

Edgar Filing: RISK GEORGE INDUSTRIES INC - Form 10QSB

RISK GEORGE INDUSTRIES INC
Form 10QSB
March 16, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

(Mark One)

Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarter ended January 31, 2004

Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number: 0-5378

GEORGE RISK INDUSTRIES, INC.
(Exact name of small business issuer as specified in its charter)

Colorado 84-0524756
(State of incorporation) (IRS Employers Identification No.)

802 South Elm St. 69145
Kimball, NE (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code: (308) 235-4645

APPLICABLE ONLY TO CORPORATE ISSUERS

The number of shares of the Registrant's Common Stock outstanding, as of March 16, 2004, was 5,402,528.

Transitional Small Business Disclosure Format: Yes No

GEORGE RISK INDUSTRIES, INC.

PART I. FINANCIAL INFORMATION

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Item 1. Financial Statements

The unaudited financial statements for the three month period ended January 31, 2004, and the nine month period ended January 31, 2004, are attached hereto.

GEORGE RISK INDUSTRIES, INC. BALANCE SHEET JANUARY 31, 2004

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 4,126,000
Marketable securities (Note 2)	10,800,000
Accounts receivable:	
Trade, net of \$50,000 doubtful account allowance	1,724,000
Other	1,000
Inventories (Note 3)	2,323,000
Prepaid expenses	90,000
Deferred income taxes	113,000

Total Current Assets	\$19,177,000
Property and Equipment, net at cost	\$ 881,000
Other Assets	
Investment in Limited Land Partnership, at cost	200,000
Projects in process	22,000
Other	2,000

Total Other Assets	\$ 224,000
 TOTAL ASSETS	 \$20,282,000 =====

GEORGE RISK INDUSTRIES, INC. BALANCE SHEET JANUARY 31, 2004

LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities	
Accounts payable, trade	\$ 159,000
Accrued expenses	
Payroll and related expenses	225,000
Property taxes	2,000
Income taxes payable	62,000
Notes payable, current	195,000

Total Current Liabilities	\$ 643,000

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Long-Term Liabilities		
Notes payable		0

Total Long-Term Liabilities	\$	0
Stockholders' Equity		
Convertible preferred stock, 1,000,000 shares authorized, Series 1-noncumulative, \$20 stated value, 25,000 shares authorized, 5,350 issued and outstanding		107,000
Common stock, Class A, \$.10 par value, 10,000,000 shares authorized, 8,502,832 shares issued and outstanding		850,000
Additional paid-in capital		1,736,000
Accumulated other comprehensive income		(680,000)
Retained earnings		19,389,000
Less: cost of treasury stock, 3,100,304 shares, at cost		(1,763,000)

Total Stockholders' Equity		\$19,639,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$20,282,000
		=====

GEORGE RISK INDUSTRIES, INC.
STATEMENT OF INCOME AND RETAINED EARNINGS

	Three months ended January 31, 2004	Nine months ended January 31, 2004	Three months ended January 31, 2003	Nine months ended January 31, 2003

Net Sales	\$ 3,214,000	\$ 9,641,000	\$ 3,393,000	\$ 9,978,000
Less: cost of goods sold	(1,515,000)	(4,675,000)	(1,709,000)	(4,875,000)
Gross Profit	\$ 1,699,000	\$ 4,966,000	\$ 1,684,000	\$ 5,103,000
Operating Expenses:				
General and admini- strative	164,000	507,000	167,000	504,000
Selling	582,000	1,707,000	585,000	1,798,000
Engineering	20,000	56,000	17,000	51,000
Rent Paid to Related Parties	11,000	37,000	11,000	38,000
	-----	-----	-----	-----
Total Operating Expenses	\$ 777,000	\$ 2,307,000	\$ 780,000	\$ 2,391,000
Income From Operations	922,000	2,659,000	904,000	2,712,000
Other Income (Expense)				
Interest Income	(5,000)	(9,000)	7,000	(3,000)
Interest Expense	0	0	0	0
Investment Income (Loss)	111,000	271,000	78,000	236,000
Gain/(loss) on sale of investments	3,000	31,000	115,000	(56,000)
Gain/(loss) on sale of assets	0	4,000	0	0
	-----	-----	-----	-----

