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

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12013679

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

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/ 2011 AND ENDING 12/ 31/ 2011
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

THE WINNING EDGE FINANCIAL GROUP, INC.

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY

FIRM ID. NO. 128045

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

75 MADISON AVE

(No. and Street)

CLIFTON

(City)

NEW JERSEY

(state)

07011 - 2716

(Zip Code)

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

BENNIE ZANGARA

(973) 773-6600

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Michael T. Remus, CPA

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

3763 Quakerbridge Rd PO Box 2555

(Address)

Hamilton Square

(City)

NJ

(state)

08690

Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

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).

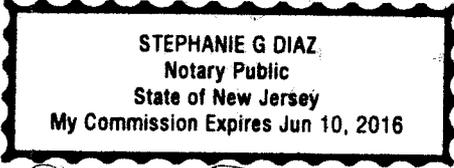
SEC 1410 (3-91)

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OATH OR AFFIRMATION

I Bennie Zangara swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of The Winning Edge Financial Group, Inc. as of December 31 20 11, 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:



Stephanie Diaz
Notary Public

Bennie Zangara
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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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.

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

The Winning Edge Financial Group, Inc.

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

For the Year Ended

December 31, 2011

THE WINNING EDGE FINANCIAL GROUP, INC.

FINANCIAL HIGHLIGHTS

December 31, 2011

NET LOSS	\$	(79,525)
NET WORTH		64,460
CASH AND CASH EQUIVALENTS		75,750
CURRENT RATIO	1.35	: 1.0

MICHAEL T. REMUS
Certified Public Accountant

3673 Quakerbridge Rd, Suite 3
Hamilton Square, NJ 08690

Tel: 609-540-1751

Fax: 609-838-2297

Independent Auditor's Report

To: The Stockholder
The Winning Edge Financial Group, Inc.

I have audited the accompanying statement of financial condition of The Winning Edge Financial Group, Inc. as of December 31, 2011, and the related statement of operations, changes in liabilities subordinated to claims of creditors, changes in stockholders' equity and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Winning Edge Financial Group, Inc. as of December 31, 2011 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplemental schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Michael T. Remus

Michael T. Remus, CPA
Hamilton Square, New Jersey
March 6, 2012

THE WINNING EDGE FINANCIAL GROUP, INC.
STATEMENT OF FINANCIAL CONDITION
December 31, 2011

ASSETS

Current Assets		
Cash and cash equivalents	\$	75,750
Accounts receivable		19,120
Prepaid expenses		1,269
Deferred income tax		4,833
		<hr/>
Total Current Assets		100,972
		<hr/>
Office Equipment		
Computer equipment		4,359
Less: Accumulated depreciation		(3,217)
		<hr/>
		1,142
		<hr/>
Other Assets		
Investments		36,765
Total Assets	\$	<u>138,879</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accrued expenses	\$	27,663
Payroll taxes payable		46,006
Income taxes payable		750
		<hr/>
Total Current Liabilities		74,419
		<hr/>
Total Liabilities		74,419
		<hr/>
Stockholders' Equity		
Common stock, \$1 par value, 1,000 shares authorized, issued and outstanding		1,000
Paid-in Capital		22,500
Accumulated other comprehensive income		17,658
Retained earnings		23,302
		<hr/>
		64,460
		<hr/>
Total Liabilities and Stockholders' Equity	\$	<u>138,879</u>

See accompanying notes.

THE WINNING EDGE FINANCIAL GROUP, INC.
STATEMENT OF OPERATIONS
Year Ended December 31, 2011

REVENUES

Commissions	\$	117,945
Tax Preparation fees		2,510
Interest income		162
		120,617

OPERATING EXPENSES

Salaries & wages		101,106
Rent		24,000
Pension		24,125
Professional fees		5,025
Regulatory fees		1,150
General & administrative		17,439
Advertising		7,825
Insurance		8,352
Auto expense		8,807
Payroll tax		8,417
Telephone & internet		4,619
Depreciation		571
		211,436

Loss From Operations & Before Income Tax (90,819)

Income Tax Benefit 10,324

Net loss before other comprehensive income (80,495)

Other Comprehensive Income

Unrealized Holding Gains Arising During Period 1,170

Other Comprehensive Income, before tax 1,170

Income tax expense related to items of other comprehensive income (200)

Other comprehensive income, net of tax 970

Net Loss \$ (79,525)

See accompanying notes.

