



## **PRESS RELEASE**

**PR. No 091/2010**

### **ALUWORKS LIMITED (ALW) - UN-AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 2009**

ALW has released its un-audited Financial Statements for the year ended December 31, 2009 as per the extracts attached.

Issued in Accra, this 16<sup>th</sup>  
day of April, 2010.

**- E N D -**

att'd.

#### **Distribution:**

1. All LDMs
2. General Public
3. Company Secretary, ALW
4. NTHC Registrars, (Registrars for ALW shares)
5. GSE Securities Depository
6. SEC
7. GSE Council Members
8. GSE Notice Board

#### **For enquiries, contact:**

**General Manager/Head of Listings, GSE on 669908, 669914, 669935**

**\*JEB**

**ALUWORKS LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2009**

		<b>2009</b>	<b>2008</b>
	<b>Note</b>	<b>GH¢000</b>	<b>GH¢000</b>
<b>REVENUE</b>	2	34,271	57,127
Operating costs		(28,780)	(52,734)
		-----	-----
<b>GROSS PROFIT</b>		5,491	4,393
Other Income	3	69	82
<b>General and administrative expenses</b>		(8,355)	(5,784)
		-----	-----
<b>Operating loss before finance cost</b>		(2,795)	(1,309)
<b>Net Finance Expense</b>	6	(2,609)	(2,333)
		-----	-----
<b>PROFIT(LOSS) BEFORE TAXATION</b>		(5,404)	(3,642)
Income Tax Expense		-	684
		-----	-----
<b>Loss for the period</b>		(5,404)	(2,958)
		-----	-----
<b>Basic earnings per share</b>		(0.1291)	(0.0710)
		-----	-----
<b>Diluted earnings per share</b>		(0.1291)	(0.0710)

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE YEAR ENDED 31st DECEMBER 2009**

	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Loss for the year	(5,404)	(2,958)
	-----	-----
Total recognised income and expense for the year	(5,404)	(2,958)
	-----	-----

**ALUWORKS LIMITED**

**BALANCE SHEET AS AT 31ST DEC 2009**

<b>Assets</b>	<b>Note</b>	<b>2009 GH¢000</b>	<b>2008 GH¢000</b>
Property, Plant and Equipment	9	44,562	44,978
Intangible Assets	11	19	38
Long term Investments	12	28	28
		-----	-----
<b>Total non-current assets</b>		<b>44,609</b>	<b>45,044</b>
		-----	-----
 Inventories	13	6,898	14,785
Trade and other receivables	14	3,454	9,278
Cash and cash equivalents	15	4,125	893
Income Tax Assets	7	835	808
		-----	-----
<b>Total current assets</b>		<b>15,312</b>	<b>25,764</b>
		-----	-----
<b>Total assets</b>		<b>59,921</b>	<b>70,808</b>
		-----	-----
<b>EQUITY</b>			
Stated Capital	20	5,002	5,002
Share deals Accounts	21	90	90
Revaluation Surplus		18,684	18,777
Retained Earnings(Deficit)		(6,956)	(1,552)
		-----	-----
<b>Total Equity</b>		<b>16,820</b>	<b>22,317</b>
		-----	-----
<b>Non-current liabilities</b>			
Medium Term Loan	18	7,026	11,921
Deferred tax liabilities	8	1,032	1,032
		-----	-----
<b>Total non-current liabilities</b>		<b>8,058</b>	<b>12,953</b>
		-----	-----
<b>Current Liabilities</b>			
Bank overdraft	16	6,763	10,708
Trade & other payables	19	5,522	15,756
Short term loan		22,059	8,375
Dividend payable	22	699	699
		-----	-----
<b>Total current liabilities</b>		<b>35,043</b>	<b>35,538</b>
		-----	-----
<b>Total liabilities</b>		<b>43,101</b>	<b>48,491</b>
		-----	-----
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>59,921</b>	<b>70,808</b>
		-----	-----

