



THE LIMNERS AND BARDS LIMITED
UNAUDITED FINANCIAL STATEMENTS
SIX (6) MONTHS ENDED APRIL 30, 2021

THE LIMNERS AND BARDS LIMITED
Key Performance Highlights
Six Months Ended April 30, 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 six months ended April 30, 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

Key Performance Highlights:

	Six months	Six months	Year over year		Year ended
	Ended April 30	Ended April 30	Change	Percentage	October 31
	<u>2021</u>	<u>2020</u>			<u>2020</u>
	\$	\$	\$	%	\$
Revenue	619,077,220	471,418,362	147,658,858	31.3	911,738,363
Gross profit	202,468,518	165,682,186	36,786,332	22.2	298,625,610
Net profit	113,561,848	86,673,489	26,888,359	31.0	127,081,245
Earnings per share	12c	9c			13c
Total assets	714,825,750	598,853,288	115,972,462	19.4	676,068,473
Shareholders' equity	507,807,918	423,819,393	83,988,525	19.8	464,227,149

Revenue for the six – month period was \$619.1 million, up 31.3% compared to \$471.4 million for the corresponding period last year.

The revenue growth was driven by growth in media (up \$43.5 million or 18%) and production (up \$106.7 million or 83%). There was reduction in agency (down \$2.5 million or 2%) during the period.

Gross profit increased by 22.2% or \$36.8 million over the previous six – month period. Gross profit margin of 32.7% decreased from 35.1% recorded in the previous period. This is mainly attributable to an increase in direct costs associated with production.

Net profits have increased by \$26.9 million, or 31% to \$113.6 million for the six – month period compared to the corresponding period ended April 30, 2020.

Administration expenses have increased by \$22 million, or 28% in comparison to the previous six – 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 charges. Even with this increase, administrative expenses as a percentage of revenue remains relatively flat at 16.2% compared to 16.7% in the previous period.

The balance sheet shows a \$116 million, or 19.4% increase in total assets over the corresponding period last year. Non – current assets increased by \$10.5 million mainly attributable to increases in property, plant and equipment and intangible assets, offset to some extent by reduction in right – of – use asset. Current assets increased by \$105.5 million primarily as a result of significant increases in cash and investment balances by \$26.4 million (7.5%) and accounts receivable by \$77.1 million (64.9 %).



Steven Gooden
Chairman



Kimala Bennett
Chief Executive Officer

THE LIMNERS AND BARDS LIMITED

Financial Statements
Six Months Ended April 30, 2021

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Statement of Financial Position
At April 30, 2021

	<u>Notes</u>	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2021</u> \$	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2020</u> \$	<u>Audited</u> Year ended <u>October 31</u> <u>2020</u> \$
<u>Non – current assets</u>				
Property, plant and equipment	3	60,467,446	53,692,612	57,310,248
Right of use asset	4	51,289,026	54,000,340	52,644,683
Intangible assets		6,804,002	482,819	5,862,544
Investments		<u>531,867</u>	<u>402,929</u>	<u>408,301</u>
		<u>119,092,341</u>	<u>108,578,700</u>	<u>116,225,776</u>
<u>Current assets</u>				
Accounts receivable		195,960,799	118,870,769	158,427,327
Due from related parties		15,803,477	16,448,365	17,554,178
Taxation recoverable		5,187,619	2,545,437	3,444,850
Cash and cash equivalents		<u>378,781,514</u>	<u>352,410,017</u>	<u>380,416,342</u>
		<u>595,733,409</u>	<u>490,274,588</u>	<u>559,842,697</u>
Total assets		<u>714,825,750</u>	<u>598,853,288</u>	<u>676,068,473</u>
<u>Shareholders' equity</u>				
Share capital		178,941,261	178,941,261	178,941,261
Retained earnings		<u>328,866,657</u>	<u>244,878,132</u>	<u>285,285,888</u>
		<u>507,807,918</u>	<u>423,819,393</u>	<u>464,227,149</u>
<u>Non – current liabilities</u>				
Long – term loan		9,756,163	10,817,702	10,374,542
Long – term lease liability	4	<u>51,932,616</u>	<u>53,052,925</u>	<u>52,473,977</u>
		<u>61,688,779</u>	<u>63,870,627</u>	<u>62,848,519</u>
<u>Current liabilities</u>				
Accounts payable and accrued charges		142,936,477	108,735,481	146,600,229
Current maturity of long – term loan		1,258,686	1,340,915	1,258,686
Current maturity of lease liability	4	<u>1,133,890</u>	<u>1,086,872</u>	<u>1,133,890</u>
		<u>145,329,053</u>	<u>111,163,268</u>	<u>148,992,805</u>
Total equity and liabilities		<u>714,825,750</u>	<u>598,853,288</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 Comprehensive Income
Six (6) Months Ended April 30, 2021

