



GHANA STOCK EXCHANGE

PRESS RELEASE

PR. No 084/2010

**SAM-WOODE LIMITED (SWL) –
FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 2009
AND NOTICE OF ANNUAL GENERAL MEETING**

Results

SWL has released its audited Financial Statements for the year ended December 31, 2009, as per the extracts attached.

Annual General Meeting

The Company's Annual General Meeting will be held at **GNAT Hall, Accra** on **Thursday, August 12, 2010** at **10 am**.

Issued at Accra, this 7th
day of April, 2010.

- E N D -

att'd.

Distribution:

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

*JB



SAM – WOODE LIMITED

ANNUAL REPORTS AND FINANCIAL STATEMENTS

31ST DECEMBER 2009

SAM –WOODE LIMITED
REPORTS AND FINANCIAL STATEMENTS

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

NOTICE IS HEREBY GIVEN that the Annual General Meeting of **SAM-WOODE LTD.** will be held at the GNAT Hall, Accra, on **12th August 2010 at 10am** 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 2009 together with the report of the Directors and Auditors thereon.
2. To declare a Dividend for the year ended 31st December, 2009.
3. To re-elect Directors retiring by rotation.
4. To approve Directors Fees.
5. To authorize the Directors to fix the remuneration of the Auditors.
6. To consider and if thought fit, pass a special resolution to alter the authorised business of the company (see enclosed).

Dated this 30th. Day of March, 2010

BY ORDER OF THE BOARD

COLLINS SAM-ACQUAH
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)
Richard Kobina Oguaah (Resigned 15/01/2010)
Jacob Kwame Kholi
Nana Erhuma Kpanyinli VI (Resigned 29/10/2009)
Ransford Emmanuel Nii Armah Okine (Deceased)
Collins Sam Acquah
Pamela Aba Woode
Nana Kwesi Ofori (Appointed 12/11/2009)

Secretary:

Collins Sam Acquah
P. O. Box AN 12719
Accra New Town

Registered Office:

Hse No. 1 Adole Abla Link
Sahara - Dansoman

Auditors:

Nexia Debrah & Co
Chartered Accountants
BCB Legacy House
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:

Agricultural Development Bank Ltd
Ecobank Ghana Ltd
uniBank Ghana Ltd

STATEMENT BY THE CHAIRMAN

INTRODUCTION

On behalf of the Board of Directors, I warmly welcome you, distinguished shareholders to the seventh Annual General Meeting of your company, since its listing on the Ghana Stock Exchange in April 2002. I also welcome officials from the Ghana Stock Exchange, the Securities and Exchange Commission, corporate supporters and ladies and gentlemen of the press.

The year 2009 came with its challenges owing to low local and export demands for manufactured goods and lack of credit to grow businesses. The situation was very challenging for us since payments due to Sam-Woode Limited from the Ministry of Education for books supplied were unduly delayed during the year 2009.

REVIEW OF OPERATIONS

Your company was unable to participate in two government tenders due to lack of funds. We were however able to complete a co-publishing project on ICT books with a foreign publisher for which we had a good order.

New Titles:

Your company has intensified its New Book Development programme and has added the following new titles to its active stock list:

Core Textbooks

- Citizenship Education for Primary Schools Books 4 to 6
- Social Studies for Junior High Schools Books 1 to 3
- Integrated Science for Junior High School Books 1 to 3
- SWL ICT for Primary Schools Pupil's Books 1 to 6 (incl. CD-ROM)
- Basic Design and Technology for Junior High Schools Volumes 1– IV
- Social Studies for Senior High Schools
- Core Mathematics for Senior High Schools

Supplementary Textbooks

- SWL Comprehensive Study Guide in English Books 1 & 2
- Elementary Statistics for Tertiary Schools

Fiction and Non-Fiction Readers

- Who am I?
- SWL (Red Book 1) Exams Time
- SWL (Red Book 2) Travel and See
- SWL (Red Book 3) Differently Able
- Adventures of Osopo Vols. I & II
- Ananse and the Magic Drum

Pre-School Books

- SWL Colouring Book 1
- SWL Colouring Book 2
- SWL Colouring Book 3

OPERATING RESULTS FOR THE YEAR

Turnover for the full year 2009 totalled GH¢2,689,099 which was 19.37% or GH¢436,411 above same period prior year. The Open market sales was about 10% (2008 – 13%) with the balance contributed by the Ministry of Education. The full year ending 31st December, 2009 profit after tax was GH¢313,655 representing 70.02% or GH¢ 129,181 over prior year.