## CAPITAL AND RESERVES

### Reconciliation of movement in capital and reserves

*2009*

	<b>Share capital GH¢000</b>	<b>Share deals GH¢000</b>	<b>Retained earnings GH¢000</b>	<b>Revaluation reserve GH¢000</b>	<b>TOTAL GH¢000</b>
Balance at 1 January 2009	5,002	90	(1,552)	18,777	22,317
Dividends declared			-		-
Total recognised income and expense			(5,404)		(5,404)
Loss on disposal of revalued assets			-	(93)	-
	-----	-----	-----	-----	-----
Balance as at 31ST DEC 2009	<b>5,002</b>	<b>90</b>	<b>(6,956)</b>	<b>18,684</b>	<b>16,820</b>
	-----	-----	-----	-----	-----

**ALUWORKS LIMITED**  
**CASHFLOW STATEMENT**  
**FOR THE PERIOD ENDED 31ST DEC 2009**

	2009	2008
	GH¢' 000	GH¢' 000
<b>Cash flows from operating activities</b>		
Loss before taxation	(5,404)	(3,642)
Adjustments for:		
Depreciation	2,784	595
Amortisation of Intangible asset	19	19
Interest expense	2,609	2,333
Exchange loss	3,275	4,929
Profit/(loss) on disposal	-	(19)
	-----	-----
	3,283	4,215
Changes in inventories	7,887	1,640
Changes in trade and other receivables	5,824	(787)
Changes in trade and other payables	(10,234)	11,954
	-----	-----
Cash generated from operations	6,760	17,022
Interest paid	(2,609)	(2,333)
Income taxes paid	(27)	(137)
	-----	-----
Net cash from operating activities	4,151	14,552
<b>Cash from investing activities</b>		
Property, plant and equipment purchased	(2,502)	(6,729)
Proceeds from sale of fixed assets	40	42
Purchase of intangible assets	-	(57)
	-----	-----
Net cash used in investing activities	(2,462)	(6,744)
<b>Cash flow from financing activities</b>		
Loan Proceeds	25,850	26,419
Loan Repaid	(20,362)	(35,778)
Dividend paid	-	-
	-----	-----
Net cash used in financing activities	5,488	(9,359)
	-----	-----
Net Increase/(Decrease) in cash and cash equivalent	7,177	(1,551)
	-----	-----
<b>Analysis of changes in cash and cash equivalents during the period</b>		
Balance at 1 January	(9,815)	(8,264)
Net cash flow	7,177	(1,551)
	-----	-----
Balance at 31ST DEC 2009	(2,638)	(9,815)
	-----	-----
<b>Analysis of the balances of cash and cash equivalents as shown in the balance sheet</b>		
Cash and bank balances	4,125	893
Bank overdraft	(6,763)	(10,708)
	-----	-----
	(2,638)	(9,815)
	-----	-----

**ALUWORKS LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31st DEC 2009**

**2. REVENUE**

	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
LOCAL SALES	28,661	38,933
FOREIGN SALES	9,390	24,073
	-----	-----
	<b>38,051</b>	<b>63,006</b>
Less Rebates	(8)	(39)
	-----	-----
	<b>38,043</b>	<b>62,967</b>
Less Value Added Tax	(3,772)	(5,840)
	-----	-----
<b>Net sales value</b>	<b>34,271</b>	<b>57,127</b>
	-----	-----

**3 OTHER INCOME**

	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Roofing Fixings	61	61
Sale of Scrap	6	2
Dross and Sundries	2	
Profi/(Loss) on disposal of PPE	-	19
	-----	-----
	69	82
	=====	=====

**4. TRADING PROFIT/(LOSS)**  
**is stated after charging:**

	<b>2009</b>	<b>2008</b>
	<b>GH¢' 000</b>	<b>GH¢' 000</b>
Personnel costs (note 5)	3,657	161
Auditors remuneration	26	22
Depreciation	2,767	595
Amortised Intangible assets	19	-
Directors emoluments	29	157
Exchange loss/(Gain)	5,203	2,881
Net finance cost (note 6)	2,609	<b>2,333</b>
	=====	=====

