RISK GEORGE INDUSTRIES INC
Form 10-Q
September 13, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarter ended July 31, 2011

[ ] 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 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 September 13, 2011 was 5,047,370.

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-month period ended July 31, 2011, are attached hereto.

GEORGE RISK INDUSTRIES, INC.
BALANCE SHEETS

	July 31, 2011 (unaudited)	April 30, 2011
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 5,518,000	$ 5,254,000
Investments and securities	19,377,000	19,512,000
Accounts receivable:		
Trade, net of $27,511 and $5,053 doubtful account allowance	1,958,000	1,574,000
Other	1,000	1,000
Note receivable, current	6,000	5,000
Inventories	2,089,000	1,854,000
Prepaid expenses	153,000	151,000
Deferred current income taxes	127,000	166,000
Total Current Assets	$29,229,000	$28,517,000
Property and Equipment, net, at cost	771,000	639,000
Other Assets		
Investment in Limited Land Partnership, at cost	218,000	218,000
Projects in process	69,000	213,000
Note receivable	--	1,000
Total Other Assets	$ 287,000	$ 432,000
TOTAL ASSETS	$30,287,000	$29,588,000

GEORGE RISK INDUSTRIES, INC.

BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	July 31, 2011 (unaudited)	April 30, 2011
Current Liabilities		
Accounts payable, trade	$ 90,000	$ 128,000
Dividends payable	483,000	483,000
Accrued expenses:		
Payroll and related expenses	270,000	212,000
Property taxes	2,000	--
Income tax payable	326,000	36,000
Total Current Liabilities	$ 1,171,000	$ 859,000
Long-Term Liabilities		
Aircraft ownership deposit payable	5,000	5,000
Deferred income taxes	61,000	53,000
Total Long-Term Liabilities	$ 66,000	$ 58,000
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	(112,000)	281,000
Retained earnings	29,907,000	29,115,000
Treasury stock, 3,455,362 and 3,451,857 shares, at cost	(3,430,000)	(3,410,000)
Total Stockholders' Equity	$29,050,000	$28,671,000
TOTAL LIABILITES AND STOCKHOLDERS' EQUITY	$30,287,000	$29,588,000

GEORGE RISK INDUSTRIES, INC.
INCOME STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2011 AND 2010

	July 31, 2011 (unaudited)	July 31, 2010 (unaudited)
Net Sales	$ 2,598,000	$ 2,007,000
Less: Cost of Goods Sold	(1,191,000)	(1,229,000)
Gross Profit	$ 1,407,000	$ 778,000

Operating Expenses:		
General and Administrative	206,000	181,000
Sales	341,000	391,000
Engineering	16,000	17,000
Rent Paid to Related Parties	11,000	11,000
Total Operating Expenses	$ 574,000	$ 600,000
Income From Operations	833,000	178,000
Other Income (Expense)		
Other Income	8,000	2,000
Dividend and Interest Income	192,000	182,000
Gain (Loss) on Sale of Investments	379,000	(56,000)
	$ 579,000	$ 128,000
Income Before Provisions for Income Taxes	1,412,000	306,000
Provisions for Income Taxes		
Current Expense	292,000	89,000
Deferred Tax Expense	328,000	(32,000)
Total Income Tax Expense	$ 620,000	$ 57,000
Net Income	$ 792,000	$ 249,000
Basic and Diluted Earnings Per Share of Common Stock	$ 0.16	$ 0.05
Weighted Average Number of Common Shares Outstanding	5,048,365	5,062,892

GEORGE RISK INDUSTRIES, INC.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED

	July 31, 2011	July 31, 2010
	(unaudited)	(unaudited)
Net Income	$ 792,000	$ 249,000
Other Comprehensive Income, net of tax		
Unrealized gain (loss) on securities:		
Unrealized holding gains (losses) arising during period	(564,000)	(355,000)
Reclassification adjustment for gains (losses) included in net income	(114,000)	85,000
Income tax expense related to other comprehensive income	283,000	113,000
Other Comprehensive Income (Loss)	$ (395,000)	$ (157,000)
Comprehensive Income (Loss)	$ 397,000	$ 92,000