Earnings per share was GH¢ 0.0144 up from prior year's GH¢0.0085. Shareholder Funds also improved from last year from GH¢368,807 or 54.10% to GH¢ 568,322

DIVIDEND 2009

The board recommends to shareholders to approve a dividend of GH¢ 0.0060 per share, up 20% from prior year 2008 level of GH¢ 0.0050 per share.

OUTLOOK FOR THE FUTURE

Marketing:

The company has put in place an enhanced marketing programme to help increase its open market sales. The program include:

- Sales points in regional capitals (these include Supermarkets, Gift shops, Transport Terminals, Marts, Shopping Malls etc)
- Expansion into the SHS market

Book Development:

The Editorial department has put together a programme to develop Sixty-two titles in the year 2010, comprising;

- Fifteen Textbooks for Primary Schools
- Nine Textbooks for Junior High Schools
- Seventeen Textbook for Senior High Schools
- Twenty-one Fiction and non-fiction Readers/Storybooks for children and teenagers

This programme is meant to improve our open market sales.

Printing Press:

Your company intends to set up a printing press in collaboration with a foreign partner. Negotiations are going on and we hope to start the project by the year 2011 after all due processes have been followed.

DIRECTORS

We regret to announce the sudden passing away of Mr. R.E.N.A. Okine who was a member of the Board of Directors and Chairman of the Audit Sub Committee of the Board.

Earlier in the year Mr. R. K. Oguaah resigned from the Board of Directors. Directors are currently engaged in reviewing the Long Term strategic plan for the years 2010 to 2015 and want to hold down any new appointments to the Board until the strategic plan has been put in place.

RE APPOINTMENTS

In accordance with company's regulations required by the Company's code, 1963 Act179, the Board recommends to you for reappointment, Mr. Jacob Kholi and Mr. Collins Sam-Acquah who retire by rotation and being eligible have expressed their willingness to continue to serve on the Board.

MANAGEMENT CHANGES

This AGM covers events of the year 2009, however it is being held in the year 2010 so it is worthwhile to apprise shareholders of some recent changes in the management of the company. The Executive Chairman is on leave prior to retirement as Managing Director/CEO of the company. Therefore he became a Non-Executive Chairman of the company since 1st February 2010. Ms. Nana Abaahoma Woode, the erstwhile Marketing Manager has been appointed by the Board to Act as CEO until a substantive CEO/Managing Director is appointed.

STAFF

On behalf of the shareholders and on my own, I wish to express our appreciation to our staff who have continued to be with the company through these difficult times.

CONCLUSION

Your company is working assiduously to meet new challenges. The year 2010 will be especially challenging on many fronts but we hope to face them all and achieve success.

On behalf of the board of Directors, I express my gratitude to you our esteemed shareholders, for the continued support and confidence you have placed in us.

Thank you very much.

Mr. Kwesi Sam-Woode
(Chairman)

THE AUDIT SUB-COMMITTEE'S SUMMARY REPORT TO SHAREHOLDERS AS AT 31ST DECEMBER, 2009.

This is the report of the Audit sub-Committee for the period 1st January through to 31st December 2009. There was no change in the objects of the Company during the year under review.

The Audit Sub-Committee held four meeting during this period. An additional meeting was also held in January to evaluate the Company's performance for the financial year under reference. It was also with the view to ensuring that the External Auditors complete their work on time for submission to the Securities & Exchange Commission (SEC) and The Ghana Stock Exchange (GSE).

Matters Discussed

The Audit Sub-Committee discussed the following matters:

Draft Accounts for 2008

The draft accounts for the year ended December 31st 2008 were discussed in detailed during the first meeting of the Audit Sub Committee in January 2009. The purpose among others was to agree on the key issues and have the draft accounts ready for Audit by the External Auditors.

