



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

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

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8 - 51595  
SEC  
Mail Processing  
Section

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

MAR 02 2015  
Washington DC

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2014 AND ENDING DECEMBER 31, 2014

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: OFFICIAL USE ONLY

VERITAS SECURITIES CORP. FIRM ID. NO.

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

c/o Accounting and Compliance Int'l - 40 Wall Street - Suite 1704

NEW YORK, NEW YORK 10005

(City) (State) (Zip Code)

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

BARBARA GETTENBERG (212) 668 - 8700

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

LERNER & SIPKIN, CPAs, LLP

132 Nassau Street, Suite 1023 New York NY 10038

Certified Public Accountant

**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 unless the form displays a currently valid OMB control number

3/10

OATH OR AFFIRMATION

I, **KEITH DeMARCO**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **VERITAS SECURITIES CORP. as of Dec 31, 2014**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

x Keith DeMarco  
Signature  
President  
Title

x Margery N. Murriel  
Notary Public  
MARGERY NELL MURRIEL  
Notary Public, State of New York  
No. 01MU6247130  
Qualified in Kings County  
Commission Expires August 22, 2015

- This report\*\* contains (check all applicable boxes):
- (x) (a) Facing page.
  - (x) (b) Statement of Financial Condition.
  - ( ) (c) Statement of Operations.
  - ( ) (d) Statement of Cash Flows.
  - ( ) (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
  - ( ) (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
  - ( ) (g) Computation of Net Capital.
  - ( ) (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
  - ( ) (i) Information Relating to the Possession or Control requirements under rule 15c3-3.
  - ( ) (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the reserve requirements Under Exhibit A of Rule 15c3-3.
  - ( ) (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
  - (x) (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.
  - (x) (o) Independent Auditors' Report.

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

**VERITAS SECURITIES, CORP.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2014**

**ASSETS**

Cash and cash equivalents	\$ 102,209
Due from broker	350,000
Office equipment, net of accumulated depreciation of \$4,819 (Note 2(d))	-
Other assets	<u>462</u>
Total assets	<u>\$ 452,671</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	<u>\$ 76,191</u>
Total liabilities	<u>76,191</u>

**Commitments and Contingencies (Note 4)**

**Stockholders' equity (Note 6)**

Common stock, no par value, 200 shares authorized, 10 shares issued and outstanding.	\$ 20,000
Additional paid-in capital	480,000
Retained earnings	51,480
Less treasury stock at cost	<u>(175,000)</u>
Total stockholders' equity	<u>376,480</u>
Total liabilities and stockholders' equity	<u>\$ 452,671</u>

The accompanying notes are an integral part of this statement

**VERITAS SECURITIES CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 1 - Nature of Business**

Veritas Securities Corp. (The "Company") is a New York State corporation formed in 1999, for the purpose of conducting business as a broker on the floor of the New York Stock Exchange ("NYSE"). The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC").

The Company operates under the provisions of Paragraph (k)(2) (ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

**Note 2 - Summary of Significant Accounting Policies**

**a) Revenue Recognition**

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis. Commission income and related income and expense are recorded on a settlement date basis. There is no material difference between settlement date and trade date.

**b) Income Taxes**

The Company has elected to be treated as an "S" Corporation under the provisions of the Internal Revenue Code and New York State tax regulations. Under the provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholder is liable for individual income taxes on his respective share of the Company's taxable income. The Company continues to pay New York City general corporation taxes.

**c) Cash and Cash Equivalents**

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank account which, at times may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

**d) Equipment**

Equipment is carried at cost and is depreciated over a useful life of 5-7 years using accelerated methods.

**e) Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

**VERITAS SECURITIES CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 2 - Summary of Significant Accounting Policies(contiued)**

**f) Subsequent Events**

The Company has evaluated events and transactions that occurred between January 1, 2015 and January 22, 2015, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**Note 3 - Profit Sharing Plan**

The Company is a sponsor of a defined contribution profit sharing plan for its eligible employees. Contributions to the plan, if any, are determined by the employer and come out of its current accumulated profits. The employer's contribution for any fiscal year shall not exceed the maximum allowable as a deduction to the employer under the provisions of the IRS Code Section 404, as amended, or replaced from time to time.

The Company has no liability to the plan as of December 31, 2014.

**Note 4 - Financial Statements with Off-Balance Sheet Credit Risk**

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company introduces these transactions for clearance to another broker-dealer on a fully disclosed basis.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers. The company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

**VERITAS SECURITIES CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**Note 5 - Net Capital Requirement**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital 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 1500%. At December 31, 2014, the Company had Net Capital of \$376,018 which was \$370,939 in excess of its required net capital of \$5,079. The Company's net capital ratio was 20.26%.



