



Uganda Clays Ltd

Uganda Clays Limited

EXTRACT OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2019

1. STATEMENT OF COMPREHENSIVE INCOME	2019		2018	
	UShs '000	UShs '000	UShs '000	UShs '000
Revenue	30,736,629	30,064,148		
Cost of sales	(21,282,056)	(19,404,016)		
Gross profit	9,454,573	10,660,132		
Rent and other Incomes	857,084	553,341		
Total Income	10,311,657	11,213,473		
Administrative expenses	(8,234,829)	(6,047,065)		
Selling and distribution expenses	(1,469,616)	(1,693,435)		
Other operating expenses	(1,351,865)	(804,379)		
	(11,056,310)	(8,544,879)		
Operating profit/(loss)	(744,653)	2,668,594		
Finance costs	(59,655)	(172,788)		
Profit/(loss) before tax	(804,308)	2,495,806		
Income (tax expense)/ credit	715,845	(508,442)		
Profit/(loss) for the year	(88,463)	1,987,364		
	UShs/share	UShs/share		
Basic and diluted (loss)/earnings per share	(0.10)	2.21		

2. STATEMENT OF FINANCIAL POSITION	2019		2018	
	UShs '000	UShs '000	UShs '000	UShs '000
Capital and Reserves				
Issued capital	900,000	900,000		
Share premium	9,766,028	9,766,028		
Retained earnings	15,483,734	14,212,773		
Revaluation reserves	4,930,609	6,290,033		
Proposed dividends	-	900,000		
Total Equity	31,080,371	32,068,834		
Non-Current Liabilities				
Deferred income tax liability	6,134,250	7,970,224		
Borrowings: non-current portion	20,592,838	20,592,838		
Retirement Benefit Obligation	73,775	76,021		
Total Non-Current Liabilities	26,800,863	28,639,083		
Total Equity & Non-Current Liabilities	57,881,234	60,707,917		
REPRESENTED BY:				
Non-Current Assets				
Property, plant and equipment	40,542,313	43,679,992		
Right of use Assets	918,610	1,025,083		
	41,460,923	44,705,075		
Current Assets				
Inventories	4,719,680	8,787,128		
Trade and other receivables	1,860,935	1,668,977		
Staff loans	114,005	130,416		
Current income tax recoverable	451,681	1,420,122		
Cash and cash equivalents	3,130,863	2,195,314		
Fixed deposits	10,499,236	6,332,094		
	20,776,400	20,534,051		
Current Liabilities				
Trade and other payables	4,356,089	4,527,844		
Rent tax payable	-	3,365		
	4,356,089	4,531,209		
Net Current Assets	16,420,311	16,002,842		
Total	57,881,234	60,707,917		

3. STATEMENT OF CHANGES IN EQUITY	Issued capital	Share Premium	Revaluation reserves	Retained earnings	Proposed dividends	Total equity
	UShs '000	UShs '000	UShs '000	UShs '000	UShs '000	UShs '000
At 31 December 2018	900,000	9,766,028	6,290,033	17,116,515	900,000	34,972,576
At 1 January 2019	900,000	9,766,028	6,290,033	17,116,515	900,000	34,972,576
Proposed dividends	-	-	-	-	-	-
Prior year adjustments:	-	-	-	(2,903,742)	-	(2,903,742)
As Restated	900,000	9,766,028	6,290,033	14,212,773	900,000	32,068,834
Loss for the year	-	-	-	(88,463)	-	(88,463)
Proposed dividends paid	-	-	-	-	(900,000)	(900,000)
Transfer of excess depreciation	-	-	(1,942,034)	1,942,034	-	-
Deferred income tax on transfer of excess depreciation	-	-	582,610	(582,610)	-	-
At 31 December 2019	900,000	9,766,028	4,930,609	15,483,734	-	31,080,371
4. STATEMENT OF CASH FLOWS						
				2019	2018	
				UShs '000	UShs '000	
Operating activities						
Net cash (used in)/ generated from operating activities				6,342,553	5,274,500	
Investing activities						
Net cash flows (used in) / generated from investing activities				(4,507,004)	(3,958,141)	
Financing activities						
Net cash flows from/ (used in) financing activities				(900,000)	(900,000)	
Net (decrease) /increase in cash and cash equivalents				935,549	416,359	
Movement in cash and cash equivalents						
Cash and cash equivalents at 1 January				2,195,314	1,778,955	
Net (decrease)/increase in cash & cash equivalents for the year				935,549	416,359	
Cash and cash equivalents at 31 December				3,130,863	2,195,314	

SUMMARY OF PERFORMANCE:

Revenue for the period was UShs 30.7 billion and was largely the same as the prior year 2018 which was UShs 30.0 billion.

There was a reduction in the gross margin of 4% compared to the prior year (2019: 31%, 2018: 35%). This was a result of machine down time at the Kamonkoli plant during the annual maintenance shutdown, in addition to a reduction in the firing capacity occasioned by scarcity of coffee husks which are the main fuel source.

There was a 29% increase in the total overheads. This is majorly attributed to professional and consultancy costs incurred in the period and increased distribution costs. Notable improvement was realised in the ICT environment to improve business processes and controls. Additionally, a provision was made in the financial statements in compliance with IFRS 9.

Message from the Directors

These results are extracted from the audited financial statements of Uganda Clays Limited for the year ended 31 December 2019. The financial statements were audited by PKF Uganda, Certified Public Accountants, and have received an unqualified opinion.

A copy of the full audited financial statements will be available on our website, www.ugandaclays.co.ug with effect from 17th July 2020. Alternatively, the financial statements can be picked from our Head Office at Kajjansi on Entebbe Road, P O Box 3188, Kampala at or from Lex Uganda Advocates, the Company Secretary, at 8th Floor Communications House, P O Box 22490, Kampala.

Dividend

The Board of Directors does not recommend a dividend payment for the year ended 31 December 2019.

The Annual General Meeting for the year 2019 shall be held on **25th September 2020 at 2:30 pm**. Further details to be availed in the AGM Notice which will be published not less than 21 days before the date of the meeting

The financial statements were approved by the Board of Directors on **14th July 2020** and signed on its behalf by:

Eng. Martin S Kasekende
CHAIRMAN BOARD OF DIRECTORS

Joseph Tukuratiire
DIRECTOR