

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

ANNUAL REPORTS  
FORM X-17A-5  
PART III

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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/21 AND ENDING 12/31/21  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Veritas Independent Partners LLC

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant  
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

2201 Washington Ave, Suite 2  
(No. and Street)  
Conway Arkansas 72032  
(City) (State) (Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Debra Shannon 501-358-6131 debra@veritasmail.com  
(Name) (Area Code – Telephone Number) (Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

AJSH and Co. LLP  
(Name – if individual, state last, first, and middle name)  
C7/227, Sector 7, Rohini New Delhi Delhi 110085  
(Address) (City) (State) (Zip Code)  
02/10/2009 3223  
(Date of Registration with PCAOB)(if applicable) (PCAOB Registration Number, if applicable)

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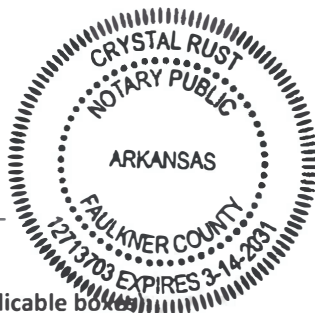
\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

## OATH OR AFFIRMATION

I, Debra Shannon, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Veritas Independent Partners LLC, as of December 31, 2021, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

Crystal Rust  
Notary Public



Signature: Debra Shannon

Title: Managing Member

**This filing\*\* contains (check all applicable boxes)**

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to consolidated statement of financial condition.
- ☒ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☒ (d) Statement of cash flows.
- ☒ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☒ (g) Notes to consolidated financial statements.
- ☒ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☒ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☒ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: \_\_\_\_\_

**\*\*To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.**

**VERITAS INDEPENDENT PARTNERS, LLC**

**REPORTS PURSUANT TO RULES 17a-5(d)**

**YEAR ENDED DECEMBER 31, 2021**

## Report of the Independent Registered Public Accounting Firm

To the Members of  
**Veritas Independent Partners, LLC**

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Veritas Independent Partners, LLC (the "Company") as of December 31, 2021 and the related statements of operations, changes in member's equity and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

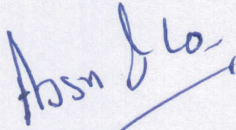
### Supplementary Information

The supplementary information contained in Schedule I - Computation of Net Capital pursuant to Uniform Net Capital Rule 15c3-1 of Securities and Exchange Commission has been subjected to audit procedures performed in conjunction with the audit of Company's financial statements. The supplemental information is the responsibility of the Company'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.



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In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 CFR § 240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.



AJSH & Co LLP

We have served as the Company's Auditor since 2018

New Delhi, India  
March 29, 2022

**VERITAS INDEPENDENT PARTNERS, LLC**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2021**

**ASSETS**

Cash	\$ 104,282
Commissions receivable	124,682
Central registration depository account	268
Prepaid expenses	1,098
Undeposited funds	<u>3,150</u>
<i><b>Total assets</b></i>	<u><b>\$ 233,480</b></u>

**LIABILITIES AND MEMBER'S EQUITY**

**LIABILITIES:**

Accounts payable and accrued expenses	\$ 103,735
Related party payables	<u>17,974</u>
<i><b>Total liabilities</b></i>	121,709

**COMMITMENTS AND CONTINGENCIES** (Notes 5 and 6) -

**MEMBER'S EQUITY** (Note 2) 111,771

***Total liabilities and member's equity*** **\$ 233,480**

The accompanying notes are an integral part of this statement.

**VERITAS INDEPENDENT PARTNERS, LLC**

**STATEMENT OF INCOME**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**REVENUES:**

Commissions	\$ 2,372,270
Insurance income	14,426
Reimbursed expenses	62,628
Other income	32,225

<i><b>Total revenues</b></i>	<u>2,481,549</u>
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**EXPENSES:**

Commission	2,011,234
Professional services	45,958
Personnel	153,995
General operating	80,649
Insurance	26,131
Regulatory	36,435
Marketing	818
Other	1,839

<i><b>Total expenses</b></i>	<u>2,357,059</u>
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<b>NET INCOME</b>	<u><b>\$ 124,490</b></u>
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The accompanying notes are an integral part of this statement.



