

TSR INC
Form 10-Q
April 10, 2012

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 February 29, 2012

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

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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 March 31, 2012, there were 1,984,566 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	February 29, 2012 (Unaudited)	May 31, 2011 (Note 1)
Current Assets:		
Cash and cash equivalents	\$5,901,757	\$4,645,854
Certificates of deposit and marketable securities	1,771,188	3,016,542
Accounts receivable, net of allowance for doubtful accounts of \$193,000	8,917,945	8,921,861
Other receivables	4,304	4,981
Prepaid expenses	115,609	57,781
Prepaid and recoverable income taxes	91,293	41,299
Deferred income taxes	86,000	86,000
Total Current Assets	16,888,096	16,774,318
Certificates of deposit and marketable securities	—	250,000
Equipment and leasehold improvements, net of accumulated depreciation and amortization of \$282,366 and \$274,890	21,118	16,249
Other assets	49,653	49,653
Deferred income taxes	48,000	51,000
Total Assets	\$17,006,867	\$17,141,220
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts and other payables	\$1,177,034	\$943,082
Accrued expenses and other current liabilities	1,741,392	1,935,505
Advances from customers	1,527,452	1,507,439
Total Current Liabilities	4,445,878	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, 1,984,766 and 2,019,091 outstanding	31,142	31,142
Additional paid-in capital	5,102,868	5,102,868
Retained earnings	20,844,395	20,858,282
	25,978,405	25,992,292
Less: Treasury stock, 1,129,397 and 1,095,072 shares, at cost	13,425,984	13,279,263
Total TSR, Inc. Equity	12,552,421	12,713,029
Noncontrolling Interest	8,568	42,165

Total Equity	12,560,989	12,755,194
Total Liabilities and Equity	\$17,006,867	\$17,141,220

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

TSR, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

For The Three Months and Nine Months Ended February 29, 2012 and February 28, 2011
(UNAUDITED)

	Three Months Ended		Nine Months Ended	
	February 29, 2012	February 28, 2011	February 29, 2012	February 28, 2011
Revenue, net	\$ 11,092,779	\$ 9,377,193	\$ 33,580,889	\$ 28,498,069
Cost of sales	9,371,592	7,743,291	28,058,767	23,253,726
Selling, general and administrative expenses	1,860,760	1,717,039	5,477,660	4,965,180
	11,232,352	9,460,330	33,536,427	28,218,906
Income (loss) from operations	(139,573)	(83,137)	44,462	279,163