**5. PERSONNEL COSTS**

	<b>2,009</b>	<b>2008</b>
	<b>GH¢' 000</b>	<b>GH¢' 000</b>
Wages and salaries	2,949	149
Social Security Contribution	334	-
Provident Fund	279	-
Provision for end of service benefit	42	-
Long service award	53	12
	-----	-----
	3,657	<b>161</b>
	=====	=====

<b>6. NET FINANCE EXPENSE</b>	<b>2009</b>	<b>2008</b>
Interest on loans and overdraft	(2,609)	(2,333)
Interest earned on Current Accounts	-	-
	-----	-----
	(2,609)	(2,333)
	=====	=====

## 7. INCOME TAX

	<b>Balance at 1/1/09 GH¢' 000</b>	<b>Payments GH¢' 000</b>	<b>Charge for period GH¢' 000</b>	<b>Balance at 31/12/09 GH¢' 000</b>
<b>Taxation payable</b>				
Up to 2004	(719)	-	-	(719)
2005	26	-	-	26
2006	336	-	-	336
2007	(270)	-	-	(270)
2008	(137)	-	-	(137)
Capital Gains Tax	7	-	-	7
<b>National Reconstruction Levy</b>	(51)	-	-	(51)
2009		(27)		(27)
	-----	-----	-----	-----
	(808)	-	-	(835)
	-----	-----	-----	-----

(ii) The income tax liabilities are subject to the agreement of the tax authorities.

	<b>2,009 GH¢000</b>	<b>2,008 GH¢000</b>
Tax Charge	-	7
Deferred Tax (relief)/expense (note 8)	-	(691)
	-----	-----
	-	(684)
	-----	-----

## 8. DEFERRED TAX

	<b>2,009 GH¢000</b>	<b>2,008 GH¢000</b>
Balance at 1st January	1,032	735
Charge/Release to income statement		(691)
Charge to revaluation surplus	-	988
	-----	-----
	1,032	1,032
	=====	=====

**9a. PROPERTY, PLANT AND EQUIPMENT - (2009)**

	Leasehold Land and Buildings GH¢' 000	Plant and Machinery GH¢' 000	Equipment GH¢' 000	Motor Vehicles GH¢' 000	Capital Work in Progress GH¢' 000	Total GH¢' 000
<b>Gross Value</b>						
At 1/1/09	11,067	19,338	2,216	1,163	20,013	53,797
Additions		26	5		2,471	2,502
Disposals		-	(93)	(122)		(215)
Transfer	1,162	12,698			(13,860)	-
	-----	-----	-----	-----	-----	-----
At 31/12/09	12,229	32,062	2,128	1,041	8,624	56,084
	=====	=====	=====	=====	=====	=====
<b>Comprising</b>						
Cost of asset revalued	1,904	8,744	1,008	460		12,116
Surplus on revaluation-1999	453	1,060	57	33		1,603
Surplus on revaluation-2008	8,710	9,492	985	578		19,765
	-----	-----	-----	-----	-----	-----
	11,067	19,296	2,050	1,071	-	33,484
At Cost	1,162	12,766	78	(30)	8,624	22,600
	-----	-----	-----	-----	-----	-----
	12,229	32,062	2,128	1,041	8,624	56,084
	=====	=====	=====	=====	=====	=====
<b>Accumulated depreciation</b>						
At 1/1/09	792	6,501	1,030	497	-	8,820
Charge for the period	348	2,255	134	47	-	2,784
Release on disposal	-		(27)	(55)	-	(82)
	-----	-----	-----	-----	-----	-----
At 31/12/09	1,140	8,756	1,137	489	-	11,522
	=====	=====	=====	=====	=====	=====
<b>Net Book Value</b>						
At 31/12/09	11,089	23,306	991	552	8,624	44,562
	=====	=====	=====	=====	=====	=====
At 31/12/08	10,275	12,838	1,186	666	20,013	44,978
	=====	=====	=====	=====	=====	=====

Leasehold Land and Buildings, Plant, Machinery, Equipment and Vehicles were revalued by Valuation and Investments Associates (Professional Valuers, Estate Agents and Property Consultants) on 30th October 2008 on the basis of their open market values. These figures were incorporated in the financial statements during the year ended 31st December 2008.



