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SECURITIES AND EXCHANGE COMMISSION
Mail Processing Section
ANNUAL AUDITED REPORT
FEB 20 2013
Washington DC 400
FORM X-17A-5
PART III

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8-44281

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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Kenmar Securities, L.P.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
900 King Street, Suite 100

OFFICIAL USE ONLY
FIRM ID. NO.

(No. and Street)

Rye Brook
(City)

New York
(State)

10573
(Zip Code)

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

Lori Walker

(914) 307-7031

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Arthur F. Bell, Jr. & Associates, L.L.C.

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

201 International Circle, Suite 400
(Address)

Hunt Valley,
(City)

Maryland
(State)

21030
(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).

Call
2/26/13

OATH OR AFFIRMATION

I, Lori Walker, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Kenmar Securities, L.P., as of December 31, 20 12, 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:

JOSEPH C IRACI
NOTARY PUBLIC-STATE OF NEW YORK
No. 011R6269016
Qualified in Westchester County
My Commission Expires September 17, 2016

Lori Walker
Signature
Controller & Vice President
Title

[Signature]
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 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 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.
- (o) Independent Auditor's Report on Internal Control.

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

Kenmar Securities, L.P.

FINANCIAL STATEMENTS

DECEMBER 31, 2012



ARTHUR BELL

Certified Public Accountants

SEC
Mail Processing
Section

FEB 20 2013

Washington DC
400

Kenmar Securities, L.P.

FINANCIAL STATEMENTS

DECEMBER 31, 2012



Financial Statements and Supporting Schedules
Pursuant to Rule 17a-5 of the Securities and Exchange Commission and
Section 1.17 of the Regulations Under the Commodity Exchange Act
For the Year Ended December 31, 2012

Name of Company: Kenmar Securities, L.P. 0010		Employer ID No: 13-3434713 0020	NFA ID No: 0327366 0030
Address of Principal Place of Business: 900 King Street Suite 100 Rye Brook, NY 10573 0050		Person to Contact Concerning This Report: Lori Walker 0040	
		Telephone No: (914) 307-7031 0060	

1. Report for the period beginning January 1, 2012 0070 and ending December 31, 2012 0080

2. Type of report: 0090 Certified Regular quarterly/semiannual
 Special call by: _____ Other -- Identify: _____

3. Check whether 0095 Initial filing Amended filing

4. Name of IB's Designated Self-Regulatory Organization: National Futures Association 0100

5. Name(s) of consolidated subsidiaries and affiliated companies:

Name	Percentage Ownership	Line of Business
_____ 0110	_____ 0120	_____ 0130
_____ 0140	_____ 0150	_____ 0160
_____ 0170	_____ 0180	_____ 0190
_____ 0200	_____ 0210	_____ 0220
_____ 0230	_____ 0240	_____ 0250

The introducing broker, or applicant for registration therefor, submitting this Form and its attachments and the person whose signature appears below represent that, to the best of their knowledge, all information contained therein is true, correct and complete. It is understood that all required items, statements and schedules are integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted. It is further understood that any intentional misstatements or omissions of facts constitute Federal Criminal Violations (see 18 U.S.C. 1001).

Signed this 14th day of February, 2013

Manual signature Lori Walker

Type or print name Lori Walker

Chief Executive Officer Sr. Vice President and Chief Financial Officer Corporate Title Controller
 General Partner Sole Proprietor

AUTHORITY: Sections 4c, 4d, 4f, 4g, 5a, 8a, and 17 of the Commodity Exchange Act (7 U.S.C. §§ 6c, 6d, 6f, 6g, 7a, 12a, and 21)

KENMAR SECURITIES, L.P.

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INDEPENDENT AUDITOR'S REPORT

To the Partners of
Kenmar Securities, L.P.

Report on the Financial Statements

We have audited the accompanying statement of financial condition of Kenmar Securities, L.P. (the Company) as of December 31, 2012, and the related statements of operations, changes in partners' capital and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934 and pursuant to Regulation 1.10 under the Commodity Exchange Act, and the related notes to the financial statements.

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

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 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kenmar Securities, L.P. as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained on pages 11 and 12 is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. The computation of the minimum capital requirements is supplementary information required by regulations of the Commodity Futures Trading Commission. The NFA supplemental schedule-IB on pages 13 and 14 is supplementary information required by the rules of the National Futures Association. 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 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 our opinion, the information on pages 11 through 14 is fairly stated in all material respects in relation to the financial statements as a whole.

