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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

SEC FILE NUMBER
8 45302

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 01/01/2006 AND ENDING 12/31/2006
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.)

221 PENSACOLA ROAD

(No. and Street)

VENICE

(City)

FL

(State)

34285

(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*

JERE A. BERKEY, CPA

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

5420 EAGLES POINT CIRCLE #106 SARASOTA, FL 34231

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

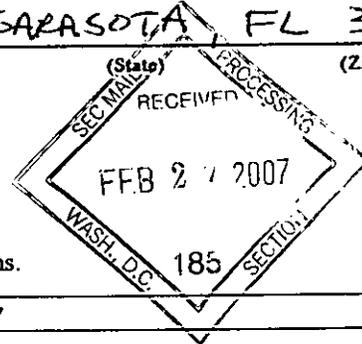
Public Accountant

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

PROCESSED

MAR 23 2007

THOMSON
FINANCIAL



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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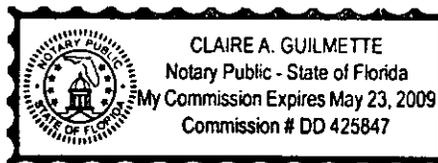
OATH OR AFFIRMATION

I, 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, 2006, 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:

[Handwritten Signature]
Signature

PRESIDENT
Title

[Handwritten Signature]
Notary Public



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.

n/a

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

INTEGRITY INVESTMENTS, INC.

(A CORPORATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2006

Jere A. Berkey, C.P.A.

CERTIFIED PUBLIC ACCOUNTANT
SARASOTA, FLORIDA

INTEGRITY INVESTMENTS, INC.

(A CORPORATION)

FINANCIAL STATEMENTS

DECEMBER 31, 2006

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JERE A. BERKEY, C. P. A.

Certified Public Accountant

5420 Eagles Point Circle, # 106

Sarasota, Florida 34231

TEL (941) 924-6563 FAX (941-927-6893 E-mail jabs_39@hotmail.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, 2006, 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the 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.

An integral part of the audit was to determine if there were any material inadequacies in the accounting system, internal accounting controls, and procedures for safeguarding securities and practices and procedures specified in Reg. 240.17a-5. I found no material inadequacies to exist. There is no need to take any corrective action to remedy any inadequacies.

The Company, while registered as a broker-dealer, never handles customer funds or securities. It is the distributor for the Valiant Funds and also is the investment advisor for the funds. All customer accounts and securities are handled directly by the funds that were audited by Cohen Fund Audit Services for the fund year ended August 31, 2006.

As more fully described in Note C (carrying value of subsidiary), and Note I (accrual of audit fees) to the financial statements, the Company is not in conformity with generally accepted accounting principles.

ACCOUNTANT'S AUDIT REPORT
February 20, 2007

In my opinion, except for the effects of the preceding notes, the financial statements referred to above present fairly, in all material respects, the financial position of Integrity Investments, Inc., as of December 31, 2006, and the results of its operations and cash flows for the year 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 modification that should be made to such data.

Jere A. Berkey, C. P. A.
Sarasota, Florida
February 20, 2006

JERE A. BERKEY, C. P. A.

Certified Public Accountant

5420 Eagles Point Circle, # 106

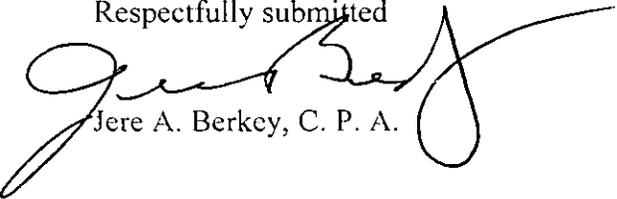
Sarasota, Florida 34231

TEL (941) 924-6563 FAX (941-927-6893 E-mail jabs_39@hotmail.com

February 20, 2007
To The Board of Directors
Integrity Investments, Inc.
Venice, Florida

In accordance with your request, I have audited your anti-money laundering procedures for compliance with regulations regarding those matters. In connection with my audit, I have not encountered any receipts of cash or foreign currencies, checks or direct wires going through the company's accounts. There have been no direct deposits of funds from clients as all of the investment activity has been made directly into the funds that the company is responsible to oversee. I therefore attest that the company has fully complied with the anti-money laundering regulations.

