

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## AYTU BIOSCIENCE, INC

**Form: 10QSB**

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Corporate Issuer CIK: 1385818

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

FORM 10-QSB

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

For Quarter Ended: February 29, 2008

Commission File Number 000-53121

**ROSEWIND CORPORATION**

(Exact name of registrant as specified in its charter)

**COLORADO**

(State or other jurisdiction of  
incorporation or organization)

**47-0883144**

(I.R.S. Employer Identification No.)

**16200 WCR 18E, Loveland, Colorado**

(Address of principal executive offices)

**80537**

(Zip code)

**(970) 635-0346**

(Registrant's telephone number, including area code)

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

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or 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

Number of shares of common stock outstanding as of February 29, 2008: 3,389,000 shares

Transitional Small Business Format: Yes  No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes  No

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**ROSEWIND CORPORATION**  
(A Development Stage Company)

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**ROSEWIND CORPORATION**  
(A Development Stage Company)  
Balance Sheet

	<b>February 29, 2008</b>	<b>August 31, 2007</b>
	<u>(Unaudited)</u>	<u></u>
<b>Assets</b>		
Current Assets:		
Cash	\$ 58,031	\$ 23,358
Prepaid asset	205	—
Total current assets	<u>58,236</u>	<u>23,358</u>
Property and equipment, net	<u>36,552</u>	<u>36,315</u>
Total assets	<u>\$ 94,788</u>	<u>\$ 59,673</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accrued interest payable, related party	\$ 5,758	\$ 4,726
Accounts payable	—	1,741
Loans payable to related party	<u>34,400</u>	<u>34,400</u>
Total current liabilities	<u>40,158</u>	<u>40,867</u>
Shareholders' equity:		
Common stock, no par value; 20,000,000 shares authorized, 3,389,000 shares issued and outstanding	205,250	145,500
Additional paid-in capital	14,136	11,461
Accumulated other comprehensive gain	712	417
Accumulated deficit	(500)	(500)
Deficit accumulated during development stage	(164,968)	(138,072)
Total shareholder's equity	<u>54,630</u>	<u>18,806</u>
Total liabilities and shareholders' equity	<u>\$ 94,788</u>	<u>\$ 59,673</u>

See accompanying notes to financial statements

**ROSEWIND CORPORATION**  
(A Development Stage Company)  
**Statements of Operations**  
(Unaudited)

	<u>For the Three Months Ended</u>		<u>For the Six Months Ended</u>		<u>March 1,</u>
	<u>February 29,</u>	<u>February 28,</u>	<u>February 29,</u>	<u>February 28,</u>	<u>(Inception)</u>
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>Through</u>
					<u>February 29,</u>
					<u>2008</u>
Revenue	\$ —	\$ —	\$ —	\$ —	\$ —
Operating expenses:					
Professional fees	2,353	5,919	8,273	9,487	30,177
Contributed services, related party (Note 3)	1,375	—	2,675	—	12,071
General and administrative	6,893	9,038	14,916	12,477	116,962
Total operating expenses	<u>10,621</u>	<u>14,957</u>	<u>25,864</u>	<u>21,964</u>	<u>159,210</u>
Loss from operations	<u>(10,621)</u>	<u>(14,957)</u>	<u>(25,864)</u>	<u>(21,964)</u>	<u>(159,210)</u>
Other Income (Expense)					
Interest expense	(516)	(529)	(1,032)	(1,032)	(5,758)
Total other expenses	<u>(516)</u>	<u>(529)</u>	<u>(1,032)</u>	<u>(1,032)</u>	<u>(5,758)</u>
Net loss	<u>(11,137)</u>	<u>(15,486)</u>	<u>(26,896)</u>	<u>(22,996)</u>	<u>(164,968)</u>
Other Comprehensive Income (Loss)					
Gain on foreign currency exchange	28	—	295	—	712
Total Comprehensive Loss	<u>\$ (11,109)</u>	<u>\$ (15,486)</u>	<u>\$ (26,601)</u>	<u>\$ (22,996)</u>	<u>\$ (164,256)</u>
Basic and diluted loss per share	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	
Basic and diluted weighted average common shares outstanding	<u>3,389,000</u>	<u>3,150,000</u>	<u>3,297,383</u>	<u>3,150,000</u>	

