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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, 2014 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, 2014, was $495,738.

The number of shares of Common Stock outstanding as of December 17, 2014 was 27,710,214.

JANEL WORLD TRADE, LTD.
2014 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. 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, and 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.

As previously reported, on September 10, 2014, the Company completed the acquisition of all of the equity interests in Alpha International, LP, a New York limited partnership, and PCL Transport, LLC, a New Jersey limited liability company (collectively, "Alpha"). As part of the transaction, John Joseph Gonzalez II, one of the former owners of Alpha, was employed by the Company as Senior Managing Director of the Company's Northeast Region.

Description of Business

Janel is 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. The Company operates as one reportable business segment. During our 2012 fiscal year the Company divested itself of and discontinued the food industry 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 nine leased locations in the United States: Jamaica (operations and headquarters), Valley Stream (operations) and Lynbrook (accounting) in New York; Edison (Newark, New Jersey); Philadelphia, Pennsylvania; Elk Grove Village (Chicago, Illinois); Forest Park (Atlanta, Georgia) and two locations in Inglewood (Los Angeles, California). 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 2014 (Janel's fiscal year ends September 30), the Company handled approximately 29,000 individual import and export shipments, predominately originating or terminating in the United States, Europe and the Far East. Janel generated gross revenue of approximately $47.9 million in fiscal 2014 and $44.7 million in fiscal 2013. In fiscal 2014, approximately 68% of revenue related to import activities, 5% to export, and 27% to break-bulk and forwarding.

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."

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, the electronic transmission to federal agencies of this data (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 nine fully licensed customs house brokers on staff. Janel is fully certified with U.S. Customs for both ABI and AES transmissions and has successfully migrated over 90 percent of eligible transactions to ACE. The Company also has extensive Remote Location Filing capability. 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.

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 2014, the Company shipped goods and provided logistics services for approximately 963 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 2014: the largest customer accounts for approximately 37% and the second largest accounts for approximately 15% of revenue.

William J. Lally and Vincent Iacopella, the Company's Chief Executive Officer and Chief Operating Officer, respectively, 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, 2014, Janel employed 75 people; 26 in its Jamaica, New York headquarters and Lynbrook, New York back office; 8 in Valley Stream, New York; 10 in Edison, New Jersey; 4 in Philadelphia, Pennsylvania; 10 in Elk Grove Village, Illinois; 3 in Atlanta, Georgia; and 14 in Inglewood, California. Approximately 55 of the Company's employees are engaged principally in operations, 15 in finance and administration and five 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.

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.

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.

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.

We may not have sufficient working capital to continue operations.

Our cash needs are currently met by our commercial bank credit facilities and cash on hand. Our actual working capital needs for the short and long terms will depend upon numerous factors, including our operating results, the availability of a revolving line of credit, competition, and the cost associated with growing the Company either internally or through acquisition, none of which can be predicted with certainty. If our results of operations and our availability under our bank line of credit are insufficient to meet our cash needs, we will be required to obtain additional investment capital or debt funding to continue operations. On October 30, 2013, the Company raised $500,000 from the sale of newly issued shares of the Company's Common Stock at a price of $0.065 per share. The Company also issued five-year warrants to the investor for up to an additional $1,000,000 investment upon exercise for additional newly issued shares of the Company's common stock at a price of $0.08. We intend to use the proceeds from these sales for general working capital purposes.

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.

We believe that our success is highly dependent on the continuing efforts of our President and Chief Executive Officer, William J. Lally, our Chief Operating Officer, Vincent Iacopella and the former principal of Alpha, John Joseph Gonzalez II. Other than Mr. Gonzalez, 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, Directors and two other shareholder's control the Company.

The officers and directors, plus three other shareholders of the Company control the vote of approximately 70.2% of the outstanding shares of Common Stock. In addition, options to purchase 6,750,000 shares have been granted to key employees of the Company. As a result, the officers and directors plus two other shareholders of the Company control the election of the Company's directors and will have the ability to control the affairs of the Company. Furthermore, a recent investor in the Company has the right to appoint 50% of the members of the Company's Board of Directors. As a result, these officers, directors and shareholders 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.

Failure to comply with governmental permit and licensing requirements or 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.

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.

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, 2013, Janel leased office and warehouse space in 9 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 January 31, 2015, with an annual rent of $36,000. Janel’s Valley Stream, New York office occupies approximately 1,650 square feet of office space, under a lease which expires on July 31, 2017 with an annual base rent of $20,400. Janel’s Philadelphia, Pennsylvania office occupies approximately 300 square feet of office space under a month to month lease with a monthly base rent of $600. 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 lease with a term ending August 31, 2017, with an annual base rent of $42,000. Janel’s Georgia location occupies approximately 1,296 square feet of office and warehouse space, under a lease which expires on July 31, 2015 with an annual rent of $16,200. Janel occupies two offices in Los Angeles. The first Los Angeles office occupies approximately 3,000 square feet of office space under a lease which expires on June 30, 2016, with an annual rent of $83,100 through June 30, 2016, and increases every eighteen (18) months based upon the CPI with a limit of up to 4.5% per year. The second Los Angeles office occupies approximately 1,033 square feet of office space under a lease which expires on January 31, 2016, with an annual rent of $19,140. Certain of the leases also provide for annual increases based upon increases in taxes or service charges.

ITEM 3. LEGAL PROCEEDINGS

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.

Janel and/or one or more of its subsidiaries have been named as a defendant in the following lawsuits involving the Company’s food segment which the Company sold in 2012.

- On June 22, 2012 (amended September 5, 2012), Fratelli Masturzo S.R.L., Clematis, S.R.L., Fratelli Longobardi S.R.L. and Pancrazio S.P.A. filed a law suit in the Supreme Court of the State of New York County of Queens against The Janel Group of New York, Inc., Ferrara International Logistics, Inc., Tutto Italia USA, LLC and Paul Sorvino Foods, Inc. (Case No. 018503/2012). The complaint alleges the non-payment of food product purchases totaling $186,728. On February 26, 2013, the Company filed an answer on behalf of The Janel Group of New York, Inc. and Ferrara International Logistics, Inc. denying the allegations. On June 27, 2013, the court denied the plaintiffs' motion for default judgement.

- On January 29, 2013, UGO Foods Corporation filed a law suit in the Supreme Court of the State of New York County of Queens against Janel World Trade, Ltd., The Janel Group of New York, Inc., Mann Global Enterprises, LLC as Successor in interest of Janel Ferrara Logistics, LLC. (Case No. 700302/2013). The complaint alleges the non-payment of food product purchases totaling $41,281. On February 27, 2013, the Company filed an answer on behalf of Janel World Trade, Ltd. and The Janel Group of New York, Inc. denying the allegations.

- On January 29, 2013, Branch Banking and Trust Corporation filed a law suit in the Supreme Court of the State of New York County of New York against The Janel Group of New York, Inc., Mann Global Enterprises, LLC as Successor of Janel Ferrara Logistics, LLC. (Case No. 650322/2013). The complaint alleges the non-payment of food product purchases totaling $41,652. On February 27, 2013, the Company filed an answer on behalf of The Janel Group of New York, Inc. denying the allegations.

- On October 2, 2013, Casa OiliO Sperlonga, S.p.A. and Casa Oilio North America, LLC filed a law suit in the Supreme Court of the State of New Jersey County of Union against Ferrara International Logistics, Inc., Nicholas V. Ferrara, Gusto Italia, LLC, Janel-Ferrara Group, Janel-Ferrara Logistics, LLC, Janel Group of New York, Inc., Janel World Trade, Ltd., Mann Global Enterprises, LLC, Michael W. O'Gorman, and Tutto Italia USA, LLC (Case No. UNN-L-3511-13). The complaint alleges the non-payment of food product purchases totaling $1,046,241. On December 17, 2013, the Company filed an answer on behalf of Janel World Trade, Ltd., The Janel Group of New York, Inc., Janel Ferrara Logistics, LLC, and Janel Ferrara Group denying the allegations.

- On March 27, 2014, Corex-SPA filed a law suit in the Supreme Court of the State of New York County of Nassau against The Janel Group of New York, Inc. (Case No. 601372/2014). The complaint alleges a default under an agreement for goods sold delivered work labor services rental in the amount of $104,858. On April 21, 2014, the Company filed an answer on behalf of The Janel Group of New York, Inc. and filed a motion to dismiss the complaint as it fails to state a cause of action.

On April 27, 2012, the Company's subsidiary, Janel Group of Illinois, Inc. ("Janel Illinois"), filed a law suit in the Circuit Court for Cook County, Illinois (Case No. 2012 L 4574) against Q Marketing Group, Ltd. and its principals, Eduardo and Marie Gordon, for non-payment of invoices for freight services, and on September 14, 2012 obtained a default judgment against the defendants. In an effort to collect on the judgment, Janel Illinois filed to register the Illinois default judgment with the New York Supreme Court, and on August 1, 2013, subsequent to the period covered by this Quarterly report on Form 10-Q, the defendants filed an answer with unspecified counterclaims against Janel Illinois (Supreme Court of New York for Queens County, Index No. 702364/13) seeking damages of $500,000, punitive damages of $1,000,000 and sanctions of $10,000. On December 13, 2013 the Company filed a motion for summary judgment with the Supreme Court of New York for Queens County on its claims. The Company believes that the defendants have no meritorious defenses or counterclaims against the Illinois judgment and will vigorously continue to pursue payment from the defendants.

