

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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FACING PAGE

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

REPORT FOR THE PERIOD BEGINNING 01/01/2001 AND ENDING 12/31/2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Integrity Investments, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

871 Venetia Bay Blvd Suite 370
(No. and Street)
Venice FL 34292
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Richard F. Curcio 941-484-4000
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Frank A. Ficara, CPA, PA
(Name - if individual, state last, first, middle name)
4837 Swift Road Sarasota FL 34231
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

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APR 01 2002
THOMSON FINANCIAL

*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)

093-06

OATH OR AFFIRMATION

I, Richard F. Curcio, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Integrity Investments, Inc., as of December 31, 2001, 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:

Richard F. Curcio

Signature

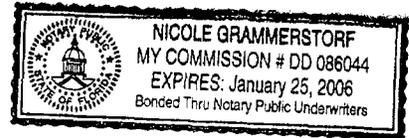
President

Title

Nicole Grammerstorf

Notary Public

Nicole Grammerstorf



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 15c3-3 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).

* Refer to attached certification of SIPC exclusion

FRANK A. FICARRA, C.P.A., P.A.

Certified Public Accountant

4837 Swift Road, Suite 210

Sarasota, FL 34231

TEL (941)-923-2537 FAX (941)-923-2542 E-mail frankficarra@yahoo.com

February 4, 2002

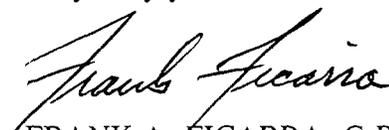
To the Board of Directors of:
Integrity Investments, Inc. and
Integrity Management and Research, Inc.
Sarasota, Florida

Dear Board of Directors:

This is a letter confirming that I have been responsible for performing the audits of the above-referenced entities since their inception. Those audits were performed through the firm of Ries & Ficarra, P.A. I was one of the shareholders in that firm and had the sole responsibility for the audits mentioned.

Effective January 1, 2002 the entity called Ries & Ficarra, P.A. is no longer involved in performing auditing and accounting services due to the individual shareholders involvement in other activities. I have therefore organized under the firm name of Frank A. Ficarra, C.P.A., P.A. and have brought over all of the clients which were previously my responsibility. Since the audits were always my responsibility and I am not contemplating any change in personnel or service to your organization, I feel that we will still be able to provide you with the professional services you have had in the past. I trust that this will continue to be satisfactory to you and to anyone who may have need of the financial statements we will be auditing.

Very truly yours,



FRANK A. FICARRA, C.P.A., P.A.

FRANK A. FICARRA, C.P.A., P.A.

Certified Public Accountant

4837 Swift Road, Suite 210

Sarasota, Florida 34231

TEL (941)-923-2537 FAX (941)-923-2542 E-mail frankficarra@yahoo.com

Board of Directors
Integrity Investments, Inc.
Venice, Florida

I issued an audit report on the financial statements of Integrity Investments, Inc. on February 23, 2001. In connection with that audit report I have been asked to comment on any material inadequacies found to exist or found to have existed from my previous audit.

As noted in my report, I am not aware of any material modifications that need to be made to your financials. I am also not aware of any existing material inadequacies in the financial statements nor in your record keeping.



FRANK A. FICARRA, C.P.A., P.A.

Sarasota, Florida

February 24, 2002

**INTEGRITY INVESTMENTS, INC.
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Year Ended December 31, 2001

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FRANK A. FICARRA, C.P.A., P.A.

Certified Public Accountant

4837 Swift Road, Suite 210

Sarasota, FL 34231

TEL (941)-923-2537 FAX (941)-923-2542 E-mail frankficarra@yahoo.com

To The Board of Directors
Integrity Investments, Inc.
Venice, Florida

I have audited the accompanying balance sheet of Integrity Investments, Inc., as of December 31, 2001, and the related statements of loss and accumulated deficits, and cash flows for the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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.

