RISK GEORGE INDUSTRIES INC
Form 10QSB
March 17, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

(Mark One)

[X] QUARTERLY REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 31, 2008

[ ] TRANSITION REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File Number: 000-05378

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. Kimball, NE	69145
(Address of principal executive offices)	(Zip Code)

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

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 for such 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 [X] No [ ]

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

APPLICABLE ONLY TO CORPORATE ISSUERS

The number of shares of the Registrant's Common Stock outstanding, as of March 17, 2008 was 5,327,581.

Transitional Small Business Disclosure Format: Yes [X] No [ ]

GEORGE RISK INDUSTRIES, INC.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The unaudited financial statements for the three and nine month period ended January 31, 2008, are attached hereto.

GEORGE RISK INDUSTRIES, INC.
BALANCE SHEETS

	January 31, 2008 (unaudited)	April 30, 2007
ASSETS		
Current Assets		
Cash and cash equivalents	$ 4,640,000	$ 4,611,000
Marketable securities (Note 2)	17,465,000	16,738,000
Accounts receivable:		
Trade, net of $50,000 doubtful account allowance	1,430,000	1,925,000
Other	1,000	3,000
Note receivable, current	3,000	0
Income tax overpayment	287,000	137,000
Inventories (Note 3)	3,057,000	3,060,000
Prepaid expenses	72,000	125,000
Deferred income taxes	333,000	115,000
Total Current Assets	$27,288,000	$26,714,000
Property and Equipment, net at cost	$ 870,000	$ 828,000
Other Assets		
Investment in Land Limited Partnership, at cost	200,000	200,000
Projects in process	44,000	75,000
Note receivable	73,000	60,000
Other	0	18,000
Total Other Assets	$ 317,000	$ 353,000
TOTAL ASSETS	$28,475,000	$27,895,000

GEORGE RISK INDUSTRIES, INC.
BALANCE SHEETS

January 31, April 30,

	2008 (unaudited)	2007
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable, trade	$ 75,000	$ 127,000
Dividends payable	239,000	161,000
Accrued expenses		
Payroll and other expenses	267,000	337,000
Property taxes	2,000	0
Total Current Liabilities	$ 583,000	$ 625,000
Long-Term Liabilities		
Notes payable	25,000	25,000
Deferred income taxes	49,000	74,000
Total Long-Term Liabilities	$ 74,000	$ 99,000
Stockholders' Equity		
Convertible preferred stock, 1,000,000 shares authorized, Series 1-noncumulative, $20 stated value, 25,000 shares authorized, 4,100 issued and outstanding	99,000	99,000
Common stock, Class A, $.10 par value, 10,000,000 shares authorized, 8,502,832 shares issued and outstanding	850,000	850,000
Additional paid-in capital	1,736,000	1,736,000
Accumulated other comprehensive income	(154,000)	165,000
Retained earnings	27,428,000	26,430,000
Treasury stock, 3,171,104 shares, at cost	(2,141,000)	(2,109,000)
Total Stockholders' Equity	$27,818,000	$27,171,000
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$28,475,000	$27,895,000

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

	Three months ended January 31, 2008	Nine months ended January 31, 2008	Three months ended January 31, 2007	Nine months ended January 31, 2007
Net Sales	$ 2,572,000	$ 8,818,000	$ 3,045,000	$10,087,000
Less: cost of goods sold	(1,396,000)	(4,410,000)	(1,384,000)	(4,793,000)
Gross Profit	$ 1,176,000	$ 4,408,000	$ 1,661,000	$ 5,294,000
Operating Expenses:				
General and administrative	188,000	549,000	180,000	517,000
Selling	500,000	1,520,000	613,000	1,865,000
Engineering	19,000	64,000	19,000	53,000
Rent paid to related parties	12,000	40,000	12,000	40,000

