



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

SEC FILE NUMBER
8 - 43354

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 01/01/07 AND ENDING 12/31/2007
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER:

NOLAN SECURITIES CORPORATION

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box)

535 MAIN ROAD

(No. And Street)

MONTEREY,

(City)

MA

(State)

01245

(Zip Code)

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

Leonard Schwalb

(212) 535-5628

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report *

FULVIO & ASSOCIATES, LLP

ATTN: JOHN FULVIO, CPA

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

5 West 37th Street, 4th Floor

(Address)

NEW YORK

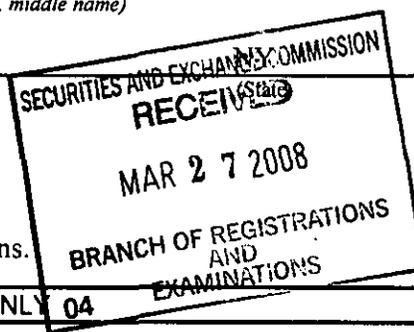
(City)

10018

(Zip Code)

CHECK ONE:

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



FOR OFFICIAL USE ONLY 04

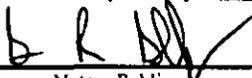
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as basis for the exemption. See section 240.17a-5(e)(2)

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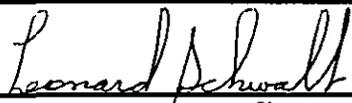
OATH OR AFFIRMATION

I, LEONARD SCHWALB, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of NOLAN SECURITIES CORPORATION, as of MARCH 26, 2008, 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:

Brian R. Bollinger
Notary Public, State of New York
No. 01B06127461
Qualified in Nassau County
Commission Expires May 23, 2009



Notary Public



Signature
CHIEF FINANCIAL OFFICER

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 or 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 previous audit.
- (o) Supplemental independent Auditors Report on Internal Accounting Control.

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

KELLY SECURITIES CORPORATION
D/B/A NOLAN SECURITIES CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2007
(continued)

NOTE 3. INCOME TAXES

For income tax purposes, the shareholder has elected that the Company be treated as an "S" corporation under Subchapter S of the Internal Revenue Code and for state income taxes. Accordingly, no provision has been made for both Federal and state income taxes since the net income or loss of the Company is to be included in the tax return of the individual shareholder.

NOTE 4. NET CAPITAL REQUIREMENTS

The Company is a broker/dealer subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1. Under this rule, the Company is required to maintain "net capital" equivalent to \$100,000 or 6 2/3% of "aggregate indebtedness", as defined, whichever is greater.

At December 31, 2007, the Company had net capital of \$123,223 which was \$23,223 in excess of its required net capital of \$100,000.

NOTE 5. FIXED ASSETS

Fixed assets at December 31, 2007 consist of the following:

Automobile	\$ 48,156
Computers, Equipment and Furniture	51,609
Artwork	10,750
Leasehold improvements	<u>4,177</u>
	114,692
Less: Accumulated depreciation	<u>103,224</u>
	<u>\$ 11,468</u>

NOTE 6. COMMITMENTS AND CONTINGENCIES

The Company rents office space on a month-to-month basis. Rent expense for the year ended December 31, 2007 was \$30,000.

KELLY SECURITIES CORPORATION
 D/B/A NOLAN SECURITIES CORPORATION
 COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1 OF THE
 SECURITIES AND EXCHANGE COMMISSION
 DECEMBER 31, 2007

NET CAPITAL

Stockholder's Equity		\$ 169,970
Less non-allowable assets and deductions:		
Fixed assets, net	\$ 11,468	
Deposit with clearing broker	<u>25,000</u>	
		<u>36,468</u>
Net capital before haircuts		<u>133,502</u>
Less: Haircuts on securities positions		<u>10,279</u>
NET CAPITAL		<u>\$ 123,223</u>
TOTAL AGGREGATE INDEBTEDNESS		<u>\$ 61,464</u>
MINIMUM NET CAPITAL REQUIRED (The greater of 6-2/3% of aggregate indebtedness or \$100,000)		<u>\$ 100,000</u>
EXCESS NET CAPITAL		<u>\$ 23,223</u>
PERCENTAGE OF AGGREGATE INDEBTEDNESS TO NET CAPITAL		<u>49.88%</u>

There were no material differences between the amounts presented above and the amounts reported on the Company's unaudited December 31, 2007 Part II A FOCUS filing.

END