



**PRESS RELEASE**

**PR. No 405/2019**

**ALUWORKS LIMITED (ALW)**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE THIRD QUARTER ENDING SEPTEMBER 2019**

ALW has released its unaudited Financial Statements for the third quarter ending September 30, 2019 as per the attached.

Issued in Accra, this 31<sup>st</sup>  
day of October, 2019

- E N D -

att'd.

**Distribution:**

1. All LDMs
2. General Public
3. Company Secretary, ALW
4. UMB Registrars, (Registrars for ALW shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

**For enquiries, contact:**

**Listing Department, GSE on 0302 669908, 669914, 669935**

*\*GA*

**ALUWORKS LIMITED**



**FINANCIAL STATEMENTS  
30 SEPTEMBER 2019**

**ALUWORKS LIMITED**  
**REPORT FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2019**

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**ALUWORKS LIMITED**  
**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Seth Adjei – Chairman  
Ernest Kwasi Okoh - Managing  
Togbe Afede XIV  
Prof. Lade Wosornu  
Kingsley Ofosu Obeng  
Dr. Alhassan Mutaka Alolo  
Prof. Yaw Adu-Gyamfi  
Agnivesh Agarwal

**SECRETARY**

Accra Nominees Limited  
13 Samora Machel Road  
Asylum Down  
P. O. Box GP 242  
Accra

**REGISTRARS**

Universal Merchant Bank Limited  
No. 123 Kwame Nkrumah Avenue  
Sethi Plaza - Adabraka  
P. O. Box GP 401  
Accra

**SOLICITORS**

E. K. Jones Mensah & Associates  
Alpha Law Chambers  
Community 1  
P.O.Box 1382  
Tema.

**PRINCIPAL PLACE OF  
BUSINESS AND REGISTERED  
OFFICE**

Plot No. 63/1, Heavy Industrial Area  
P. O. Box CO 914  
Tema

**AUDITORS**

KPMG  
Chartered Accountants  
13 Yiyiwa Drive  
P. O. Box 242  
Accra

**BANKERS**

Ecobank Ghana Limited  
Societe Generale Ghana Limited

**ALUWORKS LIMITED**  
**FINANCIAL STATEMENTS FOR THE 9 MONTHS ENDED 30TH SEPTEMBER 2019**  
**DECLARED STATEMENT**

**The Financial Statements do not contain untrue statements, misleading facts,  
or omit material facts to the best of our knowledge.**



.....  
**DIRECTOR**



.....  
**DIRECTOR**

**ALUWORKS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH SEPTEMBER 2019**

	Notes	2019 GH¢'000	2018 GH¢'000
<b>Assets</b>			
Property, Plant and Equipment	4	208,663	170,730
Long term Investments	5	120	120
<b>Total Non-current Assets</b>		<b>208,783</b>	<b>170,850</b>
Inventories	6	18,992	17,174
Trade and other receivables	7	9,769	2,765
Cash and Bank balances	8	388	461
Income Tax Assets	17	1,495	1,392
<b>Total Current Assets</b>		<b>30,644</b>	<b>21,792</b>
<b>Total Assets</b>		<b>239,427</b>	<b>192,642</b>
<b>Equity</b>			
Share Capital	12	31,650	31,650
Share deals		-	-
Revaluation surplus		160,833	105,259
Retained earnings (deficit)		(138,784)	(108,897)
Other reserves		980	980
<b>Total Equity</b>		<b>54,679</b>	<b>28,992</b>
<b>Non-current Liabilities</b>			
Medium-term loans	10	87,918	72,004
Employees' Benefits	14	4,610	-
Deferred Tax liabilities	17	23,074	34,884
<b>Total non-current liabilities</b>		<b>115,602</b>	<b>106,888</b>
<b>Current Liabilities</b>			
Bank overdraft	9	3,780	3,886
Trade and other payables	14	37,210	47,896
Advance Payment	14	28,156	-
Short-term loan	11	-	4,980
<b>Total current liabilities</b>		<b>69,146</b>	<b>56,762</b>
<b>Total liabilities</b>		<b>184,748</b>	<b>163,650</b>
<b>Total liabilities and equity</b>		<b>239,427</b>	<b>192,642</b>

