



**Knutsford Express Services Limited.**

**Unaudited Financial Statements**

**Nine (9) Months Ended February 29,2024**

KNUTSFORD EXPRESS SERVICES LIMITED  
DIRECTORS' REPORT  
FOR THE QUARTER ENDED FEBRUARY 29, 2024

The Board of Directors of Knutsford Express Services Limited is pleased to present the company's unaudited financial statements for the third quarter ended February 29, 2024

We appreciate the continued trust that our passengers have in our ability to move them efficiently and safely throughout the island. The yuletide season reinforced the important role that our services afford our regular customers and visitors to the island as we experienced strong demand for transportation to and from all of our gateways. This endorsement of our services drives us to continue to invest in our people, facilities and coaches.

In addition, strong and steady demand for our courier services complemented our passenger services have combined in delivering year to date profit of \$268 million, up 27.1% from \$211 million at the end of February 2023. We, therefore, recorded a 20.9% growth in our total revenue in this quarter moving to \$565 million from \$468 million in the comparative period in 2023. Similarly, our nine-month year-to date revenue has increased by 19.5% from \$1,281 million in 2023 to \$1,530 million in 2024.

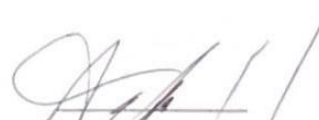
Our cost containment strategies are making a positive impact with expenses increasing by 14.9% in the quarter, contributing to a 3<sup>rd</sup> quarter improvement in our net profit by 62.3% to \$111 million from \$68 million in the corresponding period of 2023.

Earnings per share in the quarter have grown to \$0.22 from \$0.13 over the corresponding period.

Total assets have grown by 18% from \$1,632 million to \$1,926 million (just shy of \$2 billion dollars) encapsulating a robust quarter with the contributions of our investment in the Drax Hall Business Centre and an expanded fleet of coaches.

We wish to thank our faithful customers for their patronage and our management and staff for the continuous dedication to "**Moving What Matters**" for our customers.


  
Oliver Townsend  
Director

  
Anthony Copeland  
Director

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT FEBRUARY 29, 2024**

	<u>(Unaudited)</u> <u>February 29, 2024</u>	<u>(Unaudited)</u> <u>February 29, 2023</u>	<u>(Audited)</u> <u>May 31, 2023</u>
	<u>J\$</u>	<u>J\$</u>	<u>J\$</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Goodwill	4,500,000	4,500,000	4,500,000
Property, plant and equipment	653,343,494	519,415,576	523,947,233
Right-of-use asset	132,100,107	122,207,566	139,973,770
Investment properties	539,767,965	492,051,447	499,580,428
Related party-lease prepayment	3,750,000	3,875,000	3,750,000
Investments	-	19,304,114	-
	-----	-----	-----
	1,333,461,566	1,161,353,703	1,171,751,431
	-----	-----	-----
<b>Current Assets</b>			
Inventories	38,114,954	25,590,159	28,943,125
Other assets	141,004,139	82,199,015	115,387,035
Short term investments	332,076,214	274,665,537	349,156,244
Cash & bank balances	81,657,793	88,011,186	87,369,805
	-----	-----	-----
	592,853,100	470,465,897	580,856,209
	-----	-----	-----
<b>TOTAL ASSETS</b>	<b>\$ 1,926,314,666</b>	<b>1,631,819,600</b>	<b>1,752,607,640</b>
	=====	=====	=====
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital	51,805,097	51,805,097	51,805,097
Accumulated surplus	1,207,308,064	910,681,420	1,003,657,542
	-----	-----	-----
	1,259,113,161	962,486,517	1,055,462,639
	-----	-----	-----
<b>Non-Current Liabilities</b>			
Non-current portion of lease liability	127,014,348	122,557,036	134,473,752
Notes payable	263,097,777	317,118,072	293,448,744
Bonds payable	-	35,000,000	35,000,000
Shareholders' loan	452,840	452,840	452,840
Deferred tax liability	16,631,902	17,062,863	16,631,902
	-----	-----	-----
	407,196,867	492,190,811	480,007,238
	-----	-----	-----
<b>Current Liabilities</b>			
Accounts payable and accrued charges	172,370,678	136,757,123	148,744,279
Current portion of notes payable	18,649,589	4,094,926	18,649,589
Lease liability	8,756,400	1,793,225	8,756,400
Taxation payable	60,227,971	34,496,998	40,987,495
	-----	-----	-----
	260,004,638	177,142,272	217,137,763
	-----	-----	-----
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>\$ 1,926,314,666</b>	<b>1,631,819,600</b>	<b>1,752,607,640</b>
	=====	=====	=====

