



# GODDARD ENTERPRISES LIMITED

## CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 30 SEPTEMBER 2021 AUDITED

### Consolidated Statement of Income Highlights

|                                                     | % Change | Year ended<br>30/09/21<br>Bds \$000's | Year ended<br>30/09/20<br>Bds \$000's |
|-----------------------------------------------------|----------|---------------------------------------|---------------------------------------|
| <b>Revenue from contracts with customers</b>        | -9.3%    | 749,595                               | 826,120                               |
| <b>Profit from operations before the following:</b> | 264.0%   | 16,251                                | 4,465                                 |
| Other gains/(losses) – net                          | 7.4%     | 9,303                                 | 8,664                                 |
| <b>Profit from operations</b>                       | 94.6%    | 25,554                                | 13,129                                |
| Finance costs                                       | -8.9%    | (11,859)                              | (13,015)                              |
|                                                     | 11913.2% | 13,695                                | 114                                   |
| Share of income of associated companies             | 39.1%    | 15,499                                | 11,139                                |
| <b>Income before taxation</b>                       | 159.4%   | 29,194                                | 11,253                                |
| Taxation                                            | 0.1%     | (7,130)                               | (7,120)                               |
| <b>Net income for the year</b>                      | 433.8%   | 22,064                                | 4,133                                 |
| <b>Attributable to:</b>                             |          |                                       |                                       |
| Equity holders of the Company                       | 221.3%   | 22,725                                | 7,073                                 |
| Non-controlling interests                           | -77.5%   | (661)                                 | (2,940)                               |
|                                                     | 433.8%   | 22,064                                | 4,133                                 |
| Earnings per share – basic and diluted              | 222.6%   | 10.0¢                                 | 3.1¢                                  |

### Consolidated Statement of Comprehensive Income Highlights

|                                                                                   | Year ended<br>30/09/21<br>Bds \$000's | Year ended<br>30/09/20<br>Bds \$000's |
|-----------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Net income for the year</b>                                                    | 22,064                                | 4,133                                 |
| <b>Other comprehensive income/(loss):</b>                                         |                                       |                                       |
| <b>Items net of tax that may be recycled to income in the future:</b>             |                                       |                                       |
| Currency translation differences                                                  | (1,298)                               | (5,895)                               |
| Hyperinflationary adjustments                                                     | 434                                   | (743)                                 |
| <b>Items net of tax that will not be recycled to income in the future:</b>        |                                       |                                       |
| Unrealised losses on investments at fair value through other comprehensive income | (186)                                 | (19,143)                              |
| Increase/(decrease) in revaluation surplus                                        | 2,194                                 | (162)                                 |
| Remeasurement of employee benefits                                                | 601                                   | 1,635                                 |
| <b>Other comprehensive income/(loss) for the year, net of tax</b>                 | 1,745                                 | (24,308)                              |
| <b>Total comprehensive income/(loss) for the year</b>                             | 23,809                                | (20,175)                              |
| <b>Attributable to:</b>                                                           |                                       |                                       |
| Equity holders of the Company                                                     | 23,758                                | (15,606)                              |
| Non-controlling interests                                                         | 51                                    | (4,569)                               |
|                                                                                   | 23,809                                | (20,175)                              |

#### BOARD REVIEW FOR THE YEAR ENDED 30 SEPTEMBER 2021

For the year ended 30 September 2021, Goddard Enterprises Limited reported total Revenue of \$749.6m compared with \$826.1m in the previous year, representing a decline of 9.3% year over year. This variance can be attributed to the reporting periods relative to the onset of the COVID-19 pandemic. The first six months of the 2020 financial year occurred during the pre-pandemic period whilst the entire 2021 reporting period occurred during the pandemic. The major revenue variance is primarily accounted for within our Catering Division, which was dramatically impacted throughout the 2021 financial year. This impact was due to international border closures and source market travel restrictions. Even as borders re-opened, a slow return in travel confidence was evident, given increased quarantining and testing requirements.

