

FORM 10-QSB

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 or 15 (d) OF

THE SECURITIES EXCHANGE ACT OF 1934

For the Three Months Ended June 30, 2003 Commission File Number 0-19047

INCORPORATED IN FLORIDA

IRS IDENTIFICATION NO. 59-2618503

FOOD TECHNOLOGY SERVICE, INC.
502 Prairie Mine Road, Mulberry, FL 33860
(863) 425-0039

"Indicate by check mark whether the registrant has filed all annual, quarterly and other reports required to be filed with the Commission within the past 90 days and in addition has filed the most recent annual report required to be filed. Yes X . No ."
-- --

"Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date."

Outstanding as of June 30, 2003 and December 31, 2002

Class -----	2003 ----	2002 ----
Common Stock \$.01 Par Value	11,001,038 Shares	11,001,038 Shares

FOOD TECHNOLOGY SERVICE, INC.

BALANCE SHEETS

	JUNE 30, 2003 ----- (unaudited)	DECEMBER 31, 2002 ----- *
ASSETS -----		
Current Assets:		
Cash	\$ 32,425	\$ 73,758
Accounts Receivable	389,617	204,020
Inventory	12,925	18,761
	-----	-----
Total Current Assets	434,967	296,539
	-----	-----
Property and Equipment:		
Cobalt	2,665,408	1,825,000
Furniture and Equipment	1,725,267	1,718,417
Building	2,883,675	2,883,675
Less Accumulated Depreciation	(3,526,417)	(3,347,656)
	-----	-----
Total Property & Equipment	3,747,933	3,079,436
	-----	-----
Land	171,654	171,654
	-----	-----
Other Assets:		
Deposits	5,000	5,000
	-----	-----
Total Assets	\$ 4,359,554	\$ 3,552,629
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY -----		
Current Liabilities:		
Accounts Payable and Accrued Expense	\$ 87,226	\$ 77,361
Financing Agreement and Debenture Payable	1,500,275	887,584
	-----	-----
Total Current Liabilities	1,587,501	964,945
	-----	-----
Stockholders' Equity:		
Common Stock \$.01 par value, 20,000,000 shares authorized, 11,001,038 shares outstanding on June 30, 2003 and December 31, 2002	110,010	110,010
Paid in Capital	11,975,577	11,975,577
Deficit	(9,229,534)	(9,413,903)
	-----	-----
Less-Common Stock Issued For Receivables	2,856,053	2,671,684
	(84,000)	(84,000)
	-----	-----
Total Stockholders' Equity	2,772,053	2,587,684
	-----	-----
Total Liabilities and Stockholders' Equity	\$ 4,359,554	\$ 3,552,629
	=====	=====

* Condensed from audited financial statements

FOOD TECHNOLOGY SERVICE, INC.
STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED JUNE 30, 2003 AND 2002

	2003 ----- (unaudited)	2002 ----- (unaudited)
Net Sales	\$ 587,999	\$ 253,206
Processing Costs:	105,418	123,687
	-----	-----
Income from Operations	482,581	129,519
General Administrative and Development	213,750	185,674
Depreciation	102,661	78,773
Interest Expense	21,288	15,658
	-----	-----
Income Before Income Taxes	144,882	(150,586)
Income Taxes		
Provision for Income Taxes	43,465	0
Tax Benefit from Net Operating Loss	(43,465)	0
	-----	-----
Net Income	\$144,882	(\$150,586)
	=====	=====
Net Income per Common Share	\$0.013	(\$0.014)
	=====	=====

NOTE 1: BASIS OF PRESENTATION

The financial information included herein is unaudited; however, such information reflects all adjustments (consisting solely of normally recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim period.

The results of operations for the three month periods ended June 30, 2003 are not necessarily indicative of the results to be expected for the full year.

FOOD TECHNOLOGY SERVICE, INC.

STATEMENTS OF OPERATIONS
FOR THE SIX MONTH PERIOD ENDED JUNE 30,

	2003 ---- (unaudited)	2002 ---- (unaudited)
Net Sales	\$1,000,466	\$ 662,312
Processing Costs	235,432	247,276
	-----	-----
Income from Operations	765,034	415,036
General Administrative and Development	368,917	325,746
Depreciation	178,760	157,157
Interest Expense	32,988	35,415
	-----	-----
Income / (Loss) Before Income Taxes	184,369	(103,282)
Income Taxes		
Provision for income taxes	55,311	0
Tax Benefit from Net Operating loss	(55,311)	0
	-----	-----
Net Income / (Loss)	\$184,369	(\$103,282)
	=====	=====
Net Income /(Loss) Per Common Share	\$0.017	(\$0.01)
	=====	=====

NOTE 1: BASIS OF PRESENTATION

The financial information included herein is unaudited; however, such information reflects all adjustments (consisting solely of normally recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim period.

The results of operations for the six month periods ended June 30, 2003 are not necessarily indicative of the results to be expected for the full year.

FOOD TECHNOLOGY SERVICE, INC.