Respectfully submitted


Jere A. Berkey, C. P. A.

INTEGRITY INVESTMENTS, INC.
BALANCE SHEET
December 31, 2006

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 208,641
Prepaid expenses	<u>1,352</u>

TOTAL CURRENT ASSETS \$ 209,993

INVESTMENTS

Investment in subsidiary	<u>588,736</u>
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TOTAL INVESTMENTS 588,736

PROPERTY AND EQUIPMENT

Condominium office	288,555
Office furniture and fixtures	27,404
Office equipment	1,562
Land	29,715
Less: Accumulated depreciation	<u>(46,381)</u>

NET PROPERTY AND EQUIPMENT 300,855

TOTAL ASSETS \$ 1,099,584

INTEGRITY INVESTMENTS, INC.
BALANCE SHEET
December 31, 2006

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable - trade	\$	2,474
Accrued expenses		11,911
Current portion of long-term debt		<u>4,628</u>

TOTAL CURRENT LIABILITIES \$ 19,013

NON-CURRENT LIABILITIES

Notes payable - bank	367,373
Subordinated loan payable	303,761
Subordinated accrued interest	<u>3,798</u>

TOTAL NON-CURRENT LIABILITIES 674,932

STOCKHOLDERS' EQUITY

Common stock, \$.10 par value. 10,000,000 shares authorized, 9,589,184 issued and outstanding	958,920
Additional paid-in capital	493,500
Treasury stock	(140,000)
Retained earnings (deficit)	<u>(906,781)</u>

TOTAL STOCKHOLDERS' EQUITY 405,639

**TOTAL LIABILITIES AND STOCKHOLDERS'
EQUITY** \$ 1,099,584

INTEGRITY INVESTMENTS, INC.
STATEMENT OF INCOME AND ACCUMULATED DEFICIT
For the year ended December 31, 2006

REVENUES	
Commissions	\$ 41,316
Intercompany transfers	<u>555,000</u>
TOTAL REVENUES	\$ 596,316
EXPENSES	
Selling expenses	49,721
General and administrative expenses	<u>579,847</u>
TOTAL EXPENSES	<u>629,568</u>
INCOME FROM OPERATIONS	(33,252)
NON-OPERATING (INCOME) AND EXPENSE	
Dividend income	(2,891)
Interest expense	<u>30,083</u>
NET NON-OPERATING EXPENSE	<u>27,192</u>
(LOSS) BEFORE TAXES	(60,444)
INCOME TAXES	<u>-</u>
NET (LOSS)	(60,444)
RETAINED EARNINGS (DEFICIT)	
AT BEGINNING OF YEAR	<u>(846,337)</u>
RETAINED EARNINGS (DEFICIT)	
AT END OF YEAR	<u>\$ (906,781)</u>

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CASH FLOWS
For the year ended December 31, 2006

CASH FLOW FROM OPERATING ACTIVITIES		
NET INCOME (LOSS)		\$ (60,444)
Adjustments to reconcile net (loss) to net cash provided by operating activities:		
Depreciation expense	9,223	
Decrease in intercompany account receivable	45,000	
Increase in prepaid assets	(639)	
Decrease in accounts payable	(486)	
Increase in accrued expenses	972	
Increase in accrued interest	<u>15,048</u>	
 NET CASH PROVIDED BY OPERATING ACTIVITIES		 \$ 8,674
 CASH FLOWS FROM INVESTMENT ACTIVITIES		
Condominium office refinancing	<u>(7,197)</u>	
 NET CASH (USED) BY INVESTING ACTIVITIES		 (7,197)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank refinancing	151,544	
Principal payments on bank loans	<u>(19,921)</u>	
 NET CASH PROVIDED BY FINANCING ACTIVITIES		 <u>131,623</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		 133,100
 CASH AT BEGINNING OF YEAR		 <u>75,541</u>
 CASH AND CASH EQUIVALENTS AT END OF YEAR		 <u>\$ 208,641</u>
 SUPPLEMENTAL DISCLOSURES		
Interest paid		\$ 15,035
Income taxes paid		\$ -

**INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2006**

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.

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.

NOTE B - CASH EQUIVALENT

The cash equivalent consists of fourteen (14) portfolios in the Valiant funds. Seven of which are money market portfolios and seven 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, 2006, the cash equivalents after dividend reinvestments are carried on the books at \$62,789.