As more fully described in Note C to the financial statements, the company, as parent company to Integrity Management & Research, Inc., a wholly owned subsidiary, carries the investment in the subsidiary on its books at cost. In my opinion, generally accepted accounting principles require that all majority-owned subsidiaries be consolidated with the financial statements of the parent company.

In my opinion, except for the effects of not including the subsidiary's results of operations in consolidated financial statements as discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Integrity Investments, Inc., as of December 31, 2001, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles.

The accompanying schedules and information relating to capital and reserve requirements are presented as supplementary data and have been subject to audit procedures applied in the basic financial statements. Further supplemental information contained with respect to condensed financial information of the subsidiary was subject to the same auditing procedures applied in the audit of the subsidiary financial statements. I did not become aware of any material modifications that should be made to such data.



Frank A. Ficarra, C.P.A., P.A.,
Sarasota, Florida
February 23, 2002

INTEGRITY INVESTMENTS, INC.
BALANCE SHEET
December 31, 2001

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 135,239
Accounts receivable - Intercompany	80,000
Prepaid expenses	<u>137</u>

TOTAL CURRENT ASSETS \$ 215,376

INVESTMENTS

Investment in subsidiary	588,736
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PROPERTY AND EQUIPMENT

Office furniture and fixtures	19,480
Office equipment	21,413
Less: Accumulated depreciation	<u>(28,069)</u>

NET PROPERTY AND EQUIPMENT 12,824

OTHER ASSETS

Deferred charges (organization costs)	3,702
Less accumulated amortization	(3,702)
Security deposit	<u>3,175</u>

NET OTHER ASSETS 3,175

TOTAL ASSETS \$ 820,111

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
BALANCE SHEET
December 31, 2001

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 1,981
Subordinated loan payable	125,000
Subordinated accrued interest	<u>107,512</u>

TOTAL CURRENT LIABILITIES \$234,493

STOCKHOLDERS' EQUITY

Common stock, par value \$.10 10,000,000 shares authorized, 9,589,194 issued and 9,389,194 outstanding	958,920
Additional paid-in capital	493,500
Treasury Stock	(140,000)
Retained Earnings (deficit)	<u>(726,802)</u>

TOTAL STOCKHOLDERS' EQUITY 585,618

TOTAL LIABILITIES AND
STOCKHOLDERS' EQUITY \$ 820,111

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF INCOME AND
ACCUMULATED DEFICIT
For the year ended December 31, 2001

REVENUES		
Commissions	\$ 13,984	
Inter-company transfers	<u>1,095,000</u>	
TOTAL REVENUES		\$ 1,108,984
SELLING EXPENSES	165,147	
GENERAL AND ADMINISTRATIVE EXPENSES	<u>918,115</u>	
TOTAL EXPENSES		<u>1,083,262</u>
INCOME FROM OPERATIONS		25,722
NON-OPERATING (INCOME) AND EXPENSE		
Dividend Income	(2,209)	
Interest Expense	<u>15,000</u>	<u>12,791</u>
INCOME BEFORE TAXES		12,931
INCOME TAXES		<u>-0-</u>
NET INCOME		12,931
RETAINED EARNINGS (DEFICIT) AT BEGINNING OF YEAR		<u>(739,733)</u>
RETAINED EARNINGS (DEFICIT) AT END OF YEAR		<u>\$(726,802)</u>

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CASH FLOWS
For the year ended December 31, 2001

CASH FLOW FROM OPERATING ACTIVITIES

Net Income	\$ 12,931
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation & amortization	4,780
Decrease in payables	(911)
Increase in Accounts Receivable	(5,000)
Decrease in prepaid expense	340
Increase in accrued expenses	15,000
Decrease in security deposits	<u>2,000</u>

NET CASH PROVIDED BY
OPERATING ACTIVITIES \$ 29,140

CASH FLOW FROM INVESTMENT ACTIVITIES

Investment in equipment	<u>(5,110)</u>
-------------------------	----------------

NET CASH (USED) BY
INVESTING ACTIVITIES (5,110)

NET (INCREASE) IN CASH
AND CASH EQUIVALENTS 24,030

CASH AT BEGINNING OF YEAR 111,209

CASH AT END OF YEAR
AND CASH EQUIVALENTS \$ 135,239

SUPPLEMENTAL DISCLOSURES

Interest paid	\$ -0-
Income taxes paid	-0-

See accompanying notes.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Integrity Investments, Inc., was incorporated on September 8, 1992, and acts as a broker-dealer and distributor for the Valiant funds, as well as other institutional funds and variable annuities.