**ALUWORKS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 9 MONTHS ENDED 30TH SEPTEMBER 2019**

	Note	2019 GH¢'000	2018 GH¢'000
<b>Revenue</b>	15	59,412	48,631
Cost of sales		(56,854)	(52,945)
<b>Gross profit</b>		<u>2,558</u>	<u>(4,314)</u>
Other income	16	1,191	119
General and administrative expenses		(7,453)	(6,538)
<b>Results from operating activities before financing cost</b>		<u>(3,704)</u>	<u>(10,733)</u>
Net finance expense		(15,302)	(12,036)
<b>Profit / (Loss) before income taxation</b>		<u>(19,006)</u>	<u>(22,769)</u>
Income tax expense	17	-	-
<b>Loss for the period</b>		<u>(19,006)</u>	<u>(22,769)</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<u><u>(19,006)</u></u>	<u><u>(22,769)</u></u>
Basic earnings per share	13	(0.0803)	(0.0962)
Diluted earnings per share	13	(0.0673)	(0.0806)

**ALUWORKS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 9 MONTHS ENDED 30TH SEPTEMBER 2019**

2019 Equity	Stated Capital	Share Deals	Other Reserves	Revaluation Surplus	Retained Earnings	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2019	31,650	-	980	160,833	(119,778)	73,685
Transfers	-	-	-	-	-	-
Comprehensive income for the period						
Loss for the period	-	-	-	-	(19,006)	(19,006)
	-----	---	---	-----	-----	-----
Balance at 30th September 2019	<u>31,650</u>	<u>-</u>	<u>980</u>	<u>160,833</u>	<u>(138,784)</u>	<u>54,679</u>

2018	Stated Capital	Share Deals	Other Reserves	Revaluation Surplus	Retained Earnings	Total Equity
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Balance at 1 January 2018	31,650	-	980	105,259	(86,128)	51,761
Comprehensive income for the period						
Loss for the period	-	-	-	-	(22,769)	(22,769)
	-----	---	---	-----	-----	-----
Balance at 30th September 2018	<u>31,650</u>	<u>-</u>	<u>980</u>	<u>105,259</u>	<u>(108,897)</u>	<u>28,992</u>



**ALUWORKS LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE 9 MONTHS ENDED 30TH SEPTEMBER 2019**

	2019 GH¢'000	2018 GH¢'000
<b>Cash flows from operating activities</b>		
Loss after taxation	(19,006)	(22,769)
<i>Adjustments for:</i>		
Depreciation charges	4,847	3,367
Exchange loss	1,323	1,845
Interest expense	15,302	12,036
End of Service benefit expense	86	-
Long service award expense	75	-
	-----	-----
	<b>2,627</b>	<b>(5,521)</b>
Change in inventories	(5,843)	(594)
Change in trade and other receivables	(7,814)	(525)
Change in trade and other payables	(7,756)	12,300
Advance Payment – Land	28,156	-
	-----	-----
<b>Cash generated from operations</b>	<b>9,370</b>	<b>5,660</b>
End of Service benefit paid	(86)	-
Long Service Award paid	(75)	-
Interest paid	(15,302)	(12,036)
Income taxes paid	(94)	(49)
	-----	-----
<b>Net cash flow from operating activities</b>	<b>(6,187)</b>	<b>(6,425)</b>
	-----	-----
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(222)	(176)
Proceeds from sale of PPE	-	-
	-----	-----
<b>Net cash flow used in investing activities</b>	<b>(222)</b>	<b>(176)</b>
	-----	-----
<b>Cash flows from financing activities</b>		
Loan proceeds	19,923	29,282
Loan repaid	(15,417)	(21,646)
	-----	-----
<b>Net cash flow from financing activities</b>	<b>4,506</b>	<b>7,636</b>
	-----	-----
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(1,903)</b>	<b>1,035</b>
	=====	=====
<b>Analysis of changes in cash and cash equivalents during the period</b>		
Balance at 1 January	(1,632)	(4,513)
Net cash flow	(1,903)	1,035
Effect of exchange translation –Cash and Cash Equivalents	143	53
	-----	-----
<b>Balance at 30 September</b>	<b>(3,392)</b>	<b>(3,425)</b>
	=====	=====
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and bank balances	388	461
Bank overdraft	(3,780)	(3,886)
	-----	-----
	<b>(3,392)</b>	<b>(3,425)</b>
	=====	=====