  
 \_\_\_\_\_  
 Oliver Townsend  
 Director

  
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 Anthony Copeland  
 Director

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**NINE (9) MONTHS ENDED FEBRUARY 29, 2024**

	<u>3 Months ended</u> <u>Feb 29, 2024</u> <u>J\$</u>	<u>3 Months ended</u> <u>Feb 28, 2023</u> <u>J\$</u>	<u>9 Months ended</u> <u>Feb 29, 2024</u> <u>J\$</u>	<u>9 Months ended</u> <u>Feb 28, 2023</u> <u>J\$</u>
<b>REVENUE</b>	565,598,257	467,867,341	1,530,687,430	1,280,919,135
Less:				
Administrative and general expenses	433,661,548	377,461,414	1,201,208,085	1,002,945,818
Operating profit	131,936,709	90,405,927	329,479,345	277,973,317
Finance income	5,065,610	2,906,428	15,159,924	4,381,408
Finance cost	( 13,254,910)	( 19,165,194 )	( 44,054,992 )	( 46,911,949)
Profit before taxation	123,747,409	74,147,161	300,584,277	235,442,776
Taxation	12,952,147	5,865,662	31,933,755	24,056,020
Net profit being total comprehensive income for the period	110,795,262	68,281,499	268,650,522	211,386,756
Earnings per share (Note 4)	\$ 0.22	\$ 0.13	\$ 0.54	\$ 0.42

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**NINE (9) MONTHS ENDED FEBRUARY 29, 2024**

	<b><u>SHARE CAPITAL</u></b> <b><u>J\$</u></b>	<b><u>ACCUMULATED SURPLUS</u></b> <b><u>J\$</u></b>	<b><u>TOTAL</u></b> <b><u>J\$</u></b>
<b><u>Nine Months Ended February 29, 2024</u></b>			
Balance at 31 <sup>st</sup> May 2023	51,805,097	1,003,657,542	1,055,462,639
Total comprehensive income for the period	-	268,650,522	268,650,522
<b>Transaction with owners:</b>			
Dividends paid	-	( 65,000,000)	( 65,000,000 )
Balance at 29 <sup>th</sup> February 2024	----- \$ 51,805,097 =====	----- \$ 1,207,308,064 =====	----- \$ 1,259,113,161 =====

**Nine Months Ended February 28, 2023**

Balance at 31 <sup>st</sup> May 2022	51,805,097	699,294,664	751,099,761
Total comprehensive income for the period	-	211,386,756	211,386,756
Balance at 28 <sup>th</sup> February 2023	----- \$ 51,805,097 =====	----- \$ 910,681,420 =====	----- \$ 962,486,517 =====

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE (9) MONTHS ENDED FEBRUARY 29, 2024**

	<u>9 Months ended</u> <u>February 29, 2024</u> <u>J\$</u>	<u>9 Months ended</u> <u>February 28, 2023</u> <u>J\$</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Net profit for the period	268,650,522	211,386,756
Items not affecting cash Resources:		
Depreciation and amortisation	74,636,729	85,005,836
Depreciation on right-of-use asset	7,873,663	7,234,761
Taxation charge	31,933,755	24,056,020
	-----	-----
	383,094,669	327,683,373
Increase in Operating Assets		
Other assets	( 25,617,104)	( 51,605,835)
Inventories	( 9,171,829)	( 9,035,802)
Increase in Operating Liabilities:		
Accounts payable and accrued charges	23,626,399	24,995,184
	-----	-----
	371,932,135	292,036,920
Income tax paid	( 12,693,279)	( 2,694,044 )
	-----	-----
Net cash provided by operating activities	359,238,856	289,342,876
	-----	-----
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of property, plant and equipment	(197,861,502)	( 49,939,710)
Transfer from property plant and equipment	-	311,821,244
Transfer to investment property	-	( 311,821,244)
Acquisition of investment property	( 46,359,022)	( 24,654,534)
Encashment/(placement) of investment	17,080,030	( 201,534,025)
	-----	-----
Net cash used in investing activities	( 227,140,494)	(276,128,269)
	-----	-----
<b><u>CASH FLOW FORM FINANCING ACTIVITIES</u></b>		
Lease liability	( 7,459,404)	( 6,459,305 )
Proceeds from notes payable	-	300,000,000
Repayment of bond	( 35,000,000)	( 300,000,000 )
Dividends paid	( 65,000,000)	-
Repayment of notes payable	( 30,350,970)	( 24,513,740)
	-----	-----
Net cash used in financing activities	( 137,810,374)	(30,973,045)
	-----	-----
NET DECREASE IN CASH AND BANK BALANCES	( 5,712,012)	( 17,758,438)
OPENING CASH AND BANK BALANCES	87,369,805	105,769,624
	-----	-----
CLOSING CASH AND BANK BALANCES	\$ 81,657,793	88,011,186
	=====	=====

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**FOR NINE (9) MONTHS ENDED FEBRUARY 29, 2024**

**1. IDENTIFICATION**

Knutsford Express Services Limited (“the company”) is incorporated in Jamaica under the Jamaican Companies Act. The company is domiciled in Jamaica with its registered office located at 1222 Providence Drive, Ironshore Estate, Montego Bay, St. James, and was listed on the Jamaica Junior Stock Exchange in January 2014. The company has three wholly owned subsidiaries.

