

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 27, 2004

CENTURY BUSINESS SERVICES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

22-2769024

(State or Other Jurisdiction of
Incorporation or Organization)

(I.R.S. Employer Identification No.)

0-25890

(Commission File Number)

6050 Oak Tree Boulevard South, Suite 500
Cleveland, Ohio 44131
(Address of Principal Executive Offices)
(Zip Code)

Registrant's Telephone Number, Including Area Code 216-447-9000

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

Item 7(c). Exhibits

Exhibit 99.1 Press Release of Century Business Services, Inc. dated April 27, 2004, announcing its financial results for the first quarter ended March 31, 2004.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On April 27, 2004, Century Business Services, Inc. (CBIZ) announced its earnings for the first quarter ended March 31, 2004. A copy of the press release is filed herewith as Exhibit 99.1. In addition, on April 27, 2004, Century conducted its earnings conference call for the quarter ended March 31, 2004. On this conference call, CBIZ disclosed the following additional information:

- Goals for revenue growth in the 4% to 6% range, EPS growth in the 25% to 30% range and EBITDA of approximately \$50 million for fiscal year 2004 are unchanged and are believed to be attainable. Revenue growth in the Benefits and Insurance segment is expected to be in the mid-single digits in 2004 over 2003. Our goal for acquisitions completed during 2004 is to generate revenue growth of at least 3% over our existing revenue base.
- The full year 2004 cross-serving goal is \$9 million in first year revenue. Year to date, CBIZ has generated approximately \$3.5 million of first year revenue, and we expect to meet or exceed the goal.
- CBIZ divested Health Administration Services (a benefits and insurance operation), during the second quarter of 2003, which generated \$3.2 million and \$2.2 million of revenue during the first and second quarters of 2003, respectively. The operation was marginally profitable with a margin of less than 10%, and contributed \$0.5 to \$0.6 million of pretax income for the year ended December 31, 2003.
- Approximately \$1.5 million of the favorable variance in gross margin from March 31, 2003 to March 31, 2004 in the National Practices - Other segment, was the direct result of a mergers and acquisitions transaction.
- Net of \$33 million that was drawn on the credit facility to fund the share repurchase that occurred during the third quarter of 2003, the cash flow used to pay down bank debt was approximately \$27 million during the twelve months ended March 31, 2004.
- The credit facility was utilized to fund the \$37.5 million share repurchase that occurred during the first week in April 2004. As a result, borrowings under the facility peaked at approximately \$60 million when the share repurchase was completed, and have been reduced to \$54 million as of April 27, 2004. CBIZ expects to continue reducing the balance on the credit facility throughout 2004 as we continue to generate strong cash flow.
- Cash spent on capital expenditures during the three months ended March 31, 2004, was approximately \$2 million. Capital expenditures are expected to be \$8 million to \$10 million for the twelve months ended December 31, 2004.
- Bad debt expense for the quarter ended March 31, 2004 was \$1.4 million.

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 hereunto duly authorized.

CENTURY BUSINESS SERVICES, INC.

Date: May 3, 2004

/s/ Ware H. Grove

Ware H. Grove
Chief Financial Officer

[CENTURY BUSINESS SERVICES, INC. LOGO]

PRESS
RELEASE

FOR IMMEDIATE RELEASE

CONTACT: WARE H. GROVE
Chief Financial Officer
-or-
LORI NOVICKIS
Century Business Services, Inc.
Cleveland, Ohio
(216) 447-9000

CBIZ REPORTS FIRST-QUARTER 2004 RESULTS
SAME UNIT REVENUE GROWS 4.2%; NET EARNINGS UP 14.3%

Cleveland, Ohio (April 27, 2004)--CBIZ (Century Business Services, Inc.) (NASDAQ: CBIZ) today announced its financial results for the first quarter of 2004.

CBIZ reported revenue of \$148.0 million for the first quarter ended March 31, 2004, an increase of 2.2% over the \$144.8 million recorded for the first quarter of 2003. Same-unit revenue for the quarter increased 4.2%, or by \$5.8 million. Since the beginning of 2003, newly acquired businesses have contributed \$2.5 million to revenue. Divestitures that have occurred since a year ago resulted in a revenue decline of \$5.1 million. CBIZ posted net income from continuing operations for the quarter of \$11.6 million, or \$0.13 per diluted share, up 14.3% from the \$10.2 million, or \$0.10 per diluted share, recorded for the first quarter of 2003.