Integrity Investments, Inc., is the parent company to Integrity Management and Research, Inc., a 100% wholly owned subsidiary formed on September 21, 1992, to provide advisory services to the Valiant funds, a series of mutual funds that are distributed by Integrity Investments, Inc.

Property and Equipment

Property and equipment are carried at cost. Depreciation is provided using the straight-line method for financial reporting purposes and accelerated MACRS 150% DB for federal income tax purposes.

Amortization of Deferred Charges

The company incurred expenditures incident to its creation, and the Company elected to amortize these expenses over five years beginning October 1, 1993, when business commenced for both tax and book reporting purposes.

Income Taxes

Beginning in 1992, the Company's operations were consolidated with their wholly owned subsidiary, Integrity Management and Research, Inc., for income tax purposes. The Companies have not accrued any deferred taxes for timing differences resulting from different book and tax depreciation methods because of the large net operating loss carry forward.

Use of Estimates

The preparation of financial statements in conformity with 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE B - CASH EQUIVALENT

The cash equivalent consists of six (6) portfolios in the Valiant funds. Three of which are money market portfolios and three of which are U.S. Treasury income portfolios. Dividends from each of the funds are reinvested in their respective accounts. Although each portfolio's policies are designed to maintain a stable net asset value of \$1.00 per share, and could change in value when interest rates change along with other outside influencing factors, the portfolio's investment managers believe that the policies and strategies used present minimal credit risks. As of December 31, 2001, the cash equivalents after dividend reinvestments are carried on the books at \$55,900.

NOTE C - INVESTMENTS AND RELATED PARTY TRANSACTIONS

Integrity Investments, Inc., is the parent company to Integrity Management and Research, Inc., a wholly owned subsidiary which was incorporated on September 24, 1992. While Integrity Management was in a developmental stage from inception through December 1994, considerable organization and administrative expenses had been incurred which required additional funding by the parent company. The investment in the subsidiary is carried on the books at cost with no adjustment for cumulative losses to date. The company acts as the promoter for the Valiant Fund shares and provides shareholder services. In return, it receives commissions from the subsidiary for these services.

NOTE D - INCOME TAXES

In the years ended December 31, 1992, through 2000, the parent and subsidiary have sustained net operating losses for both income tax and financial reporting purposes. The operating losses have been available to offset federal taxable income for subsequent years. No tax benefit was recorded in prior financial statements because of the uncertainty of future results of operations:

In the current year, no tax provision (expense) has been recorded due to the utilization of some of the net operating loss carryovers to offset taxable income. Also, because of the continuing uncertainty of results of operations, no future tax benefits have been recorded.

INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE E - CAPITAL STOCK

There were no additional shares of common stock issued or additional paid-in capital received during the year ended December 31, 2001.

NOTE F - LONG-TERM SUBORDINATED LOAN PAYABLE

The Company received \$125,000 through the issuance of a 12% subordinated loan DTD October 1, 1994, with an effective date of October 28, 1994. The original terms of the loan specified that the principal sum of \$125,000 was to be paid on October 31, 1997, at the principal offices of the company together with interest thereon payable at the rate of 12% per annum.

The subordinated loan agreement for equity capital was submitted to the NASD and was found acceptable as of October 28, 1996.

Permission was also requested from the NASD to allow for the subordination of the accrued interest on the subordinated loan. NASD granted permission on February 17, 1997, to allow this change to be made.

The company has periodically requested NASD approval to extend the original due date of the subordinated loan. The latest extension of the due date is September 30, 2004 together with all interest accrued. The NASD approval was granted on September 30, 2001.