Total Operating Expenses	$ 719,000	$ 2,173,000	$ 824,000	$ 2,475,000
Income From Operations	457,000	2,235,000	837,000	2,819,000
Other Income (Expense)				
Other	(2,000)	1,000	1,000	6,000
Dividend and interest income	254,000	655,000	225,000	502,000
Gain (loss) on sale of investments	(112,000)	34,000	7,000	67,000
Gain (loss) on sale of assets	0	15,000	0	0
	$ 140,000	$ 705,000	$ 233,000	$ 575,000
Income Before Provisions for Income Tax	597,000	2,940,000	1,070,000	3,394,000
Provisions for Income Tax				
Current Expense	324,000	1,048,000	448,000	1,418,000
Deferred tax expense (benefit)	(54,000)	(13,000)	32,000	6,000
Total Income Tax Expense	270,000	1,035,000	480,000	1,424,000
Net Income	$ 327,000	$ 1,905,000	$ 590,000	$ 1,970,000
Retained Earnings, beginning of period	$27,101,000	$26,430,000	$24,829,000	$24,250,000
Less: Cash Dividends on Common Stock				
($0.17 per share)	0	(907,000)	0	0
($0.15 per share)	0	0	0	(801,000)
Retained Earnings, end of period	$27,428,000	$27,428,000	$25,419,000	$25,419,000
Income Per Share of Common Stock (Note 5):				
Basic and diluted	$0.06	$0.36	$0.11	$0.37
Weighted Average Number of Common Shares Outstanding				
Basic	5,333,116	5,334,553	5,340,091	5,341,955
Diluted	5,353,616	5,355,053	5,360,591	5,362,455

GEORGE RISK INDUSTRIES, INC.
STATEMENTS OF COMPREHENSIVE INCOME

	Three months ended January 31, 2008	Nine months ended January 31, 2008	Three months ended January 31, 2007	Nine months ended January 31, 2007
Net Income	$ 327,000	$ 1,905,000	$ 590,000	$ 1,970,000

Other Comprehensive Income, net of tax				
Unrealized gain (loss) on securities:				
Unrealized holding gains (losses) arising during period	(336,000)	(320,000)	121,000	253,000
Reclassification adjustment for (gains) losses included in net income	112,000	(34,000)	(7,000)	(67,000)
Income tax expense related to other comprehensive income	94,000	148,000	(48,000)	(78,000)
Other Comprehensive Income	$ (130,000)	$ (206,000)	$ 66,000	$ 108,000
Comprehensive Income	$ 197,000	$ 1,699,000	$ 656,000	$ 2,078,000

GEORGE RISK INDUSTRIES, INC.
STATEMENTS OF CASH FLOWS

	Three months ended January 31, 2008	Nine months ended Januryr 31, 2008	Three months ended January 31, 2007	Nine months ended January 31, 2007
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net Income	$ 327,000	$ 1,905,000	$ 590,000	$ 1,970,000
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	42,000	128,000	46,000	135,000
(Gain) loss on sale of investments	112,000	(34,000)	(7,000)	(67,000)
(Gain) loss on sale of assets	0	(15,000)	0	0
Deferred income taxes	(295,000)	(243,000)	84,000	96,000
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	301,000	495,000	134,000	221,000
Inventories	(45,000)	3,000	(372,000)	(767,000)
Prepaid expenses	45,000	53,000	(50,000)	(33,000)
Employee receivables	0	3,000	0	0
Notes receivable	1,000	1,000	0	0
Income tax overpayment	90,000	(150,000)	0	0
Increase (decrease) in:				
Accounts payable	(23,000)	(52,000)	25,000	50,000
Accrued expenses	(100,000)	(68,000)	(145,000)	(134,000)
Income tax payable	0	0	43,000	473,000
Net cash provided by (used in) operating activities	$ 455,000	$ 2,026,000	$ 348,000	$ 1,944,000

CASH FLOWS FROM INVESTING

ACTIVITIES:				
Other assets manufactured	(5,000)	49,000	(22,000)	(18,000)
(Purchase) of property and equipment	0	(173,000)	(23,000)	(75,000)
Proceeds from sale of marketable securities	1,659,000	3,772,000	1,557,000	4,618,000
(Purchase) of marketable securities	(1,746,000)	(4,784,000)	(2,060,000)	(6,844,000)
(Purchase) of treasury stock	(20,000)	(32,000)	(19,000)	(58,000)
Net cash provided by (used in) investing activities	$ (112,000)	$(1,168,000)	$ (567,000)	$(2,377,000)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Principal payments on long-term debt	0	0	0	(8,000)
Dividends paid	0	(829,000)	(2,000)	(733,000)
Net cash provided by (used in) financing activities	$ 0	$ (829,000)	$ (2,000)	$ (741,000)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 343,000	$ 29,000	$ (221,000)	$(1,174,000)
Cash and cash equivalents, beginning of period	$ 4,297,000	$ 4,611,000	$ 4,542,000	$ 5,495,000
Cash and cash equivalents, end of period	$ 4,640,000	$ 4,640,000	$ 4,321,000	$ 4,321,000
Supplemental Disclosure of Cash Flow Information				
Cash payments for:				
Income taxes	$ 232,000	$ 1,198,000	$ 405,000	$ 945,000
Interest expense	$ 6,000	$ 6,000	$ 0	$ 0
Supplemental Disclosure of Noncash Investing and Financing Activities:				
Note receivable issued in exchange of property and equipment	$ 0	$ 17,500	$ 0	$ 0

