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

FORM 10-K

☒ Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended September 30, 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: 333-60608

JANEL WORLD TRADE, LTD.
(Exact name of registrant as specified in its charter)

NEVADA	86-1005291
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
150-14 132nd Avenue, Jamaica, NY	11434
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	(718) 527-3800

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
None	**None**

Securities registered pursuant to Section 12(g) of the Act:

Title of Class
Common Stock, $0.001 par value

Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Act). Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or other information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark if the registrant is a 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.
Large Accelerated Filer ☐ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☒

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

The aggregate market value of Common Stock, $0.001 par value, held by non-affiliates of the registrant based on the closing sales price of the Common Stock on the Over-The-Counter (OTC) market on March 31, 2011, was $1,746,811.

The number of shares of Common Stock outstanding as of December 28, 2011 was 21,854,868.

JANEL WORLD TRADE, LTD.
2011 ANNUAL REPORT ON FORM 10-K

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PART I

ITEM 1. BUSINESS

Background

Janel World Trade, Ltd. ("we", "the Company" or "Janel") provides logistics services for importers and exporters worldwide, through its wholly owned subsidiaries. During the current fiscal year we started a new business segment which is comprised of vertical sales and supply chain services primarily in the food industry. Our principal executive office is located at 150-14 132nd Avenue, Jamaica, NY 11434, adjacent to the John F. Kennedy International Airport, and our telephone number is 718-527-3800. Information about us may be obtained from our website www.janelgroup.net. Copies of our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, are available free of charge on the website as soon as they are filed with the Securities and Exchange Commission (SEC) through a link to the SEC's EDGAR reporting system. Simply select the "Investors" menu item, then click on the "SEC Filings" link. The SEC's EDGAR reporting system can also be accessed directly at www.sec.gov. The Company was incorporated in Nevada in August 2000 as the successor to operations commenced in 1975 – see history, below.

In July 2008, the Company acquired the customs brokerage "book of business" of Ferrara International Logistics, Inc., a New Jersey corporation ("FIL"), consisting of books, records, forms, manuals, access codes, goodwill, customer lists and contact information, telephone and advertising listings for the expansion of the Company's international integrated logistics transport services business. On October 4, 2010, the Company acquired the international freight forwarding assets of FIL, consisting of books, records, forms, access codes, goodwill, customer lists and contact information, telephone and advertising listings for the expansion of the Company's international freight forwarding business, pursuant to the terms of an Asset Purchase Agreement (the "Purchase Agreement") between the Registrant and FIL dated October 4, 2010. The purchase price paid and to be paid under the terms of the Purchase Agreement consists of (i) cash in an amount equal to 70% of the annual actual earnings before interest, taxes, depreciation and amortization (EBITDA) achieved over the three 12-month periods following the Closing (the "Earn-Out Period") from revenues generated from the customers included in the purchased assets, and (ii) 1,714,286 restricted shares of the Registrant's Common Stock valued at $600,000 based on the closing market price of the stock on October 1, 2010 (the "Share Allocation"), issued pursuant to an exemption from registration set forth in Section 4(2) of the Securities Act of 1933 and Regulation D promulgated there under. The Share Allocation is subject to decrease if actual EBITDA from revenues generated from the customers included in the purchased assets during the Earn-Out Period is below $2 million, and will be issued in three installments on October 4, 2011, 2012 and 2013.

Description of Business

The Company operates its business as two reportable segments. Primarily we are a non-asset based third party logistics services company, engaged in full-service cargo transportation logistics management, including freight forwarding – via air, ocean and land-based carriers, customs brokerage services, and warehousing and distribution services. Our second, smaller segment is comprised of vertical sales and supply chain services primarily in the food industry and includes supplier selection, manufacturing, transportation, import, distribution, marketing and sales within the food industry. During our 2011 fiscal year we discontinued our computer software sales, support and maintenance business segment.

Our traditional freight forwarding and customs brokerage activities include various value-added logistics services, such as freight consolidation, insurance, a direct client computer access interface, logistics planning, landed-cost calculations, in-house computer tracking, product repackaging, online shipment tracking and electronic billing. The value-added services and systems are intended to help our customers streamline operations, reduce inventories, increase the speed and reliability of worldwide deliveries and improve the overall management and efficiency of the customer's supply-chain activities.

We operate out of seven leased locations in the United States: Jamaica (headquarters) and Lynbrook (accounting) in New York; Elk Grove Village (Chicago, Illinois); Forest Park (Atlanta, Georgia); Inglewood (Los Angeles, California) and two locations in Hillside (Newark, New Jersey). Each Janel office is managed independently, with each manager having over 20 years experience with the Company. Janel Shanghai, Janel Hong Kong and Janel China (Shenzhen) operate as independently owned franchises within the Company's network.

Janel conducts its business through a network of Company-operated facilities and independent agent relationships in most trading countries. During fiscal 2011 (Janel's fiscal year ends September 30), the Company handled approximately 34,000 individual import and export shipments, predominately originating or terminating in the United States, Europe and the Far East. Janel generated gross revenue of approximately $98.5 million in fiscal 2011, $88.4 million in fiscal 2010 and $71.7 million in 2009. In fiscal 2011, approximately 72% of revenue related to import activities, 6% to export, 19% to break-bulk and forwarding, and 3% to warehousing, distribution and trucking. By operating segment, total 2011 revenue was comprised of $98.4 million for transportation logistics and $54,000 for food sales.

History

Janel commenced business in 1975 as Janel International Forwarding Company, Inc., a New York corporation. In 1976, the "Janel Group" was established in New York City as a company primarily focused on quality import customs brokerage and related transportation services. Janel's initial customer base consisted of importers and exporters of machines and machine parts, principally through what was then West Germany. Shortly thereafter, the Company began expanding its business scope into project transportation and high-value general cargo forwarding. In 1979, Janel expanded to the Midwest and West Coast, opening branches in Chicago and Los Angeles, respectively. Additional locations were opened in Atlanta (1995) and Miami (franchise agent) (1997). In 1980, C and N Corp. was organized as a Delaware corporation to be the corporate parent of the various Janel Group operating subsidiaries.

In 1990, Janel agreed to the use of its name by a Bangkok, Thailand office to facilitate business operations during 1990 and 1992 in which it serviced a United States cellular communications carrier. In 1997, Janel designed and manufactured (through a subcontractor) electronic switching equipment shelters, which it sold to the carrier together with consulting services on transportation logistics and coordination for construction of cellular telephone sites in Thailand.

In 2000, Janel opened the office in Shanghai, China, followed by the opening of the Hong Kong office in 2001 and the opening of an office in Shenzhen, China in 2003. These offices utilize the Janel name but are independently owned and operated by non-related third parties.

In June and July 2002, the corporate parent, C and N Corp., entered into and completed a reverse merger transaction with Wine Systems Design, Inc. in which it formally changed its state of incorporation from Delaware to Nevada, changed its corporate name to Janel World Trade, Ltd. and became a public company traded on the Nasdaq Bulletin Board under the symbol "JLWT."

In October 2007, the Company acquired certain assets of Order Logistics, Inc. (OLI) consisting of proprietary technology, intellectual property (including the name "Order Logistics"), office locations and equipment and customer lists for use in the management and expansion of the Company's international integrated logistics transport services business.

In July 2008, the Company acquired the customs brokerage "book of business" of Ferrara International Logistics, Inc. (FIL), consisting of books, records, forms, manuals, access codes, goodwill, customer lists and contact information, telephone and advertising listings for the expansion of the Company's international integrated logistics transport services business. In October 2010, the Company acquired the remaining assets of FIL (see above for a description of the FIL transaction), consisting of the international freight forwarding services associated with the movement of air and ocean shipments, warehousing (handling and storage) and trucking.

Operations

Freight Forwarding Services. As a cargo freight forwarder, Janel procures shipments from its customers, consolidates shipments bound for a particular destination from a common place of origin, determines the routing over which the consolidated shipment will move, selects a carrier (air, ocean, land) serving that route on the basis of departure time, available cargo capacity and rate, and books the consolidated shipment for transportation with the selected carrier. In addition, Janel prepares all required shipping documents, delivers the shipment to the transporting carrier and, in many cases, and arranges clearance of the various components of the shipment through customs at the final destination. If so requested by its customers, Janel will also arrange for delivery of the individual components of the consolidated shipment from the arrival terminal to their intended consignees.

As a result of its consolidation of customer shipments and its ongoing volume relationships with numerous carriers, a freight forwarder is usually able to obtain lower rates from such carriers than its customers could obtain directly. Accordingly, a forwarder is generally able to offer its customers a lower rate than would otherwise be available directly to the customer, providing the forwarder with its profit opportunity as an intermediary between the carrier and end-customer. The forwarder’s gross profit is represented by the difference between the rate it is charged by the carrier and the rate it, in turn, charges its customer.

In fulfilling its intermediary role, the forwarder can draw upon the transportation assets and capabilities of any individual carrier or combination thereof comprised of airlines and/or air cargo carriers, ocean shipping carriers and land-based carriers, such as trucking companies. Janel solicits freight from its customers to fill containers, charging rates lower than the rates that would be offered directly to its customers for similar type shipments.

Customs Brokerage Services. As part of its integrated logistics services, Janel provides customs brokerage clearance services in the United States and in most foreign countries. These services typically entail the preparation and assembly of required documentation in many instances (Janel provides in-house translation services into Chinese, Spanish or Italian), the advancement of customs duties on behalf of importers, and the arrangement for the delivery of goods after the customs clearance process is completed. Additionally, other services may be provided such as the procurement and placement of surety bonds on behalf of importers and the arrangement of bonded warehouse services, which allow importers to store goods while deferring payment of customs duties until the goods are delivered.

Janel has over 30 years of experience clearing a wide range of goods through U.S. Customs, from automobiles to heavy machinery to textiles. The Company currently has seven fully licensed customs house brokers on staff. Janel is fully certified with U.S. Customs for both ABI and AES transmissions. The Company has established an active “correspondent Customs House Broker Network” of individuals specially chosen for their ability to service customers throughout those locations in the United States where Janel does not have its own branch office. In addition, the Company regularly works with a group of proven independent attorneys, whose specialization in transportation, U.S. Customs law and classifications has resulted in substantial savings to customers.

Other Logistic Services. In addition to providing air, ocean and land freight forwarding and customs brokerage services, Janel provides its import and export customers with an array of fully integrated global logistics services. These logistics services include warehousing and distribution services, door-to-door freight pickup and delivery, cargo consolidation and de-consolidation, project cargo management, insurance, direct client computer access interface, logistics planning, landed-cost calculations, duty-drawback (recovery of previously paid duties when goods are re-exported), in-house computer tracking, product promotion, product packaging and repackaging utilizing Janel mobile packaging machinery, domestic pickup and forwarding, “hazmat” certifications for hazardous cargoes, letters of credit, language translation services, online shipment tracking and electronic billing.

In April 2011, Janel started a new business segment which is comprised of vertical sales primarily in the food industry. This new segment is involved with supply chain services including supplier selection, manufacturing, transportation, import, distribution, marketing and sales within the food industry. Products are purchased from suppliers and held in inventory for the sale of the products at a future date. When selling to supermarket chains, the Company is required to prepay fees (commonly referred to as slotting fees) for positioning of retail store shelf space.

Information Systems. Janel’s information system hardware consists of an IBM AS 400 system that is utilized by all of its offices in the United States. The Company’s information technology capabilities also include DCS/HBU Logistics software (a fully integrated freight forwarding and financial reporting system), a T-1 online national network, recently acquired Web-based supply-chain technology, and a nationwide in-house e-mail network. These systems enable Janel to perform in-house computer tracking and to offer customers landed-cost calculations and online Internet information availability via the Company’s websites relative to the tracing and tracking of customer shipments. The fully integrated real time performance provides us with accurate and timely financial information.

Customers, Sales and Marketing

While Janel's customer base represents a multitude of diverse industry groups, the bulk of the Company's shipments are related to three principal markets: consumer wearing apparel and textiles, machines and machine parts, and household appliances. During fiscal 2011, the Company shipped goods and provided logistics services for approximately 1,200 individual accounts. Janel markets its global cargo transportation and integrated logistics services worldwide. In markets where the Company does not operate its own facilities, its direct sales efforts are supplemented by the referral of business through one or more of the Company's franchise or agent relationships. We have two customers that each account for over 10% of our revenues in fiscal 2011: The Conair Corporation (which accounts for approximately 16% of revenue) and H.H. Brown Shoe Company (which accounts for approximately 14% of revenue).

James N. Jannello and William J. Lally, the Company's President, are principally responsible for the marketing of the Company's services. Each branch office manager is responsible for sales activities in their U.S. local market area. Janel attempts to cultivate strong, long-term relationships with its customers and referral sources through high-quality service and management.

Competition

Competition within the freight forwarding industry is intense, characterized by low economic barriers to entry resulting in a large number of highly fragmented participants around the world. Janel competes for customers on the basis of its services and capabilities against other providers ranging from multinational, multi-billion dollar firms with hundreds of offices worldwide to regional and local freight forwarders to "mom-and-pop" businesses with only one or a few customers. Many of our customers utilize more than one transportation provider.

Employees

As of September 30, 2011, Janel employed 79 people; 37 in its Jamaica, New York headquarters, and Lynbrook, New York back office; 13 in Hillside, New Jersey; 11 in Elk Grove Village, Illinois; 5 in Forest Park, Georgia: and 13 in Inglewood, California. Approximately 60 of the Company's employees are engaged principally in operations, 13 in finance and administration and six in sales, marketing and customer service. Janel is not a party to any collective bargaining agreement and considers its relations with its employees to be good.

To retain the services of highly qualified, experienced and motivated employees, Janel management emphasizes an incentive compensation program and adopted a stock option plan in December 2002.

Currency Risks

The nature of Janel's operations requires it to deal with currencies other than the U.S. Dollar. This results in the Company being exposed to the inherent risks of international currency markets and governmental interference. A number of countries where Janel maintains offices or agent relationships have currency control regulations that influence its ability to hedge foreign currency exposure. The Company tries to compensate for these exposures by accelerating international currency settlements among those offices or agents.

Inflation

We do not believe that the relatively moderate rates of inflation in the United States in recent years have had a significant effect on our operations.

Seasonality and Shipping Patterns

Historically, Janel's quarterly operating results have been subject to seasonal trends. The fiscal first quarter has traditionally been the weakest and the fiscal third and fourth quarters have traditionally been the strongest. This pattern has been the result of, or influenced by, numerous factors including climate, national holidays, consumer demand, economic conditions and other similar and subtle forces. This historical seasonality has also been influenced by the growth and diversification of Janel's international network and service offerings.

A significant portion of Janel's revenues are derived from customers in industries with shipping patterns closely tied to consumer demand and from customers with shipping patterns dependent upon just-in-time production schedules. Many of Janel's customers may ship a significant portion of their goods at or near the end of a quarter. Therefore, the timing of Janel's revenues are, to a large degree, affected by factors beyond the Company's control, such as shifting consumer demand for retail goods and manufacturing production delays. The Company cannot accurately forecast many of these factors, nor can it estimate the relative impact of any particular factor and, as a result, there is no assurance that historical patterns will continue in the future.

Environmental Issues

In the United States, Janel is subject to federal, state and local provisions regulating the discharge of materials into the environment or otherwise for the protection of the environment. Similar laws apply in many foreign jurisdictions in which Janel operates. Although current operations have not been significantly affected by compliance with these environmental laws, governments are becoming increasingly sensitive to environmental issues and the Company cannot predict what impact future environmental regulations may have on its business. Janel does not anticipate making any material capital expenditures for environmental control purposes during the remainder of the current or succeeding fiscal years.

Regulation

With respect to Janel's activities in the air transportation industry in the United States, it is subject to regulation by the Department of Transportation as an indirect air carrier. The Company's overseas offices and agents are licensed as freight forwarders in their respective countries of operation. Janel is licensed in each of its offices as a freight forwarder by the International Air Transport Association. IATA is a voluntary association of airlines which prescribes certain operating procedures for freight forwarders acting as agents of its members. The majority of the Company's freight forwarding businesses is conducted with airlines that are IATA members.

Janel is licensed as a customs broker by the Department of Homeland Security Customs and Border Service. All U.S. customs brokers are required to maintain prescribed records and are subject to periodic audits by the Customs Service. In other jurisdictions in which Janel performs clearance services, it is licensed by the appropriate governmental authority.

Janel is registered as an Ocean Transportation Intermediary and licensed as a NVOCC carrier (non-vessel operating common carrier) by the Federal Maritime Commission. The FMC has established certain qualifications for shipping agents, including certain surety bonding requirements.

Janel does not believe that current U.S. and foreign governmental regulations impose significant economic restraint on its business operations.

Cargo Liability

When acting as an airfreight consolidator, Janel assumes a carrier's liability for lost or damaged shipments. This legal liability is typically limited by contract to the lower of the transaction value or the released value ($9.07 per pound unless the customer declares a higher value and pays a surcharge), excepted for loss or damages caused by willful misconduct in the absence of an appropriate airway bill. The airline that the Company utilizes to make the actual shipment is generally liable to Janel in the same manner and to the same extent. When acting solely as the agent of an airline or shipper, Janel does not assume any contractual liability for loss or damage to shipments tendered to the airline.