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, 2014			
First Quarter	High	$	0.16
	Low	$	0.04
Second Quarter	High	$	0.07
	Low	$	0.04
Third Quarter	High	$	0.09
	Low	$	0.05
Fourth Quarter	High	$	0.09
	Low	$	0.04
Fiscal Year Ended September 30, 2013			
First Quarter	High	$	0.15
	Low	$	0.04
Second Quarter	High	$	0.11
	Low	$	0.04
Third Quarter	High	$	0.09
	Low	$	0.06
Fourth Quarter	High	$	0.09
	Low	$	0.04

On December 17, 2014, the Company had 59 holders of record and approximately 364 beneficial holders of its shares of Common Stock. The closing price of the Common Stock on that date was $0.09 per share.

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, 2014, as compared to the results of operations for the fiscal year ended September 30, 2013. The discussion and analysis then addresses the liquidity and financial condition of the Company, and other matters.

RESULTS OF OPERATIONS

Janel is 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. From April 2011 until June 2012, we operated a vertical sales and supply chain food industry business segment including supplier selection, manufacturing, transportation, import, distribution, marketing and sales within the food industry. During the June 2012 quarter the Company divested itself of and discontinued the food industry segment and now operates as one reportable business segment.

Effective with our Annual Report on Form 10-K for the fiscal year ended September 30, 2013, the Company changed its accounting principle with regard to customs duty and no longer includes customs duty as a component of revenue or forwarding expense. The net effect of this change is a reduction to revenue with a corresponding equal reduction to forwarding expense.

On September 10, 2014, the Company completed the acquisition of all of the equity interests of Alpha. Therefore, included in the fiscal year ended September 30, 2014 results are the operations of Alpha beginning September 10, 2014.

Years ended September 30, 2014 and 2013

Revenue. Total revenue from continuing operations for fiscal 2014 was $47,940,095, as compared to $44,744,518 for the same period of fiscal 2013, an increase of $3,195,577 or 7.1%. This increase is mainly the result of higher ocean import shipping activity when compared to the prior year and $541,383 of revenue from Alpha. Net revenue (revenue minus forwarding expense) from continuing operations in fiscal 2014 was $6,549,474, an increase of $284,930 or 4.7% as compared to net revenue of $6,264,544 for fiscal 2013. This increase is mainly the result of net revenue in the amount of $218,970 from Alpha.

Forwarding Expense. Forwarding expense from continuing operations 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, and includes any trucking and warehousing charges related to the shipments.

For fiscal 2014, forwarding expense from continuing operations increased by $2,910,647, or 7.6%, to $41,390,621 as compared to $38,479,974 for fiscal 2013 and as a percentage of revenue increased to 86.3% for fiscal 2014, from 86.0% for fiscal 2013, a 0.3 percentage point increase. This percentage increase is principally the result of higher forwarding expense on ocean import shipping activity when compared to the prior year. Forwarding expenses associated with Alpha were $322,413.

Selling, General and Administrative Expense. For fiscal 2014 and 2013, selling, general and administrative expenses from continuing operations were $6,646,604 and $6,452,913, respectively, an increase of $193,691, or 3.0% when compared to the prior year. The current yearly includes an expense in the amount of $239,850 for the issuance of stock options (refer to Note 9D to the Consolidated Financial Statements) and $157,540 of expenses associated with the acquisition of Alpha, which were offset by reductions in selling, general and administrative expenses, mainly staff and payroll cost reductions. As a percentage of revenue, selling, general and administrative expenses were 13.8% and 14.4% of revenue for fiscal 2014 and 2013, respectively, a 0.6 percentage point decrease which is mainly a function of the increase in revenue for fiscal 2014 when compared to the prior year and expenses which do not rise as revenue increases.

Interest Expense. For fiscal 2014 and 2013, interest expense from continuing operations was $144,239 and $121,021, respectively, an increase of $23,218. This increase is primarily the result of higher interest costs due to increased borrowings under bank credit facilities during fiscal 2014 versus 2013.

Loss From Continuing Operations Before Income Taxes. For the reasons stated above, the Company incurred a loss before taxes from continuing operations of ($241,369) and ($314,106) for the fiscal years ended 2014 and 2013, respectively.

Income Taxes. The company recorded a net income tax provision of $22,000 and $17,000 for fiscal 2014 and 2013, respectively. Both fiscal years reflect applicable state income taxes only as we have fully provided for a valuation allowance against the deferred tax asset.

Loss From Discontinued Operations. On August 28, 2013 the Company sold its New Jersey freight forwarding and logistics operations and in June 2012 discontinued its food segment business. As a result, the New Jersey operations and some ongoing expenses associated with the food segment are included in discontinued operations. Fiscal 2014 and 2013 reflect a loss from discontinued operations of ($71,824) and ($1,827,128), respectively. Refer to Note 8 to the Consolidated Financial Statements.

Net Loss. For fiscal 2014 and 2013, the Company incurred a net loss of ($335,193) and ($2,158,234), respectively. Net loss available to common shareholders for fiscal 2014 and 2013 was ($362,455) or ($0.01) per diluted share and ($2,173,234) or ($0.09) per diluted share, respectively.

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. We depend on our commercial credit facilities to fund our day-to-day operations as there is a timing difference between our collection cycles and the timing of our payments to vendors. 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 2014 fiscal year is not necessarily indicative of future cash flow performance.

As of September 30, 2014, and compared with the prior fiscal year, the Company's cash and cash equivalents increased by $39,036, or 6.2%, to $664,620 from $625,584, respectively. During the fiscal year ended September 30, 2014, Janel's net working capital (current assets minus current liabilities) decreased by ($3,189,550) from a negative ($183,338) at September 30, 2013, to a negative ($3,372,888) at September 30, 2014. This decrease is primarily due to ($1,800,000) of additional borrowing on September 10, 2014 under our bank line of credit by leveraging the Alpha balance sheet to acquire Alpha, negative net working capital of ($906,473) within the Alpha subsidiaries resulting from the cash distribution of all book cash on the Alpha balance sheet to the Alpha principals prior to the acquisition, the recording of the current portion of contingent consideration net of imputed interest (the potential first year earn out) in the amount of ($467,068) and the net loss of ($335,193) for the fiscal year ended September 30, 2014; which were offset by the sale on October 30, 2013 of 7,692,308 of the Company's common stock for $500,000.

Cash flows from continuing operating activities. Net cash used in continuing operating activities for fiscal 2014 and 2013 was ($1,560,733) and ($283,267) respectively. The change was principally driven by a decrease in the collection of outstanding accounts receivable and an increase in payments for prepaid expenses and other sundry assets, which were offset by a decrease in payments of outstanding accounts payable, a reduction in the net loss and changes in non cash related items mainly the issuance of stock options and changes in the allowance for doubtful accounts when compared to the prior year.

Cash flows from discontinued operating activities. Net cash provided by discontinued operating activities was $160,645 for fiscal 2014 and net cash used in discontinued operating activities was $97,818 for fiscal 2013.

Cash flows from investing activities. Net cash used for investing activities, mainly the acquisition of Alpha, was ($4,358,773) for fiscal 2014. Net cash provided by investing activities, primarily the sale of the assets of our New Jersey operations and marketable securities, was $528,065 for fiscal 2013.

Cash flows from financing activities. Net cash provided by financing activities was $5,807,049 for fiscal 2014 and net cash used in financing activities was ($490,900) for fiscal 2013. The cash provided by financing activities for fiscal 2014 consisted of the sale on September 10, 2014 and September 24, 2014 of 250,000 and 25,000, respectively, shares of the Company's Series C Cumulative Preferred Stock for $2,750,000 (Refer to Note 10B to the Consolidated Financial Statements), the sale on October 30, 2013 of 7,692,308 shares of the Company's common stock for $500,000 (Refer to Note 9C to the Consolidated Financial Statements) and a net increase of $2,572,049 in borrowings under our bank line of credit. The cash used in financing activities for fiscal 2013 consisted primarily of the repayment of long-term debt of ($305,900) and a net decrease of ($170,000) under our bank line of credit.

Presidential Financial Borrowing Facility. On March 27, 2014, the Company and its wholly-owned subsidiaries, The Janel Group Of New York, Inc., The Janel Group of Illinois, Inc., The Janel Group of Georgia, Inc., The Janel Group of Los Angeles, Inc., and Janel Ferrara Logistics, LLC (collectively, the "Janel Borrowers"), entered into a Loan and Security Agreement with Presidential Financial Corporation ("Presidential") with respect to a three year $3.5 million (limited to the borrowing base and reserves) revolving line of credit facility (the "Presidential Facility"). The Presidential Facility replaced The Janel Group of New York's previous line of credit agreement with Community National Bank ("CNB"). On September 10, 2014 after completion of the Alpha acquisition, the Janel Borrowers and Alpha entered into a First Amendment to the Presidential Facility ("Loan Amendment"), with Presidential, which Loan Amendment among other things, (1) added Alpha as co-borrowers, (2) increased the line of credit available to the Janel Borrowers (including Alpha) from $3.5 million to $5.0 million and (3) increased the advance rate from 70% to 85%. On September 25, 2014 there was a Second Amendment and the Presidential Facility was temporarily increased to $5.5 million and on October 9, 2014, subsequent to the period covered by this report, there was a Third Amendment whereby the Presidential Facility was increased to $7.0 million. The Janel Borrowers can now borrow up to $7.0 million limited to 85% of the Janel Borrowers' aggregate outstanding eligible accounts receivable, subject to adjustment as set forth in the Loan and Security Agreement. Interest will accrue at an annual rate equal to five percent above the greater of (a) the prime rate of interest quoted in The Wall Street Journal from time to time, or (b) 3.25%. The Janel Borrowers' obligations under the Presidential facility are secured by all of the assets of the Janel Borrowers. The Presidential Facility will expire on March 26, 2017 (subject to earlier termination as provided in the Loan and Security Agreement) unless renewed. On March 31, 2014, $1,282,673 of the Presidential Facility was used to pay off the outstanding balances under the line of credit facility with CNB. On September 10, 2014, $1,800,000 of the Presidential Facility was used to acquire Alpha. As of September 30, 2014, there were outstanding borrowings of $4,003,385 under the Presidential Facility (which represented 72.8% of the amount available thereunder) out of a total amount available for borrowing under the Presidential Facility of approximately $5,500,000.