GEORGE RISK INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2008

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. These financial statements should be read in conjunction with the financial statements and notes contained in the company's annual report on Form 10KSB for the year ended April 30, 2007 with the SEC. 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

The Company has investments in publicly traded equity securities as well as certain state and municipal debt securities. These securities are classified as available-for-sale securities, and are reported at fair value. Available -for-sale investments in debt securities mature between February 2008 and August 2031. The Company uses the average cost method to determine the cost of securities sold and the amount reclassified out of accumulated other comprehensive income into earnings. Unrealized gains and losses are excluded from earnings and reported separately as a component of stockholder's equity. Dividend and interest income are accrued as earned.

As of January 31, 2008, investments available-for-sale consisted of the following:

	Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Municipal bonds	$ 8,478,000	$ 93,000	$ (135,000)	$ 8,436,000
Federal agency mortgage backed securities	$ 576,000	$ 5,000	$ (1,000)	$ 580,000
Corporate bonds	$ 504,000	$ 4,000	$ (23,000)	$ 485,000
Equity securities	$ 8,172,000	$ 534,000	$ (742,000)	$ 7,964,000
Total	$17,730,000	$ 636,000	$ (901,000)	$17,465,000

In accordance with SFAS 115, the Company evaluates all marketable securities for other-than temporary declines in fair value, which are defined as when the cost basis exceeds the fair value for approximately one year. The Company also evaluates the nature of the investment, cause of impairment and number of investments that are in an unrealized position. When an other-than-temporary decline is identified, the Company will decrease the cost of the marketable security to the new fair value and recognize a real loss. The investments are periodically evaluated to determine if impairment changes are required. As a result of this standard, management recorded impairment losses of $16,000 for the quarter ended January 31, 2008 and none for the quarter ended January 31, 2007.

The following table shows the gross unrealized losses and fair value of the Company's investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at January 31, 2008.

	Less than 12 months		12 months or greater		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Municipal bonds	$ 604,000	$ (11,000)	$2,631,000	$ (83,000)	$3,235,000	$ (94,000)
Federal agency mortgage backed securities	--	--	$ 200,000	--	$ 200,000	--
Corporate bonds	--	--	$ 46,000	$ (4,000)	$ 46,000	$ (4,000)
Equity securities	$2,768,000	$(504,000)	$1,098,000	$ (299,000)	$3,866,000	$(803,000)

Total	$3,372,000	$(515,000)	$3,975,000	$ (386,000)	$7,347,000	$(901,000)

Municipal Bonds
The unrealized losses on the Company's investments in municipal bonds were caused by interest rate increases. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than the amortized cost of the investment. Because the Company has the ability to hold these investments until a recovery of fair value, which may be maturity, the Company does not consider these investments to be other-than-temporarily impaired at January 31, 2008

Federal Agency Mortgage-Backed Securities
The unrealized losses on the Company's investment in federal agency mortgage-backed securities were caused by interest rate increases. The Company purchased these investments at a discount relative to their face amount, and the contractual cash flows of these investments are guaranteed by an agency of the U.S. government. Accordingly, it is expected that the securities would not be settled at a price less than the amortized cost of the Company's investment. Because the decline in market value is attributable to changes in interest rates and not credit quality and because the Company has the ability to hold these investments until a recovery of fair value, which may be maturity, the Company does not consider these investments to be other-than-temporarily impaired at January 31, 2008.

Corporate Bonds
The Company's unrealized loss on investments in corporate bonds relates to one bond. It is at 92.37% of the cost at January 31, 2008. The contractual term of this investment does not permit the issuer to settle the security at a price less than the amortized cost of the investment. Because the Company has the ability to hold this investment until a recovery of fair value, which may be maturity, the Company does not consider this investment to be other-than-temporarily impaired at January 31, 2008

Marketable Equity Securities
The Company's investments in marketable equity securities consist of a wide variety of companies. These range from growth to growth and income to foreign interests. Management has evaluated the individual holdings, and because of the recent decline in the stock market, does not consider these investments to be other-than-temporarily impaired at January 31, 2008.