When acting as an ocean freight consolidator, Janel assumes a carrier's liability for lost or damaged shipments. This liability is strictly limited by contract to the lower of a transaction value or the released value ($500 for package or customary freight unit unless the customer declares a higher value and pays a surcharge). The steamship line which Janel utilizes to make the actual shipment is generally liable to the Company in the same manner and to the same extent. In its ocean freight forwarding and customs clearance operations, Janel does not assume cargo liability.

When providing warehouse and distribution services, Janel limits its legal liability by contract to an amount generally equal to the lower of fair value or $.50 per pound with a maximum of $50 per "lot," defined as the smallest unit that the warehouse is required to track. Upon payment of a surcharge for warehouse and distribution services, Janel would assume additional liability.

The Company maintains marine cargo insurance covering claims for losses attributable to missing or damaged shipments for which it is legally liable. Janel also maintains insurance coverage for the property of others stored in company warehouse facilities.

ITEM 1A. RISK FACTORS

An investment in our Common Stock is subject to risks inherent to our business. The material risks and uncertainties that management believes affect the Company are described below. Additional risks and uncertainties that management is not aware of or focused on or that management currently deems immaterial may also impair the Company's business operations.

RISK FACTORS RELATING TO OUR BUSINESS GENERALLY

We face aggressive competition from freight carriers with greater financial resources and with companies that operate in areas that we plan on expanding to in the future.

We face intense competition within the freight industry on a local, regional, national and global basis. Many of our competitors have much larger facilities and far greater financial resources than ours. In the freight forwarding industry, we compete with a large and diverse group of freight forwarding concerns, commercial air and ocean carriers and a large number of locally established companies in geographic areas where we do business or intend to do business in the future. The loss of customers, agents or employees to competitors could adversely impact our ability to maintain profitability.

Failure to Comply with Governmental Permit and Licensing Requirements, Statutory and Regulatory Requirements Could Result in Civil and Criminal Sanctions, Fines or Revocation of Our Operating Authorities, and Changes in These Requirements Could Adversely Affect Us.

Our operations are subject to various state, local, federal and foreign statutes and regulations prohibiting various activities, that in many instances require permits and licenses. Our failure to maintain compliance with applicable law and regulations, required permits or licenses, or to comply with applicable regulations, could result in substantial fines or revocation of our operating authorities. Moreover, government deregulation efforts, "modernization" of the regulations governing customs clearance and changes in the international trade and tariff environment could require material expenditures or otherwise adversely affect us.

Our Ability to Serve Our Customers Depends on the Availability of Cargo Space from Third Parties.

Our ability to serve our customers depends on the availability of air and sea cargo space, including space on passenger and cargo airlines and ocean carriers that service the transportation lanes that we use. Shortages of cargo space are most likely to develop around holidays and in especially heavy transportation lanes. In addition, available cargo space could be reduced as a result of decreases in the number of passenger airlines or ocean carriers serving particular shipment lanes at particular times. This could occur as a result of economic conditions, transportation strikes, regulatory changes and other factors beyond our control. Our future operating results could be adversely affected by significant shortages of suitable cargo space and associated increases in rates charged by passenger airlines or ocean carriers for cargo space.

Terrorist attacks and other acts of violence or war may affect any market on which our shares trade, the markets in which we operate, our operations and our profitability.

Terrorist acts or acts of war or armed conflict could negatively affect our operations in a number of ways. Primarily, any of these acts could result in increased volatility in or damage to the U.S. and worldwide financial markets and economy and could lead to increased regulatory requirements with respect to the security and safety of freight shipments and transportation. They could also result in a continuation of the current economic uncertainty in the United States and abroad. Acts of terrorism or armed conflict, and the uncertainty caused by such conflicts, could cause an overall reduction in worldwide sales of goods and corresponding shipments of goods. This would have a corresponding negative effect on our operations. Also, terrorist activities similar to the type experienced on September 11, 2001 could result in another halt of trading of securities, which could also have an adverse affect on the trading price of our shares and overall market capitalization.

We intend to continue expansion of our new food industry segment.

In April 2011, Janel started a new business segment which is comprised of vertical sales primarily in the food industry. This new segment is involved with supply chain services including supplier selection, manufacturing, transportation, import, distribution, marketing and sales within the food industry. Products are purchased from suppliers and held in inventory for the sale of the products at a future date. When selling to supermarket chains, the Company is required to prepay fees (commonly referred to as slotting fees) for positioning of retail store shelf space. There can be no assurances that our financial condition:

- will be sufficient to support the funding needs for the expansion of this new business segment;
- will be sufficient for us to purchase the higher levels of inventory to be held for sale at a future date; or
- will be sufficient to prepay the level of slotting fees required for the positioning of retail shelf space for expansion within some of the major supermarket chains.

We expect that the funding needed to expand this segment would require that we raise capital through the sale of the Company's stock and that the sale of stock would cause dilution to our shareholders. There can be no assurance that the expansion of this segment will be successful, that continued expansion would not require additional capital, and that any such additional capital would be available to us on acceptable terms if at all.

We intend to continue expansion through acquisition.

We have grown through the acquisitions of other freight forwarders and intend to continue our program of business expansion through acquisitions. There can be no assurance that our:

- financial condition will be sufficient to support the funding needs of an expansion program;
- that acquisitions will be successfully consummated or will enhance profitability; or
- that any expansion opportunities will be available upon reasonable terms.

We expect future acquisitions to encounter risks similar to the risks that past acquisitions have had such as:

- difficulty in assimilating the operations and personnel of the acquired businesses;
- potential disruption of our ongoing business;
- the inability of management to realize the projected operational and financial benefits from the acquisition or to maximize our financial and strategic position through the successful incorporation of acquired personnel and clients;
- the maintenance of uniform standards, controls, procedures and policies; and
- the impairment of relationships with employees and clients as a result of any integration of new management personnel.

We expect that any future acquisitions could provide for consideration to be paid in cash, stock or a combination of cash and stock. There can be no assurance that any of these acquisitions will be accomplished. If an entity we acquire is not efficiently or completely integrated with us, then our business, financial condition and operating results could be materially adversely affected.

Events affecting the volume of international trade and international operations could adversely affect our international operations.

Our international operations are directly related to and dependent on the volume of international trade, particularly trade between the United States and foreign nations. This trade, as well as our international operations, is influenced by many factors, including:

- economic and political conditions in the United States and abroad;
- major work stoppages;
- exchange controls, currency conversion and fluctuations;
- war, other armed conflicts and terrorism; and
- United States and foreign laws relating to tariffs, trade restrictions, foreign investment and taxation.

Trade-related events beyond our control, such as a failure of various nations to reach or adopt international trade agreements or an increase in bilateral or multilateral trade restrictions, could have a material adverse effect on our international operations. Our operations also depend on the availability of independent carriers that provide cargo space for international operations.

We are dependent upon key officers.

Our founder, James N. Jannello, continues to serve as Executive Vice President and Chief Executive Officer, and William J. Lally, who replaced the Company's former President in May 2009, continues to serve as President and Chief Operating Officer. We believe that our success is highly dependent on the continuing efforts of Mr. Jannello and the other executive officers and key employees, as well as our ability to attract and retain other skilled managers and personnel. None of our officers or key employees is subject to employment contracts. The loss of the services of any of our key personnel could have a material adverse effect on us.

Economic and other conditions in the markets in which we operate can affect demand for services and results of operations.

Our future operating results are dependent upon the economic environments of the markets in which we operate. Demand for our services could be adversely affected by economic conditions in the industries of our customers. Many of our principal customers are in the fashion, household products, industrial products, computer and electronics industries. Adverse conditions in any one of these industries or loss of the major customers in such industries could have a material adverse impact upon us. We expect the demand for our services (and consequently our results of operations) to continue to be sensitive to domestic and, increasingly, global economic conditions and other factors beyond our control.

In addition, the transport of freight, both domestically and internationally, is highly competitive and price sensitive. Changes in the volume of freight transported, shippers preferences as to the timing of deliveries as a means to control shipping costs, economic and political conditions, both in the United States and abroad, work stoppages, United States and foreign laws relating to tariffs, trade restrictions, foreign investments and taxation may all have significant impact on our overall business, growth and profitability.

Janel's Officers and Directors control the Company.

The officers and directors of the Company control the vote of approximately 41.6% of the outstanding shares of Common Stock. The Company's stock option plan provides 1,600,000 shares of Common Stock regarding which options may be granted to key employees of the Company. As a result, the officers and directors of the Company control the election of the Company's directors and will have the ability to control the affairs of the Company. Furthermore, they will, by virtue of their control of a large majority of the voting shares, have controlling influence over, among other things, the ability to amend the Company's Certificate of Incorporation and By-Laws or effect or preclude fundamental corporate transactions involving the Company, including the acceptance or rejection of any proposals relating to a merger of the Company or an acquisition of the Company by another entity.

RISK FACTORS RELATING TO OUR ARTICLES OF INCORPORATION AND OUR STOCK

The liability of our directors is limited.

Our Articles of Incorporation limit the liability of directors to the maximum extent permitted by Nevada law.

It is unlikely that we will issue dividends on our Common Stock in the foreseeable future.

We have never declared or paid cash dividends on our Common Stock and do not intend to pay dividends in the foreseeable future. The payment of dividends in the future will be at the discretion of our board of directors.

Our stock price is subject to volatility.

Our Common Stock trades on the OTC Bulletin Board under the symbol "JLWT". The market price of our Common Stock has been subject to significant fluctuations. Such fluctuations, as well as economic conditions generally, may adversely affect the market price of our securities.

We have no assurance of a continued public trading market.

Janel's Common Stock is quoted in the over-the-counter market on the OTC Bulletin Board and is subject to the low-priced security or so-called "penny stock" rules that impose additional sales practice requirements on broker-dealers who sell such securities. For any transaction involving a penny stock, the rules require, among other things, the delivery, prior to the transaction, of a disclosure schedule required by the SEC relating to the penny stock market. The broker-dealer also must disclose the commissions payable to both the broker-dealer and the registered representative and current quotations for the securities. Finally, monthly statements must be sent disclosing recent price information for the penny stocks held in the customer's account. As a result, characterization as a "penny stock" can adversely affect the market liquidity for the securities.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

As of September 30, 2011, Janel leased office and warehouse space in 5 cities located in the United States. The executive offices in Jamaica, New York consist of approximately 5,000 square feet of office space adjoined by 9,000 square feet of warehouse space, all subject to a lease with a term ending January 31, 2015, with an annual base rent of $160,409. Its administrative office in Lynbrook, New York is approximately 1,459 square feet and is occupied under a lease which expires February 28, 2013, with an annual rent of $46,083 through February 28, 2012, which increases at the rate of 3% per year of the lease. Janel's Elk Grove Illinois office occupied approximately 2,170 square feet with an additional 450 square feet of warehouse space, all subject to a under a lease with a term ending May 31, 2014, with an annual base rent of $42,000. Janel's Georgia location occupies approximately 3,000 square feet of office and warehouse space, under a lease which expires on August 31, 2012 with an annual rent of $32,304. Janel's Los Angeles office occupies approximately 3,000 square feet of office under a lease which expires on June 30, 2016, with an annual rent of $83,100 through May 31, 2012, and increases every eighteen (18) months based upon the CPI with a limit of up to 4.5% per year. Janel's Hillside New Jersey location operates in two separate locations. The first location occupies approximately 7,000 square feet of office space adjoined by 200,000 square feet of warehouse space with a term ending August 31, 2021, with an annual base rent of $725,004 through August 31, 2016 and the second location occupies approximately 1,000 square feet of office space adjoined by 47,000 square feet of warehouse space with a term ending May 31, 2016, with an annual base rent of $174,233 through May 31, 2012. Certain of the leases also provide for annual increases based upon increases in taxes or service charges.

ITEM 3. LEGAL PROCEEDINGS

On August 22, 2011, Janel's former chief financial officer filed a civil suit in the United States District Court for the Eastern District of New York (Case No. CV-114041), against defendants Janel World Trade, Ltd., James N. Jannello, the Chief Executive Officer of the Company, and Stephen Cesarski, the former president of the Company. The complaint alleges among other things, discrimination and harassment. At fiscal year end, the Company established a $250,000 reserve as a contingency for this lawsuit, and subsequent to year end commenced mediation of the claims.

Janel is occasionally subject to claims and lawsuits which typically arise in the normal course of business. While the outcome of these claims cannot be predicted with certainty, management does not believe that the outcome of any of these legal matters will have a material adverse effect on the Company's financial position or results of operations.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's Common Stock is traded on the Over-The-Counter (OTC) market under the symbol JLWT.

The following table sets forth the high and low prices for the Common Stock for each full quarterly period during the fiscal years indicated. The prices reflect the high and low bid prices as available through the OTC market and represent prices between dealers and do not reflect the retailer markups, markdowns or commissions, and may not represent actual transactions. There have been no dividends declared.

Fiscal Year Ended September 30, 2011			
First Quarter	High	$	0.44
	Low	$	0.30
Second Quarter	High	$	0.44
	Low	$	0.24
Third Quarter	High	$	0.32
	Low	$	0.22
Fourth Quarter	High	$	0.30
	Low	$	0.14
Fiscal Year Ended September 30, 2010			
First Quarter	High	$	0.90
	Low	$	0.42
Second Quarter	High	$	0.85
	Low	$	0.35
Third Quarter	High	$	0.84
	Low	$	0.25
Fourth Quarter	High	$	0.75
	Low	$	0.30

On December 21, 2011, the Company had 58 holders of record and approximately 373 beneficial holders of its shares of Common Stock. The closing price of the Common Stock on that date was $0.10 per share.

ITEM 6. SELECTED FINANCIAL DATA

JANEL WORLD TRADE, LTD.
(in thousands, except per share data)

	2011	2010	2009	2008	2007
Statement of Operations Data:					
Revenue	$ 98,451	$ 88,429	$ 71,663	$ 82,261	$ 74,947
Costs and expenses	98,906	87,073	71,135	81,485	74,300
Depreciation and Amortization	338	214	302	56	99
Operating income (loss)	$ (793)	$ 1,142	$ 226	$ 720	$ 548
Loss from discontinued operations, net of tax	(80)	(215)	(517)	(774)	-
Impairment loss	-	-	(1,066)	(1,813)	-
Net income (loss)	$ (658)	$ 383	$ (1,241)	$ 1,645	$ 323
Net income (loss) per common share	$ (0.03)	$ 0.02	$ (0.07)	$ (0.10)	$ 0.02
Net income (loss) per common share from discontinued operations	$ (0.00)	$ (0.01)	$ (0.03)	$ (0.05)	-
Balance Sheet Data:					
Total assets	$ 12,393	$ 11,342	$ 10,025	$ 13,471	$ 8,584
Working capital	715	1,832	2,491	2,651	4,285
Current liabilities	6,665	6,613	4,308	6,411	4,032
Long-term liabilities	1,204	92	1,585	2,189	81
Shareholders' equity	$ 4,524	$ 4,637	$ 4,132	$ 4,871	$ 4,471

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

The statements contained in all parts of this document that are not historical facts are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this document, the words "anticipate," "estimate," "expect," "may," "plans," "project," and similar expressions are intended to be among the statements that identify forward-looking statements. Janel's results may differ significantly from the results discussed in the forward-looking statements. Such statements involve risks and uncertainties, including, but not limited to, those relating to costs, delays and difficulties related to the Company's dependence on its ability to attract and retain skilled managers and other personnel; the intense competition within the freight industry; the uncertainty of the Company's ability to manage and continue its growth and implement its business strategy; the Company's dependence on the availability of cargo space to serve its customers; effects of regulation; its vulnerability to general economic conditions and dependence on its principal customers; accuracy of accounting and other estimates; risk of international operations; risks relating to acquisitions; the Company's future financial and operating results, cash needs and demand for its services; and the Company's ability to maintain and comply with permits and licenses; as well as other risk factors described in this Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those projected.

INTRODUCTION

The following discussion and analysis addresses the results of operations for the fiscal year ended September 30, 2011, as compared to the results of operations for the fiscal year ended September 30, 2010 and the fiscal year ended September 30, 2010, as compared to the results of operations for the fiscal year ended September 30, 2009. The discussion and analysis then addresses the liquidity and financial condition of the Company, and other matters.

RESULTS OF OPERATIONS

Janel operates its business as two reportable segments. The first segment is comprised of full-service cargo transportation logistics management, including freight forwarding via air, ocean and land-based carriers, customs brokerage services, warehousing and distribution services, and other value-added logistics services. The second segment is comprised of vertical sales primarily in the food industry and includes; supplier selection, manufacturing, transportation, import, distribution, marketing and sales within the food industry; the purchase of products from suppliers that are held in inventory for the sale of the products at a future date; and, when selling to supermarket chains, the Company is required to prepay fees (commonly referred to as slotting fees) for positioning of retail store shelf space. During the 2011 fiscal year, we discontinued our computer software sales, support and maintenance business segment.