STATEMENTS OF CASH FLOWS

	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
	(unaudited)	(unaudited)
Cash Flows from Operations:		
Sales Income Received	\$ 814,869	\$ 732,796
Interest Paid	(9,433)	(3,043)
Cash Paid for Operating Expenses	(588,647)	(587,532)
	216,789	142,221
Cash Flows from Investing:		
Property & Equipment Purchase	(847,258)	0
	(847,258)	0
Cash Flows from Financing Activities:		
Collection of Subscriptions Receivable	0	93,460
Proceeds from Borrowing	839,136	0
Repayment of Loans	(250,000)	(250,000)
	589,136	(156,540)
Net Increase (Decrease) in Cash	(41,333)	(14,319)
Cash at Beginning of Period	73,758	104,946
Cash at End of Period	\$32,425	\$90,627
	=====	=====
Reconciliation of Net Income to Net Cash Provided by Operations		
Net Income	\$184,369	(\$103,282)
Adjustments to Reconcile Net Income to Cash Provided by Operations:		
Depreciation	178,761	157,157
Accrued Interest	23,555	32,372
(Increase) Decrease in Inventories	5,836	4,842
(Increase) Decrease in Receivables	(185,597)	70,484
(Increase) Decrease in Prepaids	0	(12,500)
Increase (Decrease) in Payables and Accruals	9,865	(6,852)
Net Cash Provided by Operating Activities	\$216,789	\$142,221
	=====	=====

FOOD TECHNOLOGY SERVICE, INC.

STATEMENT OF STOCKHOLDERS' EQUITY

2002(unaudited)	Common Stock	Paid-In Capital	Deficit
-----	-----	-----	-----
Balance, January 1, 2002	\$ 104,968	\$11,680,619	(\$9,152,129)
Net Income for Period	0	0	(103,282)
	-----	-----	-----
Balance, June 30, 2002	\$ 104,968 =====	\$11,680,619 =====	(\$9,255,411) =====
<hr/>			
2003 (unaudited)			

Balance, January 1, 2003	\$ 110,010	\$11,975,577	(\$9,413,903)
Net Income for Period	0	0	184,369
	-----	-----	-----
Balance, June 30, 2003	\$ 110,010 =====	\$11,975,577 =====	(\$9,229,534) =====

- (a) Earnings per common share, assuming no dilution, are based on the number of shares outstanding on June 30, 2003 - 11,001,038 and June 30, 2002 - 10,496,837.
- (b) The foregoing information is unaudited, but, in the opinion of Management, includes all adjustments, consisting of normal accruals, necessary for a fair presentation of the results for the period reported.

Management's Analysis of Quarterly Income Statements Operations

Food Technology Service Inc. (FTSI) had revenues of \$1,000,466 during the first two quarters of 2003. This compares to revenues of \$662,312 for the same period in 2002 and reflects a increase of about fifty-one percent between the first six months of 2003 and the same period in 2002. The company had a profit of \$184,369 during the first two quarters of 2003 compared to a loss of (\$103,282) during the first two quarters of 2002.

Factors which increased profits during the first two quarters of 2003 included significant revenues from a food packaging customer and increased demand for irradiation of food and medical products. Comparing the first two quarters of 2003 with the same period in 2002, processing costs decreased by nearly \$12,000 while general administrative costs increased by over \$43,000. Increased general administrative costs were attributed to expenses related to the installation of additional Cobalt energy source and increased costs related to being a publicly-traded company. Depreciation also increased due to the additional Cobalt energy source.

Management anticipates increased revenue during the third quarter of 2003 based on the commitment of a large customer and increasing demand for irradiation of food and food packaging. Administrative and production costs are expected to continue at levels similar to those in the first two quarters of 2003. Management believes that demand for irradiated ground beef and chicken are increasing and anticipates additional customers for these products in the third quarter.

Liquidity and Capital Resources

As of June 30, 2003, the Company has cash on hand of \$32,425 and accounts receivable of \$389,617. The special alliance that the Company has with MDS Nordion should guarantee the Company's survival as a going entity until the food irradiation industry develops.

PART II OTHER INFORMATION

Item 1. Legal proceedings

Reference is made to the information contained under Item 3- Legal Proceedings in the Company's Form 10KSB Report Filed for year ended December 31, 2002.

Item 2-6 Not applicable

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 28, 2003

FOOD TECHNOLOGY SERVICE, INC.

/S/ Richard Hunter

Richard Hunter, Ph.D., President and
Chief Executive Officer

/S/ Dana S. Carpenter

Dana S. Carpenter, Asst. Corporate Secretary

Certification of Periodic Report
Section 906 of The Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Food Technology Service, Inc. (the "Company") on Form 10-QSB for the period ending June 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Richard G. Hunter, Ph.D. as Chief Executive Officer and Chief Financial Officer, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/S/ Richard Hunter

Richard G. Hunter, Ph.D.
Chief Executive Officer and Chief Financial Officer
July 28, 2003

CERTIFICATION

I Certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB of Food Technology Service, Inc. for the six months ended June 30, 2003.

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

3. Based on my knowledge, the Financial Statements, and other financial information included in the Quarterly 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 Quarterly Report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13A-14 and 15D-14 for the registrant and we have:

a) Designed such disclosure controls and procedures 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 Quarterly Report is being prepared;

b) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this Quarterly Report (the "Evaluation Date") and;

c) Presented in this Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, 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 in the design or operation of internal controls, which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this Quarterly Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: July 28, 2003

FOOD TECHNOLOGY SERVICE, INC.
By: / s/ Richard G. Hunter

Richard G. Hunter, Ph.D.
Chief Executive Officer and
Chief Financial Officer