**a. Depreciation has been charged in the financial statements as follows:**

	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Cost of Sales	2,433	501
General , administrative and		
Selling expenses	351	94
	-----	-----
	2,784	595
	=====	=====

**10. Disposal of Property , plant and equipments**

	<b>GH¢"000'</b>	<b>GH¢"000'</b>
Cost	215	63
Accumulated Depreciation	(82)	(40)
	-----	-----
Net Book Value	133	23
Sales Proceeds	(40)	(42)
	-----	-----
Profit/(Loss) on Disposal	(93)	(19)
	=====	=====

**11. Intangible Asset**

This relate to Sun System Accounting Software Package installed in 2008 at a cost of GH¢57,180. Intangible assets acquired are stated at cost less accumulated amortisation and impairment loss. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefit embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. The software is amortized over 3 years.

	<b>2,009</b>	<b>2,008</b>
	<b>GH¢"000'</b>	<b>GH¢"000'</b>
Balance at 1st January	38	
Acquisition	-	57
	-----	-----
Balance at 31st Dec	38	
	-----	-----
<b>Amortisation</b>		
Balance at 1st January		
Amortisation for the year	19	19
	-----	-----
Balance at 31st Dec	19	19
	-----	-----
<b>Carrying amount</b>		
	-----	-----
	19	38
	-----	-----

**12. INVESTMENTS**

This relates to the cost of 2,400,000 ordinary shares in Pioneer Kitchenware Limited. The market value of these investments at 31-12-09 was GH¢ 168,000(2008 GH¢168,000)

### 13. INVENTORIES

	GH¢' 000	GH¢' 000
Raw materials	1,031	6,584
Work in Progress	3,580	3,247
Finished Goods	226	2,914
Consumables	2,061	2,040
	-----	-----
	6,898	<b>14,785</b>
	=====	=====

### 14. TRADE AND OTHER RECEIVABLES

Trade receivables due from customers	1,083	4,011
Advance to suppliers	291	2,708
CEPS Duty drawback	842	1,116
VAT Claims	922	1,387
Staff Debtors	26	26
Prepayments	290	30
	-----	-----
	3,454	<b>9,278</b>
	=====	=====

### 15. CASH AND CASH EQUIVALENTS

	2009 GH¢000	2008 GH¢000
Bank Balances	4,125	834
Cash Balances	-	59
	-----	-----
<b>TOTAL</b>	<b>4,125</b>	<b>893</b>
	=====	=====

Cash and cash equivalents comprise cash and cheques on hand and bank balances as at the end of the period.

### 16. BANK OVERDRAFT

	2009 GH¢000	2008 GH¢000
Ecobank Ghana Ltd	6,048	9,570
SG-SSB Bank Ltd	715	1,138
	-----	-----
	<b>6,763</b>	<b>10,708</b>
	=====	=====

## 17. Banking Facilities

Bank facilities available to the company were as follows:

Facility Type	Amount	Collateral Security
Overdraft	GH¢1.5	This is an overdraft facility from SG-SSB Bank for working capital. Interest rate is at Base rate plus 2%p.a. This is secured by fixed and floating assets of the company. The facility is renewable annually at 31st March
	\$ 5 ml	This is Ecobank facility to finance raw material imports, spares, and payment of other operational bills. Interest rate is at six month libor plus a spread of 1.5% payable monthly in arrears. This is secured by Fixed and floating assets of the company. The facility expires on 30th March 2010
Short term loan	\$4.2 ml	This is a facility from Barclays bank to finance the cold mill. Interest is at 11% This is secured by fixed and floating assets of the company. The repayment period has been scheduled from January 2009 to 31 December 2011 on equal quarterly installment.
Stand by letter of credit	\$8.2ml	This is Ecobank facility of Documentary Line of Credit (Revolving) to back issuance of a standby letter of credit in favour of overseas suppliers of raw materials. Interest rate is at six month libor plus spread of 1.5%p.a payable monthly in arrears. This is secured by the assignment of exports and pari passu fixed and floating charge over the company assets. The facility is renewable annually at 31st March

