



2025

Annual Report

BICO LIMITED
ANNUAL REPORT
2025



MISSION STATEMENT

Our mission is to display excellence and goodwill
in every task undertaken, and to exceed the
expectations of our customers, employees and shareholders

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NOTICE OF THE ONE HUNDRED AND FORTY-FIRST ANNUAL MEETING OF SHAREHOLDERS

Notice is hereby given that the One Hundred and Forty-first Annual Meeting of the shareholders of BICO Limited will be held at the Cricket Legends of Barbados, Herbert House, Fontabelle, St. Michael on Tuesday the 21st day of April, 2026 at 5:00 p.m. for the following purposes:

- (1) Call to Order.
- (2) Confirmation of Notice and Quorum.
- (3) Appointment of Chairman and Secretary
- (4) To approve the Minutes of the Annual General Meeting of the shareholders held on the 27th day of March 2025.
- (5) To confirm any matters arising from the Minutes of the Annual General Meeting of the shareholders held on the 27th day of March 2025.
- (6) To receive and consider the Report of the Directors.
- (7) To receive and consider the Report of the Auditors and the Audited Financial Statements for the year ended September 30, 2025.
- (8) To elect and ratify Directors for the ensuing years.

Proposed Resolutions:

BE IT RESOLVED: that Mr. Robert Foster be re-elected to the Board of Directors to serve for a period of three (3) years.

BE IT FURTHER RESOLVED: that Mr. F. Edwin Thirlwell being 90 years of age, be re-elected to the Board of Directors to serve for a period of one (1) year.

- (9) To re-appoint Auditors for the ensuing year.
- (10) To ratify and confirm the lawful actions of the Directors of the Company taken in connection with the execution of the Company's business during the year
- (11) To consider any other business which may properly come before an Annual Meeting of Shareholders.

By order of the Board of Directors

**Centralis (Barbados) Ltd.
Company Secretary**

Harbour Industrial Park, Bridgetown
March 30, 2026

BICO Limited Registered Office

Harbour Industrial Park
Bridgetown, BB11145, Barbados
Tel: (246) 430-2100 Fax: (246) 426-2198
Email: admin@bicold.com
Website: www.bicoicecream.com
facebook.com/bico

Board of Directors

F. Edwin Thirlwell, CIM - Executive Chairman
Gregory E. Hinkson, FCPA, FCGA, FCA, CMC, FCIARB
Robert Foster
Peter Downes, FCPA, SHRM - SCP
Kathyann Ollivierre, FCA, CPA, CGA, BSc. (Hons), ACS

Secretary

Centralis (Barbados) Ltd

Auditors

M. E. Murrell & Co.
Chartered Accountants

Bankers

Republic Bank (Barbados) Limited
Broad Street
Bridgetown
Barbados

CIBC FirstCaribbean International Bank
Sunset Crest
St. James
Barbados

OFFICERS & SENIOR PERSONNEL

CHAIRMAN

F. Edwin Thirlwell C.I.M
Executive Chairman

Audley Grimes, ICSA, MSc
General Manager

FINANCE

Orlando Ward, ACCA
Financial Controller

Rico Depeiza, BSc. (Hons), ACCA
Accountant

Sylvia M Newsam, BSc. (Hons)
Purchasing Officer

COMMERCIAL

Paul T. Hinds, BSc. Engineering
Production Manager

Willis Reid
Engineering Supervisor

Maria Jackman
Cold Storage Supervisor

Wade Worrell
Logistics Supervisor

Shaneanoh Carter, BSc (Hon), NEBOSH Int'l,
Quality Assurance Officer

SALES

Barri Farnum BSc
Sales Manager – Ice Cream

DIRECTORS' REPORT

The 2025 financial year was marked by volatility, as anticipated, with heightened competition across our core ice-cream market segments. Despite this increasingly competitive environment, the company recorded sales revenue growth of 7%, demonstrating the continued strength and resilience of the BICO brand.

Notwithstanding the growth in revenue during the year, the Company recorded a modest net loss of \$317,188. This outcome was largely driven by persistently high energy costs, which are projected to increase further, and the escalating cost of imported inputs. These factors remain outside of the Company's direct control and continue to constrain our ability to preserve margins while maintaining competitive pricing within the local market.

