



## **PRESS RELEASE**

**PR. No 300/2011**

**ALUWORKS LIMITED (ALW) -**  
**UN-AUDITED FINANCIAL STATEMENTS FOR THE**  
**THIRD QUARTER ENDING- SEPTEMBER 2011**

ALW has released its un-audited Financial Statements for the third quarter ending September 30, 2011 as per the attached.

Issued in Accra, this 31<sup>st</sup>  
day of October, 2011.

**- 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 30TH SEPT, 2011**

	NOTE	GH¢000	GH¢000
<b>REVENUE</b>	2	35,662	19,692
Operating costs		(32,464)	(21,495)
		-----	-----
<b>GROSS PROFIT / (LOSS)</b>		3,198	(1,803)
Other income	3	46	39
General & Administrative Expenses		(3,218)	(3,247)
		-----	-----
<b>Operating profit/(loss) before finance cost</b>		26	(5,011)
Interest Expense	6	(1,559)	(1,612)
		-----	-----
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		(1,533)	(6,623)
Income tax expense		-	-
		-----	-----
<b>Profit /(loss) for the period</b>		(1,533)	(6,623)
		-----	-----
Basic earnings per share		(0.0204)	(0.1589)
		(0.0204)	(0.1589)

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE PERIOD ENDED 30TH SEPT 2011**

	2011	2010
	GH¢000	GH¢000
Loss for the period	(1,533)	(6,623)
	-----	-----
Total recognised income and expense for the period	(1,533)	(6,623)
	-----	-----

**ALUWORKS LIMITED**

**BALANCE SHEET AS AT 30TH SEPT 2011**

<b>Assets</b>	<b>Note</b>	<b>2011 GH¢000</b>	<b>2010 GH¢000</b>
Property, Plant and Equipment	9	40,221	42,488
Intangible Assets	11	-	-
Long term Investments	12	168	168
<b>Total non-current assets</b>		<b>40,389</b>	<b>42,656</b>
Inventories	13	12,940	4,263
Trade and other receivables	14	7,307	3,006
Cash and cash equivalents	15	358	2,419
Income Tax Assets	7	857	843
<b>Total current assets</b>		<b>21,462</b>	<b>10,531</b>
<b>Total assets</b>		<b>61,851</b>	<b>53,187</b>
<b>EQUITY</b>			
Stated Capital	20	24,731	24,731
Share deals Accounts	21	90	90
Non Distributable Surplus		19,383	19,395
Retained Earnings(Deficit)		(18,376)	(16,180)
<b>Total Equity</b>		<b>25,828</b>	<b>28,036</b>
<b>Non-current liabilities</b>			
Medium Term Loan	18	6,803	6,767
Deferred tax liabilities	8	2,156	2,605
<b>Total non-current liabilities</b>		<b>8,959</b>	<b>9,372</b>
<b>Current Liabilities</b>			
Bank overdraft	16	6,744	5,615
Trade & other payables	19	9,012	3,309
Short term loan	18	10,609	6,156
Dividend payable	22	699	699
<b>Total current liabilities</b>		<b>27,064</b>	<b>15,779</b>
<b>Total liabilities</b>		<b>36,023</b>	<b>25,151</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>61,851</b>	<b>53,187</b>

## CAPITAL AND RESERVES

### Reconciliation of movement in capital and reserves

**2011**

	Share capital	Share deals	Retained earnings	Non Distributable Surplus	*** TOTAL
	GH¢000	GH¢000	GH¢000	GH¢000	GH¢000
Balance at 1 January 2011	24,731	90	(16,843)	19,383	27,361
Right Issue proceeds			-		-
Total recognised income and expense			(1,533)		(1,533)
Loss on disposal of revalued assets					-
Balance as at 30th September 2011	<b>24,731</b>	<b>90</b>	<b>(18,376)</b>	<b>19,383</b>	<b>25,828</b>

### NOTE

Non distributable Surplus is Revaluation Surplus.

