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SECURITIES AND EXCHANGE COMMISSION
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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5**  
**PART III**

SEC FILE NUMBER
B-67385

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 July 1, 2006 AND ENDING June 30, 2007  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: NSX Securities, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

440 S. LaSalle St. Suite 2600  
(No. and Street)

Chicago IL 60605  
(City) (State) (Zip Code)

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

Peter Huynh 312-786-8397

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Grant Thornton

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

175 West Jackson, 13th Floor, Chicago, IL 60604  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

**PROCESSED**  
**NOV 13 2007**  
**THOMSON FINANCIAL**

**FOR OFFICIAL USE ONLY**

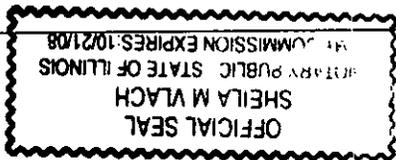
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

*Handwritten signature/initials*

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.

OATH OR AFFIRMATION

I, Jacob Mulaikal, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of NSX Securities, LLC, as of September 10, 20 07, 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:



Sheila M. Vlach  
Notary Public

Jacob Mulaikal  
Signature  
CEO & FINOP  
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 15c3-1 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).

**REPORT PURSUANT TO SEC RULE 17a-5 AND REPORT OF  
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
NSX SECURITIES LLC  
JUNE 30, 2007**

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Board of Directors  
NSX Holdings, Inc. and Subsidiaries

We have audited the accompanying statement of financial condition of NSX Securities LLC ("Securities") as of June 30, 2007, and the related statements of operations, changes in member's capital and cash flows for the year then ended, which you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of Securities' 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 as established by the American Institute of Certified Public Accountants. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Securities' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Securities as of June 30, 2007, 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 on pages 11 and 12 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. This 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.

*Grant Thornton LLP*

Chicago, Illinois  
September 6, 2007

**NSX Securities LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**June 30, 2007**

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**ASSETS**

Cash and cash equivalents	<u>\$ 766,900</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 766,900</u></u>

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**LIABILITIES AND MEMBER'S EQUITY**

**LIABILITIES**

Payable to member	\$ 246,404
Accrued liabilities	<u>8,844</u>
Total liabilities	255,248

**MEMBER'S EQUITY**

<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<u><u>\$ 766,900</u></u>
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The accompanying notes are an integral part of this statement.

**NSX Securities LLC**  
**STATEMENT OF OPERATIONS**  
**Year ended June 30, 2007**

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Operating revenues	\$ -
Operating expenses	
Employee compensation and benefits	74,433
Professional and other outside services	31,465
Computer operations and data communications	430
Occupancy costs	8,425
General and administrative	<u>11,222</u>
Total operating expenses	<u>125,975</u>
<b>NET LOSS</b>	<u><u>\$(125,975)</u></u>

The accompanying notes are an integral part of this statement.

NSX Securities LLC  
STATEMENT OF CHANGES IN MEMBER'S CAPITAL  
Year ended June 30, 2007

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	<u>Member's equity</u>	<u>Accumulated deficit</u>	<u>Total member's capital</u>
Balance at June 30, 2006	\$ 100,000	\$ (162,373)	\$ (62,373)
Capital contribution from NSX, Inc. ("Exchange")	700,000	-	700,000
Net loss	<u>-</u>	<u>(125,975)</u>	<u>(125,975)</u>
Balance at June 30, 2007	<u>\$ 800,000</u>	<u>\$ (288,348)</u>	<u>\$ 511,652</u>

The accompanying notes are an integral part of this statement.