Additionally, the effect of the revision to International Accounting Standard (IAS) 19, which was implemented in 2024, and reported on in the 2024 Report, continued to negatively impact the performance of the Company in 2025. The net assets of the pension plan of \$579,229 (2024 - \$583,089) are again not recognized in the Company's Statement of Comprehensive Income or the Statement of Financial Position. Recognition of the net assets in the Company's Statement of Comprehensive Income would have resulted in net income of \$262,041 for 2025 (\$423,440 for 2024) Changes in certain demographic assumptions have also resulted in a higher value of funded obligations in 2025.

Encouragingly, the company has delivered a strong start to the first quarter of the 2026 financial year. Early indicators suggest that the measures being implemented are beginning to yield positive results, and we remain cautiously optimistic that this momentum will continue into the coming quarters.

The Board remains committed to prudent financial management, operational efficiency, and strategic investment to ensure that BICO continues to deliver long-term value for its shareholders while maintaining the quality and reliability our customers have come to expect.

We extend sincere thanks to our shareholders, employees, customers, and business partners for their continued support and confidence in BICO Limited.

DIVIDENDS – After careful consideration, the Board of Directors has recommended that no dividend will be paid for the year ending September 30, 2025.

AUDITORS – The auditors M.E. Murrell & Co. retire and offer their services for the current year at a fee to be negotiated. We recommend that the directors be authorized to re-appoint the auditors and to determine the auditor's fee.

DIRECTORS – Please note that the Directors retiring by rotation and eligible to offer themselves for re-election are Mr. Robert Foster and Mr. F. Edwin Thirlwell. In keeping with the staggering of the appointment of Directors, the proposed term of office will be for a period of three (3) years for Mr. Foster and one (1) year for Mr. Thirlwell.

On behalf of the Board of Directors

Sincerely



F. Edwin Thirlwell

Executive Chairman

SUBSTANTIAL INTERESTS

Interest of Shareholders holding more than 5% of the issued common shares on the dates indicated were as follows:

	30-09-25	24-02-26
Nordev One Ltd.	555,809	No change
Windsong Investments Ltd.	469,852	No change
Nordev Two Ltd	225,366	No change
Sagicor (Equity) Fund	172,235	No change
Bajan Vending Inc.	119,882	No change

According to the Company's share register, no director held a direct interest in the Company at the above noted dates. The following Director held an indirect interest in the Company.

- (a) Mr. F. Edwin Thirlwell is the beneficial owner of Windsong Investments Ltd



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Bico Limited**
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Bico Limited** ("the Company") which comprise the balance sheet as at 30 September 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Bico Limited
Report on the Audit of the Financial Statements (Continued)

➤ **Existence and valuation of inventory**

Risk

As disclosed in note 8 of the financial statements, the value of inventories at the end of the reporting period amounted to \$2,995,101 representing 50.4% of current assets and 9.1% of its total assets. The valuation of inventories is based on various components in its costing of inventories, there is the risk of inventories being valued incorrectly. Accordingly, existence and valuation of inventories was therefore considered to be a key audit matter.

Our response

Our audit procedures to address this key audit matter included:

- Compared inventory counts with final inventory amounts.
- On a sample basis we tested the net realisable value of inventory items to recent selling prices.
- Verified the accuracy of exchange rates used in valuing items.
- For a sample of inventory items, reperformed costing calculations and compared to moving average cost at year end.

➤ **Completeness and valuation of trade payables**

Risk

The Company sources the majority of its merchandise from foreign suppliers, there is risk of recording shipments received around the year end in the wrong period. Reconciliation processes over trade payables are therefore a critical control to ensuring the trade creditors' balances are complete and valued correctly.

Accordingly, the completeness and valuation of, and obligations on accounts payable were considered to be a key audit matter.

Our response

- Test reconciliations of suppliers were performed to ensure that reconciling items were valid and accurate.
- Cutoff procedures were performed to ensure that amounts are properly recorded in the correct period.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Bico Limited**

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of **Bico Limited**

Report on the Audit of the Financial Statements (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the Company's shareholders, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and subject to any enactment or rule of law to the contrary, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.



