



THE LIMNERS AND BARDS LIMITED
UNAUDITED FINANCIAL STATEMENTS
THREE (3) MONTHS ENDED JANUARY 31, 2021

THE LIMNERS AND BARDS LIMITED

Key Performance Highlights

Three Months Ended January 31, 2021

On behalf of the Board of Directors, we are pleased to present the unaudited financial statements of the Limners and Bards Limited for the quarter ended January 31, 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Key Performance Highlights:

	Three months	Three months	Year over year		Year ended
	Ended Jan. 31	Ended Jan. 31	Change	Percentage	October 31
	<u>2021</u>	<u>2020</u>			<u>2020</u>
	\$	\$	\$	%	\$
Revenue	356,264,300	262,998,679	93,265,621	35.5	911,738,363
Gross profit	115,177,540	90,279,751	24,897,789	27.6	298,625,610
Net profit	67,020,781	48,909,212	18,111,569	37	127,081,245
Earnings per share	7c	5c		13c	
Total assets	680,764,677	555,836,631	124,928,046	22.5	676,068,473
Shareholders' equity	461,266,851	386,055,116	75,211,735	19.5	464,227,149

Revenue for the three – month period was \$356.3 million, up 38.9% compared to \$263 million for the corresponding period last year.


The revenue growth is attributable to increases in the company's core business, media placement (up \$21.3 million or 16.6%) and production (up \$72.8 million or 92.3%). These increases were to some extent offset by reduction in advertising agency (down \$0.9 million or 1.7%) during the period.

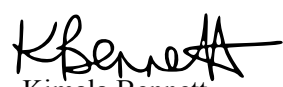
Gross profit increased by 27.6% or \$24.9 million over the previous three – month period. However gross profit margin decreased by 2.0 percentage points to 32.3 % reflective of a change in revenue mix relative to the prior period.

Net profits have increased by \$18.1 million, or 37% to \$67 million for the three – month period compared to the corresponding period ended January 31, 2020.

Administration expenses have increased by \$12 million, or 29.4% in comparison to the previous three – month period. These increases are primarily attributable to staff costs (due to increase work volume), repairs and maintenance of production equipment and depreciation and amortization costs. Even with this increase, administrative expenses as a percentage of revenue remains relatively flat at 14.9% compared to 15.6% in the previous period.

The balance sheet shows a \$124.9 million, or 22.5% increase in total assets over the corresponding period last year. The major items contributing to the increase include recognizing a right – of – use asset, purchase of intangible assets, offset to some extent by the sale and lease back of building. Cash and cash equivalent also increased by \$93.5 million reflecting a high liquidity position.


Steven Gooden
Chairman


Kimala Bennett
Chief Executive Officer

THE LIMNERS AND BARDS LIMITED

Financial Statements
Quarter Ended January 31, 2021

CONTENTS


	<u>Pages</u>
Statement of Financial Position	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-7

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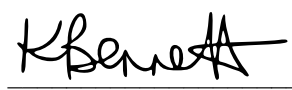
Statement of Financial Position
At January 31, 2021

	Notes	Unaudited Quarter ended January 31 2021 \$	Unaudited Quarter ended January 31 2020 \$	Audited Year ended October 31 2020 \$
<u>Non – current assets</u>				
Property, plant and equipment	3	63,011,000	99,641,289	57,310,248
Intangible asset		5,546,227	517,306	5,862,544
Right – of – use asset	4	51,966,854	-	52,644,683
Investment		<u>488,887</u>	<u>499,632</u>	<u>408,301</u>
		<u>121,012,968</u>	<u>100,658,227</u>	<u>116,225,776</u>
<u>Current assets</u>				
Accounts receivable		198,327,792	194,471,108	158,427,327
Due from related parties		14,459,228	9,790,049	17,554,178
Taxation recoverable		4,713,568	2,144,110	3,444,850
Cash and cash equivalents		<u>342,251,121</u>	<u>248,773,137</u>	<u>380,416,342</u>
		<u>559,751,709</u>	<u>455,178,404</u>	<u>559,842,697</u>
Total assets		<u>680,764,677</u>	<u>555,836,631</u>	<u>676,068,473</u>
<u>Shareholders' equity</u>				
Share capital		178,941,261	178,941,261	178,941,261
Retained earnings		<u>282,325,590</u>	<u>207,113,855</u>	<u>285,285,888</u>
		<u>461,266,851</u>	<u>386,055,116</u>	<u>464,227,149</u>
<u>Non – current liabilities</u>				
Long – term loans		10,068,046	49,195,188	10,374,542
Long – term lease liability	4	<u>52,170,828</u>	<u>-</u>	<u>52,473,977</u>
		<u>62,238,874</u>	<u>49,195,188</u>	<u>62,848,519</u>
<u>Current liabilities</u>				
Accounts payable and accrued charges		154,833,907	117,545,247	146,600,229
Current maturity of long – term loans		1,258,686	3,041,080	1,258,686
Current maturity of lease liability	4	<u>1,166,359</u>	<u>-</u>	<u>1,133,890</u>
		<u>157,258,952</u>	<u>120,586,327</u>	<u>148,992,805</u>
Total equity and liabilities		<u>680,764,677</u>	<u>555,836,631</u>	<u>676,068,473</u>