**ALUWORKS LIMITED**  
**CASHFLOW STATEMENT**  
**FOR THE PERIOD ENDED 30TH SEPT 2011**

	2011 GH¢' 000	2010 GH¢' 000
<b>Cash flows from operating activities</b>		
Loss before taxation	(1,533)	(6,623)
Adjustments for:		
Depreciation	2,217	2,217
Amortisation of Intangible asset	-	18
Interest expense	1,559	1,612
Exchange loss/(Gain)	954	1,136
Profit/(loss) on disposal	-	52
	-----	-----
	3,197	(1,588)
Changes in inventories	(8,677)	1,420
Changes in trade and other receivables	(4,301)	1,456
Changes in trade and other payables	5,703	(4,096)
	-----	-----
Cash generated from operations	(4,078)	(2,808)
Interest paid	(1,559)	(1,612)
Income taxes paid	(9)	-
	-----	-----
Net cash from operating activities	(5,646)	(4,420)
<b>Cash from investing activities</b>		
Property, plant and equipment purchased	(579)	213
Proceeds from sale of fixed assets	-	-
Purchase of intangible assets	-	-
	-----	-----
Net cash used in investing activities	(579)	213
<b>Cash flow from financing activities</b>		
Cash proced from Issuing shares		
Net Loan received/(paid)	5,866	3,672
Dividend paid		
Net cash used in financing activities	5,866	3,672
	-----	-----
Net Increase/(Decrease) in cash and cash equivalents	(359)	(535)
<b>Analysis of changes in cash and cash equivalents during the period</b>		
Balance at 1 January	(6,027)	(2,661)
Net cash flow	(359)	(535)
	-----	-----
Balance at 30th September 2011	(6,386)	(3,196)
<b>Analysis of the balances of cash and cash equivalents as shown in the balance sheet</b>		
Cash and bank balances	358	2,419
Bank overdraft	(6,744)	(5,615)
	-----	-----
	(6,386)	(3,196)
	-----	-----

**ALUWORKS LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30TH SEPT 2011**

**2. REVENUE**

	<b>2011</b>	<b>2010</b>
	<b>GH¢000</b>	<b>GH¢000</b>
LOCAL SALES	25,781	19,228
FOREIGN SALES	13,266	2,968
	-----	-----
	39,047	22,196
Less Rebates	(23)	-
	-----	-----
	39,024	22,196
Less Value Added Tax	(3,362)	(2,504)
	-----	-----
<b>Net sales value</b>	<b>35,662</b>	<b>19,692</b>
	-----	-----

**3 OTHER INCOME**

	<b>2011</b>	<b>2010</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Roofing Fixings	46	39
Sale of Scrap	-	-
Dross and Sundries	-	-
Profi/(Loss) on disposal of PPE	-	-
	-----	-----
	46	39
	=====	=====

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

	<b>2011</b>	<b>2010</b>
	<b>GH¢' 000</b>	<b>GH¢' 000</b>
Personnel costs (note 5)	2,956	2,593
Auditors remuneration	26	21
Depreciation	2,217	2,217
Amortised Intangible assets	-	18
Directors emoluments	27	27
Exchange loss/(Gain)	954	1,136
Net finance cost (note 6)	1,559	1,162
	=====	=====

**5. PERSONNEL COSTS**

	<b>2,011</b>	<b>2010</b>
	<b>GH¢' 000</b>	<b>GH¢' 000</b>
Wages and salaries	2,450	2,019
Social Security Contribution	237	252
Provident Fund	171	216
Provision for end of service benefit	37	58
Long service award	61	48
	-----	-----
	2,956	2,593
	=====	=====

<b>6. NET FINANCE EXPENSE</b>	<b>2011</b>	<b>2010</b>
Interest on loans and overdraft	1,559	1,612
Interest earned on Current Accounts	-	-
	-----	-----
	1,559	1,612
	=====	=====

## 7. INCOME TAX

	<b>Balance at 1/1/11 GH¢' 000</b>	<b>Payments GH¢' 000</b>	<b>Charge for period GH¢' 000</b>	<b>Balance at 30/09/11 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)
2010	-	(13)	-	(13)
2011	-	(9)	-	(9)
	-----	-----	-----	-----
	(835)	(22)	-	(857)
	-----	-----	-----	-----

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

	<b>2,011 GH¢000</b>	<b>2,010 GH¢000</b>
Tax Charge	-	-
Deferred Tax (relief)/expense (note 8)	-	(449)
	-----	-----
	-	(449)
	-----	-----