See accompanying notes to financial statements

**ROSEWIND CORPORATION**  
(A Development Stage Company)  
**Statements of Changes in Shareholders' Equity**

	Common Stock		Additional Paid-in Capital	Other Comprehensive Gain	Accumulated Deficit	During Development Stage
	Shares	Amount				
Balance at March 1, 2005 (inception)	100,000	\$ 500	\$ 100	\$ —	\$ (500)	—
Common stock issued in exchange for a Sailing vessel at \$0.034 per share	1,150,000	39,000	—	—	—	—
Net loss, period ended August 31, 2005	—	—	—	—	—	(18,677)
Balance at August 31, 2005	1,250,000	39,500	100	—	(500)	(18,677)
Common stock issued for services at \$0.04 per share	700,000	28,000	—	—	—	—
Common stock issued for services to a related party at \$0.04 per share	700,000	28,000	—	—	—	—
Common stock issued for cash at \$0.10 per share	500,000	50,000	—	—	—	—
Contributed capital	—	—	1,965	—	—	—
Net loss, year ended August 31, 2006	—	—	—	—	—	(70,441)
Balance at August 31, 2006	3,150,000	145,500	2,065	—	(500)	(89,118)
Contributed capital	—	—	925	—	—	—
Office space contributed by an officer	—	—	1,200	—	—	—
Services contributed by an officer	—	—	7,271	—	—	—
Foreign currency exchange gain	—	—	—	417	—	—
Net loss, year ended August 31, 2007	—	—	—	—	—	(48,954)
Balance at August 31, 2007	3,150,000	145,500	11,461	417	(500)	(138,072)
Common stock issued for cash at \$0.25 per share (unaudited)	239,000	59,750	—	—	—	—
Office space contributed by an officer (unaudited)	—	—	600	—	—	—
Services contributed by an officer (unaudited)	—	—	—	—	2,075	—
Foreign currency exchange gain (unaudited)	—	—	—	—	—	295
Net loss, quarter ended February 29, 2008 (unaudited)	—	—	—	—	—	(26,896)
Balance at February 29, 2008 (unaudited)	<u>3,389,000</u>	<u>\$ 205,250</u>	<u>\$ 14,136</u>	<u>\$ 712</u>	<u>\$ (500)</u>	<u>(164,968)</u>

See accompanying notes to financial statements

**ROSEWIND CORPORATION**  
(A Development Stage Company)  
**Statements of Cash Flows**  
(Unaudited)

	<b>For the Six Months Ended</b>		<b>March 1, 2005</b>
	<b>February 29, 2008</b>	<b>February 28, 2007</b>	<b>(Inception) Through February 29, 2008</b>
<b>Cash flows from operating activities:</b>			
Net loss	\$ (26,896)	\$ (22,996)	\$ (164,968)
Adjustments to reconcile net loss to net cash used by operating activities:			
Depreciation expense	3,401	3,210	18,914
Contributed capital to fund expenses	2,675	6,150	14,036
Common stock issued for services	—	—	56,000
Changes in operating assets and liabilities:			
(Increase) decrease in prepaid services	(205)	500	(205)
Increase (decrease) in accounts payable and accrued liabilities	(414)	3,125	6,470
Net cash used in operating activities	(21,439)	(10,011)	(69,753)
<b>Cash flows from investing activities:</b>			
Cash paid for fixed assets	(3,638)	—	(16,466)
Net cash used in investing activities	(3,638)	—	(16,466)
<b>Cash flows from financing activities:</b>			
Common stock issued for cash	59,750	—	109,750
Proceeds from related party loans	—	2,400	34,400
Net cash provided by financing activities	59,750	2,400	144,150
Net change in cash	34,673	(7,611)	57,931
Cash, beginning of period	23,358	48,874	100
Cash, end of period	\$ 58,031	\$ 41,263	\$ 58,031
<b>Supplemental disclosure of cash flow information:</b>			
Cash paid during the period for:			
Income taxes	\$ —	\$ —	\$ —
Interest	\$ —	\$ —	\$ —
<b>NON CASH FINANCING ACTIVITIES:</b>			
Common stock issued for services	\$ —	\$ —	\$ 56,000