Signed on behalf of the Board of Directors by:


Steven Gooden

Chairman


Kimala Bennett

Chief Executive Officer

Statement of Profit or Loss and Other Comprehensive Income
Quarter Ended January 31, 2021

	<u>Unaudited</u> Quarter ended January 31 2021 \$	<u>Unaudited</u> Quarter ended January 31 2020 \$	<u>Audited</u> Year ended October 31 2020 \$
	<u>Notes</u>		
Operating revenue	356,264,300	262,998,679	911,738,363
Cost of operating revenue	(241,086,760)	(172,718,928)	(613,112,753)
Gross profit	<u>115,177,540</u>	<u>90,279,751</u>	<u>298,625,610</u>
Administrative, selling and distribution expenses:			
Administration expenses	(52,666,412)	(40,701,225)	(172,874,745)
Selling and distribution	(504,095)	(384,300)	(548,564)
	<u>(53,170,507)</u>	<u>(41,085,525)</u>	<u>(173,423,309)</u>
Impairment losses on financial assets	-	-	(1,535,366)
Profit before net finance cost and taxation	<u>62,007,033</u>	<u>49,194,226</u>	<u>123,666,935</u>
Finance income	7,044,332	1,215,031	9,279,673
Finance cost	(2,111,170)	(1,360,363)	(5,634,350)
Net finance income/(cost)	<u>4,933,162</u>	<u>(145,332)</u>	<u>3,645,323</u>
Gain/(loss) in value of investment classified as FVTPL	<u>80,586</u>	(139,682)	(231,013)
Profit before taxation	67,020,781	48,909,212	127,081,245
Taxation	-	-	-
Net profit, being total comprehensive income for the period/year	<u>67,020,781</u>	<u>48,909,212</u>	<u>127,081,245</u>
Earnings per stock unit	5 <u>7c</u>	<u>5c</u>	<u>13c</u>

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

Statement of Changes in Equity
Quarter Ended January 31, 2021

	<u>Share capital</u> \$	<u>Retained earnings</u> \$	<u>Total</u> \$
Balance at October 31, 2019	178,941,261	177,118,448	356,059,709
Dividends	-	(18,913,805)	(18,913,805)
Total comprehensive income for the year	<u>-</u>	<u>127,081,245</u>	<u>127,081,245</u>
Balance at October 31, 2020	178,941,261	285,285,888	464,227,149
Dividends	-	(69,981,079)	(69,981,079)
Total comprehensive income for the quarter	<u>-</u>	<u>67,020,781</u>	<u>67,020,781</u>
Balance at January 31, 2021	<u>178,941,261</u>	<u>282,325,590</u>	<u>461,266,851</u>
Balance at October 31, 2019	178,941,261	177,118,448	356,059,709
Dividends	-	(18,913,805)	(18,913,805)
Total comprehensive income for the quarter	<u>-</u>	<u>48,909,212</u>	<u>48,909,212</u>
Balance at January 31, 2020	<u>178,941,261</u>	<u>207,113,855</u>	<u>386,055,116</u>