Years ended September 30, 2011 and 2010

Revenue. Total revenue for fiscal 2011 was $98,451,107, as compared to $88,428,775 for the same period of fiscal 2010, an increase of $10,022,332 or 11.3%. For fiscal 2011, revenue from the new food industry segment which began in April 2011 was $54,490. When compared to the prior year, the Company's transportation logistics segment revenue increased by 11.3% to $98,396,617 for fiscal 2011 from $88,428,775 for fiscal 2010. This increase is mainly the result of the relative strengthening of the U.S. economy year-over-year, the consequent increase in ocean fright and airfreight shipping activity by existing customers between the two periods, and by increased revenue in the amount of $4,273,139 from the FIL asset purchase acquisition when compared to the prior year which only included the 2008 FIL acquisition. Net revenue (revenue minus forwarding expenses) for the transportation and logistics segment in fiscal 2011 was $9,542,362, an increase of $685,840 (7.7%) as compared to net revenue of $8,856,522 for fiscal 2010.

Forwarding Expense. Forwarding expense is primarily comprised of the fees paid by Janel directly to cargo carriers to handle and transport its actual freight shipments on behalf of its customers between initial and final terminal points. Forwarding expense also includes any duties, trucking and warehousing charges related to the shipments. For fiscal 2011, forwarding expense increased by $9,336,492, or 11.7%, to $88,908,745 as compared to $79,572,253 for fiscal 2010, primarily because of the higher 2011 revenue. Included in this increase is an increase in forwarding expenses in the amount of $2,557,802 from the 2010 FIL asset purchase acquisition when compared to the prior year which only included the 2008 FIL acquisition. Forwarding expense as a percentage of revenue increased to 90.3% for fiscal 2011, from 90.0% for fiscal 2010, a 0.3 percentage point increase. This percentage increase is principally the result of a greater amount of revenue generated from our two largest customers where the forwarding expenses as a percentage of revenue are historically higher than the forwarding expenses as a percentage of revenue from other customers.

Selling, General and Administrative Expense. For fiscal 2011 and 2010, selling, general and administrative expenses were $9,997,409 (10.2% of revenue), and $7,501,256 (8.5% of revenue), respectively. This represents a year-over-year increase of $2,496,153, or 33.3%. The increases in amount and as a percentage of revenue are primarily the result of (i) increased selling, general and administrative expenses associated with the FIL asset purchase acquisition of approximately $2,131,787 (including $18,411 for one-time legal and professional transaction related costs) when compared to the prior year which only included the 2008 FIL acquisition, (ii) the selling, general and administrative expenses associated with the start up of the food industry segment of approximately $366,591, and (iii) the elimination in fiscal 2011 of some of the payroll cutbacks made in the prior year resulting from the Company's austerity program, during which personnel positions were eliminated and workweek reductions were implemented.

Depreciation and Amortization. For fiscal 2011 and 2010, depreciation and amortization expenses were $338,135 and $213,579, respectively. This represents a year over year increase of $124,556, or 58.3%. The increases in amount and as a percentage of revenue are primarily a result of new amortization expenses associated with the FIL asset purchase acquisition totaling $122,000. Refer to Note 6 to the Consolidated Financial Statements.

Interest Expense. For fiscal 2011 and 2010, interest expense was $137,015 and $101,415, respectively. This $35,600 increase is primarily the result of imputed interest amortization expense of $53,333 associated with the FIL asset purchase acquisition (refer to Note 2(C) to the Consolidated Financial Statements). Offsetting this increase are lower interest costs primarily the result of lower borrowings during fiscal 2011 versus fiscal 2010.

(Loss) Income Before Taxes and Discontinued Operations. For the reasons stated above, the Company incurred a loss before taxes and discontinued operations of ($926,108) for fiscal 2011, as compared to income before taxes and discontinued operations of $1,045,231 for fiscal 2010.

Income Taxes. The company recorded a net income tax benefit of ($348,000) for fiscal 2011 compared to an income tax provision of $446,954 for fiscal 2010. Both fiscal periods reflect the U.S. federal statutory rate and applicable state income taxes.

Net (Loss) Income. For fiscal 2011, there was a net loss of ($657,697) compared to net income of $382,895 for fiscal 2010. Net loss available to common shareholders for fiscal 2011 was ($672,697), or ($0.03) per diluted share, as compared to net income available to common shareholders of $382,895, or $0.02 per diluted share, for fiscal 2010.

Years ended September 30, 2010 and 2009

Revenue. Total revenue for fiscal 2010 was $88,428,775, as compared to $71,663,175 for fiscal 2009, an increase of $16,765,600 or 23.4%. This increase is mainly the result of the relative strengthening of the U.S. economy year-over-year, and the consequent increase in ocean fright and airfreight shipping activity by existing customers between the two periods. Net revenue (revenue minus forwarding expenses) in fiscal 2010 was $8,856,522, an increase of $612,090 (7.4%) as compared to net revenue of $8,244,432 in fiscal 2009.

Forwarding Expense. Forwarding expense is primarily comprised of the fees paid by Janel directly to cargo carriers to handle and transport its actual freight shipments on behalf of its customers between initial and final terminal points. Forwarding expense also includes any duties and/or trucking charges related to the shipments. For fiscal year 2010, forwarding expense increased by $16,153,510, or 25.5%, to $79,572,253 as compared to $63,418,743 for fiscal year 2009. Forwarding expense as a percentage of revenue increased to 90.0% for fiscal year 2010, from 88.5% for fiscal year 2009, a 1.5 percentage point increase. This increase is principally the result of ocean freight shipments accounting for a higher proportion of the overall shipping activity (versus airfreight) in the fiscal year 2010, as compared to the fiscal year 2009.

Selling, General and Administrative Expense. For the fiscal years ended September 30, 2010 and 2009, selling, general and administrative expenses were $7,501,256 (8.5% of revenue), and $7,716,237 (10.8% of revenue), respectively. This represents a year-over-year decrease of $214,981, or 2.8%. The year-over-year absolute dollar decrease in these expenses primarily resulted from cutbacks made as part of the Company's ongoing austerity program during which personnel positions have been eliminated, workweek reductions were implemented, and all additional overhead expenses have been tightly monitored. Primarily because of the higher revenue base, these expenses as a percentage of revenue decreased by 21.3%, to 8.5% in fiscal year ended 2010 from 10.8% in fiscal year ended 2009.

Depreciation and Amortization. For fiscal 2010 and 2009, depreciation and amortization expenses were $213,579 and $301,771, respectively. This represents a year over year decrease of $88,192, or 29.2%. The decreases in amount and as a percentage of revenue are primarily a result of changes in amortization associated with discontinued operations.

Interest Expense. For fiscal 2010 and 2009, interest expense was $101,415 and $224,706, respectively. This $123,291 decrease is primarily the result of lower borrowings during fiscal 2010 versus fiscal 2009.

Income (Loss) Before Taxes and Discontinued Operations. Income before taxes and discontinued operations in fiscal year ended 2010 improved by $2,095,172 to $1,045,231, as compared to a loss before taxes and discontinued operations of ($1,049,941) in the fiscal year ended 2009. The prior fiscal year included nonrecurring pretax charges related to the impairment of identifiable intangible assets of $1,066,240 entirely associated with the Company's acquisition of Order Logistics, Inc. in October 2007.

Income Taxes. The Company recorded an income tax provision of $446,954 for fiscal 2010 compared to a net income tax benefit of ($325,693) for fiscal 2009. Both fiscal periods reflect the U.S. federal statutory rate and applicable state income taxes.

Net Income (Loss). For fiscal 2010, Janel's net income improved by $1,624,093 to $382,895 from a loss of ($1,241,198) in fiscal 2009. Net income available to common shareholders for fiscal year ended 2010 was $367,849, or $0.02 per diluted share, up $1,624,047 as compared to a net loss available to common shareholders of $(1,256,198), or $(0.07) per diluted share, for the fiscal year ended 2009. Included in the improvement were the nonrecurring charges in 2009 relating to the amortization and impairment of the Order Logistics, Inc. acquisition.

LIQUIDITY AND CAPITAL RESOURCES

General. Our ability to satisfy our liquidity requirements, which include satisfying our debt obligations and funding working capital, day-to-day operating expenses and capital expenditures depends upon our future performance, which is subject to general economic conditions, competition and other factors, some of which are beyond our control. If we achieve significant near-term revenue growth, we may experience a need for increased working capital financing as a result of the difference between our collection cycles and the timing of our payments to vendors. In addition, the new food industry segment which began during April 2011 will require working capital for the purchase of products from suppliers to be held in inventory for the sale of the products at a future date, as well as, the prepayment of fees (commonly referred to as slotting fees) for positioning of retail store shelf space. Within our transportation logistics segment, generally we do not have a need for significant capital expenditure as we are a non-asset based freight forwarder.

Janel's cash flow performance for the 2011 fiscal year is not necessarily indicative of future cash flow performance.

As of September 30, 2011, and compared with the prior fiscal year, the Company's cash and cash equivalents declined by $850,083, or 62.6%, to $504,829 from $1,354,912, respectively. During the fiscal year ended September 30, 2011, Janel's net working capital (current assets minus current liabilities) decreased by $1,117,547, or 60.1%, from $1,832,263 at September 30, 2010, to $714,716 at September 30, 2011. This decrease is primarily due to the net loss ($657,697) for the fiscal year ended September 30, 2011, the $249,618 current portion of the related party note payable associated with the earn-out under the FIL Purchase Agreement (refer to Note 2(C) to the Company's Notes to the audited Consolidated Financial Statements contained in this Annual Report), and the $86,360 current portion of the $400,000 term loan which was entered into on April 5, 2011 with Community National Bank – for a further description see Community National Bank Term Loan, below.

Cash flows from operating activities. Net cash used in operating activities was ($138,881) for the fiscal year ended September 30, 2011, compared to $725,221 for the fiscal year ended September 30, 2010. The change was principally driven by an increase in collections of outstanding accounts receivable, which were offset by an increase in payments of outstanding accounts payable, the net loss for fiscal 2011, the purchase of inventory for the new food industry segment, an increase in prepaid expenses, a change in the deferred tax asset and the inclusion of a tax refund receivable in the prior year.

Cash flows from investing activities. Net cash used for investing activities, primarily capital expenditures for property and equipment, were $452,691 and $17,030 for the fiscal years ended September 30, 2011 and 2010, respectively. This increase is primarily the result of the construction of a 15,000 square foot walk/drive-in freezer in our New Jersey warehouse at a cost of approximately $400,000.

Cash flows from financing activities. Net cash used for financing activities was ($178,922) for the fiscal year ended September 30, 2011, compared to ($621,047) for the fiscal year ended September 30, 2010. The cash used in financing activities for the fiscal year ended September 30, 2011, consisted primarily of the early repayment on October 4, 2010 of the $435,000 non-interest bearing note payable due under the July 2008 FIL asset purchase acquisition (refer to Note 2(B) to the Company's Notes to the audited Consolidated Financial Statements contained in this Annual Report), repayments of long-term debt, and the purchase of treasury stock; which were partially offset by new borrowings of $400,000 under a term-loan entered into on April 5, 2011 with Community National Bank (for a further description see Community National Bank Term Loan, below), and unsecured borrowings of $100,000 from a non-related third party. The cash used in financing activities for fiscal year ended 2010, consisted primarily of repayments under the term and line note agreements with the Company's previous secured commercial lender.

Community National Bank Borrowing Facility. On August 3, 2010, the Company's Janel Group of New York, Inc. ("Janel New York") subsidiary entered into a one year $3.5 million revolving line of credit agreement with Community National Bank ("CNB"). The new credit facility (the "CNB Facility") replaces Janel New York's previous term loan agreement with JPMorgan Chase Bank. The interest rate of the CNB Facility was the prime rate plus 1%, with a minimum rate of 5%. Under the CNB Facility, Janel New York may borrow up to $3.5 million limited to 80% of the Company's aggregate outstanding eligible accounts receivable. On August 3, 2010, $951,190 of the CNB Facility was used to pay off the outstanding balances under the term loan with JPMorgan Chase Bank. While the CNB Facility was initially for a one year term expiring on July 31, 2011, on August 1, 2011 the CNB Facility was renewed for an additional one year term. Obligations under the CNB Facility are secured by all of the assets of the Company, are guaranteed by the Company, and were originally guaranteed by James N. Jannello, the Company's Chief Executive Officer. Effective November 1, 2011, the terms of the CNB Facility were amended to release James N. Jannello from his personal guarantee of the Company's obligations to CNB, to increase the minimum interest rate from 5.0% per annum to 7.0% per annum, and an unused line fee equal to one-half of one percent per annum was instituted. All other terms of the CNB Facility remained unchanged. As of September 30, 2011, there were outstanding borrowings of $951,335 under the CNB Facility (which represented 49.6% of the amount available thereunder) out of a total amount available for borrowing under the CNB Facility of approximately $1,918,006.

Community National Bank Term Loan. On April 5, 2011 Janel New York entered into a term loan in the amount of $400,000 with CNB ("CNB Term Loan"). The interest rate of the CNB Term Loan is 6%. The CNB Term Loan is for a five year term, expiring April 5, 2016, with monthly installment payments of principal and interest totaling $7,735. Obligations under the CNB Term Loan are secured by all of the assets of the Company, and are guaranteed by the Company and until November 2, 2011 (see above) by James N. Jannello, the Company's Chief Executive Officer. The borrowings under the CNB Term Loan were used to construct a 15,000 square foot walk/drive-in freezer in our New Jersey warehouse for our traditional freight forwarding and logistics business segment.

Working Capital Requirements. The Company's cash needs are currently met by the CNB Facility and cash on hand. As of September 30, 2011, the Company had $966,671 available under its $3.5 million CNB Facility and $504,829 in cash from operations and cash on hand. We believe that our current financial resources will be sufficient to finance our operations and obligations (current and long-term liabilities) for the long and short terms. However, our actual working capital needs for the long and short terms will depend upon numerous factors, including our operating results, the cost associated with growing the Company either internally or through acquisition, the amount of inventory levels required within the new food industry segment to have a seamless supply chain necessary to re-stock the product being sold to new customers, the level of cost associated with the prepayment of fees (commonly referred to as slotting fees) for positioning of retail store shelf space within the new food industry segment, competition, and the availability of a revolving credit facility, none of which can be predicted with certainty.

CURRENT OUTLOOK

Janel's results of operations are affected by the general economic cycle, particularly as it influences global trade levels and specifically the import and export activities of Janel's various current and prospective customers. Historically, the Company's quarterly results of operations have been subject to seasonal trends which have been the result of, or influenced by, numerous factors including climate, national holidays, consumer demand, economic conditions, the growth and diversification of its international network and service offerings, and other similar and subtle forces. The Company cannot accurately forecast many of these factors nor can the Company estimate accurately the relative influence of any particular factor and, as a result, there can be no assurance that historical patterns, if any, will continue in future periods.

Janel is progressing with the implementation of its business plan and strategy to grow its revenue and profitability for fiscal 2012 and beyond through other avenues. The Company's strategy for growth includes plans to: open, as warranted, additional branch offices domestically and/or outside the continental United States; introduce additional revenue streams for its existing headquarters and branch locations; accelerate the revenue growth within the new food industry segment; proceed with negotiations and due diligence with privately held transportation-related firms which may ultimately lead to their acquisition by the Company; expand its existing sales force by hiring additional commission-only sales representatives with established customer bases; increase its focus on growing revenue related to export activities; evaluate direct entry into the trucking and warehouse distribution business as a complement to the services already provided to existing customers; and continue its focus on containing current and prospective overhead and operating expenses, particularly with regard to the efficient integration of any additional offices or acquisitions.

Certain elements of the Company’s growth strategy, principally proposals for acquisition and accelerating the revenue growth within the new food industry segment, are contingent upon the availability of adequate financing on terms acceptable to the Company. The Company is continuing in its efforts to secure long-term financing, but has to date been unable to complete any such long-term financing transactions at terms it deems acceptable, and cannot presently anticipate when or if financing on acceptable terms will become available. Therefore, the implementation of significant aspects of the Company’s strategic growth plan may be deferred beyond the originally anticipated timing.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Contractual Obligations and Commitments. The following table presents, as of September 30, 2011, our significant fixed and determinable contractual obligations to third parties by payment date. Further discussion of the nature of each obligation is included in Notes 10 and 15 to the consolidated financial statements.

	Payments Due by Fiscal Year (in thousands)					
	2012	2013	2014	2015	2016 and thereafter	Total
Amounts reflected in Balance Sheet:						
Long term debt (1)	$ 336	$ 490	$ 495	$ 94	$ 46	$ 1,461
Other amounts not reflected in Balance Sheet:						
Operating leases (2)	1,262	1,088	1,031	969	4,923	$ 9,273
Total	$ 1,598	$ 1,578	$ 1,526	$ 1,063	$ 4,969	$ 10,734

(1) Represents principal payments only.
(2) Operating leases represent future minimum lease payments under non-cancelable operating leases (primarily the rental of premises) at September 30, 2011. In accordance with accounting principles generally accepted in the United States, our operating leases are not recorded in our balance sheet.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management’s Discussion and Analysis of Financial Condition and Results of Operations discusses the Company’s consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Since future events and their effects cannot be determined with absolute certainty, the determination of estimates requires the exercise of judgment. Actual results could differ from those estimates, and such difference may be material to the financial statements. The most significant accounting estimates inherent in the preparation of our financial statements include estimates as to the appropriate carrying value of certain assets and liabilities which are not readily apparent from other sources, primarily allowance for doubtful accounts, accruals for transportation and other direct costs, accruals for cargo insurance, and deferred income taxes. Management bases its estimates on historical experience and on various assumptions which are believed to be reasonable under the circumstances. We reevaluate these significant factors as facts and circumstances change. Historically, actual results have not differed significantly from our estimates. These accounting policies are more fully described in Note 1 of the Notes to the Consolidated Financial Statements.