The company’s main activities are the provision of transportation and courier services and rental from investment properties.

**2. BASIS OF PREPARATION**

The financial statements have been prepared in conformity with International Accounting Standards (IAS 34) “Interim Financial Reporting” and comply with the relevant requirements of the Jamaican Companies Act.

The accounting policies are consistent with those applied to the audited financial statements for the year ended May 31, 2023

The financial statements have been prepared under the historical cost basis and are expressed in Jamaican Dollars.

**3. SEGMENT REPORTING**

Segment financial information is presented in respect of operating segments. Assets, liabilities and operating results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment transactions are charged at arm’s length prices.

	<b><u>February 29, 2024</u></b>			
	<b><u>Transportation &amp; Courier</u></b>	<b><u>Investment Properties</u></b>	<b><u>Eliminated On Consolidation</u></b>	<b><u>Group Total</u></b>
<b>Statement of Financial Position:</b>				
Assets	1,698,855,328 =====	539,767,965 =====	(312,308,627) =====	1,926,314,666 =====
Shareholders’ equity	1,167,471,686	91,658,575	( 17,100)	1,259,113,161
Liabilities	531,383,642 -----	448,109,390 -----	( 312,291,527) -----	667,201,505 -----
	1,698,855,328 =====	539,767,965 =====	( 312,308,627) =====	1,926,314,666 =====
<b>Statement of Comprehensive Income :</b>				
Revenue	1,452,433,714	87,899,217	( 9,645,501)	1,530,687,430
Finance income	15,159,924	-	-	15,159,924
Administrative and general expenses	(1,172,190,969)	( 38,662,617)	9,645,501	(1,201,208,085)
Finance costs	( 44,054,992) -----	- -----	- -----	( 44,054,992) -----
Profit before taxation	251,347,677 =====	49,236,600 =====	- =====	300,584,277 =====
Taxation charge	- -----	- -----	- -----	( 31,933,755) -----
<b>Net profit for the period</b>	- =====	- =====	- =====	268,650,522 =====

**KNUTSFORD EXPRESS SERVICES LIMITED**  
**CONSOLIDATED NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**FOR NINE (9) MONTHS ENDED FEBRUARY 29, 2024**

**3. SEGMENT REPORTING (CONT'D)**

February 28, 2023

	<b>Transportation &amp; Courier</b>	<b>Investment Properties</b>	<b>Eliminated On Consolidation</b>	<b>Group Total</b>
<b>Statement of Financial Position:</b>				
Assets	1,402,634,865 =====	492,051,447 =====	( 262,866,712) =====	1,631,819,600 =====
Shareholders' equity	926,468,641	36,034,976	( 17,100)	962,486,517
Liabilities	476,166,224 -----	456,016,471 -----	(262,849,612) -----	669,333,083 -----
	1,402,634,865 =====	492,051,447 =====	( 262,866,712) =====	1,631,819,600 =====
<b>Statement of Comprehensive Income :</b>				
Revenue	1,234,764,853	53,789,020	( 7,634,738 )	1,280,919,135
Finance income	4,381,408	-	-	4,381,408
Administrative and general expenses	(998,599,058)	( 11,981,498 )	7,634,738	(1,002,945,818)
Finance costs	( 41,134,303) -----	( 5,777,646 ) -----	- -----	( 46,911,949) -----
Profit before taxation	199,412,900 =====	36,029,876 =====	- -----	235,442,776 -----
Taxation charge	- -----	- -----	- -----	( 24,056,020) -----
<b>Net profit for the period</b>	- =====	- =====	- =====	211,386,756 =====

**4. EARNINGS PER SHARE**

Earnings per share is calculated by dividing the profit or loss for the period by the weighted average number of ordinary shares in issue for the period. The weighted number of shares for the period was calculated as follows:

	<b>3rd Quarter 29.02.2024</b>	<b>3rd Quarter 29.02.2023</b>	<b>Nine Months Ended 29.02.2024</b>	<b>Nine Months Ended 29.02.2023</b>
Weighted Average number of Ordinary shares held during the period	500,000,015 =====	500,000,015 =====	500,000,015 =====	500,000,015 =====