



15026154

4/16



SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	March 31, 2016
Estimated average burden hours per response:	12.00

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

SEC FILE NUMBER
6-65566

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, 2014 AND ENDING December 31, 2014
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: M&C Investors Corporation
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
1 Executive Park

OFFICIAL USE ONLY
FIRM I.D. NO.

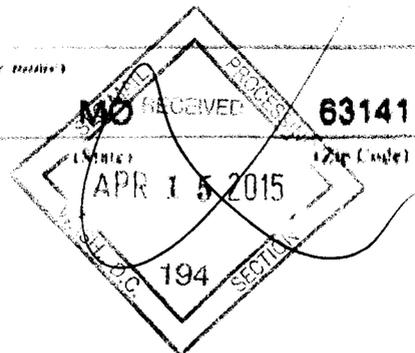
Granite City Illinois 62040-0907
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Anna E. Sapan 314-997-1756
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Brown Smith Wallace, L.L.C.

6 City Place Dr, Ste 900 St. Louis 63141
(Address) (City) (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-3(e)(2)

4/16

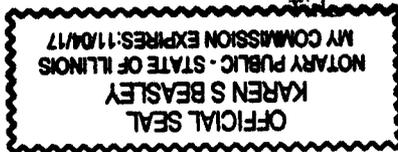
OATH OR AFFIRMATION

I, Ann E Saban, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Nicol Investors Corporation of December 31, 2014, 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:

[Handwritten Signature]
Signature

Chief Financial Officer

[Handwritten Signature: Karen S. Beasley]
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 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)

NICOL INVESTORS CORPORATION

FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM AND
ACCOMPANYING INFORMATION

DECEMBER 31, 2014

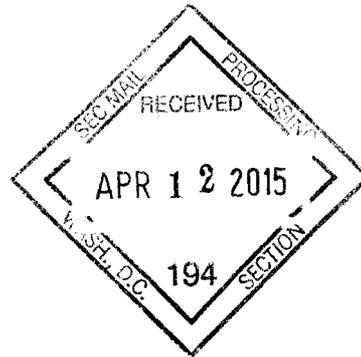


TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Registered Public Accounting Firm	1
Financial Statements	
Statement of Financial Condition	2
Statement of Income	3
Statement of Changes in Stockholder's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Supplemental Schedules	
Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission.....	10
Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 Under the Securities and Exchange Act of 1934.....	11
Information for Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 Under the Securities and Exchange Act of 1934.....	12

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Nicol Investors Corporation
Granite City, Illinois

We have audited the accompanying financial statements of Nicol Investors Corporation (an Illinois corporation), which comprise the statement of financial condition as of December 31, 2014, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. Nicol Investors Corporation's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Nicol Investors Corporation as of December 31, 2014, 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.

The supplemental schedules included at pages 10 - 12 have been subjected to audit procedures performed in conjunction with the audit of Nicol Investors Corporation's financial statements. The supplemental information is the responsibility of Nicol Investors Corporation's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Brown Smith Wallace, LLC

BROWN SMITH WALLACE, LLC
St. Louis, Missouri
February 23, 2015

NICOL INVESTORS CORPORATION

Statement of Financial Condition

December 31, 2014

ASSETS

Cash and cash equivalents	\$	110,263
Commissions receivable		62,199
Deposits with clearing organization		15,000
Property and equipment, net of accumulated depreciation of \$18,860		2,169
Prepaid expenses and other assets		7,574

TOTAL ASSETS \$ 197,205

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities

Commissions payable	\$	57,999
Accrued expenses		7,133
Dues collected in advance		15,690

Total Liabilities 80,822

Stockholder's Equity

Common stock: \$0.25 par value; authorized 400,000 shares; 160,952 shares issued and outstanding		40,238
Additional paid-in capital		188,162
Accumulated deficit		(112,017)

Total Stockholder's Equity 116,383

**TOTAL LIABILITIES AND STOCKHOLDER'S
EQUITY** \$ 197,205

The accompanying notes are an integral part of these financial statements.