Management believes that the nature of the Company’s business is such that there are few, if any, complex challenges in accounting for operations. Revenue recognition is considered the critical accounting policy due to the complexity of arranging and managing global logistics and supply-chain management transactions.

Revenue Recognition

A. Full-Service Cargo Transportation Logistics Management

Revenues are derived from airfreight, ocean freight and custom brokerage services. The Company is a non-asset-based carrier and accordingly does not own transportation assets. The Company generates the major portion of its air and ocean freight revenues by purchasing transportation services from direct carriers (airlines, steam ship lines, etc.) and reselling those services to its customers. By consolidating shipments from multiple customers and availing itself of its buying power, the Company is able to negotiate favorable rates from the direct carriers, while offering to its customers lower rates than the customers could obtain themselves.

Airfreight revenues include the charges for carrying the shipments when the Company acts as a freight consolidator. Ocean freight revenues include the charges for carrying the shipments when the Company acts as a Non-Vessel Operating Common Carrier (NVOCC). In each case, the Company is acting as an indirect carrier. When acting as an indirect carrier, the Company will issue a House Airway Bill (HAWB) or a House Ocean Bill of Lading (HOBL) to customers as the contract of carriage. In turn, when the freight is physically tendered to a direct carrier, the Company receives a contract of carriage known as a Master Airway Bill for airfreight shipments and a Master Ocean Bill of Lading for ocean shipments. At this point the risk of loss passes to the carrier, however, in order to claim for any such loss, the customer is first obligated to pay the freight charges.

Based upon the terms in the contract of carriage, revenues related to shipments where the Company issues a HAWB or a HOBL are recognized at the time the freight is tendered to the direct carrier. Costs related to the shipments are recognized at the same time.

Revenues realized when the Company acts as an agent for the shipper and does not issue a HAWB or a HOBL include only the commission and fees earned for the services performed. These revenues are recognized upon completion of the services.

Customs brokerage and other services involves provide multiple services at destination including clearing shipments through customs by preparing required documentation, calculating and providing for payment of duties and other charges on behalf of the customers, arranging for any required inspections, and arranging for final delivery. These revenues are recognized upon completion of the services.

The movement of freight may require multiple services. In most instances the Company may perform multiple services including destination break bulk and value added services such as local transportation, distribution services and logistics management. Each of these services has separate fee that is recognized as revenue upon completion of the service.

Customers will frequently request an all-inclusive rate for a set of services that is known in the industry as “door-to-door services.” In these cases, the customer is billed a single rate for all services from pickup at origin to delivery. The allocation of revenue and expense among the components of services when provided under an all inclusive rate are done in an objective manner on a fair value basis in accordance with Emerging Issues Task Force (EITF) 00-21, “Revenue Arrangements with Multiple Deliverables.”

B. Food Sales

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery of products has occurred, the sales price is fixed or determinable, and collectability is reasonably assured. This generally means that we recognize revenue when title to our products is transferred to our customers. Title usually transfers upon shipment to or receipt at our customer’s locations, as determined by the specific sales terms of each transaction.

When selling to supermarket chains, the Company is required to prepay fees (commonly referred to as slotting fees) for positioning of retail store shelf space. These fees are charged as a reduction to revenue when paid.

Our customers can earn certain incentives, which are included as deductions from revenue in the consolidated statements of operations. To date, these incentives include, but are not limited to, cash discounts for early payment of our invoices.

Estimates

While judgments and estimates are a necessary component of any system of accounting, the Company's use of estimates is limited primarily to the following areas that in the aggregate are not a major component of the Company's consolidated statements of income:

a. accounts receivable valuation;
b. the useful lives of long-term assets;
c. the accrual of costs related to ancillary services the Company provides; and
c. accrual of tax expense on an interim basis.

Management believes that the methods utilized in all of these areas are non-aggressive in approach and consistent in application. Management believes that there are limited, if any, alternative accounting principles or methods which could be applied to the Company's transactions. While the use of estimates means that actual future results may be different from those contemplated by the estimates, the Company believes that alternative principles and methods used for making such estimates would not produce materially different results than those reported.

RECENT ACCOUNTING PRONOUNCEMENTS

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standard setting bodies that may have an impact on the Company's accounting and reporting. The Company believes that such recently issued accounting pronouncements and other authoritative guidance for which the effective date is in the future either will not have an impact on its accounting or reporting or that such impact will not be material to its financial position, results of operations, and cash flows when implemented.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by this Item 8 are included in our Consolidated Financial Statements and set forth in the pages indicated in Item 15(a) of this Annual Report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be disclosed by us in the reports that we file or submit under the Securities and Exchange Act of 1934, as amended ("Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and is accumulated and communicated to management in a timely manner. Our Chief Executive Officer, Chief Operating Officer and Chief Financial Officer have evaluated this system of disclosure controls and procedures as of the end of the period covered by this annual report, and have concluded that the system is effective.

Management's Annual Report on Internal Control over Financial Reporting

Our management, including our Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, 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) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles (GAAP). Internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with US GAAP, and that the Company's receipts and expenditures are being made only in accordance with authorizations of management and directors of the Company; and (iii) 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. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Our Chief Executive Officer, Chief Operating Officer and Chief Financial Officer conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of September 30, 2011.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the fourth quarter of fiscal 2011that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers

The executive officers and directors of the Registrant are as follows:

Name	Age	Position
James N. Jannello	67	Executive Vice President, Chief Executive Officer and Director
William J. Lally	58	President, Chief Operating Officer and Director
Nicholas V. Ferrara	54	Director
Noel J. Jannello	40	Director and Vice President
Vincent Iacopella	44	Director
Ruth Werra	70	Secretary
Philip J. Dubato	55	Executive Vice President of Finance and Chief Financial and Accounting Officer

James N. Jannello is the Executive Vice President and a director, and has been the Chief Executive Officer of Janel since it was founded in 1974. Mr. Jannello's principal function is the overseeing of all of the Company's operations, management of the import side of the business and the setting of billing rates and charges, and the maintenance of relationships with overseas agents worldwide. Mr. Jannello is a licensed Customs House Broker and the father of Noel J. Jannello.

Mr. Jannello is well qualified to serve as a member of the Company's Board based on his extensive experience in the freight forwarding business and his management position with the Company since its founding.

William J. Lally has been the President of Janel since May 2009. Mr. Lally is the Chief Operating Officer and is principally engaged in sales and marketing and also manages the export side of the Company's business. Mr. Lally has been employed by Janel since 1975, first in New York and later in Chicago, Illinois. Since 1979, Mr. Lally has served as the President of the Janel Group of Illinois, Inc. Mr. Lally became a director of the Company in July 2002.

Mr. Lally is well qualified to serve as a member of the Company's Board based on his extensive experience in the freight forwarding business and his management positions within the Company since 1975.

Nicholas V. Ferrara became a director and employee of the Company on October 4, 2010 in conjunction with the Company's acquisition of the assets of Ferrara International Logistics, Inc. on the same date (Refer to Note 20 to the Consolidated Financial Statements. Mr. Ferrara's principal function is the management and oversight of the Company's New Jersey operations and sales initiatives. Prior to joining Janel, Mr. Ferrara was the President, CEO and sole stockholder of Ferrara International Logistics, Inc. since 1994.

Mr. Ferrara is well qualified to serve as a member of the Company's Board based on his extensive experience in the freight forwarding business.

Noel J. Jannello has been employed by Janel since 1995, and has been a Vice President and operations executive since 2003. His principal function is the overseeing of the Company's U.S. operations. Mr. Jannello is a graduate of Bradley University (B.A., Advertising & Marketing, 1993), and is the son of James N. Jannello.

Mr. Jannello is well qualified to serve as a member of the Company's Board based on his extensive experience in the freight forwarding business.

Vincent Iacopella has been the Managing Director of The Janel Group of Los Angeles since 2004, and was the driving force in reorganizing the Los Angeles office into profitable operation. Prior to joining Janel, Mr. Iacopella was the Managing Director and President of the California subsidiary of Delmar Logistics, Inc. Mr. Iacopella is a member of the board of directors of Los Angeles Customs Brokers Freight Forwarders Association, and is the Secretary of The Pacific Coast Council of Customs Brokers and Freight Forwarders Associations, Inc. Mr. Iacopella attended New York University, and is a licensed customs broker.

Mr. Iacopella is well qualified to serve as a member of the Company's Board based on his extensive experience in the freight forwarding business and leadership positions within the industry.

Ruth Werra has been the Secretary of Janel since 1994 and has been employed by the Company since 1975. She is the office manager of the New York executive office and oversees the maintenance of Janel's corporate records. Mrs. Werra also oversees the entry and clearance of all personal effects shipments handled by the New York office.

Philip J. Dubato has been the Executive Vice President of Finance since May 2010. Mr. Dubato is the Chief Financial and Accounting Officer and oversees all accounting operations for the Company. From 1997 through 2007, Mr. Dubato was Vice President and Chief Financial Officer, Secretary and Treasurer, and from 1998 through 2007 a director of Target Logistics, Inc., a domestic and international freight forwarder publicly traded on the American Stock Exchange. From 2007 through May 2010, Mr. Dubato was a consultant in the freight forwarding industry and a private investor.

Directors hold office until the next annual meeting of shareholders and thereafter until their successors have been duly elected and qualified. The executive officers are elected by the Board of Directors on an annual basis and serve under the direction of the board. Executive officers devote all of their business time to the Company's affairs.

Janel's Board of Directors does not yet include any "independent" directors, and the Company does not have any standing Audit, Compensation or Nominating Committees.

Board of Directors

Board of Directors. During the fiscal year ended September 30, 2011, the Board of Directors met one time. No incumbent director attended fewer than 75% of the total number of meetings of the Board of Directors of the Company held during the year.

Our Board of Directors has not established any committees. There is no Audit Committee, Compensation Committee, or Nominating Committee, or any committee performing similar functions, and no charters have been adopted with respect to these functions. The functions which would have been assigned to those committees are undertaken by the entire board as a whole.

Audit Function. In its audit function, the Board oversees the Company's accounting, financial reporting and internal control functions and the audit of the Company's financial statements. The audit responsibilities include, among others, direct responsibility for hiring, firing, overseeing the work of and determining the compensation for the Company's independent auditors. The Board does not include an "audit committee financial expert" (as defined in applicable Securities and Exchange Commission (SEC) rules), because the Board believes that the benefits provided by the addition to the Board of an individual who meets the SEC criteria at this time do not justify the cost of retaining such an individual.

Nominating Function. The Company's full Board of Directors acts as a nominating committee for the annual selection of its nominees for election as directors. The Board of Directors held one meeting during the past fiscal year in order to make nominations for directors. The Board believes that the interests of the Company's stockholders are served by relegating the nominations process to the full Board. While the Board of Directors will consider nominees recommended by stockholders, it has not actively solicited recommendations from the Company's stockholders for nominees, nor established any procedures for this purpose. In considering prospective nominees, the Board of Directors will consider the prospect's relevant financial and business experience, familiarity with and participation in the Company's industry and market area, the integrity and dedication of the prospect and other factors the Board deems relevant. The Board of Directors will apply the same criteria to nominees recommended by stockholders as those recommended by the full Board.

Compensation Function. The Company's full Board of Directors acts as a compensation committee for Company. The Board believes that, due to the size of the Company and its management team, the interests of the Company's stockholders are served by relegating the compensation process to the full Board.

The primary objective of our compensation and benefits program is to attract, motivate and retain our quality executive talent, and support our business goals within the limits arising out of the Company's revenue and profitability. Our executive compensation structure is comprised of limited a small group of only six executives, and the amount of their compensation is principally based on the available funds and the achievement of our goals for growth and profitability.

Our compensation approach is necessarily tied to our stage of development as a company. Historically, our Company is one of the smaller freight logistics businesses whose securities are traded in the public market, with the result that our compensation program is limited to cash compensation depending upon the funds available, and is lower than the level of compensation of the public companies in our business group. Our Board of Directors reviews and approves executive compensation, bonus, and benefits policies on a case-by-case basis, often based on the recommendation of our Chief Executive Officer's subjective assessment of the funding reasonably available for executive compensation.

Director Compensation

Our directors are reimbursed for their reasonable expenses as members of the Board of Directors, but they do not receive any compensation for serving as such.

Code of Ethics

Due to its small size, the Company has not yet adopted a code of ethics.

Communications with the Board

Any shareholder desiring to contact the Board, or any specific director(s), may send written communications to: Board of Directors (Attention: (Name(s) of director(s), as applicable)), c/o the Company's Secretary, 150-14 132nd Avenue, Jamaica, New York 11434. Any proper communication so received will be processed by the Secretary. If it is unclear from the communication received whether it was intended or appropriate for the Board, the Secretary will (subject to any applicable regulatory requirements) use his judgment to determine whether such communication should be conveyed to the Board or, as appropriate, to the member(s) of the Board named in the communication.

Leadership Structure and Risk Oversight

While the Board believes that there are various structures which can provide successful leadership to the Company, the Company's executive functions are shared by the Company's Chief executive Officer and President/Chief Operating Officer. Both individuals serve on the Company's Board of Directors and they, together with the other directors bring experience, oversight and expertise to the management of the Company. The Board believes that, due to the small size of the Company, this leadership structure best serves the Company and its stockholders.

Management is responsible for the day-to-day management of risks the Company faces, while the Board, as a whole has responsibility for the oversight of risk management. In its risk oversight role, the Board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. To do this, management discusses with the Board members strategy and the risks facing the Company.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Securities Exchange Act, as amended, requires that the Company's directors and executive officers and each person who owns more than 10% of the Company's Common Stock, file with the Securities and Exchange Commission in a timely manner an initial report of beneficial ownership and subsequent reports of changes in beneficial ownership of the Shares. During the month of October 2010, an initial report of beneficial ownership was filed for the first time by our directors and executive officers (James N. Jannello, William J. Lally, Nicholas V. Ferrara, Noel J. Jannello, Vincent Iacopella, Ruth Werra and Philip J. Dubato) and by Stephen P. Cesarski an owner of more than 10% of the Company's Shares, Mr. Cesarski filed one report for changes in beneficial ownership reporting two sales, and and Mr. Ferrara filed one report for changes in beneficial ownership reporting one purchase. In January 2012, Mr. Cesarski filed one report reflecting 19 sales. To the Company's knowledge, all reports are now up to date although they were not filed on a timely basis.

Audit Committee Report

The Board of Directors in its audit function has reviewed and discussed with management the annual audited financial statements of the Company and its subsidiaries.

The Board of Directors in its audit function has discussed with Paritz & Company, P.A., the independent auditors for the Company for the fiscal year ended September 30, 2011, the matters required to be discussed by Statement on Auditing Standards 61, as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T. The Board has received the written disclosures and the letter from the independent auditors required by Rule 3526, Communication with Audit Committees Concerning Independence, as adopted by the Public Company Accounting Oversight Board and has discussed with the independent auditors the independent auditors' independence.

Based on the foregoing review and discussions, the Board of Directors approved the inclusion of the audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 for filing with the Securities and Exchange Commission.

THE BOARD OF DIRECTORS

James N. Jannello   William J. Lally
Nicholas V. Ferrara   Noel J. Jannello
Vincent Iacopella

ITEM 11. EXECUTIVE COMPENSATION

Introduction

The individuals who served as the Company's principal executive officers during the fiscal year ended September 30, 2011, two individuals (other than principal executive officers) who were the Company's most highly compensated executive officers as of September 30, 2011, and up to two additional individuals who were the Company's most highly compensated employees whose total compensation during the fiscal year exceeded $100,000 (listed in the Summary Compensation Table below), are referred to in the following discussion as the "named executive officers". The following executive compensation tables and related narrative describe the compensation awarded to, earned by or paid to the named executive officers for services provided to the Company during the fiscal years ended September 30, 2011 and 2010.

Employment Agreements

We have not entered into any written employment agreements with our officers and directors. We do not contemplate entering into any employment agreements until such time as the Board of Directors concludes that such agreements would be appropriate under the circumstances.

Long-Term Incentive Plan Awards

We do not have any long-term incentive plans that provide compensation intended to serve as incentive for performance.

The Company has a 401K Plan covering eligible employees. The Plan is voluntary with respect to participation and is subject to the provisions of ERISA. The plan provides that the Company contributes an amount equal to 25% of the participant's first 5% of contributions. The Company's contributions to the plan on behalf of named executive officers are included in the "All Other Compensation" column in the "Summary Compensation Table" below.

Summary Compensation Table

The following table sets forth information regarding the total compensation paid or earned by the named executive officers as compensation for their services in all capacities during the fiscal years ended September 30, 2011 and 2010.