# LERNER & SIPKIN

CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074  
E-mail: LS@lernerstipkin.com

## INDEPENDENT AUDITORS' REPORT

To the Stockholders of  
Veritas Securities Corp.  
c/o Accounting and Compliance International  
40 Wall Street – 17<sup>th</sup> Floor  
New York, NY 10005

We have audited the accompanying statement of financial condition of Veritas Securities Corp.(the Company) as of **December 31, 2014**. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

We conducted our audit in accordance with the standards of 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. An audit includes examining, on 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Veritas Securities Corp. as of **December 31, 2014** in conformity with accounting principles generally accepted in the United States.

*Lerner & Sipkin CPAs LLP*  
Lerner & Sipkin, CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
January 22, 2015

**VERITAS SECURITIES CORP.**

**Schedule of the Determination of SIPC Net Operating Revenues and  
General Assessment**

**For the Year Ended December 31, 2014**



# LERNER & SIPKIN

CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

E-mail: LS@lernerpsipkin.com

To the Board of Directors of  
Veritas Securities Corp.  
c/o Accounting and Compliance International  
40 Wall Street – 17<sup>th</sup> Floor  
New York, NY 10005

Gentlemen:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments to the Securities Investor Protection Corporation (“SIPC”) for the year ended December 31, 2014, which were agreed to by Veritas Securities Corp. (“Company”) and the Securities and Exchange Commission (“SEC”), Financial Industry Regulatory Authority, Inc. (“FINRA”) and SIPC., solely to assist you in evaluating the Company’s compliance with Rule 17a-5(e)(4). The Company’s management is responsible for the Company’s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed are as follows:

- 1- Compared the listed assessment payments with respective cash disbursement records entries, noting no exceptions;
- 2- Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2014, with the amounts reported in the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2014, noting no exceptions;
- 3- Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no exceptions;
- 4- Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no exceptions; and
- 5- Compared the amount of any overpayment applied with the Form SIPC-7 on which it was computed, noting no exceptions.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Lerner & Sipkin* CPAs LLP  
Lerner & Sipkin, CPAs, LLP (NY)  
January 22, 2015

**VERITAS SECURITIES CORP.**

Schedule of the Determination of SIPC Net Operating Revenues and General Assessment  
For the year ended December 31, 2014

**Determination of SIPC Net Operating Revenues:**

Total Revenues (FOCUS line 12/ Part IIA line 9)	\$ 640,745
Additions	
Deductions	<u>(29,103)</u>
SIPC Net Operating Revenues	<u>\$ 611,642</u>

**Determination of General Assessment:**

SIPC Net Operating Revenues:	<u>\$ 611,642</u>
General Assessment @ .0025	<u>1,529</u>

**Assessment Remittance:**

Less: Payment made with Form SIPC-6 in July	<u>(696)</u>
Assessment Balance Due	<u>\$ 833</u>

**Reconciliation with the Company's Computation of SIPC Net Operating Revenues for the  
year ended December 31, 2014**

SIPC Net Operating Revenues as computed by the Company on Form SIPC-7	\$ 611,642
SIPC Net Operating Revenues as computed above	<u>611,642</u>
Difference	<u>\$ -</u>

**SIPC-7**

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION  
P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended DECEMBER 31, 20 14  
(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

051595 FINRA DEC  
VERITAS SECURITIES CORP  
C/O ACCOUNTING COMPLIANCE INTL  
40 WALL ST STE 1704  
NEW YORK NY 10005-1369

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

ALAN KRIM 212-668-8700

WORKING COPY

- 2. A. General Assessment (item 2e from page 2) \$ 1,529
- B. Less payment made with SIPC-6 filed (exclude interest) ( 696 )  
    JULY 28, 2014  
    Date Paid
- C. Less prior overpayment applied ( )
- D. Assessment balance due or (overpayment) \_\_\_\_\_
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 833
- G. PAID WITH THIS FORM:  
    Check enclosed, payable to SIPC  
    Total (must be same as F above) \$ 833
- H. Overpayment carried forward \$( )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

\_\_\_\_\_  
\_\_\_\_\_

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

VERITAS SECURITIES CORP

(Name of Corporation, Partnership or other organization)

(Authorized Signature)

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER** Dates:            Postmarked                 Received                 Reviewed

Calculations                 Documentation                 Forward Copy           

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning JAN 1, 2014  
and ending DEC 31, 2014  
Eliminate cents

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 640,745

**2b. Additions:**

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining Item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

**2c. Deductions:**

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 18(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

29,103

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ \_\_\_\_\_

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

Total deductions

29,103

2d. SIPC Net Operating Revenues

\$ 611,642

2e. General Assessment @ .0025

\$ 1,529

(to page 1, line 2.A.)