Arthur F. Bell, Jr. & Associates, L.L.C.

Hunt Valley, Maryland
February 19, 2013

KENMAR SECURITIES, L.P.
STATEMENT OF FINANCIAL CONDITION
December 31, 2012

ASSETS

Cash and cash equivalents	\$ 185,656
Sales commissions and introductory fees receivables	25,349
Prepaid expenses	23,203
Other assets	<u>7,948</u>
Total assets	<u>\$ 242,156</u>

LIABILITIES

Commissions payable	\$ 25,285
Accrued expenses	<u>28,770</u>
Total liabilities	<u>54,055</u>

PARTNERS' CAPITAL

General Partners	0
Limited Partners	<u>188,101</u>
Total liabilities and partners' capital	<u>188,101</u>
	<u>\$ 242,156</u>

See accompanying notes.

KENMAR SECURITIES, L.P.
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012

REVENUE

Sales commissions and introductory fees	\$ 1,344,823
Other income	261
Interest income	<u>181</u>
Total revenue	<u>1,345,265</u>

EXPENSES

Commissions	98,384
Regulatory and license fees	39,088
Professional fees	37,765
Other expenses	<u>11,992</u>
Total expenses	<u>187,229</u>

NET INCOME

\$ 1,158,036

See accompanying notes.

KENMAR SECURITIES, L.P.
STATEMENT OF CHANGES IN PARTNERS' CAPITAL
For the Year Ended December 31, 2012

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Partners' Capital</u>	<u>Total</u>
Balances at December 31, 2011	\$ 10	\$ 0	\$ 330,055	\$ 0	\$ 330,065
Net income for the year ended December 31, 2012	0	0	571,937	586,099	1,158,036
Conversion to Kenmar Securities, L.P. ⁽¹⁾	(10)	0	(201,992)	202,002	0
Cash distributions	<u>0</u>	<u>0</u>	<u>(700,000)</u>	<u>(600,000)</u>	<u>(1,300,000)</u>
Balances at December 31, 2012	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 188,101</u>	<u>\$ 188,101</u>

⁽¹⁾ See Note 1.A.

See accompanying notes.

KENMAR SECURITIES, L.P.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2012

Cash flows from (for) operating activities:	
Net income	\$ 1,158,036
Adjustments to reconcile net income to net cash from operating activities:	
Changes in assets and liabilities:	
Decrease in sales commission and introductory fees receivable	11,013
Increase in accrued expenses	4,957
Decrease in other assets	340
Increase in prepaid expenses	(917)
Increase in commissions payable	<u>3,425</u>
Net cash from operating activities	<u>1,176,854</u>
Cash flows (for) financing activities	
Capital distributions	<u>(1,300,000)</u>
Net decrease in cash and cash equivalents	(123,146)
Cash and cash equivalents, beginning of year	<u>308,802</u>
Cash and cash equivalents, end of year	<u>\$ 185,656</u>

See accompanying notes.

KENMAR SECURITIES, L.P.
NOTES TO FINANCIAL STATEMENTS

Note 1. GENERAL DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

A. General

Kenmar Securities, Inc. (the "Company") was a Delaware corporation and wholly-owned subsidiary of Kenmar Holdings Inc. ("KHI"), a wholly-owned subsidiary of Kenmar Group, Inc. ("KGI"). Effective June 12, 2012, the Company converted from a Delaware corporation to a Delaware limited partnership and changed its name to Kenmar Securities, L.P. Effective June 12, 2012, KGI became the sole general partner of the Company, and KGI and KHI became limited partners of the Company, holding 99% and 1% of the limited partner interests of the Company, respectively. On August 10, 2012, KGI contributed 99% of its general partner interest and its entire limited partner interest in the Company to Kenmar Olympia Group, LP ("KOG-LP"), and KHI assigned its 1% limited partner interest in the Company to KGI. Also effective August 10, 2012, KGI received a 50% interest in KOG-LP and a 50% membership in Kenmar Olympia Group GP, LLC ("KOG-GP"), the sole General Partner of KOG-LP. Effective August 10, 2012, KOG-LP and KGI hold 99% and 1%, respectively, of both the general partner interests in the Company and the limited partner interests in the Company. As a result, KGI directly (1%) and indirectly through KOG-LP (49.5%), holds 50.5% of the limited partner interests in the Company. The remaining 49.5% of the limited partner interests of the Company is held indirectly by a group of eleven partners, none of which holds in excess of 12.5%, through their 50% ownership of KOG-LP and KOG-GP. The General Partner interests have no economic interest in the Company. The Company's two sole advisory board members are the sole and equal stockholders of KGI.