Management Accounts 2009

The First Quarter, the Half year and the Third Quarter and Full Year Management Accounts for the year 2009 were analysed at the respective meetings. Thorough discussions and critical analyses of the Management Accounts for the year under review were also made for the preparation of this Financial Statements and Annual Report.

Dividend 2009

The Company performed better compared to the 2008 Audited financial Account in terms of Profit after Tax, and in spite of the financial challenges, the Audit Sub-Committee recommended to the board, the payment of dividend of Gh¢0.0060 per share.

2010 Annual Budget

The 2010 annual Budget was discussed and recommendations made for finalisation and implementation by Management.

Statutory Requirement

All statutory reports for the year were duly submitted to both the Securities & Exchange Commission (SEC) and the Ghana Stock Exchange (GSE).

Conclusion

The Company continued to sustain its operations during the period under review and it is expected that its business will continue to experience steady growth in the years ahead. This will evident itself in the continued payment of approved dividends to shareholders.

JACOB KHOLI

(NON-EXECUTIVE DIRECTOR)

CHAIRMAN

31st March 2010

**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, 2009.

DIRECTORS' RESPONSIBILITY

As directors of the company, we are responsible under the Companies Code 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.

The Company continues to prepare its Financial Statements in accordance with the International Financial Reporting Standard (IFRS).

FINANCIAL RESULTS AND DIVIDEND

The results for the year are as set out in the attached detailed Financial Statements on pages 7 to 14 and summarized below:

	2009	2008
	GH¢	GH¢
Profit before tax for the year	420,372	251,331
From which is deducted a tax charge of	(106,717)	(66,857)
	-----	-----
Resulting in a Profit after tax of	313,655	184,474
To which must be added the balance brought forward on the Income Surplus Account at the beginning of the year of	368,807	272,280
	-----	-----
Leaving a balance From which the following transfers were made:	682,462	456,754
• Transfer to Research Fund	(5,000)	(5,000)
• 2008 Dividends Declared at GH¢0.0050 per Share	(109,140)	(82,947)
	-----	-----
Leaving a balance on the Income Surplus Account To be Carried Forward of	568,322	368,807
	=====	=====

SAM –WOODE LIMITED

REPORT OF THE DIRECTORS CONT'D

The directors recommend the payment of a dividend of GH¢0.0060 per share for the year (2008: GH¢0.0050 per share).

DIRECTORS

In accordance with Section 298 of the Companies Code 1963 (Act 179), the following Directors retire by rotation and being eligible offer themselves for re-election. They are

- 1. Jacob Kwame Kholi
- 2. Collins Sam-Acquah

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 Code, 1963 (Act 179), we recommend their continued appointment.

.....)
)
) DIRECTORS
)
 ACCRA.

....., 2010.



REPORT OF THE AUDITORS TO THE MEMBERS OF SAM WOODE LIMITED

We have audited the financial statements on pages 12 to 25. These financial statements comprise the Balance Sheet as at 31st December 2009, the Profit and Loss Account, the Statement of Changes in Equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory notes set out on pages 16 to 25. We report in accordance with the provisions of the Companies Code 1963 (Act 179).

Our report is made solely to the company's members, as a body, in accordance with section 133 of the Companies Code 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 3, the directors are responsible for the preparation and fair presentation of these financial statements in accordance with Accounting Standards acceptable in Ghana and the requirements of the Ghana Companies Code, 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 misstatement, 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 for 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.

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

AUDITORS' REPORT CONT'D**OPINION**

In our opinion, the financial statements give a true and fair view of the financial position of Sam Woode Limited at 31 December 2009, 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 Code, 1963 (Act 179) of Ghana.

Report On Other Legal Requirements

- (a) Under the Companies Code 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.

