



PRESS RELEASE

PR. No 148/2012

ALUWORKS LIMITED (ALW) - FIRST QUARTER RESULTS FOR THE PERIOD ENDING MARCH 2012

ALW has released its unaudited Financial Statements for the first quarter ending March 31, 2012 as per the attached.

Issued in Accra, this 11th
day of May, 2012.

- 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 PERIOD ENDED 31ST MARCH 2012

		2012	2011
	Note	GH¢000	GH¢000
REVENUE	2	11,253	9,704
Operating costs		(10,143)	(8,985)
		-----	-----
GROSS PROFIT		1,110	719
Other Income	3	22	12
General and administrative expenses		(776)	(659)
		-----	-----
Operating profit before finance cost		356	72
Net Finance Expense	6	(368)	(452)
Exchange loss		(1,248)	(782)
		-----	-----
PROFIT(LOSS) BEFORE TAXATION		(1,260)	(1,162)
Income Tax Expense		-	-
		-----	-----
Loss for the period		(1,260)	(1,162)
		-----	-----
Basic earnings per share		(0.0167)	(0.0514)
Diluted earnings per share		(0.0167)	(0.0514)

OPERATING STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2012

		CURRENT MONTH			CUMM. TO DATE		
			31/03/12	31/03/11	31/03/12	31/03/12	31/03/11
		BUDGET	ACTUAL	ACTUAL	BUDGET		ACTUAL
	NOTE	GH¢000		GH¢000	GH¢000	GH¢000	GH¢000
REVENUE	2	4,079	4,148	4,757	10,550	11,253	9,704
Operating costs		(3,452)	(3,833)	(4,255)	(8,247)	(10,143)	(8,985)
		-----	-----	-----	-----	-----	-----
GROSS PROFIT / (LOSS)		627	315	502	2,303	1,110	719
Other income	3	44	10	3	88	22	12
General & Administrative Expenses		(240)	(270)	(222)	(1,266)	(776)	(659)
		-----		-----	-----	-----	-----
Operating profit/(loss) before finance		431	55	283	1,125	356	72

Interest Expense	6	(193)	(85)	(132)	(386)	(368)	(452)
Exchange(loss)/Gain		(189)	(495)	(74)	(837)	(1,248)	(782)
		-----		-----	-----	-----	-----
PROFIT/(LOSS) BEFORE TAXATION		49	(525)	77	(98)	(1,260)	(1,162)
Income tax expense		-	0	-	(20)	-	-
		-----		-----	-----	-----	-----
Profit /(loss) for the period		49	0	77	(118)	(1,260)	(1,162)
		-----	-----	-----	-----	-----	-----
Basic earnings per share						(0.0167)	(0.0154)

STATEMENT OF RECOGNISED INCOME AND EXPENSE
31ST MARCH 2012

	2012 GH¢000	2011 GH¢000
Loss for the period	(1,260)	(1,162)
	-----	-----
Total recognised income and expense for the period	(1,260)	(1,162)
	-----	-----

1

ALUWORKS LIMITED
COST OF SALES

	CURRENT MONTH		CUMM. TO DATE			
	31/03/12 BUDGET	31/03/12 ACTUAL	31/03/11 ACTUAL	31/03/12 BUDGET	31/03/12 ACTUAL	31/03/11 ACTUAL
Production : metric tonne		920	1,023		2162	2,245
Sales : metric tonne	691	735	876	1,818	1,987	1,692
			GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000
Raw materials	3,114	2,899	5,469	8,473	8,066	12,551
Labour	244	252	203	731	728	582
Consumables	79	84	42	217	229	149
Fuel	151	248	325	414	706	701
Electricity	138	217	196	380	561	513
Gas	8	7	2	21	28	6
Water	2	2	2	5	6	6
Repairs and maintenance	93	41	80	298	174	213
Safety clothing	3	1	1	10	3	3
Medical expenses	3	7	5	8	22	15
Canteen expenses	10	14	6	31	41	18