NICOL INVESTORS CORPORATION

Statement of Income

Year ended December 31, 2014

Revenues:

Commissions and trail revenue	\$ 1,103,297
Other income	<u>23,813</u>

Total Revenues 1,127,110

Expenses:

Commissions	854,985
Salaries and wages	101,960
Occupancy rental	20,400
Depreciation	1,863
Insurance	2,710
License and fees	4,993
Professional fees	16,351
Travel and entertainment	489
Office expense	30,560
Training and meetings	5,068
Brokerage and FINRA fees	27,570
Website and email expense	<u>12,458</u>

Total Expenses 1,079,407

NET INCOME \$ 47,703

The accompanying notes are an integral part of these financial statements.

NICOL INVESTORS CORPORATION

Statement of Changes in Stockholder's Equity

Year ended December 31, 2014

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Total Stockholder's Equity
Balance at December 31, 2013	160,952	\$ 40,238	\$ 188,162	\$ (159,720)	\$ 68,680
Net income	-	-	-	47,703	47,703
Balance at December 31, 2014	160,952	\$ 40,238	\$ 188,162	\$ (112,017)	\$ 116,383

The accompanying notes are an integral part of these financial statements.

NICOL INVESTORS CORPORATION

Statement of Cash Flows

Year ended December 31, 2014

Cash flows from operating activities:	
Net income	\$ 47,703
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	1,863
(Increase) decrease in operating assets:	
Commissions receivable	(2,381)
Deposits, prepaid expenses, and other assets	(1,165)
Increase (decrease) in operating liabilities:	
Commissions payable	7,417
Accrued expenses	(377)
Dues collected in advance	125
	<hr/>
Net cash provided by operating activities	53,185
INCREASE IN CASH AND CASH EQUIVALENTS	53,185
Cash and cash equivalents, beginning of year	<hr/> 57,078
Cash and cash equivalents, end of year	<hr/> \$ 110,263 <hr/>

The accompanying notes are an integral part of these financial statements.

NICOL INVESTORS CORPORATION

Notes to Financial Statements

December 31, 2014

Note A - Summary of Significant Accounting and Reporting Policies

Nature of Operations

Nicol Investors Corporation (the "Company") is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company is an Illinois corporation operated from Granite City, Illinois and operating in various states throughout the United States. The Company is a wholly-owned subsidiary of Nicol Enterprises, Inc. ("the Holding Company").

The Company offers mutual funds and variable annuity contracts on an application-way basis to retail clients. The Company also offers its clients the ability to open general securities accounts through a clearing broker-dealer. The Company's primary focus is to provide financial advice to middle income families.

With respect to this activity, the Company promptly forwards all funds and securities received and does not otherwise hold funds or securities for, or owe money or securities to, customers and does not otherwise carry customer accounts. Accordingly, the Company is exempt from Rule 15c3-3 under the Securities Exchange Act of 1934.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Company's cash and cash equivalents are on deposit with a major domestic financial institution. At times, bank deposits may be in excess of federally insured limits.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Expenditures for maintenance, repairs and minor renewals are charged to operations as incurred; expenditures for betterments and major renewals are charged to the property and equipment accounts.

Depreciation of equipment is computed using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended December 31, 2014 was \$1,863.

When assets are retired or otherwise disposed of, the costs and related accumulated depreciation/amortization is removed from the accounts; gains or losses resulting therefrom are included in the statement of income.

NICOL INVESTORS CORPORATION

Notes to Financial Statements - Continued

December 31, 2014

Note A - Summary of Significant Accounting and Reporting Policies (Continued)

Dues Collected in Advance

Dues collected in advance represent monies collected upfront by the Company during the current year from their registered associates for various dues and licensing fees related to 2015. The Company charges a small administrative fee which is recorded as other income when earned.

Securities Transactions and Commissions

Securities transactions and commission revenues and related expenses are recorded on a settlement date basis. At December 31, 2014, management considers all commissions receivable as collectible, therefore, an allowance for uncollectible amounts is not necessary.

Income Taxes

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal corporate income taxes on its taxable income. Instead, the stockholder is liable for federal income taxes on taxable income.