Working Capital Requirements. The Company's cash needs are currently met by the Presidential Facility and cash on hand. As of September 30, 2014, the Company had $1,496,615 available under its $5.5 million Presidential Facility and $664,620 in cash from operations and cash on hand. On October 9, 2014, subsequent to the period covered by this report, the Presidential Facility was increased to $7.0 million. On September 10, 2014 the Company sold 250,000 shares of the Company's Series C Cumulative Preferred Stock for $2,500,000 (Refer to Note 9B to the Consolidated Financial Statements) and used the proceeds to acquire Alpha. On September 24, 2014 the Company sold 25,000 shares of the Company's Series C Cumulative Preferred Stock for $250,000 (Refer to Note 9B to the Consolidated Financial Statements) and used the proceeds for general working capital purposes. On October 30, 2013, the Company raised $500,000 (Refer to Note 9C to the Consolidated Financial Statements) from the sale of newly issued shares of the Company's Common Stock at a price of $0.065 per share and used the proceeds for general working capital purposes. The Company also issued five-year warrants to the investor for up to an additional $1,000,000 investment upon exercise for additional newly issued shares of the Company's common stock at a price of $0.08. 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, competition, and the availability under our revolving credit facility, none of which can be predicted with certainty. If our cash flow and available credit are not sufficient to fund our working capital, the Company's operations will be materially negatively impacted.

CURRENT OUTLOOK

Our 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. We cannot accurately forecast many of these factors nor can we 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 2015 and beyond through several avenues. The Company's strategy for further 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; 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; seek out and pursue privately held transportation-related firms which may ultimately lead to their acquisition by the Company; 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 our profitability and growth strategy, principally proposals for acquisition and accelerating our revenue growth are contingent upon the availability of adequate financing on terms acceptable to the Company. On October 30, 2013, the Company raised $500,000 (Refer to Note 9C to the Consolidated Financial Statements) from the sale of newly issued shares of the Company's Common Stock at a price of $0.065 per share and used the proceeds for general working capital purposes. The Company also issued five-year warrants to the investor for up to an additional $1,000,000 investment upon exercise for additional newly issued shares of the company's common stock at a price of $0.08. On September 10, 2014 the Company sold 250,000 shares of the Company's Series C Cumulative Preferred Stock for $2,500,000 (Refer to Note 9B to the Consolidated Financial Statements) and used the proceeds to acquire Alpha. On September 24, 2014 the Company sold 25,000 shares of the Company's Series C Cumulative Preferred Stock for $250,000 (Refer to Note 9B to the Consolidated Financial Statements) and used the proceeds for general working capital purposes. Without adequate equity and/or debt financing, the implementation of significant aspects of the Company's strategic growth plan may be deferred beyond the originally anticipated timing, and the Company's operations will be materially negatively impacted.

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. Effective with the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2013, the Company changed its accounting principle and no longer includes customs duty as a component of revenue.

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."

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 comprehensive loss:

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

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, 2014.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to the exemption provided to issuers that are neither "large accelerated filers" nor "accelerated filers" under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

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 2014 that 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
William J. Lally	61	President, Chief Executive Officer and Director
Vincent Iacopella	47	President, Chief Operating Officer and Director
Noel J. Jannello	43	Vice President
Ruth Werra	73	Secretary
Philip J. Dubato	58	Executive Vice President of Finance and Chief Financial and Accounting Officer
Brendan Killackey	40	Director

William J. Lally has been the President and Chief Executive Officer of Janel since August 15, 2013. Prior to that, Mr. Lally was the President and Chief Operating Officer of Janel since May 2009. Mr. Lally's principal function is the overseeing of all of the Company's operations, and sales and marketing efforts. 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.

Vincent Iacopella has been the Vice President and Chief Operating Officer of Janel since August 15, 2013. Prior to that, Mr. Iacopella was the Vice President of Janel and the Managing Director of The Janel Group of Los Angeles since 2004. Mr. Iacopella is principally engaged in sales and marketing and also manages the Company's Los Angeles office. 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 was a member of the Board of Directors of the Company from 2004 until he resigned in April 2013 of this year to focus his full attention on his operational responsibilities for the Company as Managing Director of The Janel Group of Los Angeles. On December 15, 2013, Mr. Iacopella agreed to return to the Board.

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.

Brendan Killackey was elected to the Board in September 2014. Since 2001, Mr. Killackey has been the owner of Progressive Technology Partners, LLC, a technology consultancy based in New York City specializing in website services.

Janel's increasing reliance on technology within the logistics industry and interface with clients makes Mr. Killackey's background and experience very valuable to the Company, and therefore he is well qualified to serve as a member of the Company's Board.

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 import operations. Mr. Jannello is a graduate of Bradley University (B.A., Advertising & Marketing, 1993).

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.

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.

Board of Directors

Board of Directors. During the fiscal year ended September 30, 2014, the Board of Directors met three times. 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.

Director Independence. We are not currently subject to listing requirements of any national securities exchange or inter-dealer quotation system which has requirements that a majority of the board of directors be "independent" and, as a result, we are not at this time required to (and we do not) have our Board of Directors comprised of a majority of "Independent Directors." Our Board of Directors has considered the independence of its directors in reference to the definition of "independent director" established by the Nasdaq Marketplace Rule 5605(a)(2). In doing so, the Board of Directors has reviewed all commercial and other relationships of each director in making its determination as to the independence of its directors. After such review, the Board of Directors has determined that Brendan Killackey qualifies as independent under the requirements of the Nasdaq listing standards.

Committees. 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 the 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 and limited to a small group of only five 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 President/Chief Executive Officer and 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. In January 2012, Mr. Cesarski filed a late report reflecting 19 sales. To the Company's knowledge, all reports are now up to date.

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, 2014, 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, 2014 for filing with the Securities and Exchange Commission.

THE BOARD OF DIRECTORS
William J. Lally
Vincent Iacopella
Brendan Killackey

ITEM 11. EXECUTIVE COMPENSATION

Introduction

The individuals who served as the Company's principal executive officers during the fiscal year ended September 30, 2014, two individuals (other than principal executive officers) who were the Company's most highly compensated executive officers as of September 30, 2014, 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, 2014 and 2013.

Employment Agreements

On September 10, 2014, in connection with the acquisition of Alpha, the Company entered into an employment agreement with John Joseph Gonzalez II to serve as a Senior Managing Director of the Company's Northeast Region. The initial term of the employment agreement ends on September 10, 2017, and thereafter will renew for 1-year terms unless either party provides notice that it does not wish to renew. The Company will pay Mr. Gonzalez an annual salary of $200,000. The employment agreement also provides that Mr. Gonzalez is entitled to typical employee benefits and contains customary restrictive covenants.

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, 2014 and 2013.

Name and Principal Position (a)	**Year** (b)	**Base Salary $** (c)	**Bonus $** (d)	**Stock Awards $** (e)	**Option Awards $** (f)	**All Other Compensation $** (i)	**Total $** (j)
William J. Lally	2014	125,000	0	0	0	53,532(1)	178,532
President and CEO	2013	125,000	0	0	0	40,979(1)	165,979
Vincent Iacopella	2014	153,000	22,218	0	0	16,394(2)	191,612
Vice President and COO	2013	121,500	43,234	0	0	17,587(2)	182,321
Philip J. Dubato	2014	175,000	0	0	0	18,000(3)	193,000
EVP of Finance and CFO	2013	175,000	0	0	0	18,000(3)	193,000
Noel J. Jannello	2014	162,033	0	0	0	28,166(4)	190,199
Vice President	2013	168,795(7)	0	0	0	46,817(4)	215,612
Nicholas Iacopella	2014	135,000	0	0	0	9,016(5)	144,016
Managing Director - Georgia	2013	106,201(8)	0	0	0	6,000(5)	112,201
William J. Lally, Jr.	2014	101,523(9)	0	0	0	24,727(6)	126,250
Vice President - Illinois	2013	99,644(9)	0	0	0	17,243(6)	116,887

(1) Includes $22,541 and $14,676 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual for each of the fiscal years ended 2014 and 2013, respectively, and $30,991 and $26,303 of medical insurance premiums paid on behalf of such individual for fiscal year ended 2014 and 2013, respectively.

(2) Includes $4,761 and $4,835 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2014 and 2013, respectively, $11,633 and $12,752 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2014 and 2013, respectively.

(3) Includes $12,000 and $12,000 of medical insurance premiums reimbursed on behalf of such individual for each of the fiscal years ended 2014 and 2013, respectively, and $6,000 and $6,000 for an automobile allowance for each of the fiscal years ended 2014 and 2013, respectively.

(4) Includes $11,702 and $23,888 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2014 and 2013, respectively, $15,190 and $21,655 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2014 and 2013, respectively, and $1,274 and $1,274, of 401K paid on behalf of such individual for the fiscal year ended 2014 and 2013, respectively.

