RISK GEORGE INDUSTRIES INC
Form 10-Q/A
August 11, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q/A

(Mark One)

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

For the quarter ended July 31, 2013

[ ] 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 August 6, 2014 was 5,029,775.

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, 2013, are attached hereto.

Explanatory Note

This Amendment No. 1 to the quarterly Report on Form 10-Q of George Risk Industries, Inc. (GRI), (the "Company") for the quarter ended July 31, 2013 is being filed to amend the financial information contained in the Management's Discussion and Analysis of Financial Condition and Plan of Operation and the financial statements on Form 10-Q for quarter ended July 31, 2013 which was filed with the Securities and Exchange Commission (SEC) on September 13, 2013 (the "Form 10-Q").

In its previously filed financial statements for the quarter ended July 31, 2013, the Company misstated the deferred taxes due to an error in the calculation. The Company has restated its financial statements for the period ended July 31, 2013 to reflect the proper adjustments.

Except as described above, no other parts of the 10-Q are being amended.

GEORGE RISK INDUSTRIES, INC.
CONDENSED BALANCE SHEETS

	July 31, 2013	April 30, 2013
	(unaudited)	As Amended
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 5,834,000	$ 4,859,000
Investments and securities	22,330,000	22,208,000
Accounts receivable:		
Trade, net of $5,783 and $4,126 doubtful account allowance	1,764,000	1,915,000
Other	1,000	1,000
Note receivable, current	4,000	5,000
Income tax overpayment	65,000	347,000
Inventories	2,038,000	2,074,000
Prepaid expenses	100,000	60,000

Total Current Assets	$32,136,000	$31,469,000
Property and Equipment, net, at cost	685,000	701,000
Other Assets		
Investment in Limited Land Partnership, at cost	238,000	238,000
Projects in process	49,000	45,000
Note receivable	1,000	2,000
Other	--	1,000
Total Other Assets	$ 288,000	$ 286,000
TOTAL ASSETS	$33,109,000	$32,456,000

See accompanying notes to the condensed financial statements

GEORGE RISK INDUSTRIES, INC.
CONDENSED BALANCE SHEETS

	July 31, 2013	April 30, 2013
	(unaudited)	As Amended
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable, trade	$ 84,000	$ 68,000
Dividends payable	817,000	817,000
Accrued expenses:		
Payroll and related expenses	304,000	259,000
Property taxes	3,000	--
Deferred income taxes	414,000	432,000
Total Current Liabilities	$ 1,622,000	$ 1,576,000
Long-Term Liabilities		
Deferred income taxes	92,000	133,000
Total Long-Term Liabilities	$ 92,000	$ 133,000
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, 8,502,881 shares issued and outstanding	850,000	850,000
Additional paid-in capital	1,736,000	1,736,000
Accumulated other comprehensive income	728,000	743,000
Retained earnings	31,480,000	30,806,000
Treasury stock, 3,469,206 and 3,467,356 shares, at cost	(3,498,000)	(3,487,000)
Total Stockholders' Equity	$31,395,000	$30,747,000

TOTAL LIABILITES AND STOCKHOLDERS' EQUITY	$33,109,000	$32,456,000

See accompanying notes to the condensed financial statements

GEORGE RISK INDUSTRIES, INC.
CONDENSED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2013 AND 2012

	July 31, 2013	July 31, 2012
	(unaudited)	(unaudited)
Net Sales	$ 2,670,000	$ 2,542,000
Less: Cost of Goods Sold	(1,284,000)	(1,356,000)
Gross Profit	$ 1,386,000	$ 1,186,000
Operating Expenses:		
General and Administrative	184,000	202,000
Sales	460,000	425,000
Engineering	12,000	18,000
Rent Paid to Related Parties	5,000	11,000
Total Operating Expenses	$ 661,000	$ 656,000
Income From Operations	725,000	530,000
Other Income (Expense)		
Other	10,000	14,000
Interest Expense	(8,000)	--
Dividend and Interest Income	166,000	203,000
Gain (Loss) on Sale of Investments	18,000	(151,000)
	$ 186,000	$ 66,000
Income Before Provisions for Income Taxes	911,000	596,000
Provisions for Income Taxes		
Current Expense	285,000	222,000
Deferred tax expense (provision)	(48,000)	(62,000)
Total Income Tax Expense	$ 237,000	$ 160,000
Net Income	$ 674,000	$ 436,000
Basic and Diluted Earnings Per Share of Common Stock	$ 0.13	$ 0.09
Weighted Average Number of Common Shares Outstanding	5,033,843	5,042,550