	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2021</u> \$	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2020</u> \$	<u>Unaudited</u> Quarter ended <u>April 30</u> <u>2021</u> \$	<u>Unaudited</u> Quarter ended <u>April 30</u> <u>2020</u> \$	<u>Audited</u> Year ended <u>October 31</u> <u>2020</u> \$
Operating revenue	619,077,220	471,418,362	262,812,920	208,419,683	911,738,363
Cost of operating revenue	(416,608,702)	(305,736,186)	(175,521,942)	(133,388,691)	(613,112,753)
Gross profit	<u>202,468,518</u>	<u>165,682,176</u>	<u>87,290,978</u>	<u>75,030,992</u>	<u>298,625,610</u>
Administrative, selling and distribution expenses:					
Administration expenses	(100,489,091)	(78,130,737)	(47,822,679)	(37,058,079)	(172,874,745)
Selling and distribution	(15,476)	(397,129)	488,619	(12,829)	(548,564)
	<u>(100,504,567)</u>	<u>(78,527,866)</u>	<u>(47,334,060)</u>	<u>(37,070,908)</u>	<u>(173,423,309)</u>
Impairment losses on financial assets	-	-	-	-	(1,535,366)
Profit before net finance cost and taxation	<u>101,963,951</u>	<u>87,154,310</u>	<u>39,956,918</u>	<u>37,960,084</u>	<u>123,666,935</u>
Finance income	15,058,228	2,277,406	8,013,896	1,062,375	9,279,673
Finance cost	(3,583,897)	(2,521,842)	(1,472,727)	(1,161,479)	(5,634,350)
Net finance income/(cost)	<u>11,474,331</u>	<u>(244,436)</u>	<u>6,541,169</u>	<u>(99,104)</u>	<u>3,645,323</u>
Gain/(loss) in value of investment classified as FVTPL	<u>123,566</u>	(236,385)	<u>42,710</u>	(96,713)	(231,013)
Profit before taxation	113,561,848	86,673,489	46,540,797	37,764,267	127,081,245
Taxation	-	-	-	-	-
Net profit, being total comprehensive income for the period/year	<u>113,561,848</u>	<u>86,673,489</u>	<u>46,540,797</u>	<u>37,764,267</u>	<u>127,081,245</u>
Earnings per stock unit	5 <u>12c</u>	<u>9c</u>	<u>5c</u>	<u>4c</u>	<u>13c</u>

Statement of Changes in Equity
Six (6) Months Ended April 30, 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 paid	-	(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 30, 2020	178,941,261	285,285,888	464,227,149
Dividends paid	-	(69,981,079)	(69,981,079)
Total comprehensive income for the period	<u>-</u>	<u>113,561,848</u>	<u>113,561,848</u>
Balance at April 30, 2021	<u>178,941,261</u>	<u>328,866,657</u>	<u>507,807,918</u>

	<u>Share capital</u> \$	<u>Retained earnings</u> \$	<u>Total</u> \$
Balance at October 31, 2018	100	122,821,322	122,821,422
Dividends paid	-	(40,000,000)	(40,000,000)
Bonus shares issued	15,131	(15,131)	-
Issued shares	189,138,050	-	189,138,050
Share issue costs	(10,212,020)	-	(10,212,020)
Total comprehensive income for the year	<u>-</u>	<u>94,312,257</u>	<u>94,312,257</u>
Balance at October 30, 2019	178,941,261	177,118,448	356,059,709
Dividends paid	-	(18,913,805)	(18,913,805)
Total comprehensive income for the period	<u>-</u>	<u>86,673,489</u>	<u>86,673,489</u>
Balance at April 30, 2020	<u>178,941,261</u>	<u>244,878,132</u>	<u>423,819,393</u>

Statement of Cash Flows
Six (6) Months Ended April 30, 2021

	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2021</u> \$	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2020</u> \$	<u>Audited</u> Year ended <u>October 31</u> <u>2020</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period/year	113,561,848	86,673,489	127,081,245
Adjustments to reconcile net profit for the period/year to net cash provided by operating activities:			
Depreciation	7,794,386	5,631,332	12,357,729
(Gain)/loss on investments	(123,566)	236,385	231,013
Interest income	(4,057,556)	(2,243,037)	(4,429,944)
Interest expense	<u>2,679,806</u>	<u>1,882,555</u>	<u>4,664,780</u>
	119,854,918	92,180,724	139,904,823
Working capital components:			
Due from related parties	1,750,701	(6,135,980)	(7,241,793)
Accounts receivable	(37,533,472)	(35,028,634)	(74,541,220)
Accounts payable and accrued charges	<u>(3,663,752)</u>	<u>29,199,301</u>	<u>67,064,049</u>
Cash provided by operating activities	80,408,395	80,215,411	125,185,859
Interest paid	(2,679,806)	(1,882,555)	(4,664,780)
Tax paid	<u>(1,742,769)</u>	<u>(931,700)</u>	<u>(1,831,114)</u>
Net cash provided by operating activities	<u>75,985,820</u>	<u>77,401,156</u>	<u>118,689,965</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	4,057,556	2,243,037	4,385,973
Disposal of property, plant and equipment	-	45,160,417	45,160,417
Addition to property, plant and equipment	<u>(10,537,385)</u>	<u>(4,204,546)</u>	<u>(18,572,646)</u>
Net cash (used)/provided by investing activities	<u>(6,479,829)</u>	<u>43,198,908</u>	<u>30,973,744</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liability – principal portion	(541,361)	(86,486)	(618,416)
Long – term loans, net	(618,379)	(40,768,412)	(41,293,802)
Dividends paid	<u>(69,981,079)</u>	<u>(18,913,805)</u>	<u>(18,913,805)</u>
Net cash used in financing activities	<u>(71,140,819)</u>	<u>(59,768,703)</u>	<u>(60,826,023)</u>
Net (decrease)/increase in cash and cash equivalents	(1,634,828)	60,831,361	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>378,781,514</u>	<u>352,410,017</u>	<u>380,416,342</u>

