

N Business

Cocoa fix boosts GEL earnings

GODDARD ENTERPRISES LIMITED'S (GEL) annual profit has surged by \$24.3 million, driven by a major turnaround in the Barbados conglomerate's cocoa processing company in Ecuador.

With net income of \$76.8 million, and earnings per share reaching 27.9 cents during the financial year ended September 30, the group's shareholders will be paid a final dividend of three cents per share at the end of February.

Chairman Charles Herbert and managing director Anthony Ali reported on GEL's performance in the board review accompanying the published consolidated financial highlights for the year.

"For the fiscal year ended September 30, 2025, Goddard Enterprises Limited recorded net income of \$76.8 million, compared to \$52.5 million in the previous year," they stated.

The boost in profitability came mainly from the manufacturing division "as Ecuakao (Ecuakao) reported a strong result following a significant loss in the prior year".

"This turnaround in Ecuakao's performance resulted in the division posting a net income of \$16.7 million compared to a net loss of \$21.2 million in the prior year," Herbert and Ali said.

"The company benefitted from increased production and sales volume, along with a higher gross margin resulting from favourable purchase differentials on its main raw material, cocoa beans.

"Additionally, Ecuakao's results were reduced by an \$8.5 million call option expense purchased to limit the exposure on unmatched cocoa futures from 2024, along with a \$4.1 million expected credit losses (ECL) provision for an amount due from one of its customers.

"The year-on-year change in the market value of our commodity futures and foreign exchange contracts of \$9.1m is included in other comprehensive income/loss (OCI) as a cash flow hedge loss," Herbert and Ali added.

Their review of GEL's other divisions revealed a mixed performance.

For Acado Limited, the rebranded consumer products joint venture with Trinidad and Tobago's Agostini Limited, they said this entity "had a solid year and once again stood out as one of the top

contributors to our group's performance".

"Most markets performed well except for St Lucia, which faced operational challenges. Included within the currency translation gain in OCI of \$11.1 million is an amount of \$8.3 million related to our share of the net assets of the joint venture."

Herbert and Ali said Goddard Catering Group's (GCG) strong revenue performance "was adversely affected by year-end adjustments".

"GCG recorded ECL provisions totalling \$10.8 million for amounts due from two of its associates in Costa Rica as both entities continue to incur losses," they noted.

"The division also recognised goodwill impairment of \$5.4 million related to its subsidiary, International Meals Company Panama, which suffered from a significant increase in competition from newly opened concessions in Tocumen International Airport."

The building supplies division achieved an 8.5 per cent increase in revenue "resulting in an operating profit comparable to the previous year. Higher finance costs and taxation expense, however, led to reduced net income in comparison to the prior year".

The chairman and the managing director said that the automotive division "faced a challenging year characterised by low vehicle sales in our two main markets, Barbados and Jamaica".

They explained that this performance "was also impacted by efforts to reduce inventory levels, increased finance charges associated with the launch of the GAC brand of vehicles in all our markets and a \$1.3 million revaluation loss on investment property in Barbados".

GEL's smaller divisions, shipping and services, "both performed as expected", Herbert and Ali said without elaborating.

Indicating that the group's continued resilience was based on its diversity, the officials said that "despite ongoing global uncertainty, we remain focused on prudent cost management and enhancing operational efficiencies to sustain growth, improve overall

profitability and create economic value for our shareholders".

"To support these goals, we are investing in various capital projects across the group. Cyber security continues to pose a significant risk to our operations; therefore, we are prioritising investments in training and infrastructure upgrades to mitigate this threat," they said. (SC)

FSC issues fees notice

NON-BANK FINANCIAL ENTITIES registered and licensed by the Financial Services Commission (FSC) have been given notice that their annual fees are due by January 31.

The FSC said this requirement "applies to all sectors, including credit unions".

"Credit unions should note that the deadline for all payments has been brought forward from March 31 to January 31," the regulator said in a three-page 2026 annual registration notice.

The FSC also reminded credit unions, insurance companies and those in the pensions and securities sectors that "failure to make the required payment by the deadline will result in the assessment of late fees".

"We therefore encourage all entities to submit their payments to ensure that funds reach the commission by January 31. Please allow up to three business days for payments to be reflected on the commission's bank account," it advised.

The FSC also informed registrants and licensees that "fee assessment notices will not be issued for the 2026 registration cycle".

Further guidance

"Fees due and payable have been set by statute, and a copy of the fees order may be downloaded from the Commission's website for further guidance. Failure to remit registration and licence fees may result in the suspension, cancellation or revocation of an entity's licence or registration," it announced.

"Insurance entities are required to make all fee payments on behalf of salesmen and agents authorised to act on their behalf. Failure to make payments by the deadline may lead to enforcement action, which could include the cancellation of these licences."

The FSC also said that "all registrants/licensees are required to submit a fee submission form as part of the annual registration process".

This form "captures information related to the payee, including the category of registration(s)/licence, the number and names of persons (legal or natural) on behalf of whom the payments are being made, and other information related to calculating the fees".

It also "allows entities to submit updated basic administrative information, such as names, contact information, and address changes for key persons".

The FSC noted that "failure to submit the completed form and proof of payment may result in delays in identifying your transaction and may lead to the implementation of various measures, including the imposition of administrative fees and/or other enforcement actions". (SC)