



PRESS RELEASE

PR. No 093/2016

**SAM-WOODE LIMITED (SWL) –
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
AND ANNUAL GENERAL MEETING ANNOUNCEMENT**

Results

SWL has released its Annual Report and Financial Statements for the year ended December 31, 2015 as per the attached.

Annual General Meeting

The Company's Annual General Meeting will be held on **28th July, 2016** at **GNAT Hall, Accra** at **10:00am**. Notice is as per the attached.

Issued at Accra, this 1st
day of April, 2016.

- E N D -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, SWL
4. NTHC Registrars, (Registrars for SWL shares)
5. Central 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



SAM – WOODE LIMITED

ANNUAL REPORTS AND FINANCIAL STATEMENTS

31ST DECEMBER 2015

SAM –WOODE LIMITED
REPORTS AND FINANCIAL STATEMENTS

CONTENTS

	PAGE
Notice of Annual General Meeting	2
Corporate Information	3
Statement by the Chairman	4 -6
Report of the Managing Director	7 -8
Report of the Audit Sub-Committee of the Board	9
Report of the Directors	10-12
Report of the Independent Auditors	13-14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Cash Flows	17
Statement of Changes in Equity	18
Principal Accounting Policies	19 - 23
Explanatory Notes to the Financial Statements	23 - 33
Proxy	34

SAM –WOODE LIMITED**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **SAM-WOODE LIMITED** will be held at the GNAT Hall, Accra, on **28th July 2016 at 10.00am** prompt in order to transact the ordinary business of an Annual General Meeting of the Company.

Agenda

1. To receive the report of the Directors and the Financial Statements of the company for the year ended 31st December 2015 together with the report of the Directors and Auditors thereon.
2. To declare a Dividend for the year ended 31st December 2015.
3. To elect Directors in place of those retiring by rotation.
4. To approve Directors Fees.
5. To authorize the Directors to fix the remuneration of the Auditors.

Dated this 29th day of March 2016

BY ORDER OF THE BOARD

Adroit Technologies
COMPANY SECRETARY

NOTE: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A form of proxy is attached. All proxy forms should be completed and deposited at the registered Office of the Company not less than 48 hours before the time for holding the meeting.

SAM –WOODE LIMITED
CORPORATE INFORMATION

Board of Directors:	Kwesi Sam-Woode (Chairman) Jacob Kwame Kholi Collins Sam Acquah Nana Kwesi Ofori Kweku E. Sam-Woode Gladys Afarchoe Odoi Nana Abaahoma Woode
Secretary:	Adroit Technologies P. O Box DS 2339 Dansoman Estates H/No. 1 Adole Abla Link Sahara - Dansoman
Registered Office:	H/No. 1 Adole Abla Link Sahara - Dansoman
Independent Auditors:	Nexia Debrah & Co Chartered Accountants BCB Legacy House #1 Nii Amugi Avenue East Adabraka, Accra P. O. Box CT 1552 Cantonments - Accra
Registrars:	NTHC Limited Martco House Adabraka P. O Box KIA 9563 Accra
Principal Bankers:	Capital Bank Ecobank Ghana Ltd Agricultural Development Bank Ltd UniBank Ghana Ltd

SAM –WOODE LIMITED
CHAIRMAN’S STATEMENT

Fellow shareholders, Ladies and Gentlemen, on behalf of the Board of Directors and Management of Sam-Woode Limited (SWL), I heartily welcome you to the Thirteenth Annual General Meeting of our Company. We have with us officials from the Ghana Stock Exchange (GSE), Securities and Exchange Commission (SEC), NTHC Limited, Registrars of our company and SIC Financial Services, our Stock Brokers and other invited guests.

We are happy to see you at our Annual General Meeting. I now proceed to present my statement for the Annual Report of the year ended 31st December, 2015.

BUSINESS ENVIRONMENT IN 2015

The difficult business environment experienced in the past began to ease up gradually, especially with respect to the Book Industry in Ghana.

The persistent advocacy and dialogue between the Ghana Printers and Paper Converters Association (GPPCA) and the Government of Ghana about Import Duty and VAT reliefs on imported raw materials for local Book Manufacturers began to yield satisfactory results.

His Excellency the President decided that **ALL TEXT BOOKS & EXERCISE BOOKS FOR GHANAIAN SCHOOLS MUST BE PRINTED LOCALLY**. Some measures have also been put in place to ensure that this directive is strictly enforced and the necessary Import duty and VAT reliefs are to be granted to local manufacturers of books.

This is indeed good news for the Ghana Book Industry and indeed for the Economy of Ghana as well. And if Book Industry Practitioners would be allowed to **“ASK FOR MORE”** we would further entreat the Government to facilitate or otherwise encourage the establishment of **PULP AND PAPER FACTORY** in Ghana.

NEW BOOKS DEVELOPMENT, PRINTING and PUBLISHING

New Books Development

During the year 2015 our company developed 56 New Titles up to the Compact Disc (C/D) stage. Forty (40) of these titles were Text books and Story books for Basic Schools, whilst the remaining 16 Titles were core Text books for Senior High Schools developed in response to a Competitive Procurement Tender issued by the Ministry of Education. Our company heartily took part in the Tender and hopes to do very well in this highly competitive Tender.

New Books Printed and Published

Out of the 56 Titles developed, Ten (10) Titles were printed remaining 46 New Titles on C/Ds awaiting Printing. The Total number of new books printed in the year was **444,000** for the Ten new Titles.

New Books Sold

Out of the **444,000** new books printed, **416,760** books were sold by the end of the year 2015.

SWL Branded Exercise Books

Management decided to do further research into the design, production, pricing and sale of SWL – Branded Exercise Books before adding this product to our line of business. So we did not produce any New SWL Branded Exercise Books in the year 2015.

REVIEW OF THE COMPANY'S OPERATIONS IN THE YEAR 2015

Building of SWL Factory and Warehouse at Nyayano, near Kasoa

Our company completed the building of its new Warehouse, Books Printing Factory with Staff Offices on its new site at Nyayano, Kasoa in good time to receive all the Book Binding Machines and equipment that we had imported during the year. Book production at the new site expected to start in April 2016 will increase SWL'S Book Publishing Capacity tremendously.

OPERATING RESULTS

Sales Turnover for the year ended 31 December, 2015 was GH¢ 4,567,914 as against the previous year's figure of GH¢ 2,962,256.

Profit before Tax was GH¢ 1,423,718 as against the previous year's figure of GH¢ 498,067.

Profit after Tax transferred to Income Surplus Account was GH¢ 1,055,218 as against GH¢ 130,119 in the previous year's total comprehensive income.

Annual Earnings per share for the year 2015 was 4.83 Ghana Pesewas as against 0.71 Ghana Pesewas in 2014. The key dimensions are summarised below.