See accompanying notes to financial statements

**ROSEWIND CORPORATION**  
(A Development Stage Company)  
**Notes to the Financial Statements**  
February 29, 2008

**Note 1: Basis of Presentation**

The accompanying unaudited condensed financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted in accordance with such rules and regulations. The information furnished in the interim condensed financial statements includes normal recurring adjustments and reflects all adjustments, which, in the opinion of management, are necessary for a fair presentation of such financial statements. Although management believes the disclosures and information presented are adequate to make the information not misleading, it is suggested that these interim condensed financial statements be read in conjunction with the Company's most recent audited financial statements and notes thereto included in its Form 10-KSB. Operating results for the six months ended February 29, 2008 are not necessarily indicative of the results that may be expected for the year ending August 31, 2008.

**Note 2: Going Concern**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As shown in the accompanying financial statements, the Company is a development stage enterprise with losses since inception and a limited operating history. These factors, among others, may indicate that the Company will be unable to continue as a going concern for a reasonable period of time.

The financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent upon its ability to generate sufficient cash flow to meet its obligations on a timely basis and ultimately to attain profitability. The Company intends to seek additional funding through equity offerings to fund its business plan. There is no assurance that the Company will be successful in raising additional funds.

**Note 3: Related Party Transactions**

As of February 29, 2008, the Company has a loan payable to the sole officer and director for \$34,400 for working capital. The loans carry a 6% interest rate, mature on demand and are unsecured. Accrued interest payable on the loans totaled \$5,758 as of February 29, 2008. The Company plans to settle the loans with cash, the issuance of common stock, or a combination thereof.

For the period ended February 29, 2008 the sole officer of the Company contributed services valued at \$2,675. This amount has been booked to additional paid in capital.

**Note 4: Common stock transactions**

The Company completed its initial public offering of shares on November 9, 2007. A total of 239,000 common shares were sold by management. All the proceeds of the IPO amounting to \$59,750 were deposited in the Company's bank account.



**ROSEWIND CORPORATION**  
(A Development Stage Company)  
**Notes to the Financial Statements**  
February 29, 2008

**Note 5: Income Taxes**

The Company has adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in the Company's financial statements in accordance with FASB Statement No. 109 *Accounting for Income Taxes*. FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a return, as well as guidance on derecognition, classification, interest and penalties and financial statement reporting disclosures. The Company has analyzed filing positions in all of the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. The Company has identified its federal tax return and its state tax return in Colorado as "major" tax jurisdictions, as defined. No prior periods are yet subject to examination as the initial returns for the Company have not yet been filed. The Company believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material adverse effect on the Company's financial condition, results of operations, or cash flow. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to FIN 48. In addition, the Company did not record a cumulative effect adjustment related to the adoption of FIN 48.

**ROSEWIND CORPORATION**  
(A Development Stage Company)

**Part I. Item 2. Management's Discussion and Analysis or Plan of Operation**

**Forward-looking statements**

The following discussion should be read in conjunction with the financial statements of Rosewind Corporation (the "Company"), which are included elsewhere in this Form 10-Q. This Quarterly Report on Form 10-Q contains forward-looking information. Forward-looking information includes statements relating to future actions, future performance, costs and expenses, interest rates, outcome of contingencies, financial condition, results of operations, liquidity, business strategies, cost savings, objectives of management, and other such matters of the Company. The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking information to encourage companies to provide prospective information about themselves without fear of litigation so long as that information is identified as forward-looking and is accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those projected in the information. Forward-looking information may be included in this Quarterly Report on Form 10-Q or may be incorporated by reference from other documents filed with the Securities and Exchange Commission (the "SEC") by the Company. You can find many of these statements by looking for words including, for example, "believes", "expects", "anticipates", "estimates" or similar expressions in this Quarterly Report on Form 10-Q or in documents incorporated by reference in this Quarterly Report on Form 10-Q. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events.

We have based the forward-looking statements relating to our operations on our management's current expectations, estimates and projections about our Company and the industry in which we operate. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that we cannot predict. In particular, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Accordingly, our actual results may differ materially from those contemplated by these forward-looking statements. Any differences could result from a variety of factors, including, but not limited to general economic and business conditions, competition, and other factors.