**ALUWORKS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30TH SEPTEMBER 2019**

**1. REPORTING ENTITY**

Aluworks Limited is a company registered and domiciled in Ghana. The address of the company's registered office can be found on page 2 of this report. The company is authorised to carry on the business of continuous casting and cold rolling of aluminium products.

**2. BASIS OF PREPARATION**

**a. Statement of compliance**

The financial statements of Aluworks Limited have been prepared in accordance with International Financial Reporting Standards (IFRSs).

**b. Basis of measurement**

They are prepared on the historical cost basis except for property, plant and machinery at revalued amounts and financial instruments and other assets that are stated at fair values.

**c. Functional and presentational currency**

The financial statements are presented in Ghana Cedis (GH¢) which is the company's functional currency.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements by the company.

**(a) Property, Plant and Equipment**

**(i) Recognition and measurement**

Property, plant and equipment are carried at fair value less subsequent depreciation. The fair values are determined periodically by external, independent, professional valuers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The revaluation increase arising on the revaluation of property, plant and equipments are credited to the revaluation surplus in shareholders' equity.

Decreases that offset previous increases of the same asset are charged against the non-distributable reserve. All other decreases are charged to the statement of comprehensive income.

If property becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value at the date of transfer is recognised in equity as a revaluation of property. If a fair value gain reverses a previous impairment loss, the gain is recognised in the statement of comprehensive income. On disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The cost of self-constructed assets includes the cost of materials and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

#### (ii) Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in income statement as incurred.

#### (iii) Depreciation

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Plant, machinery and equipment	–	5 – 12.5 years
Motor vehicles	–	5 years
Leasehold land and buildings	–	over period of lease

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains and losses on disposal of property, plant and equipment are included in the income statement.

#### (b) **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

#### (c) **Trade and Other Receivables**

Trade receivables are stated at amortised costs, less impairment losses. Specific allowances for doubtful debts are made for receivables of which recovery is doubtful.

Other receivables are stated at their cost less impairment losses.

#### (d) **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and bank balances and these are carried at amortised cost in the statement of financial position.



**(c) Revenue**

Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts, taxes and volume rebates. Revenue is recognised when the significant risks and rewards of the ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement in the goods, and the amount of revenue can be measured reliably.

Sale of services

Revenue from services rendered is recognised in the income statement when the service is performed.

**(f) Finance Income and Expense**

Finance income comprises interest income on funds invested (including available-for-sale financial assets) and dividend income. Interest income is recognised in the statement of comprehensive income using the effective interest method. Dividend income is recognised in the statement of comprehensive income on the date that the company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings. All borrowing costs are recognised in the statement of comprehensive income using the effective interest method.

**(g) Income Tax**

Income tax expense comprises current and deferred tax. The company provides for income taxes at the current tax rates on the taxable profits of the company.

Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(h) Earnings per Share**

The company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### 4. PROPERTY, PLANT AND EQUIPMENT