Name and Principal Position (a)	Year (b)	Base Salary $ (c)	Bonus $ (d)	Stock Awards $ (e)	Option Awards $ (f)	All Other Compensation $ (i)	Total $ (j)
James N. Jannello,	2011	173,917	0	0	0	56,679(1)	230,596
EVP and CEO	2010	170,404	0	0	0	53,288(1)	223,693
Philip J. Dubato,	2011	175,000	0	0	0	18,000(2)	193,000
EVP of Finance and CFO	2010	66,298	0	0	0	6,871(2)	73,169
William J. Lally	2011	100,560	0	0	0	38,784(3)	139,344
President	2010	90,537	0	0	0	15,229(3)	105,766
Noel J. Jannello	2011	175,385	0	0	0	38,468(4)	213,853
Vice President	2010	173,385	0	0	0	29,350(4)	202,735
Vincent Iacopella	2011	125,178	25,811	0	0	16,961(5)	167,950
Manager, Los Angeles Office	2010	114,038	0	0	0	12,393(5)	126,430
Nicholas V. Ferrara	2011	181,417	0	0	0	0	181,417
Manager, New Jersey Office	2010	0	0	0	0	0	0

(1) Includes $15,995 and $15,995 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2011 and 2010, respectively, $38,726 and $35,335 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2011 and 2010, respectively, and $1,958 and $1,958 of 401K paid on behalf of such individual for each of the fiscal years ended 2010 and 2009, respectively.

(2) Includes $12,000 and $4,581 of medical insurance premiums reimbursed on behalf of such individual for each of the fiscal years ended 2011 and 2010, respectively, and $6,000 and $2,290 for an automobile allowance for each of the fiscal years ended 2010 and 2009, respectively.

(3) Includes $21,788 and $15,229 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual for each of the fiscal years ended 2010 and 2009, respectively, and $16,996 of medical insurance premiums paid on behalf of such individual for fiscal year ended 2011.

(4) Includes $15,076 and $6,600 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2011 and 2010, respectively, $22,118 and $21,476 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2011 and 2010, respectively, and $1,274 and $1,274, of 401K paid on behalf of such individual for the fiscal year ended 2011 and 2010, respectively.

(5) Includes $3,993 and $849 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2011 and 2010, respectively, $12,968 and $11,543 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2010 and 2009, respectively.

Savings and Stock Option Plans

401(k) and Profit-Sharing Plan.

The Company maintains an Internal Revenue Code Section 401(k) salary deferral savings and profit-sharing plan (the “ 401K Plan”) for all of its eligible employees who have been employed for at least one year and are at least 21 years old. Subject to certain limitations, the 401K Plan allows participants to voluntarily contribute up to 15% of their pay on a pre-tax basis. Under the 401K Plan, the Company may make matching contributions on behalf of the pre-tax contributions made up to a maximum of 25% of the participant’s first 5% of compensation contributed as Elective Deferrals in the year. All participants are fully vested in their accounts in the 401K Plan with respect to their salary deferral contributions, and are vested in company matching contributions at the rate of 20% after two years of service, 40% after three years of service, 60% after four years of service, 80% after five years of service, with 100% vesting after six years of service.

Stock Option Plan.

On December 12, 2002, Janel's Board of Directors and majority of its shareholders approved and adopted the Janel World Trade, Ltd. Stock Option Incentive Plan (the "Option Plan") providing for options to purchase up to 1,600,000 shares of Common Stock for issuance to valued employees and consultants of the Company as an incentive for superior performance.

To date, 23,750 options have been granted under the Option Plan. The Option Plan is administered by the Board of Directors, which is authorized to grant incentive stock options and non qualified stock options to selected employees and consultants of the Company and to determine the participants, the number of options to be granted and other terms and provisions of each option.

The exercise price of any incentive stock option or nonqualified option granted under the Option Plan may not be less than 100% of the fair market value of the shares of Common Stock of the Company at the time of the grant. In the case of incentive stock options granted to holders of more than 10% of the voting power of the Company, the exercise price may not be less than 110% of the fair market value.

Under the terms of the Option Plan, the aggregate fair market value (determined at the time of grant) of shares issuable to any one recipient upon exercise of incentive stock options exercisable for the first time during any one calendar year may not exceed $100,000. Options granted under the Option Plan may be exercisable in either one, two or three equal annual installments at the discretion of the Board of Directors, but in no event may a stock option be exercisable prior to the expiration of six months from the date of grant, unless the grantee dies or becomes disabled prior thereto. Stock options granted under the Option Plan have a maximum term of 10 years from the date of grant, except that with respect to incentive stock options granted to an employee who, at the time of the grant, is a holder of more than 10% of the voting power of the Company, the stock option shall expire not more than five years from the date of the grant. The option price must be paid in full on the date of exercise and is payable in cash or in shares of Common Stock having a fair market value on the date the option is exercised equal to the option price, as determined by the Board of Directors.

If a grantee's employment by, or provision of services to, the Company shall be terminated, the Board of Directors may, in its discretion, permit the exercise of stock options for a period not to exceed one year following such termination of employment with respect to incentive stock options and for a period not to extend beyond the expiration date with respect to non qualified options, except that no incentive stock option may be exercised after three months following the grantee's termination of employment, unless due to death or permanent disability, in which case the option may be exercised for a period of up to one year following such termination.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following tables set forth information concerning beneficial ownership of shares of Common Stock outstanding as of September 30, 2011. For purposes of calculating beneficial ownership, Rule 13d-3 of the Securities Exchange Act requires inclusion of shares of Common Stock that may be acquired within sixty days of the stated date. Unless otherwise indicated in the footnotes to a table, beneficial ownership of shares represents sole voting and investment power with respect to those shares.

Certain Beneficial Owners

The following table reflects the names and addresses of the only persons known to the Company to be the beneficial owners of 5% or more of the Shares outstanding as September 30, 2011.

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percent of Class
James N. Jannello 150-14 132nd Avenue Jamaica, NY 11434	5,500,000(1)	26.06%
Stephen P. Cesarski 150-14 132nd Avenue Jamaica, NY 11434	5,205,600(1)	24.67%
Nicholas V. Ferrara 1319 North Broad Street Hillside, NJ 07205	2,234,947(1)	10.59%

(1) All of these shares are owned of record.

Management

The following table sets forth information with respect to the beneficial ownership of the shares of Common Stock as of September 30, 2011 by (i) each executive officer of the Company named in the Summary Compensation Table included elsewhere in this Annual Report, (ii) each current director and each nominee for election as a director and (iii) all directors and executive officers of the Company as a group. An asterisk (*) indicates ownership of less than 1%.

Name of Beneficial Owner	Shares Beneficially Owned	Percent of Class
James N. Jannello	5,500,000	26.06%
William J. Lally	1,000,000	4.74%
Nicholas V. Ferrara	2,234,947	10.59%
Noel J. Jannello	25,000	*
Vincent Iacopella	0	*
Ruth Werra	25,000	*
Philip J. Dubato	0	*
All directors and executive officers as a group (7 persons)	8,784,947	41.63%

Equity Compensation Plan Information

The following table provides information, as of September 30, 2011, with respect to all compensation arrangements maintained by the Company under which shares of Common Stock may be issued:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)
	(a)	(b)	(c)
Equity compensation plans approved by security holders	23,750*	$ 1.00	1,576,250*
Equity compensation plans not approved by security holders	0	0	0
Total	23,750*	$ 1.00	1,576,250*

* Shares are issuable pursuant to options granted under the Company's 2002 Option Plan.

ITEM 13. CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Janel's Board of Directors does not yet include any "independent" directors.

On October 4, 2010, the Company acquired the international freight forwarding assets of FIL, a company owned by Nicholas V. Ferrara, pursuant to the terms of the Purchase Agreement between the Company and FIL dated October 4, 2010. Mr. Ferrara became a director of the Company following the closing. The purchase price paid and to be paid under the terms of the Purchase Agreement consists of (i) cash in an amount equal to 70% of the annual actual earnings before interest, taxes, depreciation and amortization (EBITDA) achieved over the three 12-month periods following the Closing (the "Earn-Out Period") from revenues generated from the customers included in the purchased assets, and (ii) 1,714,286 restricted shares of the Company's Common Stock valued at $600,000 based on the closing market price of the stock on October 1, 2010 (the "Share Allocation"), issued pursuant to an exemption from registration set forth in Section 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder. The Share Allocation is subject to decrease if actual EBITDA from revenues generated from the customers included in the purchased assets during the Earn-Out Period is below $2 million, and will be issued in three installments on October 4, 2011, 2012 and 2013.

Furthermore, in connection with the 2008 purchase by the Company from FIL of FIL's customs brokerage business, the Company deferred payment of $435,000 of the purchase price until 2011. On October 4, 2010, the Company paid this outstanding amount in full.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The firm of Paritz & Company, P.A. (the "Auditor") has served as the Company's independent public accountants since 2002. The following is a description of the fees billed to the Company by the Auditor during the fiscal years ended September 30, 2011 and 2010:

Audit Fees

Audit fees include fees paid by the Company to the Auditor in connection with the annual audit of the Company's consolidated financial statements, and review of the Company's interim financial statements. Audit fees also include fees for services performed by the Auditor that are closely related to the audit and in many cases could only be provided by the Auditor. Such services include consents related to SEC and other regulatory filings. The aggregate fees billed to the Company by the Auditor for audit services rendered to the Company for the years ended September 30, 2011 and 2010 totaled $60,675 and $62,137, respectively.

Audit Related Fees

Audit related services include due diligence services related to accounting consultations, internal control reviews, and employee benefit plan audits. The Auditor did not bill any fees for audit related services rendered to the Company for 2011 and 2010.

Tax Fees

Tax fees include corporate tax compliance, counsel and advisory services. The aggregate fees billed to the Company by the Auditor for the tax related services rendered to the Company for the years ended September 30, 2011 and 2010 totaled $6,450 and $7,050, respectively.

All Other Fees

The aggregate fees billed to the Company by the Auditor for all other fees for the year ended September 30, 2011 and 2010 totaled $675 and $4,750, respectively. The "other fees" for 2011 were for services related to acquisitions and the start up of our new food industry segment, and for 2010 were for services related to abandoned acquisitions.

Approval of Independent Auditor Services and Fees

The Company's Chief Executive Officer and Chief Financial Officer review all fees charged by the Company's independent auditors, and actively monitor the relationship between audit and non-audit services provided. The Chief Executive Officer must pre-approve all audit and non-audit services provided by the Company's independent auditors and fees charged.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) 1. Financial Statements

(a) 2. Financial Statement Schedules

All other schedules are omitted because they are not applicable, are not required, or because the required information is included in the consolidated financial statements or notes thereto.

(a) 3. Exhibits required to be filed by Item 601 of Regulation S-K

Exhibit No.	
3.1	Articles of Incorporation of Wine Systems Design, Inc. (predecessor name) (incorporated by reference to Exhibit 3A to Wine Systems Design, Inc. (predecessor name) Registration Statement on Form SB-2 filed May 10, 2001, File No. 333-60608)
3.2	Restated and Amended By-Laws of Janel World Trade, Ltd. (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended September 30, 2010, File No. 333-60608)
3.3	Certificate of Designation of Series A Convertible Preferred Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed January 17, 2007 File No. 333-60608)
3.4	Certificate of Designations of Series B Convertible Stock (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed October 22, 2007, File No. 333-60608)
10.1	Janel Stock Option Incentive Plan adopted December 12, 2002 (incorporated by reference to Exhibit 10.1 to the Company's Annual Report on Form 10-K for the year ended September 30, 2002, File No. 333-60608)
10.2	Asset Purchase Agreement between Janel World Trade, Ltd. and Ferrara International Logistics, Inc. dated October 4, 2010 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed October 8, 2010, File No. 333-60608)
10.3	Sales Agency and Service Agreement between Janel World Trade, Ltd. and Ferrara International Logistics, Inc. entered into May 19, 2008 (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed May 22, 2008, File No. 333-60608)
10.4	Revised Promissory Note dated November, 2011, made by Registrant's subsidiary, The Janel Group of New York, Inc., payable to Community National Bank, and Revised Business Loan Agreement dated November 1, 2011 between Registrant's subsidiary, The Janel Group of New York, Inc., and Community National Bank (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed November 7, 2011, File No. 333-60608)
10.5	Commercial Guaranty dated August 2, 2010 made by Registrant with respect to the obligation of Registrant's subsidiary, The Janel Group of New York, Inc., to Community National Bank (incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K for the year ended September 30, 2010, File No. 333-60608)

10.6	Commercial Security Agreement dated August 2, 2010 made by Registrant for the benefit of Community National Bank, securing Registrant's obligations under its guaranty of the obligation of Registrant's subsidiary, The Janel Group of New York, Inc., to Community National Bank (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the year ended September 30, 2010, File No. 333-60608)
21	Subsidiaries of the Registrant*
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer*
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Operating Officer*
31.3	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer*
32.1	Section 1350 Certifications*
99.1	Press release dated January 13, 2012*
101	Interactive data files providing financial information from the Registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 2011 in XBRL (eXtensible Business Reporting Language) pursuant to Rule 405 of Regulation S-T: (i) Consolidated Balance Sheets, September 30, 2011 and September 30, 2010, (ii) Consolidated Statements of Operations for the years ended September 30, 2011, 2010 and 2009, (iii) Consolidated Statements of Shareholders' Equity for the years ended September 30, 2011, 2010, and 2009 (iv) Consolidated Statements of Cash Flows for the years ended September 30, 2011, 2010 and 2009, and (v) Notes to Consolidated Financial Statements*

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

JANEL WORLD TRADE, LTD.

Date: January 13, 2012

By: /s/ James N. Jannello
James N. Jannello
Executive Vice President and
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James N. Jannello James N. Jannello	Executive Vice President, Chief Executive Officer and Director	January 13, 2012
/s/ William J. Lally William J. Lally	President, Chief Operating Officer and Director	January 13, 2012
/s/ Philip J. Dubato Philip J. Dubato	Executive Vice President of Finance and Chief Financial and Accounting Officer	January 13, 2012
/s/ Noel J. Jannello Noel J. Jannello	Vice President and Director	January 13, 2012
/s/ Vincent Iacopella Vincent Iacopella	Director	January 13, 2012
/s/ Nicholas V. Ferrara Nicholas V. Ferrara	Director	January 13, 2012
/s/ Ruth Werra Ruth Werra	Secretary	January 13, 2012

SCHEDULE II

SCHEDULE OF VALUATION AND QUALIFYING ACCOUNTS
(in thousands)

	Balance at Beginning of Year	Charged to Costs and Expenses	Charged to Other Accounts	Deductions	Balance at End of Year
For the fiscal year ended September 30, 2009					
Allowance for doubtful accounts	$ 130	$ 192	$ -	$ (237)	$ 85
For the fiscal year ended September 30, 2010					
Allowance for doubtful accounts	$ 85	$ 271	$ -	$ (249)	$ 107
For the fiscal year ended September 30, 2011					
Allowance for doubtful accounts	$ 107	$ 221	$ -	$ (38)	$ 290

Paritz & Company, P.A.

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
WITH
REPORT OF INDEPENDENT REGISTERED ACCOUNTING FIRM

Paritz & Company, P.A.

15 Warren Street, Suite 25
Hackensack, New Jersey 07601
(201)342-7753
Fax: (201) 342-7598
E-Mail: paritz @paritz.com

Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED ACCOUNTING FIRM

Board of Directors
Janel World Trade Ltd. and Subsidiaries
Jamaica, New York

We have audited the accompanying consolidated balance sheets of Janel World Trade Ltd. and Subsidiaries as of September 30, 2011 and 2010 and the related consolidated statements of operations, changes in stockholders' equity and cash flows for each of the three years in the period ended September 30, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Janel World Trade Ltd. and Subsidiaries as of September 30, 2011 and 2010 and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2011 in conformity with accounting principles generally accepted in the United States of America.