See accompanying notes to the condensed financial statements

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

	July 31, 2013	July 31, 2012
	(unaudited)	(unaudited)
Net Income	$ 674,000	$ 436,000
Other Comprehensive Income, net of tax		
Unrealized gain (loss) on securities:		
Unrealized holding gains (losses) arising during period	(32,000)	(461,000)
Reclassification adjustment for gains (losses) included in net income	8,000	561,000
Income tax expense related to other comprehensive income	10,000	(42,000)
Other Comprehensive Income (Loss)	$ (14,000)	$ 58,000
Comprehensive Income (Loss)	$ 660,000	$ 494,000

See accompanying notes to the condensed financial statements

GEORGE RISK INDUSTRIES, INC.
CONDENSED STATEMENTS OF CASH FLOWS

	For the three months ended July 31, 2013	For the three months ended July 31, 2012
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 674,000	$ 436,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	37,000	42,000
(Gain) loss on sale of investments	(18,000)	151,000
Reserve for bad debts	1,000	(1,000)
Reserve for obsolete inventory	22,000	(13,000)
Deferred income taxes	(49,000)	(62,000)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	150,000	77,000
Inventories	14,000	57,000
Prepaid expenses	(47,000)	(6,000)
Income tax overpayment	282,000	--
Increase (decrease) in:		
Accounts payable	16,000	(47,000)
Accrued expenses	48,000	69,000
Income tax payable	--	219,000
Net cash provided by (used in) operating activities	$ 1,130,000	$ 922,000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Other assets manufactured & purchased	4,000	13,000
(Purchase) of property and equipment	(22,000)	(36,000)
Proceeds from sale of marketable securities	--	1,000

(Purchase) of marketable securities	(128,000)	(170,000)
Collection of loans to employees	2,000	2,000
(Purchase) of treasury stock	(11,000)	--
Net cash provided by (used in) investing activities	$ (155,000)	$ (190,000)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by (used in) financing activities	$ --	$ --
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	$ 975,000	$ 732,000
Cash and cash equivalents, beginning of period	$ 4,859,000	$ 5,773,000
Cash and cash equivalents, end of period	$ 5,834,000	$ 6,505,000
Supplemental Disclosure of Cash Flow Information		
Cash payments for:		
Income taxes	$0	$0
Interest expense	$0	$0

See accompanying notes to condensed financial statements

GEORGE RISK INDUSTRIES, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
JULY 31, 2013

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 amended April 30, 2013 annual report on Form 10-K/A. 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.

Restatement--In its previously filed financial statements for the quarter ended July 21, 2013, and included in its quarterly report in Form 10-Q, the Company incorrectly calculated deferred income taxes. Accordingly, the Company has restated its financial statements for the period ended July 31, 2013. The table below reflects the effect of restatement on the Company's financial statements for the quarter.

Net income prior to restatement	$ 654,000

Recalculated deferred income taxes	$ 20,000
Net income after restatement	$ 674,000

The tables below reflect the effect of restatement of Company's financial statements for the quarter ended July 31, 2013 as described above.