CHARTERED ACCOUNTANTS

Barbados

March 5, 2026

BALANCE SHEET

As at September 30, 2025 (with comparatives as at September 30, 2024)

(Expressed in Barbados dollars)

	Note	2025	2024
Cash and cash equivalents	6	735,741	744,747
Trade and other receivables	7	1,583,458	1,213,673
Prepaid expenses and prepayments		626,332	1,038,826
Inventories	8	2,995,101	2,828,572
Total current assets		5,940,632	5,825,818
Property, plant and equipment	10	26,980,872	27,638,439
Total assets		32,921,504	33,464,257
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	12	1,331,972	1,028,910
Current portion of long-term loans	13	515,611	491,285
Total current liabilities		1,847,583	1,520,195
Long-term loans	13	9,665,865	10,210,165
Deferred income tax liability	9	270,812	279,465
Total non-current liabilities		9,936,677	10,489,630
Total liabilities		11,784,260	12,009,825
Equity			
Issued capital	14	2,383,828	2,383,828
Capital appraisal surplus	10	13,279,050	13,279,050
Retained earnings		5,474,366	5,791,554
Total equity attributable to equity holders of the Company		21,137,244	21,454,432
Total equity and liabilities		32,921,504	33,464,257

Approved by the Board of Directors on March 5, 2026 and signed on their behalf by:

Kathyann Ollivierre
Director



F. Edwin Thirlwell
Director



The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

As at September 30, 2025 (with comparatives as at September 30, 2024)

(Expressed in Barbados dollars)

	Share Capital	Appraisal Surplus	Retained Earnings	Total Equity
Balance at October 1, 2023	2,383,828	11,930,225	5,997,520	20,311,573
Net comprehensive loss for the year	- -	- -	(159,649)	(159,649)
Dividends paid	- -	- -	(46,317)	(46,317)
Capital appraisal surplus	- -	1,348,825	- -	1,348,825
Balance at September 30, 2024	2,383,828	13,279,050	5,791,554	21,454,432
Balance at October 1, 2024	2,383,828	13,279,050	5,791,554	21,454,432
Net comprehensive loss for the year	- -	- -	(317,188)	(317,188)
Balance at September 30, 2025	2,383,828	13,279,050	5,474,366	21,137,244

The accompanying notes form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

	Note	2025	2024
Revenue	21	15,705,279	14,665,611
Cost of sales		(8,287,470)	(7,413,552)
Gross profit		7,417,809	7,252,059
Other operating income/(expenses)	3	(60,023)	(130,281)
Distribution expenses		(2,882,008)	(2,676,283)
Administration expenses		(3,694,282)	(3,180,803)
Engineering expenses		(686,663)	(590,689)
Other operating expenses		(9,653)	- -
Operating profit before the following	21	85,180	674,003
Gain on disposal of plant and equipment		20,000	43,888
Profit from operations		105,180	717,891
Finance costs	5	(431,021)	(563,163)
Net (loss)/income before taxation		(325,841)	154,728
Taxation	9	8,653	(142,924)
Net (loss)/income after tax for year		(317,188)	11,804
Other comprehensive (expense)/income			
Loss on pension assets (net of tax)		- -	(171,453)
Net comprehensive loss for the year		(317,188)	(159,649)
Basic earnings per share	15	(0.13)	(0.07)
Diluted earnings per share	15	(0.13)	(0.07)

The following item is included above:

Depreciation	10	959,532	938,358
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The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

	Note	<u>2025</u>	<u>2024</u>
Cash flows from operating activities			
Net (loss)/Income before corporation tax		(325,841)	154,728
Adjustments for:			
Depreciation	10	959,532	938,358
Gain on disposal of property, plant and equipment		(20,000)	(43,888)
Interest expense	5	431,021	563,163
Operating earnings before changes in working capital		1,044,712	1,612,361
Add/(deduct) changes in working capital items			
Accounts receivable		(369,785)	103,493
Prepaid expenses and prepayments		412,494	(212,683)
Inventories		(166,529)	397,038
Accounts payable and accrued liabilities		303,062	(597,563)
Cash from operations		1,223,954	1,302,646
Corporation tax paid		-	(4,931)
Interest paid	5	(431,021)	(563,163)
Net cash from operating activities		792,933	734,552
Cash flows used in investing activities			
Purchase of property, plant and equipment	10	(301,965)	(623,445)
Proceeds from disposal of property, plant and equipment		20,000	43,888
Net cash used in investing activities		(281,965)	(579,557)
Cash flows (used in)/from financing activities			
Proceeds from long-term loans		312,249	158,970
Payment of dividends		-	(46,317)
Repayment of long-term loans		(832,223)	(563,924)
Net cash used in financing activities		(519,974)	(451,271)
Net decrease in cash and cash equivalents		(9,006)	(296,276)
Cash and cash equivalents at Beginning of year		744,747	1,041,023
Cash and cash equivalents at End of year		735,741	744,747

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

1 General information

Bico Limited is incorporated under the Laws of Barbados. The principal activities of the Company are the distribution of ice cream and the rental of cold storage space.