Note 3 Inventories

At January 31, 2008 and January 31, 2007, respectively, inventories consisted of the following:

Raw Materials	$ 1,796,000	$ 1,830,000
Work in Process	972,000	783,000
Finished Goods	394,000	427,000
Warehouse in England	0	67,000
	$ 3,162,000	$ 3,107,000
Less: allowance for obsolete inventory	(105,000)	(70,000)
Net Inventories	$ 3,057,000	$ 3,037,000

Note 4 Business Segments

The following is financial information relating to industry segments:

	For the quarter ended January 31, 2008	2007
Net revenue:		
Pool alarm products	$ 95,000	$ 156,000
Keyboard products	41,000	344,000
Security alarm and other products	2,436,000	2,545,000
Total net revenue	$ 2,572,000	$ 3,045,000
Income from operations:		
Pool alarm products	$ 17,000	$ 43,000
Keyboard products	7,000	94,000
Security alarm and other products	433,000	700,000
Total income from operations	$ 457,000	$ 837,000
Identifiable assets:		
Pool alarm products	$ 219,000	$ 238,000
Keyboard products	165,000	446,000
Security alarm and other products	4,764,000	4,980,000
Corporate general	23,327,000	21,333,000
Total assets	$ 28,475,000	$ 26,997,000
Depreciation and amortization:		
Pool alarm products	$ 3,000	$ 3,000
Keyboard products	0	0
Security alarm and other products	31,000	33,000
Corporate general	8,000	10,000
Total depreciation and amortization	$ 42,000	$ 46,000
Capital expenditures:		
Pool alarm products	$ 0	$ 0
Keyboard products	0	0
Security alarm and other products	0	23,000
Corporate general	0	0
Total capital expenditures	$ 0	$ 23,000

Note 5 Earnings per Share

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

	For the three months ended January 31, 2008		
	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 327,000		
Basic EPS	$ 327,000	5,333,116	$ 0.06

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Effect of dilutive securities:			
Convertible preferred stock	0	20,500	
Diluted EPS	$ 327,000	5,353,616	$ 0.06

For the nine months ended January 31, 2008

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$1,905,000		
Basic EPS	$1,905,000	5,334,553	$ 0.36
Effect of dilutive securities:			
Convertible preferred stock	0	20,500	
Diluted EPS	$1,905,000	5,355,053	$ 0.36

For the three months ended January 31, 2007

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 590,000		
Basic EPS	$ 590,000	5,340,091	$ 0.11
Effect of dilutive securities:			
Convertible preferred stock	0	20,500	
Diluted EPS	$ 590,000	5,360,591	$ 0.11

For the nine months ended January 31, 2007

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$1,970,000		
Basic EPS	$1,970,000	5,341,955	$ 0.37
Effect of dilutive securities:			
Convertible preferred stock	0	20,500	
Diluted EPS	$1,970,000	5,362,455	$ 0.37

Note 6 Retirement Benefit Plan

On January 1, 1998, the Company adopted the George Risk Industries, Inc. Retirement Savings Plan (the "Plan"). The Plan is a defined contribution savings plan designed to provide retirement income to eligible employees of the corporation. The Plan is intended to be qualified under Section 401(k) of the Internal Revenue Code of 1986, as amended. Matching contributions by the Company of approximately $4,000 were paid during each quarter ending January 31, 2008 and 2007. Likewise, the Company paid matching contributions of $10,000 during the nine-month period ending January 31, 2008 and $12,000 during the nine-month period ending January 31, 2007. There were no discretionary contributions paid during either the quarters or nine-month periods ending January 31, 2008 and 2007, respectively.

GEORGE RISK INDUSTRIES, INC.

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, 2007.