The cash proceeds received under these agreements shall be used and dealt with by the Company as part of its capital and shall be subject to the risks of the business.

The lender irrevocably agrees that the obligation of the Company under this agreement with respect to the payment of principal and interest shall be subordinate in right of payment and subject to the prior payments or provisions for payment in full of all claims of all other present and future creditors of the Company arising out of any matter occurring prior to the date on which the related payment obligation matures.

Further, Appendix D of Section Rule 15C3-1, requires the prior written approval of NASD before any repayment of a subordination agreement can be made. Unsecured advances to the lender during the term of the agreement are not permitted.

INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2001

In addition, no prepayments can be made before the expiration of one year from the effective date of the original agreement.

Further provisions covering these agreements are contained within 17CFR240-15C3-1 to C3-3a.

NOTE G - LEASE COMMITMENTS

The company conducts its operations from one facility that is leased. On February 1, 2000, the company entered into its first two year lease agreement with the right to extend the term of the lease for two extension periods of two years each.

Minimum future payments under these leases with terms in excess of one year are:

<u>Year ending December 31</u>	<u>Amount</u>
2002	\$ 32,933
2003	32,933
2004	2,744

SUPPLEMENTARY INFORMATION

INTEGRITY INVESTMENTS, INC.
 SCHEDULES OF SELLING, GENERAL
 AND ADMINISTRATIVE EXPENSES
 For the year ended December 31, 2001

SELLING EXPENSES

Advertising	\$ 17,227
Commissions - Subcontractors	86,173
Entertainment	25,412
Travel & lodging	<u>36,335</u>

TOTAL SELLING EXPENSES \$ 165,147

GENERAL & ADMINISTRATIVE EXPENSES

Accounting and auditing	\$ 16,300
Bank service charges	94
Depreciation	4,780
Donations	10,295
Dues and subscriptions	1,570
Education, seminars & conventions	6,329
Insurance	66,482
Leases - equipment	1,763
Legal	1,029
Licenses, registration fees	3,392
Office supplies and expense	3,495
Office cleaning and maintenance	1,955
Postage	2,410
Printing	807
Professional services	8,777
Rent	35,730
Salaries - office	690,000
Taxes - payroll	36,328
Taxes & penalties - other	3,640
Telephone, cable and internet	21,264
Utilities - electric	<u>1,675</u>

TOTAL GENERAL AND
 ADMINISTRATIVE EXPENSES \$ 918,115

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
 COMPUTATION OF NET CAPITAL REQUIREMENTS
 For the year ended December 31, 2001

SCHEDULE 1 -		COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15C3-1
Capital		\$ 585,618
Add back: Subordinated loans		232,512
Deduct: Non-allowable assets		
Investment in subsidiary	\$588,736	
Cost of property & equipment	40,893	
Allowance for depreciation	(28,069)	
Security deposit	3,175	
Prepaid expenses	137	
Accounts receivable - inter company	<u>80,000</u>	
		(684,872)
Current capital		133,258
Deduct haircuts		<u>(3,934)</u>
Net allowable capital		129,324
Required capital		<u>5,000</u>
Excess net capital		\$ <u>124,324</u>
Aggregate indebtedness	\$ <u>1,981</u>	

SCHEDULE 2 - COMPUTATION OF RESERVE REQUIREMENTS
PURSUANT TO RULE 15C3-3

Reserve requirement is not required under exception
 15C3-3(k)(1)(ii)

SCHEDULE 3 - INFORMATION RELATING TO POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15(C)3-3

There is no information required under rule 15(C)3-3 as the company is an institutional broker dealing in mutual funds and at no time has possession of any customer securities or cash.

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
RECONCILIATION OF COMPUTATION OF NET CAPITAL
For the year ended December 31, 2001

Reconciliation of computation of net capital pursuant to Rule 15C3-1 between audited statements and unaudited statements at December 31, 2001.

