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

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

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SECURITIES AND EXCHANGE COMMISSION

SEC FILE NUMBER
68770

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 01/01/14 AND ENDING 12/31/14
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Kayan Securities, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

3450 Wilshire Boulevard, Suite 1020

(No. and Street)

Los Angeles,

(City)

CA

(State)

90010

(Zip Code)

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

Yong Soo Kim

213 739-0998

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Elizabeth Tractenberg, CPA

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

3832 Shannon Road

(Address)

Los Angeles

(City)

CA

(State)

90027

(Zip Code)

CHECK ONE:

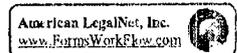
- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

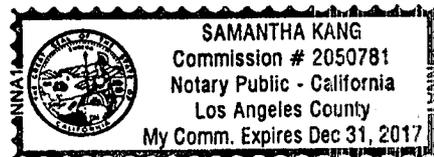
I, Yong Soo Kim, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kayan Securities, Inc., as of December 31, 2014, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None

[Signature]
Signature

President
Title

[Signature]
Notary Public
NOTARIZATION CERT. ATTACHED



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).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

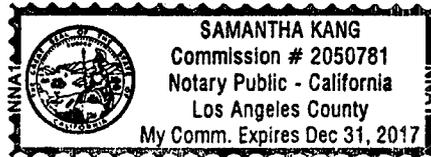
Subscribed and sworn to (or affirmed) before me

on this 29th day of FEBRUARY, 2015,

by YONG SOO KIM

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Samantha Kang
Signature



Elizabeth Tractenberg, CPA

3832 SHANNON ROAD
LOS ANGELES, CALIFORNIA 90027
323/669-0545 – Fax 323/517-2625
elizabeth@tractenberg.net
PCAOB # 3621

Report of Independent Registered Public Accounting Firm

To the Board of Directors
Kayan Securities, Inc.
Los Angeles, CA 90010-2245

I have audited the accompanying statement of financial condition of Kayan Securities, Inc. (the “Company”), a California corporation, as of December 31, 2014 and the related statements of income (loss), changes in stockholder’s equity, and changes in financial condition 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. The Company’s management is responsible for these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Company 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 information contained in Schedules I, II and III (the “supplemental information”) has been subjected to audit procedures performed in conjunction with the audit of the Company’s financial statements. The supplemental information is the responsibility of the Company’s management. My 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 my opinion on the supplemental information, I evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In my opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.



Elizabeth Tractenberg, CPA
Los Angeles, CA
February 26, 2015

Kayan Securities, Inc.
Statement of Financial Condition
December 31, 2014

Assets

Cash		\$ 7,875
Clearing broker deposit		45,000
Commissions receivable		31,409
Property and Equipment, at cost, net of accumulated depreciation of \$3,714		499
Other assets		1,242
Rent deposit		<u>1,262</u>
Total Assets		<u>\$ 87,287</u>

Liabilities and Stockholder's Equity

Liabilities		
Accrued expenses		\$ 30,999
Total Liabilities		<u>30,999</u>
Stockholder's Equity		
Common stock, \$.01 par value, 100,000 shares authorized; 10,967.498 shares issued and outstanding	\$ 110	
Paid-in capital	20,965	
Retained earnings (deficit)	<u>35,213</u>	<u>56,288</u>
Total Liabilities and Stockholder's Equity		<u>\$ 87,287</u>

See accompanying notes to the financial statements

Kayan Securities, Inc.
Statement of Income
December 31, 2014

Revenues	
Commissions and fees	\$ 451,913
Total Revenues	<u>451,913</u>
Direct Costs	
Commission expense	231,473
Clearing expenses	58,469
Total Direct Costs	<u>289,942</u>
Gross Profit	<u>161,971</u>
Expenses	
Depreciation	332
Insurance	26,858
Office expense	3,063
Parking	2,700
Professional fees	9,300
Regulatory fees	4,855
Rent	14,573
Salaries and payroll taxes	34,456
Telephone	3,260
All other expenses	7,934
Total Expenses	<u>107,331</u>
Income before provision for income taxes	54,640
Income tax provision	800
Net Income	<u>\$ 53,840</u>

See accompanying notes to the financial statements

Kayan Securities, Inc.
Statement of Changes in Stockholder's Equity
December 31, 2014

	Common Stock Shares	Common Stock	Paid-In Capital	Retained Earnings (Deficit)	Total
December 31, 2013	10,967	\$ 110	\$ 84,265	\$ (18,627)	\$ 65,748
Net Income				53,840	53,840
Capital Distribution			<u>(63,300)</u>		<u>(63,300)</u>
Balance, December 31, 2014	<u>10,967</u>	<u>\$ 110</u>	<u>\$ 20,965</u>	<u>\$ 35,213</u>	<u>\$ 56,288</u>