The registered office of the company is Harbour Industrial Park, St. Michael, Barbados.

The Company is listed on the Barbados Stock Exchange.

The financial statements were authorised for issue by the Directors on March 5, 2026.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), under the historical cost convention, as modified by the revaluation of buildings on leased land and are expressed in Barbados dollars.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from estimates made by management.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Barbados dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

(c) Property, plant & equipment

Items of property are stated at revaluation and plant and equipment are stated at cost, as deemed cost, less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

The Company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The principal annual rates used for this purpose are as follows:

Buildings	1%
Ice cream and cold storage machinery	5% - 10%
Motor vehicles and delivery equipment	20%
Furniture, fixtures and fittings	10%
Computer hardware	33%
Computer software	33%

The residual value, if not insignificant, is reassessed annually.

(d) Leased assets

Leases under the terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Plant and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses. The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

(e) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. In general, cost is determined on an average cost basis and includes transport and handling costs. In the case of manufactured inventories and work in progress, cost includes all direct expenditure and production overheads based on a normal level of activity. Provision is made for defective inventory.

(g) Impairment

The Company assesses on a forward-looking basis the expected credit losses on debt instruments measured at amortized cost and at fair value through other comprehensive income. The resulting allowance is generally based on a 12-month expected credit loss. When credit risk on an asset increases significantly the calculation of the expected credit loss is based on the full lifetime of the financial asset.

The Company applies judgment in its assessments of credit risk and expected credit losses based on current and historical data as well as forward-looking estimates. Changes in the allowance are recorded in the Income Statement with a reduction to the carrying value of financial assets measured at amortized cost, as an expected credit loss allowance.

The Company applies the full lifetime credit loss method to trade and other receivables that have a maturity of one year or less. The Company applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables (i.e. provision matrix).

For other financial assets measured at amortized cost, the Company applies the general approach under IFRS 9. The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period since the date of initial recognition, also considering forward-looking information. A significant increase in credit risk is presumed if a debtor is past due in making a contractual payment for a period outside of normal business practices. A default on a financial asset occurs when the counterparty fails to make contractual payments for a period significantly outside of normal business practices.

When using the general approach, for financial assets measured at amortized cost other than trade receivables with a low risk of default and a strong capacity to meet contractual cash flows, a 12-month expected credit loss provision is recognized. For financial assets measured at amortized cost other than trade receivables with a significant increase in credit risk and debtors that have defaulted, the expected credit loss provision is recognized based on lifetime expected credit losses. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Financial assets measured at amortized cost are written off when there is no reasonable expectation of recovery. This is generally the case when the Company determines that the debtor doesn't have requisite assets or other sources of income that could generate sufficient cash flows to repay the relevant amount.

Impairment losses on financial assets measured at amortized cost are included in the selling and marketing costs in the Income Statement. Subsequent recoveries of amounts previously written off are also credited against the same line item.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

(h) Employee benefits

The Company's net obligation in respect of its defined benefit Pension Plan is calculated by estimating the amount of future benefit that members have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of the Pension Plan assets is deducted.

The cost of the Company's defined benefit Pension Plan is charged to the income statement over the service life of the employees in the Pension Plan. The pension costs are assessed in accordance with the advice of independent consulting actuaries. Actuarial gains on the Pension Plan are recognised over a five-year period.

Where the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contribution to the Pension Plan.

(i) Accounts payable and other liabilities

Accounts payable and other liabilities are stated at cost.

(j) Revenue recognition

Revenue from the sale of goods and services is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from cold storage services is recognised at the point when goods enter the cold storage facility.

(k) Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as a part of the total lease expense.

(l) Deferred tax

Deferred taxation is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services, or in providing products and services within a particular economic environment which are subject to risks and rewards that are different from those of other segments.