The Company has addressed the provisions of ASC 740-10, *Accounting for Income Taxes*. In that regard, the Company has evaluated its tax positions, expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings and believes that no provision for income taxes is necessary at this time to cover any uncertain tax positions. Tax years that remain subject to examination by major tax jurisdictions are 2011 through 2014.

Use of Estimates in Preparation of Financial Statements

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.

Subsequent Events

The Company evaluated all subsequent events through February 23, 2014, the date the financial statements were available to be issued.

NICOL INVESTORS CORPORATION

Notes to Financial Statements - Continued

December 31, 2014

Note B - Clearing Broker-Dealer Deposits

The Company is contractually obligated to maintain a deposit account at its clearing broker-dealer, Sterne Agee & Leach, Inc. ("Sterne Agee"). As designated by the terms of the agreement, the deposit account shall at all times contain cash, qualified securities, or a combination of both having a market value of at least \$15,000. This amount is included in deposits with clearing organization in the accompanying statement of financial condition.

Note C - Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (SEC Rule 15c3-1) of the Securities Exchange Act of 1934, which requires the maintenance of minimum Net Capital. Under the Rule, the Company is required to maintain minimum Net Capital, as defined, equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness and the ratio of aggregate indebtedness to net capital cannot exceed 15 to 1.

At December 31, 2014, the Company had Net Capital of \$106,640 which was \$101,252 in excess of its required Net Capital of \$5,388. The Company's ratio of aggregate indebtedness to Net Capital was .76 to 1.

The Company is exempt from the provisions of SEC Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (ii) of the Rule. As an introducing broker, the Company clears customer transactions on a fully-disclosed basis with Sterne Agee.

Note D - Lease Commitments

In 2014, the Company leased office space from a related party (majority stockholder in the Holding Company). The lease was renewed in 2015, with a term of 12 months, beginning January 1, 2015 and scheduled to expire December 31, 2015. The Company expensed \$20,400 related to this lease during 2014. For 2015, the future minimum annual lease payments required under the lease total \$20,400.

NICOL INVESTORS CORPORATION

Notes to Financial Statements - Continued

December 31, 2014

Note E - Related Parties

The Company had the following related party transactions during 2014. Related parties include stockholders who own greater than 5% of the Holding Company's common stock:

Commissions expense	\$ 339,208
Occupancy and equipment rental expense	20,400
Salaries and professional fees	11,350
Administrative expenses	8,000

Commissions payable to related parties at December 31, 2014 is \$40,043 and has been included in the accompanying statement of financial condition.

Note F - Financial Instruments with Off-Balance Sheet Risk

The Company's customers' accounts are carried by the carrying broker-dealer. Execution and clearing services are also performed by the carrying broker-dealer. The agreement between the Company and the carrying broker-dealer stipulates that all losses resulting from the Company's customers' inability to fulfill their contractual obligations are the responsibility of the Company. As designated by the terms of the arrangement, the Company carries a deposit with the broker-dealer in the amount of \$15,000 (see Note B).

Note G - Employee Benefit Plan

The Company established a 401(k) profit-sharing plan for the benefit of its employees. Employees may begin elective deferrals immediately and are eligible for matching contributions upon employment. The Company's matching contribution is 1% on the first 6% of employee contributions. Company matching contributions totaled \$886 for the year ended December 31, 2014.

Note H - SIPC Annual Assessment

The Company is a member of the Securities and Investor Protection Corporation and has remitted all required assessments.

