

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

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

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FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder
Washington DC
404

REPORT FOR THE PERIOD BEGINNING 01/01/13 AND ENDING 12/31/13
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: The Windmill Group, Inc

OFFICIAL USE ONLY
FIRM I.D. NO.

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

253 Route 202
(No. and Street)
SOMERS New York 10589
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
John MACERANKA 914 277 2700
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Robert J. Gardener
(Name - if individual, state last, first, middle name)
385 Broadway Bethpage NY 11714
(Address) (City) (State) (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 (06-02)

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John
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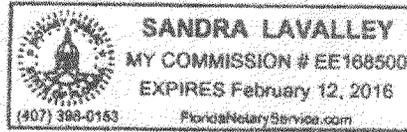
OATH OR AFFIRMATION

I, John Macoranka, 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 Windmill Group, Inc, as of December 31, 2013, 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:

None

[Signature]
Signature
Pres. & CEO
Title

[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.

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

THE WINDMILL GROUP, INC.

ANNUAL REPORT

DECEMBER 31, 2013

THE WINDMILL GROUP, INC.
ANNUAL REPORT
DECEMBER 31, 2013

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SUPPLEMENTARY INFORMATION:

Accountant's Report	
Schedule of Operating Expenses	Exhibit A
Computation of Net Capital Requirement	Exhibit B
Computation of Net Capital	Exhibit C



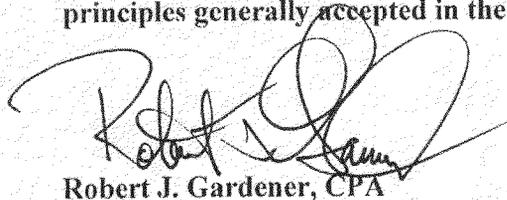
February 23, 2014

To the Stockholders of
The Windmill Group, Inc.
253 Route 202
Somers, New York 10589

I have audited the accompanying balance sheet of The Windmill Group, Inc., as of December 31, 2013 and the related statements of operation, accumulated deficit, and cash flows for the year ended December 31, 2013. These financial statements are the responsibility of company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit 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 audit provides 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 Windmill Group, Inc. as of December 31, 2013 and the results of their operations and cash flows for the year ended December 31, 2013 in conformity with accounting principles generally accepted in the United States of America.



Robert J. Gardener, CPA

January 14, 2014



THE WINDMILL GROUP, INC.
BALANCE SHEET
DECEMBER 31, 2013

ASSETS

Current Assets	
Cash	\$ 13,194
Accounts receivable	10,719
Prepaid expenses	<u>4,465</u>
Total	<u>28,378</u>
Fixed Assets	
Office equipment	7,332
Furniture & fixtures	<u>1,000</u>
	8,332
Less: Accumulated depreciation	<u>(6,319)</u>
Net equipment and fixtures	<u>2,013</u>
Other Assets	
Loan receivable	<u>3,050</u>
Total	<u>3,050</u>
Total Current Assets	<u>\$ 33,441</u> =====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities	
Commissions payable	\$ 7,574
Payroll taxes payable	<u>2,161</u>
Total Liabilities	<u>9,735</u>
Stockholders' Equity	
Capital stock	2,700
Additional paid in capital	130,100
Retained earnings - (deficit)	<u>(109,094)</u>
Total	<u>23,706</u>
Total Liabilities and Stockholders' Equity	<u>\$ 33,441</u> =====

See accompanying notes and accountant's audit report.



THE WINDMILL GROUP, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2013

Revenues	
Commissions	<u>\$ 688,407</u>
Operating Expenses	<u>696,976</u>
Net Profit	(8,569)
Retained Earnings - (deficit) - January 1	<u>(93,515)</u>
Distributions	(7,010)
Retained Earnings - (deficit) - December 31	<u>\$(109,904)</u> =====

See accompanying notes and accountant's audit report.



THE WINDMILL GROUP, INC.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance as of Jan. 1, 2013	\$2,700	\$130,100	(\$ 93,515)	\$ 39,285
Net loss – 2013			(8,569)	(8,569)
Distributions			(7,010)	(7,010)
Balance as of Dec. 31, 2013	<u>\$2,700</u>	<u>\$130,100</u>	<u>\$(109,094)</u>	<u>\$ 23,706</u>

See accompanying notes and accountant's audit report.