As of March 31, 2004, bank debt stood at \$23.4 million compared with \$14.0 million at the end of the fourth quarter and \$17.0 million a year earlier. At the end of the first quarter, the debt-to-equity ratio was 8.1%. During the first quarter CBIZ commenced a Tender Offer which was successfully concluded in April, 2004 with the purchase of 7.5 million shares. The total paid was \$37.5 million which was funded through borrowings from the Company's credit facility.

"Results for the first quarter of 2004 are in line with our expectations with continued growth in revenue, margin and net income," remarked Steven L. Gerard, Chairman and Chief Executive Officer. "The strength of our balance sheet combined with our strong cash flow has allowed us to successfully conclude our second tender offer within the past twelve months. Combined with the tender offer concluded last July, CBIZ has now purchased approximately 17.5 million shares, or approximately 18% of the outstanding shares at prices ranging between \$3.30 and \$5.00 per share within the past year. Our positive cash flow has enabled us to accomplish these accretive transactions and continue to support the growth of the business," concluded Gerard.

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CBIZ will host a conference call later this morning to discuss its results. The call will be webcast in a listen-only mode over the Internet for the media and the public, and can be accessed at www.cbiz.com. Investors and analysts can participate in the conference call by dialing 1-866-297-6391 several minutes before 11:00 a.m. (ET). If you are dialing from outside the United States, dial 1-847-944-7313. A replay of the call will be available starting at 1:00 p.m. (ET) April 27 through midnight (ET), April 30, 2004. The dial-in number for the replay is 1-877-213-9653. If you are listening from outside the United States, dial 1-630-652-3041. The access code for the replay is 8770537. A replay of the webcast will also be available on the Company's web site at www.cbiz.com.

CBIZ is a provider of outsourced business services to small and medium-sized companies throughout the United States. As the largest benefits specialist and one of the largest accounting, valuation and medical practice management companies in the United States, CBIZ provides integrated services in the following areas: accounting and tax; employee benefits; wealth management; property and casualty insurance; payroll; IS consulting; and HR consulting. CBIZ also provides valuation; litigation advisory; government relations; commercial real estate advisory; wholesale life and group insurance; healthcare consulting; medical practice management; worksite marketing; and capital advisory services. These services are provided throughout a network of more than 160 Company offices in 34 states and the District of Columbia.

Forward-looking statements in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, but are not limited to, the Company's ability to adequately manage its growth; the Company's dependence on the current trend of outsourcing business services; the Company's dependence on the services of its CEO and other key employees; competitive pricing pressures; general business and economic conditions; and changes in governmental regulation and tax laws affecting its insurance business or its business services operations. A more detailed description of such risks and uncertainties can be found in the Company's filings with the Securities and Exchange Commission.

For further information regarding CBIZ, call the Investor Relations Office at (216) 447-9000 or visit www.cbiz.com.

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CENTURY BUSINESS SERVICES, INC.
 FINANCIAL HIGHLIGHTS (UNAUDITED)
 THREE MONTHS ENDED MARCH 31, 2004 AND 2003
 (IN THOUSANDS, EXCEPT PERCENTAGES AND PER SHARE DATA)

	THREE MONTHS ENDED MARCH 31,			
	2004	%	2003	%
Revenue	\$ 147,977	100.0%	\$ 144,758	100.0%
Operating expenses	119,336	80.6%	116,692	80.6%
Gross margin	28,641	19.4%	28,066	19.4%
Corporate general and administrative expense	5,315	3.6%	5,249	3.6%
Depreciation and amortization expense	3,987	2.7%	4,272	3.0%
Operating income	19,339	13.1%	18,545	12.8%
Other income (expense):				
Interest expense	(240)	-0.2%	(323)	-0.2%
Gain on divested operations, net	383	0.3%	-	0.0%
Other income (expense), net	472	0.3%	(538)	-0.4%
Total other income (expense), net	615	0.4%	(861)	-0.6%
Income from continuing operations before income tax expense	19,954	13.5%	17,684	12.2%
Income tax expense	8,341		7,525	
Income from continuing operations	11,613	7.8%	10,159	7.0%
Loss from operations of discontinued businesses, net of tax	(32)		(158)	
Net income	\$ 11,581	7.8%	\$ 10,001	6.9%
	=====		=====	
Diluted earnings per share:				
Continuing operations	\$ 0.13		\$ 0.10	
Discontinued operations	-		-	
Net income	\$ 0.13		\$ 0.10	
	=====		=====	
Diluted shares outstanding	87,912		96,956	
OTHER DATA FROM CONTINUING OPERATIONS:				
EBIT(1)	\$ 19,811		\$ 19,632	
EBITDA(1)	\$ 23,798		\$ 23,904	