Supplemental Schedules

NICOL INVESTORS CORPORATION

Schedule I - Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission

December 31, 2014

(See Independent Auditor's Report)

COMPUTATION OF NET CAPITAL

Total stockholder's equity (from Statement of Financial Condition)	\$ 116,383
Deductions and/or charges:	
Non-allowable assets:	
Prepaid expenses, property and equipment, and other assets	<u>9,743</u>
Total net capital	<u>\$ 106,640</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

Items included in statement of financial condition:	
Commissions payable	\$ 57,999
Accrued expenses	7,133
Dues collected in advance	<u>15,690</u>
Total aggregate indebtedness	<u>\$ 80,822</u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum dollar net capital required	<u>\$ 5,000</u>
Minimum net capital required - percentage of aggregate indebtedness	<u>\$ 5,388</u>
Excess net capital	<u>\$ 101,252</u>
Excess net capital at 1000%	<u>\$ 98,558</u>
Ratio of aggregate indebtedness to net capital	<u>0.76 to 1</u>

Statement Pursuant to Paragraph (d)(4) of Rule 17a-5

There are no material differences between this computation of net capital pursuant to Rule 15c3-1 and the corresponding computation prepared by Nicol Investors Corporation and included in the Company's unaudited Part IIA FOCUS report filing as of December 31, 2014 (as amended).

NICOL INVESTORS CORPORATION

**Computation for Determination of Reserve Requirements
For Brokers and Dealers Pursuant to Rule 15c3-3 Under the
Securities and Exchange Act of 1934**

December 31, 2014

(See Independent Auditor's Report)

The Company operates on a "fully-disclosed basis" under an agreement with a nonaffiliated clearing broker. Accordingly, the Company claims exemption to SEC Rule 15c3-3 pursuant to Paragraph (k)(2)(ii) and therefore no "Computation for Determination of Reserve Requirements" under that rule has been provided.

NICOL INVESTORS CORPORATION

Information for Possession or Control Requirements For Brokers and Dealers Pursuant to Rule 15c3-3 Under the Securities and Exchange Act of 1934

December 31, 2014

(See Independent Auditor's Report)

The Company operates on a "fully-disclosed basis" under an agreement with a nonaffiliated clearing broker. Accordingly, the Company claims exemption to SEC Rule 15c3-3 pursuant to Paragraph (k)(2)(ii) and therefore no "Information for Possession or Control Requirements" under that rule has been provided.

NICOL INVESTORS CORPORATION

INDEPENDENT ACCOUNTANT'S REVIEW REPORT
ON MANAGEMENT'S ASSERTION PURSUANT TO
EXEMPTION FROM 17 C.F.R. §240.15C3-3 (K)

DECEMBER 31, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Nicol Investors Corporation
Granite City, Illinois

We have reviewed management's statements, included in the accompanying Management Statement Regarding Exemption from SEC Rule 15c3-3, in which (1) Nicol Investors Corporation identified the following provisions of 17 C.F.R. §15c3-3(k) under which Nicol Investors Corporation claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (the "exemption provisions") and (2) Nicol Investors Corporation stated that Nicol Investors Corporation met the identified exemption provisions for the period of June 1, 2014 to December 31, 2014 without exception. Nicol Investors Corporation's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Nicol Investors Corporation's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Brown Smith Wallace, LLC

BROWN SMITH WALLACE, LLC
St. Louis, Missouri
February 23, 2015



Management Statement Regarding Exemption from SEC Rule 15c3-3

Nicol Investors Corporation (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers") This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4).

This report is for the period June 1, 2014 to December 31, 2014

To the best of its knowledge and belief, the Company states the following:

- (1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3 (k)(2)(ii) of the Rule because it promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker-dealer and does not otherwise hold funds or securities for, or owe money to, customers.
- (2) The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k) throughout the identified period without exception.

Nicol Investors Corporation

I, Dr. Anna Saban, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By: _____

Dr. Anna Saban
FinOP

Dated: 02/23/2015

#1 Executive Park, P. O. Box 907, Granite City, IL 62040-0907

(618)931-3267 or (314)355-TERM; Toll Free: (888) GO NICOL; Fax: (618)797-3239

www.nicolfinancial.com

Securities and investments offered through: Nicol Investors Corporation (NIC), Member FINRA and SIPC
NIC; Nicol Advisors Corporation (NAC, A Registered Investment Advisor); and Kevin G. Nicol & Associates, Inc. (An Insurance Agency)
are subsidiaries of Nicol Enterprises, Inc. (NEI) dba Nicol Financial Services (NFS)
NEI and Nicol Investment Properties, LLC are separate business entities.