2019	Leasehold Land and Buildings GHe'000	Plant and Machinery GHe'000	Equipment GHe'000	Motor Vehicles GHe'000	Capital Work in Progress GHe'000	Total GHe'000
<b>Gross Value</b>						
At 1/1/2019	133,128	115,657	6,256	2,050	856	257,947
Additions	-	205	-	-	17	222
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2019</b>	<b>133,128</b>	<b>115,862</b>	<b>6,256</b>	<b>2,050</b>	<b>873</b>	<b>258,169</b>
	=====	=====	=====	=====	=====	=====
<b>Comprising</b>						
Cost of assets revalued	3,066	22,692	1,280	372	-	27,410
Surplus on revaluation -2017	104,798	30,352	2,065	537	-	137,752
Surplus on revaluation -2018	23,054	18,557	1,868	286	-	43,764
	-----	-----	-----	-----	-----	-----
At revaluation	130,918	71,601	5,213	1,195	-	208,926
At cost	2,210	44,262	1,043	855	873	49,243
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2019</b>	<b>133,128</b>	<b>115,862</b>	<b>6,256</b>	<b>2,050</b>	<b>873</b>	<b>258,169</b>
	=====	=====	=====	=====	=====	=====
<b>Accumulated Depreciation</b>						
At 1/1/2019	5,545	34,747	3,145	1,222	-	44,659
Charge for the period	503	3,738	461	145	-	4,847
Released on disposal	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2019</b>	<b>6,048</b>	<b>38,485</b>	<b>3,606</b>	<b>1,367</b>	<b>-</b>	<b>49,506</b>
	=====	=====	=====	=====	=====	=====
<b>Carrying Amount</b>						
<b>At 30/09/2019</b>	<b>127,079</b>	<b>77,377</b>	<b>2,651</b>	<b>683</b>	<b>873</b>	<b>208,663</b>
	=====	=====	=====	=====	=====	=====
<b>At 30/09/2018</b>	<b>104,711</b>	<b>63,949</b>	<b>1,481</b>	<b>589</b>	<b>-</b>	<b>170,730</b>
	=====	=====	=====	=====	=====	=====

#### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

2018	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 1/1/2018	110,074	97,025	4,611	1,782	-	213,492
Additions	-	76	100	-	-	176
Revaluation Surplus	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2018</b>	<b>110,074</b>	<b>97,101</b>	<b>4,711</b>	<b>1,782</b>	<b>-</b>	<b>213,668</b>
	=====	=====	=====	=====	=====	=====
<b>Comprising</b>						
Cost of assets revalued	3,066	22,692	1,280	372	-	27,410
Surplus on revaluation -2017	104,798	30,352	2,065	537	-	137,752
	-----	-----	-----	-----	-----	-----
At revaluation	107,864	53,044	3,345	909	-	165,162
At cost	2,210	44,057	1,366	873	-	48,506
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2018</b>	<b>110,074</b>	<b>97,101</b>	<b>4,711</b>	<b>1,782</b>	<b>-</b>	<b>213,668</b>
	=====	=====	=====	=====	=====	=====
<b>Accumulated Depreciation</b>						
At 1/1/2018	4,911	30,534	3,009	1,117	-	39,571
Charge for the period	452	2,618	221	76	-	3,367
Release on disposal	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
<b>At 30/09/2018</b>	<b>5,363</b>	<b>33,152</b>	<b>3,230</b>	<b>1,193</b>	<b>-</b>	<b>42,938</b>
	=====	=====	=====	=====	=====	=====
<b>Carrying Amount</b>						
<b>At 30/09/2018</b>	<b>104,711</b>	<b>63,949</b>	<b>1,481</b>	<b>589</b>	<b>-</b>	<b>170,730</b>
	=====	=====	=====	=====	=====	=====
<b>At 30/09/2017</b>	<b>104,972</b>	<b>66,734</b>	<b>1,569</b>	<b>598</b>	<b>-</b>	<b>173,873</b>
	=====	=====	=====	=====	=====	=====

Leasehold Land and Buildings, Plant, Machinery, Equipment and Vehicles were revalued by Valuation and Investments Associates (Professional Valuers, Estate Agents and Property Consultants) every three years on the basis of their open market values. These figures were incorporated in the financial statements during the year ended 31 December 2008, through to 2019.

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

	2019 GH¢'000	2018 GH¢'000
Cost of sales	4,417	3,037
General, administrative and selling expenses	430	330
	-----	-----
	<b>4,847</b>	<b>3,367</b>
	=====	=====



## 5 LONG TERM INVESTMENT

This relates to the cost of 2,400,000 ordinary shares in Pioneer Kitchenware Limited. The market value of this investment at the reporting date was GH¢120,000 (2018: GH¢120,000).