(1) EBIT represents income from continuing operations before income taxes, interest expense, gain on divested operations, and impairment charges for a note receivable related to the divestiture of an operation in 1997. Impairment charges for the three months ended March 31, 2004 and 2003 were \$0 and \$1,625, respectively.

EBITDA represents EBIT as defined above before depreciation and amortization expense. The Company has included EBIT and EBITDA data because such data is commonly used as a performance measure by analysts and investors and as a measure of the Company's ability to service debt. EBIT and EBITDA should not be regarded as an alternative or replacement to any measurement of performance under generally accepted accounting principles (GAAP).

CENTURY BUSINESS SERVICES, INC.
 FINANCIAL HIGHLIGHTS (UNAUDITED)
 (IN THOUSANDS, EXCEPT PERCENTAGES AND RATIOS)

	THREE MONTHS ENDED	
	MARCH 31,	
	----- 2004 -----	----- 2003 -----
REVENUE		
Accounting, Tax & Advisory Services	\$ 70,730	\$ 68,974
Benefits & Insurance Services	38,040	39,881
National Practices - Other	18,667	18,325
Medical Practice Management	20,540	17,578
Total	\$ 147,977	\$ 144,758
GROSS MARGIN		
Accounting, Tax & Advisory Services	\$ 21,392	\$ 21,068
Benefits & Insurance Services	5,915	7,798
National Practices - Other	2,160	(742)
Medical Practice Management	3,143	2,423
Total (1)	\$ 28,641	\$ 28,066

SELECT BALANCE SHEET DATA AND RATIOS

	MARCH 31, 2004 -----	DECEMBER 31, 2003 -----
Cash and cash equivalents	\$ 3,344	\$ 3,791
Restricted cash	\$ 10,357	\$ 10,880
Accounts receivable, net	\$ 134,255	\$ 111,556
Total current assets before funds held for clients	\$ 162,006	\$ 139,840
Funds held for clients	\$ 45,068	\$ 44,917
Goodwill and other intangible assets	\$ 168,696	\$ 167,280
TOTAL ASSETS	\$ 428,582	\$ 402,145
Current liabilities before client fund obligations	\$ 65,150	\$ 63,487
Client fund obligations	\$ 45,068	\$ 44,917
Bank debt	\$ 23,400	\$ 14,000
TOTAL LIABILITIES	\$ 138,629	\$ 124,307
Treasury stock	\$ (35,087)	\$ (35,087)
TOTAL STOCKHOLDERS' EQUITY	\$ 289,953	\$ 277,838
Bank debt to equity	8.1%	5.0%
Days sales outstanding(2)	86	82
Shares outstanding	85,532	85,371
	=====	=====
Basic shares outstanding	85,437	90,400
	=====	=====
Diluted shares outstanding	87,912	92,762
	=====	=====

(1) Includes operating expenses recorded by corporate and not directly allocated to the business units of \$3,969 and \$2,481 for the three months ended March 31, 2004, and 2003, respectively.

(2) Days sales outstanding (DSO) represent accounts receivable at the end of the period (before the allowance for doubtful accounts) divided by daily revenue (year-to-date revenue divided by number of days in the period). The Company has included DSO data because such data is commonly used as a performance measure by analysts and investors and as a measure of the Company's ability to collect on receivables in a timely manner. DSO should not be regarded as an alternative or replacement to any measurement of performance under generally accepted accounting principles (GAAP).