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SECURITIES AND EXCHANGE COMMISSION
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DIVISION OF TRADING & MARKETS

UNITED STATES
SECURITIESANDEXCHANGECOMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER
8-48579

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 January 1, 2012 (MM/DD/YY) AND ENDING December 31, 2012 (MM/DD/YY)

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Nikoh Securities Corporation.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

2201 Wauekegan Road Suite 120
(No. and Street)

Bannockburn	IL	60015
(City)	(State)	(Zip Code)

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

Gary Hokin (224)330-2177
(Area Code – Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Debasish Banerjee, CPA
(Name – *if individual, state last, first, middle name*)

6301 Owensmouth Avenue #750	Woodland Hills	California	91367
(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 240.17a-5(e)(2)*

Potential persons who are to respond to the collection of information contained in this form are not required to respond

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SEC 1410 (06-02) **unless the form displays a currently valid OMB control number.**

OATH OR AFFIRMATION

I, Gary Hokin, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Nikoh Securities Corporation, 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:

NONE

Gary Hokin
Signature

President
Title

Notary Public
DATED THIS 19TH DAY OF FEB, 2013

OFFICIAL SEAL
RICHARD E. PATINKIN
Notary Public - State of Illinois
My Commission Expires May 18, 2014

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).*

INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors
Nikoh Securities Corporation
Bannockburn IL

Reports on the Financial Statements

We have audited the accompanying statement of financial condition of Nikoh Securities Corporation ("Company") as of December 31, 2012 and the related statements of operations, changes in stockholders' equity, and cash flows for the year then ended and the related notes to the financial statements, pursuant to Rule 17a-5 under the Securities Exchange Act of 1934.

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 consolidated 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and with the standards of the Public Company Accounting Oversight Board. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 entity'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 entity'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.

Independent Accountant's Report

Board of Directors
Nikoh Securities Corporation
Bannockburn IL

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 Nikoh Securities Corporation as of December 31, 2012 and the results of its operations, stockholders' equity and cash flows for the year then ended in accordance 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 contained on Schedule I-IV is presented for purposes of additional analysis and is not required as part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Act of 1934. Such information has been subject to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respect in relating to the basic financial statements taken as a whole.

This opinion is intended solely for the information and use of the Board of Directors, the Securities and Exchange Commission, and other regulatory agencies which 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.

Dave Banerjee

Dave Banerjee, CPA
Woodland Hills, California
February 20, 2013

NIKOH SECURITIES CORPORATION

Statement of Financial Condition
December 31, 2012

ASSETS

Cash and cash equivalents [Note 1]	$	75,851
Accounts Receivable [Note 1]		3,107
Marketable Securities @ FMV		24,990
Other assets		1,361
Total assets	$	105,309

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilites:		
Current liabilities	$	183
Total liabilities	$	183
Stockholders' equity		
Common stock - at par value, 1000 shares authorized, 100 shares issued and outstanding	$	100
Paid in Capital		72,084
Retained earnings		32,942
Total stockholders' equity	$	105,126
Total liabilities and stockholders' equity	$	105,309

The accompanying notes are an integral part of these financial statements

NIKOH SECURITIES CORPORATION

Statement of Income
For the year ended December 31, 2012

REVENUE		
Comission & Concession	$	88,696
Interest Income		8
Gains on Securities Trading		4,724
Other income		9,361
Total revenue	$	102,789
EXPENSES:		
Professional fees	$	9,455
Commission expense		111
Rent expense		6,140
Other operating expenses		93,596
Total expenses	$	109,302
NET LOSS	$	(6,513)

The accompanying notes are an integral part of these financial statements

NIKOH SECURITIES CORPORATION

Statement of Changes in Stockholder's Equity
For the year ended December 31, 2012

	Capital Stock	Paid in Capital	Retained Earnings	Total Stockholder's Equity
Beginning balance January 1, 2011	$ 100	$ 71,484	$ 67,670	$ 139,254
Prior Year Adjustments			(19,900)	(19,900)
Net Income			40,685	40,685
Dividends Paid			(44,000)	(44,000)
Ending balance December 31, 2011	$ 100	$ 71,484	$ 44,455	$ 116,039
Additional Paid-in Capital		600		600
Net Income			(6,513)	(6,513)
Dividends Paid			(5,000)	(5,000)
Ending balance December 31, 2012	$ 100	$ 72,084	$ 32,942	$ 105,126

The accompanying notes are an integral part of these financial statements

NIKOH SECURITIES CORPORATION

Statement of Cash Flows
For the year ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	$	(6,513)
Adjustments to reconcile net loss to net cash provided/(used) by operating activities:		
(Increase) decrease in:		
Accounts Receivable		3,850
Prepaid Expense		2,192
Clearing Deposit		15,000
Gain on Securities		(6,284)
Increase (decrease) in:		
Accounts payable		(11,446)
Accrued expenses		(5,132)
Total adjustments	$	(1,820)
Net cash used in operating activities	$	(8,333)
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in Security Deposits		1,052
Proceeds from Sales of Securities		79,334
Net cash provided in investing activities	$	80,386
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid		(5,000)
Additional Paid-in Capital		600
Net cash used in financing activities	$	(4,400)
Increase in cash	$	67,653
Cash - beginning of year	$	8,198
Cash - end of period	$	75,851

The accompanying notes are an integral part of these financial statements

NIKOH SECURITIES CORPORATION
Notes To Financial Statements
December 31, 2012

Note 1: <u>Summary of Accounting Policies</u>

Accounting principles followed by Nikoh Securities Corporation ("Company") and the methods of applying those principles which materially affect the determination of financial position, results of operation and cash flows are summarized below:

<u>Organization</u>

The Company was incorporated in the State of Illinois effective June 23, 1995. The Company has adopted a calendar year.

