

Pharma-Bio Serv, Inc.
Form 10-Q
March 16, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended January 31, 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 No. 000-50956

PHARMA-BIO SERV, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

20-0653570
(IRS Employer
Identification No.)

Pharma-Bio Serv Building,
6 Road 696
Dorado, Puerto Rico
(Address of Principal Executive Offices)

00646
(Zip Code)

Registrant's Telephone Number, Including Area Code 787-278-2709

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 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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) 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 a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

company” in Rule 12b-2 of the Exchange Act.

Large accelerated ..
filer
Non-accelerated ..
filer

Accelerated filer ..
Smaller reporting
company p

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

The number of shares of the registrant’s common stock outstanding as of March 14, 2012 was 20,758,695.

PHARMA-BIO SERV, INC.
FORM 10-Q
FOR THE QUARTER ENDED JANUARY 31, 2012

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PHARMA-BIO SERV, INC.
Condensed Consolidated Balance Sheets
(Unaudited)

	January 31, 2012*	October 31, 2011**
ASSETS:		
Current assets		
Cash and cash equivalents	\$4,168,789	\$4,316,725
Marketable securities	95,000	95,000
Accounts receivable	5,746,945	4,864,616
Other	289,019	331,441
Total current assets	10,299,753	9,607,782
Property and equipment	1,145,717	1,216,111
Other assets	24,501	28,306
Total assets	\$11,469,971	\$10,852,199
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities		
Current portion-obligations under capital leases	\$31,810	\$31,142
Accounts payable and accrued expenses	1,704,509	1,941,658
Income taxes payable	326,875	550,837
Total current liabilities	2,063,194	2,523,637
Obligations under capital leases	84,032	92,237
Total liabilities	2,147,226	2,615,874
Stockholders' equity:		
Preferred Stock, \$0.0001 par value; authorized 10,000,000 shares; none outstanding	-	-
Common Stock, \$0.0001 par value; authorized 50,000,000 shares; issued and outstanding 20,758,695	2,076	2,076
Additional paid-in capital	656,716	654,550
Retained earnings	8,746,242	7,599,708
Accumulated other comprehensive loss	(82,289)	(20,009)
Total stockholders' equity	9,322,745	8,236,325
Total liabilities and stockholders' equity	\$11,469,971	\$10,852,199

* Unaudited.

** Condensed from audited financial statements.

See notes to condensed consolidated financial statements.

PHARMA-BIO SERV, INC.
Condensed Consolidated Statements of Income
(Unaudited)

	Three months ended January 31,	
	2012	2011
REVENUES	\$6,359,891	\$3,592,671
COST OF SERVICES	4,113,246	2,416,663
GROSS PROFIT	2,246,645	1,176,008
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	884,700	658,481
INCOME FROM OPERATIONS	1,361,945	517,527
OTHER INCOME (EXPENSE):		
Interest expense	(2,247)	(1,350)
Interest income	3,784	4,765
Gain on disposition of property and equipment	190	-
	1,727	3,415
INCOME BEFORE TAXES	1,363,672	520,942
INCOME TAXES EXPENSE	217,138	164,682