Even though revenue reduced over the prior year, Income before taxation for the year 2021 was \$29.2m, resulting in a net income of \$22.1m after accounting for taxation of \$7.1m. This result is favorable when compared with the previous year's Income before taxation of \$11.3m and Income after tax of \$4.1m.

The performance of our joint venture with the Agostini's Limited Group out of Trinidad contributed to the turnaround in our Net profits with a strong performance in Caribbean Distribution Partners Ltd (CDP). Our Share of income of associated companies rose by 39.1% to \$15.5m in 2021 up from \$11.1m in 2020, largely on the performance of CDP. The food and beverage industry performed well during the pandemic across all geographies and we see this trend in performance continuing into the new fiscal year.

The Catering and Ground Handling Division was adversely impacted by the pandemic throughout the entire reporting period of 2021 and the Division incurred a loss from operations of \$5.8m. Results in this Division were mixed, with the LATAM region, which has a strong presence in industrial catering, recovering more quickly than the Caribbean region which is highly dependent on airline catering. By the end of the fourth reporting quarter all regions had returned to profitability as airline flights slowly returned across all regions. This Division continues to pursue the strategy of diversifying its portfolio by capitalizing on our areas of expertise in the food preparation and delivery logistics sides of the business. The Ground Handling Division is also looking at expanding its footprint across the geographical space in which we currently operate. Based on the volume at the end of our last quarter and looking at the first quarter of 2022, we anticipate continued improvement in airlift into the region which bodes well for the continued recovery of the Catering Division.

Our Manufacturing Division, which is mainly focused on food processing, packaging and fast moving consumer goods, much like our CDP Division, performed well and was not impacted by the negative effect of the pandemic. The Division had a strong performance with a profit from operations of \$20.4m, an increase of 15.3% over the prior year.

The Automotive, Building Supplies and Services Division was also profitable with profit from operations of \$14.5m in comparison with \$16.2m in the prior year. The Automotive Division performed below expectations as temporary closures, high unemployment levels and consumer confidence resulted in discretionary spending on luxury items being postponed. With the economies in Barbados and Jamaica picking up, we expect this Division to improve on the 2021 performance as the Automotive Division is forecasting a better result as indicated in its fourth quarter performance.

As the world continues to grapple with the pandemic which began in the middle of 2020 and extended through all of 2021, we see the resilience of the Group which remains in a strong position as our strategy of cash preservation, cost containment and prudent fiscal management has enabled us to cushion the fall-out and be in a strong position to capitalize on opportunities in a post pandemic environment. At year-end, the Group's net assets were \$676.5m of which cash on hand totalled \$68.9m. The liquidity and leverage ratios of the Group are adequate and are all within industry standards. The net asset value per share stood at \$2.53 on 30 September 2021.

A third interim dividend for 2021 of one cent will be paid at the end of February 2022.

A. Charles Herbert  
Chair  
6 December 2021

Anthony H. Ali  
Managing Director

### Consolidated Statement of Financial Position Highlights

|                                                                               | As at<br>30/09/21<br>Bds \$000's | As at<br>30/09/20<br>Bds \$000's |
|-------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Current assets                                                                | 389,351                          | 365,442                          |
| Current liabilities                                                           | (238,276)                        | (230,406)                        |
| Working capital                                                               | 151,075                          | 135,036                          |
| Property, plant & equipment, financial investments & other non-current assets | 712,190                          | 705,628                          |
| Long-term liabilities                                                         | (186,747)                        | (185,898)                        |
| <b>Net assets employed</b>                                                    | <b>676,518</b>                   | <b>654,766</b>                   |
| <b>Equity</b>                                                                 |                                  |                                  |
| Share capital                                                                 | 49,195                           | 48,552                           |
| Other reserves                                                                | 56,442                           | 56,091                           |
| Retained earnings                                                             | 471,238                          | 449,993                          |
|                                                                               | 576,875                          | 554,636                          |
| Non-controlling interests                                                     | 99,643                           | 100,130                          |
|                                                                               | 676,518                          | 654,766                          |

