



PRESS RELEASE

PR. No 213/2010

ALUWORKS LIMITED (ALW) -
UN-AUDITED HALF YEAR RESULTS - JUNE 2010

ALW has released its un-audited half-year results for June 30, 2010, as per the extracts attached.

Issued in Accra, this 4th
day of August, 2010.

- E N 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 PERIOD ENDED 30TH JUNE 2010

		2010	2009
	Note	GH¢000	GH¢000
REVENUE	2	12,145	21,325
Operating costs		(13,297)	(19,113)
		-----	-----
GROSS PROFIT		(1,152)	2,212
Other Income	3	28	(68)
General and administrative expenses		(2,492)	(6,728)
		-----	-----
Operating loss before finance cost		(3,616)	(4,584)
Net Finance Expense	6	(1,516)	(1,229)
		-----	-----
PROFIT(LOSS) BEFORE TAXATION		(5,132)	(5,813)
Income Tax Expense		-	-
		-----	-----
Loss for the period		(5,132)	(5,813)
		-----	-----
Basic earnings per share		0.0558	0.1395
Diluted earnings per share		0.0558	0.1395

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE PERIOD ENDED 30TH JUNE 2010

	2009	2008
	GH¢000	GH¢000
Loss for the year	(5,132)	(5,813)
	-----	-----
Total recognised income and expense for the year	(5,132)	(5,813)
	-----	-----

ALUWORKS LIMITED

BALANCE SHEET AS AT 30TH JUNE 2010

Assets	Note	2010 GH¢000	2009 GH¢000
Property, Plant and Equipment	9	43,055	45,921
Intangible Assets	11	7	26
Long term Investments	12	168	28
Total non-current assets		43,230	45,975
Inventories	13	9,622	6,466
Trade and other receivables	14	1,986	7,494
Cash and cash equivalents	15	413	1,055
Income Tax Assets	7	835	808
Total current assets		12,856	15,823
Total assets		56,086	61,798
EQUITY			
Stated Capital	20	24,740	5,002
Share deals Accounts	21	90	90
Non Distributable Surplus		19,395	19,447
Retained Earnings(Deficit)		(14,689)	(8,035)
Total Equity		29,536	16,504
Non-current liabilities			
Medium Term Loan	18	7,112	12,853
Deferred tax liabilities	8	2,605	1,032
Total non-current liabilities		9,717	13,885
Current Liabilities			
Bank overdraft	16	6,587	10,492
Trade & other payables	19	3,391	8,562
Short term loan	18	6,156	11,656
Dividend payable	22	699	699
Total current liabilities		16,833	31,409
Total liabilities		26,550	45,294
TOTAL EQUITY & LIABILITIES		56,086	61,798

Reconciliation of movement in capital and reserves

2010

	Share capital	Share deals	Retained earnings	Non Distributable Surplus	TOTAL
	GH¢000	GH¢000	GH¢000	GH¢000	GH¢000
Balance at 1 January 2010	5,002	90	(9,557)	19,447	14,982
Right Issue proceeds	19,738		-		-
Total recognised income and expense			(5,132)		(5,132)
Loss on disposal of revalued assets				(52)	-
	-----	-----	-----	-----	-----
Balance as at 30th June 2010	24,740	90	(14,689)	19,395	29,536
	-----	-----	-----	-----	-----

ALUWORKS LIMITED
CASHFLOW STATEMENT
FOR THE PERIOD ENDED 30TH JUNE 2010

	2010 GH¢' 000	2009 GH¢' 000	
Cash flows from operating activities			
Loss before taxation	(5,132)	(5,813)	
Adjustments for:			
Depreciation	1,476	1,290	
Amortisation of Intangible asset	12	12	
Interest expense	1,516	1,229	
Exchange loss/(Gain)	1,055	5,235	
Profit/(loss) on disposal	52	103	
	<u>(1,021)</u>	<u>2,056</u>	
Changes in inventories	(3,156)	3,891	
Changes in trade and other receivables	5,508	4,354	
Changes in trade and other payables	<u>(5,171)</u>	<u>3,504</u>	
Cash generated from operations	(3,840)	13,805	
Interest paid	(1,516)	(1,229)	
Income taxes paid	<u>-</u>	<u>-</u>	
Net cash from operating activities	(5,356)	12,576	
Cash from investing activities			
Property, plant and equipment purchased	39	(2,170)	
Proceeds from sale of fixed assets	-	18	
Purchase of intangible assets	<u>-</u>	<u>-</u>	
Net cash used in investing activities	39	(2,152)	
Cash flow from financing activities			
Net Loan received/(paid)	1,804	(10,046)	
Dividend paid	<u>-</u>	<u>-</u>	
Net cash used in financing activities	1,804	(10,046)	
Net Increase/(Decrease) in cash and cash equivalents	<u>(3,513)</u>	<u>378</u>	
Analysis of changes in cash and cash equivalents during the period			
Balance at 1 January	(2,661)	(9,815)	
Net cash flow	<u>(3,513)</u>	<u>378</u>	
Balance at 30th June 2010	<u>(6,174)</u>	<u>(9,437)</u>	
Analysis of the balances of cash and cash equivalents as shown in the balance sheet			
Cash and bank balances	413	1,055	
Bank overdraft	<u>(6,587)</u>	<u>(10,492)</u>	
	<u>(6,174)</u>	<u>(9,437)</u>	