## 18. MEDIUM TERM LOANS

	Ecobank USD GH¢000	Cocobod USD GH¢000	Barclays USD GH¢000	SG-SSB USD GH¢000	TOTAL 31-12-09 GH¢000	TOTAL 30-12-08 GH¢000
Balance at 1/1/09	5,363	-	5,217	9,742	20,322	24,726
Draw down during the year	11,354	14,496	-	-	25,850	26,419
	16,717	14,496	5,217	9,742	46,172	51,145
Repayments during the year	(17,511)	-	(1,524)	(1,327)	(20,362)	(35,778)
	(794)	14,496	3,693	8,415	25,810	15,367
Exchange loss/(Gain)	794	(55)	899	1,637	3,275	4,929
Balance at 31ST DEC 2009	0	14,441	4,592	10,052	29,085	20,296

### Analysed as follows:

Current portion	0	14,441	2,550	5,068	22,059	8,375
Medium term portion	0	0	2,042	4,984	7,026	11,921
	0	14,441	4,592	10,052	29,085	20,296

### Note

The exchange loss of GH¢5,210,000 in the Income Statement includes losses on Valco debt and Ecobank dollar current accounts overdraft.

<b>19. TRADE AND OTHER PAYABLES</b>	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Trade and other payables	3,153	14,723
Sundry Creditors	1,858	1,020
Accruals and Deferred Income	511	13
	-----	-----
	5,522	15,756
	=====	=====

## 20. STATED CAPITAL

	<b>No of Shares</b>		<b>Proceeds</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2,008</b>
	<b>'000'</b>	<b>'000'</b>	<b>GH¢000</b>	<b>GH¢000</b>
<b>Authorised</b>	'000'	'000'		
Ordinary shares	-----			
of no par value	50,000	50,000		
	=====	=====		
<b>Issued</b>				
For cash	7,049	7,049	765	765
Transfer from				
Capital Surplus	34,629	34,629	4,237	4,237
	-----	-----	-----	-----
	41,678	41,678	5,002	5,002
	=====	=====	=====	=====

The holders of the ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the company. There is no call or instalment unpaid on any shares.

<b>21. SHARE DEALS ACCOUNTS</b>	<b>2009</b>	<b>2008</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Balance at 1st January	90	90
Proceeds from sale of treasury shares	-	-
	-----	-----
Balance at 31st December	90	90
	=====	=====

There was no movement on the share deals accounts during the year.

## 22. DIVIDEND PAYABLE

Balance at 1st January	699	699
Proposed for the year	-	-
	-----	-----
	-	-
Less; payments for the year	-	-
	-----	-----
Balance at 31st Decemeber	699	699
	=====	=====

## 23. EARNINGS PER SHARE

### Basic

Basic earnings per share is calculated by dividing the net loss attributable to equity holders of the company by the weighted average number of shares in issue, excluding treasury shares, during the year.

	<b>2009</b> <b>GH¢000</b>	<b>2008</b> <b>GH¢000</b>
Loss attributable to equity holders of the Company	5,404	(2,958)
	=====	=====
Weighted average number of ordinary shares in issue	41,678,000	41,677,911
	=====	=====
Basic earnings per share(expressed in GH¢ per share)	0.1297	(0.0710)
	=====	=====

### Diluted

Diluted earning per share is calculated by adjusting the weighted average number of ordinary shares, to assume of all dilutive potential ordinary shares. At 31st October 2009 and 2008 the company had no dilutive potential ordinary shares.

The loss attributed to ordinary shareholders is GH¢5,404,000 (2009); and GH¢2,958,000( 2008)