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	\$ 109,000	\$ 297,000	\$ 200,000	\$ 177,000
Income Before Provisions for Income Tax	1,031,000	2,956,000	1,104,000	2,889,000
Provisions for Income Tax	(432,000)	(1,235,000)	(461,000)	(1,206,000)
Net Income	\$ 599,000	\$ 1,721,000	\$ 643,000	\$ 1,683,000
Retained Earnings, beginning of period	\$18,790,000	\$17,668,000	\$16,423,000	\$15,383,000
Retained Earnings, end of period	\$19,389,000	\$19,389,000	\$17,066,000	\$17,066,000
Income Per Share (Note 6)				
Basic	\$.11	\$.32	\$.12	\$.31
Assuming Dilution	\$.11	\$.32	\$.12	\$.31

GEORGE RISK INDUSTRIES, INC.
STATEMENT OF COMPREHENSIVE INCOME

	Three months ended January 31, 2004	Nine months ended January 31, 2004	Three months ended January 31, 2003	Nine months ended January 31, 2003
Net Income	\$ 599,000	\$ 1,721,000	\$ 643,000	\$ 1,683,000
Other Comprehensive Income, net of tax				
Unrealized gain (loss) on securities:				
Unrealized holding gains (losses) arising during period	277,000	747,000	(17,000)	(141,000)
Reclassification adjustment for gains (losses) included in net income	(3,000)	(31,000)	115,000	(56,000)
Other Comprehensive Income	\$ 274,000	\$ 716,000	\$ 98,000	\$ (197,000)
Comprehensive Income	\$ 873,000	\$ 2,437,000	\$ 741,000	\$ 1,486,000

GEORGE RISK INDUSTRIES, INC.
STATEMENT OF CASH FLOWS

	Three months ended January 31, 2004	Nine months ended January 31, 2004	Three months ended January 31, 2003	Nine months ended January 31, 2003
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CASH FLOWS FROM OPERATING

ACTIVITIES:

Net Income	\$ 599,000	\$ 1,721,000	\$ 643,000	\$ 1,683,000
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	59,000	172,000	68,000	197,000
(Gain)/loss on sale of property and equipment	0	(4,000)	0	0
Change in unrealized gain/(loss) on investments	274,000	716,000	98,000	(197,000)
Changes in assets and liabilities:				
(Increase) decrease in:				
Marketable securities	(413,000)	(1,119,000)	(289,000)	(451,000)
Accounts receivable	274,000	(170,000)	205,000	141,000
Inventories	(66,000)	107,000	(80,000)	(80,000)
Prepaid expenses	12,000	45,000	(13,000)	(8,000)
Other assets	(8,000)	56,000	(21,000)	(221,000)
Receivables-officers and employees	1,000	2,000	3,000	2,000
Increase (decrease) in:				
Accounts payable	66,000	30,000	(19,000)	63,000
Accrued expenses	(113,000)	(58,000)	(60,000)	(38,000)
Income tax payable	63,000	132,000	0	282,000

Net cash provided by (used in) operating activities \$ 748,000 \$ 1,630,000 \$ 535,000 \$ 1,373,000

CASH FLOWS FROM INVESTING

ACTIVITIES:

(Purchase) Sale of property and equipment	(33,000)	(167,000)	(47,000)	(84,000)
(Purchase) of treasury stock	0	0	0	0

Net cash provided by (used in) investing activities \$ (33,000) \$ (167,000) \$ (47,000) \$ (84,000)

CASH FLOWS FROM FINANCING

ACTIVITIES:

Principal payments on long-term debt	0	(40,000)	0	(4,000)
Proceeds from sale of property and equipment	0	4,000	0	0
Treasury stock issued	0	0	0	0

Net cash provided by (used in) financing activities \$ 0 \$ (36,000) \$ 0 \$ (4,000)

NET INCREASE (DECREASE) IN CASH

AND CASH EQUIVALENTS \$ 715,000 \$ 1,427,000 \$ 488,000 \$ 1,285,000

Cash and cash equivalents, beginning of period	\$ 3,411,000	\$ 2,699,000	\$ 1,891,000	\$ 1,094,000
Cash and cash equivalents, end of period	\$ 4,126,000	\$ 4,126,000	\$ 2,379,000	\$ 2,379,000

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Note 1 Unaudited Interim Financial Statements

The accompanying financial statements have been prepared in accordance with the instructions for Form 10QSB and do not include all of the information and footnotes required by generally accepted accounting principals for complete financial statements. In the opinion of management, all adjustments, consisting only of normal recurring adjustments considered necessary for a fair presentation, have been included. Operating results for any quarter are not necessarily indicative of the results for any other quarter or for the full year.