6. INVENTORIES	2019 GH¢'000	2018 GH¢'000
Raw materials	712	1,196
Work-in-progress	3,075	1,829
Finished goods	3,769	3,510
Consumables	11,436	10,639
	-----	-----
	<b>18,992</b>	<b>17,174</b>
	=====	=====

7. TRADE AND OTHER RECEIVABLES	2019 GH¢'000	2018 GH¢'000
Trade receivables due from customers	2,016	1,021
Other receivables	7,454	1,632
Staff debtors	42	36
Prepayments	257	76
	-----	-----
	<b>9,769</b>	<b>2,765</b>
	=====	=====

Included in other receivables are advance payments to suppliers in respect of inventories.

8. CASH AND CASH EQUIVALENTS	2019 GH¢'000	2018 GH¢'000
Bank Balances	384	401
Cash Balances	4	60
	-----	-----
	<b>388</b>	<b>461</b>
	=====	=====

9. BANK OVERDRAFT	2019 GH¢'000	2018 GH¢'000
SG-SSB Bank Limited - GHC	1,633	1,890
Ecobank Ghana Limited -GHC	2,147	1,996
	-----	-----
	<b>3,780</b>	<b>3,886</b>
	=====	=====

(i) The company has an overdraft facility not exceeding GH¢2.5 million with Ecobank Ghana Limited (EGH) to finance purchase of stocks, raw materials, spares and other operational bills. The facility is also to back the issuance of letters of credits. The facility is secured by legal mortgage over the company's office/factory premises situated at Tema and pari passu fixed and floating charges with SG-Ghana over the company's assets including hypothecation over stocks. Interest rate is EGH Cedi Base Rate plus a spread of 8% per annum payable monthly in arrears.

(ii) The company has an overdraft facility not exceeding GH¢2.1 million with SG-Ghana Limited to finance working capital. The company's floating and fixed assets with Ecobank Ghana Limited have been pledged as security for the facility. Interest rate is 25% fixed.

## 10. MEDIUM TERM LOANS

	Ecobank CEDI GH¢'000	Ecobank S / Term GH¢'000	SSNIT CEDI GH¢'000	SG - GH CEDI GH¢'000	2019 Total GH¢'000	2018 Total GH¢'000
Balance 1 January,	4,000	417	78,995	-	83,412	69,348
Drawdown during the year	11,000	-	-	-	11,000	22,625
Interest Capitalised	-	-	8,923	-	8,923	6,657
	15,000	417	87,918	-	103,335	98,630
Repayment during the year	(15,000)	(417)	-	-	(15,417)	(21,646)
	-	-	87,918	-	87,918	76,984
Exchange loss	-	-	-	-	-	-
<b>Balance at 30th September</b>	-	-	<b>87,918</b>	-	<b>87,918</b>	<b>76,984</b>
<b>Analysed as follows:</b>						
Current portion (Note 11)	-	-	-	-	-	4,980
Medium term portion	-	-	87,918	-	87,918	72,004
	-	-	<b>87,918</b>	-	<b>87,918</b>	<b>76,984</b>

(i) The company has a revolving line of credit not exceeding GH¢4.0 million with Ecobank to back the issuance of standby letters of credits in favour of the company's overseas suppliers of raw materials; and the issuance of sight and deferred letters of credit up to a maximum of 120 days. Interest rate is EGH cedi base rate plus a spread of 8% for both facilities per annum payable monthly in arrears and expires on 31 December 2019.

### Social Security and National Insurance Trust

(ii) The company obtained a facility of US\$10 million (GH¢18,276,000) from Social Security and National Insurance Trust (SSNIT) in 2012 to fund the acquisition of the second cold rolling mill under the terms of a six-year 14.25% convertible bond with two years moratorium. The interest rate is 2 years note plus 3%

## 11. SHORT-TERM LOAN

	2019 GH¢'000	2018 GH¢'000
Current portion of Medium Term Loan (Note 10)	-	4,980



## 12. STATED CAPITAL

### (a) *Ordinary shares*

	No. of Shares 2019 '000	Proceeds 2019 GH¢'000	No. of Shares 2018 '000	Proceeds 2018 GH¢'000
<b>Authorised</b>				
Ordinary shares of no par value	1,000,000		1,000,000	
<b>Issued and fully paid</b>				
For cash	202,058	27,413	202,058	27,413
Transfer from capital surplus	34,629	4,237	34,629	4,237
	<u>236,687</u>	<u>31,650</u>	<u>236,687</u>	<u>31,650</u>

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.