	2015	2014
	GH¢	GH¢
Trading (Loss)/Profits	1,394,238	(145,940)
Other Operating Income (Treasury Activities)	114,231	698,278
	-----	-----
Profit before Interest and Tax	1,508,469	552,338
Interest Expense	(84,751)	(54,271)
	-----	-----
Profit before Taxation	1,423,718	498,067
	=====	=====

DIVIDENDS

The Directors' recommend the payment of Dividends of GH¢ 0.012 per share [1.2 Ghana pesewas per share] for the 2015 Financial year amounting to GH¢ 261,937 as against GH¢ 0.004 [0.4 Ghana pesewas] per share amounting to GH¢ 87,312.00 for the 2014.

RENOUNCEABLE RIGHTS ISSUE OF SHARES

Prospectus for the Rights Issue of Equity Shares to existing Shareholders met with unexpected delays. But will still be done before the end of July 2016.

DIRECTORS

Mr. Kweku Esaah Sam-Woode and Ms. Nana Abaahoma Woode representing Sam-Woode Family on the Board retire by rotation and do not wish to be considered for reappointment. In their place the Board recommends Ms. Pamela Aba Woode and Mr. Kojo Essamuah Sam-Woode, to serve on the Board subject to the approval of this Annual General Meeting.

Our company has succeeded in finding a new Managing Director in the person of Mr. Kenneth Kofi Asamoah. The Board duly appointed Mr. Kenneth Kofi Asamoah to the position of Managing Director of SWL on 2nd July, 2015. He has successfully served his 6 months' probation.

FUTURE OUT LOOK

The future of Sam-Woode Ltd is very bright. The year 2015 was the last year in the company's five year strategic plan period. The Building structures, ICT – driven systems and other logistics the company planned to be in place by the end of the 2011 – 2015 plan - period are fully in place and we look forward to doing exceedingly well in the next plan – period of 2016 – 2020, counting on the continued support and patronage of our numerous customers in Ghana and outside Ghana with deep appreciation and gratitude.

SWL Employees and Directors have already noticed that SWL'S corporate Goal number Nine (9) has been revised to read as follows:

“SWL to become a highly admired company and work – place where the legitimate interests of Employees, Directors and Shareholders are satisfactorily addressed in the spirit of the Golden Rule.”

I greet you well, thank you and God bless us all



Kwesi Sam-Woode

Chairman

SAM –WOODE LIMITED

MANAGING DIRECTOR'S REPORT

Mr. Chairman, distinguished shareholders, ladies and gentlemen, I deem it a great honour and privilege to welcome you to the 13th Annual General Meeting after the Listing of Sam-Woode Limited.

At the last Annual general Meeting, a report on a number of projects at various stages of completion which will help increase profitability was read out. Among these were:

- The license obtained from WABP to publish Thirty-three(33) titles
- The Signed Agreement with Authors to work on a number of new titles to be added to our book list.
- The commencement of the construction of fence wall and appropriate drainage system on the Expansion Project on the company's new site at Nyanyano–Kasoa land.
- The maximization of the use of Management Information Systems to enhance business operations.

During the year under review, your company continued to work on these key projects and I am happy to inform you that, all the above listed projects were undertaken and nearing full completion.

Book Development

In the year 2015, Forty(40) new titles were completed to Compact Disc (CD) level. The breakdown is as follows:

Pre-School Books	1
Pre-Teens Readers/Storybooks	6
Lower-Teens Readers/Storybook	3
Translations into Ghanaian Languages	30
Total	<u>40</u>

To help improve reading in the local dialects, ten (10) SWL Readers were also successfully translated into three main Ghanaian Languages i.e. Akwapim Twi, Fante, and Ewe in 2014. These were timely translations as most of these translations helped us to win the tender contract with USAID/FHI for the printing of Readers for children in the country.

We intend to finish the rest of the books which will be printed this year at our nearly completed factory at Nyanyano Kasoa. This will reduce our cost of production as we shall be able to control our logistics internally.

Expansion Project:

For the year under review, the Warehouse, Press, Security Room and Office Complex are nearing completion. The water treatment plant to get portable water for use in all the facilities at the site is also nearing completion.

Electricity has also been extended to the site with the purchase of our own 200KVA step-down transformer and a Static Stabiliser Equipment to facilitate the smooth operation of the Book Production equipment that we have bought and installed at Nyanyano, Kasoa.

Digital Marketing

We are building on the efficiency of our Information Technology (IT) platform to provide our customers with greater choice and convenience. This has allowed us to strengthen and enhance the traditional method of marketing the Company's products. To this end Sam-Woode Limited introduced Digital Marketing in July 2014 to enhance and improve our customer base. It has really been a success story so far based on the fact that, the Company still made profit without using the traditional method of selling. I seize this opportunity to invite all, especially shareholders to visit SWL's interactive website "www.samwoode.com" to experience our digital platform.

Looking Ahead

Despite the intense competition in the industry, Management is focused for your Company to be at the top always. I promised we shall continue to be focused to deliver on our core mandate of growing the Company to greater heights on year on year basis. This will be done by making sure the various technology-driven programmes established in your Company work and encourage and ensure that employees make them work.

Today's ripe economic conditions, along with the growth in the Book Publishing Industry, provide us with an excellent climate for growth and development. We are concentrating on four major areas to strengthen our business performance:

- A more focused marketing strategy.
- Fortifying our high-performance culture and value system of our Company.
- Expanding our sales and marketing reach.
- Restructuring the delivery system and organisation.

With focus on these areas, I am confident about the Company's prospects in the near future.

Conclusion

I strongly believe that we enjoy a robust foundation that will support growth across all our lines of business. We have demonstrated our capabilities across products, customer segments and markets.

I intend to continue to leverage this solid platform to achieve our aspirations and deliver value to our stakeholders. During this journey, I look forward to the continuing support of our shareholders, who have reposed their faith in the Board and Management.

The confidence of you, the shareholders, has been a considerable source of strength for us at Sam-Woode Limited. As we step into a new phase of vitality, we will continue to rely on this support and confidence.

Thank you.



Kenneth K. Asamoah
(Managing Director)

**THE AUDIT SUB-COMMITTEE'S REPORT
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2015
TO SHAREHOLDERS OF SAM-WOODE LIMITED**

This is the Report of the Board Sub-Committee on Audit for the period 1st January to 31st December, 2015.

During the period under review, the Committee held several meetings at which far reaching discussions were held to evaluate your Company's financial performance and other key operational and strategic recommendations made to the full Board.

The committee also interacted with the external auditors on their audit findings and recommendations to improve internal control processes.

BUILDING PROJECT

The Sub-Committee reviewed the work of the company building project at Gomoa Nyanyano and also paid several visits at the sight to ascertain the progress made so far.

DRAFT AUDITED ACCOUNTS FOR 2015

The draft Financial Statements for the year ended December 31, 2015 was reviewed and discussed in detail and recommendations made to the Board for consideration.