Balance Sheet-July 31, 2013	As Filed	Adjustments	Re-stated
Current Assets:Deferred Income Taxes	$ 633,000	$ 633,000	$ -
Current Liabilities:Deferred Income Taxes	-	$ 414,000	$ 414,000
Stockholders' Equity	$32,441,000	$(1,047,000)	$31,394,000
Income Statement-July 31, 2013			
Deferred tax (benefit) expense	$ (28,000)	$ (20,000)	$ (48,000)
Net Income	$ 654,000	$ 20,000	$ 674,000
Statement of Cash Flows-July 31, 2013			
Net income	$ 654,000	$ 20,000	$ 674,000
Deferred Income taxes	$ (28,000)	$ (21,000)	$ (49,000)
Accounts receivable	$ 149,000	$ 1,000	$ 150,000
Statement of Comprehensive Income-July 31, 2013			
Net income	$ 654,000	$ 20,000	$ 674,000
Comprehensive income	$ 640,000	$ 20,000	$ 660,000

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 October 2013 and November 2048. 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 and other comprehensive income. Dividend and interest income are accrued as earned.

As of July 31, 2013, investments available-for-sale consisted of the following:

	Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Municipal bonds	$ 7,436,000	$ 109,000	$ (106,000)	$ 7,439,000
REITs	$ 57,000	$ 3,000	$ (3,000)	$ 57,000
Equity securities	$11,367,000	$ 1,408,000	$ (159,000)	$12,616,000
Money markets/CDs	$ 2,218,000	$ --	$ --	$ 2,218,000

Total	$21,078,000	$ 1,520,000	$ (268,000)	$22,330,000

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 $18,000 for the quarter ended July 31, 2013 and $20,000 for the quarter ended July 31, 2012.

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, 2013.

	Less than 12 months		12 months or greater		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Municipal bonds	$4,428,000	$ (98,000)	$ 247,000	$ (8,000)	$ 4,675,000	$ (106,000)
REITs	$ 26,000	$ (3,000)	$ --	$ --	$ 26,000	$ (3,000)
Equity securities	$2,721,000	$(112,000)	$ 278,000	$ (47,000)	$ 2,999,000	$ (159,000)
Total	$7,175,000	$(213,000)	$ 525,000	$ (55,000)	$ 7,700,000	$ (268,000)

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, 2013.

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. The individual holdings have been evaluated, and due to management's plan to hold on to these investments for an extended period, the Company does not consider these investments to be other-than-temporarily impaired at July 31, 2013.

Note 3 Inventories

Inventories at July 31, 2013, consisted of the following:

Raw Materials	$ 1,466,000
Work in Process	461,000
Finished Goods	297,000
	$ 2,224,000
Less: allowance for obsolete inventory	(186,000)
Net Inventories	$ 2,038,000

Note 4 Business Segments

The following is financial information relating to industry segments:

	For the quarter ended July 31, 2013	2012
Net revenue:		
Security alarm products	2,276,000	2,228,000
Other products	394,000	314,000
Total net revenue	$ 2,670,000	$ 2,542,000
Income from operations:		
Security alarm products	618,000	465,000
Other products	107,000	65,000
Total income from operations	$ 725,000	$ 530,000
Identifiable assets:		
Security alarm products	3,575,000	3,372,000
Other products	788,000	1,182,000
Corporate general	28,746,000	27,557,000
Total assets	$33,109,000	$32,111,000
Depreciation and amortization:		
Security alarm products	4,000	6,000
Other products	28,000	32,000
Corporate general	5,000	4,000
Total depreciation and amortization	$ 37,000	$ 42,000
Capital expenditures:		
Security alarm products	8,000	1,000
Other products	--	35,000
Corporate general	14,000	--
Total capital expenditures	$ 22,000	$ 36,000

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, 2013		
	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 674,000		
Basic EPS	$ 674,000	5,033,843	$ 0.1339
Effect of dilutive Convertible Preferred Stock	--	20,500	(0.0005)
Diluted EPS	$ 674,000	5,054,343	$ 0.1334

	For the three months ended July 31, 2012		
	Income (Numerator)	Shares (Denominator)	Per-share Amount
Net Income	$ 436,000		
Basic EPS	$ 436,000	5,042,550	$ 0.0865
Effect of dilutive Convertible Preferred Stock	--	20,500	(0.0004)
Diluted EPS	$ 436,000	5,063,050	$ 0.0861

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, 2013 and 2012, respectively. There were no discretionary contributions paid during the quarters ending July 31, 2013 and 2012, 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, 2013, our investments consisted of money markets, publicly traded equity securities and certain state and municipal debt securities. Our marketable securities are valued using third-party broker statements. The value of the investments 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, which is the case for municipal bonds, the inputs are recorded as Level 2.