**VERITAS INDEPENDENT PARTNERS, LLC**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2021**

**CASH FLOWS FROM (TO) OPERATING ACTIVITIES:**

Net income	\$ 124,490
Adjustments to reconcile net income to net cash provided by operating activities:	
Decrease in accounts receivable - personnel	100
Decrease in central registration depository account	1,326
Decrease in prepaid expenses	601
Decrease in commissions receivable	81,374
Decrease in right of use asset	3,593
(Increase) in undeposited funds	(3,150)
Increase in accounts payable and accrued expenses	6,327
(Decrease) in Lease liability - roua	(3,593)
(Decrease) in related party payables	(3,998)
	<hr/>
<b>Net cash provided by operating activities</b>	<b>207,070</b>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

PPP loan	(18,733)
Capital distribution	(109,930)
	<hr/>
<b>Net cash provided by financing activities</b>	<b>(128,663)</b>

**NET INCREASE IN CASH** 78,407

**CASH, at beginning of year** 

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25,875

**CASH, at end of year** 

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**\$ 104,282**

The accompanying notes are an integral part of this statement.



**VERITAS INDEPENDENT PARTNERS, LLC**  
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>BALANCES, December 31, 2020</b>	\$ 97,211
Distributions	(109,930)
Net income	<u>124,490</u>
<b>BALANCES, December 31, 2021</b>	<u><b>\$ 111,771</b></u>

The accompanying notes are an integral part of this statement.

# **VERITAS INDEPENDENT PARTNERS, LLC**

## **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2021**

### **NOTE 1- ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Organization and Business**

Veritas Independent Partners, LLC (the “Company”) is an Arkansas limited liability company formed on September 9, 2013. The Company is affiliated with Cardinal Investment Group (“Cardinal”), a registered branch office of the Company and Tartan Properties through common ownership. The Company is registered with the Securities and Exchange Commission (SEC), and licensed by the Financial Industry Regulatory Authority, Inc. (FINRA). The Company operates as a securities broker-dealer for mutual funds, variable annuities, and investment advisory services.

#### **15c3-3 Exemption**

The Company carries no customer funds or securities and therefore is exempt from the reserve and possession or control requirements under Rule 15c3-3(k)(2)(i) of the Securities Exchange Act of 1934. The Company identified the provisions of Footnote 74 under which the Company is not required to claim an exemption from 17 C.F.R. 240.15c3-3.

#### **Revenue Recognition**

The Company’s main source of revenue is mutual funds, variable annuities and investment advisory services. This revenue and the related commission expense are recognized on an accrual basis.

#### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers investments with a maturity of three months or less to be cash equivalents.

#### **Income Taxes**

The Company is not a taxable entity and thus the financial statements do not include a provision for income taxes. The Company’s members are taxed on their respective share of the Company’s earnings.

The Company is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any tax related appeals or litigation processes, based on the technical merits of the position. The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states. The Company is not subject to income tax return examinations by major taxing authorities for years before 2018. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces net assets. However, the Company’s conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof. The Company recognizes interest accrued related to unrecognized tax benefits and penalties related unrecognized tax benefits in income taxes payable, if assessed. No interest expense or penalties have been recognized as of and for the year ended December 31, 2021.

## **VERITAS INDEPENDENT PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENTS**

*(continued)*

#### **NOTE 1- ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(cont'd)**

##### **Estimates**

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

##### **Leases**

The Company's accounting and reporting of its leases complies with FASB ASC 842, Lease. See Note 3.

#### **NOTE 2 – NET CAPITAL REQUIREMENTS**

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. At December 31, 2021, the Company had net capital and net capital requirements of \$107,014 and \$8,114, respectively. The Company's net capital ratio (aggregate indebtedness to net capital) was 1.14 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1.

#### **NOTE 3 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

Effective December 1, 2020, the Company adopted the new FASB accounting standard ASC 842, Leases, which governs the accounting and reporting of leases by lessees. ASC 842 generally applies to leases that have a lease term greater than 12 months at lease commencement, or that include an option to purchase the underlying asset the Company is reasonably certain to exercise. ASC 842's principal changes are: 1) recognizing leases on the Statement of Financial Condition by recording a Right-of-use asset and a Lease liability; 2) changes in lease expense recognition during the lease term based on its classification as an Operating lease or Finance lease; 3) expanded disclosures of lease agreements, cost and other matters. See Note 4.

#### **NOTE 4 – LEASES**

The Company is a lessee in a non-cancelable operating lease for office space subject to ASC 842, Leases. The lease agreement does not include a termination or renewal option for either party, or restrictive financial or other covenants. The non-cancelable operating lease is set to expire on May 1, 2022.