Note 2 Marketable Securities

Marketable equity securities are recorded at the lower of cost or market and are classified as available-for-sale securities. The cost of marketable securities sold is determined on the average cost method with realized gains or losses being reflected in the income statement. The securities are accounted for using fair value as required by FAS 115. Any unrealized gains or losses are reported as a separate component of stockholder's equity until realized. Dividend and interest income are accrued as earned.

Marketable equity securities and unrealized gains and losses consist of the following as of January 31, 2004 and January 31, 2003:

Cost Basis	\$11,480,000	\$10,765,000
Fair Value	10,800,000	9,140,000
	-----	-----
Net Unrealized Gain (Loss)	\$ 680,000	\$(1,625,000)

Note 3 Inventories

At January 31, 2004 and January 31, 2003, respectively, inventories consisted of the following:

Raw Materials	\$ 1,630,000	\$ 1,635,000
Work in Process	400,000	480,000
Finished Goods	296,000	398,000
Warehouse in England	67,000	65,000
	-----	-----
	\$ 2,393,000	\$ 2,578,000
Less: allowance for obsolete inventory	(70,000)	(70,000)
	-----	-----
Net Inventories	\$ 2,323,000	\$ 2,508,000
	=====	=====

Note 4 Business Segments

The following is financial information relating to industry segments:

For the quarter ended	
January 31,	
2004	2003

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Net revenue:		
Pool alarm products	\$ 237,000	\$ 228,000
Keyboard products	133,000	448,000
Security alarm and other products	2,844,000	2,717,000
	-----	-----
Total net revenue	\$ 3,214,000	\$ 3,393,000
Income from operations:		
Pool alarm products	\$ 68,000	\$ 61,000
Keyboard products	38,000	119,000
Security alarm and other products	816,000	724,000
	-----	-----
Total income from operations	\$ 922,000	\$ 904,000
Identifiable assets:		
Pool alarm products	\$ 221,000	\$ 226,000
Keyboard products	278,000	345,000
Security alarm and other products	4,042,000	4,214,000
Corporate general	15,741,000	12,337,000
	-----	-----
Total assets	\$20,282,000	\$17,122,000
Depreciation and amortization:		
Pool alarm products	\$ 1,000	\$ 1,000
Keyboard products	1,000	2,000
Security alarm and other products	31,000	34,000
Corporate general	26,000	29,000
	-----	-----
Total depreciation and amortization	\$ 59,000	\$ 66,000
Capital expenditures:		
Pool alarm products	\$ 0	\$ 30,000
Keyboard products	0	0
Security alarm and other products	0	15,000
Corporate general	33,000	0
	-----	-----
Total capital expenditures	\$ 33,000	\$ 45,000

Note 5 Revenue Recognition

George Risk Industries recognizes its revenues when goods are shipped and billed to its customers. There is a \$50,000 allowance that was established to account for any uncollectable accounts.

Note 6 Earnings per Share

Basic and diluted earnings per share, assuming convertible preferred stock was converted for each period presented, are:

	For the three months ended January 31, 2004		
	Income (Numerator)	Shares (Denominator)	Per-share Amount
	-----	-----	-----
Net income	\$ 599,000		
	=====		
Basic EPS	\$ 599,000	5,402,528	\$ 0.11
Effect of Dilutive Securities:			

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Convertible preferred stock	0	26,750	
Diluted EPS	\$ 599,000	5,429,278	\$ 0.11

For the nine months ended January 31, 2004

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	\$1,721,000		
Basic EPS	\$1,721,000	5,402,528	\$ 0.32
Effect of Dilutive Securities: Convertible preferred stock	0	26,750	
Diluted EPS	\$1,721,000	5,429,278	\$ 0.32

For the three months ended January 31, 2003

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	\$ 643,000		
Basic EPS	\$ 643,000	5,402,528	\$ 0.12
Effect of Dilutive Securities: Convertible preferred stock	0	26,750	
Diluted EPS	\$ 643,000	5,429,278	\$ 0.12

For the nine months ended January 31, 2003

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	\$1,683,000		
Basic EPS	\$1,683,000	5,402,528	\$ 0.31
Effect of Dilutive Securities: Convertible preferred stock	0	26,750	
Diluted EPS	\$1,683,000	5,429,278	\$ 0.31

GEORGE RISK INDUSTRIES, INC.