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, 2013			
	Level 1	Level 2	Level 3	Total
Assets:				
Money Markets	$ 2,218,000	--	--	$ 2,218,000
Equity Securities	$12,672,000	--	--	$12,672,000
Municipal Bonds	$ --	$ 7,440,000	--	$ 7,440,000
Total fair value of assets measured on a recurring basis	$14,890,000	$ 7,440,000	$ --	$22,330,000

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 amended audited financial statements and discussion for the fiscal year ended April 30, 2013.

Liquidity and capital resources
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Operating

Net cash increased $975,000 during the quarter ended July 31, 2013 as compared to an increase of $732,000 during the corresponding quarter last year. Accounts receivable decreased $149,000 for the quarter ending July 31, 2013 compared with a $77,000 decrease for the same quarter last year. The decrease in cash flow for accounts receivable for the current period is a reflection of slightly lower sales from the prior quarter. At the quarter ended July 31, 2013, 66.18% of the receivables are considered current (less than 45 days) while 1.56% of the total are over 90 days past due. This is in comparison to having 68.42% of the receivables considered current and 1.09% over 90 days past due at July 31, 2012. Inventories decreased $14,000 during the current quarter as compared to a $57,000 decrease last year. The smaller decrease is a result of increased purchases and increased sales. At the quarter ended July 31, 2013 there was a $47,000 increase in prepaid expenses and at July 31, 2012, there was a $6,000 increase. This is a result of having to prepay for raw materials that we negotiated a better price and have not received yet. Income tax overpayment decreased by $282,000 for the quarter ending July 31, 2013. Management has increased tax estimates as a result of increased sales.

At the quarter ended July 31, 2013, accounts payable shows an increase of $16,000 as compared to a decrease of $47,000 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 $48,000 for the current quarter as compared to a $69,000 increase for the quarter ended July 31, 2012.

Investing

As for our investment activities, the Company has spent approximately
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$22,000 on acquisitions of property and equipment for the current fiscal quarter. In comparison with the corresponding quarter last year, there was activity of $36,000. 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, 2013 was $128,000 compared with $170,000 spent during the quarter ended July 31, 2013. 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, 2013 the Company purchase back $11,000 worth treasury stock, but was not able to purchase back any during the quarter ended July 31, 2012. We have been actively searching for stockholders that have been ?lost? over the years. The payment of dividends over the last nine 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, 2013	2012
Working capital (current assets - current liabilities)	$ 30,514,000	$ 29,700,000
Current ratio (current assets / current liabilities)	19.81	22.460
Quick ratio ((cash + investments + AR) / current liabilities)	18.45	20.590

Results of Operations
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Net sales were $2,670,000 for the quarter ended July 31, 2013, which is an increase of 5.04% from the corresponding quarter last year. Net sales for the quarter ended July 31, 2012 were $2,542,000. The Company's products are tied to the housing market and the increase in sales is a result of a recovering economy. The Company is focusing on keeping and increasing sales by having excellent customer service and being willing to make many customized parts. Cost of goods sold was 48.09% of net sales for the quarter ended July 31, 2013 and 53.34% for the quarter ended July 31, 2012. Management's goal is to keep labor and other manufacturing expenses within the range of 45 to 50%.

Operating expenses were 24.76% of net sales for the quarter ended July 31, 2013 as compared to 25.81% 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, 2013 was at $725,000, which is a 36.79% increase from the corresponding quarter last year, which had income from operations of $530,000.

Other income and expenses showed an $186,000 gain for the quarter ended July 31, 2013 as compared to having a $66,000 gain for the quarter ended July 31, 2012. The main reason for the bigger gain in other income for the current
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quarter is that we had $18,000 of realized gains on investments for the quarter as compared to $151,000 of realized losses for the corresponding quarter last year. In turn, net income for the quarter ended July 31, 2013 was at $654,000, a 50% increase from the corresponding quarter last year, which showed net income of $436,000. Earnings per share for the quarter ended July 31, 2013 were $0.13 per common share and $0.09 per common share for the quarter ended July 31, 2012.