MANAGEMENT ACCOUNTS

The Sub-Committee in 2015 also discussed and considered the quarterly management accounts and financial statements and made recommendations, for consideration and approval of the full Board before they were submitted to the Regulatory Authorities.

DIVIDEND

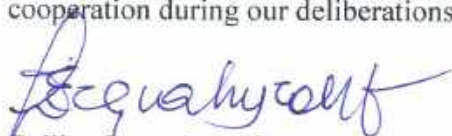
Based on the financial performance of your Company for the period ended 31st December 2015, the Committee recommended for the Board's consideration and recommendation to shareholders for approval, the declaration and payment of a final dividend of GH¢0.012per share for the 2015 financial year.

2016 ANNUAL BUDGET

The Committee reviewed management assumptions and proposals for the 2016 financial budget and made appropriate recommendations for the Board's consideration and approval.

CONCLUSION

On behalf of members of the Committee and on my own behalf, I would like to thank the Board members who are not represented on the Sub-Committee and Management for their support and cooperation during our deliberations and solicit their continued support.



Collins Sam -Acquah
(Non-Executive Director)

Chairman

24th March, 2016

**REPORT OF THE DIRECTORS
TO THE MEMBERS OF
SAM –WOODE LIMITED**

The Directors of the company have pleasure in submitting their annual report together with the Audited Financial Statements for the year ended December 31, 2015.

DIRECTORS' RESPONSIBILITY

As directors of the company, we are responsible under the Companies Act 1963 (Act 179) for preparing in respect of each financial year, Financial Statements which give a true and fair view of the state of affairs of the company, and of its Profit or Loss and Cash Flows for that year in accordance with Accounting Standards acceptable in Ghana. In preparing these financial statements we are required to select suitable accounting policies and apply them consistently, make judgments and estimates that are reasonable and prudent.

As directors, we are responsible for keeping proper books of accounts which disclose with reasonable accuracy at any time the financial position of the company. We are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularity.

To enable the board to discharge its responsibilities, management has developed and continues to maintain a system of internal controls. The board has ultimate responsibility for the system of internal controls and reviews its operation on an ongoing basis. The internal controls include a system of internal accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practices and the Company's policies and procedures.

NATURE OF BUSINESS AND STANDARDS OF ACCOUNTING

There was no change in the nature of business of the company during the year under review.

FINANCIAL RESULTS AND DIVIDEND

The results for the year are as set out in the attached detailed Financial Statements on pages 15 to 33 and summarized below:

	2015	2014
	GH¢	GH¢
Profit before tax for the year	1,423,718	498,067
From which is deducted a tax charge of	(368,500)	(704,525)
	-----	-----
Resulting in a Profit/(Loss) after tax of	1,055,218	(206,458)
To which must be added the balance brought forward on the Income Surplus Account at the beginning of the year of	210,386	171,857
Net Gain on Disinvestments	-	336,362
	-----	-----
Leaving a balance of	1,265,604	301,761
From which the following transfers were made:		
• Transfer to Research Fund	(100,000)	(10,000)
• Transfer to Dividend	(87,312)	(81,375)
	-----	-----
Leaving a balance on the Income Surplus Account To be Carried Forward of	1,078,292	210,386
	=====	=====

SAM –WOODE LIMITED

REPORT OF THE DIRECTORS CONT'D

Your directors recommend the payment of a dividend of GH¢0.012 per share amounting to GH¢261,937 (2014:GH¢87,312)

DIRECTORS

Mr. Kweku Esaah Sam-Woode and Ms. Nana Abaahoma Woode representing Sam-Woode Family on the Board retire by rotation and do not wish to be considered for reappointment. In their place the Board recommends Ms. Pamela Aba Woode and Mr. Kojo Essamuah Sam-Woode, to serve on the Board subject to the approval of this Annual General Meeting.

CORPORATE GOVERNANCE

In line with good Corporate Governance, the Board reports that the following three Committees are in place to support the work of the Board. These are Audit, Publishing and Asset and Expansion Committees.

Audit Committee

Mr. Collins Sam-Acquah (Chairman)
 Mr. Emmanuel Armah
 Mr. Kenneth Kofi Asamoah
 Mr. Emmanuel Akyerefi Nyarko

The Audit Committee is made up of four members, including two non-Executive members. The Committee meets to review the financial performance of the Company; review the internal audit functions, its mandate and audit activities; review the internal and external audit reports, particularly reports of Regulatory and Monetary Authorities and supervising the implementation of recommendations; facilitate dialogue between the Auditors and Management on the outcome of Audit Activities; propose External Auditors and their recommendation; review dividend policy and issues relating to constitution of reserves; the Quarterly, Half-yearly and Annual Financial Results before being reviewed and approved by the Board; ensure compliance with all Company's policies, all applicable Laws and Regulations and operating stands. The Committee also reviews and recommends for Board's approval major contracts, procurement and capital expenditures as well as the actual spending against budget, and extra-budgetary spending and does follow ups.

Publishing

Ms. Gladys Afarchoe Odoi (Chairman)
 Mrs Pamela Aba Woode (Vice Chairman)
 Mr. Kenneth Kofi Asamoah
 Mr. Michael Ayensu Mensah

The Publishing Committee is made up of four members of which two are non-Executive members and performs the following functions, among others:-

- Examine the appraisal Reports submitted by Management on all SWL personnel and take appropriate decisions.
- Examine and approve new Contracts,
- Examine and approve requests for Royalty payments and Commissions earned by Sales Agents and Sales Staff before payments are effected.
- Receive, study and approve proposals for New Publishing Project and Book Marketing before they are funded and implemented.

EXTERNAL AUDITORS

Your external Auditors, Messrs Nexia Debrah & Co have indicated their willingness to continue in office as External Auditors of the Company and in accordance with section 134(5) of the Companies Act, 1963 (Act 179), we recommend their continued appointment.

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.....)
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.....)

DIRECTORS

ACCRA

March 29, 2016

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
SAM WOODE LIMITED**

We have audited the financial statements on pages 15 to 33. These Financial Statements comprise the statement of financial position at 31st December 2015, the statements of comprehensive income, cash flow and changes in equity for the year then ended together with a summary of significant accounting policies and other explanatory notes set out on pages 19 to 33. We report in terms of the provisions of the Companies Act 1963 (Act 179).

Our report is made solely to the company's members, as a body, in accordance with section 133 of the Companies Act 1963 (Act 179). The purpose of our audit is to enable us to make a statement to the members of the company on those matters specifically required by law to be mentioned in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its members as a body for our audit work, our report, or the opinions we have expressed herein.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

As stated on page 10, the Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Ghana Companies Act, 1963 (Act 179). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY AND BASIS OF OPINION

Our responsibility is to express an independent opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence relating to the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's processes of preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

SAM –WOODE LIMITED
AUDITORS' REPORT CONT'D

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of Sam – Woode Limited at 31st December 2015, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) of Ghana.