We were originally organized under the laws of the State of Colorado on August 9, 2002.

In March 2005, we adopted the current focus of our business, which is the development of an offshore sailing school with initial operations in the vicinity of the Great Barrier Reef of Australia. Rosewind Corporation's mission is to train novice sailors to voyage offshore with safety and confidence. During 2005 and 2006, we purchased a sailing vessel located in Florida from our President, James Wiegand, in exchange for shares of our common stock. Our Captain, Michael Wiegand, who is our President's son, refitted the vessel and sailed single-handed to Australia to continue the refit and ultimately initiate training voyagers where conditions are near-optimum. He was compensated with shares of our common stock for the value of his work as our Captain.

We plan to generate revenue from our sailing school, utilizing the services of our captain to operate our vessel on one week voyages to intensely train two students. Our president will place classified advertising in sailing magazines and conduct telephone sales to book students and collect the training fees from our office in Colorado.

To date, we have borrowed money from our President and we have conducted a private placement and an IPO of our shares to provide funds to start our business.

We have filed a Registration Statement on Form SB-2 to register shares offered to the public by management. Our Registration statement became effective on May 10, 2007. We closed the offering on November 10, 2007. Offering proceeds were \$59,750 from the sale of 239,000 shares at the price of \$0.25 per share.

We are spending up to \$35,000 of cash from proceeds from this offering to upgrade our vessel for improved safety, comfort and appearance. As of the date of this report the upgrades are substantially complete and we have begun advertising the availability of training voyages. To date we have been unsuccessful in signing up students and therefore we have not yet begun generating revenue from students.

As we were unable to locate students in Australia, our Captain single handedly completed our first scheduled voyage from Sydney, Australia to Nelson, New Zealand. As of the date of this report we are advertising the next voyage which is planned to depart shortly from New Zealand bound for Tahiti. We are continuing our marketing efforts but there is no assurance that we will be able to locate students or generate revenue on this or any voyage.

Our business model indicates we can achieve a positive cash flow as a public company if we can successfully sell and deliver, each quarter, six one week voyages with two students training on each voyage. Our vessel has four usable berths while at sea. Based upon successful operations throughout the remainder of 2008, we will evaluate expanding each voyage to train three students. Alternately, if our marketing plan is productive and if we are able to locate and train additional staff, we could grow our revenues by acquiring or leasing additional boats.

## **Principal Services and their Markets**

The Company's mission is to teach offshore sailing. Our philosophy is that people learn to sail across oceans best by direct experience. The "learn by doing experience" will enable the successful graduate to safely enjoy offshore cruising by methodically preparing themselves and their boat.

Our unique curriculum consists of one week fast track experience for two student sailors who will voyage under the direction of our Captain, Michael Wiegand. Topics covered will include:

- Marine Environment and Safety at Sea
- Life Rafts and Ditch Bags
- Medical Preparedness and First Aid
- Features of Offshore Capable Vessels
- Rigging and Deck Gear
- Tools, Mechanical and Electrical Skills
- Sails, Ropework and Sewing
- Sail Handling
- 12 Volt Electrical Systems
- Boat Electronics, Instruments, Radio and Radar
- Auxillary Diesel Maintenance and Repair
- Heavy Weather Seamanship
- Weather, Pilot Charts and Navigation
- Passagemaking
- Boat Maintenance, Provisioning and Waste Disposal
- Ships Papers, Zarpes and Permits

The tuition is US \$1,750 per person per week all inclusive. Students must provide their own air fare to and from the boat and must further provide their own clothing and personal safety equipment.

## **Marketing of our Service**

Our President will book clients. We will utilize classified advertisements in sailing magazines. Our first advertisement appeared in the classified advertisement section of Cruising World Magazine, December 2007 edition, under "Offshore Passage Opportunities." As of the date of this report we are continuing to advertise in Cruising World. Further, we have printed a brochure and launched an internet website to communicate with potential student crew. The website address is: [www.rosewindsailanddive.com](http://www.rosewindsailanddive.com). We plan to link our website to the web version of our Cruising World classified advertisement.