See accompanying notes to the financial statements

Kayan Securities, Inc.
Statement of Changes in Financial Condition
December 31, 2014

Cash Flows from Operating Activities:	
Net income	\$ 53,840
Depreciation and amortization	332
Changes in operating assets and liabilities:	
Commissions receivable	20,740
Other assets	4
Accounts payable	<u>(14,012)</u>
Net Cash Provided by Operating Activities	<u>60,904</u>
Cash Flows for Investing Activities:	
	-
Cash Flows from Financing Activities:	
Capital distribution	<u>(63,300)</u>
Cash Flows from Financing Activities	<u>(63,300)</u>
Net increase in cash	(2,396)
Cash - beginning of the year	<u>10,271</u>
Cash - year end	<u><u>\$ 7,875</u></u>
Supplemental Cash Flow Information	
Cash paid for interest	\$ -
Cash paid for income tax	\$ 800

See accompanying notes to the financial statements

Kayan Securities, Inc.
Notes to Financial Statements
December 31, 2014

Note 1 – Organization and Nature of Business

Kayan Securities, Inc. (the Company) was incorporated on July 22, 2009. The Company is a registered broker-dealer with the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (“FINRA”), and the Securities Investor Protection Corporation (“SIPC”).

Note 2 – Significant Accounting Policies

Basis of Presentation – The Company conducts the following types of business as a securities broker-dealer, which comprises several classes of services, including:

- Broker or dealer retailing corporate equity securities over-the-counter
- Broker or dealer selling corporate debt securities
- Underwriter or selling group participant (corporate securities other than mutual funds)
- Mutual fund retailer
- U.S. government securities broker
- Broker or dealer selling variable life insurance or annuities
- Put and call broker or dealer or option writer
- Non-exchange member arranging for transactions in listed securities by exchange member
- Private placements of securities
- Broker or dealer selling tax shelters or limited partnerships in primary distributions
- Broker or dealer selling tax shelters or limited partnerships in the secondary market

Under its membership agreement with FINRA and pursuant to Rule 15c3 (k) (2) (ii), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Use of Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Commissions - Commissions income and related clearing expenses are recorded on a trade-date basis as securities transactions occur

Kayan Securities, Inc.
Notes to Financial Statements
December 31, 2014

Note 2 – Significant Accounting Policies (continued)

Income Taxes - The Company has elected to be taxed under the provisions of subchapter S of the Internal Revenue Code and comparable State of California statutes wherein the Company's taxable federal and state income is taxed directly to the shareholder. Additionally, the state of California imposes a 1.5% state franchise tax on the corporation's taxable income.

The tax returns are prepared on a cash basis, however no deferred taxes are reported as the impact on the financial statements are not material.

The accounting principles generally accepted in the United States of America provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Company in its Federal and State organization tax returns are more likely than not to be sustained upon examination. The Company is subject to examinations by U.S. Federal and State tax authorities from 2011 to the present, generally for three years after they are filed.

Depreciation - Depreciation is provided on a straight-line basis using estimated useful lives of five to ten years. Leasehold improvements are amortized over the lesser of the economic useful life of the improvement or the term of the lease.

Note 3 - Fair Value

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

· Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.

· Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.

· Level 3 inputs are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

Kayan Securities, Inc.
Notes to Financial Statements
December 31, 2014

Note 3 - Fair Value (continued)

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2014.

Assets	Fair Value Measurements on a Recurring Basis			
	As of December 31, 2014			
	Level 1	Level 2	Level 3	Total
Cash	\$ 7,875	-	-	\$ 7,875
Clearing broker deposit	45,000	-	-	45,000
Total	<u>\$52,875</u>	<u>-</u>	<u>-</u>	<u>\$52,875</u>

Note 4 - Receivable From and Payable to Broker-Dealers and Clearing Organizations

Amounts receivable from and payable to broker-dealers and clearing organizations at December 31, 2014, consist of the following:

	Receivable	Payable
Fees and commissions receivable/payable	\$ 31,409	\$ 0

Note 5 - Clearing Broker Deposit

The Company has an agreement with a clearing broker which requires a minimum deposit of \$45,000.

Note 6 - Concentration of Credit Risk

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

Note 7 - 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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2014, the Company had net capital of \$53,285 which was \$48,285 in excess of its required net capital of \$5,000. The Company's net capital ratio was .58 to 1.