ALUWORKS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2010

2. REVENUE

	2010 GH¢000	2009 GH¢000
LOCAL SALES	12,651	15,928
FOREIGN SALES	1,141	7,707
	-	-
	13,792	23,635
Less Rebates	-	(4)
	-	-
	13,792	23,631
Less Value Added Tax	(1,647)	(2,306)
	-	-
Net sales value	12,145	21,325
	-----	-----

3 OTHER INCOME

	2010 GH¢000	2009 GH¢000
Roofing Fixings	28	30
Sale of Scrap	-	5
Dross and Sundries	-	
Profi/(Loss) on disposal of PPE	-	(103)
	-----	-----
	28	(68)
	=====	=====

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

	2010 GH¢' 000	2009 GH¢' 000
Personnel costs (note 5)	1,764	1,879
Auditors remuneration	16	15
Depreciation	1,476	1,290
Amortised Intangible assets	12	12
Directors emoluments	18	18
Exchange loss/(Gain)	1,055	5,235
Net finance cost (note 6)	1,347	1,194
	=====	=====

5. PERSONNEL COSTS

	2,010 GH¢' 000	2009 GH¢' 000
Wages and salaries	1,399	1,526
Social Security Contribution	168	172
Provident Fund	154	141
Provision for end of service benefit	20	27
Long service award	23	13
	-----	-----
	1,764	1,879
	=====	=====

6. NET FINANCE EXPENSE

	2010	2009
Interest on loans and overdraft	(1,516)	(1,229)
Interest earned on Current Accounts	-	-
	-----	-----

(1,516)	(1,229)
=====	=====

7. INCOME TAX

	Balance at 1/1/10 GH¢' 000	Payments GH¢' 000	Charge for period GH¢' 000	Balance at 30/06/10 GH¢' 000
Taxation payable				
Up to 2004	(719)	-	-	(719)
2005	26	-	-	26
2006	336	-	-	336
2007	(270)	-	-	(270)
2008	(137)	-	-	(137)
Capital Gains Tax	7	-	-	7
National Reconstruction Levy	(51)	-	-	(51)
2009	(27)	-	-	(27)
	-----	-----	-----	-----
	(835)	-	-	(835)
	-----	-----	-----	-----

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

	2,010 GH¢000	2,009 GH¢000
Tax Charge	-	-
Deferred Tax (relief)/expense (note 8)	-	2,103
	-----	-----
	-	2,103
	-----	-----

8. DEFERRED TAX

	2,010 GH¢000	2,009 GH¢000
Balance at 1st January	2,605	502
Charge/(Release) to income statement		2,103
Charge to revaluation surplus	-	-
	-----	-----
	2,605	2,605
	=====	=====

9a. PROPERTY, PLANT AND EQUIPMENT - (2010)

	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
Gross Value						
At 1/1/10	12,229	32,018	2,128	1,041	8,625	56,041
Additions	-	-	7	32	-	39
Disposals	-	-	-	(113)	-	(113)
Transfer	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 30/06/10	12,229	32,018	2,135	960	8,625	55,967
	=====	=====	=====	=====	=====	=====

Comprising

Cost of asset revalued	1,904	8,744	1,003	491		12,142
Surplus on revaluation-1999	453	1,060	57	33		1,603

Surplus on revaluation-2008	8,710	9,492	985	465		19,652
	-----	-----	-----	-----	-----	-----
	11,067	19,296	2,045	989	-	33,397
At Cost	1,162	12,722	90	(29)	8,625	22,570
	-----	-----	-----	-----	-----	-----
	12,229	32,018	2,135	960	8,625	55,967
	=====	=====	=====	=====	=====	=====
Accumulated depreciation						
At 1/1/10	1,138	8,755	1,108	488	-	11,489
Charge for the period	174	1,212	66	24	-	1,476
Release on disposal	-		-	(53)	-	(53)
	-----	-----	-----	-----	-----	-----
At 30/06/10	1,312	9,967	1,174	459	-	12,912
	=====	=====	=====	=====	=====	=====
Net Book Value						
At 30/06/10	10,917	22,051	961	501	8,625	43,055
	=====	=====	=====	=====	=====	=====
At 30/06/09	11,268	24,529	1,099	684	8,341	45,921
	=====	=====	=====	=====	=====	=====

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:

	2010	2009
	GH¢000	GH¢000
Cost of Sales	1,302	1,117
General , administrative and		
Selling expenses	174	173
	-----	-----
	1,476	1,290
	=====	=====

10. Disposal of Property , plant and equipments

	GH¢"000'	GH¢"000'
Cost	113	184
Accumulated Depreciation	(53)	(63)
	-----	-----
Net Book Value	60	121
Sales Proceeds	(8)	(18)
	-----	-----
Profit/(Loss) on Disposal	(52)	(103)
	=====	=====

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.