Printing and stationery	1	-	1	3	1	3
Handling, clear charges & insurance	8	-	3	26	1	7
Fuel and lubricants	8	13	20	31	35	29
Travelling and transport	2	1	1	5	2	3
Rent and rates	5	1	5	17	6	15
Equipment hire	3	-	1	9	1	3
Documentation and haulage	3	(19)	2	10	5	6
Maint Consumables	17	4	7	54	28	31
Depreciation	226	226	217	772	664	649
Net Inventory Movement	(665)	(165)	(2,333)	(3,268)	(1,163)	(6,518)
TOTAL COST OF SALES	3,453	3,833	4,255	8,247	10,144	8,985

i

ALUWORKS LIMITED
GENERAL AND ADMINISTRATIVE EXPENSES

	CURRENT MONTH			CUMM. TO DATE		
	31/03/12	31/03/11	31/03/11	31/03/12	31/03/11	
	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL	ACTUAL
	GH¢ '000	GH¢ '000	GH¢ '000	GH¢ '000	GH¢ '000	GH¢ '000
Salaries and staff costs	118	118	102	353	359	102
Medical expenses	2	2	3	6	8	225
Safety clothing	1	0	-	3	-	8
Repairs& Maintenance	-	6		61	20	
Motor running expenses	20	52	32	14	102	34
Travelling and transport	5	4	3	10	23	47
Fuel & Lubricant	-	7		8	19	-
Printing and stationery	3	2	2	54	6	4
Bank charges	18	14	15	13	48	19
Audit fees	3	3	3	20	9	35
Directors' fees	4	4	3	8	10	9
Rent and rates	7	7	5	18	23	11
Depreciation	29	30	27	630	91	37
Sanitation and cleaning	3	3	3	3	9	57
Insurance and registration	6	3	6	7	10	10
Electricity and water	1	3	2	2	6	10
Postage and telephone	2	2	2	28	7	5
Advertising and sales promotion	1	0	3	1	2	7
Canteen expenses	9	5	5	8	13	9
Donations	-	0	1	2	-	11
Subscriptions and stamp duty	3	0	3	17	4	5
Welfare expenses	1	1	-	-	1	6
Professional fees and staff training	6	3	2	-	6	4
Amortised Intangible assets	-	0	-	-	-	4
	-----	-----	-----	-----	-----	-----
	242	269	222	1,266	776	659
	-----	-----	-----	-----	-----	-----

ii

ALUWORKS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2012

Assets	Note	2012 GH¢000	2011 GH¢000
Property, Plant and Equipment	9	39,292	41,358
Intangible Assets	11	0	-
Long term Investments	12	144	168
Total non-current assets		39,436	41,526
Inventories	13	9,700	11,344
Trade and other receivables	14	4,423	5,346
Cash and cash equivalents	15	222	940
Income Tax Assets	7	867	848
Total current assets		15,212	18,478
Total assets		54,648	60,004
EQUITY			
Stated Capital	20	24,732	24,732
Share deals Accounts	21	90	90
Non Distributable Surplus		19,358	19,383
Retained Earnings(Deficit)		(20,342)	(18,005)
Net Income		(1,260)	
Total Equity		22,578	26,200
Non-current liabilities			
Medium Term Loan	18	9,633	7,119
Deferred tax liabilities	8	2,283	2,456
Total non-current liabilities		11,916	9,575
Current Liabilities			
Bank overdraft	16	4,882	7,244
Trade & other payables	19	7,636	8,987
Short term loan	18	6,937	7,300
Dividend payable	22	699	699
Total current liabilities		20,154	24,230
Total liabilities			33,805

TOTAL EQUITY & LIABILITIES	54,648	60,005
	-----	-----

2

CAPITAL AND RESERVES

2012

	Share capital	Share deals	Retained earnings	Non Distributable Surplus	TOTAL
	GH¢000	GH¢000	GH¢000	GH¢000	GH¢000
Balance at 1 January 2012	24,732	90	(20,319)	19,358	23,861
Right Issue proceeds			-		-
Total recognised income and expense			(1,260)		(1,260)
Loss on disposal of revalued assets					-
	-----	-----	-----	-----	-----
Balance as at 31st March 2012	24,732	90	(21,579)	19,358	22,601
	-----	-----	-----	-----	-----

NOTE

Non distributable Surplus is Revaluation Surplus.