## 8. DEFERRED TAX

	<b>2,011 GH¢000</b>	<b>2,010 GH¢000</b>
Balance at 1st January	2,156	2,605
Charge/(Release) to income statement	-	(449)
Charge to revaluation surplus	-	-
	-----	-----
	2,156	2,156
	=====	=====

**9a. PROPERTY, PLANT AND EQUIPMENT - (2011)**

	Leasehold					Capital
	Land and Buildings	Plant and Machinery	Equipment	Motor Vehicles	Work in Progress	Total
	GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000	GH¢' 000
<b>Gross Value</b>						
At 1/1/11	12,229	32,072	2,150	960	8,821	56,232
Additions		286	47	9	237	579
Disposals		-	-	-		-
Transfer	-	-			-	-
	-----	-----	-----	-----	-----	-----
At 30/09/11	12,229	32,358	2,197	969	9,058	56,811
	=====	=====	=====	=====	=====	=====
<b>Comprising</b>						
Cost of asset revalued	1,904	8,744	1,003	491		12,142
Surplus on revaluation-199	453	1,060	57	33		1,603
Surplus on revaluation-200	8,710	9,592	985	404		19,691
	-----	-----	-----	-----	-----	-----
	11,067	19,396	2,045	928	-	33,436
At Cost	1,162	12,962	152	41	9,058	23,375
	-----	-----	-----	-----	-----	-----
	12,229	32,358	2,197	969	9,058	56,811
	=====	=====	=====	=====	=====	=====
<b>Accumulated depreciation</b>						
At 1/1/11	1,491	11,185	1,218	479	-	14,373
Charge for the period	236	1,828	90	63	-	2,217
Release on disposal	-		-	-	-	-
	-----	-----	-----	-----	-----	-----
At 30/09/11	1,727	13,013	1,308	542	-	16,590
	=====	=====	=====	=====	=====	=====
<b>Net Book Value</b>						
At 30/09/11	10,502	19,345	889	427	9,058	40,221
	=====	=====	=====	=====	=====	=====
At 30/09/10	10,827	21,493	931	492	8,745	42,488
	=====	=====	=====	=====	=====	=====

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:

	2011 GH¢000	2010 GH¢000
Cost of Sales	1,957	1,953
General , administrative and Selling expenses	260	264
	-----	-----
	<b>2,217</b>	<b>2,217</b>
	=====	=====

10. Disposal of Property , plant and equipments

	GH¢000	GH¢000
Cost		113
Accumulated Depreciation	-	(53)
	-----	-----
Net Book Value	-	60
Sales Proceeds	-	(8)
	-----	-----
Profit/(Loss) on Disposal	-	<b>(52)</b>
	=====	=====

11. Intangible Asset

This relates to Sun System Accounting Software Package installed in 2008 at a cost of GH¢57,150. 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.

	2,011 GH¢000	2,010 GH¢000
Balance at 1st January	57	57
Acquisition	-	-
Balance at 30th September	57	57
	-----	-----
<b>Amortisation</b>		
Balance at 1st January	38	38
Amortisation for the year	19	16
	-----	-----
Balance at 30th September	57	52
	-----	-----
<b>Carrying amount</b>	-	<b>3</b>
	-----	-----

## 12. INVESTMENTS

This relates to the cost of 2,400,000 ordinary shares in Pioneer Kitchenware Limited. The market value of these investments at 30-09-11 was GH¢ 168,000 (2010 : GH¢168,000)

## 13. INVENTORIES

	GH¢ 000	GH¢ 000
Raw materials	1,610	663
Work in Progress	3,610	887
Finished Goods	4,726	863
Consumables	2,994	1,850
	-----	-----
	12,940	4,263
	=====	=====

## 14. TRADE AND OTHER RECEIVABLES

Trade receivables due from customers	4,381	713
Advance to suppliers	1,129	990
CEPS Duty drawback	547	690
VAT Claims	929	399
Staff Debtors	36	26
Prepayments	285	188
	-----	-----
	7,307	3,006
	=====	=====

### NOTE

1) Trade receivables is less provision for bad debt of GH¢ 201,455 .