	2,010 GH¢'000'	2,009 GH¢'000'
Balance at 1st January	57	57
Acquisition	-	-
Balance at 30th June	<u>57</u>	<u>57</u>
Amortisation		
Balance at 1st January	38	19
Amortisation for the year	<u>12</u>	<u>12</u>
Balance at 30th June	<u>50</u>	<u>31</u>
Carrying amount	<u>7</u>	<u>26</u>

12. INVESTMENTS

This relates to the cost of 2,400,000 ordinary shares in Pioneer Kitchenware Limited. The market value of these investments at 30-06-10 was GH¢ 168,000(2009) GH¢168,000)

13. INVENTORIES

	GH¢' 000	GH¢' 000
Raw materials	1,963	824
Work in Progress	2,488	1,907
Finished Goods	3,307	1,175
Consumables	1,864	2,560
	-----	-----
	9,622	6,466
	=====	=====

14. TRADE AND OTHER RECEIVABLES

Trade receivables due from customers	681	1,285
Advance to suppliers	144	3,480
CEPS Duty drawback	690	892
VAT Claims	341	1,672
Staff Debtors	27	28
Prepayments	103	137
	-----	-----
	1,986	7,494
	=====	=====

15. CASH AND CASH EQUIVALENTS

	2010 GH¢000	2009 GH¢000
Bank Balances	200	680
Cash Balances	213	375
	-----	-----
TOTAL	413	1,055
	=====	=====

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

16. BANK OVERDRAFT	2010	2009
	GH¢000	GH¢000
Ecobank Ghana Ltd (\$)	6,018	9,226
SG-SSB Bank Ltd	569	1,266
	-----	-----
	6,587	10,492
	=====	=====

NOTE

1) Trade receivables is less of provision for bad debt of GH¢ 293,455 charged in 2009 Accounts

17. Banking Facilities

Bank facilities available to the company were as follows:

Facility Type	Amount	Collateral Security
Overdraft	\$ 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 schedule from January 2009 to 31 Decmber 2011 on equal quarterly installment.
Stand by letter of credit	GH¢5ml	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 30.50% payable monthly in arrears. This is secured by the assignment of exports and pari pasu fixed and floating charge over the company assets. The facility expires on 31/12/2010

18. MEDIUM TERM LOANS

	Ecobank USD GH¢000	Cocobod USD GH¢000	Barclays USD GH¢000	SG-SSB USD GH¢000	TOTAL 30-06-10 GH¢000	TOTAL 30-06-09 GH¢000
Balance at 1/1/10	-	14,441	4,592	10,052	29,085	20,296
Draw down during the year	4,397	-	-	-	4,397	11,370
	-----	-----	-----	-----	-----	-----
	4,397	14,441	4,592	10,052	33,482	31,666
Repayments during the year	(4,366)	(15,560)	(859)	(460)	(21,245)	(10,437)
	-----	-----	-----	-----	-----	-----
	31	(1,119)	3,733	9,592	12,237	21,229
Exchange loss/(Gain)	(31)	1,119	(32)	(25)	1,031	3,280
	-----	-----	-----	-----	-----	-----
Balance at 30th June 2010	-	-	3,701	9,567	13,268	24,509
	-----	-----	-----	-----	-----	-----

Analysed as follows:

Current portion	-	-	1,683	4,473	6,156	11,656
Medium term portion	0	0	2,018	5,094	7,112	12,853
	-----	-----	-----	-----	-----	-----
	-	-	3,701	9,567	13,268	24,509
	-----	-----	-----	-----	-----	-----

19. TRADE AND OTHER PAYABLES	2010	2009
	GH¢000	GH¢000
Trade and other payables	2,242	6,588
Sundry Creditors	678	1,604
Accruals and Deferred Income	471	370
	-----	-----
	3,391	8,562
	=====	=====

20. STATED CAPITAL

	No of Shares		Proceeds	
	2010	2009	2010	2,009
	'000'	'000'	GH¢000	GH¢000
Authorised				
Ordinary shares of no par value	300,000	50,000		
	=====	=====		
Issued				
For cash	57,421	7,049	20,503	765
Transfer from Capital Surplus	34,629	34,629	4,237	4,237
	-----	-----	-----	-----
	92,050	41,678	24,740	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.

21. SHARE DEALS ACCOUNTS	2010	2009
	GH¢000	GH¢000
Balance at 1st January	90	90
Proceeds from sale of treasury shares	-	-
	-----	-----
Balance at 30th June	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 30th June	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.

	2010	2009
	GH¢000	GH¢000
Loss attributable to equity holders of the Company	(5,132)	(5,813)
	=====	=====
Weighted average number of ordinary shares in issue	92,050,042	41,677,911
	=====	=====
Basic earnings per share(expressed in GH¢ per share)	(0.0558)	(0.1395)
	=====	=====

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¢5,132,000 (2010); and GH¢5,813,000(2009)