<u>Description of Business</u>

The Company, located in Bannockburn, IL is a broker and dealer in securities registered with the Securities and Exchanges Commission ("SEC") and is a member of FINRA. As per the membership agreement with FINRA, the Company operates under the exemptive provision of SEC Rule 15c3-3(k)(2)(ii), which provides that all customer transactions are cleared through another broker-dealer on a fully disclosed basis. On October 1, 2012, the Company terminated its clearing arrangement and currently operates under the provision of SEC Rule 15c3-3(k)(1).

<u>Basis of Accounting</u>

The financial statements of the Company have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

<u>Cash and Cash Equivalents</u>

The Company considers as cash all short-term investments with an original maturity of three months or less to be cash equivalents. As of December 31, 2012 cash and cash equivalents are composed of the following:

Cash in Bank -	$ 15,518
TD Ameritrade -	$ 59,333
TOTAL	**$ 75,851**

<u>Accounts Receivable - Recognition of Bad Debt</u>

The Company considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

<u>Revenue Recognition</u>

Commission revenues are recorded by the Company when the services are rendered.

Note 1: Summary of Accounting Policies (cont.)

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

Financial instruments that are subject to fair value disclosure requirements are carried in the financial statements at an amount that approximates fair value and includes cash and cash equivalents. Fair values are based on quoted market prices and assumptions concerning the amount and timing of estimated future cash flows and assumed discount rates reflecting varying degrees of perceived risk.

Comprehensive Income

Statement of Financial Accounting Standards (SF AS) No. 130, Reporting Comprehensive Income, establishes requirements for disclosure of Comprehensive Income that includes certain items previously not included in the statement of income, including unrealized gains and losses on available-for-sales securities and foreign currency translation adjustment among others. During the year ended December 31, 2012, the Company did not have any components of Comprehensive Income to report.

Concentrations

The Company concentration is services, which is the sale of variables annuities and mutual funds.

NIKOH SECURITIES CORPORATION
Notes To Financial Statements
December 31, 2012

Note 2: Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-3 of the Securities and Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis. The Company is required to maintain a minimum net capital, as defined, in such provision. Further, the provisions require that the ratio of aggregate indebtedness, as defined, to net capital shall not exceed 15 to 1. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2012 the company had net capital and net capital requirements of approximately $96,544 and $5,000 respectively. The Company's net capital ratio was 0.19% which is less than 15:1.

There was no material inadequacies in the amount reported as Net Capital in the audited Computation of Net Capital and the broker-dealers' corresponding in audited Part IIA of the FOCUS report required under Rule 15c3-1.

Note 3: Possession or Control Requirements

The Company does not have any possession or control of customer's funds or securities. There were no material inadequacies in the procedures followed in adhering to the exemptive provisions of SEC Rule 15c-3-3(k)(2)(ii) by promptly transmitting all customer funds to the investment companies.

Note 4: Income Taxes

The Company, with the consent of its stockholder, has elected to be taxed as a Subchapter S corporation for Federal and State income tax purposes. Therefore, all income or loss "flows through" to the stockholder's individual income tax returns. However, accruals are made for the state of Illinois income tax liability and is reflected in these financial statements.

Note 5: Pension Plan

The Company adopted both a profit sharing and salary deferral plan which provides for employees and owner's salary compensation reductions. The employer will not make any matching contributions to the salary deferral plan. At December 31, 2012, the Company did not fund any profit sharing obligations for the year under this plan.

Note 6: Other Commitments and Contingencies

As of the audit date there are no contingencies, guarantees of debt, and the like. Rental commitment for administrative services is under the existing sharing agreement with the related party.

NIKOH SECURITIES CORPORATION
Notes To Financial Statements
December 31, 2012

Note 7: Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date (i.e., an exit price). The guidance includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 - Quoted, active market prices for identical assets or liabilities. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers of brokers in active markets. Valuation is obtained from readily available pricing sources for market transactions involving identical assets or liabilities. The Company have a Level 1 assets.

Level 2 - Observable inputs other than Level I, such as quoted market prices for similar assets or liabilities, quoted for identical or similar assets in inactive markets, and model derived valuations in which all significant inputs are observable in active markets. The Company did not have any Level 2 assets or liabilities.

Level 3 - Valuation techniques in which one or more significant inputs are observable in the marketable. The company did not have any Level 3 assets or liabilities.