GEORGE RISK INDUSTRIES, INC.
STATEMENT OF CASH FLOWS

	For the three months ended July 31, 2011 (unaudited)	For the three months ended July 31, 2010 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 792,000	$ 249,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	37,000	37,000
(Gain) loss on sale of investments	(379,000)	56,000
Reserve for bad debts	21,000	5,000
Reserve for obsolete inventory	8,000	31,000
Deferred income taxes	328,000	(31,000)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(406,000)	79,000
Inventories	(243,000)	236,000
Prepaid expenses	(2,000)	56,000
Income tax overpayment	--	88,000
Increase (decrease) in:		
Accounts payable	(37,000)	1,000
Accrued expenses	60,000	62,000
Income tax payable	290,000	--
Net cash provided by (used in) operating activities	$ 469,000	$ 869,000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Other assets manufactured & purchased	145,000	(31,000)
Proceeds from receipt of insurance claim	--	132,000
(Purchase) of property and equipment	(169,000)	(17,000)
Proceeds from sale of marketable securities	8,000	1,554,000
(Purchase) of marketable securities	(169,000)	(419,000)
(Loans) made to employees	(2,000)	--
Collection of loans to employees	2,000	3,000
(Purchase) of treasury stock	(20,000)	(20,000)
Net cash provided by (used in) investing activities	$ (205,000)	$ 1,202,000
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by (used in) financing activities	$ --	$ --
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 264,000	$ 2,071,000
Cash and cash equivalents, beginning of period	$ 5,254,000	$ 3,641,000
Cash and cash equivalents, end of period	$ 5,518,000	$ 5,712,000

Supplemental Disclosure of Cash Flow Information		
Cash payments for:		
Income taxes	$0	$0
Interest expense	$0	$0

GEORGE RISK INDUSTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JULY 31, 2011

Note 1 Unaudited Interim Financial Statements

The accompanying financial statements have been prepared in accordance with the instructions for Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's April 30, 2011 annual report on Form 10-K. 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. Refer to Note 7, Fair Value Measurements, for additional information on the fair value measurements for all assets and liabilities, including investments, that are measured at fair value in these financial statements. Available-for-sale investments in debt securities mature between August 2011 and June 2042. 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 July 31, 2011, investments available-for-sale consisted of the following:

	Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Municipal bonds	$ 9,322,000	$ 144,000	$ (107,000)	$ 9,359,000
Corporate bonds	$ 81,000	$ 2,000	$ --	$ 83,000
Equity securities	$ 9,169,000	$ 294,000	$ (526,000)	$ 8,937,000
Money markets/CDs	$ 998,000	$ --	$ --	$ 998,000
Total	$19,570,000	$ 440,000	$ (633,000)	$19,377,000

In accordance with US GAAP, 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 did not record any impairment losses for the quarter ended July 31, 2011 and recorded impairment losses of $7,000 for the quarter ended July 31, 2010.

The following table shows the 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 July 31, 2011.

	Less than 12 months		12 months or greater		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Municipal bonds	$ 728,000	$ (15,000)	$3,545,000	$ (92,000)	$ 4,273,000	$ (107,000)
Equity securities	$1,835,000	$(112,000)	$2,044,000	$(292,000)	$ 3,879,000	$ (404,000)
Total	$2,563,000	$(127,000)	$5,589,000	$(384,000)	$ 8,152,000	$ (511,000)

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 July 31, 2011

Marketable Equity Securities

The Company's investments in marketable equity securities consist of a wide variety of companies. Investments in these companies include growth, growth income, and foreign investment objectives. 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 July 31, 2011.

Note 3 Inventories

Inventories at July 31, 2011, consisted of the following:

Raw Materials	$ 1,517,000
Work in Process	577,000
Finished Goods	190,000
	$ 2,284,000
Less: allowance for obsolete inventory	(195,000)

Net Inventories	$ 2,089,000

Note 4 Business Segments

The following is financial information relating to industry segments:

	For the quarter ended July 31, 2011	2010
Net revenue:		
Security alarm products	2,279,000	1,797,000
Other products	319,000	210,000
Total net revenue	$ 2,598,000	$ 2,007,000
Income from operations:		
Security alarm products	731,000	159,000
Other products	102,000	19,000
Total income from operations	$ 833,000	$ 178,000
Identifiable assets:		
Security alarm products	3,495,000	2,485,000
Other products	1,201,000	916,000
Corporate general	25,591,000	24,923,000
Total assets	$30,287,000	$28,324,000
Depreciation and amortization:		
Security alarm products	6,000	6,000
Other products	25,000	24,000
Corporate general	6,000	7,000
Total depreciation and amortization	$ 37,000	$ 37,000
Capital expenditures:		
Security alarm products	--	--
Other products	169,000	5,000
Corporate general	--	12,000
Total capital expenditures	$ 169,000	$ 17,000

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 July 31, 2011		
	Income (Numerator)	Shares (Denominator)	Per-share Amount

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 792,000		
Basic EPS	$ 792,000	5,048,365	$ 0.1569
Effect of dilutive securities:			
Convertible preferred stock	--	20,500	(0.0007)
Diluted EPS	$ 792,000	5,068,865	$ 0.1562

For the three months ended July 31, 2010

	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 249,000		
Basic EPS	$ 249,000	5,062,892	$ 0.0492
Effect of dilutive securities:			
Convertible preferred stock	--	20,500	(0.0002)
Diluted EPS	$ 249,000	5,083,392	$ 0.0490

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 $3,000 were paid during the quarters ending July 31, 2011 and 2010, respectively. There were no discretionary contributions paid during the quarters ending July 31, 2011 and 2010, respectively.

