

COMMENTS ON THIRD QUARTER YEAR 2009 FINANCIAL RESULTS

The performance of Golden Web Limited has not been impressive since 2007 due to very low capacity utilization because of inadequate working capital.

Our working capital was eroded through the extra cost of installation of the new refinery plant and subsequent break down of the plant due to equipment default during the trial period which took about five months for the supplier to rectify.

Hence, Golden Web has been running at a loss. The working force has reduced from 140 to 40 as our utilization capacity reduced to less than 30%. However, the working force will be restored to its original size as soon as possible.

There is a strategic plan for refinancing and restructuring and there is hope and expectation for a successful turnaround in the immediate future.

Our objective is to increase utilization capacity to a minimum of 75% and above which will come with increase in more job creation and fulfillment of our corporate social responsibilities.

The recent economic crises coupled with already existing high cost of doing business has also contributed to the huge losses made.

Nonetheless, with our strategic plan for refinancing and restructuring, supported by our bankers, and our potential, the chances of turning the company around is high.

GOLDEN WEB COMPANY LIMITED
UNAUDITED CASH FLOW STATEMENT AS AT SEPTEMBER 30,2009

	3RD QUARTER <u>2009</u> <u>GH ¢</u>	3RD QUARTER <u>2008</u> <u>GH ¢</u>
<u>OPERATING ACTIVITIES:</u>		
Net Profit/Loss After Tax	(15,797)	(52,229)
Adjustment for:		
Depreciation	11,281	(24,546)
Profit from sale of property, plant & equipment		12,000
	<u>(4,516)</u>	<u>(64,775)</u>
Working Capital adjustment:		
Increase/Decrease in stocks	(27,795)	(128,541)
Increase/Decrease in Receivables	16,983	(110,886)
Increase/Decrease in Payables	24,435	78,758
	<u>13,623</u>	<u>(160,669)</u>
Taxation Paid	-	(2,989)
Net cash from operating Act.	<u>9,107</u>	<u>(228,433)</u>
<u>INVESTING ACTIVITIES:</u>		
Purchase Property, Plant & Equipment	-	(24,546)
Investment Property	-	-
Proceeds from Sale of Fixed Assets	-	12,000
Net cash used in Investing activities	<u>-</u>	<u>(12,546)</u>
<u>FINANCING ACTIVITIES:</u>		
Term Loan	13,625	21,734
Issue of Shares	-	-
Net cash used in Financing Activities	<u>13,625</u>	<u>21,734</u>
Increase/Decrease in cash and cash Equivalent	22,732	(219,245)
Balance of cash at January 1	(319,489)	(135,853)
Balance at December 31	<u>(296,757)</u>	<u>(355,098)</u>

GOLDEN WEB COMPANY LIMITED

**UNAUDITED SUMMARY RESULTS FOR THE THIRD QUARTER ENDED
ENDED SEPTEMBER 30,2009**

	<u>3RD QUARTER</u>	<u>3RD QUARTER</u>	CHANGE
	<u>2009</u>	<u>2008</u>	
Turnover	69,271	480,082	-86%
Net Profit/Loss Before Depreciation & Finance Charges	(6,348)	174,419	-104%
Depreciation	<u>(9,449)</u>	<u>(24,546)</u>	-62%
	(15,797)	149,873	-111%
Finance Charges	<u>(113,889)</u>	<u>202,102</u>	-156%
	(129,686)	351,975	-137%
Net Profit/Loss After Tax	(129,686)	351,975	-137%
Number of Shares	64,999,401	64,999,401	0%
Earnings Per Share (Gp)	NIL	NIL	

GOLDEN WEB COMPANY LIMITED**UNAUDITED BALANCE SHEET AS AT SEPTEMBER 30,2009**

	NOTES	3RD QUARTER 2009 GH ¢	3RD QUARTER 2008 GH ¢
FIXED ASSETS	4	1,147,794	1,179,698
<u>CURRENT ASSETS:</u>			
Stocks	13	453,754	507,300
Debtors and Prepayment		25,599	133,550
Cash and Bank	5	30,341	50,919
Taxation	11	40,044	40,044
		549,738	731,813
<u>CURRENT LIABILITIES:</u>			
Creditors	8	178,154	154,719
Accruals	9	26,563	79,167
Bank Overdraft	7	456,902	394,519
		661,619	628,405
NET CURRENT ASSETS		(111,881)	103,408
NET ASSETS		1,035,913	1,283,106
<u>FINANCED BY:</u>			
Stated Capital	12	830,975	830,975
Capital Surplus	10	262,228	262,228
Income Surplus		(736,965)	(432,096)
Loan Account	6	678,770	622,000
		1,035,008	1,283,107

DIRECTOR.....

DIRECTOR.....

GOLDEN WEB COMPANY LIMITED**UNAUDITED PRODUCTION ACCOUNT FOR THE THIRD QUARTER****ENDED SEPTEMBER 30, 2009****3RD QUARTER****3RD QUARTER****2009****2008****GH ₵****GH ₵****RAW MATERIALS:**

Stocks	195,200	155,225
Purchases	63,390.90	249,335
Freight and Handling	880	15,376
	259,470.90	419,936
	(5,002)	(216,600)
Stocks at Close	254,468.90	203,336

DIRECT EXPENSES:

Salaries and Wages	3,398.32	37,766.00
Light and Power	3,779.88	49,342.00
Machinery running and repairs	1,237.50	11,445.00
Insurance	0.00	0.00
Medical and Staff welfare	53.80	1,029.00
Firewood	215.00	1,239.00
Overheads	1,548.00	5,236.00
Depreciation	9,449.00	9,342.00
	19,681.50	115,399.00
	274,150.40	318,735.00

GOLDEN WEB COMPANY LIMITED**UNAUDITED TRADING PROFIT AND LOSS ACCOUNT FOR THE****THIRD QUARTER ENDED SEPTEMBER 30, 2009**

		3RD QUARTER 2009 GH ¢	3RD QUARTER 2008 GH ¢
Turnover		69,271.00	480,082.00
Cost of Sales	2	-71,505.00	-258,361.00
Gross Profit		-2,234.00	221,721.00
Selling, General and Administrative Exp.	3	-13,563.00	-84,078.00
Operating (Profit)/Loss		-15,797.00	137,643.00
Other Income		0.00	12,230.00
Finance Charges		-113,889.00	-202,102.00
Profit/(Loss) Before Tax		-129,686.00	-52,229.00
.....		-	0.00
		-129,686.00	-52,229.00

INCOME SURPLUS ACCOUNT

	3RD QUARTER 2009 GH ¢	3RD QUARTER 2008 GH ¢
Balance B/F	-607,279.00	-379,867.00
Profit and Loss Account	-129,686.00	-52,229.00
Balance C/F	-736,965.00	-432,096.00

GOLDEN WEB COMPANY LIMITED

FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30,2009

CORPORATE INFORMATION

CHAIRMAN: NANA SERWAA AMPONSA (SSNIT)

MANAGING DIRECTOR: THOMAS W. BELLO

DIRECTORS: EGBLOGBE ANAGLATE
MARK OFOSU AMPADU (SIC)
EBENEZER ATO BARNES
AMY PRAH
DAVID OWUSU ANOKYE

SECRETARY : DAVID ASUMDA

SOLICITORS: EGBLOGBE ANAGLATE

REGISTERED OFFICE: GIHOC EX. SHOE FACTORY COMPOUND, KUMASI

REGISTRARS: NTHC LTD, MARTCO HOUSE, ADABRAKA, ACCRA

BANKERS: THE TRUST BANK, BARCLAYS BANK, ECOBANK & ADB