We are currently searching for opportunities to enter into a joint venture with one or more fixed base sailing schools or charter bareboat operators that already have resources, reputation and existing clients. Specifically, we are looking for a joint venturer who will provide the following services:

Client screening and booking

Training in Beginner and Intermediate Sailing Skills

### **Competition**

We may face competition from other companies that advertise in the classified section of sailing magazines for the limited number of potential students. We have not done any study of the training programs offered by other companies. We may face competition from sailing schools offering larger and newer vessels, more experienced staff, greater business experience, asset and liability insurance, We have none of these resources. In addition, we will face competition based on numerous factors including marketing and sales capability from larger companies. We do not have any experience in these areas at this time and therefore we are at a competitive disadvantage.

### **Intellectual Property**

We have no intellectual property.

### **Governmental Regulation**

We are not subject to governmental regulation beyond the documentation of our vessel and registration of its radio. In the event that our operations were to be found to be in violation of the regulations of a country whose waters of port facilities we utilize, we may be forced to relocate, undergo delays and/or incur significant expenses in connection with licensing requirements or fines. We could be forced suspend operations or face the impoundment of our vessel.

We cannot assure you that in the future we will apply for or otherwise obtain regulatory approvals even if such approvals be deemed necessary to the continuation of our business.

### **ENVIRONMENT**

We believe that our operations comply in all material respects with applicable laws and regulations concerning the environment. While it is impossible to predict accurately the future costs associated with environmental compliance and potential remediation activities, compliance with environmental laws is not expected to require significant capital expenditures and has not had, and is not expected to have, a material adverse effect on our earnings or competitive position.

## PRODUCT LIABILITY

Our service exposes the Company to liability claims by clients and others. The company has no insurance. A liability or other legal claim could have a material adverse effect on our financial condition.

## OUR FACILITIES

We conduct company administration, logistics and marketing from our US offices. We have no permanent base for our sailing vessel. Communication with our vessel is by satellite phone while at sea and by land telephone, fax or internet, as available, while in port.

The following data includes our vessel's size, age and other data extracted from the "Report of Survey."

Vessel Name	Six String
Hailing Port	Loveland, Colorado
Make/Model	Jason 35 Cutter
Type	Aft cockpit, cutter rigged sailing vessel
Navigation Limits	Suitable for recreational costal and offshore service
Current Fair Market Value	\$43,000 to \$47,000
Replacement Value as Equipped	\$320,000
Model Year	Hull constructed 1982 with launch date in 1986
Builder	Custom Yacht Builders, Ontario, Canada
HIN Number	Canadian Issued: 0781B3401
Official Number	Federal Documentation 1092461
Aux. Propulsion	Faryman R30M 24HP naturally aspired
Hull/Deck Color	White
LOA	34 feet 6 inches
LWL	27 feet 4 inches
Beam	11 feet 2 inches
Draft	5 feet
Displacement	16,800 pounds dry weight
Sail Area	634 square feet

We currently maintain office space of approximately 200 square feet located at 16200 WCR 18E, Loveland, Colorado, 80537, in the home office of our President at a monthly rate of \$100 pursuant to verbal agreement. Rent is contributed. We do not foresee need for additional space.

We plan to commence sailing school operations as soon as work on our vessel is completed and clients can be located and booked.

From March 1, 2005 (inception), through February 29, 2008 and the date of this quarterly report, we had no operating revenues. Going forward, we intend to generate revenue from student tuition.

Our timeline for operations.

Subject to local weather conditions we plan to generate revenue as soon as work on our vessel is completed and clients can be located and booked.

Assuming that the typhoon season imposes usual seasonal limitations for the operation of small sailing vessels offshore, and success in locating and booking students, we foresee initial revenues from sailing school clients on the upcoming voyage from New Zealand to Tahiti.

We expect expenses for marketing, vessel maintenance, operations and public company costs to be substantial. We are making efforts to keep costs to a minimum consistent with the requirements of safety at sea and good seamanship.

Marketing expenses are budgeted at \$250 per month and will begin in the fourth quarter of 2007. We believe we can reach an enthusiastic and qualified group of prospective clients through classified advertising in sailing magazines that cater to people who dream of someday crossing oceans in their own cruising boat. We believe this is a cost effective way to reach adventurous boaters who have serious sailing ambitions.