(n) Borrowing costs

Borrowing costs are recognised in the income statement as an expense in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

3 Other operating income/(expenses)

	<u>2025</u>	<u>2024</u>
Miscellaneous income	37,756	6,581
Exchange gains/(losses)	(97,779)	(136,862)
	<u>(60,023)</u>	<u>(130,281)</u>

4 Personnel expenses

	<u>2025</u>	<u>2024</u>
Salaries and wages costs	4,560,684	4,104,929
National insurance	435,509	384,276
Medical and health costs	85,233	73,342
	<u>5,081,426</u>	<u>4,562,547</u>

The average number of persons employed by the Company during the year was 77 (2024 - 77).

5 Net financing costs

	<u>2025</u>	<u>2024</u>
Interest expense	431,021	563,163
Interest income	-	-
Net financing costs	<u>431,021</u>	<u>563,163</u>

6 Cash and cash equivalents

	<u>2025</u>	<u>2024</u>
Cash and bank balances	735,741	744,747

7 Trade and other receivables

	<u>2025</u>	<u>2024</u>
Trade receivables - net of provisions for non-recoverability	1,404,317	1,112,314
Prepayments and other receivables	179,141	101,359
	<u>1,583,458</u>	<u>1,213,673</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

8 Inventories

These comprise the following:

	<u>2025</u>	<u>2024</u>
Raw materials	691,392	552,633
Packaging materials	395,800	311,596
Finished goods	1,586,423	1,676,231
Other	321,486	288,112
	<u>2,995,101</u>	<u>2,828,572</u>

9 Taxation

The taxation charge for the year is comprised as follows:

	<u>2025</u>	<u>2024</u>
Deferred tax charge	(8,653)	142,924
	<u>(8,653)</u>	<u>142,924</u>

The tax on the Company's net income before tax differs from the theoretical amount that would arise using the basic tax rate.

	<u>2025</u>	<u>2024</u>
Income before taxation	(325,841)	154,729
Tax calculation at 9% (2024-9.0%)	(29,326)	13,926
Taxation allowances	6,352	(24,405)
Effect of loss carried forward	22,974	10,479
	<u>- -</u>	<u>- -</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

9 Taxation... continued

The deferred tax liability consists of the following components:

	<u>2025</u>	<u>2024</u>
Unutilised tax losses	(1,084,220)	(986,235)
Accelerated tax depreciation	4,093,247	4,091,401
	<u>3,009,027</u>	<u>3,105,166</u>
Deferred tax liability/(asset) at the statutory corporation tax rate of 9% (2024 – 9%)	<u>270,812</u>	<u>279,465</u>

Except for tax losses, the above noted temporary differences have no expiry date.

Tax losses

Tax losses which are available for set off against future taxable income for income and corporation tax purposes are as follows:

Assessment year	Amount	Expiry Date
2019	2,856	September 30,2026
2020	67,394	September 30,2027
2021	543,255	September 30,2028
2022	99,011	September 30,2029
2024	116,438	September 30,2031
2025	255,266	September 30,2032
	<u>1,084,220</u>	

These losses are computed by the Company in its corporation tax returns and have to date neither been confirmed nor disputed by the Barbados Revenue Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

10 Property, plant and equipment

	Buildings on leased land	Plant and equipment	Furniture and fittings	Total
At September 30, 2025				
Cost or valuation				
Balance - beginning of year	22,150,000	24,352,302	1,353,891	47,856,193
Additions	- -	298,761	3,204	301,965
Balance - end of year	22,150,000	24,651,063	1,357,095	48,158,158
Accumulated Depreciation				
	- -	18,897,088	1,320,666	20,217,754
Depreciation for year	224,466	727,553	7,513	959,532
Balance - end of year	224,466	19,624,641	1,328,179	21,177,286
Net book value				
Beginning of year	22,150,000	5,455,214	33,225	27,638,439
End of year	21,925,534	5,026,422	28,916	26,980,872
At September 30, 2024				
Cost or valuation				
Balance - beginning of year	22,667,248	23,275,881	1,352,291	47,295,420
Additions	39,270	582,574	1,600	623,444
Appraisal adjustment & transfer	(556,518)	493,847	- -	(62,671)
Balance - end of year	22,150,000	24,352,302	1,353,891	47,856,193
Accumulated Depreciation				
	1,219,074	18,158,788	1,313,031	20,690,893
Depreciation for year	209,183	721,540	7,635	938,358
Elimination on revaluation/transfer	(1,428,257)	16,760	- -	(1,411,497)
Balance - end of year	- -	18,897,088	1,320,666	20,217,754
Net book value				
Beginning of year	21,448,174	5,117,093	39,260	26,604,527
End of year	22,150,000	5,455,214	33,225	27,638,439

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

10 Property, plant and equipment... continued

The buildings are erected on lands leased from The Barbados Port Incorporated for a period of ten years from December 2006 with an option to renew for a further period of fifteen years. This option was exercised effective June 13, 2016 for a period of 15 years.