Fair values of assets measured on a recurring basis at December 31, 2012 are as follows:

	Fair value at Reporting Date Using	
	Fair Value	Quoted Price in Active markets for Identical Assets (Level 1)
December 31, 2012		
Marketable Securities	$ 24,990.00	$ 24,990.00
Total	$ 24,990.00	$ 24,990.00

Fair values for short-term investments and long-term investments are determined by reference to quoted market prices and other relevant information generated by market transactions. The income reported from these investments as a gain on trading securities was $4,724.

Note 7: Fair Value Measurements (con't)

The carrying amounts reflected in the balance sheet for cash, money market funds, and marketable securities approximate the respective fair values due to the short maturities of those instruments. Available-for-sale marketable securities are recorded at fair value in the balance sheet. A comparison of the carrying value of those financial instruments is as follows:

	Fair value at Reporting Date Using	
	Carrying Value	Fair Value
December 31, 2012		
Marketable Securities	$ 24,990.00	$ 24,990.00
Total	$ 24,990.00	$ 24,990.00

Note 8: Related Party

The Company had an expense sharing agreement with a related party under which expenses paid for common facilities use was prorated to the company based on usage.

Note 9: Subsequent Events

These financial statements were approved by management and available for issuance on February 20, 2013. Subsequent events have been evaluated through this date.

NIKOH SECURITIES CORPORATION

Statement of Net Capital
Schedule I
For the year ended December 31, 2012

	Focus 12/31/12		Audit 12/31/12		Change	
Stockholder's equity, December 31, 2012	$	105,126	$	105,126	$	-
Subtract - Non allowable assets:						
Other asset		(4,469)		(4,469)		-
Tentative net capital	$	100,657	$	100,657		-
Haircuts:		(4,113)		(4,113)		-
NET CAPITAL	$	96,544	$	96,544	$	-
Minimum net capital		(5,000)		(5,000)		-
Excess net capital	$	91,544	$	91,544	$	-
Aggregate indebtedness	$	183	$	183	$	-
Ratio of aggregate indebtedness to net capital		0.19%		0.19%		

Note:
There was no difference noted relating to net capital between the Focus and the Financial Statements.

The accompanying notes are an integral part of these financial statements

NIKOH SECURITIES CORPORATION
December 31, 2012

Schedule II
Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission

The Company is exempt from the Reserve Requirement of computation according to the provision of Rule 15c3-3(k)(2)(ii)

Schedule III
Information Relating to Possession or Control
Requirements Under Rule 15c3-3

The Company is exempt from the Rule 15c3-3 as it relates to Possession and Control requirements under the (k)(2)(ii) exemptive provision.

On October 1, 2012, the Company terminated its clearing relationship and continued to operate under (k)(1) exemptive provision of SEC Rule 15c3-3. The Company has not yet amended its membership agreement with FINRA to reflect this change.

Schedule IV
Independent Accountant's Report on Applying Agreed-Upon Procedures
Related to an Entity's SIPC Assessment Reconciliation

The Company is exempt from the Rule 17a-5(c)(4) as it meets the minimun assessment as for in Section 4(d)(1)(c) of The Securities Investor Protection Act of 1970, as amended.

The accompanying notes are an integral part of these financial statements

Dave Banerjee CPA, an Accountancy Corporation

INDEPENDENT ACCOUNTANT'S REPORT ON INTERNAL CONTROL STRUCTURE REQUIRED BY SEC RULE 17A-5

Board of Directors
Nikoh Securities Corporation
Bannockburn IL

In planning and performing our audit of the financial statements of Nikoh Securities Corporation for the year ended December 31, 2012 in accordance with auditing standards generally accepted in the United States of America, we considered its internal control structure, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. Accordingly, we do not express an opinion effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures including tests of such practices and procedures followed by Nikoh Securities Corporation including test of compliance with such practices and procedures that we considered relevant to objectives stated in Rule 17a-5(g)(1) 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: (i) in making the quarterly securities examinations, counts, verifications and comparisons, (ii) recordation of differences required by Rule 17a-13, or (iii) in complying with the requirements for prompt payment for securities of Section 8 of Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining an 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 control structure policies and procedures and of the practices and procedures referred to in the proceeding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission'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 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.

Board of Directors
Nikoh Securities Corporation
Page Two

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants and Public Company Accounting Oversight Board (United States). 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 error 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 the internal control structure, including control activities for safeguarding securities, which we consider to be material weaknesses as defined above.

In addition, our consideration of the internal control structure indicated that the Company was in compliance with the conditions of the exemption under Paragraph (k)(2) (ii) of Rule 15c3-3, and no facts came to our attention indicating that such conditions had not been complied with during the period. The scope of our engagement did not include the Anti Money Laundering provision of the U.S. Patriot Act.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purpose 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 the Company's practices and procedures were adequate at December 31, 2012 to meet the Commission's objectives.

This report is intended solely for the information and use of the Board of Directors, The Securities and Exchange Commission, and other regulatory agencies which 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.

Dave Banerjee

Dave Banerjee, CPA
Woodland Hills, California
February 20, 2012