	<u>Audited</u>	<u>Un-audited</u>	<u>Difference</u>
Total assets	\$ 820,111	\$ 820,791	\$ (680)
Less total liabilities	<u>234,493</u>	<u>258,767</u>	<u>(24,274)</u>
Net worth	585,618	562,024	23,594
Add subordinated loans	<u>232,512</u>	<u>232,512</u>	<u>-0-</u>
Adjusted net worth	818,130	794,536	23,594
Less non-allowable assets			
Investment in subsidiary	588,736	588,736	-0-
Due from related party	80,000	80,000	-0-
Furniture and fixtures	19,480	19,480	-0-
Office equipment	21,413	21,963	(550)
Accumulated depreciation	(28,069)	(30,749)	2,680
Organizational costs	3,702	3,702	-0-
Accumulated amortization	(3,702)	(3,702)	-0-
Security deposits	3,175	5,175	(2,000)
Prepaid expenses	137	478	(341)
Excess income tax deposits	<u>-0-</u>	<u>228</u>	<u>(228)</u>
Total non-allowable	684,872	685,311	(439)
Current capital	133,258	109,225	24,033
Less hair cuts	<u>(3,934)</u>	<u>(3,934)</u>	<u>-0-</u>
Net capital	129,324	105,291	24,033
Required net capital	<u>5,000</u>	<u>5,000</u>	<u>-0-</u>
Excess net capital	<u>\$ 124,324</u>	<u>\$ 100,291</u>	<u>\$ 24,033</u>

Explanation of Differences

The principal differences in total assets and liabilities and, therefore, an increase in net worth was a result of adjustments to year end payables, pre-paid expense, and adjustments to the property and equipment accounts for depreciation and assets acquired or disposed.

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception)
to December 31, 2001

	<u>Common Stock</u>		<u>Additional</u>	<u>Retained</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid - in</u>	<u>Earnings</u>
			<u>Capital</u>	
Beginning balances				
September 8, 1992				
(inception)	-0-	\$ -0-	\$ -0-	\$ -0-
Stocks Issued:				
09-08-92	1,000,000	\$ 100,000		-0-
03-29-93	1,000,000	100,000		-0-
06-08-93	1,000,000	100,000		-0-
09-17-93	<u>1,000,000</u>	<u>100,000</u>		<u>-0-</u>
Stock Issued 1993	<u>4,000,000</u>	<u>400,000</u>	\$ -0-	-0-
Balances December 31, 1993	4,000,000	400,000	\$ -0-	\$ (17,512)
Stocks Issued:				
01-28-94	80,000	8,000		-0-
01-28-94	150,000	15,000		-0-
01-28-94	40,000	4,000		-0-
01-28-94	150,000	15,000		-0-
01-28-94	150,000	15,000		-0-
01-28-94	250,000	25,000		-0-
03-16-94	180,000	18,000		-0-
04-25-94	250,000	25,000		-0-
06-28-94	250,000	25,000		-0-
06-28-94	400,000	40,000		-0-
11-14-94	113,701	11,370		-0-
11-16-94	35,000	3,500		-0-
11-16-94	35,000	3,500		-0-
11-16-94	35,000	3,500		-0-
12-31-94	200,000	20,000		-0-
12-31-94	200,000	20,000		-0-
12-31-94	47,037	4,704		-0-
12-31-94	10,000	1,000		-0-
12-31-94	<u>42,170</u>	<u>4,217</u>		<u>-0-</u>
Stocks Issued 1994	<u>2,617,908</u>	<u>261,791</u>	\$ -0-	\$ -0-
Balances December 31, 1994	6,617,908	\$ 661,791	\$ -0-	\$(331,553)

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception)
to December 31, 2001