The Company is a broker-dealer registered with the Securities and Exchange Commission, a member of the Financial Industry Regulatory Authority, and an Independent Introducing Broker, registered with the Commodity Futures Trading Commission. The Company is in the business of offering and selling securities of commodity pools operated by affiliated companies and introducing and referring investors to affiliated and unaffiliated managers. The Company does not carry customer accounts, hold funds or securities for, or owe money to, customers.

B. Method of Reporting

The Company's financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board Accounting Standards Codification (the Codification) is the single source of U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates, and such differences may be material to the financial statements.

C. Cash and Cash Equivalents

Cash and cash equivalents include all cash and money market account balances. The Company maintains its cash and cash equivalents with Wells Fargo. In the event of the financial institution's insolvency, the Company's recovery of cash and cash equivalent balances on deposit may be limited to account insurance or other protection afforded such deposits.

KENMAR SECURITIES, L.P.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1. GENERAL DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Revenue Recognition

Commission and fee revenue is recognized as income when earned in accordance with the terms of the applicable agreement.

E. Income Taxes

Prior to the Company's conversion to a partnership, the Company operated under a Subchapter S Subsidiary election under the Internal Revenue Code, whereby the Company's taxable income "flowed-through" to KGI and was subject to KGI's U.S. federal and state taxation status. Accordingly, the preparation and filing of U.S. federal and state tax returns are performed by KGI under a consolidated tax filing for that period. With the conversion of the Company to a partnership, the Company's taxable income "flows-through" to its limited partners on a pro-rata basis, who are subject to U.S. federal and state taxation status. Accordingly, the Company does not provide for income tax expense or income tax liability on its net income.

The Company applies the provisions of Codification Topic 740, *Income Taxes*, which prescribe the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity before being measured and recognized in the financial statements. This accounting standard requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's financial statements to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions with respect to tax at the Company level not deemed to meet the "more-likely-than-not" threshold would be recorded as an expense in the current year. The Company has elected an accounting policy to classify interest and penalties, if any, as interest expense. The Company has concluded that there is no tax expense or interest expense related to uncertainties in income tax positions for the year ended December 31, 2012. The 2009 through 2012 tax years generally remain subject to examination by U.S. federal and most state tax authorities.

F. Allocation of Income and Loss

With the conversion to a partnership effective June 12, 2012, income or loss is allocated pro rata to the limited partners.

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 the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. The Company is also subject to the net capital provisions of regulation 1.17 under the Commodity Exchange Act, which requires that the Company maintain minimum net capital of \$45,000. At December 31, 2012, the Company had adjusted net capital of \$147,097, which was in excess of its required net capital by \$102,097. The Company's ratio of aggregate indebtedness to net capital was 0.37 to 1.

KENMAR SECURITIES, L.P.
NOTES TO FINANCIAL STATEMENTS

Note 3. SALES COMMISSIONS AND INTRODUCTORY FEES

The Company acts as the Selling Agent for World Monitor Trust III (the "Trust"). The Managing Owner of the Trust is Kenmar Preferred Investments, L.P. (formerly Kenmar Preferred Investments Corp.) ("Preferred"), an affiliate of the Company. The Company receives from the Trust a monthly sales commission equal to 1/12 of 1% (1% annually) of the Net Asset Value of the outstanding units as of the beginning of each month. Sales commissions earned by the Company were \$1,248,414 for the year ended December 31, 2012.

On March 22, 2010, the Company entered into an Introduction Agreement with a manager where the Company agreed to seek to introduce or refer prospective clients to such manager in return for a percentage of any fees earned by such manager from business resulting from the introduction. For the year-ended December 31, 2012, introductory fees earned by the Company were \$64,679 of which \$13,475 remains receivable as of December 31, 2012.

During 2012, the Company began to receive fees from an affiliate calculated as a percentage of fees earned by such affiliate from business introduced by a sales representative employed by another affiliate. The Company pays 100% of the fees received pursuant to this arrangement to the sales representative. Included in sales commissions and introductory fees revenue and commissions expense on the statement of operations for the year ended December 31, 2012, is \$31,730 pursuant to this arrangement, of which \$11,835 remains receivable and payable at December 31, 2012.

