

TSR INC
Form 10-Q
October 05, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended August 31, 2011

or

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

For the transition period from _____ to _____

Commission File Number: 0-8656

TSR, Inc.

(Exact name of registrant as specified in its charter)

Delaware

13-2635899

(State or other jurisdiction of
Incorporation or organization)

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

400 Oser Avenue, Hauppauge, NY 11788

(Address of principal executive offices)

631-231-0333

(Registrant's telephone number)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated filer

Smaller Reporting Company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of September 30, 2011, there were 2,017,416 shares of common stock, par value \$.01 per share, issued and outstanding.

TSR, INC. AND SUBSIDIARIES
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Part I. Financial Information

Item 1. Financial Statements

TSR, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	August 31, 2011 (Unaudited)	May 31, 2011 (Note 1)
Current Assets:		
Cash and cash equivalents	\$ 6,137,812	\$ 4,645,854
Certificates of deposit and marketable securities	2,265,396	3,016,542
Accounts receivable, net of allowance for doubtful accounts of \$193,000	8,711,799	8,921,861
Other receivables	5,341	4,981
Prepaid expenses	59,868	57,781
Prepaid and recoverable income taxes	13,628	41,299
Deferred income taxes	86,000	86,000
Total Current Assets	17,279,844	16,774,318
Certificates of deposit and marketable securities	-	250,000
Equipment and leasehold improvements, net of accumulated depreciation and amortization of \$277,255 and \$274,890	20,104	16,249
Other assets	49,653	49,653
Deferred income taxes	50,000	51,000
Total Assets	\$ 17,399,601	\$ 17,141,220
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts and other payables	\$ 1,121,924	\$ 943,082
Accrued expenses and other current liabilities	1,982,647	1,935,505
Advances from customers	1,482,633	1,507,439
Total Current Liabilities	4,587,204	4,386,026
Commitments and contingencies		
Equity:		
Preferred stock, \$1 par value, authorized 500,000 shares; none issued	-	-
Common stock, \$.01 par value, authorized 12,500,000 shares; issued 3,114,163 shares, 2,018,616 and 2,019,091 outstanding	31,142	31,142
Additional paid-in capital	5,102,868	5,102,868
Retained earnings	20,905,468	20,858,282
	26,039,478	25,992,292
Less: Treasury stock, 1,095,547 and 1,095,072 shares, at cost	13,281,603	13,279,263
Total TSR, Inc. Equity	12,757,875	12,713,029

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Noncontrolling Interest	54,522	42,165
Total Equity	12,812,397	12,755,194
Total Liabilities and Equity	\$ 17,399,601	\$ 17,141,220

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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TSR, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 For The Three Months Ended August 31, 2011 and 2010
 (UNAUDITED)

	Three Months Ended August 31,	
	2011	2010
Revenue, net	\$ 11,373,095	\$ 9,363,893
Cost of sales	9,462,631	7,656,490
Selling, general and administrative expenses	1,802,279	1,636,505
	11,264,910	9,292,995
Income from operations	108,185	70,898
Other income (expense):		
Interest and dividend income	3,762	5,780
Unrealized loss on marketable securities, net	(1,904)	(3,004)
Income before income taxes	110,043	73,674
Provision for income taxes	47,000	33,000
Consolidated net income	63,043	40,674
Less: Net income attributable to noncontrolling interest	(15,857)	