## **VERITAS INDEPENDENT PARTNERS, LLC**

### **NOTES TO FINANCIAL STATEMENTS**

*(continued)*

#### **NOTE 5 – RELATED PARTY TRANSACTIONS AND COMMITMENTS**

The Company is affiliated with Cardinal Investment Group (“Cardinal”), a registered branch office of the Company and Tartan Properties through common ownership.

The Company has an expense sharing agreement (“ESA”) with Cardinal. Under the agreement, the Company pays an allocation of Cardinal’s utilities.

The Company entered into a lease agreement with Tartan Properties which will expire May 1, 2022.

At December 31, 2021 there were related party payables of \$17,974 that are commissions due to the members of the Firm. The Firm has recorded \$87,080 as payroll expense and \$330,275 as commission expense paid to members for 2021.

#### **NOTE 6 – FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISK AND CONTINGENCIES**

The Company’s financial instruments, including cash and cash equivalents, accounts receivable and other assets and accounts payable are carried at amounts that approximate fair value due to the short-term nature of those instruments.

#### **NOTE 7 - PAYCHECK PROTECTION PROGRAM LOAN**

During the 12 months ended December 31, 2020 the Company borrowed \$18,650 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security Act sponsored by the United State and administered by the Small Business Administration (the “SBA”).

The loan is subject to a note dated April 13, 2020 to the extent proceeds of the loan are used for eligible expenditures such as payroll and other expenses described in the CRAES Act. The loan bears interest at a rate of 1% and is payable in monthly installments of principal and interest over 24 months beginning 6 months for the date of the note. The loan can repaid at any time with no prepayment penalty. The Company has utilized the entirety of the proceeds of this loan amount for qualifying expenses, and as such, full loan forgiveness, including interest, was granted on April 8, 2021.

#### **NOTE 8 – SUBSEQUENT EVENTS**

The Company has performed an evaluation of subsequent events through the date the financial statements were issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

## **SUPPLEMENTARY INFORMATION**

# SCHEDULE I

## VERITAS INDEPENDENT PARTNERS, LLC

### COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES EXCHANGE ACT OF 1934

DECEMBER 31, 2021

**CREDIT:**

Stockholders' equity	\$ 111,771
	-
<i>Total credits</i>	<u>111,771</u>

**DEBITS:**

Nonallowable assets:	
Commissions - nonallowable	241
Central registration depository account	268
Prepaid expenses	1,098
Undeposited funds	3,150
<i>Total debits</i>	<u>4,757</u>

NET CAPITAL	107,014
Minimum requirement of 6-2/3% of aggregate indebtedness of \$121,709 or \$5,000, whichever is greater	<u>8,114</u>
<i>Excess net capital</i>	<u><u>\$ 98,900</u></u>

**AGGREGATE INDEBTEDNESS:**

Accounts payable, accrued expenses & related party payables	<u><u>\$ 121,709</u></u>
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<b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<u><u>1.14 to 1</u></u>
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**NOTE:** There are no material differences between the above computation of net capital and the corresponding computation as submitted by the Company with the unaudited Form X-17A-5 as of December 31, 2021.

See Independent Auditor's Report.



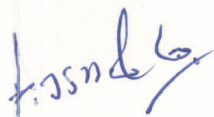
### Report of Independent Registered Public Accounting Firm

To the Board of Directors of  
**Veritas Independent Partners, LLC**

We have reviewed management's statements, included in the accompanying Veritas Independent Partners, LLC's Exemption Report, in which (1) Veritas Independent Partners, LLC does not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3 and (2) Veritas Independent Partners, LLC stated that it is filing the Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because Veritas Independent Partners, LLC limits its business activities exclusively to Mutual fund retailer (Application way); Broker selling variable life insurance or annuities; Investment advisory services; and Municipal securities retailer – 529 plans only and Veritas Independent Partners, LLC 1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, 2) did not carry accounts of, or for, customers; and 3) did not carry PAB accounts (as defined in Rule 15c3-3 throughout the most recent fiscal year, 2021, without exception. The Company'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 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, 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 SEC Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5.



**AJSH & Co LLP**

New Delhi, India  
March 29, 2022

**VERITAS INDEPENDENT PARTNERS, LLC**  
**EXEMPTION REPORT**  
**REQUIREMENT FOR BROKER/DEALERS UNDER**  
**RULE 17a-5 OF THE SECURITIES EXCHANGE ACT OF 1934**

**DECEMBER 31, 2021**


Veritas Independent Partners, LLC (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).

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

(1) The Company does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and

(2) The Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to: (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

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

  
Signature

Managing Member  
Title

See Independent Auditor’s Report.