The buildings were revalued by a professional independent valuation carried out on September 30, 2024 in the amount of \$22,150,000. The resultant increase of the valuation over carrying amount was credited to the capital appraisal surplus account.

11 Pension fund asset

	<u>2025</u>	<u>2024</u>
The amounts recognised in the Balance Sheet are as follows:		
Present value of funded obligation	(6,368,822)	(5,858,270)
Fair value of plan assets	6,948,051	6,441,359
Unrecognised asset in accordance with IAS 19	(579,229)	(583,089)
	-	-

Movement in pension fund asset recognised in the Balance Sheet is as follows:

Pension fund asset - beginning of the year	-	171,453
Net pension gain for the year	579,229	411,636
Unrecognised asset in accordance with IAS 19	(579,229)	(583,089)
Pension fund asset - end of the year	-	-

The amounts recognised in the Statement of Income are as follows:

Current service costs	43,824	29,497
Net interest cost	(15,463)	(24,953)
Administrative expenses	-	1,800
	28,361	6,344
Net actuarial loss recognised in the year	427,808	518,906
Net pension cost	456,169	525,250

The actual return on plan assets was a gain of \$323,001 (2024 gain of \$306,008).

Assumptions:	<u>2025</u>	<u>2024</u>
Discount rate at end of year	7.50%	7.50%
Future salary increases	4.00%	4.00%
Future pension increases- post-retirement	0.00%	0.00%
Future changes in NIS ceiling increases	2.00%	2.00%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

11 Pension fund asset ..continued

The Company made contributions to the pension plan of \$320,126 in 2025 which was expensed. Also, the revised International Accounting Standard (IAS) 19, limits the amount of the excess of Plan assets over Plan liabilities which can be reported as a pension asset. As a result, the excess of the Pension Plan assets for 2025 and 2024 was not reported as an asset

12 Trade and other payables

	<u>2025</u>	<u>2024</u>
Trade payables	957,169	535,676
Non-trade payables and accrued expenses	374,803	493,234
	<u>1,331,972</u>	<u>1,028,910</u>

13 Interest-bearing loans and borrowings

	<u>2025</u>	<u>2024</u>
Secured loans	4,632,581	4,877,555
Related party loans (see note 19)	5,548,895	5,823,895
	<u>10,181,476</u>	<u>10,701,450</u>
Current portion	(515,611)	(491,285)
	<u>9,665,865</u>	<u>10,210,165</u>

There are four secured loans related to the procurement of photovoltaic cells and the Ice Cream processing plant rebuild. The loans all of which are repayable in monthly instalments of blended principal and interest of \$ \$11,452, \$29,824 and \$7,935 respectively, bearing interest between 3.75% and 5.5% per annum.

These loans are secured by a second mortgage debenture on the Company's fixed and floating assets, stamped to secure \$4,890,000. The maturity dates for the loans are December 2027.

There are also eight vehicle loans with monthly repayments of blended principal and interest totalling \$9,291 with maturity dates of September 2028, May 2031, June and August 2032 respectively. Interest rates range from 4% to 6.5% per annum and are secured by Bills of Sale and assignment of Comprehensive Insurance over vehicles purchased.

The related party loans of \$5,548,895 bear interest at the rate of 4.25% per annum and are secured by the following instruments with no fixed method of repayment:

- a) A debenture over fixed and floating assets of the Company stamped to secure \$5,724,970 as outlined below:
 - i. A fixed first charge over the fixed assets of the Company.
 - ii. A floating charge over the floating assets of the Company.
- b) Fire policy covering buildings, plant, equipment and stock with mortgage clause in favour of the lenders.
- c) Letter of undertaking by the Company not to further encumber its fixed assets without the lenders' consent.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

14 Share capital

(a) Authorised

An unlimited number of common shares of no-par value.