Note 7 Fair Value Measurements

Generally accepted accounting principles in the United States of America (US GAAP) defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities, which are required to be recorded at fair value, we consider the principal or most advantageous market in which we would transact and the market-based risk measurements or assumptions that market participants would use in pricing the asset or liability, such as inherent risk, transfer restrictions, and credit risk.

US GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The levels of the fair value hierarchy under US GAAP are described below:

Level 1 - Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 - Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 - Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect our own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Marketable Securities

As of July 31, 2011, our investments consisted of publicly traded equity securities as well as certain state and municipal debt securities. Our marketable securities are valued using third-party broker statements. The value of the majority of securities is derived from quoted market information. The inputs to the valuation are generally classified as Level 1 given the active market for these securities, however, if an active market does not exist, the inputs are recorded at a lower level in the fair value hierarchy.

Fair Value Hierarchy

The following tables set forth our assets and liabilities measured at fair value on a recurring basis and a non-recurring basis by level within the fair value hierarchy. As required by US GAAP, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Assets Measured at Fair Value on a Recurring Basis as of July 31, 2011

	Level 1	Level 2	Level 3	Total
Assets:				
Marketable Securities	$10,018,000	$ 9,359,000	$ --	$19,377,000
Total fair value of assets measured on a recurring basis	$10,018,000	$ 9,359,000	$ --	$19,377,000

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 Company's audited financial statements and discussion for the fiscal year ended April 30, 2011.

Liquidity and capital resources

Operating

Net cash increased $264,000 during the quarter ended July 31, 2011 as compared to an increase of $2,071,000 during the corresponding quarter last year. Accounts receivable increased $406,000 for the quarter ending July 31, 2011 compared with a $79,000 decrease for the same quarter last year. The increase in cash flow for accounts receivable for the current period is a reflection of increased sales. At the quarter ended July 31, 2011, 63.69% of the receivables are considered current (less than 45 days) while 4.95% of the total are over 90 days past due. This is in comparison to having 78.15% of the receivables considered current and 4.06% over 90 days past due at July 31, 2010. Inventories increased $243,000 during the current quarter as compared to a $236,000 decrease last year. Management has had to increase its raw material purchases as a result of the increase in sales and the price of raw materials keeps rising. At the quarter ended July 31, 2011 there was a $2,000 increase in prepaid expenses, while at July 31, 2010, there was a $56,000 decrease. There was not an income tax overpayment for the quarter ended July 31, 2011, while there was an $88,000 decrease in income tax overpayment for the corresponding quarter last year. Management paid income tax estimates based on prior year taxable income.

At the quarter ended July 31, 2011, accounts payable shows a decrease of $37,000 as compared to a decrease of $1,000 for the same quarter the year before. The change in cash in regards to accounts payable can vary. It really depends on the time of the month the invoices are due, since the company pays all its invoices within the terms. Accrued expenses increased $60,000 for the current quarter as compared to a $62,000 increase for the quarter ended July 31, 2010. The current increase is due to increased employment and more payroll and commission dollars. Income tax payable increased $290,000 for the quarter ended July 31, 2011, while there was no payable on the books for the corresponding quarter the same year.

Investing

As for our investment activities, the Company has spent approximately $169,000 on acquisitions of property and equipment for the current fiscal quarter. In comparison with the corresponding quarter last year, there was activity of $17,000. The $169,000 represents an in-house mold, previously a project in process, which was completed during the quarter. Additionally, the Company continues to purchase marketable securities, which include municipal bonds and quality stocks. Cash spent on purchases of marketable securities for the quarter ended July 31, 2011 was $169,000 compared with

$419,000 spent during the quarter ended July 31, 2010. We continue to use "money manager" accounts for most stock transactions. By doing this, the Company gives an independent third party firm, who are experts in this field, permission to buy and sell stocks at will. The Company pays a quarterly service fee based on the value of the investments. Furthermore, the Company continues to purchase back common stock when the opportunity arises. For the quarter ended July 31, 2011, the Company purchased $20,000 worth of treasury stock and also $20,000 worth of treasury stock for the quarter ended July 31, 2010. We have been actively searching for stockholders that have been "lost" over the years. The payment of dividends over the last seven fiscal years has also prompted many stockholders and/or their relatives and descendants to sell back their stock to the Company.