Report On Other Legal Requirements

Under the Companies Act 1963 (Act 179) we are required, when carrying out our audit, to consider and report on the following matters:

- 1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- 2) In our opinion proper books of account have been kept by the Company, as far as appears from our examination of those books; and
- 3) The Company's balance sheet and profit and loss account are in agreement with the books of account.



Chartered Accountants
Practice License # ICAG/F/069
BCB Legacy House:
1 Nii Amugi Avenue
East Adabraka, Accra
P.O. Box CT 1552
Cantonments, Accra

Kwame Manu – Debrah (ICAG/P/1264)

29th March 2016
ACCRA

SAM-WOODE LIMITED

STATEMENT OF COMPREHENSIVE INCOME¹
FOR THE YEAR ENDED 31ST DECEMBER 2015

	NOTES	2015 GH¢	2014 GH¢ Restated
Turnover	3	4,567,914	2,962,256
Cost of Sales	4	(2,012,366)	(2,115,643)
Gross Profit		2,555,548	846,613
Selling and Administrative Costs	6	(1,161,310)	(992,553)
		1,394,238	(145,940)
Other Operating Income	5	114,231	698,278
Profit before Interest and Tax		1,508,469	552,338
Interest Expense		(84,751)	(54,271)
Profit before Taxation		1,423,718	498,067
Tax Charge	9(i)	(368,500)	(704,525)
Profit/(Loss) after Tax Transferred to Income Surplus Account		1,055,218	(206,458)
Other Comprehensive Income			
Net Gains in fair value of unquoted Equity investments	8	-	336,362
Total Comprehensive Income for the year		1,055,218	129,904
Basic and Diluted Earnings per Share in Ghana Pesewas		4.83	0.60

¹ Also referred to in the context of the Companies Act 1963 (Act 179) as Trading, Profit and Loss Account.

SAM-WOODE LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	2015	2014
	GH¢	GH¢
Profit/(Loss) (Before Interest and Taxes)	1,394,240	(105,123)
Add/(Less)		
Depreciation	153,918	68,728
Book Development Cost Amortised	86,252	54,933
Profit on disposal	-	(23,500)
Interest Received	114,231	657,464
Dividend Paid	(87,312)	(81,375)
Interest Paid	(84,751)	(54,271)
Tax Paid	(198,731)	(41,295)
	<u>(16,393)</u>	<u>(41,295)</u>
Net Cash Inflow from Trading Activities	1,377,847	475,561
Before Changes in Working Capital:		
Working Capital Changes		
(Increase) /Decrease in Inventories	770,250	(316,351)
Decrease/(Increase) in Receivables	(2,557,842)	(45,017)
(Decrease)/ in Trade & Other Payables	768,174	(1,398,500)
	<u>(1,019,419)</u>	<u>(1,398,500)</u>
Net Cash Inflow from Operating Activities	358,428	(1,279,807)
Investing Activities:		
Purchase of Fixed Assets	(2,054,498)	(234,682)
Text Book Development Costs	(180,209)	(124,542)
Proceeds from the sale of Fixed asset	-	23,500
Proceeds from the sale of Investment	-	405,720
	<u>(2,234,707)</u>	<u>69,996</u>
Net Cash Outflow From Investing Activities	(2,234,707)	69,996
Financing:		
Short Term Loan Received	321,618	-
Short Term Loan Re-paid	-	-
	<u>321,618</u>	<u>-</u>
Net Cash Inflow From Financing	321,618	-
Net (Decrease) / Increase in Cash and Cash Equivalents	(1,554,663)	(1,209,811)
Cash and Cash Equivalents at 1 st January	1,491,910	2,701,723
	<u>(62,753)</u>	<u>1,491,912</u>
Cash and Cash Equivalents at 31st December	(62,753)	1,491,912
Analysis of Cash and Cash Equivalent as shown in the Balance Sheet		
Cash & Bank Balance	25,966	75,229
Bank Overdraft	(580,999)	(323)
Short Term Investments	492,280	1,417,006
	<u>(62,753)</u>	<u>1,491,912</u>

SAM-WOODE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2015

	Stated Capital GH¢	Capital Surplus GH¢	Income Surplus GH¢	Total GH ¢
Balance At 1 st January, 2014	220,990	172,619	163,161	556,770
Restatement factors	-	(25,893)	8,696	(17,197)
Net Profit for the Year (2014)	-	-	129,904	129,904
Disinvestment of unquoted ordinary shares	-	(146,726)	-	(146,726)
Transfer to Research Fund	-	-	(10,000)	(10,000)
Transfer to Dividend	-	-	(81,375)	(81,375)
Balance at 31st December 2014	220,990	-	210,386	431,376
Net Profit for the Year (2015)	-	-	1,055,218	1,055,218
Transfer to Research Fund	-	-	(100,000)	(100,000)
Transfer to Dividend	-	-	(87,312)	(87,312)
Balance at 31st December 2015	220,990	-	1,078,292	1,299,282

SAM-WOODE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. THE REPORTING ENTITY

Sam - Woode Limited is incorporated in Ghana under the Companies Act 1963 (Act 179), and is domiciled in Ghana. The company is an educational publisher, printer and seller of educational books and material.

The audited financial statements of the company were authorized for issue by the Board of Directors on **29th March 2016**.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (and its interpretations adopted by the International Accounting Standards Board (IASB)) under the historical cost convention except as disclosed in the accounting policies below.

The preparation of Financial Statements under IFRS requires the use of certain critical accounting estimates, and also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 1m below.

b. Property, Plant and Equipment

Owned assets

Items of property, plant and equipment are stated at historical cost (as modified by the revaluation of certain fixed assets) less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leased assets

Leases in terms of which the company assumes in substance all the risks and rewards of ownership are classified as finance lease. The property acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated on a straight – line basis to write off the cost of each asset, or its revalued amounts, to their residual values over their estimated useful lives as follows:

Plant and Machinery	10%
Furniture and Fittings	20%
Motor Vehicle	25%
Literary Property Copyright	10%
Office Equipment	20%
Library Books and Loose Tools	50%

SAM-WOODE LIMITED

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains or losses on disposals are determined by comparing proceeds with carrying amounts and are included in the Statement of Comprehensive Income.

Subsequent costs

The company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when incurred, if it is probable that the future economic benefits expected from the item will flow to the company and the value of such economic related to the item can be measured reliably. All other costs when incurred are recognised in the statement of comprehensive income as an expense.

c. Inventories

Raw materials are valued at the lower of cost and net realisable value on the weighted average basis, and include costs incurred in acquiring the inventories and bringing them to their existing location and condition.

Work-in-progress comprises materials in the process of being converted from raw materials to finished goods. Work-in-progress is valued at the lower of cost and net realisable value on the weighted average basis. Cost includes all production overheads and the attributable proportion of indirect overhead expenses.

