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WINFIELD FINANCIAL GROUP INC
Form 10QSB/A
June 26, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-QSB

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: March 31, 2003

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-50014

WINFIELD FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Nevada

88-0478644.

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

2770 S. Maryland Parkway, Ste.
402, Las Vegas, NV

89109

(Address of principal executive offices) (Zip Code)

(702) 731-0030

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

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Yes [] No []

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

4,894,150

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WINFIELD FINANCIAL GROUP, INC.

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PART I - FINANCIAL INFORMATION
Item 1. Unaudited Financial Statements

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WINFIELD FINANCIAL GROUP, INC.
(A Development Stage Company)
BALANCE SHEET
March 31, 2003
(Unaudited)

| | |
|---|--------------------|
| ASSETS | |
| Cash | \$6,813 ===== |
| LIABILITIES | |
| Accounts payable | \$2,000 ----- |
| STOCKHOLDERS' EQUITY | |
| Preferred stock, \$.001 par value, 5,000,000 shares authorized, none issued and outstanding | |
| Common stock, \$.001 par value, 20,000,000 shares authorized, 4,894,150 shares issued and outstanding | 4,894 |
| Paid in capital | 120,812 |
| Deficit accumulated during the development stage | (120,893) ----- |
| Total Stockholders' Deficit | 4,813 ----- |
| TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT | \$6,813 ===== |

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WINFIELD FINANCIAL GROUP, INC.
 (A Development Stage Company)
 STATEMENTS OF EXPENSES
 For the Three Months Ended March 31, 2003 and 2002 and
 the Period From May 2, 2000 (Inception)
 Through March 31, 2003
 (Unaudited)

| | 2003 | 2002 | Inception Through March 31, 2003 |
|--|------------|-----------|---|
| Administrative expenses | \$5,688 | \$43 | \$120,893 |
| Net loss | \$ (5,688) | \$ (43) | \$ (120,893) |
| Basic and diluted net loss per common share | \$ (0.00) | \$ (0.00) | |
| Weighted average common shares outstanding | 4,894,150 | 4,037,000 | |

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WINFIELD FINANCIAL GROUP, INC.
 (A Development Stage Company)

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STATEMENTS OF CASH FLOWS

For the Three Months Ended March 31, 2003 and 2002 and
the Period From May 2, 2000 (Inception)
Through March 31, 2003
(Unaudited)

| | 2003 | 2002 | Inception Through March 31, 2003 |
|---|------------|---------|--|
| ----- | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net loss | \$ (5,688) | \$ (43) | \$ (120,893) |
| Adjustments to reconcile net loss to cash used in operating activities: | | | |
| Stock issued for services | | | 40,000 |
| Changes in: | | | 2,000 |
| Accounts payable | (1,600) | | 2,000 |
| ----- | | | |
| NET CASH USED IN OPERATING ACTIVITIES | (7,288) | (43) | (78,893) |
| | | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Issuance of common stock for cash | | | 85,706 |
| ----- | | | |
| NET CHANGE IN CASH | (7,288) | (43) | 6,813 |
| Cash balance, beginning | 14,101 | 86 | 0 |
| ----- | | | |
| Cash balance, ending | \$6,813 | \$43 | \$6,813 |
| ===== | | | |

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WINFIELD FINANCIAL GROUP, INC.
(A Development Stage Company)
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

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NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Winfield Financial Group, Inc. ("Winfield") have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in Winfield's latest annual report filed with the SEC on Form 10KSB. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for fiscal year 2002, as reported in the 10KSB, have been omitted.

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Item 2. Management's Discussion and Plan of Operation

Forward-Looking Statements

This Quarterly Report contains forward-looking statements about Winfield Financial Group, Inc.'s business, financial

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condition and prospects that reflect management's assumptions and beliefs based on information currently available. We can give no assurance that the expectations indicated by such forward-looking statements will be realized. If any of our management's assumptions should prove incorrect, or if any of the risks and uncertainties underlying such expectations should materialize, Winfield Financial Group's actual results may differ materially from those indicated by the forward-looking statements.

The key factors that are not within our control and that may have a direct bearing on operating results include, but are not limited to, acceptance of our services, our ability to expand our customer base, managements' ability to raise capital in the future, the retention of key employees and changes in the regulation of our industry.

There may be other risks and circumstances that management may be unable to predict. When used in this Quarterly Report, words such as, "believes," "expects," "intends," "plans," "anticipates," "estimates" and similar expressions are intended to identify forward-looking statements, as defined in Section 21E of the Securities Exchange Act of 1934, although there may be certain forward-looking statements not accompanied by such expressions.

The safe harbors of forward-looking statements provided by Section 21E of the Exchange Act are unavailable to issuers of penny stock. As we issued securities at a price below \$5.00 per share, our shares are considered penny stock and such safe harbors set forth under the Reform Act are unavailable to us.