(5) Includes $1,800 of medical insurance premiums paid on behalf of such individual for the fiscal year ended 2014 and , $7,216 and $6,000 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2014 and 2013, respectively.

(6) Includes $7,200 and $2,885 of medical insurance premiums paid on behalf of such individual for each of the fiscal years ended 2014 and 2013, respectively, $17,002 and $14,358 for automobile and automobile-related costs, including insurance, incurred on behalf of such individual, for each of the fiscal years ended 2014 and 2013, respectively, and $525of 401K paid on behalf of such individual for the fiscal year ended 2014.

(7) Includes $3,127 of sales commissions for the fiscal year ended 2013.

(8) Includes $7,162 of sales commissions for the fiscal year ended 2013.

(9) Includes $29,429 and $29,644 of sales commissions for the fiscal year ended 2014 and 2013, 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 Plans.

Prior to 2012, the Company maintained the Janel World Trade, Ltd. Stock Option Incentive Plan (the "2002 Option Plan") which was approved by the Company's Board of Directors and shareholders in 2002. Options to purchase 23,750 shares of Common Stock previously granted under the 2002 Plan expire on June 29, 2015. 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.

On October 30, 2013, the Board of Directors adopted the Janel World Trade, Ltd. 2013 Non-Qualified Stock Option Plan (the "2013 Option Plan") providing for options to purchase up to 5,000,000 shares of Common Stock for issuance to directors, officers, employees of and consultants to the Company and its subsidiaries. To date, 4,750,000 options have been granted under the 2013 Option Plan.

The exercise price and other terms of any nonqualified option granted under the 2013 Plan is determined by the Compensation Committee (the "Committee") of the Board of Directors or, if the Board does not create the Committee, by the Board which shall function as the Committee.

On September 10, 2014, pursuant to the employment agreement with John Joseph Gonzalez II, the principal of Alpha, and in consideration of his acceptance of employment with the Company, the Company granted to Mr. Gonzalez the option to purchase 2,000,000 shares of the Company's common stock at a purchase price of $0.0849 per share. The option vests in three installments: On each of September 10, 2015 and 2016, the option becomes exercisable with respect to 666,667 shares and on September 10, 2017, the option becomes exercisable with respect to the remaining 666,666 shares. Upon termination of Mr. Gonzalez's employment, all unvested options terminate immediately and all unexercised options may be exercised for 90 days thereafter, except that if Mr. Gonzalez is terminated for cause as defined in the employment agreement or if Mr. Gonzalez accepts employment with a competitor of the Company without the Company's consent, then all unexercised options terminate immediately.

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, 2014. 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, 2014.

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percent of Class
Oaxaca Group LLC 68 Bank Street New York, NY 10014	20,192,308(1)	50.22%
James N. Jannello 150-14 132nd Avenue Jamaica, NY 11434	5,500,000(2)	19.85%
Stephen P. Cesarski 150-14 132nd Avenue Jamaica, NY 11434	5,205,600(2)	18.79%
William J. Lally 150-14 132nd Avenue Jamaica, NY 11434	1,700,000(3)	5.98%
Vincent Iacopella 150-14 132nd Avenue Jamaica, NY 11434	1,700,000(4)	5.78%

(1) Includes 7,692,308 shares that are owned of record and warrants to purchase 12,500,000 shares of common stock.
(2) All of these shares are owned of record.
(3) Includes 1,000,000 shares that are owned of record and options to purchase 700,000 shares of common stock.
(4) Includes options to purchase 1,700,000 shares of common stock.

Management

The following table sets forth information with respect to the beneficial ownership of the shares of Common Stock as of September 30, 2014 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
William J. Lally	1,700,000(1)	5.98%
Vincent Iacopella	1,700,000(2)	5.78%
Noel J. Jannello	825,000(3)	2.89%
Philip J. Dubato	700,000(2)	2.46%
Ruth Werra	25,000(4)	*
Brendan Killackey	0	*
All directors and executive officers as a group (6 persons)	4,950,000	15.66%

(1) Includes 1,000,000 shares that are owned of record and options to purchase 700,000 shares of common stock.
(2) Reflect options to purchase common stock.
(3) Includes 25,000 shares that are owned of record and options to purchase 800,000 shares of common stock.
(4) All of these shares are owned of record.

Equity Compensation Plan Information

The following table provides information, as of September 30, 2014, 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	0*
Equity compensation plans not approved by security holders:			
2013 Stock Option Plan	4,750,000	$ 0.065	250,000**
John Joseph Gonzalez II - Options	2,000,000	$ 0.0849	0
Oaxaca Group LLC - Warrants	12,500,000	$ 0.08	0
Total	19,273,750	$ 0.0779	250,000

* Shares are issuable pursuant to options granted under the Company’s 2002 Option Plan. The 2002 Option Plan has expired.

** Represents shares available for issuance under the Company’s 2013 Stock Option Plan.

ITEM 13. CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Janel’s Board of Directors includes one “independent” director.

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, 2014 and 2013:

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, 2014 and 2013 totaled $63,000 and $63,000, 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 2014 and 2013.

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, 2014 and 2013 totaled $7,900 and $8,025, respectively.

All Other Fees

The aggregate fees billed to the Company by the Auditor for all other fees for the year ended September 30, 2014 and 2013 totaled $15,100 and $750, respectively. The “other fees” for 2014 were for services related to the acquisition of Alpha and for 2013 were for services related to the sale of our New Jersey operations.

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

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) 2. 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 3.1 to the Company's Current Report on Form 8-K filed November 1, 2013, 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)
3.5	Certificate of Designations of Series C Cumulative Stock (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed August 29, 2014, File No. 333-60608)
10.1	Janel World Trade, Ltd. 2013 Non-Qualified Stock Option Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed November 1, 2013, File No. 333-60608)
10.2	Loan and Security Agreement dated March 27, 2014 between Janel World Trade, Ltd. and its subsidiaries, and Presidential Financial Corporation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed April 2, 2012, File No. 333-60608)
10.3	First Amendment to the Loan and Security Agreement, dated September 10, 2014 between Janel World Trade, Ltd. and its subsidiaries, and Presidential Financial Corporation (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed September 16, 2014, File No. 333-60608)
10.4	Second Amendment to the Loan and Security Agreement, dated September 25, 2014 between Janel World Trade, Ltd. and its subsidiaries, and Presidential Financial Corporation (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed September 30, 2014, File No. 333-60608)
10.5	Third Amendment to the Loan and Security Agreement, dated October 9, 2014 between Janel World Trade, Ltd. and its subsidiaries, and Presidential Financial Corporation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed October 14, 2014, File No. 333-60608)
10.6	Amended and Restated Demand Secured Promissory Note dated October 9, 2014 made by Janel World Trade, Ltd. in favor of Presidential Financial Corporation (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed October 14, 2014, 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 December 29, 2014
101	Interactive data files providing financial information from the Registrant's Annual Report on Form 10-K for the fiscal year ended September 30, 2014 in XBRL (eXtensible Business Reporting Language) pursuant to Rule 405 of Regulation S-T: (i) Consolidated Balance Sheets, September 30, 2014 and September 30, 2013, (ii) Consolidated Statements of Operations for the years ended September 30, 2014 and 2013, (iii) Consolidated Statements of Shareholders' Equity for the years ended September 30, 2014 and 2013 (iv) Consolidated Statements of Cash Flows for the years ended September 30, 2014 and 2013, 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: December 29, 2014

By: /s/ William J. Lally
William L. Lally
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/ William J. Lally William J. Lally	President, Chief Executive Officer and Director	December 29, 2014
/s/ Vincent Iacopella Vincent Iacopella	Vice President, Chief Operating Officer and Director	December 29, 2014
/s/ Philip J. Dubato Philip J. Dubato	Executive Vice President of Finance and Chief Financial and Accounting Officer	December 29, 2014
/s/ Brendan Killackey Brendan Killackey	Director	December 29, 2014

Paritz & Company, P.A.

15 Warren Street, Suite 25
Hackensack, New Jersey 07601
(201)342-7753
Fax: (201) 342-7598

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, 2014 and 2013 and the related consolidated statements of operations, comprehensive loss, changes in stockholders' equity (deficiency) and cash flows for the years then ended. 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, 2014 and 2013 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/Paritz & Company, P.A