(b) Issued

	<u>2025</u>	<u>2024</u>
2,315,871 (2024 -2,315,871) common shares, stated value	<u>2,383,828</u>	2,383,828

15 Earnings per share

The earnings per share is based on the net earnings for the year and the average number of shares in issue during the year.

The net book value per share as at September 30, 2025 is \$9.13 (2024 - \$9.26) and the last trading value was \$2.50.

16 Financial instruments

The financial assets of the Company comprise cash and cash equivalents, trade and other receivables and investments.

Financial liabilities comprise bank overdraft, accounts payable and accrued liabilities, due to related parties and short-term and long-term loans.

The accounting policies for financial assets and liabilities are set out in note 2.

a) Interest rate risk

The interest rates and terms of repayment of financial liabilities are disclosed in note 13.

b) Credit risk

Credit risk is not considered to be significant as accounts receivable is stated net of provisions for non-recoverability.

c) Fair value

The fair value of cash, trade and other receivables, bank overdraft, accounts payable and accrued liabilities, short-term and long-term loans and amounts due to related parties, are not considered to be materially different from their carrying values.

17 Capital commitments

At the year end the Company's commitment to purchase capital assets contracted but not yet paid for is \$Nil (2024 – \$Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

18 Contingencies

At September 30, 2025 the Company has bonds of guarantee amounting to \$250,000.

19 Related party transactions and balances

Parties are considered to be related parties if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

A number of transactions are entered into with related parties in the normal course of business. These transactions are carried out on commercial terms and conditions and at market rates.

The Company has a related party relationship with its directors and executive officers.

Transactions with key management personnel

Salaries and fees earned by related parties amounted to \$342,452 (2024 - \$306,535). In addition to their salaries, the executive directors and executive officers participate in the Company's performance bonus scheme.

The key management compensation is as follows:

	<u>2025</u>	<u>2024</u>
Non-executive directors' fees	48,500	32,570
Executive director(s)	<u>293,952</u>	<u>273,965</u>
	<u>342,452</u>	<u>306,535</u>

Executive officers' fees/salaries are included in "personnel expenses" (see note 4)

20 Comparative figures

Some comparative figures have been changed to comply with this year's presentation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended September 30, 2025 (with comparatives for year ended September 30, 2024)

(Expressed in Barbados dollars)

21 Segment reporting

Segment information is presented in respect of the Company's business. The primary format, business segments, is based on the Company's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

The Company's operations are conducted in Barbados. All revenues are earned from Barbados. Segment assets consist primarily of property, plant and equipment, inventories and accounts receivable. Segment liabilities comprise operating liabilities and exclude taxation and long-term loans. Capital expenditure comprises additions to property, plant and equipment.

Business segment reporting

Year ended September 30, 2025

	Distribution	Cold storage	Unallocated	Total
Gross trading revenue	10,547,484	5,157,795	- -	15,705,279
Operating costs	(9,707,102)	(2,149,039)	(3,763,958)	(15,620,099)
Operating profit/(loss)	840,382	3,008,756	(3,763,958)	85,180
Net financing costs			(431,021)	(431,021)
Gain on sale of assets	- -	- -	20,000	20,000
Earnings before tax	840,382	3,008,756	(4,174,979)	(325,841)
Taxation			8,653	8,653
Net earnings for the year	840,382	3,008,756	(4,166,326)	(317,188)
Segment assets	15,962,347	11,759,065	5,200,092	32,921,504
Capital expenditure	268,762	8,556	24,647	301,965
Depreciation	522,632	234,899	202,001	959,532

Year ended September 30, 2024

	Distribution	Cold storage	Unallocated	Total
Gross trading revenue	9,881,449	4,784,162	- -	14,665,611
Operating costs	(8,285,272)	(2,146,284)	(3,560,052)	(13,991,608)
Operating profit/(loss)	1,596,177	2,637,878	(3,560,052)	674,003
Net financing costs			(563,163)	(563,163)
Gain on sale of assets	- -	- -	43,888	43,888
Earnings before tax	1,596,177	2,637,878	(4,079,327)	154,728
Taxation			(142,924)	(142,924)
Net earnings for the year	1,596,177	2,637,878	(4,222,251)	11,804
Segment assets	16,379,122	11,716,606	5,368,529	33,464,257
Capital expenditure	213,894	271,808	137,743	623,445
Depreciation	515,356	221,174	201,828	938,358

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