

NEW VISION PRINTING AND PUBLISHING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Opinion

The financial statements, which comprise the statement of financial position as at June 30, 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended June 30, 2021 were audited by the Auditor General and he issued an unmodified audit opinion.

ANNOUNCEMENT

The Annual General Meeting (AGM) will be held on Tuesday December 7, 2021 at 2:00pm virtually. NOTICE of the AGM will be published in the **New Vision** newspaper on November 9, 2021 and uploaded onto the company website: <http://Visiongroup.co.ug/shareholders/>. The Annual Report will be uploaded on the Company's website by **November 9, 2021**.

BY ORDER OF THE BOARD


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Gervase Ndyanabo
COMPANY SECRETARY
October 28, 2021

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021 Ushs' 000	2020 Ushs' 000
Revenue from contracts with customers	81,924,708	91,755,560
Cost of sales	(59,885,490)	(67,490,719)
Gross profit	22,039,218	24,264,841
Other income	1,440,289	1,478,864
Distribution costs	(1,747,052)	(1,757,732)
Impairment losses on financial assets	(2,608,118)	(1,275,901)
Administrative expenses	(17,814,366)	(14,934,752)
Other operating expenses	(1,647,925)	(2,700,256)
Operating (loss)/profit	(337,954)	5,075,064
Finance costs	(589,867)	(180,280)
(Loss)/Profit before taxation	(927,821)	4,894,784
Income tax expense	(57,652)	(2,233,416)
(Loss)/Profit for the year	(985,473)	2,661,368
Other comprehensive income		
Impairment on property, plant and equipment	(8,745,980)	-
Deferred tax on impairment on property, plant and equipment	2,623,794	-
	(6,122,186)	-
Total comprehensive (loss)/income for the year	(7,107,659)	2,661,368
Dividends		
Proposed dividends for the year	-	1,377,000
Earnings per share		
Basic and diluted (Ushs per share)	(12.9)	34.80

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	2021 Ushs'000	2020 Ushs'000
ASSETS		
Non-current assets		
Property, plant and equipment and right-of-use assets	36,318,641	44,567,105
Intangible assets	1,648,651	478,785
	37,967,292	45,045,890
Current assets		
Tax deposit recoverable	22,537	2,569,777
Inventories	4,880,349	6,578,702
Right of return asset	1,042	12,728
Trade and other receivables	32,407,558	35,344,032
Current income tax recoverable	1,220,614	367,726
Deposits with commercial banks	10,043,308	9,100,439
Cash and cash equivalents	3,044,726	3,153,520
	51,620,134	57,126,924
TOTAL ASSETS	89,587,426	102,172,814
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	1,503,990	1,503,990
Share premium	27,158,864	27,158,864
Revaluation reserve	3,435,348	9,947,120
Proposed dividends	-	1,377,000
Retained earnings	32,940,863	33,369,785
Total shareholders' funds	65,039,065	73,356,759
Non-current liabilities		
Deferred tax liability	4,322,335	6,978,320
Lease liability: Non-current portion	337,543	550,977
	4,659,878	7,529,297
Current liabilities		
Contract liabilities	1,750,304	1,768,338
Refund liability	1,428	17,926
Trade and other payables	7,373,514	9,716,503
Lease liability: Current portion	213,434	173,321
Grant liability	81	428,405
Provision for litigations	1,739,063	1,108,160
Dividends payable	3,810,659	3,074,105
Borrowed funds	5,000,000	5,000,000
	19,888,483	21,286,758
TOTAL EQUITY AND LIABILITIES	89,587,426	102,172,814

The financial statements were approved by the Board on October 28, 2021 and signed on its behalf by:


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Director


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Director

NEW VISION PRINTING AND PUBLISHING COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Share capital Shs'000	Share premium Shs'000	Proposed dividend Shs'000	Revaluation reserve Shs'000	Retained earnings Shs'000	Total Shs'000
At 1 July 2019	1,503,990	27,158,864	1,912,500	11,122,624	30,406,125	72,104,103
Profit for the year					2,661,368	2,661,368
Transfer of realised revaluation surplus to retained earnings	-	-	-	(1,175,504)	1,175,504	-
Deferred tax effect of transfer	-	-	-	-	503,788	503,788
Proposed dividends	-	-	1,377,000	-	(1,377,000)	-
Dividends declared	-	-	(1,912,500)	-	-	(1,912,500)
At 30 June 2020	1,503,990	27,158,864	1,377,000	9,947,120	33,369,785	73,356,759
At 1 July 2020	1,503,990	27,158,864	1,377,000	9,947,120	33,369,785	73,356,759
Loss for the year	-	-	-	-	(985,473)	(985,473)
Transfer of realised revaluation surplus to retained earnings	-	-	-	(389,586)	389,586	-
Deferred tax effect of transfer	-	-	-	-	166,965	166,965
Impairment loss net of tax	-	-	-	(6,122,186)	-	(6,122,186)
Proposed dividends	-	-	-	-	-	-
Dividends declared	-	-	(1,377,000)	-	-	(1,377,000)
At 30 June 2021	1,503,990	27,158,864	-	3,435,348	32,940,863	65,039,065