Finished Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of bringing the inventories to their saleable condition.

d. Trade and Other Receivables

Trade and other receivables are recognised and recorded at invoice value less any provision for impairment. A provision for impairment is made on a case by case basis when there is any evidence that the amount due will not be fully recovered at the original terms.

e. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits and other short-term highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

f. Foreign Currencies

The Company uses the Ghana Cedi (GH¢) both as a functional and reporting currency. Transactions denominated in foreign currencies are translated into Ghana Cedis (GH¢) at the exchange rates ruling at the dates of the transaction. Monetary Assets and Liabilities denominated in foreign currencies at the reporting date are translated into Ghana Cedis (GH¢) and recorded at the rates of exchange ruling at that date.

g. Trade and Other Accounts Payable

Trade and other accounts payable are stated at amortised cost, and represent obligations to pay for goods or services purchased in the ordinary course of business.

SAM-WOODE LIMITED

h. Income Tax

Tax expense comprises current and deferred tax.

Current Tax

The Company provides for income taxes at current rates on the taxable profits of the Company. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

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

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the 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 for unused tax losses, tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which 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. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or where the tax assets and liabilities will be realised simultaneously.

i Provisions

A provision is recognised in the balance sheet when a legal or constructive obligation as a result of a past transaction or event exist at the balance sheet date and the amount of the obligation can be reliably estimated and also probable that an outflow of economic resource will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

j Employee Benefits

The cost of all employee benefits is recognised during the period in which the employee renders the related service. The provisions for employee entitlements to wages, salaries, annual and sick leave represent the amount which the company has a present obligation to pay as a result of the employees' services provided to the reporting date.

The Company contributes 13.0% of qualifying employee costs to a National Pensions Scheme and the contribution is charged to the Profit and Loss Account as part of total Employee Benefit. The National Pension Scheme is a creation of law and managed by the Government of Ghana through the appropriate public and private sector entities.

SAM-WOODE LIMITED

k. Revenue Recognition

Revenue is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer excluding Value Added Tax where applicable.

Revenue is recognised upon dispatch of the products and acceptance by the customer.

No revenue is recognised if there are significant uncertainties regarding, (1) the recovery of the consideration due, (2) associated costs, (3) the possible return of goods or (4) the continuing management involvement with goods.

Other revenues earned by the Company are recognised on the following bases:

- Copyright Sales – on an accrual basis
- Investment income – when the Company's right to receive payment is established

l. Interest-Bearing Borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

m. Critical Accounting Estimates and Judgements

Estimates and judgement are continually made and evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Property, Plant and Equipment

Critical estimates are made by the Directors in determining depreciation rates for property, plant and equipment. The rates used are set out in note 1b.

Income Taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The company recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

Unquoted Equity Investments

The unquoted equity investments have been valued using the fair value basis instead of cost. This valuation is based on the audited net assets position of the investee company as at 31st December 2014, which is more than a full year out of date and hence may not represent a realistic basis for such a purpose.

SAM-WOODE LIMITED

Going Concern

The audited financial statements of the company have been presented on the going concern presumption that the company will continue in operations into the foreseeable future. The management of the company are not aware of any material uncertainties that have the potential to invalidate the presumption of a going concern.

	2015	2014
	GH¢	GH¢
3. TURNOVER		
Foreign Copy - Right Sales	276,144	136,033
Back List Sales	717,246	1,171,400
Front List Sales	3,574,524	1,654,823
	<u>4,567,914</u>	<u>2,962,256</u>
4. COST OF SALES		
Raw Materials Purchased & Consumed	21,373	18,559
Direct Production Expenses	940,556	57,581
Direct Purchases of Finished Goods	17,093	2,208,118
	<u>979,022</u>	<u>2,284,258</u>
Stock of Finished Goods at 1 st January	882,437	566,086
Stock of Finished Goods at 31 st December	(112,188)	(882,437)
	<u>1,749,271</u>	<u>1,967,907</u>
Depreciation – Machine Tools	6,321	2,960
Handling Charges	32,840	53,201
Royalties	137,682	36,642
Text Book Development Costs.	86,252	54,933
	<u>2,012,366</u>	<u>2,115,643</u>
5. OTHER OPERATING INCOME		
Profit on Disposal of Fixed Asset	-	23,500
Sundry Income	-	17,314
Interest Income	114,231	657,464
	<u>114,231</u>	<u>698,278</u>

SAM-WOODE LIMITED

	2015 GH¢	2014 GH¢
6. SELLING AND ADMINISTRATIVE COSTS		
Directors Remuneration	95,063	81,931
Audit Fees	35,000	25,000
Depreciation	147,302	65,768
Staff Costs (See Note 7)	230,913	219,266
Travelling and Transport	23,432	27,911
Donation	250	17,953
Repairs and Maintenance	68,119	78,823
Rent and Rate	25,557	34,920
Vehicle Running	57,867	56,938
Registration and Licensing	36,661	2,449
Overseas Travelling and Book Fair	4,202	58,073
Selling and Distribution Expenses	40,193	37,971
Other General and Administrative Expense	396,751	285,550
	<u>1,161,310</u>	<u>992,553</u>
7. STAFF COSTS		
Staff Remuneration	176,921	188,702
Staff Social Security	21,211	17,934
Staff Training	1,068	2,257
Staff Severance Award	26,347	3,736
Staff Medicals	5,367	6,637
	<u>230,913</u>	<u>219,266</u>
8. UNQUOTED EQUITY INVESTMENTS		

Unquoted Equity Investments represented the **fair value** of 1,380,000 ordinary shares of no par value in Afram Publications Limited which constituted 20% of the total outstanding ordinary shares of that Company. During the past year, the company disposed off these shares for a total consideration of GH¢414,000. Total cost incurred in the disinvestment process was GH¢8,280. The net gain on the disinvestment was GH¢395,720, and related Capital Gain tax at 15% was GH¢59,358.

