



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED SEPTEMBER 30, 2011 AUDITED

Consolidated Statement of Income Highlights

	% Change	Year ended 30/09/11 Bds \$000's	Year ended 30/09/10 Bds \$000's
Revenue	8.1%	949,298	877,828
Profit from operations before the following:	(5.3%)	40,767	43,066
Other (losses)/gains – net	(358.1%)	(27,845)	10,790
Profit from operations	(76.0%)	12,922	53,856
Finance costs	(4.8%)	(11,825)	(12,415)
Share of income from associated companies	(97.4%)	1,097	41,441
Income before taxation	(54.6%)	4,680	10,305
Taxation	(88.8%)	5,777	51,746
Net (loss)/income for the year	(9.9%)	(11,095)	(12,313)
	(113.5%)	(5,318)	39,433
Attributable to:			
Equity holders of the Company	(138.2%)	(10,503)	27,516
Non-controlling interests	(56.5%)	5,185	11,917
	(113.5%)	(5,318)	39,433
(Loss)/Earnings per share attributable to the equity holders of the Company during the year			
– basic	(138.2%)	(17.6)¢	46.1¢
– diluted	(138.2%)	(17.5)¢	45.8¢

Consolidated Statement of Comprehensive Income Highlights

	Year ended 30/09/11 Bds \$000's	Year ended 30/09/10 Bds \$000's
Net (loss)/income for the year	(5,318)	39,433
Other comprehensive income:		
Increase/(decrease) of revaluation surplus	11	(172)
Unrealised losses on available-for-sale investments	(1,303)	(181)
Gains transferred to income on disposal of financial investments	(6,071)	(1,103)
Impairment of financial investments	–	800
Currency translation differences	1,294	1,667
Hyperinflationary adjustments	479	2,051
Other comprehensive (loss)/income for the year, net of tax	(5,590)	3,062
Total comprehensive (loss)/income for the year	(10,908)	42,495
Attributable to:		
Equity holders of the Company	(16,905)	28,341
Non-controlling interests	5,997	14,154
	(10,908)	42,495

BOARD REVIEW FOR THE YEAR ENDED SEPTEMBER 30, 2011

For the financial year ended September 30, 2011, the Group recorded revenues of \$949.3M which were 8.1% above that for the corresponding period in the prior year. Revenue growth was seen across all sectors of the Group. However, our profit from operations before other (losses)/gains – net decreased by 5.3%, from \$43.1M to \$40.8M. This was due in part to a one-time charge of \$2.1M arising from the introduction of the Occupational Pension Benefits Act in Barbados.

Other (losses)/gains – net moved from a gain of \$10.8M in the prior year to a loss of \$27.8M for the year under review. The major contributors to this were: i) a write-off of \$9.7M (\$4.9M net of non-controlling interests) relating to a short-term investment held by a subsidiary in our Catering and Ground Handling Division; ii) a provision of \$14.0M in accordance with International Financial Reporting Standards (IFRS) for the impairment of goodwill purchased in two of our subsidiaries in our Import, Distribution and Marketing Division whose performance did not meet projections set at the time of their acquisition in 2008; and iii) a full write-off of \$14.3M of the carrying value of our investments in our two hotels in Barbados and St. Lucia as a result of their continued poor performance.

Our share of income from associated companies declined from \$10.3M to \$4.7M due to a reduction in income from our insurance associate which was negatively affected by a higher than normal property loss ratio due to the impact of Hurricane Tomas in October 2010.

The Group recorded a net loss after tax of \$5.3M compared to a net profit of \$39.4M for the comparative period. After deducting non-controlling interests of \$5.2M, net loss for the year attributable to equity holders of the company totalled \$10.5M, as compared to a net profit of \$27.5M for the prior year. Our loss per share was 17.6 cents, compared to our earnings per share of 46.1 cents for the prior year.

The above major one-off adjustments represent 58.6 cents earnings per share and are unlikely to recur in the future and as such, we expect our results to be back on track in 2012.

