statements.

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SONENSHINE PASTOR & CO., LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004

NOTE 1. ORGANIZATION

Sonenshine Pastor & Co., LLC (the "Company") was organized as a limited liability company under the laws of the State of Delaware and is a wholly owned subsidiary of Sonenshine Pastor Advisors, LLC ("Advisors"). The Company provides investment banking and corporate finance services to its clients.

The principal business activity of the Company is to provide advisory services to clients engaged in mergers and acquisitions, divestitures, buyouts and restructurings. The Company does not have any trading accounts, nor hold cash or securities for or on behalf of any customers or clients.

The Company is a registered securities broker-dealer with the Securities and Exchange Commission (the "SEC") and is a member of the National Association of Securities Dealers (the "NASD").

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents—The Company defines cash and cash equivalents as cash and short-term highly liquid investments having maturities of 90 days or less from their acquisition date.

Consulting Fees—Consulting fees and the related consulting fees receivable are recorded on an accrual basis. Consulting fees received in advance are deferred until earned.

Income Taxes—The Company is a single member limited liability company which is disregarded for Federal and New York State and City purposes. The income of the entity is reported by the single member on its tax return. Therefore, no provision for income taxes has been provided for by the Company.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Estimates, by their nature, are based on judgment and available information. Management believes that estimates utilized in preparation of the financial statements are prudent and reasonable. Actual results could differ materially from those estimates.

SONENSHINE PASTOR & CO., LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004

NOTE 3. NET CAPITAL REQUIREMENTS

The Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934, 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. At December 31, 2004, the Company had net capital of \$457,157, which was \$ 452,157 in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 0.01 to 1.

NOTE 4. RELATED PARTY TRANSACTIONS

The Company has entered into an Administrative Services Agreement (the "Agreement") with Advisors. Pursuant to the Agreement, the Company is obligated to pay Advisors \$1,000 per month representing the expenses incurred for the provision of facilities, goods and services to the Company. During the year ended December 31, 2004, the Company incurred \$12,000 in expenses relating to this agreement that were contributed as capital by Advisors.

Additionally, \$18,833 due to Advisors at December 31, 2003 was contributed as capital by Advisors during January 2004.

SONENSHINE PASTOR & CO., LLC
COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS PURSUANT TO
RULE 15c3-1 UNDER THE SECURITIES ACT OF 1934
FOR THE YEAR ENDED DECEMBER 31, 2004

COMPUTATION OF REGULATORY CAPITAL	
Total member's equity	<u>\$ 460,684</u>
NONALLOWABLE ASSETS:	
Other assets	<u>3,527</u>
Total nonallowable assets	<u>3,527</u>
NET CAPITAL	\$ 457,157
AGGREGATE INDEBTEDNESS	<u>\$ 5,190</u>
MINIMUM NET CAPITAL REQUIRED (the greater of \$5,000 or 6-2/3% of aggregate indebtedness)	<u>\$ 5,000</u>
CAPITAL IN EXCESS OF MINIMUM REQUIREMENTS	<u>\$ 452,157</u>
RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL	<u>1.13%</u>

There are no material differences between this computation of net capital and the corresponding computation prepared by the Company and included in its unaudited Part IIA Focus Report as of December 31, 2004.

See independent auditors' report and notes to financial statements.

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SONENSHINE PASTOR & CO., LLC
RESERVE AND POSSESSION OR CONTROL REQUIREMENTS UNDER RULE 15c3-3
AS OF DECEMBER 31, 2004

The LLC does not clear or carry any customer accounts, nor is it holding any funds or securities owned by customers. Therefore, the requirement that there must be a reserve is not applicable in this case and the LLC has claimed an exemption from Rule 15c3-3 of the Securities and Exchange Commission under paragraph (k)(2)(i) of that rule.

See independent auditors' report and notes to financial statements.

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SARAH HALGRIMSON

**Supplementary Report of Independent Auditors
On Internal Control Required by Rule 17a-5**

The Member
Sonenshine Pastor & Co., LLC

In planning and performing our audit of the financial statements of Sonenshine Pastor & Co., LLC (the Company) for the year ended December 31, 2004, we considered its internal control, including control activities for safeguarding securities, 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 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 criteria stated in Rule 17a-5(g), in making the periodic computations of aggregate indebtedness 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 securities examinations, counts, verifications and comparisons,
2. Recordation of differences required by Rule 17a-13, and
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 internal 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 criteria. Two of the criteria 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 of disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States. Rule 17a-5(g) lists additional criteria of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control or the practices and procedures referred to above, misstatements due to errors or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future period are subject to the risk that internal control 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 control activities for safeguarding securities, and its operation that we consider to be material weaknesses as defined above.

We understand that practices and procedures that meet the criteria 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 meet such criteria 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 criteria.

This report is intended solely for the information and use of the member, management, the National Association of Securities Dealers, Inc., the SEC, 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.

Stein de Visser & Mintz P.C.

March 29, 2005