Paritz & Company, P.A

Hackensack, New Jersey
January 9, 2012

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	SEPTEMBER 30, 2011	SEPTEMBER 30, 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents **(Note 1)**	$ 504,829	$ 1,354,912
Accounts receivable, net of allowance for doubtful accounts of $289,547 in 2011 and $106,987 in 2010	5,886,255	6,842,190
Inventories	415,934	-
Marketable securities **(Note 3)**	52,352	54,748
Loans receivable - officers **(Note 4)**	92,817	97,092
Prepaid expenses and sundry current assets	279,835	96,608
Tax refund receivable	148,000	-
TOTAL CURRENT ASSETS	**7,380,022**	**8,445,550**
Property and equipment, net (Note 5)	**459,850**	**111,478**
OTHER ASSETS:		
Intangible assets, net **(Note 6)**	3,271,649	1,714,702
Security deposits	97,299	53,688
Deferred income taxes **(Note 13)**	1,184,003	1,017,000
TOTAL OTHER ASSETS	**4,552,951**	**2,785,390**
	$ 12,392,823	**$ 11,342,418**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Note payable – bank **(Note 10)**	$ 951,335	$ 951,335
- other **(Note 9)**	100,000	-
Accounts payable – trade	4,858,344	4,516,547
Accrued expenses and taxes payable	419,649	564,386
Current portion of long-term debt - bank **(Note 10)**	86,360	581,019
- related party **(Note 10)**	249,618	-
TOTAL CURRENT LIABILITIES	**6,665,306**	**6,613,287**
OTHER LIABILITIES:		
Long-term debt - bank **(Note 10)**	298,625	13,889
- related party	826,666	-
Deferred compensation **(Note 1)**	78,568	78,568
TOTAL OTHER LIABILITIES	**1,203,859**	**92,457**
STOCKHOLDERS' EQUITY (Note 12)	**4,523,658**	**4,636,674**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 12,392,823**	**$ 11,342,418**

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	YEAR ENDED SEPTEMBER 30,		
	2011	**2010**	**2009**
REVENUES (Note 1)	**$ 98,451,107**	**$ 88,428,775**	**$ 71,663,175**
COSTS AND EXPENSES:			
Forwarding expenses	88,908,745	79,572,253	63,418,743
Selling, general and administrative	9,997,409	7,501,256	7,716,237
Depreciation and amortization	338,135	213,579	301,771
TOTAL COSTS AND EXPENSES	**99,244,289**	**87,287,088**	**71,436,751**
(LOSS) INCOME FROM OPERATIONS	**(793,182)**	**1,141,687**	**226,424**
OTHER ITEMS:			
Impairment loss **(Note 2)**	-	-	(1,066,240)
Interest and dividend income	4,089	4,959	14,581
Interest expense	(137,015)	(101,415)	(224,706)
TOTAL OTHER ITEMS	**(132,926)**	**(96,456)**	**(1,276,365)**
(LOSS) INCOME BEFORE INCOME TAXES	**(926,108)**	**1,045,231**	**(1,049,941)**
Income taxes (credit) **(Note 13)**	(348,000)	446,954	(325,693)
NET (LOSS) INCOME FROM CONTINUING OPERATIONS	**(578,108)**	**598,277**	**(724,248)**
Loss from discontinued operations, net of tax	(79,589)	(215,382)	(516,950)
NET (LOSS) INCOME	**(657,697)**	**382,895**	**(1,241,198)**
Preferred stock dividends **(Note 12)**	15,000	15,046	15,000
NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS	**$ (672,697)**	**$ 367,849**	**$ (1,256,198)**
OTHER COMPREHENSIVE INCOME NET OF TAX:			
Unrealized gain (loss) from available for sale securities	$ (2,694)	$ 2,469	$ (197)
Total comprehensive income (loss)	$ (2,694)	$ 2,469	$ (197)
Earnings (loss) per share from continuing operations:			
Basic	$ (.03)	$ .03	$ (.04)
Diluted	$ (.03)	$ .03	$ (.04)
Earnings (loss) per share from discontinued operations:			
Basic	$ (.00)	$ (.01)	$ (.03)
Diluted	$ (.00)	$ (.01)	$ (.03)
Basic weighted average number of shares outstanding	20,884,602	18,223,942	17,545,712
Fully diluted weighted average number of shares outstanding	22,726,099	20,843,733	17,945,712

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	CAPITAL STOCK		PREFERRED STOCK						
	SHARES	$	SHARES	$	TREASURY STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE GAIN (LOSS)	TOTAL
BALANCE-SEPTEMBER 30, 2008	**17,426,661**	**$ 17,427**	**1,285,000**	**$ 1,285**	**$ (2,743)**	**$ 3,438,677**	**$ 1,430,043**	**$ (13,610)**	**$ 4,871,079**
Net loss	-	-	-	-	-	-	(1,241,198)	-	(1,241,198)
Common stock issuance	586,671	587	-	-	-	508,159	-	-	508,746
Dividends to preferred shareholders	-	-	-	-	-	-	(15,000)	-	(15,000)
Options issued	-	-	-	-	-	17,249	-	-	17,249
Purchase of 12,676 shares treasury stock	-	-	-	-	(8,523)	-	-	-	(8,523)
Other comprehensive gains (losses):									
Unrealized gains (losses) on available-for-sale marketable securities	-	-	-	-	-	-	-	(197)	(197)
BALANCE-SEPTEMBER 30, 2009	**18,013,332**	**18,014**	**1,285,000**	**1,285**	**(11,266)**	**3,964,085**	**173,845**	**(13,807)**	**4,132,156**
Net income	-	-	-	-	-	-	382,895	-	382,895
Dividends to preferred shareholders	-	-	-	-	-	-	(15,046)	-	(15,046)
Other comprehensive gains (losses):									
Unrealized gains (losses) on available-for-sale marketable securities	-	-	-	-	-	-	-	2,469	2,469
Issuance of stock options as compensation	-	-	-	-	-	9,200	-	-	9,200
Settlement of litigation (Note 16)	489,750	490	(69,475)	(69)	-	124,579	-	-	125,000
BALANCE–SEPTEMBER 30, 2010	**18,503,082**	**18,504**	**1,215,525**	**1,216**	**(11,266)**	**4,097,864**	**541,694**	**(11,338)**	**4,636,674**
Net loss	-	-	-	-	-	-	(657,697)	-	(657,697)
Settlement of litigation	780,000	780	(141,250)	(142)	-	(638)	-	-	-
Dividends to preferred shareholders	-	-	-	-	-	-	(15,000)	-	(15,000)
Common stock issuance	1,714,286	1,714	-	-	-	598,286	-	-	600,000
Common stock issued for conversion of class B Preferred Stock	107,500	107	(10,750)	(10)	-	(97)	-	-	-
Purchase of 107,500 shares of Treasury Stock	-	-	-	-	(37,625)	-	-	-	(37,625)
Other comprehensive gains (losses):									
Unrealized (losses) on available- for-sale marketable securities	-	-	-	-	-	-	-	(2,694)	(2,694)
BALANCE-SEPTEMBER 30, 2011	**21,104,868**	**$ 21,105**	**1,063,525**	**$ 1,064**	**$ (48,891)**	**$ 4,695,415**	**$ (131,003)**	**$ (14,032)**	**$ 4,523,658**

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED SEPTEMBER 30,		
	2011	**2010**	**2009**
OPERATING ACTIVITIES:			
Income (loss) from continuing operations	$ (578,108)	$ 598,277	$ (724,248)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Bad debt reserve	182,560	-	-
Depreciation and amortization	338,135	213,579	301,771
Amortization of imputed interest	73,981	27,528	46,860
Deferred income taxes	(126,000)	97,000	(360,000)
Issuance of options	-	9,200	17.249
Impairment loss	-	-	1,066,240
Changes in operating assets and liabilities:			
Accounts receivable	555,935	(2,225,363)	1,485,961
Inventories	(415,934)	-	-
Tax refund receivable	(148,000)	289,000	(206,000)
Prepaid expenses and sundry current assets	(183,227)	142,829	(69,038)
Accounts payable and accrued expenses	197,530	1,538,242	(573,693)
Security deposits	(43,611)	2,303	(5,190)
NET CASH (USED IN) PROVIDED BY CONTINUING OPERATIONS	**(146,739)**	**692,595**	**979,912**
NET CASH USED IN DISCONTINUED OPERATIONS	**(71,731)**	**(182,756)**	**(266,014)**
INVESTING ACTIVITIES:			
Acquisition of property and equipment, net	(452,393)	(16,852)	(12,239)
Purchase of marketable securities	(298)	(178)	(253)
NET CASH USED IN INVESTING ACTIVITIES	**(452,691)**	**(17,030)**	**(12,492)**
FINANCING ACTIVITIES:			
Dividends paid	(15,000)	(11,296)	-
Proceeds from (repayment of) bank loan	400,000	-	(750,000)
Proceeds from note payable – other	100,000	-	-
Repayment of long-term debt	(195,572)	(531,522)	(893,169)
Repayment (issuance) of loans receivable	4,275	21,849	48,682
Purchase of treasury stock	(37,625)	-	(8,523)
Repayment of loans receivable (payable) – related party	(435,000)	(100,078)	(43,344)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(178,922)**	**(621,047)**	**(1,646,354)**
DECREASE IN CASH AND CASH EQUIVALENTS	**(850,083)**	**(128,238)**	**(944,948)**
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	**1,354,912**	**1,483,150**	**2,428,098**
CASH AND CASH EQUIVALENTS – END OF YEAR	**$ 504,829**	**$ 1,354,912**	**$ 1,483,150**

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED SEPTEMBER 30,		
	2011	**2010**	**2009**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	$ 63,033	$ 73,887	$ 87,312
Income taxes	$ 327,993	$ 7,239	$ 134,753
Non-cash activities:			
Unrealized gain (loss) on marketable securities	$ (2,694)	$ 2,469	$ (197)
Dividends declared to preferred shareholders	$ 15,000	$ 15,046	$ 15,000
Deferred financing charges	$ -	$ -	$ 58,267
Conversion of debt to equity	$ -	$ -	$ 508,746
Cancellation of note payable - other	$ -	$ 125,000	$ -
Acquisition of business:			
Intangible assets acquired	$ 1,840,000	$ -	$ -
Common stock issued	$ (600,000)	$ -	$ -
Long-term debt issued, net of imputed interest	$ (1,240,000)	$ -	$ -

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business description

Janel World Trade Ltd. and Subsidiaries ("the Company" or "Janel") operates its business as two reportable segments comprised of: A) full-service cargo transportation logistics management, including freight forwarding – via air, ocean and land-based carriers – custom brokerage services, warehousing and distribution services, and other value-added logistics services, and B) food sales.

Basis of consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned. All intercompany transactions and balances have been eliminated in consolidation.

Uses of estimates in the preparation of financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of net revenue and expenses during each reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid investments with remaining maturities of less than ninety days at the date of purchase.

The Company maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. The Company's accounts at these institutions may, at times, exceed the federally insured limits. The Company has not experienced any losses in such accounts.

Accounts receivable and allowance for doubtful accounts receivable

The Company has a policy of reserving for uncollectible accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company extends credit to its customers based on an evaluation of their financial condition and other factors. The Company generally does not require collateral or other security to support accounts receivable. The Company performs ongoing credit evaluations of its customers and maintains an allowance for potential bad debts if required.

The Company determines whether an allowance for doubtful accounts is required by evaluating specific accounts where information indicates the customers may have an inability to meet financial obligations. In these cases, the Company uses assumptions and judgment, based on the best available facts and circumstances, to record a specific allowance for those customers against amounts due to reduce the receivable to the amount expected to be collected. These specific allowances are re-evaluated and adjusted as additional information is received. The amounts calculated are analyzed to determine the total amount of the allowance. The Company may also record a general allowance as necessary.

Direct write-offs are taken in the period when the Company has exhausted its efforts to collect overdue and unpaid receivables or otherwise evaluate other circumstances that indicate that the Company should abandon such efforts.

Inventories

Inventories, consisting of merchandise purchased for resale, are valued at the lower of cost (determined on the first-in, first-out basis) or market (replacement cost).

Marketable securities

The Company classifies all of its short-term investments as available-for-sale securities. Such short-term investments consist primarily of mutual funds which are stated at market value, with unrealized gains and losses on such securities reflected as other comprehensive income (loss) in stockholders' equity. Realized gains and losses on short-term investments are included in earnings and are derived using the specific identification method for determining the cost of securities. Therefore, all securities are considered to be available for sale and are classified as current assets.

Property and equipment and depreciation policy

Property and equipment are recorded at cost. Depreciation is provided for in amounts sufficient to amortize the costs of the related assets over their estimated useful lives on the straight-line and accelerated methods for both financial reporting and income tax purposes.

Maintenance, repairs and minor renewals are charged to expense when incurred. Replacements and major renewals are capitalized.

Revenues and revenue recognition

(a) Full service cargo transportation logistics management

Revenues are derived from airfreight, ocean freight and custom brokerage services. The Company is a non-asset based carrier and accordingly, does not own transportation assets. The Company generates the major portion of its air and ocean freight revenues by purchasing transportation services from direct carriers (airlines, steam ship lines, etc.) and reselling those services to its customers. By consolidating shipments from multiple customers and availing itself of its buying power, the Company is able to negotiate favorable rates from the direct carriers, while offering to its customers lower rates than the customers could obtain themselves.

Airfreight revenues include the charges to the Company for carrying the shipments when the Company acts as a freight consolidator. Ocean freight revenues include the charges to the Company for carrying the shipments when the Company acts as a Non-Vessel Operating Common Carrier (NVOCC). In each case, the Company is acting as an indirect carrier. When acting as an indirect carrier, the Company will issue a House Airway Bill (HAWB) or a house Ocean Bill of Lading (HOBL) to customers as the contract of carriage. In turn, when the freight is physically tendered to a direct carrier, the Company receives a contract of carriage known as a Master Airway Bill for airfreight shipments and a Master Ocean Bill of Lading for ocean shipments. At this point the risk of loss passes to the carrier, however, in order to claim for any such loss, the customer is first obligated to pay the freight charges.

Based upon the terms in the contract of carriage, revenues related to shipments where the Company issues a HAWB or a HOBL are recognized at the time the freight is tendered to the direct carrier. Costs related to the shipments are recognized at the same time.

Revenues realized when the Company acts as an agent for the shipper and does not issue a HAWB or a HOBL include only the commission and fees earned for the services performed. These revenues are recognized upon completion of the services.

Customs brokerage and other services involves providing multiple services at destination, including clearing shipments through customs by preparing required documentation, calculating and providing for payment of duties and other charges on behalf of the customers, arranging for any required inspections, and arranging for final delivery. These revenues are recognized upon completion of the services.

The movement of freight may require multiple services. In most instances, the Company may perform multiple services including destination breakbulk and value added services such as local transportation, distribution services and logistics management. Each of these services has a separate fee which is recognized as revenue upon completion of the service.

Customers will frequently request an all inclusive rate for a set of services, which is known in the industry as “door-to-door services”. In these cases, the customer is billed a single rate for all services from pickup at origin to delivery. The allocation of revenue and expense among the components of service when provided under an all inclusive rate are done in an objective manner on a fair value basis.

(b)   ***Food sales***

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery of products has occurred, the sales price is fixed or determinable, and collectability is reasonably assured. This generally means that the Company recognizes revenue when title to its products is transferred to its customers. Title usually transfers upon shipment to, or receipt at, the Company’s customer’s locations, as determined by the specific sales terms of each transaction.

The Company’s customers can earn certain incentives, which are included as deductions from revenue in the consolidated statements of operations. To date, these incentives include, but are not limited to cash discounts for early payment of the Company’s invoices.

(*c*)   **Computer software sales, support and maintenance of discontinued operations**

The Company recognizes revenue, including multiple element arrangements, in accordance with current authoritative guidance. Revenue from the sale of the Company’s products and services are recognized when persuasive evidence of an arrangement exists, delivery has occurred (or services have been rendered), the price is fixed or determinable, and collectability is reasonably assured. Amounts billed in excess of revenue recognized are recorded as deferred revenue in the balance sheet.

Income per common share

Basic net income per common share is calculated by dividing net income available to common shareholders by the weighted average of common shares outstanding during the period. Diluted net income per common share is calculated using the weighted average of common shares outstanding adjusted to include the potentially dilutive effect of stock options and warrants.

Share based compensation

The Company accounts for other based compensation in accordance with ASC 718-10. Under the provisions of this statement the compensation costs relating to share-based payment transactions are to be recognized in the Company's consolidated financial statements based on their fair values.

Comprehensive income

Comprehensive income encompasses all changes in stockholders' equity other than those arising from stockholders, and generally consists of net income and unrealized gains and losses on unrestricted available-for-sale marketable equity securities. As of September 30, 2009, accumulated other comprehensive income consists of unrealized gains on unrestricted available-for-sale marketable equity securities.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes in accordance with ASC Topic 740, "Income Taxes." Under this method, income tax expense is recognized for the amount of: (i) taxes payable or refundable for the current year and (ii) deferred tax consequences of temporary differences resulting from matters that have been recognized in an entity's financial statements or tax returns. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that includes the enactment date. A valuation allowance is provided to reduce the deferred tax assets reported if based on the weight of the available positive and negative evidence, it is more likely than not some portion or all of the deferred tax assets will not be realized.

ASC Topic 740.10.30 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Topic 740.10.40 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. We have no material uncertain tax positions for any of the reporting periods presented.

Goodwill, other intangibles and long-lived assets

The Company records as goodwill the excess of purchase price over the fair value of the tangible and identifiable intangible assets acquired in a business combination. Current authoritative guidance requires goodwill to be tested for impairment annually as well as when an event or change in circumstance indicates an impairment may have occurred. Goodwill is tested for impairment by comparing the fair value of the Company's individual reporting units to their carrying amount to determine if there is a potential goodwill impairment. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded to the extent that the implied fair value of the goodwill of the reporting unit is less than its carrying value.

Long-lived assets, including fixed assets and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In reviewing for impairment, the carrying value of such assets is compared to the estimated undiscounted future cash flows expected from the use of the assets and their eventual disposition. If such cash flows are not sufficient to support the asset's recorded value, an impairment charge is recognized to reduce the carrying value of the long-lived asset to its estimated fair value. The determination of future cash flows, as well as the estimated fair value of long-lived assets, involve significant estimates on the part of management. In order to estimate the fair value of a long-lived asset, the Company may engage a third-party to assist with the valuation. If there is a material change in economic conditions or other circumstances influencing the estimate of future cash flows or fair value, the Company could be required to recognize impairment charges in the future. (See Note 2A).

Fair Value Measurements

The Company adopted the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures", which defines fair value as used in numerous accounting pronouncements, establishes a framework for measuring fair value and expands disclosure of fair value measurements.

The estimated fair value of certain financial instruments, including cash and cash equivalents, prepaid expenses, and accounts payable and accrued expenses are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example cash flow modeling inputs based on assumptions)

Deferred compensation

Deferred compensation of $78,568 represents compensation due to an officer of the Company upon termination, retirement or death. This amount has not changed since 1992 and was accrued during the years 1984 through 1992.

Rental expense

Rental expense is accounted for on the straight-line method.

Deferred rent payable as of September 30, 2011 represents the excess of recognized rent expense over scheduled lease payments.