## 13. EARNINGS PER SHARE

### *Basic*

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

	2019 '000	2018 '000
Loss attributable to equity holders of the Company - GH¢	<u>(19,006)</u>	<u>(22,769)</u>
Number of Ordinary Shares in issue	<u>236,687</u>	<u>236,687</u>
Basic earnings per share (expressed in GH¢ per share)	<u>(0.0803)</u>	<u>(0.0962)</u>

	2019 '000	2018 '000
<i>Diluted</i>		
Loss attributable to equity holders of the Company (GH¢)	<u>(19,006)</u>	<u>(22,769)</u>
Weighted Average number of Ordinary Shares in issue	<u>282,377</u>	<u>282,377</u>
Diluted earnings per share (expressed in GH¢ per share)	<u>(0.0673)</u>	<u>(0.0806)</u>

Diluted earning per share is calculated by adjusting the weighted average number of ordinary shares, to assume conversion of all the dilutive potential ordinary shares.

At 30<sup>th</sup> September 2019 the company had 45,690,000 (2018: 45,690,000) dilutive potential ordinary shares as a result of the six-year convertible loan.

**Weighted average number of ordinary shares (diluted)**

	<b>2019</b>	<b>2018</b>
Issued ordinary shares at 1 January	236,687,001	236,687,001
Effect of convertible loan	45,690,000	45,690,000
	<u>-----</u>	<u>-----</u>
Weighted average number of ordinary shares As at 30th September	<u>282,377,001</u>	<u>282,377,001</u>

**14. TRADE AND OTHER PAYABLES**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Trade Payables	27,862	38,596
Sundry Creditors	1,526	3,833
Accrued Expenses	7,822	5,467
	<u>-----</u>	<u>-----</u>
	<u><b>37,210</b></u>	<u><b>47,896</b></u>

**14(a) EMPLOYEE BENEFITS**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Long service awards	1,270	-
Net end of service benefits	3,340	-
	<u>-----</u>	<u>-----</u>
	<u><b>4,610</b></u>	<u><b>-</b></u>

**14(b) ADVANCE PAYMENT**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Balance as at 1 January	20,657	-
Advance Payment - Land	7,499	-
	<u>-----</u>	<u>-----</u>
	<u><b>28,156</b></u>	<u><b>-</b></u>

The Company entered into an agreement for the sale of 15.9 acres of unused land at a value of US\$5,843,037.57 to Social Security and National Insurance Trust (SSNIT). SSNIT has made an advance payment of GHS 20,657,190 (equivalent of US\$4,284,479.63) in 2018 and the balance of GHS 7,499,157 (equivalent of US\$1,558,557.94) paid in 2019. The Company is yet to transfer legal title of ownership to SSNIT.

	<u>GHe'000</u>	<u>GHe'000</u>
Local sales	49,478	43,225
Export sales	15,824	12,113
	<u>65,302</u>	<u>55,338</u>
Less: Rebate	(140)	(87)
Value Added Tax	(5,750)	(6,620)
	<u>59,412</u>	<u>48,631</u>

**16. OTHER INCOME**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Roofing fixings	175	85
Sale of Scrap	6	9
Rent Receivable	31	9
Gain / Loss on Export Freight	979	16
	<u>1,191</u>	<u>119</u>

**17. TAXATION**

**(a) INCOME TAX EXPENSE**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Current Company Tax Expense	-	-
Deferred Tax Charged (Note 17- c)	-	-
	<u>-</u>	<u>-</u>

**(b) INCOME TAX ASSETS**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Balance as at 30th September	<u>1,495</u>	<u>1,392</u>

**(c) DEFERRED TAXATION**

	<b>2019</b>	<b>2018</b>
	<b>GHe'000</b>	<b>GHe'000</b>
Balance as at January	23,074	34,884
Charge to Income Statement	-	-
Other Comprehensive Income	-	-
	<u>23,074</u>	<u>34,884</u>