Nexia Debrah & Co
(Chartered Accountants)
BCB Legacy House
Nii Amugi Avenue
East Adabraka, Accra
P.O.Box CT 1552
Cantonments, Accra

..... 2010.
ACCRA

SAM-WOODE LIMITED
TRADING, PROFIT AND LOSS ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2009

	NOTES	2009 GH¢	2008 GH¢
TURNOVER	2	2,689,099	2,252,688
Cost of Sales	8	(1,632,910)	(1,330,115)
Gross Profit		----- 1,056,189	----- 922,573
Selling, Administrative and General Expenses (Schedule I)		(459,312)	(549,646)
		----- 596,877	----- 372,927
Other Operating Income	4	71,216	42,750
		----- 668,093	----- 415,677
Interest Expense		(247,721)	(164,346)
Profit before Taxation	3	420,372	251,331
Tax Charge	6	(106,717)	(66,857)
Profit After Tax Transferred to Income Surplus Account		----- 313,655 =====	----- 184,474 =====

INCOME SURPLUS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2009

	2009 GH¢	2008 GH¢
Balance at 1 st January	368,807	272,280
Profit After Tax Transferred From Profit and Loss Account	313,655	184,474
Transferred to Research Fund	(5,000)	(5,000)
2008 Dividends Declared at GH¢0.005 per Share	(109,140)	(82,947)
Balance at 31 st December	----- 568,322 =====	----- 368,807 =====

SAM-WOODE LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2009

	2009	2008
	GH¢	GH¢
Profit (Before Interest and Taxes)	659,532	408,156
Add/(Less)		
Depreciation	49,544	39,124
Book Development Cost Amortised	16,940	112,123
Profit on Disposal	(2,276)	-
Interest Received	302	7,521
Dividend Received	8,260	-
Dividend Paid	(11,000)	(71,203)
Interest Paid	(247,721)	(164,346)
Tax Paid	(73,378)	(10,000)
	-----	-----
Net Cash Inflow from Trading Activities	(259,331)	-----
Before Changes in Working Capital	400,201	321,375
Working Capital Changes		
Decrease / (Increase) in Inventories	93,725	120,923
(Increase) in Receivables	(433,794)	(972,560)
(Decrease)/Increase in Trade & Other Payables	(13,491)	233,584
	-----	-----
Net Cash Inflow From Operating Activities	46,641	(296,678)
Investing Activities:		
Purchase of Fixed Assets	(29,349)	(39,527)
Text Book Development Costs	(70,682)	(87,161)
Proceeds from Sale of Fixed Asset	2,276	-
	-----	-----
Net Cash Outflow From Investing Activities	(97,755)	(126,688)
	-----	-----
	(51,114)	(423,366)
Financing:		
Finance Lease for Motor Vehicle	-	-
Finance Lease Rentals Paid	(9,454)	(10,594)
Short Term Loan Received	16,492	213,000
Short Term Loan Re-paid	-	(151,500)
Medium Term Loan Re-paid	-	-
Medium Term Loan Received	40,311	317,489
	-----	-----
Net Cash Inflow From Financing	47,349	368,395
	-----	-----
Net (Decrease) / Increase in Cash and Cash Equivalents	(3,765)	(54,971)
Cash and Cash Equivalents at 1 st January	(55,846)	(875)
	-----	-----
Cash and Cash Equivalents at 31 st December	(59,611)	(55,846)
	=====	=====
Analysis Of Cash And Cash		
Equivalent As shown in the Balance Sheet		
Cash & Bank Balance	6,391	1,598
Bank Overdraft	(94,402)	(57,444)
Short Term Investments	28,400	-
	-----	-----
	(59,611)	(55,846)
	=====	=====

SAM-WOODE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2009**

	Stated Capital	Income Surplus	Total
	GH ¢	GH ¢	GH ¢
Balance At 1 st January, 2008	220,990	272,280	493,270
Transfer to research Fund (2008)	-	(5,000)	(5,000)
Net Profit For The Year (2008)	-	184,474	184, 474
Dividends Declared in respect of Previous Year	-	(82,947)	(82,947)
	-----	-----	-----
Balance At 1 st January, 2009	220,990	368,807	589,797
Transfer to Research Fund	-	(5,000)	(5,000)
Net Profit For The Year (2009)	-	313,655	313,655
Dividends Declared in respect of Previous Year	-	(109,140)	(109,140)
	-----	-----	-----
Balance At 31st December, 2009	220,990	568,322	789,312
	=====	=====	=====

SAM-WOODE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009.**

1. 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.

Finance lease is in respect of the acquisition of one Motor Vehicle in 2007.