Hackensack, New Jersey

December 29, 2014

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

		SEPTEMBER 30, 2014		2013
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$	664,620	$	625,584
Accounts receivable, net of allowance for doubtful accounts of $157,999 in 2014 and $394,294 in 2013		8,563,522		3,615,302
Prepaid expenses and sundry current assets		221,398		117,147
Assets of discontinued operations **(Note 8)**		-		305,454
TOTAL CURRENT ASSETS		**9,449,540**		**4,663,487**
Property and equipment, net (Note 3)		**16,650**		**21,922**
OTHER ASSETS:				
Intangible assets, net **(Note 2)**		7,171,625		-
Security deposits		76,720		60,724
TOTAL OTHER ASSETS		**7,248,345**		**60,724**
TOTAL ASSETS	**$**	**16,714,535**	**$**	**4,746,133**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)				
CURRENT LIABILITIES				
Note payable - bank **(Note 5)**	$	4,003,385	$	1,431,336
Accounts payable – trade		8,037,086		3,031,135
Accrued expenses and other current liabilities		314,889		311,369
Current portion of long-term debt – related party **(Note 6),** net of imputed interest of $32,932		467,068		-
Liabilities of discontinued operations **(Note 8)**		-		72,985
TOTAL CURRENT LIABILITIES		**12,822,428**		**4,846,825**
OTHER LIABILITIES:				
Long-term debt – related party **(Note 6)**, net of imputed interest of $134,596		865,404		-
Deferred compensation **(Note 1)**		78,568		78,568
TOTAL OTHER LIABILITIES		**943,972**		**78,568**
STOCKHOLDERS' EQUITY (DEFICIENCY):				
Preferred Stock, $0.001 par value; 5,000,000 shares authorized:				
Series A; 1,000,000 shares authorized; 1,000,000 shares and 1,000,000 shares issued and outstanding, respectively		1,000		1,000
Series B; 285,000 shares authorized; 63,525 shares and 63,525 shares issued and outstanding, respectively		64		64
Series C; 350,000 shares authorized; 275,000 shares issued and outstanding		275		-
Common Stock. $0.001 par value; 225,000,000 shares authorized; 27,710,214 and 20,017,906 shares issued and outstanding, respectively		27,711		20,018
Paid-in Capital		8,279,493		4,797,611
Retained earnings (deficit)		(5,360,408)		(4,997,953)
STOCKHOLDERS' EQUITY (DEFICIENCY) (Note 9)		**2,948,135**		**(179,260)**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)	**$**	**16,714,535**	**$**	**4,746,133**

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

JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	YEAR ENDED SEPTEMBER 30, 2014	YEAR ENDED SEPTEMBER 30, 2013
REVENUES	**$ 47,940,095**	**$ 44,744,518**
COSTS AND EXPENSES:		
Forwarding expenses	41,390,621	38,479,974
Selling, general and administrative	6,646,604	6,452,913
TOTAL COSTS AND EXPENSES	**48,037,225**	**44,932,887**
OPERATING LOSS	**(97,130)**	**(188,369)**
OTHER ITEMS:		
Interest expense, net of interest and dividend income	(144,239)	(121,021)
Realized loss from available for sale securities	-	(4,716)
TOTAL OTHER ITEMS	**(144,239)**	**(125,737)**
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	**(241,369)**	**(314,106)**
Income taxes **(Note 10)**	(22,000)	(17,000)
NET LOSS FROM CONTINUING OPERATIONS	**(263,369)**	**(331,106)**
Loss from discontinued operations, net of taxes **(Note 8)**	(71,824)	(475,333)
Sale of discontinued operations, net of taxes **(Note 8)**	-	(1,351,795)
NET LOSS	**(335,193)**	**(2,158,234)**
Preferred stock dividends **(Note 9)**	(27,262)	(15,000)
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	**$ (362,455)**	**$ (2,173,234)**
OTHER COMPREHENSIVE LOSS NET OF TAX:		
Unrealized gain from available for sale securities	-	1,063
COMPREHENSIVE LOSS	**$ (362,455)**	**$ (2,172,171)**
(Loss) per share from continuing operations:		
Basic	$ (.01)	$ (.02)
Diluted	$ (.01)	$ (.01)
(Loss) per share from discontinued operations:		
Basic	$ (.00)	$ (.08)
Diluted	$ (.00)	$ (.08)
Net (Loss) per share available to common shareholders:		
Basic	$ (.01)	$ (.10)
Diluted	$ (.01)	$ (.09)
Basic weighted average number of shares outstanding	27,077,970	21,577,202
Fully diluted weighted average number of shares outstanding	28,713,220	23,212,452

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

	COMMON STOCK		PREFERRED STOCK						
	SHARES	$	SHARES	$	TREASURY STOCK	ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE GAIN (LOSS)	TOTAL
BALANCE-SEPTEMBER 30, 2012	**21,732,192**	**$ 21,732**	**1,063,525**	**$ 1,064**	**-**	**$ 4,795,897**	**$ (2,824,719)**	**$ (1,063)**	**$ 1,992,911**
Net loss	-	-	-	-	-	-	(2,158,234)	-	(2,158,234)
Dividends to preferred shareholders	-	-	-	-	-	-	(15,000)	-	(15,000)
Common Stock retired	(1,714,286)	(1,714)	-	-	-	1,714	-	-	-
Other comprehensive gains (losses):									
Unrealized gain on available-for-sale marketable securities	-	-	-	-	-	-	-	1,063	1,063
BALANCE-SEPTEMBER 30, 2013	**20,017,906**	**$ 20,018**	**1,063,525**	**$ 1,064**	**-**	**$ 4,797,611**	**$ (4,997,953)**	**$ -**	**$ (179,260)**
Net loss	-	-	-	-	-	-	(335,193)	-	(335,193)
Dividends to preferred shareholders	-	-	-	-	-	-	(27,262)	-	(27,262)
Common Stock issuance	7,692,308	7,693	-	-	-	492,307	-	-	500,000
Stock options issued	-	-	-	-	-	239,850	-	-	239,850
Preferred Stock issuance	-	-	275,000	275	-	2,749,725	-	-	2,750,000
BALANCE-SEPTEMBER 30, 2014	**27,710,214**	**$ 27,711**	**1,338,525**	**$ 1,339**	**-**	**$ 8,279,493**	**$ (5,360,408)**	**$ -**	**$ 2,948,135**

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, 2014	2013
OPERATING ACTIVITIES:		
Net (loss)	$ (335,193)	$ (2,158,234)
Plus (loss) from discontinued operations	71,824	475,333
Plus (loss) from sale of assets	-	1,351,795
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt reserve	291,874	(22,849)
Depreciation and amortization	28,315	19,191
Stock-based compensation	239,850	-
Changes in operating assets and liabilities:		
Accounts receivable	(2,250,241)	943,277
Prepaid expenses and sundry current assets	(105,963)	3,445
Accounts payable and accrued expenses	495,647	(891,550)
Security deposits	3,154	(3,675)
NET CASH (USED IN) CONTINUING OPERATIONS	**(1,560,733)**	**(283,267)**
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	**160,645**	**97,818**
NET CASH (USED IN) OPERATING ACTIVITIES	**(1,400,088)**	**(185,449)**
INVESTING ACTIVITIES:		
Acquisition of property and equipment, net	(9,152)	(2,917)
Acquisition of subsidiaries **(Note 2)**	(4,358,773)	-
Sale of marketable securities	-	61,915
Proceeds from sale of assets	-	469,067
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**(4,367,925)**	**528,065**
FINANCING ACTIVITIES:		
Dividends paid	(15,000)	(15,000)
Proceeds, net of payments, from bank loan	2,572,049	-
Repayments, net of proceeds, of bank loan	-	(170,000)
Repayments of long-term debt	-	(305,900)
Proceeds from the sale of common stock **(Note 9)**	500,000	-
Proceeds from the sale of preferred stock **(Note 9)**	2,750,000	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**5,807,049**	**(490,900)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**39,036**	**(148,284)**
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	**625,584**	**773,868**
CASH AND CASH EQUIVALENTS – END OF YEAR	**$ 664,620**	**$ 625,584**

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, 2013	2012
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ 144,239	$ 138,989
Income taxes	$ 26,236	$ 27,000
Non-cash activities:		
Unrealized gain on marketable securities	$ -	$ 1,063
Dividends declared to preferred shareholders	$ 27,262	$ 15,000
Loan receivable	$ -	$ 42,000
Acquisition of business ***(Note 2)****:*		
Intangible assets acquired	$ 7,184,069	$ -
Long-term debt incurred, net of imputed interest	$ (1,332,472)	$ -
Net liabilities acquired	$ (1,492,824)	$ -

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 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.

Basis of consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries; The Janel Group of New York, Inc., The Janel Group of Illinois, Inc., The Janel Group of Georgia, Inc., The Janel Group of Los Angeles, Inc., Alpha International, LP, PCL Transport, LLC, Janel Alpha GP, LLC, Janel Ferrara Logistics, LLC and Order Logistics, Inc.; 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.

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.

Business segment information

The Company operates as one reportable segment which is full service cargo transportation logistics management.

Revenues and revenue recognition

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.

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 recognizes compensation expense for stock-based compensation in accordance with ASC Topic 718. For employee stock-based awards, we calculate the fair value of the award on the date of grant using the Black-Scholes method for stock options and the quoted price of our common stock for unrestricted shares; the expense is recognized over the service period for awards expected to vest.

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. Under current authoritative guidance goodwill is not amortized but is tested for impairment annually as well as when an event or change in circumstance indicates 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 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, involves 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.

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)

Refer to Note 3, below, regarding marketable securities which are remeasured at fair value on a recurring basis.

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, 2013 amounted to $2,026 and represents the excess of recognized rent expense over scheduled lease payments and is included in accrued expenses and other current liabilities. There was no deferred rent payable as of September 30, 2014.

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 ACQUISITION

(A) ALPHA INTERNATIONAL, LP. AND PCL TRANSPORT, LLC.

