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

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

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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:

Octagon America Limited

OFFICIAL USE ONLY FIRM ID. NO.

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

170 University Avenue - Suite 1000

(No. and Street)

Toronto

Ontario, Canada

M5H 3B3

(City)

(State)

(Zip Code)

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

Cheryl de Montigny

(416) 304-7833

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Parker Simone LLP

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

129 Lakeshore Road East

Toronto

Ontario, Canada

L5G 1E5

(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 240.174-5(e)(2).

SEC 1410 (06-02)

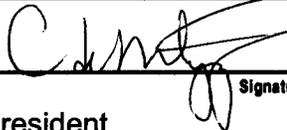
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Handwritten signature and date 5/2/13

OATH OR AFFIRMATION

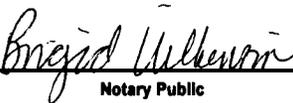
I, Cheryl de Montigny, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Octagon America Limited, as of December 31, 2012, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No Exceptions



Signature
President

Title



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 **Stockholder's** **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 accounting control
- (p) Schedule of segregation requirements and funds in segregation - customers' regulated commodity futures account pursuant to Rule 171-5.

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

parker simone LLP

Octagon America Limited

(SEC I.D. No. 8 - 67962)

**Statement of Financial Condition
(Expressed in U.S. Dollars)**

As at December 31, 2012

Filed pursuant to Rule 17a(5)(e)(3) under
the Securities Exchange Act of 1934
as a **PUBLIC DOCUMENT**

parker simone LLP

Chartered Accountants

129 Lakeshore Road East

Suite 201 Mississauga Ontario

L5G 1E5

T 905 271.7977

F 905 271.7677

Independent Auditor's Report

To the Board of Directors of
Octagon America Limited

Report on the Financial Statements

We have audited the accompanying statement of financial condition of Octagon America Limited (the "Company") as of December 31, 2012, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the statement of financial condition.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this statement of financial condition 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

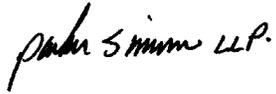
Our responsibility is to express an opinion on this statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of the Company as of December 31, 2012 in accordance with accounting principles generally accepted in the United States of America.

February 22, 2013


Licensed Public Accountants

Octagon America Limited

Statement of Financial Condition
(Expressed in U.S. dollars)

As at December 31, 2012

Assets	
Cash	\$ 127,702
Prepaid expenses	3,436
	<hr/>
	\$ 131,138
<hr/>	
Liabilities and Stockholder's Equity	
Accounts payable and accrued expenses	\$ 626
<hr/>	
Stockholder's Equity	
Common Stock \$1.00 par value; unlimited shares authorized; 1 share issued and outstanding	1
Additional paid in capital	510,948
Accumulated deficit	(380,437)
	<hr/>
	130,512
	<hr/>
	\$ 131,138
<hr/>	

See accompanying notes to financial statements

Octagon America Limited

Notes to Financial Statements (Expressed in U.S. Dollars)

Year Ended December 31, 2012

1. Incorporation and Corporate Activities

Octagon America Limited (the "Company") is incorporated under the Ontario Business Corporations Act.

The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company's primary sources of revenues are research revenue and commission income on securities trade execution for U.S. institutional clients. The Company utilizes the services of an affiliated company, Octagon Capital Corporation ("OCC"), a Canadian-owned investment dealer and a member of the Investment Industry Regulatory Organization of Canada to perform certain securities trading, clearing and record-keeping activities as its agent in various securities markets. These trades are settled on a delivery versus payment basis. The Company does not hold customer funds or safe-keep customer securities and, accordingly, is exempt from the provisions of SEC Rule 15c3-3 under subparagraph (k)(2)(i).

The Company is a wholly-owned subsidiary of Octagon Capital Partners Inc., the parent company of OCC. The Company's office is in Toronto, Canada. . The Company's operations have been funded in the past by capital contributions from its parent. The Company's continuing operations are dependent on those of its Canadian broker-dealer affiliate and the financial support of its parent company.

2. Summary of Significant Accounting Policies

The Company maintains its financial records in United States dollars. These financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The significant accounting policies are as follows:

Securities Transactions and Revenue Recognition

Customers' securities transactions are recorded on a settlement-date basis, which approximates trade date, with related agency commissions and soft dollar commissions for research provided and related clearance and execution fees recorded on a trade-date basis. . Research revenue is earned upon the sale of published research.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the year that includes the date of enactment.

Translation of Foreign Currency

Monetary assets and liabilities related to foreign currency balances are translated into U.S. dollars at the exchange rates in effect at the date of the statement of financial condition. Non-monetary assets and liabilities related to foreign currency transactions and revenue and expenses related to foreign currency transactions are translated into U.S. dollars at the exchange rate prevailing at the transaction dates. Realized and unrealized gains or losses resulting from foreign currency translation and transactions are included in net income for the period to which they relate.

Octagon America Limited

Notes to Financial Statements (Expressed in U.S. Dollars)

Year Ended December 31, 2012

2. Summary of Significant Accounting Policies (Continued)

Use of Estimates in the Preparation of Financial Statements

The preparation of these financial statements in conformity with GAAP 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 reported period. Actual results may vary from these estimates.

3. Income Taxes

The Company's only permanent establishment is in Canada as such it is only subject to Canadian income taxes. In Canada, the general combined statutory federal and provincial income tax rate is 26.5%.

The Company remains open to federal and provincial tax examinations for fiscal years December 31, 2009 and forward. At December 31, 2012, management has determined that the Company had no uncertain tax positions that would require financial statement recognition.

4. Regulatory Net Capital Requirement

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1) under the Securities Exchange Act of 1934. Under this rule, the Company is required to maintain minimum net capital and requires an allowance ratio of aggregate indebtedness to net capital, as defined under this Rule, that shall not exceed 15 to 1. Under the basic method, the Company is required to maintain minimum net capital, as defined, equal to the greater of \$100,000 and 6-2/3% of aggregate indebtedness. At December 31, 2011, the Company had net capital of approximately \$131,000, which is in excess of the required minimum net capital of \$100,000. Additionally, equity capital may not be withdrawn nor may cash dividends be paid if the resulting aggregate indebtedness results in the net capital being less than the the SEC's prescribed regulatory requirements.

5. Concentrations of Credit Risk

The Company is engaged in brokerage activities in which the counterparties primarily include broker/dealers, banks, other financial institutions and the Company's own customers. In the event the counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.

In addition, all of the Company's cash is on deposit at one major Canadian financial institution and the balance at times may exceed the federally insured limit. The Company believes it is not exposed to any significant credit risk due to cash.

6. Financial Instruments

Currency Risk

As at December 31, 2012, the Company held no foreign denominated financial assets or liabilities.