NOTE C - INVESTMENTS AND RELATED PARTY TRANSACTIONS

Integrity Investments, Inc., is the parent company of Integrity Management and Research, Inc., a wholly owned subsidiary. While Integrity Management was in a developmental stage from inception through December 1994, considerable organization and administrative expenses were 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 payments from the subsidiary for these services. Generally accepted accounting principles require that all majority-owned subsidiaries be consolidated with the financial statements of the parent company. The failure to include the subsidiary does not adversely affect the results of Integrity Investments, Inc.

INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE D - INCOME TAXES

In the years ended December 31, 1992, through 2006, the parent and subsidiary have cumulative 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. Also, because of the continuing uncertainty of results of operations, no future tax benefits have been recorded.

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, 2006.

NOTE F - LONG-TERM SUBORDINATED LOAN PAYABLE

The Company received \$125,000 through the issuance of a 12% subordinated loan DTD October 1, 1994. The original terms of the loan specified that the principal sum of \$125,000 be repaid on October 31, 1997 together with interest.

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 dates on the subordinated loan principal and interest. Permission was granted.

On September 27, 2006, the loan principal and accrued interest were combined for a new subordinated loan of \$303,761 with interest thereon payable at the rate of 5% per annum effective with the date of this agreement. NASD approval was granted on September 28, 2006 for the latest extension until September 30, 2009.

The lender irrevocably agrees that the obligation of the Broker-Dealer with respect to the repayment of principal and interest under this agreement shall be subject to payment of all claims of present or 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. Accordingly, unsecured advances to the lender during the term of the agreement are not permitted since such advances would constitute unauthorized repayment.

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

INTEGRITY INVESTMENTS, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

NOTE G – MORTGAGE NOTE PAYABLE

The company obtained financing from Wachovia Bank on September 15, 2003 to facilitate the purchase and remodeling of a condominium office. On December 28, 2006, the company completed the refinancing of its previous mortgage notes with The Bank of Venice. Terms of the new mortgage note are as follows:

1. Mortgage note dated December 28, 2006, with The Bank of Venice, the principal sum of \$372,000 and interest on the balance of the principal sum remaining unpaid from the date of this note until paid in full at a rate per annum of 7.75% until January 1, 2010 and then adjusted, and on that date every year thereafter, to a rate per annum equal to 3.00% in excess of the Treasury Index.
2. Principal and interest shall be payable in consecutive monthly installments on the first day of each month commencing February 1, 2007. Each monthly installment shall be in the amount of \$2,809.83 until adjusted as provided in the note.
3. The note may be prepaid in whole or part without penalty.
4. The note is secured by a mortgage encumbering real and personal property.

NOTE H – OFFICE BUILDING ACQUISITION AND REMODELING COSTS

The Company operated from leased facilities from its inception in 1992 through January 2004. On September 15, 2003, the Company purchased a condominium office in Venice, Florida and chose to remodel the unit to better provide for the Company's operations. A certificate of occupancy was received in January 2004 and the Company moved its operation to the new location on February 1, 2004. The Company incurred additional costs of \$83,000 during 2004 as they completed the planned renovation.

NOTE I – ACCRUAL OF AUDIT FEES

The company is required by the SEC and the NASD to accrue, as an expense and liability, audit fees in the years 2006 and 2005 for services that have not been performed until the following year. Generally accepted accounting principles attempt to match the effects of transactions to the periods in which they occur. The audits were not started until after the Company's year ended and, therefore, the fees should be part of the expense for the following year and not added to the expenses for the current year. For the years ended 2006 and 2005, \$7500 was accrued as audit fees for services not yet performed. Although this is a deviation from generally accepted accounting principles, in my opinion the financial statements are not materially affected by this expense.