On August 18, 2014 the Company entered into an Equity Interest Purchase Agreement ("EIPA") by and among the Company, its wholly owned subsidiaries, The Janel Group of New York, Inc., Janel Alpha GP, LLC, Alpha Logistics, LLC, Alpha International, LP ("AILP"), PCL Transport, LLC ("PCL"), and the principal owners of AILP and PCL, John Joseph Gonzalez II and Cathleen Margaret Gonzalez. On September 10, 2014, the Company completed the acquisition of all of the equity interests of AILP and PCL pursuant to the terms of the EIPA. As consideration for the equity interests, the Company paid $4,358,773 to the former owners of AILP and PCL at closing. The former owners of AILP and PCL may receive additional consideration over the next three years for their equity interests as follows: (i) $500,000 to be paid following the first anniversary of the closing provided that Mr. Gonzalez is still employed by the Company (or pro rata if the employment was terminated prior to that date); (ii) $500,000, plus an amount equal to 40% of the amount by which the Company's EBITDA exceeds $1.0 million to be paid following the second anniversary of the closing, provided that Mr. Gonzalez is still employed by the Company (or pro rata if the employment was terminated prior to that date) and the Company's EBITDA for the year then ended is more than $1.0 million; and $500,000, plus an amount equal to 40% of the amount by which such the Company's EBITDA exceeds $1.0 million to be paid following the third anniversary of the closing, provided that Mr. Gonzalez is still employed by the Company (or pro rata if the employment was terminated prior to that date) and the Company's EBITDA for the year then ended is more than $1.0 million.

The purchase price for the acquired assets was $5,691,245 consisting of $4,358,773 of cash, $1,332,472 of future cash to be paid (described above), net of imputed interest of $167,528.

In addition, the Company entered into an employment agreement with Mr. Gonzalez. Pursuant to the terms of the employment agreement, Mr. Gonzalez was (i) employed by the Company at an annual salary of $200,000 plus typical employee benefits for an initial term of three years ending September 10, 2017 and thereafter will renew for 1-year terms unless either party provides notice that it does not wish to renew, and (ii) granted option to purchase 2,000,000 shares of the Company's common stock at a purchase price of $0.0849 per share (refer to Note 9D, below). The employment agreement also contains customary restrictive covenants.

(B) 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 which were determined by an independent valuation performed by a third party.

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.

The assets acquired and liabilities assumed as part of our acquisition were recognized at their fair values as of the acquisition date, September 10, 2014. The following table summarizes the fair values assigned to the assets acquired and liabilities assumed:

	Fair Value
Accounts receivable, net	$ 2,987,487
Security deposits	19,150
Prepaid expenses and other current assets	654
Fixed assets	1,446
Accounts payable and other liabilities	(4,501,561)
Customer relationships	4,480,000
Goodwill	2,704,069
Purchase price	$ 5,691,245

The following table provides unaudited pro forma results of operations for the fiscal years ended September 30, 2014 and 2013 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)	Pro Forma Results Year ended September 30, 2014	2013
Revenues	$ 56,787,164	$ 53,909,658
Income (Loss) before income taxes	$ 205,016	$ (1,770,693)
Fully diluted earnings (loss) per share	$ 0.01	$ (0.08)

3 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, 2014	2013	Life
Furniture and fixtures	$ 23,204	$ 18,944	5-7 years
Computer equipment	63,531	109,691	5 years
	86,735	128,635	
Less accumulated depreciation and Amortization	70,085	106,713	
	$ 16,650	$ 21,922	

4 INTANGIBLE ASSETS

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

Customer relationships	$ 4,480,000	15 years
Goodwill	2,704,069	
	7,184,069	
Less accumulated amortization	12,444	
	$ 7,171,625	

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

	2014
Balance – beginning of year	$ -
Additions	7,184,069
Amortization	(12,444)
Balance – end of year	$ 7,171,625

5 NOTE PAYABLE – BANK

On March 27, 2014, the Company and its wholly-owned subsidiaries, entered into a Loan and Security Agreement with Presidential Financial Corporation (“Presidential”) with respect to a three year $3.5 million (limited to the borrowing base and reserves) revolving line of credit facility (the “Presidential Facility”) which replaces The Janel Group of New York’s previous line of credit agreement with Community National Bank (“CNB”). On March 31, 2014, $1,282,673 of the Presidential Facility was used to repay the outstanding balances under the line of credit facility with CNB.

On September 10, 2014 in conjunction with the acquisition of AILP and PCL, the Company, AILP and PCL entered into a First Amendment to the Presidential Facility (“Loan Amendment”), with Presidential, which Loan Amendment among other things, (1) added AILP and PCL as co-borrowers, (2) increased the line of credit available (including AILP and PCL) from $3.5 million to $5.0 million and (3) increased the advance rate from 70% to 85%. On that date, $1,800,000 of the Presidential Facility was used to acquire AILP and PCL.

On September 25, 2014 there was a Second Amendment and the Presidential Facility was temporarily increased to $5.5 million and on October 9, 2014, subsequent to the period covered by this report, there was a Third Amendment whereby the Presidential Facility was increased to $7.0 million. The Company can now borrow up to $7.0 million limited to 85% of the aggregate outstanding eligible accounts receivable, subject to adjustment as set forth in the Loan and Security Agreement. Interest will accrue at an annual rate equal to five percent above the greater of (a) the prime rate of interest quoted in The Wall Street Journal from time to time, or (b) 3.25%. The obligations under the Presidential facility are secured by all of the assets of the Company, AILP and PCL. The Presidential Facility will expire on March 26, 2017 (subject to earlier termination as provided in the Loan and Security Agreement) unless renewed. As of September 30, 2014, there were outstanding borrowings of $4,003,385 under the Presidential Facility (which represented 72.8% of the amount available thereunder) out of a total amount available for borrowing under the Presidential Facility of approximately $5,500,000.

6 LONG-TERM DEBT – RELATED PARTY

Long-term debt consists of the following:

	September 30, 2014	September 30, 2013
Non-interest bearing note payable to a related party, net of imputed interest due when earned (see Note 2A regarding the earn-out period).	$ 1,332,472	$ -
	1,332,472	-
Less current portion	(467,068)	-
	$ 865,404	$ -

These obligations mature as follows:

2015	$ 467,068
2016	443,770
2017	421,634
	$ 1,332,472

7 RELATED PARTY TRANSACTIONS

Prior to August 28, 2013, we received trucking and warehouse related services from Allports Logistics Warehouse, LLC (“Allports”) and Ferrara International Worldwide, Inc. (“FIW”), which are controlled and owned by Nicholas V. Ferrara, a former employee and Director of the Company. We paid approximately $1,311,000 and $439,000 to Allports and FIW, respectively, for such services in fiscal 2013. Refer to Note 8, below, regarding the sale of the New Jersey operations to a related party.

8 DISCONTINUED OPERATIONS

On August 28, 2013, the Company, and its wholly-owned subsidiary, The Janel Group of New York, Inc. (collectively, the “Seller”), entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”) with Allports Logistics Anchor Wharehouse, LLC (the “Purchaser”), an entity affiliated with Nicholas V. Ferrara, a former director of the Company. Under the terms of the Agreement, the Purchaser purchased certain of the Seller’s assets (the “NJ Assets”) used by the Seller in the Company’s Hillside, New Jersey freight forwarding and logistics operations (the “NJ Business”). The Company had originally acquired its New Jersey operations from an affiliate of Mr. Ferrara in two transactions in 2008 and 2010. The sale price of the NJ Assets consisted of $401,067 in cash, and the assumption of all future lease obligations with respect to the three office and warehouse facilities from which the Company conducted its New Jersey operations. At the closing of the sale on August 30, 2013, the Seller used the cash portion of the purchase price to repay outstanding obligations secured by the NJ Assets, including the $229,241 outstanding balance on the Seller’s term loan from CNB, and an aggregate $58,245 on two outstanding equipment financing arrangements. Simultaneously with the closing Mr. Ferrara (i) paid the Company $110,000 for the release of restrictions on competition which were agreed to as part of the 2008 portion of the acquisition of the NJ Business and (2) returned to the Company the 1,714,286 restricted common shares that were previously issued as part of the 2010 portion of the acquisition of the NJ Business (the restricted common shares were subject to an earn out, however, none of the restricted common shares were earned). All of the expenses of the NJ Business from and after the closing are the responsibility of the Purchaser. The Company retained its pre-closing accounts receivable and accounts payable with respect to the NJ Business the net proceeds on these accounts receivable and payable will be used to further reduce the Company’s obligations to Community National Bank. As previously reported by the Company, as of September 30, 2012 the Company had determined that there was full impairment of the goodwill relating to its 2008 and 2010 acquisitions of the NJ Business, and recorded an impairment loss of $1,167,070 on September 30, 2012, representing the write-off of all of the goodwill acquired in those transactions. As a result of the sale of the NJ Business to the Purchaser, the Company recorded a write off of $1,562,061 associated with the customer list from the 2008 and 2010 acquisitions of the NJ Business.

As a result of the above, the Company elected to discontinue the operations of the NJ Business. Also, during June 2012 the Company elected to discontinue the operations of the food sales segment. The assets, liabilities and operations associated with the NJ Business and the food sales segment are summarized below.