3

ALUWORKS LIMITED CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2012

	2012	2011
	GH¢' 000	GH¢' 000
Cash flows from operating activities		
Loss before taxation	(1,260)	(1,162)
Adjustments for:		
Depreciation	755	730
Amortisation of Intangible asset	-	-
Interest expense	368	452
Exchange loss/(Gain)	1,248	782
Profit/(loss) on disposal	-	-
	-----	-----
	1,111	802
Changes in inventories	1,644	(5,525)
Changes in trade and other receivables	923	3,928
Changes in trade and other payables	(1,351)	5,559
	-----	-----
Cash generated from operations	2,327	4,764
Interest paid	(368)	(452)
Income taxes paid	-	-
	-----	-----
Net cash from operating activities	1,959	4,312
Cash from investing activities		
Property, plant and equipment purchased	(250)	(229)

Proceeds from sale of fixed assets	-	-	
Purchase of intangible assets	-	-	
	-----	-----	
Net cash used in investing activities	(250)	-	(229)
Cash flow from financing activities			
Net Loan received/(paid)	(65)	(4,360)	
	-----	-----	
Net cash used in financing activities	(65)		(4,360)
	-----	-----	
Net Increase/(Decrease) in cash and cash equivalents	1,644		(277)
	-----	-----	
Analysis of changes in cash and cash equivalents during the period			
Balance at 1 January	(6,304)		(6,027)
Net cash inflow	1,644		(277)
	-----	-----	
Balance at 31st March 2012	(4,660)		(6,304)
	-----	-----	
Analysis of the balances of cash and cash equivalents as shown in the balance sheet			
Cash and bank balances	222		940
Bank overdraft	(4,882)		(7,244)
	-----	-----	
	(4,660)		(6,304)
	-----	-----	

4

-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2012**

	MONTH OF MARCH		YEAR TO DATE	
2. REVENUE	2012	2011	2012	2011
	GH¢000		GH¢000	GH¢000
LOCAL SALES	3,563	3,123	9,199	7,995
FOREIGN SALES	1,049	2,041	3,264	2,756
	-----	-----	-----	-----
	4,612	5,164	12,463	10,751
Less Rebates	-		(4)	(4)
		-----		-----
		5,164	12,459	10,747
Less Value Added Tax	(464)	(407)	(1,206)	(1,043)

Net sales value	----- 4,148 -----	----- 4,757 -----	----- 11,253 -----	----- 9,704 -----
------------------------	-------------------------	-------------------------	--------------------------	-------------------------

3 OTHER INCOME	2011	2011
	GH¢000	GH¢000
Roofing Fixings	22	3
Sale of Scrap	-	-
Dross and Sundries	-	-
Profi/(Loss) on disposal of PPE	-	-
	----- 22 =====	----- 3 =====

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

	MARCH		YEAR TO DATE	
	2011	2011	2012	2011
	GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000
Personnel costs (note 5)	370	305	1,087	906
Auditors remuneration	3	3	9	9
Depreciation	256	244	755	730
Amortised Intangible assets	-	-	-	-
Directors emoluments	3	3	10	9
Exchange loss/(Gain)	495	74	1,048	782
Net finance cost (note 6)	85	139	368	452
	=====	=====	=====	=====

	MARCH		YEAR TO DATE	
5. PERSONNEL COSTS	2012	2,011	2,012	2011
	GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000
Wages and salaries	311	242	962	719
Social Security Contribution	19	29	55	87
Provident Fund	11	25	33	75
Provision for end of service benefit	13	4	13	11
Long service award	16	5	24	14
	----- 370 =====	----- 305 =====	----- 1,087 =====	----- 906 =====

6. NET FINANCE EXPENSE	2012	2011
Interest on loans and overdraft	368	452
Interest earned on Current Accounts	-	-
	-----	-----

368
=====

452
=====

7. INCOME TAX

	Balance at 1/1/12 GH¢' 000	Payments GH¢' 000	Charge for period GH¢' 000	Balance at 31/03/12 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)
2010	(13)	-	-	(13)
2011	-	(8)	-	(8)
	-----	-----	-----	-----
	(848)	(8)	-	(856)
	-----	-----	-----	-----