Note 4. RELATED PARTY TRANSACTIONS

The Company has selling agreements with affiliated commodity pools pursuant to which the Company earns selling agent fees. The Company did not receive any selling agent fees pursuant to such agreements during the year ended December 31, 2012.

Effective July 1, 2006, the Company entered into a Services, Space Sharing and Expense Agreement ("Expense Agreement") with KGI. Under the terms of the Expense Agreement, KGI agrees to make available to the Company Support Services and Support Personnel (as defined in the agreement). KGI will pay the associated costs of the Support Personnel and any related Support Services costs including but not limited to salaries and employee benefits of the Support Personnel, rent and utilities related to the Company, travel and entertainment expenses and any other operating expense not directly related to the Company. The Company will pay all expenses related directly to its operations including but not limited to sales commissions to registered personnel, licensing, registration and examination fees, continuing education costs, audit fees, legal fees and any expense to an outside vendor with which the Company has contracted directly.

Commissions paid to current and former officers of the Company amounted to \$98,384 for the year ended December 31, 2012.

See Note 3 with regards to sales commissions and introductory fees from related parties.

KENMAR SECURITIES, L.P.
NOTES TO FINANCIAL STATEMENTS

Note 5. INDEMNIFICATIONS

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of any future obligation under these indemnifications to be remote.

KENMAR SECURITIES, L.P.
SUPPLEMENTARY INFORMATION

KENMAR SECURITIES, L.P.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1
OF THE SECURITIES AND EXCHANGE COMMISSION
December 31, 2012

Total partners' capital	\$ 188,101
Deduct items not allowable for net capital	
Non-allowable assets	(37,168)
Haircuts on securities	<u>(3,836)</u>
Net capital	<u>\$ 147,097</u>
Minimum net capital required – 6 2/3% of aggregate indebtedness (Note 1, below)	<u>\$ 3,604</u>
Minimum regulatory dollar net capital requirement	<u>\$ 45,000</u>
Net capital shown above	\$ 147,097
Minimum net capital requirement	<u>45,000</u>
Excess net capital	<u>\$ 102,097</u>
Total aggregate indebtedness	<u>\$ 54,055</u>
Percentage of aggregate indebtedness to net capital	<u>36.75 %</u>

Statement Pursuant to Paragraph (d) of Rule 17a-5:

There are no material differences between the computation of net capital and required net capital stated above and Kenmar Securities, L.P.'s computation of net capital and required net capital from the December 31, 2012 Unaudited Financial and Operational Combined Uniform Single Report (FOCUS II A).

Note 1 – Computation of Aggregate Indebtedness

Total aggregate indebtedness at December 31, 2012 is as follows:

Total liabilities	\$ 54,055
Less indebtedness adequately collateralized by securities	<u>0</u>
Aggregate indebtedness	<u>\$ 54,055</u>

KENMAR SECURITIES, L.P.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER RULE 15c3-3 AND INFORMATION RELATING TO
POSSESSION OR CONTROL REQUIREMENTS UNDER RULE 15c3-3
December 31, 2012

The Company does not file information in accordance with Rule 15c3-3 as it is a broker-dealer, which carries no margin accounts, promptly transmits all customer funds received in connection with its activities, and does not hold funds or securities for, or owe money to, customers. Therefore, Kenmar Securities, L.P. claims the k(2)(i) exemption in relation to Rule 15c3-3.

NFA SUPPLEMENTAL SCHEDULE-IB

This schedule provides additional information and calculations which are required by NFA but are not provided for on the Form 1-FR. All IBs (including securities broker/dealers) must complete Sections A & B. Sections C - F need only be completed if they apply. Attach additional sheets if the information does not fit in the spaces provided.

