



EXTRACT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2018

1. STATEMENT OF COMPREHENSIVE INCOME		
	2018	2017
	UShs '000	UShs '000
Revenue	30,064,148	27,201,533
Cost of sales	(19,404,016)	(16,510,791)
Gross profit	10,660,132	10,690,742
Compensation on Land	296,962	
Rent and other Incomes	256,380	308,535
Total Income	11,213,473	10,999,277
Administrative expenses	(2,298,966)	(2,561,473)
Distribution expenses	(1,619,591)	(1,285,843)
Other operating expenses	(4,626,322)	(3,984,637)
	(8,544,879)	(7,831,953)
Operating profit/(loss)	2,668,594	3,167,324
Finance costs	(172,788)	(2,976)
Profit/(loss) before tax	2,495,806	3,164,348
Income tax expense/(credit)	(508,442)	(769,131)
Profit/(loss) for the year	<u>1,987,364</u>	<u>2,395,217</u>
	UShs/share	UShs/share
Basic and diluted (loss)/earnings per share	<u>2.21</u>	<u>2.66</u>



2. STATEMENT OF FINANCIAL POSITION		
	2018	2017
	UShs '000	UShs '000
Capital and Reserves		
Issued capital	900,000	900,000
Share premium	9,766,028	9,766,028
Retained earnings	17,116,515	12,051,185
Revaluation reserves	6,290,033	7,649,457
Proposed dividends	900,000	900,000
Total Equity	<u>34,972,576</u>	<u>31,266,670</u>
Non-Current Liabilities		
Deferred income tax liability	7,970,224	8,159,925
Borrowings: non-current portion	20,592,838	23,211,380
Total Non-Current Liabilities	<u>28,563,062</u>	<u>31,371,305</u>
Total Equity & Non-Current Liabilities	<u>63,535,638</u>	<u>62,637,975</u>
REPRESENTED BY:		
Non-Current Assets		
Property, plant and equipment	43,679,992	45,879,510
Prepaid operating lease rentals	1,025,083	701,447
	<u>44,705,075</u>	<u>46,580,957</u>
Current Assets		
Inventories	9,669,403	9,597,613
Trade and other receivables	3,690,444	3,794,182
Staff loans	130,416	120,928
Current income tax recoverable	1,420,122	342,080
Cash and cash equivalents	2,195,314	1,778,955
Fixed deposits	6,332,094	3,975,366
	<u>23,437,793</u>	<u>19,609,124</u>
Current Liabilities		
Retirement benefit obligation	76,021	83,316
Trade and other payables	4,527,844	3,467,554
Rent tax payable	3,365	1,236
	<u>4,607,230</u>	<u>3,552,106</u>
Net Current Assets	<u>18,830,563</u>	<u>16,057,018</u>
Total	<u>63,535,638</u>	<u>62,637,975</u>

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 1 January 2017	<u>900,000</u>	<u>9,766,028</u>	<u>9,008,881</u>	<u>7,459,594</u>	<u>900,000</u>	<u>28,034,503</u>
Paid up Dividends	-	-	-	-	(900,000)	(900,000)
Prior year adjustments:	-	-	-	-	-	-
Deferred tax	-	-	-	895,260	-	-
As restated	-	-	-	841,690	-	-
Proposed Dividends	-	-	-	(900,000)	900,000	-
Transfer of excess depreciation	-	-	(1,942,034)	1,942,034	-	-
Deferred income tax	-	-	582,610	(582,610)	-	-
Profit for the year	-	-	-	2,395,217	-	2,395,217
As at 31 December 2017	<u>900,000</u>	<u>9,766,028</u>	<u>7,649,457</u>	<u>12,051,185</u>	<u>900,000</u>	<u>31,266,670</u>
Prior year adjustments (NSSF Loan)	-	-	-	2,618,542	-	2,618,542
Profit for the year	-	-	-	1,987,364	-	1,987,364
Paid up dividends	-	-	-	-	(900,000)	(900,000)
Proposed dividends	-	-	-	(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 2018	<u>900,000</u>	<u>9,766,028</u>	<u>6,290,033</u>	<u>17,116,515</u>	<u>900,000</u>	<u>34,972,576</u>

4. STATEMENT OF CASH FLOWS

	2018	2017
	UShs '000	UShs '000
Operating activities		
Net cash (used in)/ generated from operating activities	5,274,500	4,227,220
Investing activities		
Net cash flows (used in) / generated from investing activities	(4,858,141)	(6,618,091)
Financing activities		
Net cash flows from/(used in) financing activities	-	-
Net (decrease) /increase in cash and cash equivalents	416,359	(2,390,871)
Movement in cash and cash equivalents		
Cash and cash equivalents at 1 January	1,778,955	4,169,826
Net (decrease)/increase in cash & cash equivalents for the year	416,359	(2,390,871)
Cash and cash equivalents at 31 December	<u>2,195,314</u>	<u>1,778,955</u>

SUMMARY PERFORMANCE:

An 11% growth in revenue was realised during the year from US\$ 27.2bn in 2017 to US\$ 30.06 bn in 2018.

There was a reduction in gross margin compared to 2017 (35% in 2018: 39% in 2017) due to high cost of production incurred trying to improve efficiency of production. The off season of coffee husks and increase in fuel prices in the period increased cost of distribution.

There was a 9% increase in the total overheads due to incentives of transport to agents and corporate customers.

Message from the Directors

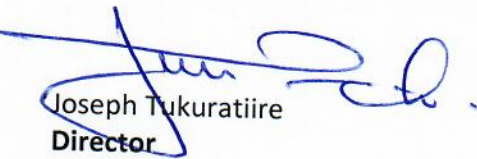
These results are extracted from the audited financial statements of Uganda Clays Limited for the year ended 31 December 2018. The financial statements were audited by Jim Roberts & Associates Certified Public Accountants and have received an unmodified opinion. A copy of the full audited financial statements will be available on our website, www.ugandaclays.co.ug with effect from 13th May 2019. Alternatively detailed financial statements can be picked from our Head Office Entebbe Road Kajjansi P.O Box 3188 Kampala or Lex Uganda Advocates, Communication House P.O Box 216 Kampala.

Dividend

The Board of Directors recommended a dividend for the year ended 31 December 2018 of US\$ 1 per share subject to withholding tax. The payment date shall be 25th August 2019 and book closure date is 15th August 2019.

The Annual General Meeting shall be held on 26th July 2019 at the Sheraton Kampala Hotel starting at 2:30pm.

The financial statements were approved by the Board of Directors on 13th May 2019 and signed on its behalf by:


Joseph Tukuratiire
Director


George Inholo
Managing Director