SUPPLEMENTARY

DATA

INTEGRITY INVESTMENTS, INC.
SCHEDULES OF SELLING, GENERAL AND ADMINISTRATIVE EXPENSES
For the year ended December 31, 2006

SELLING EXPENSES

Commissions - subcontractors	\$ 2,298
Entertainment	1,535
Advertising	1,600
Travel and lodging	<u>44,288</u>

TOTAL SELLING EXPENSES \$ 49,721

GENERAL AND ADMINISTRATIVE EXPENSES

Accounting and auditing	\$ 16,960
Bank service charges	917
Depreciation	9,222
Donations	1,000
Dues and subscriptions	297
Education, seminars and conventions	6,000
Insurance	117,010
Leases - equipment	6,780
Legal	13,881
Licenses, registration fees	2,765
Office supplies and expense	5,857
Office cleaning and maintenance	119
Postage	2,116
Printing	592
Professional services	4,200
Salaries - office	336,000
Taxes - payroll	27,514
Taxes and penalties - other	9,125
Telephone, cable and internet	17,652
Utilities - electric	<u>1,840</u>

**TOTAL GENERAL AND
ADMINISTRATIVE EXPENSES** \$ 579,847

INTEGRITY INVESTMENTS, INC.
RECONCILIATION OF COMPUTATION OF NET CAPITAL
For the year ended December 31, 2006

Reconciliation of computation of net capital pursuant of Rule 15C3-1 between audited statements and unaudited statements at December 31, 2006.

	<u>Audited</u>	<u>Un-audited</u>	<u>Difference</u>
Total assets	\$ 1,099,584	\$ 1,173,594	\$ (74,010)
Less total liabilities	<u>693,945</u>	<u>693,399</u>	<u>(546)</u>
Net worth	405,639	480,195	(74,556)
Add subordinated loans	<u>307,560</u>	<u>307,560</u>	<u>-</u>
Adjusted net worth	713,199	787,755	(74,556)
Less non-allowable assets			
Investment in subsidiary	588,736	588,736	-
Due from related party	-	-	-
Condominium office and land	-	-	-
Furniture and fixtures	27,404	27,404	-
Office equipment	1,562	1,562	-
Accumulated depreciation	(46,381)	(25,848)	20,533
Prepaid expenses	<u>1,352</u>	<u>1,099</u>	<u>253</u>
Total non-allowable	572,673	592,953	(20,280)
Current capital	140,526	194,802	(54,276)
Less: haircuts	<u>1,256</u>	<u>1,256</u>	<u>-</u>
Net capital	139,270	193,546	(54,276)
Required net capital	<u>25,759</u>	<u>25,722</u>	<u>37</u>
Excess net capital	<u>\$ 113,511</u>	<u>\$ 167,824</u>	<u>\$ (54,313)</u>

Explanation of differences

The principal differences in total assets and non-allowable assets was a result of company adjustments to the condominium office property from the refinancing of the two previous mortgage notes with The Bank of Venice. A minor difference in the liabilities was due to adjustments to accrued expenses and accounts payable.

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception) to December 31, 2006

	<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)				
Stocks issued:				
9/8/92	1,000,000	\$ 100,000		\$ -
3/29/93	1,000,000	100,000		
6/8/93	1,000,000	100,000		
9/17/93	<u>1,000,000</u>	<u>100,000</u>	\$ -	\$ -
Stock issued 1993	<u>4,000,000</u>	<u>400,000</u>	<u>\$ -</u>	<u>\$ -</u>
Balances December 31, 1993	4,000,000	\$ 400,000	-	\$ (17,512)
Stocks issued:				
1/28/94	80,000	8,000		
1/28/94	150,000	15,000		
1/28/94	40,000	4,000		
1/28/94	150,000	15,000		
1/28/94	150,000	15,000		
1/28/94	250,000	25,000		
3/16/94	180,000	18,000		
4/25/94	250,000	25,000		
6/28/94	250,000	25,000		
6/28/94	400,000	40,000		
11/14/94	113,701	11,370		
11/16/94	35,000	3,500		
11/16/94	35,000	3,500		
11/16/94	35,000	3,500		
12/31/94	200,000	20,000		
12/31/94	200,000	20,000		
12/31/94	47,037	4,704		
12/31/94	10,000	1,000		
12/31/94	<u>42,170</u>	<u>4,217</u>	-	-
Stocks issued 1994	<u>2,617,908</u>	<u>261,791</u>	<u>-</u>	<u>-</u>
Balances December 31, 1994	6,617,908	\$ 661,791	\$ -	\$ (331,553)

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception) to December 31, 2006