New Product Development

Engineering continues work on a wireless pool alarm. The High Security Switch is in the final testing stages of prototypes. These will have to go through UL and possibly Department of Defense approval for certain installations. Due to discontinued raw materials, our pool alarm will have to be redesigned. This will require mold changes that will take until later in the year to complete.

Molding is working on another case for our Current Controller. This will allow us to manufacture a couple of different versions; a 15 amp version that would automatically turn on a whole room of lights and a 220-volt version for international markets. Another project in molding is a redesign for the cover of the 29-Series terminal switch.

Other products we are developing include a twist lock for recessed steel door contacts, including biased for high security. This variety will allow the installer to set a precise gap. Another product we have been researching is a fuel level monitor. Several security companies from around the world have told us fuel theft is a major problem. They are looking for something that will tie into the security system to be informed if tanks and trucks are tampered with.

Recently Issued Accounting Pronouncements

In June 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2011-05, Presentation of Comprehensive Income ("ASU 2011-05"), which amends the disclosure requirements for the presentation of comprehensive income. This guidance, effective retrospectively for interim and annual periods beginning on or after December 15, 2011, requires presentation of total comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate, but consecutive statements. ASU 2011-05 eliminates the option to present the components of other comprehensive income as part of the statement of changes in equity. ASU 2011-05 does not change the items that must be reported in other comprehensive income, or when an item of other comprehensive income must be reclassified to net income. We have included a Statement of Comprehensive Income in our financial statements. The adoption of this accounting guidance had no impact on our financial statements.

Other Information

Management is always open to the possibility to acquire a business or product line 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 (also working as 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, has 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 her 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, 2013, our president and chief executive officer (also working as our chief financial officer) has 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, 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.

Internal control over financial reporting:

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting for the Company. Due to limited resources, Management conducted an evaluation of internal controls based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The results of this evaluation determined that our internal control over financial reporting was ineffective as of July 31, 2013, due to a material weakness. A material weakness in internal control over financial reporting is defined as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of our financial reporting.

Management's assessment identified the following material weakness in internal control over financial reporting:

* The small size of our Company limits our ability to achieve the desired level of separation of internal controls and financial reporting, particularly as it relates to financial reporting and deferred taxes. Due to the passing of our CEO, the current CEO and CFO roles are being fulfilled by the same individual. We do not have an audit committee. Until such time as the Company is able to hire a Controller, we do not believe we meet the full requirement for separation for financial reporting purposes.

As a result of the material weakness in internal control over financial reporting described above, the Company's management has concluded that, as of July 31, 2013, the Company's internal control over financial reporting was not effective based on the criteria in Internal Control - Integrated Framework issued by the COSO.

To date, the Company has not been able hire a controller. We will continue to follow the standards for the Public Company Accounting Oversight Board (United States) for internal control over financial reporting to include procedures that:

* Pertain to the maintenance of records in reasonable detail accurately that fairly reflect the transactions and dispositions of the Company's assets;
* Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the Board of Directors; and
* Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Due to the passing of the CEO during the fiscal year 2013, our internal control structure has changed such that there is no separation of duties for financial reporting and deferred taxes, as discussed above.

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 2014.

Period	Number of shares repurchased
May 1, 2013 - May 31, 2013	1,350
June 1, 2013 - June 30, 2013	500
July 1, 2013 - July 31, 2013	--

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

Exhibit No.	Description
31.1	Certification of the Chief Executive Officer (Principal Financial and Accounting Officer), as required by Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer (Principal Financial and Accounting Officer), as required by Section 906 of the Sarbanes-Oxley Act of 2002.

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 08-06-2014

By: /s/ Stephanie M. Risk-McElroy
Stephanie M. Risk-McElroy
President, Chief Financial Officer and
Chariman of the Board