### Consolidated Statement of Changes in Equity Highlights

| Bds \$000's                                                            | Share capital | Other reserves | Retained earnings | Non-controlling interests | Total          |
|------------------------------------------------------------------------|---------------|----------------|-------------------|---------------------------|----------------|
| <b>Balance as at 1 October 2019</b>                                    | 47,421        | 80,035         | 449,559           | 105,520                   | 682,535        |
| Net income/(loss) for the year                                         | -             | -              | 7,073             | (2,940)                   | 4,133          |
| Other comprehensive (loss)/income                                      | -             | (24,057)       | 1,378             | (1,629)                   | (24,308)       |
| Decrease in advances to non-controlling interests                      | -             | -              | -                 | (160)                     | (160)          |
| Value of employee services                                             | -             | 113            | -                 | -                         | 113            |
| Issue of common shares                                                 | 1,131         | -              | -                 | -                         | 1,131          |
| Dividends declared                                                     | -             | -              | -                 | (661)                     | (661)          |
| Dividends paid                                                         | -             | -              | (8,017)           | -                         | (8,017)        |
| <b>Balance as at 30 September 2020</b>                                 | <b>48,552</b> | <b>56,091</b>  | <b>449,993</b>    | <b>100,130</b>            | <b>654,766</b> |
| Net income/(loss) for the year                                         | -             | -              | 22,725            | (661)                     | 22,064         |
| Other comprehensive income                                             | -             | 236            | 797               | 712                       | 1,745          |
| Fair value of net liabilities disposed of by non-controlling interests | -             | -              | -                 | 256                       | 256            |
| Value of employee services                                             | -             | 115            | -                 | -                         | 115            |
| Issue of common shares                                                 | 643           | -              | -                 | -                         | 643            |
| Dividends declared                                                     | -             | -              | -                 | (794)                     | (794)          |
| Dividends paid                                                         | -             | -              | (2,277)           | -                         | (2,277)        |
| <b>Balance as at 30 September 2021</b>                                 | <b>49,195</b> | <b>56,442</b>  | <b>471,238</b>    | <b>99,643</b>             | <b>676,518</b> |

### Consolidated Statement of Cash Flows Highlights

|                                                       | Year ended<br>30/09/21<br>Bds \$000's | Year ended<br>30/09/20<br>Bds \$000's |
|-------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Income before taxation</b>                         | 29,194                                | 11,253                                |
| Adjustments for non-cash items                        | 35,321                                | 36,680                                |
|                                                       | 64,515                                | 47,933                                |
| Non-cash working capital changes                      | (28,179)                              | 14,408                                |
|                                                       | 36,336                                | 62,341                                |
| Net interest, taxation and pension contributions paid | (24,139)                              | (25,574)                              |
| Net cash from operating activities                    | 12,197                                | 36,767                                |
| Net cash used in investing activities                 | (16,114)                              | (19,852)                              |
| Net cash used in financing activities                 | (12,479)                              | (11,372)                              |
| Net (decrease)/increase in cash and cash equivalents  | (16,396)                              | 5,543                                 |
| Cash and cash equivalents – beginning of year         | 68,793                                | 63,250                                |
| Cash and cash equivalents – end of year               | 52,397                                | 68,793                                |



#### REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Goddard Enterprises Limited

#### Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 September 2021, the summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Goddard Enterprises Limited ("the Company") and its subsidiaries ("the Group") for the year ended 30 September 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the basis described in Note 1.

#### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

#### The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 6 December 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

#### Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRSs.

#### Auditor's Responsibilities for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Ernst & Young Ltd

BARBADOS  
6 December 2021

#### Note 1 to the Summary Consolidated Financial Statements

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. The summary financial statements are derived from the audited consolidated financial statements of Goddard Enterprises Limited and its subsidiaries for the year ended 30 September 2021 which are prepared in accordance with International Financial Reporting Standards.