Balances December 31, 1994	6,617,908	\$ 661,791	\$ -	\$ (331,553)
Stocks issued:				
2/16/95	500,000	50,000		
2/16/95	60,000	6,000		
3/1/95	250,000	25,000		
4/30/95	100,000	10,000		
5/26/95	14,571	1,457		
6/1/95	231,715	23,172		
8/1/95	25,000	2,500		
10/25/95	100,000	10,000		
12/31/95	70,000	7,000		
12/31/95	60,000	6,000		
12/31/95	60,000	6,000		
12/31/95	60,000	6,000		
12/31/95	70,000	7,000	-	-
Stocks issued 1995	<u>1,601,286</u>	<u>160,129</u>	<u>\$ -</u>	<u>-</u>
Balances December 31, 1995	8,219,194	\$ 821,920	-	\$ (471,544)
Stock				
2/14/96	10,000	1,000		
11/14/96	<u>200,000</u>	<u>20,000</u>	-	-
Stocks issued 1996	<u>210,000</u>	<u>21,000</u>	-	-
Balances December 31, 1996	8,429,194	\$ 842,920	\$ -	\$ (536,446)
Stocks issued:				
3/24/97	75,000	7,500		
10/13/97	50,000	5,000		
12/9/97	<u>18,500</u>	<u>1,850</u>	-	-
Stocks issued 1997	<u>143,500</u>	<u>14,350</u>	-	-
Balances December 31, 1997	8,572,694	\$ 857,270	\$ -	\$ (575,326)

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception) to December 31, 2006

Balances December 31, 1997	8,572,694	\$ 857,270	\$ -	\$ (575,326)
Stock issued:				
6/16/98	16,500	1,650		
6/22/98	20,000	2,000		
6/22/98	20,000	2,000		
8/31/98	200,000	20,000	110,000	
8/31/98	20,000	2,000		
8/31/98	70,000	7,000		
10/5/98	<u>70,000</u>	<u>7,000</u>	<u>38,500</u>	<u>-</u>
Stocks issued 1998	<u>416,500</u>	<u>41,650</u>	<u>148,500</u>	<u>-</u>
Balances December 31, 1998	8,989,194	\$ 898,920	\$ 148,500	\$ (721,845)
Stocks issued 1999				
10/25/99	<u>300,000</u>	<u>30,000</u>	<u>165,000</u>	<u>-</u>
Stock issued 1999	<u>300,000</u>	<u>30,000</u>	<u>165,000</u>	<u>-</u>
Balances December 31, 1999	9,289,194	\$ 928,920	\$ 313,500	\$ (729,114)
Stock issued 2000				
5/24/00	300,000	30,000	180,000	
Less treasury shares purchased 5/24/00 (Repurchase cost \$140,000)	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net stock issued 2000	<u>100,000</u>	<u>30,000</u>	<u>180,000</u>	<u>-</u>
Balances December 31, 2000	9,389,194	\$ 958,920	\$ 493,500	\$ (739,733)
Stock issued 2001	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2001	9,389,194	\$ 958,920	\$ 493,500	\$ (726,802)
Stock issued 2002	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2002	9,389,194	\$ 958,920	\$ 493,500	\$ (793,783)

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
For the period of September 8, 1992 (date of inception) to December 31, 2006

Balances December 31, 2002	9,389,194	\$ 958,920	\$ 493,500	\$ (793,783)
Stock issued 2003	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2003	9,389,194	\$ 958,920	\$ 493,500	\$ (793,783)
Stock issued 2004	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2004	9,389,194	\$ 958,920	\$ 493,500	\$ (819,769)
Stock issued 2005	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2005	9,389,194	\$ 958,920	\$ 493,500	\$ (846,337)
Stock issued 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances December 31, 2006	<u>9,389,194</u>	<u>\$ 958,920</u>	<u>\$ 493,500</u>	<u>\$ (906,781)</u>

INTEGRITY INVESTMENTS, INC.
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
For the year ended December 31, 2006

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

	Maturity Date	<u>12/31/2006</u>
Subordinated loans payable	9/30/2009	\$ <u>303,761</u>
Total loan payable		\$ 303,761
Subordinated accrued interest (note 1)		<u>3,798</u>
Total subordinated liabilities		\$ <u>307,559</u>

Note (1): The Company requested permission to subordinate the accrued interest on the subordinated loan to allow it as additional capital.

On September 28, 2006, approval was received to extend the maturity date on the loan to September 30, 2009.

END