THE WINNING EDGE FINANCIAL GROUP, INC.
STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF CREDITORS
Year Ended December 31, 2011

Subordinated Liabilities at December 31, 2010	\$ -
Increases	-
Decreases	-
Subordinated Liabilities at December 31, 2011	<u><u>\$ -</u></u>

See accompanying notes.

THE WINNING EDGE FINANCIAL GROUP, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
Year Ended December 31, 2011

	<u>Common Stock</u>	<u>Additional</u>	<u>Accumulated</u>	<u>Retained</u>	<u>Total</u>
	Number of	Paid-In	Other Comprehensive	Earnings	Stockholders'
	Shares	Capital	Income	Earnings	Equity
Balance at December 31, 2010	1,000	\$ 22,500	\$ 16,688	\$ 103,797	\$ 143,985
Current year activity	-	-	970	-	970
Net Loss	-	-	-	(80,495)	(80,495)
Balance at December 31, 2011	<u>1,000</u>	<u>\$ 22,500</u>	<u>\$ 17,658</u>	<u>\$ 23,302</u>	<u>\$ 64,460</u>

See accompanying notes.

THE WINNING EDGE FINANCIAL GROUP, INC.

STATEMENT OF CASH FLOWS

Year Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Net Loss \$ (79,525)

Adjustments to Reconcile Net Income to Net
Cash Provided By Operating Activities:

Depreciation 571
Unrealized Gain on investment (1,170)

(Increase) Decrease in Operating Assets:

Receivables (2,049)
Prepaid expenses 120
Deferred income tax (4,833)

Increase (Decrease) in Operating Liabilities:

Accounts payable and accrued expenses 24,125
Taxes payable 30,572

Net cash used by operating activities (32,189)

Cash Flows From Investing Activities -

Cash Flows From Financing Activities -

Net decrease in cash (32,189)

Cash and cash equivalents at Beginning of Year 107,939

Cash and cash equivalents at End of Year \$ 75,750

Supplemental Disclosures

Cash paid for income taxes \$ 750
Cash paid for interest \$ -

See accompanying notes.

THE WINNING EDGE FINANCIAL GROUP, INC.

Notes to Financial Statements
Year Ended December 31, 2011

1 Nature of Business Operations

The Winning Edge Financial Group, Inc. (The Company) is a New Jersey corporation conducting business as securities broker dealer. The Company holds no customer funds or securities and does not participate in the underwriting of Securities The Company is registered with the SEC and is a member of the Financial Industry Regulatory Authority - ("FINRA").

2 Accounting Policies

(a) Basis of Presentation

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") unless otherwise disclosed.

(b) 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.

(c) Cash

For purposes of the statement of cash flows, the Company considers all investments with a term to maturity of three months or less at the time of acquisition to be cash equivalents. The company has adopted the indirect method of presenting the statement of cash flows in accordance with current authoritative pronouncements. There were no cash equivalents at December 31, 2011

(d) Accounts Receivable

The Company establishes an allowance for uncollectible trade accounts receivable based on managements evaluation of the collectibility of outstanding accounts receivable. Management has evaluated accounts receivable at December 31, 2011 and believes they are all collectible. Accounts receivable are not collateralized.

(e) Property and Equipment

Property and equipment is recorded at cost. Depreciation is computed principally by the straight line method, over a three year period , based on the estimated useful life of the related asset. Expenditures for maintenance, repairs, renewals and betterments that do not materially prolong the useful lives of the assets are expensed. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period..

THE WINNING EDGE FINANCIAL GROUP, INC.

Notes to Financial Statements
Year Ended December 31, 2011

(f) *Revenue Recognition*

The Company earns commissions from executing customer transactions in mutual fund securities and variable annuities. Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur. The Company recognizes revenue from other fees in the period earned, that is when the transaction has been completed or the services have been rendered.

