



# GODDARD ENTERPRISES LIMITED

## CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 30 SEPTEMBER 2015 AUDITED

### Consolidated Statement of Income Highlights

	% Change	Year ended 30/09/15 Bds \$000's	Year ended 30/09/14 Bds \$000's
<b>Revenue</b>	-3.1%	<b>924,469</b>	954,111
<b>Profit from operations before the following:</b>	10.3%	<b>55,295</b>	50,126
Other gains/(losses) – net	83.6%	<b>26,761</b>	14,579
<b>Profit from operations</b>	26.8%	<b>82,056</b>	64,705
Finance costs	-3.5%	<b>(11,857)</b>	(12,287)
	33.9%	<b>70,199</b>	52,418
Share of income of associated companies	-49.9%	<b>3,293</b>	6,569
<b>Income before taxation</b>	24.6%	<b>73,492</b>	58,987
Taxation	15.2%	<b>(11,621)</b>	(10,084)
<b>Net income for the year</b>	26.5%	<b>61,871</b>	48,903
<b>Attributable to:</b>			
Equity holders of the Company	33.1%	<b>48,449</b>	36,402
Non-controlling interests	7.4%	<b>13,422</b>	12,501
	26.5%	<b>61,871</b>	48,903
Earnings per share – basic	33.7%	<b>83.0¢</b>	62.1¢
Earnings per share – diluted	33.0%	<b>81.1¢</b>	61.0¢

### Consolidated Statement of Comprehensive Income Highlights

	Year ended 30/09/15 Bds \$000's	Year ended 30/09/14 Bds \$000's
<b>Net income for the year</b>	<b>61,871</b>	48,903
<b>Other comprehensive income:</b>		
<b>Items net of tax that may be recycled to income in the future:</b>		
Unrealised (losses)/gains on available-for-sale financial investments	(972)	751
Gains transferred to income on disposal of financial investments	(1,625)	(400)
(Reversal of impairment)/impairment of financial investments	(213)	302
Currency translation differences	(6,538)	(18,939)
Hyperinflationary adjustments	547	907
	<b>(8,801)</b>	(17,379)
<b>Items net of tax that will not be recycled to income in the future:</b>		
Increase/(decrease) of revaluation surplus	847	(261)
Remeasurement of employee benefits – group	(6,717)	(178)
Remeasurement of employee benefits – associated	297	199
	<b>(14,374)</b>	(17,619)
<b>Other comprehensive loss for the year, net of tax</b>	<b>(14,374)</b>	(17,619)
<b>Total comprehensive income for the year</b>	<b>47,497</b>	31,284
<b>Attributable to:</b>		
Equity holders of the Company	<b>36,803</b>	27,747
Non-controlling interests	<b>10,694</b>	3,537
	<b>47,497</b>	31,284

### BOARD REVIEW FOR THE YEAR ENDED 30 SEPTEMBER 2015

The Board of Directors of Goddard Enterprises Limited (GEL) is pleased to report on a record-breaking performance for the Group. We have achieved the highest earnings per share ever of 83¢ exceeding the previous highest amount of 73.7¢ which was earned in 2008. This increase in earnings per share is 33.7% above prior year of 62.1¢.

Our results during the last quarter of the financial year were impacted by the formation of our recently announced Joint Venture company in our Food and Consumer Goods Distribution Sector. This new company, Caribbean Distribution Partners Limited (CDP), is owned 50:50 with Agostini's Limited. Our companies transferred into CDP have been fully consolidated with our Group results up to the effective date. From the effective date of the Joint Venture, 1 July 2015, however, only our share (50%) of CDP is included in the results of the Group in the line item share of income of associated companies.

Our revenues for the year stood at \$924.5M, a decline of 3.1% due to the fact that the companies transferred to CDP were not consolidated with our results for the last quarter. Had we consolidated the revenues of these companies, Group Revenue would have increased by 4.6%.

Our gross profit margin stood at 37.8%; this is in comparison to 37.3% achieved in the previous financial year and our selling, marketing and administrative expenses were 32.2% of revenues versus 32.5% in the prior year. Both of these ratios were impacted by the exclusion of the CDP companies previously owned by GEL from the consolidated numbers.

Profit from operations before other gains/(losses)-net increased by \$5.2M or 10.3% as a result of the reduction in selling, marketing and administrative expenses; which declined by \$12.2M or 3.9%.

Other gains/(losses)-net increased by 83.6% or \$12.2M. This is attributable mainly to a gain on disposal of our subsidiaries sold to CDP in the amount of \$20.8M. Profit from operations therefore increased by 26.8% or \$17.4M, up to \$82.1M.

Our finance costs for the Group marginally decreased by 3.5%.

The Group's share of income of associated companies fell by \$3.3M or 49.9%. This is mainly as a result of a decrease in profits from our Insurance associate. A loss of \$0.2M is also included in this total as our share of the loss from CDP for the quarter.