Recent accounting pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standard setting bodies that may have an impact on the Company's accounting and reporting. The Company believes that such recently issued accounting pronouncements and other authoritative guidance for which the effective date is in the future either will not have an impact on its accounting or reporting or that such impact will not be material to its financial position, results of operations, and cash flows when implemented.

2 ACQUISITIONS AND IMPAIRMENT LOSSES

(A) ORDER LOGISTICS, INC.

Janel acquired certain assets of Order Logistics, Inc. ("OLI") consisting of proprietary technology, intellectual property (including the name "Order Logistics"), office locations and equipment and customer lists for use in the management and expansion of the Company's international integrated logistics transport services business.

The purchase price for the acquired assets was $3,888,429 and was comprised of $2,338,429 cash paid at closing, the issuance of a $125,000 note payable due March 30, 2008 (see Note 16C) and the issuance of 285,000 restricted shares of Janel's newly-authorized $.001 par value Series B Convertible Preferred Stock ("Series B"), each share of which is convertible into ten shares of Janel's $.001 par value common stock at any time after October 18, 2009.

The Company, with the assistance of a third party, performed a goodwill impairment test effective as of September 30, 2008 and determined that there was no impairment of the goodwill relating to OLI. The Company also performed an impairment test on the other identifiable intangible assets acquired relating to OLI and determined that, due to changes in economic circumstances relating to OLI, the carrying value of certain intangible assets exceeded their estimated undiscounted future cash flows and their eventual disposition. Accordingly, the Company recorded an impairment loss of $1,812,750 as of September 30, 2008,

The Company, with the assistance of a third party, performed a goodwill impairment test effective as of September 30, 2009 and determined that there was full impairment of the intangible assets relating to the acquisition of certain assets of OLI. Accordingly, the Company recorded an impairment loss of $1,066,240 as of September 30, 2009 representing the write-off of:

Customer relationships	$	96,250
Software valuation		280,000
Development agreement		226,678
Goodwill		463,312
	$	1,066,240

(B) FERRARA INTERNATIONAL LOGISTICS, INC. (JULY 18, 2008)

On July 18, 2008 the Company acquired the customs brokerage “book of business”, as defined, of Ferrara International Logistics, Inc. (“Ferrara”), consisting of books, records, forms, manuals, access codes, goodwill, customer lists and contact information, telephone and advertising listings (the “Business”) for the expansion of the Company’s international integrated logistics transport services business. Ferrara provides the Company with related marketing, advertising, sales, and related administrative services pursuant to the May 19, 2008 Sales Agency and Service Agreement (the “Sales Agreement”), which has a three-year term and non-competition provisions restricting Ferrara from competing with the Company.

The purchase price for the acquired assets was $2,077,070 (including transaction costs of $85,438 and net of imputed interest of $108,368), comprised of a $600,000 payment by the Company at closing, the issuance of 520,661 restricted shares of the Company’s $0.001 common stock (the “Shares”) valued at $630,000, based upon the $1.21 per share closing price of the Company’s common stock in the Over-The-Counter market on the Friday immediately preceding the closing date, a non-interest bearing $435,000 payment due one year after closing, and a non-interest bearing $435,000 payment due three years after the closing. The Company has imputed interest on these obligations at 7% per annum. The Company issued $400,000 of fixed rate convertible promissory notes to unrelated third parties, in part, fund this acquisition (see Note 8). The balance of the cash portion was paid from existing cash.

If the aggregate earnings of the Business before interest, taxes, depreciation and amortization (“EBITDA”) for the three years immediately following the closing fails to equal $2,100,000, the Company will be entitled to a reduction of the purchase price in an amount equal to three times the total three year EBITDA shortfall (the “Shortfall”). If the final note is not sufficient to satisfy the Shortfall, the appropriate number of Shares, valued at the closing market price on the third anniversary of the closing date, will be cancelled and returned to the Company’s authorized and unissued stock.

The compensation payable to Ferrara pursuant to the Sales Agreement is contingent upon the aggregate EBITDA of the Business for the three years immediately following the closing exceeding $2,100,000, in which event the Company will pay Ferrara 40% of the excess amount for that period, and for the following three years pay Ferrara 40% of the excess amount of annual EBITDA exceeding $700,000. For the three year period ended July 15, 2011 aggregate EBITDA totaled $2,185,954, an excess of $85,954 resulting in an additional amount due Ferrara of $34,382.

(C) FERRARA INTERNATIONAL LOGISTICS, INC. (OCTOBER 4, 2010)

On October 4, 2010, the Company acquired the international freight forwarding business of Ferrara consisting of books, records, forms, access codes, goodwill, customer lists and contact information, telephone and advertising listings for the expansion of the Company’s international freight forwarding business. pursuant to the terms of an Asset Purchase Agreement (the “Purchase Agreement”) between the Company and Ferrara dated October 4, 2010.

The purchase price for the acquired assets was $1,840,000 and consists of $600,000 of common stock and $1,400,000 of future cash to be paid, net of imputed interest of $160,000. Under the terms of the Purchase Agreement, the purchase price consists of (i) cash in an amount equal to 70% of the annual actual earnings before interest, taxes, depreciation and amortization (EBITDA) achieved over the three 12-month periods following the Closing (the “Earn-Out Period”) from revenues generated from the customers included in the purchased assets, and (ii) 1,714,286 restricted shares of the Company’s Common Stock valued at $600,000 based on the closing market price of the stock on October 1, 2010 (the “Share Allocation”). The Share Allocation is subject to decrease if actual EBITDA from revenues generated from the customers included in the purchased assets during the Earn-Out Period is below $2 million, and will be issued in three installments on October 4, 2011, 2012 and 2013.

Purchase price allocation

In accordance with the purchase acquisition of accounting the Company has allocated the consideration to the net tangible and identifiable intangible assets, based on their estimated fair values. Goodwill represents the excess of the purchase price over the fair value of the underlying net tangible and identifiable intangible assets.

Pursuant to the terms of the Purchase Agreement, Nicholas V. Ferrara, the principal owner of Ferrara, will be employed by the Company at an annual salary of $182,000 plus benefits.

(D) PURCHASE PRICE ALLOCATION

In accordance with the acquisition method of accounting, the Company allocated the consideration to the net tangible and identifiable intangible assets, based on their estimated fair values. Goodwill represents the excess of the purchase price over the fair value of the underlying net tangible and identifiable intangible assets. The factors that contributed to the recognition of goodwill included securing buyer-specific synergies that increase revenue and profits and are not otherwise available to a marketplace participant, and the acquisition of a talented workforce.

The consideration has been allocated as follows:

	FERRARA INTERNATIONAL LOGISTICS, INC. (JULY 18, 2008)	FERRARA INTERNATIONAL LOGISTICS, INC. (OCTOBER 4, 2010)
Tangible assets:		
Furniture and equipment	$ -	$ -
Intangible assets:		
Identifiable intangibles, subject to amortization	1,530,000	1,220,000
Goodwill	547,070	620,000
	2,077,070	1,840,000
Purchase price	$ 2,077,070	$ 1,840,000

The following table provides unaudited pro forma results of operations for the fiscal years ended September 30, 2011 and 2010 as if the acquisitions had been consummated as of the beginning of each period presented. The pro forma results include the effect of certain purchase accounting adjustments, such as the estimated changes in depreciation and amortization expense on the acquired intangible assets. However, pro forma results do not include any anticipated cost savings or other effects of the planned integration of the companies. Accordingly, such amounts are not necessarily indicative of the results if the acquisition has occurred on the dates indicated, or which may occur in the future.

(Unaudited) (Dollars in Millions except per share data)	Pro Forma Results Year ended September 30, 2011	 2010
Revenues	$ 4,273,137	$ 6,067,356
Loss before income taxes	$ (416,450)	$ (149,120)
Fully diluted earnings per share	$ (.01)	$ (.01)

3 **MARKETABLE SECURITIES**

Marketable securities consist of the following:

	Cost	Unrealized Holding Gains (Losses)	Fair Value
As of September 30, 2011:			
Mutual Funds	$ 55,046	$ (2,694)	$ 52,352
As of September 30, 2010:			
Mutual Funds	$ 52,279	$ 2,469	$ 54,748

4 **LOANS RECEIVABLE – OFFICERS**

The loans receivable – officers bear interest at 4% per annum and are due on demand.

On July 22, 2009, Vincent Iacopella, a director of the Company, obtained a short-term personal loan of $16,500 from the Janel Group of Los Angeles, Inc., a wholly-owned subsidiary of the Company. Mr. Iacopella had previously been issued a Janel corporate credit card from the Janel Group of Los Angeles, Inc. for his use in the course of Janel business activities. Mr. Iacopella had used the corporate credit card for business charges and also personal charges amounting to approximately $3,500. On December 2, 2009, Mr. Iacopella repaid his personal loan from Janel with interest and reimbursed the Company for the personal expenses charged to Mr. Iacopella's corporate credit card.

5 **PROPERTY AND EQUIPMENT**

A summary of property and equipment and the estimated lives used in the computation of depreciation and amortization is as follows:

	September 30, 2011	September 30, 2010	Life
Furniture and fixtures	$ 446,815	$ 204,720	5-7 years
Computer equipment	277,117	469,825	5 years
	723,932	674,545	
Less accumulated depreciation and Amortization	264,082	563,067	
	$ 459,850	$ 111,478	

6 **INTANGIBLE ASSETS**

A summary of intangible assets resulting from the Ferrara acquisitions and the estimated useful lives used in the computation of amortization is as follows:

	July 18, 2008 Acquisition		October 4, 2010 Acquisition	
Customer relationships	$ 1,530,000	9.5 years	$ 1,220,000	10.0 years
Goodwill	547,070		620,000	
	2,077,070		1,840,000	
Less accumulated amortization	523,421		122,000	
	$ 1,553,649		$ 1,718,000	

A summary of the changes in intangible assets is as follows:

	Ferrara International Logistics, Inc. 2011	2010
Balance – beginning of year	$ 1,714,702	$ 1,875,754
Additions	1,840,000	-
Amortization	(283,053)	(161,052)
Balance – end of year	$ 3,271,649	$ 1,714,702

7 CONVERTIBLE PROMISSORY NOTES

In July 2008 the Company issued $400,000 of fixed rate convertible promissory notes which were due in July 2009 and bear interest at a weighted average interest rate of 8.25% per annum, payable at maturity. In July 2009 the $400,000 convertible promissory notes plus accrued interest of $40,000 were converted into 586,671 shares of common stock.

8 NOTE PAYABLE – BANK

In August 2010, the Company's subsidiary Janel Group of New York, Inc. ("Janel New York") entered into a one-year $3.5 million revolving line of credit agreement with Community National Bank ("CNB"). The new credit facility (the "CNB Facility") replaces Janel New York's previous term loan agreement with JPMorgan Chase Bank. The interest rate of the CNB Facility is the prime rate plus 1%, with a minimum rate of 5%. Under the CNB Facility, Janel New York may borrow the lesser of $3.5 million or 80% of the Company's aggregate outstanding eligible accounts receivable, as defined. Janel New York's obligations under the CNB Facility are secured by all of the assets of the Company and are guaranteed by the Company and James N. Jannello, the Company's Chief Executive Officer. The CNB Facility was renewed for an additional one year term expiring on July 31, 2012. On August 3, 2010, $951,190 of the CNB Facility was used to repay the outstanding balances under the term loan with JPMorgan Chase Bank.

On November 2, 2011, the Company amended the terms of its $3.5 million revolving line of credit agreement with CNB effective November 1, 2011. Pursuant to the revised terms, James N. Jannello was released from his personal guarantee of the Company's obligations to CNB, the minimum interest rate was increased from 5.0% per annum to 7.0% per annum, and the Company agreed to pay an unused line fee equal to one-half of one percent per annum. All other terms of the CNB credit facility remained unchanged.

9 NOTE PAYABLE – OTHER

On September 15, 2011, the Company's subsidiary, Janel Ferrara Logistics, LLC ("JFL") issued a $100,000 promissory note payable on March 15, 2012. The note bears interest at 5% per annum payable monthly.

10 LONG-TERM DEBT

Long-term debt consists of the following:

	September 30, 2011	September 30, 2010
Non-interest bearing note payable to a related party, net of imputed interest, due when earned (see Note 2C regarding the earn-out period).	$ 1,076,285	$ -
Non-interest bearing note payable, net of imputed interest, in payments of $435,000 in July 2011 (see Note 2B).	-	414,352
Term loan payable in monthly installments of $7,735, including interest at 6% per annum due in 2016. The loan is collateralized by substantially all assets of the Company and is guaranteed by a shareholder of the Company.	371,095	
Term loan payable in monthly installments of $13,889, plus interest at a bank's prime rate minus .50% per annum. The loan is collateralized by substantially all assets of a subsidiary of the Company.	13,889	180,556
	1,461,269	594,908
Less current portion	335,978	581,019
	$ 1,125,291	$ 13,889

These obligations mature as follows:

2012	$ 335,978
2013	490,338
2014	495,084
2015	94,266
2016	45,603
	$ 1,461,269

11 DISCONTINUED OPERATIONS

During December 2010, the Company elected to discontinue the operations of Order Logistics, Inc. ("OLI"). As of September 30, 2011 OLI had minimal assets. Operations for OLI are summarized below.

	2011	2010	2009
OPERATIONS			
REVENUES	**$ (18,138)**	**$ 57,156**	**$ 189,631**
COSTS AND EXPENSES:			
Selling, general and administrative expenses	53,512	350,866	721,952
Depreciation and amortization	48,939	32,626	250,936
TOTAL COSTS AND EXPENSES	**102,451**	**383,492**	**972,888**
LOSS FROM DISCONTINUED OPERATIONS BEFORE INCOME TAXES	(120,589)	(326,336)	(783,257)
CREDIT FOR INCOME TAXES	(41,000)	(110,954)	(266,307)
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAXES	**$ (79,589)**	**$ (215,382)**	**$ (516,950)**

12 STOCKHOLDERS' EQUITY

Janel is authorized to issue 225,000,000 shares of common stock, par value $.001. In addition, the Company is authorized to issue 5,000,000 shares of preferred stock, par value $.001. The preferred stock is issuable in series with such voting rights, if any, designations, powers, preferences and other rights and such qualifications, limitations and restrictions as may be determined by the Company's board of directors or a duly authorized committee thereof, without stockholder approval. The board may fix the number of shares constituting each series and increase or decrease the number of shares of any series.

A. Issuance of convertible preferred stock

(1) On January 10, 2007, the Company sold 1,000,000 unregistered shares of newly-authorized $0.001 par value 3% Series A Convertible Preferred Stock (the "Series A Stock") for a total of $500,000. The shares are convertible into shares of Janel's $0.001 par value common stock at any time on a one-share for one-share basis.

(2) See Notes 2 and 16(c)(2) in connection with the issuance of Series B Preferred Stock.

B. Stock repurchase program

On October 12, 2006, the Company's Board of Directors authorized the purchase of up to 300,000 shares of the Company's common stock, subject to certain conditions. The repurchase plan may be suspended by the Company at any time. As of September 30, 2011, 259,676 shares of the Company's common stock have been repurchased under the plan at a cost of $114,703.

13 INCOME TAXES

Income taxes from continuing operations consist of the following:

	Year Ended September 30,		
	2011	2010	2009
Federal – current	$ (148,000)	$ 146,000	$ (267,500)
- deferred	(126,000)	97,000	(360,000)
State and local	(74,000)	93,000	35,500
	$ (348,000)	$ 336,000	$ (592,000)

The reconciliation of income tax computed at the Federal statutory rate to the provision for income taxes is as follows:

	Year Ended September 30,		
	2011	2010	2009
Federal taxes (credits) at statutory rates	$ (315,000)	$ 252,000	$ (627,500)
Non-deductible expenses	16,000	20,400	11,740
State and local taxes, net of Federal benefit	(49,000)	63,600	23,760
	$ (348,000)	$ 336,000	$ (592,000)

The deferred tax asset represents the tax effect of available net operating loss carryforwards.

14 PROFIT SHARING AND 401(k) PLANS

The Company maintains a non-contributory profit sharing and 401(k) plan covering substantially all full-time employees. The expense charged to operations for the years ended September 30, 2011, 2010, and 2009 aggregated approximately $17,000, $17,500 and $24,000, respectively.

15 RENTAL COMMITMENTS

The Company conducts its operations from leased premises. Rental expense on operating leases for the years ended September 30, 2011, 2010 and 2009 was approximately $989,000, $362,000, $412,000, respectively.

Future minimum lease commitments (excluding renewal options) under noncancelable leases are as follows:

Year ended September 30, 2012	$	1,262,000
2013		1,088,000
2014		1,031,000
2015		969,000
2016		862,000
Thereafter		4,061,000

16 RISKS AND UNCERTAINTIES

(a) Currency risks

The nature of Janel's operations requires it to deal with currencies other than the U.S. Dollar. This results in the Company being exposed to the inherent risks of international currency markets and governmental interference. A number of countries where Janel maintains offices or agent relationships have currency control regulations that influence its ability to hedge foreign currency exposure. The Company tries to compensate for these exposures by accelerating international currency settlements among those officers or agents.