The above fair value assessment impacted the financial statements of the company as follows:

	2015 GH¢	2014 GH¢
At Cost	-	10,000
Unrealised appreciation at reporting date	-	172,619
	<u>-</u>	<u>182,619</u>
Transfer to Disposal of Investment Account	-	(182,619)
At fair value	<u>-</u>	<u>Nil</u>

SAM-WOODE LIMITED

	2015 GH¢	2014 GH¢
Proceeds from sale of Shares	-	414,000
Transfer from unquoted equity investment	-	(182,619)
Transfer from Capital Surplus (restated)	-	146,726
Original Cost of Shares	-	(10,000)
Cost of Disinvestment	-	(8,280)
Gain on Disinvestment (restated)	-	<u>369,827</u>
Net Tax Expense (see note 9i)	-	(33,465)
Net Gain on Disinvestment	<u>-</u>	<u><u>336,362</u></u>

9. TAXATION

i) Tax Expense

Recognised in Profit and Loss

Current Tax	358,939	118,865
Deferred Tax	(2,947)	215
	<u>355,992</u>	<u>119,080</u>
Total Reconciling factor – GRA (note 9iid)	12,508	585,445
	<u><u>368,500</u></u>	<u><u>704,525</u></u>

Recognised in Other Comprehensive Income

Current Tax	-	59,358
Deferred Tax	-	(25,893)
	<u>-</u>	<u><u>33,465</u></u>

SAM-WOODE LIMITED

ii) Current Tax Position – 2015 YOA

	Balance at 1/1/2015 GH¢	Charge to P/L (other taxes) GH¢	Payments during the year GH¢	Tax Credits GH¢	Balance at 31/12/15 GH¢
(a) Corporate Tax					
Up to 2011	36,770	-	-	-	36,770
2012	(72,263)	-	-	-	(72,263)
2013	(251,385)	-	-	-	(251,385)
	<u>(286,879)</u>	-	-	-	<u>(286,878)</u>
2014	111,865	12,508	(124,373)	-	-
2015	-	358,939	(15,000)	-	343,939
	<u>(175,014)</u>	<u>371,447</u>	<u>(139,373)</u>	-	<u>57,061</u>
(b) Other Taxes					
Up to 2011	81,489	-	-	-	81,489
2012	71,649	-	-	-	71,649
2013	133,740	-	-	-	133,740
	<u>286,878</u>	-	-	-	<u>286,878</u>
(c) Capital Gain Tax					
2014	59,358	-	(59,358)	-	-
	<u>59,358</u>	-	<u>(59,358)</u>	-	-
Net Position	<u>171,222</u>	<u>371,447</u>	<u>(198,731)</u>	-	<u>343,938</u>

(d) Reconciliation with the Ghana Revenue Authority

Corporate Tax is charged at 25% (2014:25%) of chargeable Income. All tax liabilities and credits up to the YOA 2013 have been agreed with the Ghana Revenue Authority (GRA) through a final Tax Audit report dated 11th November 2014.

The said Tax Audit enabled an accurate reconciliation between the GRA and the company to the following effect:

	2015 GH¢	2014 GH¢
Net Reconciling Factor – Corporate Tax	-	267,842
Net Reconciling Factor – Other Taxes	12,508	317,603
	<u>12,508</u>	<u>585,445</u>

SAM-WOODE LIMITED

iii) Reconciliation of Effective Tax Rate

	2015 GH¢	2014 GH¢	2013 GH¢
Profit before tax	1,423,718	498,068	417,831
Income tax thereon @ 25%	355,930	124,517	104,458
Tax effect on Non-deductible expenses	38,542	11,745	18,351
Tax effect on allowance utilised	(35,533)	(17,397)	(13,779)
Corporate tax charge in P/L	358,939	118,865	109,030
Effective tax rate	25.21%	23.87 %	26.09%

iv) Movement in Deferred Tax Balances

Balance at 1 January	8,481	(17,197)	-
Deferred Tax for the period	2,947	25,678	(17,197)
Balance at 31 December	11,428	8,481	(17,197)

v) Recognised Deferred Tax Assets and Liabilities

	At 1/1/15 Net Amount GH¢	Recognised in Profit/Loss GH¢	Recognised in OCI GH¢	At 31/12/15 Net Amount GH¢	Deferred Tax Asset GH¢	Deferred Tax Liability GH¢
<u>2015 YOA</u>						
PPE	8,481	2,947	-	11,428	11,428	-
Unquoted Equity	-	-	-	-	-	-
	<u>8,481</u>	<u>2,947</u>	<u>-</u>	<u>11,428</u>	<u>11,428</u>	<u>-</u>
<u>2014 YOA</u>						
PPE	8,696	(215)	-	8,481	8,481	-
Unquoted Equity	(25,893)	-	25,893	-	-	-
	<u>(17,197)</u>	<u>(215)</u>	<u>25,893</u>	<u>8,481</u>	<u>8,481</u>	<u>-</u>

The amount of deferred tax assets/liabilities recognised directly into equity at the beginning of 2014 amounted to GH¢17,197. This amount has been restated in order to make prior period reported figures consistent with current financial reporting presentation.

SAM-WOODE LIMITED

10. PROPERTY, PLANT & EQUIPMENT

	Freehold Land GH¢	Plant & Mach. GH¢	Furn. & Equip't GH¢	Literary Property Copy't GH¢	Library Books GH¢	Motor Vehicle GH¢	Loose Tools GH¢	Total GH¢
Cost								
At /01/01/15	300,449	53,205	222,536	21,382	3,538	221,773	25,985	848,868
Additions	797,479	897,713	82,106	-	-	277,200	-	2,054,498
Disposal	-	-	-	-	-	-	-	-
At 31/12/15	1,097,928	950,918	304,642	21,382	3,538	498,973	25,985	2,903,366
Depreciation								
At 1/1/15	-	28,831	147,233	21,382	3,537	152,954	24,690	378,627
Charges	-	5,321	46,363	-	-	100,939	1,295	153,918
Disposal	-	-	-	-	-	-	-	-
At 31/12/15	-	34,152	193,596	21,382	3,537	253,893	25,985	532,545
Net Book Value								
At 31/12/15	1,097,928	916,766	111,046	-	1	245,080	-	2,370,821
At 31/12/14	300,449	24,374	75,303	-	1	68,819	1,295	470,241

Depreciation has been apportioned in the financial statements as follows:

	2015 GH¢	2014 GH¢
Cost of Sales	6,616	2,960
Selling, Administrative and General Expenses	147,302	65,768
	153,918	68,728

11. RESEARCH FUND

At January 1 st	88,109	78,109
Transferred from Income Surplus	100,000	10,000
At December 31st	188,109	88,109

The Company has a policy of making appropriations from Retained Earnings to support its research agenda. The amount of transfer this year was GH¢100,000 (2014: GH¢10,000).

SAM-WOODE LIMITED

	2015 GH¢	2014 GH¢
12. TRADE & OTHER PAYABLES		
Clients' Deposit	7,339	7,339
Directors' Current Account	13,079	-
Accruals	104,893	99,253
Sundry Creditors	55,529	41,183
Royalty Payable (Note 14)	15,669	34,605
Trade Creditors	3,488,349	2,734,303
	<u>3,684,858</u>	<u>2,916,683</u>
13. TRADE AND OTHER RECEIVABLE		
Academy press Limited	85	85
SWL Nigeria incorporation	1,176	1,176
Sundry Debtors	202,189	157,680
Staff Debtors	408	1,716
Royalty Advances	16,912	6,512
Prepayment	26,804	47,237
West Africa Book Publishers	79,053	79,053
Trade Debtors	2,820,736	296,063
	<u>3,147,363</u>	<u>589,522</u>
14. ROYALTIES PAYABLE		
Balance at 1 st January	34,605	99,611
Accrued to Cost of Sales	137,682	15,541
	<u>172,287</u>	<u>115,152</u>
Payments in the year	(156,618)	(80,547)
Balance at 31 st December	<u>15,669</u>	<u>34,605</u>

The payment of Royalty is subject to a withholding tax of 10% at the point of payment

15. BANK FACILITY

The Company has an overdraft facility of GH¢500,000 available from its bankers. The facility is secured by the assignment of sales proceeds, receivables and stocks as well as a legal mortgage over two residential property located in the city of Accra.