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PART I. FINANCIAL INFORMATION

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the attached condensed consolidated financial statements, and with the George Risk Industries' audited financial statements and discussion for the fiscal year ended April 30, 2003

Net cash increased \$715,000 during the quarter ended January 31, 2004 as compared to an increase of \$488,000 during the corresponding quarter last year. As for the year-to-date numbers, net cash increased \$1,427,000 for the nine months ended January 31, 2004, while, for the same period last year, net cash increased \$1,285,000. Investments and marketable securities increased \$413,000 for the quarter and increased \$1,119,000 for the year-to-date data. The reason for the bigger increases in marketable securities when comparing the number from last year is that we have started putting some excess cash back into the market. Inventories increased \$66,000 for the current quarter as compared to an \$80,000 increase for the same quarter last year. The year-to-date numbers show a \$107,000 decrease in inventory for the current year, while there was an \$8,000 decrease for the same period last year. Our sales are down slightly this year, which accounts for the decrease in inventory. Accounts receivable decreased \$274,000 during the current quarter as compared to a \$205,000 decrease for the corresponding quarter last year. The year-to-date figures show an increase of \$170,000 for the current nine months and a \$141,000 decrease for the same period last year. The main reason for the increase for the year-to-date number in accounts receivable is that we have had to extend out payment terms to some of our customers. At January 31, 2004, 76% of the receivables were considered current (less than 45 days) and 1.64% of the total were over 90 days past due. For the quarter ended January 31, 2004 there was an \$8,000 increase in other assets while for the quarter ended January 31, 2003, there was a \$21,000 increase. The nine months ended January 31, 2004, shows a \$56,000 decrease in other assets while the same period last year shows a \$221,000 increase. The reason for the big increase in other assets for last year's year-to-date figures is that we purchased two units of a limited land partnership in the Winter Park, CO area as a long-term investment.

At the quarter ended January 31, 2004, accounts payable increased \$66,000 as compared to a \$19,000 decrease for the same quarter the year before. As for year-to-date numbers, there was a \$30,000 increase for the nine months ended January 31, 2004, and a \$63,000 increase for the same period ended January 31, 2003. Income tax payable increased \$63,000 for the current quarter while it showed a zero dollar change for the quarter ended January 31, 2003. For the nine months ended January 31, 2004, income tax payable increased \$132,000, while it increased \$282,000 for the corresponding period a year ago. The differences from year to year reflect the differences in net income.

The following is a list of ratios to help analyze George Risk Industries' performance:

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	For the quarter ended January 31,	
	2004	2003
Working capital	\$18,534,000	\$15,316,000
Current ratio	29.824	26.698
Quick ratio	25.894	22.262
Cash per share (including marketable securities)	\$2.76	\$2.13
Equity per share	\$3.64	\$3.03

Net sales were \$3,214,000 for the quarter ended January 31, 2004, which is a 5.3% decrease from the corresponding quarter last year. Year-to-date net sales were \$9,641,000 at January 31, 2004, which is a 3.4% decrease from the same period last year. Cost of goods sold was 47.1% of net sales for the quarter ended January 31, 2004 and 50.4% for the same quarter last year. Year-to-date cost of goods sold percentages were 48.5% for the current nine months and 48.9% for the corresponding nine months last year. Having relatively the same percentage of cost of goods sold from period to period shows that we keep our costs in line. Our cost of materials and direct labor fluctuate in proportion to how our sales vary.

Operating expenses were 24.2% of net sales for the quarter ended January 31, 2004 as compared to 23% for the corresponding quarter last year. Year-to-date operating expenses were 23.9% of net sales for the nine months ended January 31, 2004, while they were 24% for the same period last year. Having relatively the same percentages for operating expenses shows that management has a good grip on spending habits. Income from operations for the quarter ended January 31, 2004 was at \$922,000, which is a 2% increase from the corresponding quarter last year, which had income from operations of \$904,000. Income from operations for the nine months ended January 31, 2004 was at \$2,659,000, which is a 2% decrease from the corresponding nine months last year, which had income from operations of \$2,712,000.

Other income and expenses showed gains of \$109,000 and \$297,000 for the quarter and nine months ended January 31, 2004, respectively. The numbers for the corresponding periods last year were gains of \$200,000 and \$177,000. Net income for the quarter ended January 31, 2004 was at \$599,000, a 6.8% decrease from the corresponding quarter last year, which showed a net income of \$643,000. Net income for the nine months ended January 31, 2004 was \$1,721,000, a 2.3% increase from the same period last year. Net income for the nine months ended January 31, 2003 was \$1,683,000. Earnings per common share for the quarter ended January 31, 2004 was \$0.11 per share and \$0.32 per share for the year-to-date numbers. EPS for the quarter and nine months ended January 31, 2003 was \$0.12 per share and \$0.31 per share, respectively.