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

	2,012 GH¢000	2,011 GH¢000
Tax Charge	-	-
Deferred Tax (relief)/expense (note 8)	-	127
	-----	-----
	-	127
	-----	-----

8. DEFERRED TAX

	2,012 GH¢000	2,011 GH¢000
Balance at 1st January	2,283	2,156
Charge/(Release) to income statement	-	127
Charge to revaluation surplus	-	-
	-----	-----
	2,283	2,283
	=====	=====

6

9a. PROPERTY, PLANT AND EQUIPMENT - (2012)

Leasehold Land and	Plant and	Motor	Capital Work in
-----------------------	-----------	-------	--------------------

	Buildings GH¢' 000	Machinery GH¢' 000	Equipment GH¢' 000	Vehicles GH¢' 000	Progress GH¢' 000	Total GH¢' 000
Gross Value						
At 1/01/12	12,229	32,690	2,198	969	9,152	57,238
Additions		81	67	-	102	250
Disposals		-	-	-		-
Transfer	-	-			-	-
	-----	-----	-----	-----	-----	-----
At 31/03/12	12,229	32,771	2,265	969	9,254	57,488
	=====	=====	=====	=====	=====	=====
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	982	404		19,588
	-----	-----	-----	-----	-----	-----
	11,067	19,296	2,042	928	-	33,333
At Cost	1,162	13,475	223	41	9,254	24,155
	-----	-----	-----	-----	-----	-----
	12,229	32,771	2,265	969	9,254	57,488
	=====	=====	=====	=====	=====	=====
Accumulated depreciation						
At 1/03/12	1,841	13,663	1,382	555	-	17,441
Charge for the period	88	619	28	20	-	755
Release on disposal	-		-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31/03/11	1,929	14,282	1,410	575	-	18,196
	=====	=====	=====	=====	=====	=====
Net Book Value						
At 31/03/12	10,300	18,489	855	394	9,254	39,292
	=====	=====	=====	=====	=====	=====
At 31/03/11	10,651	20,358	905	465	8,979	41,358
	=====	=====	=====	=====	=====	=====

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.

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

2012

2011

	GH¢000	GH¢000
Cost of Sales	664	649
General , administrative and Selling expenses	91	81
	-----	-----
	755	730
	=====	=====

10. Disposal of Property , plant and equipments

	GH¢"000'	GH¢"000'
Cost		-
Accumulated Depreciation	-	-
	-----	-----
Net Book Value	-	-
Sales Proceeds	-	-
	-----	-----
Profit/(Loss) on Disposal	-	-
	=====	=====

11. Intangible Asset

This relate to Sun System Accounting Software Package installed in 2008 at a cost of GH¢
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.

	2,012 GH¢"000'	2,011 GH¢"000'
Balance at 1st January	57	57
Acquisition	-	-
Balance at 31st March	<u>57</u>	<u>57</u>
Amortisation		
Balance at 1st January	57	38
Amortisation for the year	-	19
Balance at 31st March	<u>57</u>	<u>57</u>
Carrying amount	<u> </u>	<u> </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 31-12-12 was GH¢ 144,000 (2011 GH¢168,000)

13. INVENTORIES

	2,012 GH¢' 000	2,011 GH¢' 000
Raw materials	2,199	674
Work in Progress	2,047	4,814
Finished Goods	2,072	3,317
Consumables	3,382	2,539
	-----	-----
	9,700	11,344
	=====	=====

14. TRADE AND OTHER RECEIVABLES

Trade receivables due from customers	1,453	2,152
Advance to suppliers	605	1,131
CEPS Duty drawback	171	689
VAT Claims	2,027	1,065
Staff Debtors	33	26
Prepayments	134	283
	-----	-----
	4,423	5,346
	=====	=====

NOTE

1) Trade receivables is less provision for bad debt of GH¢ 702,024.00

15. CASH AND CASH EQUIVALENTS

	2012 GH¢000	2011 GH¢000
Bank Balances	176	817
Cash Balances	46	123
	-----	-----
TOTAL	222	940
	=====	=====

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

16. BANK OVERDRAFT

	2012 GH¢000	2011 GH¢000
Ecobank Ghana Ltd (\$)	3,353	6,184
SG-SSB Bank Ltd	1,529	1,060
	-----	-----
	4,882	7,244
	=====	=====