Potential crew and yacht owners use classified advertisements as one method to locate a sailboat with plans for a specific voyage where they may gain experience. Generally, this is arranged by paying a portion of the expenses of the voyage. Our target client will likely be a novice sailing enthusiast looking to join the crew of such a boat or who is shopping for, or has just purchased a cruising sailboat. Another potential target market is professional seamen wishing to build "hours at sea" in connection with licensing requirements, however, we have this far been unable to service any of these potential markets successfully.

The training conducted by our sailing school will help the client select and equip a sailing vessel and prepare themselves for crossing oceans safely and confidently. We will admit less experienced sailors than those who can qualify themselves as experienced crew. In return for the higher cost, our week of training at sea delivered to our students at sea will be more personalized and structured than the typical "share expenses" crew opportunity. We may reject the applications of clients who are not, in our opinion, physically and mentally prepared for the challenge of ocean voyaging.

We believe that we will be most successful by advertising consistently each month. Our advertisements will contain our office phone number. Callers will either reach James Wiegand or a recorded message with an opportunity to leave a name and phone number for a return call. We have not, however, conducted any trial advertising to evaluate response rates, closing rates, booking procedures or any other aspect of our planned advertising and client booking activities.

#### Vessel Upgrades.

We believe that the original owners who custom built our vessel sailed her across the North Atlantic and later returned to the Americas to cruise the Caribbean, transit the Panama Canal and continue to Oregon. We understand that the next owner cruised Alaska, returned south to transit the Panama Canal once again before cruising Central America and Mexico and returning to Florida. The survey done on our vessel in 2005 states that the design and construction of our vessel is sound and that our vessel would have a replacement value of \$320,000 as then equipped. The survey states that our vessel needs proper ongoing maintenance to safely undertake ocean voyages in the future. Consistent with the surveyor's recommendations we undertook a two month refit, which included installing a new diesel auxiliary engine. Our captain has found our vessel to be sound and seaworthy during his voyage from Florida to Ecuador. After minor modifications to the deck plan our captain single-handed our vessel from Ecuador to Australia and has thus demonstrated that our vessel can be sailed by our captain with no assistance from others. We believe this is key to our business plan in that the clients we are training will not need to contribute to the operation of the vessel should they become incapacitated during a voyage.

#### Cost of Operations.

##### Estimated Quarterly Operating Expenses (prior to first training voyage)

Staff	\$	4,000 <sup>(1)</sup>
Fuel and Phone		300
Provisions and Supplies		900
Travel and Lodging		1,500
Note Interest		450
Home Office Rent		300
Bookkeeper		200
Total	\$	<u>7,600</u>

<sup>(1)</sup> included as labor in vessel upgrade



Estimated Quarterly Operating Expenses (Assuming six, one week training voyages per Quarter)

Staff	\$ 4,000
Fuel and Phone	500
Provisions and Supplies	2,700
Travel and Lodging	500
Note Interest	500
Home Office Rent	300
Bookkeeper	250
<b>Total</b>	<b><u>\$ 8,750</u></b>

Estimated Public Company Costs

One-time costs for Form SB-2	\$ 11,500
One-time Printing and Postage	1,000
<b>Total One-Time Costs</b>	<b><u>\$ 12,500</u></b>
Annual Audit, Form 10-K, Form 10Qs	12,500
Annual Transfer agent	2,500
Annual legal	5,000
<b>Total Annual Public Company Costs</b>	<b><u>\$ 20,000</u></b>

Our Expected Cash flow.

We estimate that our quarterly cash flow, without allowances for extraordinary events or ongoing maintenance and miscellaneous costs will be positive once we average six training voyages per quarter. The earliest date when a positive cash flow will occur is our third quarter of 2008.

Quarterly Revenue from Training Voyages	
\$1,750 per student X 2 students X 6 voyages	\$ 21,000
Quarterly Operating Expense	8,750
Quarterly Public Company Expense	5,000
Quarterly Marketing Expense	750
Less Total Quarterly Expenses	-14,500
<b>Estimated Quarterly Cash Flow</b>	<b><u>\$ 6,500</u></b>

Cyclone activity, which occurs seasonally, will have an adverse effect on bookings and revenues. Additionally, we may complete significantly less than the six one week training voyages each quarter because we may not be able to book 100% of available voyage dates and there may be cancellations or other events that are beyond our control. We are evaluating the seasonal relocation of our vessel as a potential strategy to partially offset loss of revenue caused by weather and cyclone restrictions.