Statement of Cash Flows
 Quarter Ended January 31, 2021

	<u>Unaudited</u> Quarter ended January 31 <u>2021</u> \$	<u>Unaudited</u> Quarter ended January 31 <u>2020</u> \$	<u>Audited</u> Year ended October 31 <u>2020</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period/year	67,020,781	48,909,212	127,081,245
Adjustments to reconcile net profit for the period/year to net cash provided/(used) by operating activities:			
Depreciation and amortisation	3,825,599	2,915,716	12,357,729
(Gain)/loss on investment	(80,586)	139,682	231,013
Interest income	(2,599,603)	(1,165,046)	(4,429,944)
Interest expense	<u>1,342,597</u>	<u>1,072,791</u>	<u>4,664,780</u>
	69,508,788	51,872,355	139,904,823
Working capital components:			
Due from related parties	3,094,950	522,336	(7,241,793)
Accounts receivable	(39,900,465)	(110,628,973)	(74,541,220)
Accounts payable and accrued charges	<u>8,233,678</u>	<u>38,009,067</u>	<u>67,064,049</u>
Cash provided/(used) by operating activities	40,936,951	(20,225,215)	125,185,859
Interest paid	(1,342,597)	(1,072,791)	(4,664,780)
Tax paid/deducted at source	<u>(1,268,717)</u>	<u>(530,374)</u>	<u>(1,831,114)</u>
Net cash provided/(used) by operating activities	<u>38,325,637</u>	<u>(21,828,380)</u>	<u>118,689,965</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	2,599,603	1,165,046	4,385,973
Proceeds from disposal of property, plant and equipment	-	-	45,160,417
Addition to property, plant and equipment	<u>(8,532,206)</u>	<u>(2,537,619)</u>	<u>(18,572,646)</u>
Net cash (used in)/provided by investing activities	<u>(5,932,603)</u>	<u>(1,372,573)</u>	<u>30,973,744</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability – principal portion	(270,680)	-	(618,416)
Long – term loans, net	(306,496)	(690,761)	(41,293,802)
Dividends paid	<u>(69,981,079)</u>	<u>(18,913,805)</u>	<u>(18,913,805)</u>
Net cash used financing activities	<u>(70,558,255)</u>	<u>(19,604,566)</u>	<u>(60,826,023)</u>
Net (decrease)/increase in cash and cash equivalents	(38,165,221)	(42,805,519)	88,837,686
Cash and cash equivalents at start of year	<u>380,416,342</u>	<u>291,578,656</u>	<u>291,578,656</u>
Cash and cash equivalents at end of year	<u>342,251,121</u>	<u>248,773,137</u>	<u>380,416,342</u>

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

Notes to the Financial Statements
Quarter Ended January 31, 2021

1. Corporate structure and nature of business

The company is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. The registered office of the company is situated at 17 Holborn Road, Kingston 10 and its principal place of business is situated at Unit # 4, 69 - 75 Constant Spring Road, Kingston 10.

The principal activities of the company are production, media and is an advertising agency.

The company was re – registered as a public company by resolution passed at an extraordinary general meeting held on February 25, 2019 and its shares were listed on the Junior Market of the Jamaica Stock Exchange on July 26, 2019.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB) and comply with the provisions of the Companies Act.

b) Basis of preparation:

The financial statements are presented in Jamaican dollars (J\$), which is the functional currency of the company. The financial statements are prepared under the historical cost convention.

The accounting policies that have been applied in the preparation of these un – audited financial statements are consistent with those used in the audited financial statements for the year ended October 31, 2020.

Notes to the Financial Statements (Continued)
 Quarter Ended January 31, 2021

3. Property, plant and equipment

	<u>Motor Vehicle</u> \$	<u>Computers</u> \$	<u>Equipment</u> \$	<u>Office Furniture & equipment</u> \$	<u>Building & Building improvement</u> \$	<u>Total</u> \$
<u>At cost:</u>						
October 31, 2019	11,882,480	6,398,730	31,409,462	9,184,846	74,536,165	133,411,683
Disposal	-	-	-	-	(51,125,000)	(51,125,000)
Additions	<u>-</u>	<u>6,623,475</u>	<u>3,020,451</u>	<u>362,795</u>	<u>2,929,340</u>	<u>12,936,061</u>
October 31, 2020	11,882,480	13,022,205	34,429,913	9,547,641	26,340,505	95,222,744
Additions	<u>-</u>	<u>1,245,320</u>	<u>6,282,359</u>	<u>906,924</u>	<u>97,603</u>	<u>8,532,206</u>
January 31, 2021	<u>11,882,480</u>	<u>14,267,525</u>	<u>40,712,272</u>	<u>10,454,565</u>	<u>26,438,108</u>	<u>103,754,950</u>
<u>Depreciation:</u>						
October 31, 2019	594,125	5,374,972	15,737,465	2,653,833	9,066,389	33,426,784
Disposal	-	-	-	-	(5,964,583)	(5,964,583)
Charge for the year	<u>2,376,496</u>	<u>957,138</u>	<u>2,921,205</u>	<u>871,103</u>	<u>3,324,353</u>	<u>10,450,295</u>
October 31, 2020	2,970,621	6,332,110	18,658,670	3,524,936	6,426,159	37,912,496
Charge for the period	<u>594,123</u>	<u>417,667</u>	<u>917,314</u>	<u>241,877</u>	<u>660,473</u>	<u>2,831,454</u>
January 31, 2021	<u>3,564,744</u>	<u>6,749,777</u>	<u>19,575,984</u>	<u>3,766,813</u>	<u>7,086,632</u>	<u>40,743,950</u>
<u>Net book values:</u>						
January 31, 2021	<u>8,317,736</u>	<u>7,517,748</u>	<u>21,136,288</u>	<u>6,687,752</u>	<u>19,351,476</u>	<u>63,011,000</u>
October 31, 2020	<u>8,911,859</u>	<u>6,690,095</u>	<u>15,771,243</u>	<u>6,022,705</u>	<u>19,914,346</u>	<u>57,310,248</u>