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	50%
Loose Tools	50%

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

SAM-WOODE LIMITED

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 cost of the item can be measured reliably. All other costs when incurred are recognised in the income statement 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 cost 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. Trade and Other Payables

Trade and other payables are stated at cost.

g. Foreign Currencies

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

h. Income Tax

Income tax comprises current tax and is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

SAM-WOODE LIMITED

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. Short-term Employee Benefits

The cost of all short term 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 employees' services provided to the balance sheet date.

The Company contributes 12.5% of qualifying employee costs to the Social Security and National Insurance Trust (SSNIT) and the contribution is charged to the Profit and Loss Account as part of total Employee Benefit. The Trust is a creation of law and managed by the Government of Ghana.

k. Revenue Recognition

Revenue is recognised in the income statement 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.

SAM-WOODE LIMITED

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 and deferred income tax provisions in the period in which such determination is made.

	2009	2008
	GH¢	GH¢
2. TURNOVER		
Sales	2,689,099	2,258,039
	=====	=====
3. PROFIT BEFORE TAX is stated after charging:		
Directors Remuneration	64,467	63,850
Audit Fees	12,000	9,412
Depreciation	61,602	39,124
Interest & Finance Cost	214,168	164,346
Royalties	119,267	204,005
	=====	=====
4. OTHER OPERATING INCOME		
Interest Income	302	7,521
Profit on Disposal of Fixed Assets	2,276	-
Dividend Received (Net of Dividend Tax)	8,260	-
Sundry Income	26,751	807
Copyright Sales	33,627	34,422
	-----	-----
	71,216	42,750
	=====	=====
5. INVENTORIES		
Finished Goods	283,185	376,910
	-----	-----
	283,185	376,910
	=====	=====

SAM-WOODE LIMITED

6. TAXATION

	Balance at 1/1/2009 GH¢	Charge to P/L (other taxes) GH¢	Payments during the year GH¢	Tax Credits GH¢	Balance at 31/12/09 GH¢
Corporate Tax					
2002	8,512	-	-	-	8,512
2003	(12,328)	-	-	-	(12,328)
2004	(4,500)	-	-	-	(4,500)
2005	3,288	-	-	-	3,288
2006	(55,184)	-	-	-	(55,184)
2007	31,015	-	-	-	31,015
2008	56,857	-	-	-	56,857
2009	-	106,717	(10,000)	(63,378)	33,339
	-----	-----	-----	-----	-----
	27,660	106,717	(10,000)	(63,378)	60,999
NRL	3,264	-	-	-	3,264
IFRS – Adj.	306	-	-	-	306
	-----	-----	-----	-----	-----
	31,230	106,717	(10,000)	(63,378)	64,569
	=====	=====	=====	=====	=====

Corporate tax is charged at 25% of chargeable income (2008:25%). All tax issues and liabilities are subject to the agreement of the Internal Revenue Service.

7. TRADE AND OTHER RECEIVABLES

	2009 GH¢	2008 GH¢
Academy Press Limited	85	85
SWL Nigeria Incorporation	1,176	1,176
Sundry Debtors	3,066	2,151
Staff Debtors	1,986	5,781
Security Deposit	3,496	3,496
Computerization Project	4,800	4,800
Royalty Advances	17,561	17,561
Prepayment	20,539	17,144
WAPB	21,215	18,666
Trade Debtors	1,517,393	1,086,663
	-----	-----
	1,591,317	1,157,523
	=====	=====

Trade Debtors include the GHC equivalent of US\$ 1,131,085 (2008: US\$778,239.26) receivable from the Ministry of Education of Ghana.