	<u>Common Stock</u>		<u>Additional</u>	<u>Retained</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid - in</u>	<u>Earnings</u>
			<u>Capital</u>	
Balances December 31, 1994	6,617,908	\$ 661,791	\$ -0-	\$ (331,553)
Stocks Issued:				
02-16-95	500,000	50,000		-0-
02-16-95	60,000	6,000		-0-
03-01-95	250,000	25,000		-0-
04-30-95	100,000	10,000		-0-
05-26-95	14,571	1,457		-0-
06-01-95	231,715	23,172		-0-
08-01-95	25,000	2,500		-0-
10-25-95	100,000	10,000		-0-
12-31-95	70,000	7,000		-0-
12-31-95	60,000	6,000		-0-
12-31-95	60,000	6,000		-0-
12-31-95	60,000	6,000		-0-
12-31-95	70,000	7,000		-0-
Stocks Issued 1995	<u>1,601,286</u>	<u>160,129</u>	\$ -0-	\$ -0-
Balances December 31, 1995	8,219,194	821,920	\$ -0-	\$ (471,544)
Stocks Issued:				
02-14-96	10,000	1,000		\$ -0-
11-14-96	<u>200,000</u>	<u>20,000</u>		<u>-0-</u>
Stocks Issued 1996	<u>210,000</u>	<u>21,000</u>	\$ -0-	\$ -0-
Balances December 31, 1996	8,429,194	842,920	\$ -0-	\$ (536,446)
Stocks Issued:				
03-24-97	75,000	7,500		-0-
10-13-97	50,000	5,000		-0-
12-09-97	<u>18,500</u>	<u>1,850</u>		<u>-0-</u>
Stocks Issued 1997	<u>143,500</u>	<u>14,350</u>	\$ -0-	\$ -0-
Balances December 31, 1997	8,582,694	\$ 857,270	\$ -0-	\$ (575,326)

See accompanying notes.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception)
to December 31, 2001

	<u>Common Stock</u>		<u>Additional</u>	<u>Retained</u>
	<u>Shares</u>	<u>Amount</u>	<u>Paid - in</u>	<u>Earnings</u>
			<u>Capital</u>	
Balances December 31, 1997	8,572,694	\$ 857,270	\$ -0-	\$ (575,326)
Stock Issued:				
06-16-98	16,500	1,650		
06-22-98	20,000	2,000		
06-22-98	20,000	2,000		
08-31-98	200,000	20,000	110,000	
08-31-98	20,000	2,000		
08-31-98	70,000	7,000		
10-05-98	<u>70,000</u>	<u>7,000</u>	<u>38,500</u>	
Stock Issued 1998	<u>416,500</u>	<u>41,650</u>	<u>148,500</u>	
Balances December 31, 1998	8,989,194	898,920	148,500	\$ (721,845)
Stock Issued:				
10-25-99	<u>300,000</u>	<u>30,000</u>	<u>165,000</u>	
Stock Issued 1999	<u>300,000</u>	<u>30,000</u>	<u>165,000</u>	
Balances December 31, 1999	9,289,194	928,920	313,500	\$ (729,114)
Stock Issued:				
5-24-00	300,000	30,000	180,000	
Less Shares Repurchased:				
Treasury Stock 5-24-00	<u>(200,000)</u>			
(Repurchase Cost \$ 140,000)				
Balances December 31, 2000	9,389,194	958,920	493,500	\$ (739,733)
Shares Issued 2001	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	
Balances December 31, 2001	<u>9,389,194</u>	<u>\$958,920</u>	<u>\$493,500</u>	<u>\$ (726,802)</u>

See accompanying notes

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO
CLAIMS OF GENERAL CREDITORS
For the year ended December 31, 2001

The following subordinated liabilities to claims of general creditors have been approved by the NASD:

	<u>Maturity Date</u>	<u>12-31-01</u>
Subordinated Loans Payable	9-30-04	\$ <u>125,000</u>
Total loan payable		\$ 125,000
Subordinated Accrued Interest (Note 1)		<u>107,512</u>
Total Subordinated Liabilities		<u>\$ 232,512</u>

Note (1) The company requested permission from the NASD to allow the subordination of the accrued interest on the subordinated loan.

On September 28, 2001, permission was granted to extend the maturity date on the loan from October 31, 2001 to September 30, 2004.

See accompanying notes.