At the reporting date, the company's cash book showed an over utilization of the facility by GH¢80,999 (2014: NA) and the net reconciliation difference between the company and the bank amounted to GH¢107,412 in favour of the company.

SAM-WOODE LIMITED

	2015 GH¢	2014 GH¢
16. INVENTORIES		
Finished Goods	112,188	882,437
	<u>112,188</u>	<u>882,437</u>

17. DIVIDENDS PAYABLE

Balance at 1 st January, 2015	-	-
Final Dividends declared during the year	87,312	81,375
	<u>87,312</u>	<u>81,375</u>
Dividends paid during the Year	(87,312)	(81,375)
	<u>-</u>	<u>-</u>

The payment of dividend is subject to withholding tax at the rate of 8%.

18. TEXT BOOK DEVELOPMENT COST

Balance 1 st January 2015	164,800	95,191
Additions to cost	180,209	124,542
	<u>345,009</u>	<u>219,733</u>
Write-Offs	(86,252)	(54,933)
	<u>258,757</u>	<u>164,800</u>

Text Book Development Costs are incurred in the process of developing new text books and concepts. The amount is amortised on the basis of the first 20,000 copies sold out or four (4) years whichever occurs earlier.

19. CAPITAL SURPLUS

	2015 GH¢	2014 GH¢
Balance at Beginning	-	172,619
Restatement due to Deferred Tax iro 2012 & 2013	-	(25,893)
	<u>-</u>	<u>-</u>
Restated Balance	-	146,726
Transfer to Investment Disposal Account	-	(146,726)
	<u>-</u>	<u>-</u>

SAM-WOODE LIMITED

20. STATED CAPITAL

	2015		2014	
	No. of Shares	Proceeds GH¢	No. of Shares	Proceeds GH¢
Authorised:	'000'		'000'	
Ordinary Shares of no par value	1,000,000	-	100,000	-
Preference Shares	500,000	-	50,000	-
	-----	----	-----	----
	1,500,000	-	150,000	-
	=====	=====	=====	=====
Issued:				
Ordinary Shares issued:				
For Cash Consideration	21,828,035	220,990	21,828,035	220,990
	=====	=====	=====	=====

There is no unpaid liability on any shares. There are no calls or instalments unpaid, and there are no treasury shares held. No Preference Shares have been issued. Further details on the shareholding structure are provided per **note 26**.

21. INCOME SURPLUS

Balance at 1 st January	210,386	163,161
Restatement due to Deferred Tax - 2012 and 2013	-	8,696
	-----	-----
Restated Balance	210,386	171,857
Profit After Tax Transferred from Profit and Loss Account	1,055,218	129,904
Transfer to Research Fund	(100,000)	(10,000)
Transfer to Dividend	(87,312)	(81,375)
	-----	-----
Balance at 31st December	1,078,292	210,386
	=====	=====

22. EARNINGS PER SHARE

Basic Earnings per Share (EPS) is calculated by dividing the profit after tax for the year attributable to equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

	2015 GH¢	2014 GH¢
Profit attributable to Ordinary Shareholders	1,055,218	129,904
	=====	=====
Weighted Average number of ordinary shares	21,828,035	21,828,035
	=====	=====
Basic Earnings per Share (in Ghana Pesewas)	4.83	0.60

(**Note:** The company had no category of dilutive potential ordinary shares at both reporting dates. The diluted earnings per share is therefore the same as the basic earnings per share.)

SAM-WOODE LIMITED

23. CAPITAL COMMITMENTS

There were no capital commitments not provided for in the Financial Statement at the Reporting dates.

24. COMPARATIVE INFORMATION

For comparative purposes, the impact of new and amended standards on accounting balances brought forward from the previous year has been reflected as far as possible by restating, re-aligning, re-arranging or reclassifying those balances wherever necessary.

25. SEGMENTAL REPORTING

The operating activities of the company are managed as one business unit with no distinctive operating segments. Consequently, no information is available or presented on segmental reporting

26. SHAREHOLDING STRUCTURE

(i) Directors Shareholding:

The Directors named below held the following number of shares in the Company as at 31st December 2015.

	# of Shares	% Holding
1.Gladys Afarchoe Odoi (Ms)	24,000	0.11%
2. Ackerson George Lord Kofi	24,390	0.11%
3.Kweku Sam – Woode	224,000	1.03%
4.Nana Abaahoma Woode (Ms)	1,047,326	4.80%
5.Kwesi Sam – Woode	5,400,000	24.74%
	<u>6,719,716</u>	<u>30.67%</u>

(ii) Number of Shares Outstanding

Earnings and dividend per share are based on 21,828,035 (2014; 21,828,035) ordinary shares outstanding.

(iii) Number of Shareholders

The Company had 677 ordinary shareholders as at 31st December 2015 distributed as follows:-

Category of Holdings	No. of Shareholders	Total Holding	% Holding
Less than 1,000	454	218,382	1.00
1,000 to 5,000	110	305,679	1.40
5,001 to 10,000	24	206,662	0.95
Over 10,000	78	21,097,312	96.65
	<u>666</u>	<u>21,828,035</u>	<u>100.00</u>

SAM-WOODE LIMITED(iv) List of twenty largest shareholders as at 31st December 2015

	No. of Shares	% Holding
1. Sam – Woode Kwesi	5,400,000	24.74
2. Carson Naomi Hendrick	3,378,600	15.48
3. Teachers’ Fund	3,274,205	15.00
4. NTHC/ Ghana Cocoa Coffee and Sheanuts Farmers	2,000,000	9.16
5. NTHC Limited	1,591,807	7.29
6. Woode Nana Abaahoma	1,047,326	4.80
7. Woode Pamela Aba	1,010,126	4.63
8. Acheampong Yaw Gyamfi	425,324	1.95
9. Oguuah Richard K.	299,920	1.37
10. Woode Ekuu Esaawa	253,024	1.16
11. Sam – Woode Kweku Esaah	224,000	1.03
12. Abban Elizabeth	169,620	0.78
13. Abosi-Apeadu Peter Kwame	163,600	0.75
14. Okine Robert Garshong A.	100,000	0.46
15. Esuman – Gwira Wilhelmina (Mrs)	100,000	0.46
16. Obiri Francis Sampson	94,000	0.43
17. Ofori Daniel	64,612	0.30
18. NTHC Clients A/C	63,965	0.29
19. Appiah Samuel	62,546	0.29
20. Sam-Woode Nana Kodwo Anaku	58,326	0.27
	-----	-----
	19,780,201	90.62
Others	2,047,834	9.38
	-----	-----
	21,828,035	100
	=====	=====

SAM-WOODE LIMITED

PROXY AUTHORISATION

I /We _____ of _____

being a member (s) of Sam-Woode Limited hereby appoint

_____ of _____ or failing

him/her the Chairman of the meeting to be my/our proxy to vote on my/our behalf at the Annual General meeting of the Company to be held on the 28th day of July 2015 and at any adjournment thereof.