A) Capital requirements and restrictions	1	2	3
See notes below	Minimum Capital Requirement	Equity Withdrawal Restriction	Suspended Repayment Restriction
A Minimum dollar amount	\$45,000	\$54,000	\$54,000
B Calculation based on branch offices			
Number of branch offices = 0 x \$6,000 =	\$0	x \$7,200 = \$0	x \$7,200 = \$0
C Calculation based on associated persons			
Number of associated persons = 6 x \$3,000 =	\$18,000	x \$3,600 = \$21,600	x \$3,600 = \$21,600
D Securities broker/dealers per SEC 15c3-1			
	\$5,000	N/A	N/A
Enter the greatest of A - D	\$45,000	\$54,000	\$54,000
		+ Subordinated debt maturing in next 6 mos. 0	+ Subordinated debt maturing in next 6 mos. 0
		+ Expected capital withdrawals in next 6 mos.	
		Total \$54,000	Total \$54,000

- 1 This is the minimum capital requirement. It should be entered on line 15 on the Net Capital Computation of the 1-FR or the appropriate line on the FOCUS Report.
- 2 No capital may be withdrawn from the IB and no unsecured loans may be made if it would cause Adjusted Net Capital to fall below this amount.
- 3 Subordinated debt may not be repaid if it would cause Adjusted Net Capital to fall below this amount.

B) Equity Capital Ratio

Equity capital must be at least 30% of the required total shown here.

		Ownership equity	\$188,101
Ownership equity	\$188,101	+ Total subordinated debt	0
+ Qualifying subordinated debt	+ 0	- Excess net capital	102,097
= Equity Capital	= \$188,101	= Required total	\$86,004
Equity Capital / Required Total		218.71%	

(continued)

See accompanying notes to financial statements.

C) Current Receivables (Balance Sheet Line 7)

Receivables may only be classified as current to the extent that the market value of any collateral less applicable charge exceeds the amount of the receivable.

Receivable Amount	Description	Collateral		Net	Non-current Receivable
		Market Value	Charge*		
- NOT APPLICABLE -					

* - 5% if collateral is hedged but not registered as deliverable; 20% if unhedged.

D) Advances Paid on Cash Commodities (Net Capital Computation Line 5)

Any amounts paid prior to receiving a commodity which exceed 95% of the market value of the commodity must be shown as a charge against capital.

Advance Amount	Description	Collateral		Net	Capital Charge
		Market Value	Charge		
- NOT APPLICABLE -					
			95%		
			95%		
			95%		
			95%		

E) Inventory/Fixed Price Commitments/Forward Contracts (Net Capital Computation Line 5)

A charge must be taken against any inventory, fixed price commitments, or forward contracts as follows

- 0%-Inventory hedged and registered as deliverable 10%-Hedged fixed price commitments & forward contracts
- 5%-Inventory hedged but not registered as deliverable 20%-Unhedged inventory, fixed price commitments, and forward contracts

Description	Market Value	Charge %	Charge Amount
- NOT APPLICABLE -			

F) Proprietary Accounts (Net Capital Computation Line 9)

A charge must be taken for any trading done by an IB for its own account.

The charge is 150% of the exchange maintenance margin.

No deduction is allowed for equity in the account.

Account Number	Maintenance Margin	Charge %	Charge Amount
- NOT APPLICABLE -			
		150%	
		150%	
		150%	
		150%	
		150%	

Attach a listing of all open proprietary positions.

See accompanying notes to financial statements.

KENMAR SECURITIES, L.P.

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL**

For the Year Ended December 31, 2012

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To the Partners of
Kenmar Securities, L.P.

In planning and performing our audit of the financial statements of Kenmar Securities, L.P. (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, we considered the Company's 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 the Company's internal control. Accordingly, we 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), we 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 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 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

In addition, as required by Regulation 1.16 of the Commodity Futures Trading Commission (CFTC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding firm assets. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Regulation 1.16 in making the periodic computations of minimum financial requirements pursuant to Regulation 1.17.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the two preceding paragraphs. 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 two preceding paragraphs and to assess whether those practices and procedures can be expected to achieve the SEC's and CFTC'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 generally accepted accounting principles. Rule 17a-5(g) and Regulation 1.16(d)(2) list additional objectives of the practices and procedures listed in the two preceding paragraphs.

Kenmar Securities, L.P.

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 *deficiency in internal control* 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 and correct, 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.

Our consideration of internal control was for the limited purpose described in the first, second and third 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 firm assets 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 and third paragraphs of this report are considered by the SEC and CFTC to be adequate for their purposes in accordance with the Securities Exchange Act of 1934, the Commodity Exchange Act, 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, as described in the second and third paragraphs of this report, were adequate at December 31, 2012, to meet the SEC's and CFTC's objectives.