Liquidity and capital resources
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

Net cash increased $343,000 during the quarter ended January 31, 2008 as it decreased $221,000 during the corresponding quarter last year. As for the year-to-date numbers, net cash increased $29,000 for the nine months ended January 31, 2008, while, for the same period last year, net cash decreased $1,174,000. Accounts receivable decreased $301,000 during the current quarter as compared to a $134,000 decrease for the corresponding quarter last year. The year-to-date figures show a decrease of $495,000 for the current nine months and a $221,000 decrease for the same period last year. The decreases in cash flow for accounts receivable is a reflection of the decreases in sales. At January 31, 2008, 79.9% of the receivables were considered current (less than 45 days) and 5.8% of the total were over 90 days past due. For comparison, 75.2% of the receivables were current and 13.1% were past 90 days at January 31, 2007. Inventories increased $45,000 for the current quarter as compared to a $372,000 increase for the same quarter last year. The year-to-date numbers show a $3,000 decrease in inventory for the current year, as there was a $767,000 increase for the same period last year. Management has gotten a foothold on decreasing its purchases of raw materials during the current fiscal year to correspond to the decrease in sales. For the quarter ended January 31, 2008, prepaid expenses decreased $45,000, while there was increase of $50,000 for the corresponding quarter last year. Changes in prepaid expenses in regards to cash flow decreased by $53,000 and increased by $33,000 for the nine-month periods ending January 31, 2008 and 2007, respectively. For the current fiscal year, there have been income tax overpayments. There is a $90,000 decrease in cash towards income tax overpayment for the quarter ending January 31, 2008. And there is a $150,000 increase in cash towards income tax overpayment for the nine-months ending January 31, 2008. Management paid income tax estimates based on prior year taxable income.
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~

For the quarter ended January 31, 2008, accounts payable decreased $23,000 as compared to a $25,000 increase for the same quarter the year before. As for the year-to-date numbers, there was a $52,000 decrease for the nine months ended January 31, 2008, and a $50,000 increase for the same period ended January 31, 2007. The decreases in the cash flow towards accounts receivable go hand-in-hand with the decreases in cash flow towards inventory. Accrued expenses decreased by $100,000 for the quarter ended January 31, 2008, and these expenses also decreased $145,000 for the corresponding quarter the year before. As for the nine-month period ended January 31, 2008, accrued expenses decreased $68,000 and also decreased by $134,000 for the same period last year.

As for the Company's investing activities, there have not been any purchases or sales out of the ordinary during the current quarter or nine-month period. The Company continues to purchase marketable debt and equity securities.

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

	For the quarter ended January 31, 2008	2007
Working capital	$ 26,705,000	$ 25,101,000
Current ratio	46.806	33.140
Quick ratio	40.369	28.814

Results of operations

Net sales were $2,572,000 for the quarter ended January 31, 2008, which is a 15.53% decrease from the corresponding quarter last year. Year-to-date net sales at January 31, 2008 were $8,818,000, which is a 12.58% decrease from the same period last year. The Company has seen decreases in sales as a result of the downturn in the housing market. Cost of goods sold was 54.28% of net sales for the quarter ended January 31, 2008 and 45.45% for the same quarter last year. Year-to-date cost of goods sold percentages were 50.01% for the current nine months and 47.52% for the corresponding nine months last year. Management has been wary of time-off / layoffs for employees in regards to the slow down in sales. But during the last couple of weeks in the quarter and continuing at this time, management has reduced labor hours and head count to reduce labor costs.

Operating expenses were 27.95% of net sales for the quarter ended January 31, 2008 as compared to 27.06% for the corresponding quarter last year. Year-to-date operating expenses were 24.64% of net sales for the nine months ended January 31, 2008, while they were 24.54% 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, 2008 was at $457,000, which is a 45.4% decrease from the corresponding quarter last year, which had income from operations of $837,000. Income from operations for the nine months ended January 31, 2008 was at $2,235,000, which is a 20.7% decrease from the corresponding nine months last year, which had income from operations of $2,819,000.

Other income and expenses showed a gain of $140,000 for the quarter and a $705,000 gain for the nine months that ended January 31, 2008. The numbers for the corresponding periods last year were gains of $233,000 for the quarter and $575,000 for the nine-months ending January 31, 2007. Dividend and interest income is up 12.89% for the quarter and is up 30.48% for the current nine-month period when comparing to the same time periods last year. Management has taken an active roll in hiring money managers who manage the Company's investments. Net income for the quarter ended January 31, 2008 was at $327,000, a 44.6% decrease from the corresponding quarter last year, which showed net income of $590,000. Net income for the nine months ended January 31, 2008 was $1,905,000, a 3.3% decrease from the same period last year. Net income for the nine months ended January 31, 2007 was $1,970,000. Earnings per common share for the quarter ended January 31, 2008 was $0.06 per share and $0.36 per share for the year-to-date numbers. EPS for the quarter and nine months ended January 31, 2007 was $0.11 per share and $0.37 per share, respectively.