## 15. CASH AND CASH EQUIVALENTS

	2011 GH¢000	2010 GH¢000
Bank Balances	205	2,368
Cash Balances	153	51
	-----	-----
<b>TOTAL</b>	<b>358</b>	<b>2,419</b>
	=====	=====

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

## 16. BANK OVERDRAFT

	2011 GH¢000	2010 GH¢000
Ecobank Ghana Ltd (\$)	4,321	5,615
SG-SSB Bank Ltd	1,524	-
Ecobank Ghana Ltd (GHC)	899	-
	-----	-----
	6,744	5,615
	=====	=====

## 17. Banking Facilities

Bank facilities available to the company were as follows:

Facility Type	Amount	Collateral Security
<b>Overdraft</b>	\$ 3 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 charge over the assets of the company. The facility expires on 31st March 2012
<b>Short term loan</b>	\$4.2 ml	This is a facility from Barclays Bank to finance the cold mill. Interest is at 7.85% This is secured by fixed and floating assets of the company. The repayment period has been rescheduled from January 2009 to 30th September 2013 on equal monthly installment.
<b>Stand by letter of credit</b>	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 passu fixed and floating charge over the company assets .The facility expires on 31/03/2012
<b>Overdraft</b>	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 expires on 31/12/11. Interest rate is 26.50%.
<b>Medium Term Loan</b>	\$9ml	This represents loan facility to refinance letter of credit for the acquisition 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 debenture (fixed and floating) over the assets of the company. The interest rate is 7.20%.

## 18. MEDIUM TERM LOANS

	Ecobank USD GH¢000	Ecobank CEDI GH¢000	Barclays USD GH¢000	SG-SSB USD GH¢000	TOTAL 31/09/11 GH¢000	TOTAL 30/09/10 GH¢000
Balance at 1/1/11	-	2,378	3,190	9,771	15,339	29,085
Draw down during the year	3,075	7,178	-	191	10,444	4,397
	3,075	9,560	3,190	9,962	25,787	33,482
Repayments during the year	(636)	(7,560)	(919)	-	(9,115)	(21,654)
	2,439	2,000	2,271	9,962	16,672	11,828
Exchange loss/(Gain)	14	0	167	559	740	1,095
Balance at 30th Sept 2012	2,453	2,000	2,438	10,521	17,412	12,923

### Analysed as follows:

Current portion	2,453	2,000	1,683	4,473	10,609	6,156
Medium term portion	0	0	755	6,048	6,803	6,767
	2,453	2,000	2,438	10,521	17,412	12,923

**19. TRADE AND OTHER PAYABLES**

	<b>2011</b>	<b>2010</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Trade and other payables	7,884	2,132
Sundry Creditors	754	896
Accruals and Deferred Income	374	281
	-----	-----
	<b>9,012</b>	<b>3,309</b>
	=====	=====

**NOTE**

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

**20. STATED CAPITAL**

	<b>No of Shares</b>		<b>Proceeds</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2,010</b>
			<b>GH¢000</b>	<b>GH¢000</b>
<b>Authorised</b>	'000'	'000'		
Ordinary shares				
of no par value	300,000	50,000		
	=====	=====		
<b>Issued</b>				
For cash	57,421	7,049	20,494	765
Transfer from				
Capital Surplus	34,629	34,629	4,237	4,237
	-----	-----	-----	-----
	<b>92,050</b>	<b>41,678</b>	<b>24,731</b>	<b>5,002</b>
	=====	=====	=====	=====

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**

	<b>2011</b>	<b>2010</b>
	<b>GH¢000</b>	<b>GH¢000</b>
Balance at 1st January	90	90
Proceeds from sale of treasury shares	-	-
	-----	-----
Balance at 30th Sept	<b>90</b>	<b>90</b>
	=====	=====

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 Sept	<b>699</b>	<b>699</b>
	=====	=====

## 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>2011</b> <b>GH¢000</b>	<b>2010</b> <b>GH¢000</b>
Loss attributable to equity holders of the Company	(1,533)	(6,623)
	=====	=====
Weighted average number of ordinary shares in issue	75,259,332	41,677,911
	=====	=====
Basic earnings per share(expressed in GH¢ per share)	(0.0204)	(0.1589)
	=====	=====

### 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 30th September 2011 and 2010 the company had no dilutive potential ordinary shares.

The loss attributed to ordinary shareholders is GH¢1,533,000 ; (GH¢6,623,000( 2010))