SAM-WOODE LIMITED

	2009	2008
	GH¢	GH¢
8. COST OF SALES		
Stock of Raw Materials at 1 st January	-	2,792
Raw Materials Purchased	25,885	2,781
Handling Charges	30	-
	-----	-----
Materials Consumed	25,915	5,573
Royalties	119,267	204,005
Direct Production Expenses	41,386	30,399
Work-in-Progress -January	-	-
	-----	-----
	186,568	239,977
Work –in-Progress 31 December	-	-
	-----	-----
Cost of Production	186,568	239,977
Stock of Finished Goods 1 January	376,910	497,833
Purchase of Finished Products	1,325,793	852,409
Handling Charges and Delivery	-	-
	-----	-----
Cost of Goods Produced	1,889,271	1,590,219
Stock of Finished Goods-31December	(283,185)	(376,910)
	-----	-----
	1,606,086	1,213,309
Text Book Development Costs.	16,940	112,861
Depreciation – Machine and Tools	9,884	3,945
	-----	-----
	1,632,910	1,330,115
	=====	=====
9. LONG TERM INVESTMENTS		
At Cost	10,000	10,000
	=====	=====

Long Term Investments represent the **Cost** of 1,380,000 ordinary shares in Afram Publications Limited and constitute 20% of the Equity of that Company. On the basis of the 2008 Audited Accounts of Afram Publications Limited, the book value of the investment is **GH¢ 160,356** (2007: GH¢ 161,340).

SAM-WOODE LIMITED

10. PROPERTY, PLANT & EQUIPMENT

	Freehold Land GH ¢	Plant & Machinery GH ¢	Furniture & Equipment GH ¢	Literary Property Copyright GH ¢	Library Books GH ¢	Motor Vehicle GH ¢	Loose Tools GH ¢	Total GH ¢
Cost								
At /01/01/09	16,200	29,413	95,607	21,382	2,238	107,120	4,080	276,040
Additions	-	-	1,808	-	232	14,283	13,025	29,348
Disposal	-	-	-	-	-	(14,263)	-	(14,263)
At 31/12/09	16,200	29,413	97,415	21,382	2,470	107,140	17,105	291,125
Depreciation								
At 01/01/09	-	11,846	50,009	21,382	2,079	82,595	3,649	171,560
Charge	-	2,941	19,483	-	274	19,902	6,943	49,543
Disposal	-	-	-	-	-	(14,263)	-	(14,263)
At 31/12/09	-	14,787	69,492	21,382	2,353	88,234	10,592	206,840
Net Book Value								
At 31/12/09	16,200	14,626	27,923	-	117	18,906	6,513	84,285
At 31/12/08	16,200	17,567	45,598	-	159	24,525	431	104,480

Depreciation has been apportioned in the financial statements as follows:

	2009 GH¢	2008 GH¢
Cost of Sales	9,884	4,684
Selling, Administrative and General Expenses	39,659	34,440
	49,543	39,124

11. TEXT BOOK DEVELOPMENT COST

Balance 1 st January 2009	2,512	27,474
Additional Cost	70,682	87,161
	73,194	114,635
Write-Offs	(16,940)	(112,123)
	56,254	2,512

SAM-WOODE LIMITED

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

12. DIVIDENDS PAYABLE

	2009	2008
	GH¢	GH¢
Balance At 1 st January	82,981	71,237
Dividends declared during the year	109,140	82,947
	-----	-----
	192,121	154,184
Dividends paid during the Year	(11,000)	(71,203)
	-----	-----
	181,121	82,981
	=====	=====

13. RESEARCH FUND

At January 1 st	18,109	13,109
Transferred from Income Surplus Account	5,000	5,000
	-----	-----
At December 31 st	23,109	18,109
	=====	=====

The Company has a policy of making appropriations from Retained Earnings in the sum of GH¢5,000 per year to support its research agenda

14. TRADE & OTHER PAYABLES

Staff Welfare Payable	85	152
Clients' Deposit	7,339	7,339
Trade Creditors	48,356	1,730
Accruals	67,736	70,063
Sundry Creditors	59,229	40,286
Directors' Current Account	12,039	29,350
Royalty Payable	245,532	304,888
	-----	-----
	440,316	453,808
	=====	=====

15. BANK OVERDRAFT

The Company has an overdraft Facility of GH¢80,000 with its Bankers. The facility is secured by a legal mortgage over the company's office premises situated at #1 Adole Abla Link, Sahara Dansoman as well as Property #5 Lavender Close, East Legon together with joint and several guarantees of the Board of Directors.

SAM-WOODE LIMITED

16. SHORT AND MEDIUM TERM LOANS

The Company has obtained loan facilities from its bankers and the Enterprise VC Fund Limited in various sums for various purposes as shown below.