Therefore, we are unable to predict the annual cash flow and profitability of the sailing school once sailing school operations are commenced.

#### Our Potential for Growth.

Our business model indicates we can achieve a positive cash flow as a public company if we can successfully sell and deliver, each quarter, six one week voyages with two students training on each voyage. Our vessel has three usable berths while at sea. Based upon successful operations throughout the remainder of 2008, we will evaluate expanding each voyage to train three students. Alternatively, if our marketing plan is productive and if we able to locate and train additional staff, we could grow our revenues by acquiring or leasing additional boats.

#### **Financial Condition and Results of Operation.**

We had no operating revenues from March 1, 2005 (inception) through February 29, 2008 and the date of this report. Total expenses since inception were \$164,968. Such expenses consisted primarily of salaries, professional fees, cost to complete our Registration Statement and costs incurred to refurbish and relocate our sailing vessel .

General and Administrative expenses decreased by \$2,145 to \$6,893 for the quarter ended February 29, 2008, or 24 % from \$9,038 for the three months ended February 28, 2007. This was primarily attributed to lower costs of accounting, legal and other expenses.

Our Net Loss decreased by \$4,349 to \$11,137 for the quarter ended February 29, 2008, or 28%, from \$15,486 for the three months ended February 28, 2007. This was primarily attributed to lower costs incurred for maintenance and refit of our vessel and to lower General and Administrative expenses.

#### **Liquidity and Capital Resources**

At February 29, 2008 we had cash and prepaid expenses of \$58,236. As of February 29, 2008 we had working capital of \$18,078. We may need to raise additional capital. While we will undertake best efforts to raise the capital necessary to fund our operations, there can be no assurances that we will be successful in these efforts.

## **Part I. Item 3. Controls and Procedures**

### **Evaluation of Disclosure Controls and Procedures**

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the United States Securities and Exchange Commission. Our Chief Executive Officer has reviewed the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) within the end of the period covered by this Quarterly Report on Form 10-Q and has concluded that the disclosure controls and procedures are effective to ensure that material information relating to the Company is recorded, processed, summarized, and reported in a timely manner. There were no changes in our internal controls or in other factors that could materially affect these controls subsequent to the last day they were evaluated by our Chief Executive Officer, who is our principal executive officer and our principal financial officer.

### **Changes in Internal Controls over Financial Reporting**

There have been no changes in our internal control over financial reporting during the last quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **Part 2. Other Information**

### **Item 1 - Legal Information.**

No response required.

### **Item 2 - Changes in Securities.**

No response required.

### **Item 3 - Defaults Upon Senior Securities.**

No response required.

### **Item 4 - Submission of Matters to a Vote of Security Holders.**

No response required.

### **Item 5 - Other Information.**

No response required.

**Item 6 - Exhibits and Reports on Form 8-K.**

(a) Exhibits:

31.1: Certification of Principal Executive and Financial Officer

32.1: Section 1350 Certification

(b) Reports on Form 8-K:

None.

**SIGNATURES**

In accordance with the requirements of the Exchange Act, the Registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**ROSEWIND CORPORATION**

(Registrant)

April 14, 2008

By: /s/ James B. Wiegand

James B. Wiegand

President

**CERTIFICATION OF  
PRINCIPAL EXECUTIVE AND FINANCIAL OFFICER  
PURSUANT TO  
SECTION 302(a) OF THE SARBANES-OXLEY ACT OF 2002**

I, James B. Wiegand, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Rosewind Corporation.
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

/s/James B. Wiegand

James B. Wiegand

Principal Executive Officer and Principal Financial Officer

April 14, 2008

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, James B. Wiegand, Chief Executive Officer of Rosewind Corporation (the "Company"), certifies, under the standards set forth and solely for the purposes of 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge, the Quarterly Report on Form 10-QSB of the Company for the quarter ended February 29, 2008 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in that Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/James B. Wiegand

James B. Wiegand  
Principal Executive Officer and Principal Financial Officer  
April 14, 2008

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