**NSX Securities LLC**  
**STATEMENT OF CASH FLOWS**  
**Year ended June 30, 2007**

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Cash flows from operating activities	
Net loss	\$(125,975)
Adjustments to reconcile net loss to net cash used in operating activities	
Prepaid expenses and other assets	555
Accrued liabilities and payable to member	<u>94,695</u>
Net cash used in operating activities	(30,725)
Cash flows from financing activities	
Capital contribution from NSX, Inc. ("Exchange")	<u>700,000</u>
Net cash provided by financing activities	700,000
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	669,275
Cash and cash equivalents at beginning of year	<u>97,625</u>
Cash and cash equivalents at end of year	<u><u>\$ 766,900</u></u>

The accompanying notes are an integral part of this statement.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

*Description of Business*

NSX Securities LLC ("Securities") is a wholly-owned subsidiary of the National Stock Exchange, Inc. (the "Exchange"), which is a for-profit Delaware corporation that operates a registered national securities exchange to facilitate the trading of the stocks of various companies. NSX Holdings, Inc. ("NSX Holdings") is a for-profit Delaware corporation that serves as a holding company for the Exchange. Securities is a registered broker/dealer in securities under the Securities Exchange Act of 1934 (the "Act").

Securities is exempt from Rule 15c3-3 of the Act under Section (k)(2)(ii) of this rule. The Exchange provides accounting, administrative services, management services and office facilities to Securities in accordance with an expense sharing agreement.

The financial statements do not include a statement of changes in liabilities subordinated to the claims of general creditors as required under Rule 17a-5 of the Act, since no such liabilities existed as of or during the fiscal year ended June 30, 2007.

*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, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Revenue Recognition*

For the period of this audit, Securities has not yet entered into any securities transactions, and therefore has no revenues to report.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Cash and Cash Equivalents*

Cash and cash equivalents include cash and short-term investments maturing within three months of the original purchase date.

*Securities Transactions*

Securities holds no marketable securities.

*Income Taxes*

Securities has elected to be a limited liability company under the Internal Revenue Code. Therefore, no provision or liability for Federal income taxes was included in the financial statements.

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**NOTE B - NET CAPITAL REQUIREMENTS**

Securities is subject to the Securities and Exchange Commission's Uniform Net Capital Rule ("Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000, as it operates under a fully disclosed basis with another registered broker dealer. At June 30, 2007, Securities had a net capital of \$511,652 which was \$479,746 in excess of its minimum net capital requirement of \$31,906 at that date. At June 30, 2007, Securities had aggregate indebtedness of \$255,248.

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**NOTE C - CONTRACTUAL OBLIGATIONS**

The Exchange and Securities have entered into an expense agreement that has been approved by the National Association of Securities Dealers ("NASD"). Securities owed the Exchange \$246,404 as of June 30, 2007, and incurred \$94,510 of expense in the year then ending, under this agreement.

SUPPLEMENTARY INFORMATION

**NSX Securities LLC**  
**COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**June 30, 2007**

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Member's equity	\$511,652
Deductions and/or changes - non-allowable assets	<u>-</u>
Net capital before haircuts	511,652
Haircuts on securities	<u>-</u>
Net capital	
Net capital requirements (larger of 1/8th of aggregate indebtedness or \$5,000)	<u>31,906</u>
Excess net capital	<u><u>\$479,746</u></u>
Aggregate indebtedness	\$255,248
Ratio of aggregate indebtedness to net capital	50%

The above computation does not differ materially from the computation of net capital under Rule 15c3-1 as of June 30, 2007, filed by Securities with NASD on July 20, 2007.

**NSX Securities LLC**  
**STATEMENT REGARDING RULE 15c3-3**  
**June 30, 2007**

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Securities is exempt from Rule 15c3-3 of the Securities and Exchange Commission under Paragraph (k)(2)(ii) of that rule.

**INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS'  
SUPPLEMENTARY REPORT ON INTERNAL CONTROL**

Board of Directors  
NSX Holdings, Inc. and Subsidiaries

In planning and performing our audit of the financial statements of NSX Securities LLC ("Securities"), as of and for the year ended June 30, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Securities' internal control. Accordingly, we do not express an opinion on the effectiveness of 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 Securities, including consideration of control activities for safeguarding securities. This study included 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 functions relating to customer securities, we did not review the practices and procedures followed by Securities 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 Securities 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 Securities 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 any 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 internal control to future periods is 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.

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 control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our 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. We did not identify any deficiencies in internal control and 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 Securities' practices and procedures, as described in the second paragraph of this report, were adequate at June 30, 2007, 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 Securities Dealers 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.

*Grant Thornton LLP*

Chicago, Illinois  
September 6, 2007

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*END*