(g) *Income Taxes*

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to unrealized gain on investments. The deferred tax liability represents the future tax return consequences that will be realized when the asset is settled. No recognition for uncertain tax provisions have been included because the Company believes there are none.

Certain transactions of the Company's may be subject to accounting methods for federal and state income tax purposes which differ significantly from the accounting methods used in preparing the financial statements. Accordingly, the net income or loss of the Company and the resulting balances in the shareholders' capital account reported for federal and state income tax purposes may differ from the balances reported for those same items in these financial statements.

FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the year ended December 31, 2011 the shareholder has determined that there are no material uncertain income tax positions. In addition, no income tax related penalties or interest have been recorded for the year ended December 31, 2011.

(h) *Advertising and Marketing*

Advertising and marketing costs are expensed as incurred

(i) *General and Administrative Expenses*

General and administrative costs are expensed as incurred.

(j) *Subsequent Events*

The Company has evaluated subsequent events occurring after the statement of financial condition date through the date of March 6, 2012 which is the date the financial statements were available to be issued. Based on this evaluation, the Company has determined that no subsequent events have occurred which require disclosure in or adjustment to the financial statements.

THE WINNING EDGE FINANCIAL GROUP, INC.

Notes to Financial Statements
Year Ended December 31, 2011

(k) Fair Value Measurements

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

For further discussion of fair value, see "Note 8 Fair Value"

(l) Comprehensive Income

Comprehensive income (loss) is the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It requires unrealized gains or losses on available-for-sale securities, foreign currency translation adjustments, minimum pension liability adjustments and changes in the market value of certain futures contracts that qualify as a hedge to be included in other comprehensive income.

3 Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform New Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2011, the Company had net capital of \$27,772., which was \$22,772. in excess of its required minimum net capital of \$5,000. The Company's net capital ratio was 2.68 to 1.

THE WINNING EDGE FINANCIAL GROUP, INC.

Notes to Financial Statements
Year Ended December 31, 2011

4 Marketable Securities

Investments are presented in the financial statements at market value and is considered a level one input due to the fact that there are quoted prices for identical items in an active, visible and liquid market. The Company uses actual cost paid to determine the cost basis of shares of common stock held. The following is a summary of investments at December 31, 2011:

<u>Common Stock - Level 1 Input</u>	<u>Fair Value</u>
1,500 shares NASDAQ Stock, cost \$18,907	\$36,765

5 Concentrations

A significant amount of the Company's revenues are derived from the sale of open-end mutual funds and variable annuities.

6 Related Party Transactions

The Company leases office space from an affiliated company that is owned by its principal stockholder. There is no written lease agreement and currently the lease is on a month to month basis. The annual rent paid to this related party was \$24,000.

7 Income Taxes

The Company has net operating loss carry forwards that may be offset against future taxable income. The loss carry forwards at December 31, 2011 total approximately \$71,000 and will expire on December 31, 2031.

8 Pension Plan

The Company has a 401 Uni(k) Plan which covers the Company's only employee and sole shareholder. Contributions to the plan included the statement of operations for the year ended December 31, 2011 totaled \$24,125.

9 Fair Value of Financial Instruments

Cash and cash equivalents, receivables, accounts payable and other current liabilities are reflected in the financial statements at carrying value which approximates fair value because of the short-term maturity of these instruments.

10 Commitments and Contingencies

Pursuant to Securities and Exchange Commission Rule 15c3-1(e)(2) the Company may not authorize distributions to its shareholders if such distributions cause the Company's net capital to fall below 120% of the Company's minimum net capital requirement. As of December 31, 2011 the Company was not in violation of this requirement.

THE WINNING EDGE FINANCIAL GROUP, INC.

Notes to Financial Statements
Year Ended December 31, 2011

11 Anti-Money Laundering Program

The Company is required to have a program to actively prevent and prohibit money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. At December 31, 2011 the Company was in compliance with this program.