Turning to our balance sheet, our working capital ratio dropped slightly from 1.54 in the prior year to 1.43 in 2011. Our total debt to total assets ratio of 38.3%, which declined from 35.7% in the prior year, is still within acceptable standards. Our net assets value per share now stands at \$7.30 and our shares were trading at a price of \$6.00 on The Barbados Stock Exchange at September 30, 2011. We are pleased to report that CariCRIS, the regional rating agency, has maintained our rating of AA-, the same as 2010.

Joseph N. Goddard
Chairman
December 13, 2011

Martin J. K. Pritchard
Managing Director

Consolidated Balance Sheet Highlights

	30/09/11 Bds \$000's	30/09/10 Bds \$000's
Current assets	355,335	348,102
Current liabilities	(248,533)	(226,267)
Working capital	106,802	121,835
Property, plant & equipment, financial investments & other non-current assets	532,221	545,746
Long term liabilities	(91,624)	(93,005)
Net Assets Employed	547,399	574,576
Equity		
Share capital	43,337	42,454
Other reserves	108,228	112,841
Retained earnings	285,526	308,491
	437,091	463,786
Non-controlling interests	110,308	110,790
	547,399	574,576

Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
Balance at October 1, 2009	41,829	111,967	289,258	106,038	549,092
Net income for the year	–	–	27,516	11,917	39,433
Other comprehensive income	–	752	73	2,237	3,062
Acquisition of subsidiary	–	–	–	259	259
Fair value of assets disposed of by non-controlling interests	–	–	–	(1,633)	(1,633)
Reduction in advances to non-controlling interests	–	–	–	(6,608)	(6,608)
Value of employee services	–	122	–	–	122
Issue of common shares	625	–	–	–	625
Dividends declared	–	–	–	(1,420)	(1,420)
Dividends paid	–	–	(8,356)	–	(8,356)
Balance at October 1, 2010	42,454	112,841	308,491	110,790	574,576
Net (loss)/income for the year	–	–	(10,503)	5,185	(5,318)
Other comprehensive (loss)/income	–	(4,710)	(1,692)	812	(5,590)
Acquisition of subsidiary	–	–	–	1,081	1,081
Investment in a subsidiary by non-controlling interests	–	–	–	2,500	2,500
Fair value of assets disposed of by non-controlling interests	–	–	–	(321)	(321)
Reduction in advances to non-controlling interests	–	–	–	(3,246)	(3,246)
Value of employee services	–	97	–	–	97
Issue of common shares	883	–	–	–	883
Dividends declared	–	–	–	(6,493)	(6,493)
Dividends paid	–	–	(10,770)	–	(10,770)
Balance at September 30, 2011	43,337	108,228	285,526	110,308	547,399

Consolidated Statement of Cash Flows Highlights

	Year ended 30/09/11 Bds \$000's	Year ended 30/09/10 Bds \$000's
Income before taxation	5,777	51,746
Adjustments for non-cash items	58,406	24,259
	64,183	76,005
Non-cash working capital changes	(14,401)	7,311
	49,782	83,316
Net interest, finance costs, taxation and pension contributions paid	(24,122)	(27,767)
Net cash from operating activities	25,660	55,549
Net cash used in investing activities	(31,487)	(22,941)
Net cash used in financing activities	(13,604)	(23,442)
Net (decrease)/increase in cash and cash equivalents	(19,431)	9,166
Cash and cash equivalents – beginning of year	32,653	23,487
Cash and cash equivalents – end of year	13,222	32,653

PRICEWATERHOUSECOOPERS

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS To the Shareholders of Goddard Enterprises Limited

The accompanying summary consolidated financial statements, which comprise the summary consolidated balance sheet as of September 30, 2011 and the summary consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended are derived from the audited consolidated financial statements of **Goddard Enterprises Limited** for the year ended September 30, 2011. We expressed an unqualified audit opinion on those consolidated financial statements in our report dated December 15, 2011.

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 consolidated financial statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements.

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 September 30, 2011 are consistent, in all material respects, with those consolidated financial statements, from which they were derived.

December 15, 2011
Bridgetown, Barbados