	Short Term GH¢	Medium Term GH¢	2009 Total GH¢	2008 Total GH¢
From Company's Bankers	-	-	-	84,833
From Related Parties	209,539	-	209,539	-
From Enterprise VC Fund	-	249,586	249,586	317,489
	-----	-----	-----	-----
	209,539	249,586	459,125	402,322
	=====	=====	=====	=====

In respect of the Enterprise VC Fund Loan, the facility is secured by a share pledge from the Executive chairman of the Company

17. RELATED PARTY TRANSACTIONS

	Officers/ Directors GH¢	Other Party GH¢	2009 Total GH¢	2008 Total GH¢
Principal Amount Received	142,000	47,760	189,760	-
Accrued Interest	14,201	5,578	19,779	-
	-----	-----	-----	-----
	156,201	53,338	209,539	-
	=====	=====	=====	=====

18. STATED CAPITAL

	2009		2008	
	No. of Shares '000	Proceeds GH¢	No. of Shares '000	Proceeds GH¢
Authorised:				
Ordinary Shares of no par value	100,000	-	100,000	-
Preference Shares	50,000	-	50,000	-
	-----	-----	-----	-----
	150,000	-	150,000	-
	=====	=====	=====	=====
Issued:				
Ordinary Shares issued as follows:				
Cash Consideration	21,823,035	220,990	21,823,035	220,990
	-----	-----	-----	-----
	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.

SAM-WOODE LIMITED**19. CAPITAL COMMITMENTS**

There were no capital commitments not provided for in the financial statement at the Balance Sheet date and at 31/12/08.

20. EXCHANGE CONTROL

All remittances from Ghana are subject to the agreement of the Exchange Control Authorities.

SAM-WOODE LIMITED

**TWENTY LARGEST SHAREHOLDERS
AS AT 31ST DECEMBER 2009**

	No. of Shares	% Holding
1. Sam – Woode Kwesi	6,400,000	29.32
2. Enterprise Fund	3,544,400	16.24
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 Pamela Aba	936,926	4.29
7. Acheampong Yaw Gyamfi	552,024	2.53
8. Oguaah Richard K.	299,920	1.37
9. Woode Ekuia Esaawa	253,024	1.16
10. Sam – Woode Kweku Esaah	224,000	1.03
11. Abban Elizabeth	169,620	0.78
12. Carson Naomi Hendrick	113,800	0.52
13. Esuman – Gwira Wilhelmina (Mrs)	100,000	0.46
14. Okine Robert Garshong A.	100,000	0.46
15. Ofori Daniel	64,612	0.30
16. NTHC Clients A/C	63,965	0.29
17. Appiah Samuel	62,546	0.29
18. Sam-Woode Nana Anaku	58,326	0.27
19. Sam-Woode Kojo Essamuah	57,326	0.26
20. Abban – Sackey Kofi	50,660	0.23
	-----	-----
	19,909,161	91.23
Others	1,913,874	8.77
	-----	-----
	21,828,035	100
	=====	=====

SAM-WOODE LIMITED
SHAREHOLDING DISTRIBUTION

Category of Holdings	No. of Shareholders	Total Holding	% Holding
Less than 1,000	461	225,442	1.03
1,000 to 5,000	113	318,306	1.46
5,001 to 10,000	21	177,962	0.82
10,001 to 20,000	36	566,018	2.59
20,001 to 30,000	5	125,960	0.58
30,001 to 40,000	7	268,334	1.23
40,001 to 50,000	5	236,852	1.09
Over 50,000	20	19,909,161	91.21
	-----	-----	-----
	668	21,828,035	100.00
	=====	=====	=====

DIRECTORS HOLDINGS AS AT 31ST DECEMBER 2009

1.	Kwesi Sam – Woode	6,400,000
2.	Ms. Pamela Aba Woode	936,926
3.	Richard K. Oguuah	299,920
4.	Ransford E. N. Okine	35,000

		7,671,846
		=====

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 12th day of August 2010 and at any adjournment thereof.

Signed the _____ day of _____ 2010

Signature of Shareholder(s) _____