A dividend of $0.17 per common share was declared and stockholders of record as of September 30, 2007 received the dividend. The payment date was October 31, 2007. This is the fourth consecutive year that the Company has declared a dividend and will hopefully continue this trend in the future. The dividends payable on the books as of January 31, 2008 is a result of incomplete or outdated stockholder information. A dividend check is sent out once the Company receives all the correct information. The continued declaration of dividends makes finding stockholders with outdated information easier.

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

New product information
~~~~~~~~~~~~~~~~~~~~~~~

Engineering continues to work on the wireless pool alarm and environmental sensors. The goal is to have the wireless pool alarm ready to be shown at the ISC West Security Show in Las Vegas in April 2008. Also, a design for a new track mount overhead door contact is currently in development.

Management has seen increases in security sales over the last couple of months and hopes to see this continue through the spring building season. Growth has largely been in the areas of industrial/commercial switches and security OEM. With the residential market still in a slump management plans to focus research and development on industrial and commercial products, along with medical and elderly care. These are all markets that continue to show growth.

Recently issued accounting pronouncements
~~~~~~

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements," which is effective for fiscal years beginning after November 15, 2007. SFAS No. 157 establishes a single definition of fair value and a framework for measuring fair value, sets out a fair value hierarchy to be used to classify the source of information used in fair value measurements and requires new disclosures about fair value measurements for future transactions. In February 2008, the FASB issued Staff Positions No. 157-1 and No. 157-2, which partially defer the effective date of SFAS No. 157 for one-year for certain nonfinancial assets and liabilities and remove certain leasing transactions from its scope. The Company is currently evaluating the impact of the adoption of SFAS No. 157 on our financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities." Under SFAS No. 159, entities may irrevocably elect fair value for the initial and subsequent measurement of certain financial instruments and certain other items. Subsequent measurements for the financial instruments and certain other items that an entity elects to record at fair value will be recognized in earnings. SFAS No. 159 also establishes additional disclosure requirements. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. At the effective date, an entity may elect the fair value option for eligible items that exist at that date. The entity shall report the effect of the first re-measurement to fair value as a cumulative-effect adjustment to the opening balance of retained earnings. The Company is currently determining whether fair value accounting is appropriate for any of its eligible items and cannot estimate the impact, if any, which SFAS No. 159 will have on its consolidated results of operations and financial condition.

In December 2007, the FASB issued FASB Statement No. 141R, Business Combinations (Statement 141R) and FASB Statement No. 160, Noncontrolling Interests in Consolidated Financial Statements an amendment to ARB No. 51 (Statement 160). Statements 141R and 160 require most identifiable assets, liabilities, noncontrolling interests, and goodwill acquired in a business combination to be recorded at "full fair value" and require noncontrolling interests (previously referred to as minority interests) to be reported as a component of equity, which changes the accounting for transactions with non-controlling interest holders. Both Statements are effective for periods beginning on or after December 15, 2008, and earlier adoption is prohibited. Statement 141R will be applied to business combinations occurring after the effective date. Statement 160 will be applied prospectively to all non-controlling interests, including any that arose before the effective date. The Company is currently evaluating the impact of adopting Statement 141R and Statement 160 on its results of operations and financial position.

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 our products, since we sell to distributors and OEM manufacturers. The products are tied to the housing industry and will fluctuate with building trends.

Item 3 Controls and Procedures

(a) Information required by Item 307

Our Chief Executive Officer and our Chief Financial Officer, after evaluating the effectiveness of the Company's "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 (Exchange Act) Rules 13a-15(e) or 15d-15(e)) as of the end of the period covered by this quarterly report, have concluded that our disclosure controls and procedures are effective based on their evaluation of these controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15.

(b) Information required by Item 308

This disclosure is not yet required.

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. Exhibits

31. Certifications pursuant to Rule 13a-14(a)
    31.1 Certification of the Chief Executive Officer
    31.2 Certification of the Chief Financial Officer

32. Certifications pursuant to 18 U.S.C. 1350
    32.1 Certification of the Chief Executive Officer
    32.2 Certification of the Chief Financial Officer

B. Reports on Form 8-K
No 8-K reports were filed during the quarter ended January 31, 2008.

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 03-17-2008

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

Date 03-17-2008

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