Plan of Operation

Winfield Financial Group, Inc. was founded under the laws of the state of Nevada on May 2, 2000.

Since our inception we have devoted our activities to the following:

- * Raising capital;
- * Establishing our business brokerage business; and
- * Developing markets for the services we offer.

We intend to act primarily as a business broker, exclusively representing sellers and advising buyers desiring to acquire businesses. We will target sellers looking to sell their private companies with a sales volume range from \$5 to \$75 million in revenues.

We have conducted our operations since May 2, 2000. We are a development stage company. For the period from inception to March 31, 2003, we generated no revenues and had a loss of \$120,893. We had \$6,813 of cash available as of March 31, 2003. We had \$8,343 of cash available as of March 31, 2003. Until we secure our real estate licenses, we anticipate expenses of a maximum of \$1,195 per month, comprised primarily of printing costs of \$290, on going computer programming and testing of \$450, rent of \$400 and website expenses of \$55 consisting of hosting fees. With these overhead expenses and working only as consultants and without the real estate licenses we can continue operations for approximately 7 months of operations without additional funds through October 2003. We estimate these expenses to increase to \$4,700 per month after we secure our real estate licenses primarily due to expenses

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associated with marketing our services to potential clients and referring brokers. We anticipate we will obtain our real estate licenses July 2003. Obtaining the real estate licenses will allow operations to continue through August 2003. Thereafter, we will need to generate operating revenues or secure other funding in the amount of \$32,900 to remain operational until April 1, 2004. There are no preliminary or definitive agreements or understandings with any party for such financing.

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We raised \$77,206 in net proceeds from a Nevada state registered offering in July 2002. After payment made to GoPublicToday.com in the amount of \$48,410, we are using the remaining \$20,036 in funds to implement our business plan as follows:

| Milestone or Step | Expected Manner of Occurrence or Method of Achievement | Date When Step Should be Accomplished | Cost of Completion |
|--|--|---------------------------------------|--------------------|
| ----- | | | |
| Licenses | | | |
| Apply and obtain Nevada Real Estate License. | File completed Application and Gain Nevada Real Estate Division Approval | May 2003 | \$125 |
| ----- | | | |
| Facilities Locate and Establish Office Facilities. | Review Buildings and sites. | September 2003 | \$1,500 |
| ----- | | | |
| Information Management System [We use the information management system primarily to build and manage our database of potential clients (Sellers and Buyers] | Utilizing Standard Information Programs and Hardware. | May 2003 | \$1,500 |
| A) Establish Information management System. | Install Programs and Run Tests. | May 2003 | -0- |
| B) Implement Information | Run Audit Reports And Compare to | May 2003 | -0- |

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| | | | |
|--|--|----------------|---------|
| Management System. | Physical records. | May 2003 | |
| C) Evaluate Information Management System. | Using Audit Results Adjust Information Management System. | | -0- |
| D) Adjust Information Management System. | | | |
| ----- | | | |
| Personnel | Utilizing Nation-List | | |
| A) Recruiting Associates. [1] | International, International Business Brokers Association. | September 2003 | \$1,100 |
| B) Training Associates. | | | |
| C) Evaluating Associates. | First Group of Trained Associates. | October 2003 | -0- |
| | Review First Group Associates Results. | January 2004 | -0- |
| ----- | | | |

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| | | | |
|--|---|-------------------------|---------|
| Documents | | | |
| A) Design forms, Contracts, Literature and Media Kits. | Utilize Standard Forms Approved by Legal. | December 2002 Completed | -0- |
| B) Print forms, Contracts, Literature and Media Kits. | Obtain Bids and Contract for Printing. | May 2003 | \$3,000 |
| ----- | | | |
| Policies | | | |
| A) Establish Operation Policies And Procedures. | Utilizing Standard Policies and Procedures Approved by Legal. | December 2002 completed | -0- |
| B) Implement Operation Policies and Procedures. | Issue and Distribute Associates' Handbook | July 2003 | \$600 |
| ----- | | | |
| Marketing WFG [2] | Determine | | |

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| | | | |
|---|---|-------------------------|---------|
| A)Finalize Plan. | percentage of various Media. Place Ads and | February 2003 Completed | -0- |
| B)Execute Plan Branding WFG | Other Media | July 2003 | \$5,000 |
| ----- | | | |
| Clients | | | |
| (Sellers & Buyers) | Utilizing Wall Street Journal, BizBuySell.com, | July 2003 | \$1,000 |
| A)Implement Client Search. | International Business Brokers Association our internal database. | | |
| B) Implement Direct Mail Campaign to businesses set forth in acquired lists of potential clients. | Utilizing I-Market and Other Lists for which contain information about potential business buyers and sellers. | July 2003 | \$4,300 |
| C)Servicing Clients. | Working with Sellers and Buyers To Structure Deals. | February 2003 Completed | -0- |
| ----- | | | |
| Internet | | | |
| Complete WFG Web Site. | Design and Install WFG Web Site. | December 2002 completed | |
| Add additional services Pages to Website | Begin the Marketing and Selling Business | July 2003 | \$850 |
| ----- | | | |

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[1] We will recruit sales associates who have real estate licenses to list and sell our businesses. It is anticipated that a maximum of five sales associates will be recruited in 2003 who may possibly be members of Nation-List International, International Business Brokers Association or other like-kind professional business broker organizations.