Signed the _____ day of _____ 2016

Signature of Shareholder(s) _____

**REPORT OF THE AUDITORS
TO THE MEMBERS OF
SAM WOODE LIMITED**

We have audited the financial statements on pages 15 to 33. These Financial Statements comprise the statement of financial position at 31st December 2015, the statements of comprehensive income, cash flow and changes in equity for the year then ended together with a summary of significant accounting policies and other explanatory notes set out on pages 19 to 33. We report in terms of the provisions of the Companies Act 1963 (Act 179).

Our report is made solely to the company's members, as a body, in accordance with section 133 of the Companies Act 1963 (Act 179). The purpose of our audit is to enable us to make a statement to the members of the company on those matters specifically required by law to be mentioned in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its members as a body for our audit work, our report, or the opinions we have expressed herein.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

As stated on page 10, the Directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and the requirements of the Ghana Companies Act, 1963 (Act 179). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY AND BASIS OF OPINION

Our responsibility is to express an independent opinion on these Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence relating to the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's processes of preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

SAM –WOODE LIMITED
AUDITORS' REPORT CONT'D

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the financial position of Sam – Woode Limited at 31st December 2015, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and in the manner required by the Companies Act, 1963 (Act 179) of Ghana.

Report On Other Legal Requirements

Under the Companies Act 1963 (Act 179) we are required, when carrying out our audit, to consider and report on the following matters:

- 1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- 2) In our opinion proper books of account have been kept by the Company, as far as appears from our examination of those books; and
- 3) The Company's balance sheet and profit and loss account are in agreement with the books of account.



Chartered Accountants
Practice License # ICAG/F/069
BCB Legacy House:
1 Nii Amugi Avenue
East Adabraka, Accra
P.O. Box CT 1552
Cantonments, Accra

Kwame Manu – Debrah (ICAG/P/1264)

29th March 2016
ACCRA

SAM-WOODE LIMITED

STATEMENT OF COMPREHENSIVE INCOME¹
FOR THE YEAR ENDED 31ST DECEMBER 2015

	NOTES	2015 GH¢	2014 GH¢ Restated
Turnover	3	4,567,914	2,962,256
Cost of Sales	4	(2,012,366)	(2,115,643)
Gross Profit		2,555,548	846,613
Selling and Administrative Costs	6	(1,161,310)	(992,553)
		1,394,238	(145,940)
Other Operating Income	5	114,231	698,278
Profit before Interest and Tax		1,508,469	552,338
Interest Expense		(84,751)	(54,271)
Profit before Taxation		1,423,718	498,067
Tax Charge	9(i)	(368,500)	(704,525)
Profit/(Loss) after Tax Transferred to Income Surplus Account		1,055,218	(206,458)
Other Comprehensive Income			
Net Gains in fair value of unquoted Equity investments	8	-	336,362
Total Comprehensive Income for the year		1,055,218	129,904
Basic and Diluted Earnings per Share in Ghana Pesewas		4.83	0.60

¹ Also referred to in the context of the Companies Act 1963 (Act 179) as Trading, Profit and Loss Account.

SAM-WOODE LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	2015	2014
	GH¢	GH¢
Profit/(Loss) (Before Interest and Taxes)	1,394,240	(105,123)
Add/(Less)		
Depreciation	153,918	68,728
Book Development Cost Amortised	86,252	54,933
Profit on disposal	-	(23,500)
Interest Received	114,231	657,464
Dividend Paid	(87,312)	(81,375)
Interest Paid	(84,751)	(54,271)
Tax Paid	(198,731)	(41,295)
	<u>(16,393)</u>	<u>(41,295)</u>
Net Cash Inflow from Trading Activities	1,377,847	475,561
Before Changes in Working Capital:		
Working Capital Changes		
(Increase) /Decrease in Inventories	770,250	(316,351)
Decrease/(Increase) in Receivables	(2,557,842)	(45,017)
(Decrease)/ in Trade & Other Payables	768,174	(1,398,500)
	<u>(1,019,419)</u>	<u>(1,398,500)</u>
Net Cash Inflow from Operating Activities	358,428	(1,279,807)
Investing Activities:		
Purchase of Fixed Assets	(2,054,498)	(234,682)
Text Book Development Costs	(180,209)	(124,542)
Proceeds from the sale of Fixed asset	-	23,500
Proceeds from the sale of Investment	-	405,720
	<u>(2,234,707)</u>	<u>69,996</u>
Net Cash Outflow From Investing Activities	(2,234,707)	69,996
Financing:		
Short Term Loan Received	321,618	-
Short Term Loan Re-paid	-	-
	<u>321,618</u>	<u>-</u>
Net Cash Inflow From Financing	321,618	-
Net (Decrease) / Increase in Cash and Cash Equivalents	(1,554,663)	(1,209,811)
Cash and Cash Equivalents at 1 st January	1,491,910	2,701,723
	<u>(62,753)</u>	<u>1,491,912</u>
Cash and Cash Equivalents at 31st December	(62,753)	1,491,912
Analysis of Cash and Cash Equivalent as shown in the Balance Sheet		
Cash & Bank Balance	25,966	75,229
Bank Overdraft	(580,999)	(323)
Short Term Investments	492,280	1,417,006
	<u>(62,753)</u>	<u>1,491,912</u>

SAM-WOODE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2015

	Stated Capital GH¢	Capital Surplus GH¢	Income Surplus GH¢	Total GH ¢
Balance At 1 st January, 2014	220,990	172,619	163,161	556,770
Restatement factors	-	(25,893)	8,696	(17,197)
Net Profit for the Year (2014)	-	-	129,904	129,904
Disinvestment of unquoted ordinary shares	-	(146,726)	-	(146,726)
Transfer to Research Fund	-	-	(10,000)	(10,000)
Transfer to Dividend	-	-	(81,375)	(81,375)
Balance at 31st December 2014	220,990	-	210,386	431,376
Net Profit for the Year (2015)	-	-	1,055,218	1,055,218
Transfer to Research Fund	-	-	(100,000)	(100,000)
Transfer to Dividend	-	-	(87,312)	(87,312)
Balance at 31st December 2015	220,990	-	1,078,292	1,299,282