17. Banking Facilities

Bank facilities available to the company were as follows:

Facility Type	Amount	Collateral Security
Overdraft	\$ 3 ml	This is Ecobank facility to finance raw material inports, 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 expired on 31st March 2012
Short term loan	\$4.2 ml	This is a facility from Barclays Bank to finace the cold mill. Interest is at 7.85% This is secured by fixed and floating charge over the assets of the company. The repayment period has been rescheduled from January 2009 to 30th September 2013 on equal monthly installment.
Stand by letter of credit	GH¢3ml	This is Ecobank facility of Documentary Line of Credit(Revolving) to back issuance of standby letter of credit in favour of overseas suppliers of raw materials. Interest rate is at 26.50% 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 expired on 31/03/2012
Overdraft	GH¢1.5ml	The company has an overdraft facility not exceeding GH¢1.5million with SG-SSB Bank Ltd to finance working capital. The company's floating and fixed assets shared pari passu with Ecobank and Barclays Ltd have been pledged as security for the facility. The facility expired on 31/03/12. Interest rate is 26.50%.
Medium Term Loan	\$9ml	This represents loan facility to refinance letter of credit for the acquisiton and installation of coil coating plant, to build new factory premises . The loan is payable by 31/3/2017. The facility is secured by registered debent (fixed and floating) over the assets of the company. The interest rate is 7.20%.

	Ecobank USD GH¢000	Ecobank CEDI GH¢000	Barclays USD GH¢000	SG-SSB USD GH¢000	TOTAL 31/03/12 GH¢000	TOTAL 31/03/11 GH¢000
Balance at 1/01/12	2,137	1500	2,308	10,438	16,383	15,339
Draw down during the year	-	2985	-	-	2,985	1,144
	2,137	4,485	2,308	10,438	19,368	16,483
Repayments during the year	(424)	(2,555)	(449)	(462)	(3,890)	(2,683)
	1,713	1,930	1,859	9,976	15,478	13,800
Exchange loss/(Gain)	139	0	150	803	1,092	619

Balance at 31st March 2012	1,852	1,930	2,009	10,779	16,570	14,419
\	-----	-----	-----	-----	-----	-----

Analysed as follows:

Current portion	1,709	1930	1,339	1,959	6,937	7,300
Medium term portion	143	0	670	8,820	9,633	7,119
	-----	-----	-----	-----	-----	-----
	1,852	1930	2,009	10,779	16,570	14,419
	-----	-----	-----	-----	-----	-----

10

19. TRADE AND OTHER PAYABLES

	2012	2011
	GH¢000	GH¢000
Trade and other payables	6,616	7,613
Sundry Creditors	801	1,137
Accruals and Deferred Income	219	237
	-----	-----
	7,636	8,987
	=====	=====

NOTE

Sundry Creditors includes credit balances on trade debtors, cash customers and foreign suppliers accounts

20. STATED CAPITAL

	No of Shares		Proceeds	
	2012	2011	2012	2,011
			GH¢000	GH¢000
Authorised	'000'	'000'	'000'	'000'
Ordinary shares				
of no par value	300,000	300,000	300,000	300,000
	=====	=====	=====	=====
Issued				
For cash	57,421	57,421	20,495	20,495
Transfer from				
Capital Surplus	34,629	34,629	4,237	4,237
	-----	-----	-----	-----
	92,050	92,050	24,732	24,732
	=====	=====	=====	=====

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

2012

2011

	GH¢000	GH¢000
Balance at 1st January	90	90
Proceeds from sale of treasury shares	-	-
	-----	-----
Balance at 28th February	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 March 2012	699	699
	=====	=====

11

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.

	2012	2011
	GH¢000	GH¢000
Loss attributable to equity holders of the Company	(1,260)	(1,162)
	=====	=====
Weighted average number of ordinary shares in issue	75,259,332	75,259,332
	=====	=====
Basic earnings per share(expressed in GH¢ per share)	(0.0167)	(0.0154)
	=====	=====

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 March 2012 and 2011 the company had no dilutive potential ordinary shares.

The loss attributed to ordinary shareholders is GH¢1,260,000 (2012); and GH¢1,162,000(2011)

12