Kayan Securities, Inc.
Notes to Financial Statements
December 31, 2014

Note 8 – Income Taxes

As discussed in Note 2 - Significant Accounting Policies, the company is subject to a 1.5% tax on net income over the minimum tax of \$800. At December 31, 2014, the Company recorded the minimum franchise tax of \$800.

Note 9 – Exemption from the SEC Rule 15c3-3

The Company is an introducing broker-dealer that clears all transactions with and for customers on a fully disclosed basis with an independent securities clearing company and promptly transmits all customer funds and securities to the clearing company, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of the SEC Rule 17a-3 and 17a-4, as are customarily made and kept by a clearing broker or dealer.

Note 10 – SIPC Supplementary Report Requirement

The Company is not required to complete the SIPC Supplementary Report under SEC Rule 17a-5(c)(4) for the year ending December 31, 2014 because the Company's SIPC Net Operating Revenues are under \$500,000.

Note X – Operating Lease Commitments

On December 14, 2010, the Company entered into a lease for office space under a non-Cancellable operating lease. The lease has been extended for twenty four months, commencing On December 1, 2013 and terminating on November 30, 2015.

At December 31, 2014, future minimum lease payments under this agreement were as follows:

2015 \$ 13,398

Rent expense for the year ended December 31, 2014 was \$14,573.

Note 11 – Subsequent Events

Management has reviewed the results of operations for the period of time from its year end December 31, 2014 through February 26, 2015, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosures.

Kayan Securities, Inc.
Schedule I - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
December 31, 2014

Computation of Net Capital	
Total stockholder's equity from statement of financial condition	\$ 56,288
Nonallowable assets:	
Property and Equipment, net of accumulated depreciation	(499)
Other assets	(1,242)
Rent deposit	(1,262)
Net Capital	<u>\$ 53,285</u>
Computation of Net Capital Requirements	
Minimum net aggregate indebtedness - 6.67% of net aggregate indebtedness	<u>\$ 2,067</u>
Minimum dollar net capital required	<u>\$ 5,000</u>
Net Capital required (greater of above amounts)	<u>\$ 5,000</u>
Excess Capital	<u>\$ 48,285</u>
Excess net capital at 1000% (net capital less 10% of aggregate indebtedness)	<u>\$ 50,185</u>
Computation of Aggregate Indebtedness	
Total liabilities	<u>\$ 30,999</u>
Aggregate indebtedness to net capital	0.58

Reconciliation

The following is a reconciliation of the above netcapital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):

Net Capital Per Company's Computation	\$53,285
Variance	<u>-</u>
Net Capital Per Audited Report	\$53,285

See accompanying notes to the financial statements

Elizabeth Tractenberg, CPA

3832 SHANNON ROAD
LOS ANGELES, CALIFORNIA 90027
323/669-0545 – Fax 323/517-2625
elizabeth@tractenberg.net
PCAOB # 3621

Report of Independent Registered Public Accounting Firm

To the Board of Directors
Kayan Securities, Inc.

I have reviewed management's statements, included in the accompanying Kayan Securities, Inc. (the "Company") Exemption Report in which (1) the Company identified the following provisions of 17C.F.R. § 15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: ((k) (2) (ii)) (the "exemption provisions") from June 1, 2014 to December 31, 2014, and (2) the Company stated that they met the identified exemption provisions from June 1, 2014 to December 31, 2014 (the Company's fiscal year end) without exception. The Company's management is responsible for compliance with the exemption provisions and its statements.

My 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 the Company'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, I do not express such an opinion.

Based on my review, I am 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 for the periods noted in paragraph 1 above other than the comment brought up by FINRA during their examination that the review of the exemption report should be initialed by the designated principal.



Elizabeth Tractenberg, CPA
Los Angeles, CA
February 26, 2015



Kayan Securities, Inc.

Member FINRA-SIPC

3450 Wilshire Blvd., Ste. 1020 • Los Angeles, CA 90010 • (T) (213) 739 - 0998 (F) (213) 739 - 2686

December 31, 2014

Elizabeth Tractenberg, CPA
3832 Shannon Road
Los Angeles, CA 90027

Re: SEA Rule 17a-5(d)(4) Exemption Report

Dear Ms. Tractenberg:

Pursuant to the referenced rule, the following information is provided.

Under its membership agreement with FINRA and pursuant to Rule 15c3-3(k)(2)(ii), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers.

Kayan Securities, Inc met the Section 204, 15c3-3(k)(2)(ii) exemption for the period June 1, 2014 to December 31, 2014.

Sincerely,

Yong Soo Kim
President