THE WINDMILL GROUP, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

Cash flows provided by operating activities:

Net loss	<u>\$(8,569)</u>
Adjustments to reconcile net income to net cash provided by operating activities	
Changes in assets and liabilities	
Accounts receivable	22,774
Investments	2,958
Payroll taxes payable	196
Stockholder loan payable	(70)
Prepaid expenses	(4,465)
Depreciation	319
Commissions payable	<u>7,082</u>
Total adjustments	<u>28,794</u>
Net cash provided by operating activities	<u>20,225</u>
Cash flows from investing activities:	
Equipment	<u>(2,333)</u>
Net cash provided by investing activities	<u>(2,333)</u>
Cash flows from financing activities:	
Distributions	<u>(7,010)</u>
Net cash provided by financing activities	<u>(7,010)</u>
Net increase in cash and cash equivalents	10,882
Cash and cash equivalents - January 1	<u>2,312</u>
Cash and cash equivalents - December 31	<u>\$ 13,194</u> <u>=====</u>

See accompanying notes and accountant's audit report.



THE WINDMILL GROUP, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2013

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounts Receivable

The year end balance of \$10,719 is all current. These amounts were received in full in January 2014.

Investments

Investment in securities were liquidated during 2013.

Commissions Payable

The year end balance of \$7,574 is all current. It represents commissions earned in December 2013 by brokers registered with the firm.

Payroll Taxes Payable

The year end balance of \$2,161 represents payroll taxes withheld from wages paid during the 4th Quarter of 2013. All payroll taxes were paid in full in January 2014.

Income Taxes

In 1987, the former shareholder elected to treat the company as a small business corporation ("S" corporation) for income tax purposes. As such, the company's income or loss and credits will be passed through to the shareholders and combined with their other personal income and deductions to determine taxable income on their individual returns.

Capital Stock

The present shareholders each own 50% of the company at December 31, 2013.

See accompanying notes and accountant's audit report.



February 23, 2014

The Windmill Group, Inc.
253 Route 202
Somers, New York 10589

As an addendum to the annual report of December 31, 2013, I herewith submit the following exhibits:

- “A” Schedule of Operating Expenses
- “B” Computation of Net Capital Requirements
- “C” Computation of Net Capital

In my opinion, the aforementioned exhibits present fairly, the information under Security Exchange Commission Rule 17A-5(d)(4) in conformity with generally accepted accounting principles. It is also my opinion, that no material inadequacies currently exist or were found to have existed since the previous audit dated 12/31/12, pursuant to SEC Rule 17a-5(d)(4), SEC Rule 17a-5(g) or SEC Rule 17a-5(j).

Robert J. Gardener



Exhibit A

THE WINDMILL GROUP, INC.
OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

Operating Expenses

Automobile	\$ 14,257
Bank charges	259
Commissions	503,509
Contributions	125
Depreciation	319
Dues, subscriptions, and licenses	9,862
Insurance	16,302
Internet expenses	3,266
Meals & Entertainment	250
Office expense & supplies	32,453
Outside services	1,025
Postage & Delivery	665
Professional fees	6,495
Rent	16,080
Salaries - Officers	75,400
Seminars	675
Telephone	7,864
Taxes	6,493
Travel	730
Utilities	947
	<hr/>
Total	\$ 696,976
	=====



Exhibit B

THE WINDMILL GROUP, INC.
COMPUTATION OF NET CAPITAL REQUIREMENT
DECEMBER 31, 2013

Minimum Net Capital Required 6 2/3% of aggregate indebtedness	\$ 649 =====
Minimum Required	\$ 5,000 =====
Net Capital Required (Greater of above amounts)	\$ 5,000 =====
Excess Net Capital (Net Capital \$23,706 less net capital requirement of \$5,000)	\$ 18,706 =====
Net Capital less 120% of minimum dollar Net Capital requirement of \$5,000	\$ 17,706 =====



Exhibit C

THE WINDMILL GROUP, INC.
COMPUTATION OF NET CAPITAL
DECEMBER 31, 2013

Total stockholders' equity from balance sheet equity	\$ 23,706
Liabilities subordinated to claims of general creditors	<u>0</u>
Total capital & allowable subordinated liabilities	<u>\$ 23,706</u>
Less: non allowable assets from the balance sheet:	
Other assets	<u>0</u>
Net Capital	<u><u>\$ 23,706</u></u>