12 Exemption from Rule 15c3-3

The Company is exempt from the Securities and Exchange Commission Rule 15c3-3 and, therefore, is not required to maintain a “Special Reserve Bank Account for the Exclusive Benefit of Customers”.

**Supplementary Information
Pursuant to Rule 17a-5 of the
Securities Exchange Act of 1934**

As of December 31, 2011

MICHAEL T. REMUS
Certified Public Accountant

3673 Quakerbridge Rd, Suite 3
Hamilton Square, NJ 08690

Tel: 609-540-1751
Fax: 609-838-2297

Independent Auditors Report on
Internal Accounting Control

To: The Stockholder
The Winning Edge Financial Group, Inc.

In planning and performing our audit of the financial statements of The Winning Edge Financial Group, Inc. (the Company), as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), I have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities (if applicable). This study included tests of such practices and procedures that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, I did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011, to meet the SEC's objectives.

This report is intended solely for the information and use of the stockholders, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Michael T. Remus

Michael T. Remus, CPA
Hamilton Square, New Jersey
March 6, 2012

THE WINNING EDGE FINANCIAL GROUP, INC.

**INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
PURSUANT TO RULE 15c 3-3 of the Securities and Exchange Commission**

As of December 31, 2011

Pursuant to rule 15c 3-3 relating to possession or control requirements, The Winning Edge Financial Group, Inc. has not engaged in the clearing or trading of any securities and did not hold customer funds or securities during the year ended December 31, 2011 and therefore is claiming exemption to this schedule pursuant to paragraph K(2)(i) of SEC Rule 15c3-3. The firm's minimum net capital requirement pursuant to paragraph (a)(2)(vi) of SEC Rule 15c3-1 is \$5,000..

THE WINNING EDGE FINANCIAL GROUP, INC.

COMPUTATION OF NET CAPITAL IN ACCORDANCE WITH RULE 15c 3-1

Year Ended December 31, 2011

Schedule I

NET CAPITAL

Common stock	\$	1,000
Paid-in capital		22,500
Accumulated other comprehensive income		17,658
Retained earnings		<u>23,302</u>
Total Credits		<u>64,460</u>

Debits

Accounts receivable		18,988
Haircuts - stocks		5,515
Undue concentration		4,941
Equipment less accumulated depreciation		1,142
Deferred income tax		4,833
Prepaid expense		<u>1,269</u>
Total Debits		<u>36,688</u>

NET CAPITAL \$ 27,772

CAPITAL REQUIREMENTS

6 2/3 % of aggregate indebtedness	\$	4,956
Minimum capital requirement		<u>5,000</u>
Net capital in excess of requirements	\$	<u><u>22,772</u></u>

Ratio of Aggregate Indebtedness to
Net Capital 2.68 to 1

**Reconciliation with Company's Computation (included in
Part II of Form X-17A-5 as of December 31, 2011)
as Amended on March 5, 2012**

Net Capital, as reported in Company's Part II unaudited Focus Report	\$	27,772
Net Capital, per above		<u>27,772</u>
Difference	\$	<u><u>-</u></u>

THE WINNING EDGE FINANCIAL GROUP, INC.

SCHEDULE OF AGGREGATE INDEBTEDNESS

Year Ended December 31, 2011

Schedule II

AGGREGATE INDEBTEDNESS:

Accrued expenses	\$	27,663
Payroll taxes payable		46,006
Income taxes payable		750
Total Aggregate Indebtedness	\$	<u>74,419</u>

THE WINNING EDGE FINANCIAL GROUP, INC.

RECONCILIATION BETWEEN AUDITED AND UNAUDITED STATEMENTS
OF FINANCIAL CONDITION

YEAR ENDED DECEMBER 31, 2011

Pursuant to Rule 17a-5(d) (4) of the audited computations of Net Capital pursuant to Rule 15c 3-1 and computation for Determination of Reserve requirements pursuant to Rule 15c 3-3 submitted by The Winning Edge Financial Group, Inc., in my opinion no material differences exist which would materially effect the reserve requirements pursuant to Rule 15c 3-3.