



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED 30 JUNE 2020

UNAUDITED

Consolidated Statement of Income Highlights

	% Change	9 Months ended 30/06/20 Bds \$000's	9 Months ended 30/06/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Revenue from contracts with customers	-5.3%	635,708	671,224	868,300
Profit from operations				
before the following:				
Other gains/(losses) – net	-58.1%	18,611	44,419	48,529
	-36.6%	7,250	11,433	15,877
Profit from operations	-53.7%	25,861	55,852	64,406
Finance costs	2.5%	(9,436)	(9,207)	(12,171)
	-64.8%	16,425	46,645	52,235
Share of income of associated companies	-37.3%	6,064	9,669	9,917
Income before taxation	-60.1%	22,489	56,314	62,152
Taxation	-39.5%	(7,103)	(11,732)	(15,570)
Net income for the period	-65.5%	15,386	44,582	46,582
Attributable to:				
Equity holders of the Company	-63.3%	10,756	29,329	31,347
Non-controlling interests	-69.6%	4,630	15,253	15,235
	-65.5%	15,386	44,582	46,582
Earnings per share – basic and diluted	-63.6%	4.7¢	12.9¢	13.8¢

Consolidated Statement of Financial Position Highlights

	As at 30/06/20 Bds \$000's	As at 30/06/19 Bds \$000's	Audited As at 30/09/19 Bds \$000's
Current assets	366,838	390,440	371,950
Current liabilities	(235,430)	(235,091)	(234,535)
Working capital	131,408	155,349	137,415
Property, plant & equipment, financial investments & other non-current assets	711,296	681,496	694,146
Long term liabilities	(161,718)	(137,583)	(149,026)
Net assets employed	680,986	699,262	682,535
Equity			
Share capital	48,552	47,421	47,421
Other reserves	72,908	76,756	80,035
Retained earnings	452,377	456,830	449,559
	573,837	581,007	577,015
Non-controlling interests	107,149	118,255	105,520
	680,986	699,262	682,535

Consolidated Statement of Comprehensive Income Highlights

	9 Months ended 30/06/20 Bds \$000's	9 Months ended 30/06/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Net income for the period	15,386	44,582	46,582
Other comprehensive (loss)/income:			
Items net of tax that may be recycled to income in the future:			
Gains transferred to income on disposal of financial investments	–	(313)	–
Currency translation differences	(5,565)	4,782	3,609
Hyperinflationary adjustments	(377)	(312)	1,026
Items net of tax that will not be recycled to income in the future:			
Unrealised (losses)/gains on investments at fair value through other comprehensive income	(2,926)	115	90
Increase/(decrease) in revaluation surplus	3	–	(82)
Remeasurement of employee benefits	9	–	(765)
Other comprehensive (loss)/income for the period, net of tax	(8,856)	4,272	3,878
Total comprehensive income for the period	6,530	48,854	50,460
Attributable to:			
Equity holders of the Company	3,638	31,897	33,985
Non-controlling interests	2,892	16,957	16,475
	6,530	48,854	50,460

Consolidated Statement of Cash Flows Highlights

	9 Months ended 30/06/20 Bds \$000's	9 Months ended 30/06/19 Bds \$000's	Audited Year ended 30/09/19 Bds \$000's
Income before taxation	22,489	56,314	62,152
Adjustments for non-cash items	23,940	14,117	26,064
	46,429	70,431	88,216
Non-cash working capital changes	2,701	(10,595)	25
	49,130	59,836	88,241
Net interest, taxation and pension contributions paid	(17,682)	(21,584)	(28,022)
Net cash from operating activities	31,448	38,252	60,219
Net cash (used in)/from investing activities	(17,874)	5,853	(29,956)
Net cash used in financing activities	(9,921)	(23,899)	(14,635)
Net increase in cash and cash equivalents	3,653	20,206	15,628
Cash and cash equivalents – beginning of year	63,250	47,622	47,622
Cash and cash equivalents – end of period	66,903	67,828	63,250

Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
Balance as at 1 October 2018	46,353	76,550	432,456	110,383	665,742
Net income for the year	–	–	31,347	15,235	46,582
Other comprehensive income/(loss)	–	3,277	(639)	1,240	3,878
Acquisition of a subsidiary company	–	–	–	(8,282)	(8,282)
Decrease in advances to non-controlling interests	–	–	–	(1,694)	(1,694)
Value of employee services	–	208	–	–	208
Issue of common shares	1,068	–	–	–	1,068
Dividends declared	–	–	–	(11,362)	(11,362)
Dividends paid	–	–	(13,605)	–	(13,605)
Balance as at 30 September 2019 (audited)	47,421	80,035	449,559	105,520	682,535
Net income for the period	–	–	10,756	4,630	15,386
Other comprehensive (loss)/income	–	(7,127)	9	(1,738)	(8,856)
Fair value of assets disposed of by non-controlling interests	–	–	–	(446)	(446)
Decrease in advances to non-controlling interests	–	–	–	(156)	(156)
Issue of common shares	1,131	–	–	–	1,131
Dividends declared	–	–	–	(661)	(661)
Dividends paid	–	–	(7,947)	–	(7,947)
Balance as at 30 June 2020 (unaudited)	48,552	72,908	452,377	107,149	680,986

BOARD REVIEW FOR THE NINE MONTHS ENDED 30 JUNE 2020

These financial highlights include our third quarter results covering April, May and June 2020 which essentially coincided with the start of the period affected by the COVID-19 pandemic. The impact of the pandemic varied across the Group but in aggregate resulted in a net loss for the quarter of \$15.3 million which eroded just under half of the net income from the previous two quarters.

The impact was most severe in our catering group “GCG” which is 51% owned by GEL and focuses on business within the airline industry. This industry essentially collapsed at the onset of the pandemic and is very slowly recovering. GCG has moved quickly to reorganize to a leaner management structure and staffing with more than a 40% reduction in headcount. Expansion of its operations not related to the airline industry, new products and alternative areas of operation are being investigated and some early successes have already been reported. The results from GCG are expected to remain negative in the fourth quarter and to break even in the next year with profitability dependent on the progress of the pandemic and the recovery of air travel.

Our manufacturing operations which generally focus on food products remained open throughout the shutdown period albeit at a reduced operating level due to curfews and the requirements of physical distancing in the working environment. In aggregate the manufacturing entities met their budgeted performance for the quarter. Some new opportunities have arisen from the pandemic and we have moved quickly to fill these needs.

Our other operations were generally affected by “shutdowns” but all reopened before the end of the quarter and have returned to profitable operations. Their aggregate performance was below expectation but is expected to recover in the fourth quarter.

The Group is very conscious that the future progress of the pandemic is uncertain and may be prolonged. Our strategy is to monitor and preserve cash and to ensure that we remain robust through any eventuality. Our projections show that we can do so with confidence. However, with this in mind, the board will not be declaring an interim dividend this quarter.


A. Charles Herbert
Chair
17 August 2020


Anthony H. Ali
Managing Director