George Risk Industries does have three distinct business segments, security alarm products, pool alarm products and keyboard products that are subject to disclosure under SFAS No. 131. See the notes to the financial statements in order to examine these segments.

Our security sales department has received notice from engineering that the fail safe 2826 moisture sensor (GRI pt. #2826FS) has been released to production as an addition to our line of water detection sensors. This product line, along with our line of temperature sensors, has greatly increased in both models and sales over the past few years.

Engineering has progressed on the T8800, a low cost wall temperature sensor

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with one probe. We have been asked to provide this type of sensor to replace a competitor's model that has been withdrawn from independent distribution. This product will require both U.L. and C.E. approval for the medical market we wish to target.

Prototypes of our 110-volt current controller are being prepared in engineering to submit for U.L. and U.L.C. approval. The 220V model will be marketed in Europe and will require C.E. approval.

Also, engineering has designed exit and entry controls for the Americans With Disabilities Act (ADA) market. These products will incorporate our touch sensor technology presently used in our CT300 series.

Tool and die is presently at work on completing the glassbreak, surface mount pre-wire, and magnet spacers molds. Their work continues on the new 16 cavity 20RS series switches.

Our marketing and sales group is preparing to exhibit at the 2004 International Security Conference (ISC) in Las Vegas, NV from March 31st through April 2nd, 2004. This is where most of the products mentioned above will be introduced and demonstrated.

Management is always open to the possibility to acquire a business that would complement our existing operations. This would probably not require any outside financing. The intent is to utilize the equipment, marketing techniques and established customers to increase sales and profits.

There are no known seasonal trends with any of GRI's products, since we sell to distributors and OEM manufacturers. The products are tied to the housing industry and will fluctuate with building trends.

GEORGE RISK INDUSTRIES, INC.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings
Not applicable

Item 2. Changes in Securities
Not applicable.

Item 3. Defaults upon Senior Securities
Not applicable

Item 4. Submission of Matters to a Vote of Securities
Not applicable

Item 5. Other Information
Not applicable

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

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No 8-K reports were filed during the quarter ended January 31, 2004.

SIGNATURES

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

George Risk Industries, Inc.
(Registrant)

Date 03-16-2004 By: /s/ Kenneth R. Risk
Kenneth R. Risk
President and Chairman of the Board

Date 03-16-2004 By: /s/ Stephanie M. Risk
Stephanie M. Risk
Chief Financial Officer

CERTIFICATION OF KENNETH R. RISK, PRESIDENT AND CHAIRMAN OF THE BOARD,
PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934

I, Kenneth R. Risk, certify that:

1. I have reviewed this quarterly report on Form 10QSB of George Risk Industries, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statements 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;
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 condition, results of operations and cash flows of the registrant as of, and for the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others, particularly during the period in which the quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 45 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed,

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based on our most recent evaluation, to the registrant's auditors and the registrant's board of directors:

- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in the quarterly report whether 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 corrective actions with regard to significant deficiencies and material weaknesses.

By: /s/ Kenneth R. Risk
Kenneth R. Risk
President and Chairman of the Board

CERTIFICATION OF STEPHANIE M. RISK, CHIEF FINANCIAL OFFICER,
PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934

I, Stephanie M. Risk, certify that:

1. I have reviewed this quarterly report on Form 10QSB of George Risk Industries, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statements 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;
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 condition, results of operations and cash flows of the registrant as of, and for the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant is made known to us by others, particularly during the period in which the quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 45 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on

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our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the registrant's board of directors:
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weakness in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in the quarterly report whether 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 corrective actions with regard to significant deficiencies and material weaknesses.

By: /s/ Stephanie M. Risk
Stephanie M. Risk
Chief Financial Officer and Controller

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kenneth R. Risk, certify, pursuant to 18 U.S.C. 18 Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the quarterly report of George Risk Industries, Inc. on Form 10QSB dated January 31, 2004 fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10QSB fairly presents in all material respects the financial condition and results of operations of George Risk Industries, Inc.

By: /s/ Kenneth R. Risk
Kenneth R. Risk
President and Chief Executive Officer

I, Stephanie M. Risk, certify, pursuant to 18 U.S.C. 18 Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the quarterly report of George Risk Industries, Inc. on Form 10QSB dated January 31, 2003 fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and that information contained in such Form 10QSB fairly presents in all material respects the financial condition and results of operations of George Risk Industries, Inc.

By: /s/ Stephanie M. Risk
Stephanie M. Risk
Chief Financial Officer