	2014	2013
ASSETS AND LIABILITIES IN DISCONTINUED OPERATIONS:		
ASSETS:		
Accounts receivable, net	-	305,454
TOTAL ASSETS	**-**	**305,454**
LIABILITIES:		
Accounts payable	-	57,780
Accrued expenses	-	15,205
TOTAL LIABILITIES	**-**	**72,985**

	2014	2013
TOTAL DISCONTINUED OPERATIONS:		
REVENUES	**$ -**	**$ 12,759,734**
COSTS AND EXPENSES:		
Cost of sales	(36,792)	9,683,566
Selling, general and administrative expenses	108,616	3,169,610
Depreciation and amortization	-	363,923
Change in fair value of contingent consideration	-	-
TOTAL COSTS AND EXPENSES	**71,824**	**13,217,099**
Interest expense	-	17,968
Sub-total	$ (71,824)	(475,333)
Loss on sale of assets	-	1,351,795
LOSS FROM DISCONTINUED OPERATIONS	**$ (71,824)**	**$ (1,827,128)**

	2014	2013
NEW JERSEY DISCONTINUED OPERATIONS:		
REVENUES	**$ -**	**$ 12,759,734**
COSTS AND EXPENSES:		
Cost of sales	(36,792)	9,683,566
Selling, general and administrative expenses	46,596	3,131,687
Depreciation and amortization	-	363,923
TOTAL COSTS AND EXPENSES	**9,804**	**13,179,176**
Interest expense	-	17,968
Sub-total	(9,804)	(437,410)
Loss on sale of assets	-	1,351,795
LOSS FROM DISCONTINUED OPERATIONS	**$ (9,804)**	**$ (1,789,205)**

	2014	2013
FOOD SALES DISCONTINUED OPERATIONS:		
REVENUES	-	-
COSTS AND EXPENSES:		
Cost of sales	-	-
Selling, general and administrative expenses	62,020	37,923
Depreciation and amortization	-	-
TOTAL COSTS AND EXPENSES	**62,020**	**37,923**
Interest expense	-	-
LOSS FROM DISCONTINUED OPERATIONS	**$ (62,020)**	**$ (37,923)**

9 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. Convertible preferred stock

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. The Series A Stock pay a cumulative cash dividend at a rate of $15,000 per year payable quarterly. On September 30, 2014 and 2013 there were 1,000,000 Series A Stock outstanding.

On October 18, 2007, the Company issued 285,000 unregistered shares of newly authorized $0.001 par value Series B Convertible Preferred Stock (the "Series B Stock") in connection with the acquisition of Order Logistics, Inc. (a discontinued operation). The shares are convertible into shares of Janel's $0.001 par value common stock at any time after October 18, 2009 on a one-share (of Series B Stock) for ten-shares (of common stock) basis. On September 30, 2014 and 2013 there were 63,525 Series B Stock outstanding.

B. Cumulative preferred stock

On August 25, 2014, the Company filed with the Nevada Secretary of State a Certificate of Designation for 350,000 shares of Series C Cumulative Preferred Stock, par value $0.001 per share (the "Series C Stock"). On September 10, 2014 the Company sold 250,000 unregistered shares of the newly authorized Series C Cumulative Stock for $2,500,000. On September 24, 2014 the Company sold an additional 25,000 unregistered shares of the Series C Stock for $250,000. Holders of Series C Stock ("Series C Holders") are entitled to receive annual dividends at a rate of 8.25% per annum of the original Series C Stock issuance price, or $10.00 per share subject to adjustment upon certain events (the "Original Issuance Price"), when, as and if declared by the Company's Board of Directors, such rate to increase by 2% annually beginning on the third anniversary of issuance of such Series C Preferred Stock to a maximum rate of 14.25%. In the event of liquidation, Series C Holders shall be paid an amount equal to the Original Issuance Price, plus any accrued but unpaid dividends thereon. Shares of Series C Preferred Stock may be redeemed (1) by the Company at any time upon notice and payment of the Original Issuance Price, plus any accrued but unpaid dividends thereon ("Redemption Price") or (2) by the Series C Holders at their option beginning on the fourth anniversary of the issuance of the Series C Preferred Stock for an amount equal to the Redemption Price.

C. Common stock

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, 2014, 259,676 shares of the Company's common stock have been repurchased under the plan at a cost of $114,703 and restored to the status of authorized and unissued.

On October 4, 2010, the Company issued 1,714,286 shares of common stock at $0.35 per share or an aggregate of $600,000 in connection with the Ferrara International Logistics, Inc. acquisition of the same date. On August 28, 2013 the 1,714,286 shares of common stock were returned to the Company in connection with the sale of the Company's New Jersey operation (refer to Note 8, above) on August 28, 2013.

On October 6, 2013, the Company entered into a Securities Purchase Agreement (the "Agreement") with Oaxaca Group LLC, (the "Investor"), for the sale to the Investor of an aggregate 7,692,308 shares of the Company's common stock at a purchase price of $0.065 per share, or an aggregate of $500,000. On October 30, 2013 the transaction closed. As part of the purchase, the Investor received warrants to purchase an aggregate 12,500,000 shares of common stock at $0.08 per share. The warrants expire five years after the closing date. The Agreement contains anti-dilution protections for the Investor. In addition, under the terms of the Agreement, the Company agreed that, at the Investor's option, the Company will present two nominees nominated by the Investor to become members of the Company's Board of Directors either through an action by written consent or through the vote of the Company's stockholders at the next meeting of the Company's stockholders, and from and after such time the size of the Company's Board of Directors will be limited to no more than four members, unless approved by the Investor. Furthermore, the Company agreed that it will not take certain actions without the approval of the Investor.

D. 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. The remaining obligation of $23,750 was paid in cash.

On October 30, 2013, options to purchase 4,750,000 shares of common stock at an exercise price of $0.065 per share were granted to key employees of the Company. The options were fully vested on the date of grant. The fair value of the options, as determined by using a Black-Scholes Option Pricing Model, was $237,492 and since the options were fully vested resulted in a $237,492 reduction to net income for the fiscal year ended September 30, 2014.

On September 10, 2014, in connection with the employment agreement with John Joseph Gonzalez II, options to purchase 2,000,000 shares of common stock at an exercise price of $0.0849 per share were granted to Mr. Gonzalez. The option vests in three installments: On each of September 10, 2015 and 2016, the option becomes exercisable with respect to 666,667 shares and on September 10, 2017, the option becomes exercisable with respect to the remaining 666,666 shares. Upon termination of Mr. Gonzalez's employment, all unvested options terminate immediately and all unexercised options may be exercised for 90 days thereafter, except that if Mr. Gonzalez is terminated for cause as defined in the employment agreement or if Mr. Gonzalez accepts employment with a competitor of the Company without the Company's consent, then all unexercised options terminate immediately. The fair value of the options was determined by using a Black Scholes Option Pricing Model was $169,800 and since the options vest over a period of three years resulted in a $2,358 reduction of net income for the fiscal year ended September 30, 2014.

The Company has no other stock options outstanding.

E. ***Stock warrants***

In connection with the October 6, 2013 Securities Purchase Agreement with Oaxaca Group, LLC (refer to Note 9(C), above), the Company issued warrants to purchase an aggregate 12,500,000 shares of common stock at $0.08 per share. The warrants expire five years after the closing date.

The Company has no other stock warrants outstanding.

10 INCOME TAXES

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

	Year Ended September 30, 2014	2013
Federal taxes (credits) at statutory rates	$ (214,000)	$ (116,000)
Permanent differences	10,000	10,000
State and local taxes, net of Federal benefit	30,000	23,000
Change in valuation allowance	196,000	100,000
	$ 22,000	$ 17,000

The components of deferred income tax are as follows:

Net operating loss carryforwards	$ 2,914,000	$ 2,718,000
Valuation allowance	(2,914,000)	(2,718,000)
Net deferred tax asset	$ -	$ -

During the fiscal years ended September 30, 2014 and 2013, the Company recorded a valuation allowance against deferred tax assets in the amount of $196,000 and $100,000, respectively, as the result of an evaluation of the Company's net operating losses incurred in prior years, its recent history of two consecutive years of losses from continuing operations, there are no existing events (such as very large sales orders or non-recurring events) that would produce adequate taxable income to offset the carryforward and there are no appreciated assets available to sell in order to utilize the NOL. The Company assessed the likelihood that its deferred tax assets would be recovered from future taxable income and determined that recovery was not more likely than not based upon all available evidence, both positive and negative. The amount of the non-cash valuation allowance reduction was based on management's estimates of future taxable income by taking jurisdictions and the period over which the Company believes deferred tax assets will be recoverable.

The Company has net operating loss carryforwards for income tax purposes which expire as follows:

2031	$ 285,000
2032	1,555,000
2033	5,605,000
2034	630,000
	$ 8,075,000

11 PROFIT SHARING AND 401(k) PLANS

The Company maintains a non-contributory profit sharing plan and a contributory 401(k) plan covering substantially all full-time employees. The 401 (k) plan provides for participant contributions of up to 25% of annual compensation (not to exceed the IRS limit), as defined by the plan. The Company contributes an amount equal to 25% of the participant's first 5% of contributions. The expense charged to operations for the years ended September 30, 2014 and 2013 aggregated approximately $14,000 and $19,000, respectively.

12 COMMITMENTS AND CONTINGENCIES

(a) Leases

The Company conducts its operations from leased premises. Rental expense on operating leases for the years ended September 30, 2014 and 2013 was approximately $360,000 and $388,000, respectively.

Future minimum lease commitments (excluding renewal options) under non-cancellable leases are as follows:

Year ended September 30, 2015	$	383,000
2016		189,000
2017		57,000

(b) Employment Agreements

The Company has employment agreements, including the employment agreement with Mr. Gonzalez in Note 2A, with certain employees expiring at various times through September 30, 2017. Such agreements provide for minimum salary levels. The aggregate commitment for future salaries at September 30, 2014, excluding bonuses and commissions, was approximately $882,000.

13 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 offices 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 collectability 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) The Company and/or its subsidiaries have been named as defendants in five separate lawsuits filed in New York and New Jersey state courts, each alleging non-payment of food product purchases by the Company's discontinued food segment subsidiary. The total claimed in all five lawsuits in the aggregate (exclusive of any interest and costs) is approximately $1,421,000. The Company is vigorously defending each of the lawsuits.