4. Right – of use – asset/lease liability

Right – of use – asset:

	\$
Adoption of IFRS 16	54,226,283
Amortization	(1,581,600)
October 31, 2020	54,226,283
Amortization	(677,829)
January 31, 2021	<u>51,966,854</u>

Lease Liability:

Adoption of IFRS 16	54,226,283
Interest charged for the period	2,675,702
Payments made for the period	(3,294,118)
October 31, 2020	53,607,867
Interest charged for the period	1,141,085
Payments made for the period	(1,411,765)
January 31, 2021	53,337,187
Current	(1,166,359)
Non – current	<u>52,170,828</u>

Notes to the Financial Statements (Continued)
Quarter Ended January 31, 2021

5. Earnings per stock unit

The calculation of earnings per stock unit is based on the net profit and the number of stock units in issue during the year.

	<u>Unaudited</u> Quarter ended <u>January 31</u> <u>2021</u> \$	<u>Unaudited</u> Quarter ended <u>January 31</u> <u>2020</u> \$	<u>Audited</u> Year ended <u>October 31</u> <u>2020</u> \$
Net profit attributable to shareholders	67,020,781	48,909,212	127,081,245
Ordinary stock units	945,690,252	945,690,252	945,690,252
Earnings per stock unit	<u>7c</u>	<u>5c</u>	<u>13c</u>

THE LIMNERS AND BARDS LIMITED

Shareholding of Directors, senior managers and top ten shareholders

At January 31, 2021

DIRECTORS	<u>Total</u>	<u>Direct</u>	<u>Connected party</u>
Kimala Bennett	735,621,684	2,000,100	
<i>Kimala Bennett Private Company Limited</i>			728,181,394
<i>Adrian Randle</i>			3,440,190
<i>Judith Bennett</i>			1,000,000
<i>Michael Bennett</i>			1,000,000
Tashara – Lee Johnson	28,698,669	28,461,669	
<i>Ann-Marie Francis</i>			237,000
Steven Gooden	2,728,412	2,728,412	-
Michael Bennett	1,000,000	1,000,000	-
Maxine Walters	-	-	-
Rochelle Cameron	100,000	100,000	-
Douglas Lindo	-	-	-
SENIOR MANAGEMENT			
Tricia Knott – Francis	3,057,856	3,057,856	-
Natassia Benjamin	293,923	293,923	-
Colleen Corke – Campbell	60,000	60,000	-
Samantha Whyte	50,000	50,000	-
Dexter Musgrave	-	-	-
TOP (10) SHAREHOLDERS	<u>Units</u>	<u>Ownership Percentage</u>	
Kimala Bennett Private Company Limited	728,181,394	77.000%	
NCB Capital Markets. A/C 2231	45,937,942	4.8576%	
Tashara – Lee Johnson	28,461,669	3.0096%	
ATL Group Pension Fund Trustee Nominee Ltd	16,000,000	1.6919%	
MF & G Asset Management Limited	7,718,838	0.8162%	
Pankaj Ashok Bhatia	6,646,708	0.7028%	
Douglas Orane	5,000,000	0.5287%	
Randy Rowe	4,841,675	0.5120%	
Andrew Pairman	3,500,000	0.3701%	
Pentannual Holdings Limited	3,466,418	0.3665%	