

AMENDMENT

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

OMB APPROVAL
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ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

(A)

SEC FILE NUMBER
8-51124

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 01/01/02 AND ENDING 12/31/02
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Growth Partners, Inc.
GROWTH PARTNERS INC DBA THE GROWTH GROUP
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

22187 CANUSA

(No. and Street)

WOODLAND HILLS, CA 91367

(City)

(State)

(Zip Code)

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

JEFFREY R. KNARAL, PRESIDENT 818-713-8000

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

THOMAS J. BONFIGLIO

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

1110 SOUTH AVENUE, STONEY ISLAND, NY 10314

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED
MAY 30 2003
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)

005288

OATH OR AFFIRMATION

I, JEFFREY R. KRAKAL, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GROUND RAINBOW INC DBA THE GROUND GROUP, as of DECEMBER 31, 20 02, 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:

N/A

State of California
 County of Los Angeles
 SUBSCRIBED AND SWORN TO BEFORE ME BY
Jeffrey R. Krakal
 THIS 22nd DAY OF April 2003
Leslie G. Frankel
 Notary Public

Jeffrey R. Krakal
 Signature
PRESIDENT
 Title



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).

BONFIGLIO & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

1110 SOUTH AVENUE, 2ND FLR.

STATEN ISLAND, NEW YORK 10314

(347) 273-1444

TELEFAX (347) 273-1401

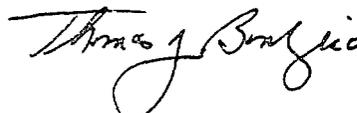
www.bonfiglioassociates.com

INDEPENDENT AUDITORS REPORT

To The Board of Directors & Stockholders
The Growth Group
Los Angeles, California

In accordance with satisfying the Securities & Exchange Commission (SEC) Rule 17a5d regarding The Growth Group's annual filing requirement, and based on the notification dated April 3, 2003, enclosed is the required statement regarding the Possession or Control Requirement under Rule 15c3-3.

The attached statement should be considered part of The Growth Group's December 31, 2002 annual filing thereby rendering such filing complete and satisfying all SEC requirements.



Thomas J. Bonfiglio
Staten Island, New York
April 14, 2003

GROWTH PATRNETERS INC., dba THE GROWTH GROUP

STATEMENT OF POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15C3-3

Growth Partners, Inc., dba The Growth Group being purely a mergers & acquisitions firm otherwise known as an Introducing Firm, does not receive or hold customer accounts, funds, securities, or otherwise, and does not function as a custodian in any form, and as such, operates under the K2ii exemption, or equivalent exemptions related to the Possession or Control Requirement provisions under Rule 15c3-3.

Given the content of the above statement, the Possession or Control Requirements are not subject to the accounting firm's review and audit.