This report is intended solely for the information and use of the Partners, management, the SEC, the Financial Industry Regulatory Authority, Inc., the CFTC, the National Futures Association, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 or Regulation 1.16 of the CFTC or both in their regulation of registered broker-dealers and introducing brokers, and is not intended to be and should not be used by anyone other than these specified parties.

Arthur F. Bell, Jr. & Associates, L.L.C.

Hunt Valley, Maryland
February 19, 2013

Kenmar Securities, L.P.

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2012



ARTHUR BELL

Certified Public Accountants

SEC
Mail Processing
Section
FEB 20 2013
Washington DC
400

Kenmar Securities, L.P.

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2012

 **ARTHUR BELL**
Certified Public Accountants

OATH OR AFFIRMATION

I, Lori Walker, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Kenmar Securities, L.P., as of December 31, 20 12, 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:

JOSEPH C IRACI
NOTARY PUBLIC-STATE OF NEW YORK
No. 011R6269016
Qualified in Westchester County
My Commission Expires September 17, 2016

Lori M Walker
Signature
Controller & Vice President
Title

[Signature]
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 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 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.
- (o) Independent Auditor's Report on Internal Control.

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

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Partners of
Kenmar Securities, L.P.
900 King Street, Suite 100
Rye Brook, NY 10573

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we 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 Kenmar Securities, L.P. (the Company) and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). The Company's management is responsible for the Company'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, we 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 we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries in the Company's general ledger 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 entries in the Company's general ledger noting no differences; and
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the entries in the Company's general ledger supporting the adjustments noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our 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.

Arthur F. Bell, Jr. & Associates, L.L.C.

Hunt Valley, Maryland
February 19, 2013

SIPC-7

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300

General Assessment Reconciliation

SIPC-7

(33-REV 7/10)

For the fiscal year ended 12/31/2012

(Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

044281 FINRA DEC
KENMAR SECURITIES LP 12*12
900 KING ST STE 100
RYE BROOK NY 10573-1228

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

2. A. General Assessment (item 2e from page 2)

\$ 3260⁷⁰

B. Less payment made with SIPC-6 filed (exclude interest)

(1780)

7/26/12
Date Paid

C. Less prior overpayment applied

(_____)

D. Assessment balance due or (overpayment)

1480⁷⁰

E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum

F. Total assessment balance and interest due (or overpayment carried forward)

\$ 1480⁷⁰

G. PAID WITH THIS FORM:

Check enclosed, payable to SIPC
Total (must be same as F above)

\$ 1480⁷⁰

H. Overpayment carried forward

\$(_____)

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Kenmar Securities LP
(Name of Corporation, Partnership or other organization)

Ron M Walker
(Authorized Signature)

VP & Controller
(Title)

Dated the 25 day of January 2013

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates: _____
Postmarked _____ Received _____ Reviewed _____

Calculations _____ Documentation _____ Forward Copy _____

Exceptions:

Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"
AND GENERAL ASSESSMENT**

Amounts for the fiscal period
beginning 1/1/2012
and ending 12/31/2012

Item No.		Eliminate cents
2a.	Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)	\$ <u>1,345,265</u>
2b.	Additions:	
	(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.	<u>—</u>
	(2) Net loss from principal transactions in securities in trading accounts.	<u>—</u>
	(3) Net loss from principal transactions in commodities in trading accounts.	<u>—</u>
	(4) Interest and dividend expense deducted in determining item 2a.	<u>—</u>
	(5) Net loss from management of or participation in the underwriting or distribution of securities.	<u>—</u>
	(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	<u>—</u>
	(7) Net loss from securities in investment accounts.	<u>—</u>
	Total additions	<u>—</u>
2c.	Deductions:	
	(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.	<u>—</u>
	(2) Revenues from commodity transactions.	<u>—</u>
	(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.	<u>—</u>
	(4) Reimbursements for postage in connection with proxy solicitation.	<u>—</u>
	(5) Net gain from securities in investment accounts.	<u>144</u>
	(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.	<u>—</u>
	(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).	<u>9,292</u>
	(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):	<u>31,548</u>
	(Deductions in excess of \$100,000 require documentation)	
	(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.	\$ <u>—</u>
	(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).	\$ <u>—</u>
	Enter the greater of line (i) or (ii)	<u>—</u>
	Total deductions	<u>40,984</u>
2d.	SIPC Net Operating Revenues	\$ <u>1,304,281</u>
2e.	General Assessment @ .0025	\$ <u>3,210.70</u>

(to page 1, line 2.A.)