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

	For the quarter ended July 31, 2011	2010
Working capital	$ 28,058,000	$ 26,673,000
Current ratio	24.961	38.410
Quick ratio	22.932	35.160

Results of Operations

Net sales were $2,598,000 for the quarter ended July 31, 2011, which is an increase of 29.44% from the corresponding quarter last year. Net sales for the quarter ended July 31, 2010 were $2,007,000. Even though the majority of the Company's products are tied to the housing market, the increase in sales is a result of the Company focusing on gaining market share in the industry. The Company is accomplishing this by having excellent customer service and being willing to make many customized parts. Cost of goods sold was 45.84% of net sales for the quarter ended July 31, 2011 and 61.24% for the quarter ended July 31, 2010. Management continues to keep labor and other manufacturing expenses down and has reached the desired cost of goods sold percentage range of 45 to 50%. Also, management raised prices at January 1, 2011. This was the first overall price increase to take place in almost 10 years. The price increase helps decrease the cost of goods sold percentage.

Operating expenses were 22.1% of net sales for the quarter ended July 31, 2011 as compared to 29.9% for the corresponding quarter last year. Management's goal is to always keep the operating expenses around 30% or less of net sales, as management has been able to achieve over the years. Income from operations for the quarter ended July 31, 2011 was at $833,000, which is a 367.98% increase from the corresponding quarter last year, which had income from operations of $178,000.

Other income and expenses showed a $579,000 gain for the quarter ended July 31, 2011 as compared to having a $128,000 gain for the quarter ended July 31, 2010. The main reason for the bigger gains in other income for the current quarter is that we had a $379,000 realized gain on investments for the quarter as compared to a $56,000 realized loss for the corresponding quarter last year. In turn, net income for the quarter ended July 31, 2011 was at $792,000, a 218.07% increase from the corresponding quarter last year, which showed net income of $249,000. Earnings per share for the quarter ended July 31, 2011 were $0.16 per common share and $0.05 per common share for the quarter ended July 31, 2010.

New Product Development
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Mold design has been completed and production started on our 700 Series switches. This is a miniature surface mount contact switch with terminal blocks. This has been requested by customers for some time and will be GRI's smallest surface mount terminal switch. Sales have been strong with nearly 13,000 sold since May 2011.

Splice and corner connecting pieces for the E-Z Duct Quarter Round Raceway are currently being molded. We are also working on a plastic housing for our very popular flat magnet (MF-875).

Engineering has nearly completed work on a garage door alert (DM-1) which will monitor when the garage door has been left open and will automatically shut the door - either by a timed delay after the garage door has been opened or closing at a set time every day. We believe this will be a good up sell as a lot of home burglaries gain access through a garage door that is left open or unlocked.

Engineering is completing new water sensors (WM2600-10 & WM-10P) made from a flexible cord. This design will contain multiple sensors to cover a larger detection area such as along the wall of a computer or utility room. We hope to launch both of these products in the next couple of weeks and they will be promoted as our new products at the International Security Conference in New York the first week of November 2011.

Engineering is also looking to complete a design on an 110V Current Controller which would work with our contact switches to secure the door of a storage unit and also turn on the light when the door is opened.

Recently Issued Accounting Pronouncements
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There are no new accounting pronouncements that significantly affect the Company.

Other Information
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Management is always open to the possibility to acquire a business that would complement our existing operations. This would require no 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. Our products are tied to the housing industry and will fluctuate with building trends.

GEORGE RISK INDUSTRIES, INC.

PART I. FINANCIAL INFORMATION

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
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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.

Item 3A. Controls and Procedures

Evaluation of disclosure controls and procedures:

Based on their evaluation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of July 31, 2011, our president and chief executive officer and our chief financial officer have concluded that our disclosure controls and procedures are effective such that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and (ii) accumulated and communicated to our management, including our chief executive officer and our chief financial officer, as appropriate to allow timely decisions regarding disclosure. A control system cannot provide absolute assurance, however, that the objectives of the control systems are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Changes in internal controls over financial reporting:

There was no change in our internal controls over financial reporting that occurred during the period covered by this report, that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting:

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our internal control system was designed 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. Because of inherent limitations, a system of internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide no reasonable assurance of achieving their control objectives. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, including our principal executive officer and principal accounting officer, conducted an evaluation of the effectiveness of our internal control over financial reporting using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on its evaluation, our management concluded that as of July 31, 2011 our internal control over financial reporting is effective.

This quarterly report does not include an attestation report of the Corporation's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Corporation's registered public accounting firm pursuant to Section 404 (c) of the Sarbanes-Oxley Act of 2002, as amended, that permits the Corporation to provide only the management's report in this quarterly report.

GEORGE RISK INDUSTRIES, INC.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings
Not applicable

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information relating to the Company's repurchase of common stock for the first quarter of fiscal year 2012.

Period	Number of shares repurchased
May 1, 2011 - May 31, 2011	750
June 1, 2011 - June 30, 2011	2,755
July 1, 2011 - July 31, 2011	100

Item 3. Defaults upon Senior Securities
Not applicable

Item 4. (Removed and Reserved)
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 July 31, 2011.

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 09-13-2011

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

Date 09-13-2011

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