



# GODDARD ENTERPRISES LIMITED

## CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED SEPTEMBER 30, 2012 AUDITED

### Consolidated Statement of Income Highlights

	% Change	Year ended 30/09/12 Bds \$000's	Year ended 30/09/11 Bds \$000's
<b>Revenue</b>	5.3%	<b>999,148</b>	949,298
<b>Profit from operations before the following:</b>	29.5%	<b>52,786</b>	40,767
Other (losses)/gains – net	-94.1%	<b>(1,640)</b>	(27,845)
<b>Profit from operations</b>	29.5%	<b>51,146</b>	12,922
Finance costs	4.8%	<b>(12,393)</b>	(11,825)
Share of income of associated companies	3432.6%	<b>38,753</b>	1,097
<b>Income before taxation</b>	68.1%	<b>7,866</b>	4,680
Taxation	707.0%	<b>(12,705)</b>	(11,095)
<b>Net income/(loss) for the year</b>	14.5%	<b>33,914</b>	(5,318)
<b>Attributable to:</b>			
Equity holders of the Company	737.7%	<b>24,696</b>	(10,503)
Non-controlling interests	77.8%	<b>9,218</b>	5,185
	737.7%	<b>33,914</b>	(5,318)
Earnings/(loss) per share – basic	334.1%	<b>41.2¢</b>	(17.6)¢
Earnings/(loss) per share – diluted	333.1%	<b>40.8¢</b>	(17.5)¢

### Consolidated Statement of Comprehensive Income Highlights

	Year ended 30/09/12 Bds \$000's	Year ended 30/09/11 Bds \$000's
<b>Net income/(loss) for the year</b>	<b>33,914</b>	(5,318)
<b>Other comprehensive income:</b>		
(Decrease)/increase of revaluation surplus	<b>(6,430)</b>	11
Unrealised gains/(losses) on available-for-sale investments	<b>1,318</b>	(1,303)
Losses/(gains) transferred to income on disposal of available-for-sale investments	<b>141</b>	(6,071)
Currency translation differences	<b>(671)</b>	1,294
Hyperinflationary adjustments	<b>1,430</b>	479
<b>Other comprehensive loss for the year, net of tax</b>	<b>(4,212)</b>	(5,590)
<b>Total comprehensive income/(loss) for the year</b>	<b>29,702</b>	(10,908)
<b>Attributable to:</b>		
Equity holders of the Company	<b>23,853</b>	(16,905)
Non-controlling interests	<b>5,849</b>	5,997
	<b>29,702</b>	(10,908)

### BOARD REVIEW FOR THE YEAR ENDED SEPTEMBER 30, 2012

For the financial year ended September 30, 2012, the Group recorded an improved performance. Revenues increased over the prior year by 5.3% to \$999.1M; \$0.9M below the \$1B mark. An increase was reported across all sectors of the Group. Gross profit margin achieved was 35.2%; compared to 33.5% in the prior year. This is due mainly to improved inventory management and labour efficiencies.

Profit from operations before other (losses)/gains – net of \$52.8M represents an increase of 29.5% over the prior year. Our selling, marketing and administrative expenses were 30.3% of revenues; compared with 29.5% in the prior year. This marginal increase is due mainly to certain acquisitions made during the latter half of the previous year and during the current year.

Other (losses)/gains – net improved from a net loss in the prior year of \$27.8M to a loss of \$1.6M. The figures last year were negatively impacted by three large one-off expenses namely: goodwill impairment, provision for losses on our hotel investments and a write-down of a short term investment.

An improved result from our Insurance associate, and the fact that we have fully written down our investment in hotels caused an increase in our share of income of associates of 68.1%.

Overall net income achieved for the year was \$33.9M compared to a net loss of \$5.3M in the previous year. This increase saw the portion attributable to equity holders after deducting non-controlling interests, increasing from a loss of \$10.5M to a profit of \$24.7M. Our earnings per share achieved was 41.2 cents compared with a loss per share of 17.6 cents in the prior year.

Turning to our Balance Sheet, our debt to equity ratio remains healthy at 37:63 and our cash flow remains adequate.

A final dividend of 11 cents in respect of this financial year has been declared. This brings the total dividend for the year to 18 cents per share, as an interim dividend of 7 cents was paid on August 31, 2012.

Joseph N. Goddard  
Chairman  
December 11, 2012

Martin J. K. Pritchard  
Managing Director

### Consolidated Balance Sheet Highlights

	30/09/12 Bds \$000's	30/09/11 Bds \$000's
Current assets	<b>353,565</b>	355,335
Current liabilities	<b>(234,920)</b>	(248,533)
Working capital	<b>118,645</b>	106,802
Property, plant & equipment, financial investments & other non-current assets	<b>543,611</b>	532,221
Long term liabilities	<b>(100,954)</b>	(91,624)
<b>Net assets employed</b>	<b>561,302</b>	547,399
<b>Equity</b>		
Share capital	<b>43,842</b>	43,337
Other reserves	<b>107,080</b>	108,228
Retained earnings	<b>302,842</b>	285,526
	<b>453,764</b>	437,091
Non-controlling interests	<b>107,538</b>	110,308
	<b>561,302</b>	547,399

### Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
<b>Balance as at October 1, 2010</b>	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)
<b>Balance at September 30, 2011</b>	43,337	108,228	285,526	110,308	547,399
Net income for the year	–	–	24,696	9,218	33,914
Other comprehensive (loss)/income	–	(1,258)	415	(3,369)	(4,212)
Fair value of assets disposed of by non-controlling interests	–	–	–	(8)	(8)
Increase in advances to non-controlling interests	–	–	–	1,235	1,235
Value of employee services	–	110	–	–	110
Issue of common shares	505	–	–	–	505
Dividends declared	–	–	–	(9,846)	(9,846)
Dividends paid	–	–	(7,795)	–	(7,795)
<b>Balance at September 30, 2012</b>	<b>43,842</b>	<b>107,080</b>	<b>302,842</b>	<b>107,538</b>	<b>561,302</b>

### Consolidated Statement of Cash Flows Highlights

	Year ended 30/09/12 Bds \$000's	Year ended 30/09/11 Bds \$000's
<b>Income before taxation</b>	<b>46,619</b>	5,777
Adjustments for non-cash items	<b>33,937</b>	58,406
	<b>80,556</b>	64,183
Non-cash working capital changes	<b>8,652</b>	(14,401)
	<b>89,208</b>	49,782
Net interest, finance costs, taxation and pension contributions paid	<b>(25,162)</b>	(24,122)
Net cash from operating activities	<b>64,046</b>	25,660
Net cash used in investing activities	<b>(37,754)</b>	(31,487)
Net cash used in financing activities	<b>(13,259)</b>	(13,604)
Net increase/(decrease) in cash and cash equivalents	<b>13,033</b>	(19,431)
Cash and cash equivalents – beginning of year	<b>13,222</b>	32,653
Cash and cash equivalents – end of year	<b>26,255</b>	13,222

**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, 2012 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, 2012. We expressed an unqualified audit opinion on those consolidated financial statements in our report dated December 14, 2012.

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, 2012 are consistent, in all material respects, with those consolidated financial statements, from which they were derived.

December 14, 2012  
Bridgetown, Barbados