Our overall net income for the period was \$61.9M, up 26.5% over the prior year amount of \$48.9M. Net income attributable to equity holders increased by 33.1% to \$48.4M which translates to an earnings per share of 83¢.

Whilst we recognize that our performance this year is mostly due to a one-off non-operational gain on disposal of subsidiaries; we are pleased to highlight that our profit from operations before other gains/(losses)-net has increased by 10.3%. Our goal is to continue to improve this result each year.

We recently restructured the management of the Group along lines of business namely, Auto, Building Supplies, Catering, Ground Handling, Manufacturing and Other Services. We believe that this should give us a greater focus and allow us to capitalize on our core competencies and strengths.

A final dividend of 14¢ has been declared and will be paid in February 2016.

A. Charles Herbert  
Chairman

1 December 2015

Anthony H. Ali  
Managing Director

### Consolidated Statement of Financial Position Highlights

	30/09/15 Bds \$000's	30/09/14 Bds \$000's
Current assets	349,471	380,151
Current liabilities	(213,410)	(239,677)
Working capital	136,061	140,474
Property, plant & equipment, financial investments & other non-current assets	547,268	540,071
Long-term liabilities	(100,482)	(115,209)
<b>Net assets employed</b>	<b>582,847</b>	<b>565,336</b>
<b>Equity</b>		
Share capital	44,634	43,829
Other reserves	75,581	91,823
Retained earnings	366,788	326,069
	<b>487,003</b>	<b>461,721</b>
Non-controlling interests	95,844	103,615
	<b>582,847</b>	<b>565,336</b>

### 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 2013</b>	44,557	100,899	308,030	111,828	565,314
Net income for the year	–	–	36,402	12,501	48,903
Other comprehensive (loss)/income	–	(9,194)	539	(8,964)	(17,619)
Acquisition of subsidiary company	–	–	–	2,450	2,450
Investment in subsidiary company	–	–	–	167	167
Fair value of assets disposed of by non-controlling interests	–	–	–	(53)	(53)
Decrease in advances to non-controlling interests	–	–	–	(468)	(468)
Value of employee services	–	118	–	–	118
(Repurchase)/issue of common shares – net	(728)	–	(10,743)	–	(11,471)
Dividends declared	–	–	–	(13,846)	(13,846)
Dividends paid	–	–	(8,159)	–	(8,159)
<b>Balance at 30 September 2014</b>	<b>43,829</b>	<b>91,823</b>	<b>326,069</b>	<b>103,615</b>	<b>565,336</b>
Net income for the year	–	–	48,449	13,422	61,871
Other comprehensive (loss)/income	–	(16,383)	4,737	(2,728)	(14,374)
Disposal of subsidiary company	–	–	–	(6,982)	(6,982)
Investment in subsidiary company	–	–	–	600	600
Fair value of assets disposed of by non-controlling interests	–	–	–	(8,485)	(8,485)
Increase in advances to non-controlling interests	–	–	–	1,767	1,767
Value of employee services	–	141	–	–	141
Issue/(repurchase) of common shares – net	805	–	(786)	–	19
Dividends declared	–	–	–	(5,365)	(5,365)
Dividends paid	–	–	(11,681)	–	(11,681)
<b>Balance at 30 September 2015</b>	<b>44,634</b>	<b>75,581</b>	<b>366,788</b>	<b>95,844</b>	<b>582,847</b>

### Consolidated Statement of Cash Flows Highlights

	Year ended 30/09/15 Bds \$000's	Year ended 30/09/14 Bds \$000's
<b>Income before taxation</b>	<b>73,492</b>	58,987
Adjustments for non-cash items	<b>12,840</b>	9,835
	<b>86,332</b>	68,822
Non-cash working capital changes	<b>(37,453)</b>	10,058
	<b>48,879</b>	78,880
Net interest, taxation and pension contributions paid	<b>(22,516)</b>	(22,994)
Net cash from operating activities	<b>26,363</b>	55,886
Net cash used in investing activities	<b>(228)</b>	(8,772)
Net cash used in financing activities	<b>(22,777)</b>	(24,834)
Net increase in cash and cash equivalents	<b>3,358</b>	22,280
Cash and cash equivalents – beginning of year	<b>50,482</b>	28,202
Cash and cash equivalents – end of year	<b>53,840</b>	50,482



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

To the Shareholders of Goddard Enterprises Limited

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 September 2015, and 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, are derived from the audited consolidated financial statements of Goddard Enterprises Limited for the year ended 30 September 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 1 December 2015.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Goddard Enterprises Limited.

#### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis of their established criteria as described in Note 1.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

#### Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Goddard Enterprises Limited for the year ended 30 September 2015 are consistent, in all material respects, with those consolidated financial statements, on the basis of Management's established criteria as described in Note 1.

#### Other matter

The summary consolidated financial statements for the year ended 30 September 2014 were audited by another auditor whose audit report was dated 17 December 2014.

Ernst & Young  
CHARTERED ACCOUNTANTS  
Barbados  
1 December 2015

#### 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 for the year ended 30 September 2015.