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

SEC FILE NUMBER  
8-40802

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

#### A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Citicorp Investment Services

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

One Court Square

(No. and Street)

Long Island City

(City)

NY

(State)

11120

(Zip Code)

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

Roberta Kilkenny

718-248-8719

(Area Code - Telephone Number)

#### B. ACCOUNTANT IDENTIFICATION

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

KPMG LLP

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

345 Park Ave

(Address)

(City)

NY

(State)

10154

(Zip Code)

CHECK ONE:

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

PROCESSED  
MAY 24 2002

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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)

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OATH OR AFFIRMATION

I, John Mallett, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Citicorp Investment Services, as of December 31st, 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:

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

JOANN MARECICH  
Notary Public - State of New York  
No. 01MA5073321  
Qualified in Queens County  
My Commission Expires Mar 24 ~~2002~~ 2003

Joann Marecich  
Notary Public

John C. Mallett  
Signature

Chief Financial Officer  
Title

JOHN C. MALLETT  
Vice President  
1 Court Square  
LIC, NY 11120  
(718) 248-8389

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).

**CITICORP INVESTMENT SERVICES**  
(a wholly owned subsidiary of Citibank, N.A.)

Statement of Financial Condition

December 31, 2001

**Assets**

Cash held at affiliates	\$ 8,911,354
Cash segregated under federal and other regulations	1,522,086
Commissions receivable from clearing organizations	6,511,648
Mutual fund fees receivable	6,633,686
Securities owned, at market value	194,754,317
Due from affiliates	9,060,832
Prepaid expenses	1,817,267
Furniture, equipment, and leasehold improvements, at cost, net of accumulated depreciation and amortization of \$5,593,854	1,831,249
Capitalized software, net of amortization of \$95,893	836,584
Other assets	<u>5,219,104</u>
Total assets	\$ <u>237,098,127</u>

**Liabilities and Stockholder's Equity**

Liabilities:	
Accounts payable and accrued expenses	\$ 4,281,414
Due to affiliates	59,767,347
Other liabilities	<u>5,370,851</u>
Total liabilities	<u>69,419,612</u>
Commitments and contingencies	—
Stockholder's equity:	
Common stock (authorized, issued and outstanding 2,000 shares, \$1 par value)	2,000
Additional paid-in capital	66,408,951
Retained earnings	<u>101,267,564</u>
Total stockholder's equity	<u>167,678,515</u>
Total liabilities and stockholder's equity	\$ <u>237,098,127</u>

See accompanying notes to financial statements.