(3) On April 27, 2012, the Company's subsidiary, Janel Group of Illinois, Inc. ("Janel Illinois"), filed a law suit in the Circuit Court for Cook County, Illinois (Case No. 2012 L 4574) against Q Marketing Group, Ltd. and its principals, Eduardo and Marie Gordon, for non-payment of invoices for freight services, and on September 14, 2012 obtained a default judgment against the defendants. In an effort to collect on the judgment, Janel Illinois filed to register the Illinois default judgment with the New York Supreme Court, and on August 1, 2013, subsequent to the period covered by this Quarterly report on Form 10-Q, the defendants filed an answer with unspecified counterclaims against Janel Illinois (Supreme Court of New York for Queens County, Index No. 702364/13) seeking damages of $500,000, punitive damages of $1,000,000 and sanctions of $10,000. On December 13, 2013 the Company filed a motion for summary judgment with the Supreme Court of New York for Queens County on its claims. The Company believes that the defendants have no meritorious defenses or counterclaims against the Illinois judgment and will vigorously continue to pursue payment from the defendants.

(d) Concentration of customers

Sales to two major customers were approximately 52.3% and 49.5% of consolidated sales from continuing operations for the years ended September 30, 2014 and 2013, respectively. Amounts due from these customers aggregated approximately $1,134,000 and $423,000 at September 30, 2014 and 2013, respectively.

14 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 below item, there have been no other events that would require adjustment to or disclosure in the financial statements.

(1) On October 9, 2014 the Presidential Facility referred to in Note 5, above, was increased to $7.0M.

EXHIBIT 21

SUBSIDIARIES OF JANEL WORLD TRADE, LTD.

Name	Incorporated in
Janel Group, Inc. (F/K/A 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
Alpha International, LP	New York
PCL Transport, LLC	New Jersey
Janel Alpha GP, LLC	Delaware
Janel Ferrara Logistics, LLC	New Jersey
Order Logistics, Inc.	Nevada

EXHIBIT 31.1

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: December 29, 2014

/s/ William J. Lally
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Vincent Iacoppella, 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: December 29, 2014

/s/ Vincent Iacoppella
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: December 29, 2014

/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, 2014, 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: December 29, 2014

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

/s/ Vincent Iacopella
Vincent Iacopella
Vice President and Chief Operating Officer

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

Exhibit 99.1

For Immediate Release

Contact: Investor Relations at
Janel World Trade
(718) 527-3800
IR@Janelgroup.net

JANEL WORLD TRADE LTD. REPORTS FISCAL YEAR END 2014 RESULTS

JAMAICA, NY – December 29, 2014 -- Janel World Trade, Ltd. (OTCQB: JLWT), a full-service global provider of integrated transportation logistics, announced today the financial results for its quarter and fiscal year ended September 30, 2014.

Fourth Quarter 2014 Results

For the three months ended September 30, 2014, Janel reported revenue of $15,092,424 an increase of $2,225,254 or 17.6% compared to the three months ended September 30, 2014.

For the three months ended September 30, 2014 the Company reported income from continuing operations before income taxes of $102,395 compared to the prior year reported income from continuing operations before income taxes of $28,612.

For the three months ended September 30, 2014 and after losses from discontinued operations the Company reported net income of $67,823 or $(0.00) per fully diluted share, compared to the prior year reported net loss of $(1,447,256) or $(0.06) per fully diluted share. Included in these results are losses associated with discontinued operations of $(1,469,868) for the prior year's period and $(21,572) for the current year's period.

Year-To-Date 2014 Results

For the fiscal year ended September 30, 2014, Janel reported revenue of $47,940,095 an increase of $3,195,577 or 7.1% compared to the fiscal year ended September 30, 2013.

For the fiscal year ended September 30, 2014, after a one-time non-cash charge to SG&A of $237,492 for the issuance of stock options on October 30, 2013, the Company reported a loss from continuing operations before income taxes of $(241,369) compared to the prior year reported loss from continuing operations before income taxes of $(314,106).

For the fiscal year ended September 30, 2014 and after losses from discontinued operations the Company reported a net loss of $(335,193) or $(0.01) per fully diluted share, compared to the prior year reported net loss of $(2,158,234), or $(0.09) per fully diluted share. Included in these results are losses associated with discontinued operations of $(1,827,128) for the prior year's period and $(71,824) for the current year's period.

To be included in Janel's database for Corporate Press Releases and industry updates, investors are invited to send their e-mail address to: IR@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. With offices throughout the U.S. (New York, New Jersey, Chicago, Los Angeles, Atlanta and Philadelphia) 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 OTCQB 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.

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JANEL WORLD TRADE LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	THREE MONTHS ENDED September 30,		TWELVE MONTHS ENDED September 30,	
	2014 (unaudited)	2013 (unaudited)	2014 (audited)	2013 (audited)
REVENUES	$ 15,092,424	$ 12,837,170	$ 47,940,095	$ 44,744,518
COST AND EXPENSES:				
Forwarding expenses	13,139,010	11,223,840	41,390,621	38,479,974
Selling, general and administrative	1,775,956	1,549,924	6,618,289	6,433,722
Depreciation and amortization	16,487	4,855	28,315	19,191
TOTAL COSTS AND EXPENSES	14,931,453	12,778,619	48,037,225	44,932,887
OPERATING INCOME (LOSS)	160,971	58,551	(97,130)	(188,369)
OTHER ITEMS:				
Interest expense, net of interest and dividend income	(58,576)	(29,939)	(144,239)	(121,021)
Realized loss from available for sale securities	-	-	-	(4,716)
TOTAL OTHER ITEMS	(58,576)	(29,939)	(144,239)	(125,737)
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	102,395	28,612	(241,369)	(314,106)
Income taxes	(13,000)	(6,000)	(22,000)	(17,000)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	$ 89,395	$ 22,612	$ (263,369)	$ (331,106)
Loss from discontinued operations, net of taxes	(21,572)	(118,073)	(71,824)	(475,333)
Sale of discontinued operations, net of taxes	-	(1,351,795)	-	(1,351,795)
NET LOSS	$ 67,823	$ (1,447,256)	$ (335,193)	$ (2,158,234)
Preferred stock dividends	(16,012)	(3,750)	(27,262)	(15,000)
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	$ 51,811	$ (1,451,006)	$ (362,455)	$ (2,173,234)
OTHER COMPREHENSIVE LOSS NET OF TAX:				
Unrealized gain from available for sale securities	$ -	$ -	$ -	$ 1,063
COMPREHENSIVE LOSS	$ 51,811	$ (1,451,006)	$ (362,455)	$ (2,172,171)
(Loss) per share from continuing operations:				
Basic	$ -	$ -	$ (0.01)	$ (0.02)
Diluted	$ -	$ -	$ (0.01)	$ (0.01)
(Loss) per share from discontinued operations:				
Basic	$ -	$ (0.07)	$ -	$ (0.08)
Diluted	$ -	$ (0.07)	$ -	$ (0.08)
Net (loss) per share available to common shareholders:				
Basic	$ -	$ (0.07)	$ (0.01)	$ (0.10)
Diluted	$ -	$ (0.06)	$ (0.01)	$ (0.09)
Basic weighted average number of shares outstanding	27,710,214	21,117,285	27,077,970	21,577,202
Fully diuted weighted average number of shares outstanding	29,345,464	22,752,535	28,713,220	23,212,452

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, 2014		September 30, 2013
		(audited)		(audited)
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$	664,620	$	625,584
Accounts receivable, net of allowance for doubtful accounts of $157,999 in 2014 and $394,294 in 2013		8,563,522		3,615,302
Prepaid expenses and sundry current assets		221,398		117,147
Assets of discontinued operations		-		305,454
TOTAL CURRENT ASSETS		**9,449,540**		**4,663,487**
PROPERTY AND EQUIPMENT, NET		**16,650**		**21,922**
OTHER ASSETS:				
Intangible assets, net		7,171,625		-
Security deposits		76,720		60,724
TOTAL OTHER ASSETS		**7,248,345**		**60,724**
TOTAL ASSETS	**$**	**16,714,535**	**$**	**4,746,133**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)				
CURRENT LIABILITIES:				
Note payable - bank	$	4,003,385	$	1,431,336
Accounts payable - trade		8,037,086		3,031,135
Accrued expenses and other current liabilities		314,889		311,369
Current portion of long-term debt - related party, net of imputed interest of $32,932		467,068		-
Liabilities of discontinued operations		-		72,985
TOTAL CURRENT LIABILITIES		**12,822,428**		**4,846,825**
LONG-TERM DEBT - related party, net of imputed interest of $134,596		865,404		-
DEFERRED COMPENSATION		78,568		78,568
TOTAL OTHER LIABILITIES		**943,972**		**78,568**
STOCKHOLDERS' EQUITY (DEFICIENCY):				
Preferred Stock, $0.001 par value; 5,000,000 shares authorized:				
Series A; 1,000,000shares authorized; 1,000,000 and 1,000,000 shares issued and outstanding, respectively		1,000		1,000
Series B; 285,000 shares authorized; 63,525 and 63,525 shares issued and outstanding, respectively		64		64
Series C; 350,000 shares authorized; 275,000 shares issued and and outstanding		275		-
Common Stock, $0.001 par value; 225,000,000 shares authorized; 27,710,214 and 20,017,906 shares issued and outstanding, respectively		27,711		20,018
Paid-in Capital		8,279,493		4,797,611
Retained earnings (deficit)		(5,360,408)		(4,997,953)
STOCKHOLDERS' EQUITY (DEFICIENCY)		**2,948,135**		**(179,260)**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFIENCY)	**$**	**16,714,535**	**$**	**4,746,133**

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