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

Notes to the Financial Statements
Six (6) Months Ended April 30, 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 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)
Six (6) Months Ended April 30, 20213. 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 30, 2020	11,882,480	13,022,205	34,429,913	9,547,641	26,340,505	95,222,744
Additions	<u>-</u>	<u>1,347,550</u>	<u>6,362,892</u>	<u>906,924</u>	<u>263,082</u>	<u>8,880,448</u>
April 30, 2021	<u>11,882,480</u>	<u>14,369,755</u>	<u>40,792,805</u>	<u>10,454,565</u>	<u>26,603,587</u>	<u>104,103,192</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 30, 2020	2,970,621	6,332,110	18,658,670	3,524,936	6,426,159	37,912,496
Current charge	<u>1,188,248</u>	<u>876,843</u>	<u>1,849,394</u>	<u>484,581</u>	<u>1,324,184</u>	<u>5,723,250</u>
April 30, 2021	<u>4,158,869</u>	<u>7,208,953</u>	<u>20,508,064</u>	<u>4,009,517</u>	<u>7,750,343</u>	<u>43,635,746</u>
<u>Net book values</u>						
April 30, 2021	<u>7,723,611</u>	<u>7,160,802</u>	<u>20,284,741</u>	<u>6,445,048</u>	<u>18,853,244</u>	<u>60,467,446</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>

Motor vehicle is pledged as security for loans.

4. Right – of – use asset/lease liability

Right – of – use asset:	\$
<u>At cost</u>	
October 31, 2019	-
Addition	<u>54,226,283</u>
October 31, 2020	54,226,283
Addition	<u>-</u>
April 30, 2021	<u>54,226,283</u>
<u>Amortisation:</u>	
October 30, 2020	(1,581,600)
Charge for the period	<u>(1,355,657)</u>
April 30, 2021	<u>(2,937,257)</u>
Net book value April 30, 2021	<u>51,289,026</u>
Net book value October 31, 2020	<u>52,644,683</u>
<u>Lease liability:</u>	
At October 31, 2020	53,607,867
Interest charged for the period	2,282,169
Payments made for the period	<u>(2,823,530)</u>
Balance at April 30, 2021	53,066,506
Current	<u>1,133,890</u>
Non – current	<u>51,932,616</u>

Notes to the Financial Statements (Continued)
Six (6) Months Ended April 30, 2021

5. Earnings per stock unit

The calculation of earnings per stock unit is based on the profit after taxation and the weighted average number of stock units in issue during the period/year.

	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2021</u> \$	<u>Unaudited</u> 6 months ended <u>April 30</u> <u>2020</u> \$	<u>Audited</u> Year ended <u>October 31</u> <u>2020</u> \$
Net profit attributable to shareholders	113,561,848	86,673,489	127,081,245
Weighted average of ordinary stock units	945,690,252	945,690,252	945,690,252
Basic and diluted earnings per stock unit	<u>12c</u>	<u>9c</u>	<u>13c</u>

THE LIMNERS AND BARDS LIMITED

Shareholding of Directors, senior managers and top ten shareholders
At April 30, 2021

DIRECTORS	<u>Total</u>	<u>Direct</u>	<u>Connected party</u>
Kimala Bennett <i>Kimala Bennett Private Company Limited</i>	732,681,394		728,181,394
<i>Adrian Randle</i>			2,500,000
<i>Judith Bennett</i>			1,000,000
<i>Michael Bennett</i>			1,000,000
Tashara – Lee Johnson <i>Ann-Marie Francis</i>	21,698,669	21,461,669	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	32,814,792	3.4699%	
Tashara – Lee Johnson	21,461,669	2.2694%	
JMMB Securities Ltd. House Account #2	17,821,187	1.8845%	
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%	
JCSD Trustee Services Limited A/C Barita Unit Trust Capital Growth Fund	6,056,801	0.6405%	
Douglas Orane	5,000,000	0.5287%	
Randy Rowe	4,671,008	0.4939%	