[2] Nationalist International, International Business Brokers Association, and Dun and Bradstreet Marketplace list potential businesses that may be our clients. We will obtain information from these sources by purchasing the information from these sources and place it in our database once we become licensed. We will not have any formal contracts, agreements or commitments with these organizations, other than merely purchasing their lists for use by

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us. We will not have any exclusive arrangements with these organizations. We will not list businesses for sale on websites maintained by these organizations. We will attempt to secure these businesses as clients by contacting them by e-mail, fax, telephone or regular mail. In addition, we will contact other brokers who may have clients we can represent. These businesses are free to list their assets on other websites or with other entities after we acquire the lists.

In order to become profitable, we will still need to secure additional debt or equity funding. We hope to be able to raise additional funds from an offering of our stock in the future. However, this offering may not occur, or if it occurs, may not rise the required funding. There are no preliminary or definitive agreements or understandings with any party for such financing.

Our ability to continue as a going concern is dependent on our ability to raise funds to implement our planned development; however we may not be able to raise sufficient funds to do so. Our independent auditors have indicated that there is substantial doubt about our ability to continue as a going concern over the next twelve months. Our poor financial condition could inhibit our ability to achieve our business plan, because we are currently operating at a substantial loss with no operating history and revenues, an investor cannot determine if we will ever become profitable.

If any of the steps above are not completed as presented in the preceding milestone table, it could delay the overall schedule and eliminate or reduce 2003 revenues.

Item 3. Controls and Procedures

Within 90 days prior to the date of filing of this report, we carried out an evaluation, under the supervision and with the participation of our management, including the Chief Executive Officer (who also effectively serves as the Chief Financial Officer), of the design and operation of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer concluded that our disclosure controls and procedures are effective for gathering, analyzing and disclosing the information we are required to disclose in the reports we file under the Securities Exchange Act of 1934, within the time periods specified in the SEC's rules and forms. There have been no significant changes in our internal controls or in other factors that could significantly affect internal controls subsequent to the date of this evaluation.

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PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None

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Item 2. Changes in Securities

None

Item 3. Defaults upon Senior Securities.

NONE

Item 4. Submission of Matters to a Vote of Security Holders.

NONE

Item 5. Other Information.

NONE

Item 6. Exhibits

| Exhibit Number | Name and/or Identification of Exhibit |
|-------------------|---------------------------------------|
|-------------------|---------------------------------------|

| | |
|---|---|
| 3 | Articles of Incorporation & By-Laws (a) Articles of Incorporation of the Company.* (b) By-Laws of the Company.* |
|---|---|

| | |
|----|---|
| 99 | Certification Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002 |
|----|---|

* Incorporated by reference to the exhibits to the Company's General Form for Registration of Securities of Small Business Issuers on Form 10-SB, and amendments thereto, previously filed with the Commission.

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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Winfield Financial Group, Inc.

(Registrant)

By: /s/ Robert W. Burley

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Robert W. Burley
President, CEO, Principal Financial Officer and Principal
Accounting Officer

Date: May 15, 2003

CERTIFICATIONS

I, Robert W. Burley, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Winfield Financial Group, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report; and
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial position, results of operations, and cash flows of the issuer as of, and for, the periods presented in this quarterly report.
4. I am responsible for establishing and maintaining disclosure controls and procedures for the issuer and have:
 - (i) Designed such disclosure controls and procedures to ensure that material information relating to the issuer is made known to me, particularly during the period in which the periodic reports are being prepared;
 - (ii) Evaluated the effectiveness of the issuer's disclosure controls and procedures as of March 31, 2003 ["Evaluation Date"]; and
 - (iii) Presented in the report our conclusions about the effectiveness of the disclosure controls and procedures based on my evaluation as of the Evaluation Date;
5. I have disclosed, based on my most recent evaluation, to the issuer's auditors and the audit committee of the board of directors (or persons fulfilling the equivalent function):
 - (i) All significant deficiencies in the design or operation of internal controls which could adversely affect the issuer's ability to record, process, summarize and report financial data and have identified for the issuer's auditors any material weaknesses in internal controls (none were so noted); and
 - (ii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal controls (none were so noted); and
6. I have indicated in the report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any

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corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 15, 2003

/s/ Robert W. Burley

President, CEO, Principal Financial Officer and Principal
Accounting Officer

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