(b) Concentration of credit risk

The Company's assets that are exposed to concentrations of credit risk consist primarily of cash and receivables from customers. The Company places its cash with financial institutions that have high credit ratings. The receivables from clients are spread over many customers. The Company maintains an allowance for uncollectible accounts receivable based on expected collectibility and performs ongoing credit evaluations of its customers' financial condition.

(c) Legal proceedings

(1) Janel is occasionally subject to claims and lawsuits which typically arise in the normal course of business. While the outcome of these claims cannot be predicated with certainty, management does not believe that the outcome of any of these legal matters will have a material adverse effect on the Company's financial position or results of operations.

(2) On February 11, 2008, The Company filed a lawsuit in the United States District Court for the Southern District of New York against defendants World Logistics Services, Inc. ("World Logistics"), a Delaware Corporation formerly known as "Order Logistics, Inc."; Richard S. Francis ("Francis"), the President of World Logistics; and Brian P. Griffin ("Griffin"), who was the Chief Executive Officer of World Logistics when Janel completed an acquisition in October 2007 of certain World Logistics assets.

In March 2010 the Company reached a settlement agreement and mutual general release with Brian Griffin. Terms of the settlement include the issuance of 489,750 shares of Janel's common stock, surrender of 69,475 shares of preferred stock, elimination of a $125,000 note payable to the defendant and a release of any and all claims and demands of the defendant.

In November 2010 the Company reached a settlement agreement and mutual general releases with Francis. Terms of the settlement include the issuance of 780,000 shares of common stock to Mr. Francis, as well as payments totaling $23,359. Upon issuance and delivery of the settlement shares and payment of the cash settlement, both signed a stipulation and Order of Dismissal ending all claims made in their entirety.

(3) On August 22, 2011, the former CFO of Janel filed a lawsuit in the United States District Court for the Eastern District of New York against defendants Janel World Trade, Ltd., James N. Jannello, the Chief Executive Officer of the Company, and Stephen Cesarski, the former (retired) president of the Company. The complaint alleges, among other things, discrimination by the Company. At September 30, 2011, the Company established a $250,000 reserve as a contingency for this lawsuit which is included in selling, general and administrative expense.

(d) Relationships with officers

Janel's former President and Chief Operating Officer and Executive Vice President and Chief Executive Officer, jointly own FCL/LCL International Inc., ("FCL/LCL") a New York Corporation which is a consolidating indirect carrier that executed paperwork for Janel, from which they each received $3,000 and $14,000 from FCL/LCL for the years ending 2010 and 2009. FCL/LCL discontinued its operations in November, 2009.

These relationships involve actual or potential conflicts of interest between Janel and its officers.

(e) Concentration of sales

Sales to two major customers were approximately 30.5%, 27.4% and 16.5% of consolidated sales for the years ended September 30, 2011, 2010 and 2009, respectively. Amounts due from these customers aggregated approximately $670,000, $1,130,000 and $399,000 at September 30, 2011, 2010 and 2009, respectively.

17 QUARTERLY RESULTS OF OPERATIONS (Unaudited)

	First	Second	Third	Fourth
Fiscal 2011				
Net sales	$ 26,433,994	$ 22,701,632	$ 22,476,995	$ 26,838,486
Operating income (loss)	74,737	(214,840)	(364,108)	(288,971)
Net income (loss)	8,570	(140,271)	(247,624)	(278,372)
Per share data (1):				
Basic earnings per share	$ .000	$ (.007)	$ (.012)	$ (.013)
Diluted earnings per share	$ .000	$ (.006)	$ (.011)	$ (.012)
Fiscal 2010				
Net sales	$ 16,997,932	$ 19,270,955	$ 21,004,703	$ 31,212,341
Operating income (loss)	(28,016)	174,084	359,288	309,995
Net income (loss)	(50,037)	106,084	170,430	156,418
Per share data (1):				
Basic earnings per share	$ (0.003)	$ 0.007	$ 0.009	$ 0 .008
Diluted earnings per share	$ (0.003)	$ 0.006	$ 0.009	$ 0.007

(1) earnings per share were computed independently for each of the periods presented. Therefore, the sum of the earnings per share amounts for the quarters may not equal the total for the year.

18 BUSINESS SEGMENT INFORMATION

The Company operates in two reportable segments which are full service cargo transportation logistics management and food sales. The computer software sales, support and maintenance segment has been discontinued.

The following table presents financial information about the Company's reportable segments as of and for the years ended September 30, 2011 and 2010.

2011	Consolidated	Transportation Logistics	Food Sales	Computer Software
Total revenues	$ 98,451,107	$ 98,396,617	$ 54,490	$ -
Net revenues	$ 9,542,363	$ 9,528,152	$ 14,211	$ -
Operating income (loss)	$ (793,182)	$ (440,374)	$ (352,808)	$ -
Identifiable assets	$ 12,392,823	$ 11,744,502	$ 648,321	$ -
Capital expenditures	$ 501,332	$ 485,932	$ 15,400	$ -
Depreciation and amortization	$ 338,135	$ 337,707	$ 428	$ -
Equity	$ 4,523,658	$ 4,876,466	$ (352,808)	$ -

2010	Consolidated	Transportation Logistics	Food Sales	Computer Software
Total revenues	$ 88,428,775	$ 88,428,775	$ -	$ -
Net revenues	$ 8,856,522	$ 8,856,522	$ -	$ -
Operating income (loss)	$ 1,141,687	$ 1,141,687	$ -	$ -
Identifiable assets	$ 11,342,418	$ 11,342,418	$ -	$ -
Capital expenditures	$ 49,478	$ 49,478	$ -	$ -
Depreciation and amortization	$ 213,579	$ 213,579	$ -	$ -
Equity	$ 4,636,674	$ 4,636,674	$ -	$ -

19 STOCK OPTIONS

On June 30, 2010, the Company issued options to purchase 23,750 shares of common stock at an exercise price of $1.00 per share, in partial satisfaction of half of the finder's fees associated with the hiring of two new sales executives on May 17, 2010. The remaining obligation of $23,750 was paid in cash.

The fair value of the options was determined using a Black Scholes Option Pricing Model was $9,200 which, net of income taxes, resulted in a $5,428 reduction of net income.

The Company has no other stock options outstanding.

20 SUBSEQUENT EVENTS

Management has evaluated events occurring after the date of these financial statements through the date that these financial statements were issued. Other than the common stock issuance referred to below, no other events occurred which would require adjustment to or disclosure in the financial statements.

On October 14, 2011 the Company sold 750,000 shares of the Company's common stock, par value $0.001 per share for $.20 per share, or an aggregate of $150,000. The Company intends to use the proceeds from the sale for general corporate purposes.

EXHIBIT 21

SUBSIDIARIES OF JANEL WORLD TRADE, LTD.

Name	Incorporated in
The Janel Group of New York, Inc.	New York
The Janel Group of Illinois, Inc.	Illinois
The Janel Group of Los Angeles, Inc.	California
The Janel Group of Georgia, Inc.	Georgia
Janel Ferrara Logistics, LLC	New Jersey
Order Logistics, Inc.	Nevada

EXHIBIT 31.1

CERTIFICATION

I, James N. Jannello, certify that:

1. I have reviewed this Annual Report on Form 10-K of Janel World Trade, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of Registrant’s board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Date: January 13, 2012

/s/ James N. Jannello
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, William J. Lally, certify that:

1. I have reviewed this Annual Report on Form 10-K of Janel World Trade, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: January 13, 2012

/s/ William J. Lally
Chief Operating Officer

EXHIBIT 31.3

CERTIFICATION

I, Philip J. Dubato, certify that:

1. I have reviewed this Annual Report on Form 10-K of Janel World Trade, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: January 13, 2012

/s/ Philip J. Dubato
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION
PURSUANT TO 18 U.S.C. §1350

In connection with the report on Form 10-K of Janel World Trade, Ltd. for the fiscal year ended September 30, 2011, as filed with the SEC on the date hereof (the "Report"), each of the undersigned officers of the registrant certifies pursuant to 18 U.S.C. Section 1350 that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Dated: January 13, 2012

/s/ James N. Jannello
James N. Jannello
Executive Vice President and Chief Executive Officer

/s/ William J. Lally
William J. Lally
President and Chief Operating Officer

/s/Philip J. Dubato
Philip J. Dubato
Executive Vice President of Finance and Chief Financial Officer

EXHIBIT 99.1

News Release

For Immediate Release

Contact: Investor Relations at
Janel World Trade
(404) 261-1196
IR@Janelgroup.net

JANEL WORLD TRADE LTD. REPORTS FISCAL YEAR END 2011 REVENUE OF $98.5 MILLION - UP 11% FROM FISCAL YEAR END 2010

REVENUE INCREASES BY $10M TO $98M FOR FISCAL 2011 VERSUS PRIOR YEAR

JAMAICA, NY – January 13, 2012 — Janel World Trade, Ltd. (OTC BB: JLWT), a full-service global provider of integrated transportation logistics and vertically integrated supply chain services in the food industry, announced today the financial results for its fiscal year ending September 30, 2011.

Year End Results

For the fiscal year ending September 30, 2011, Janel reported revenue of $98,451,107, an increase of $10,022,332, or up 11.3% compared to fiscal year ended September 30, 2010.

For the fiscal year ending September 30, 2011, the Company reported a net loss available to common shareholders of $(672,697) or $(0.03) per fully diluted share, as compared to net income available to common shareholders of $367,849, or $0.02 per fully diluted share for fiscal year ended 2011.

Fourth Quarter 2011 Results

For the three months ending September 30, 2011, Janel reported revenue of $26,820,348, a decrease of $4,339,226 or down 13.9% compared to the three months ended September 30, 2010.

For the three months ending September 30, 2011, the Company reported a net loss available to common shareholders of $(282,122) or $(0.01) per fully diluted share, compared to the prior year reported net income available to common shareholders of $152,667, or $0.01 per fully diluted share.

Review and Outlook

"Taking into account that our fiscal year ending September 30, 2011 includes the start up costs of approximately $367,019 on a pre-tax basis associated with our new Food Industry segment, the results were disappointing for the fiscal year and quarter ended September 30, 2011" said James N. Jannello, Executive Vice President and Chief Executive Officer. "We experienced weaker than expected freight volumes from most of our customers when compared to the prior year, and the bulk of the increase in volume that we did see was from our larger customers, but it was at a higher cost of sales than the prior year. Consequently, the net impact of the revenue increase to us did not fall to our bottom line. During the fiscal year we launched our new operating division which is focused on vertical integrated supply chain services primarily in the food industry. We expect this new division to contribute to our overall gross profit margins in the future."

Jannello continued, "Looking ahead, we expect improvement in our financial results for fiscal 2012 within our transportation logistics business segment as the economy improves and we plan to continue the expansion of our new operating division focused on vertical supply chain services. During fiscal 2011 we invested $400,000 in our New Jersey operation and constructed a 15,000 square foot walk/drive-in freezer for our traditional freight forwarding and logistics business which we anticipate will add significant warehouse revenue at higher gross profit margins to our New Jersey operation."

Jannello concluded, "We are focused on significantly improving the results of our core logistics business and moving ahead with the expansion of our new operating division catering to the food industry.   We will not be satisfied until we return our core business to profitability and realize the attractive gross profit margins that we expect from our food distribution network."

To be included in Janel's database for Corporate Press Releases and industry updates, investors are invited to send their e-mail address to: **IRInfo@janelgroup.net**.

About Janel World Trade, Ltd.

Janel World Trade, Ltd. is a global provider of integrated logistics; including domestic and international freight forwarding via multi-modal carriers, leading-edge, end-to-end, supply-chain technology, customs brokerage, warehousing and distribution, and other transportation-related services; and a provider of vertically integrated supply chain services in the food industry. With offices throughout the U.S. (New York, Chicago, Los Angeles, and Atlanta) and a network of independent international agents in approximately 52 countries, the Company provides the comprehensive logistics services and technology necessary to handle its customers' shipping needs throughout the world. Cargo can be transported via air, sea or land, and Janel's national network of locations can manage the shipment and/or receipt of cargo into or out of any location in the United States. Janel is registered as an Ocean Transportation Intermediary and licensed as a FMC Licensed Freight Forwarder by the Federal Maritime Commission.

Janel World Trade, Ltd.'s headquarters is located in Jamaica, New York, adjacent to the JFK International Airport, and its common stock is listed on the OTC Bulletin Board under the symbol "JLWT". Additional information on the Company is available on its website at http://www.janelgroup.net

Forward-Looking Statements

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe," "estimate," "project," "intend," "expect" or similar expressions. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, the Company's dependence upon conditions in the air, ocean and land-based freight forwarding industry, the size and resources of many competitors, the need for the Company to effectively integrate acquired businesses and to successfully deliver its primary services, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission, including its most recent Form 8-K, Form 10-Q and Form 10-K filings. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

Contact:
Investor Relations
Janel World Trade
(404) 261-1196
IR_Janelgroup.net

JANEL WORLD TRADE LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	THREE MONTHS ENDED September 30,		TWELVE MONTHS ENDED September 30,	
	2011	2010	2011	2010
	(unaudited)	(unaudited)	(audited)	(audited)
REVENUES	$ 26,820,348	$ 31,159,614	$ 98,451,107	$ 88,428,775
COST AND EXPENSES:				
Forwarding expenses	24,583,146	28,661,090	88,908,745	79,572,253
Selling, general and administrative	2,536,554	2,110,939	9,997,409	7,501,256
Depreciation and amortization	95,388	54,797	338,135	213,579
TOTAL COSTS AND EXPENSES	27,215,088	30,826,826	99,244,289	87,287,088
(LOSS) INCOME FROM OPERATIONS	(394,740)	332,788	(793,182)	1,141,687
OTHER ITEMS:				
Interest and dividend income	956	1,031	4,089	4,959
Interest expense	(31,769)	(21,608)	(137,015)	(101,415)
TOTAL OTHER ITEMS	(30,813)	(20,577)	(132,926)	(96,456)
(LOSS) INCOME BEFORE INCOME TAXES	(425,553)	312,211	(926,108)	1,045,231
Income taxes (credits)	(156,962)	140,750	(348,000)	446,954
NET (LOSS) INCOME FROM CONTINUING OPERATIONS	$ (268,591)	$ 171,461	$ (578,108)	$ 598,277
Loss from discontinued operations, net of tax	(9,781)	(15,044)	(79,589)	(215,382)
NET (LOSS) INCOME	$ (278,372)	$ 156,417	$ (657,697)	$ 382,895
Preferred stock dividends	3,750	3,750	15,000	15,046
NET (LOSS) INCOME AVAILABLE TO COMMON SHAREHOLDERS	$ (282,122)	$ 152,667	$ (672,697)	$ 367,849
OTHER COMPREHENSIVE INCOME NET OF TAX:				
Unrealized gain (loss) from available for sale securities	$ (11,220)	$ 4,626	$ (2,694)	$ 2,469
Total comprehensive income (loss)	$ (11,220)	$ 4,626	$ (2,694)	$ 2,469
Earnings (loss) per share from continuing operations				
Basic earnings (loss) per share	$ (0.01)	$ 0.01	$ (0.03)	$ 0.03
Fully diluted earnings (loss) per share	$ (0.01)	$ 0.01	$ (0.03)	$ 0.03
Earnings (loss) per share from discontinued operations				
Basic earnings (loss) per share	$ -	$ -	$ -	$ (0.01)
Fully diluted earnings (loss) per share	$ -	$ -	$ -	$ (0.01)
Basic weighted average shares outstanding	20,982,192	18,503,082	20,884,602	18,223,942
Fully diuted weighted average shares outstanding	22,617,442	21,010,582	22,726,099	20,843,733

See notes to these consolidated financial statements included in the Company's Form 10-K

JANEL WORLD TRADE LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	September 30, 2011 (audited)	September 30, 2010 (audited)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 504,829	$ 1,354,912
Accounts receivable, net of allowance for doubtful accounts of $289,547 and $106,987, respectively	5,886,255	6,842,190
Inventories	415,934	-
Marketable securities	52,352	54,748
Loans receivable - officers	92,817	97,092
Prepaid expenses and sundry current assets	279,835	96,608
Tax refund receivable	148,000	-
TOTAL CURRENT ASSETS	**7,380,022**	**8,445,550**
PROPERTY AND EQUIPMENT, NET	**459,850**	**111,478**
OTHER ASSETS:		
Intangible assets, net	3,271,649	1,714,702
Security deposits	97,299	53,688
Deferred income taxes	1,184,003	1,017,000
TOTAL OTHER ASSETS	**4,552,951**	**2,785,390**
TOTAL ASSETS	**$ 12,392,823**	**$ 11,342,418**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Note payable - bank	$ 951,335	$ 951,335
Note payable - other	100,000	$ -
Accounts payable - trade	4,858,344	4,516,547
Accrued expenses and taxes payable	419,649	564,386
Current portion of long-term debt - bank	86,360	581,019
Current portion of long-term debt - related party	249,618	-
TOTAL CURRENT LIABILITIES	**6,665,306**	**6,613,287**
LONG-TERM DEBT - BANK	298,625	13,889
LONG-TERM DEBT - RELATED PARTY	826,666	-
DEFERRED COMPENSATION	78,568	78,568
TOTAL OTHER LIABILITIES	**1,203,859**	**92,457**
STOCKHOLDERS' EQUITY	**4,523,658**	**4,636,674**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 12,392,823**	**$ 11,342,418**

See notes to these consolidated financial statements included in the Company's Form 10-K