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	2021 Ushs'000	2020 Ushs'000
Net cash flows generated from/ (used in) operating activities	5,693,388	1,238,169
Cash flows generated from investing activities		
Purchase of property, plant and equipment	(3,273,026)	(2,925,781)
Additions to right of use assets	-	(14,953)
Purchase of intangible assets	(1,268,671)	(417,090)
Placements of deposits with commercial banks	(18,550,895)	(17,200,000)
Maturities of deposits with commercial banks	17,400,000	13,200,000
Interest received from commercial bank deposits	913,164	555,619
Proceeds from disposal of property, plant and equipment	219,333	25,525
Net cash (used in)/ generated from investing activities	(4,560,095)	(6,776,680)
Cash flows used in financing activities		
Repayment of principal portion of lease liabilities	(173,321)	(108,258)
Dividends paid	(640,443)	(879,827)
Proceeds from borrowed funds	5,000,000	5,000,000
Repayment of Bank Loan principal	(5,000,000)	-
Net cash generated from/ (used in) financing activities	(813,764)	4,011,915
Net increase(decrease) in cash and cash equivalents	319,529	(1,526,596)
Cash and cash equivalents at beginning of year	2,725,115	4,251,711
Cash and cash equivalents at end of year	3,044,644	2,725,115

SEGMENT INFORMATION

	PRINT MEDIA		BROADCAST		COMMERCIAL PRINTING		OTHERS		TOTAL	
	2020 Shs'000	2021 Shs'000	2020 Shs'000	2021 Shs'000	2020 Shs'000	2021 Shs'000	2020 Shs'000	2021 Shs'000	2020 Shs'000	2021 Shs'000
External sales	44,164,988	40,167,601	26,317,755	29,087,935	18,416,574	12,200,698	2,856,243	468,474	91,755,560	81,924,708
Total Sales	44,164,988	40,167,601	26,317,755	29,087,935	18,416,574	12,200,698	2,856,243	468,474	91,755,560	81,924,708
Segment profit before taxation	6,388,483	6,134,128	5,064,095	5,736,158	3,426,396	2,386,913	546,698	66,342	15,425,672	14,323,541
Reconciliation of operating profit										
Reported segment profit before tax									15,425,672	14,323,541
Other income									1,478,864	1,440,289
Administrative staff costs									(8,895,781)	(11,146,731)
Other administrative costs									(1,838,070)	(2,936,802)
Impairment on financial assets									(1,275,901)	(2,608,118)
(Loss)/Profit before tax									4,894,784	(927,821)

NEW VISION PRINTING AND PUBLISHING COMPANY LIMITED

OVERVIEW

The Company registered a turnover of Shs 81.9 billion in 2021 compared to Shs 91.8 billion in 2020. Total revenue declined by 10.7%.

Cost of sales decreased by 11.3%. There was a decrease in material inputs and other direct costs resulting from reduction in volumes of business.

The Company recorded a gross profit of Shs 22.0 billion in 2021 compared to Shs 24.3 billion in 2020 but a loss before taxation of Shs 0.9 billion in 2021 compared to a profit before tax of Shs 4.9 billion in 2020.

Administrative and other operating expenses increased by 10.4% to Shs 19.5 billion in 2021 from Shs 17.6 billion in 2020. The increase in expenses resulted from the retirement package of the former Chief Executive Officer.

Loss after tax was Shs 1.0 billion in the year 2021 compared to a profit of Shs 2.7 billion in 2020.

DIVIDENDS

The Directors do not propose payment of a dividend for the year ended 30 June 2021. The final

dividend proposed and paid for the year ended 30 June 2020 was Shs 18 per ordinary share.

NOTE: A copy of the detailed audited financial statements can be obtained at the following address: Office of the Company Secretary, Plot 19/21, First street, Industrial Area, Kampala or at the Company's website: <http://Visiongroup.co.ug/shareholders/>

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. Basis of Preparation

The summary financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the statement of financial position, statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows. These summary financial statements are derived from the audited financial statements of New Vision Printing and Publishing Company Limited for the year ended June 30, 2021, which are prepared in accordance International Financial Reporting Standards and the requirements of the Companies Act, 2012.

2. Accounting Policies

Accounting policies used in the preparation of these summary financial statements are consistent with those set out in Note 2 of the June 30, 2021 Audited Financial Statements consistently applied from period to period. The Company has adopted all the new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after July 01, 2020 and which are relevant to the Company's operations.

3. Earnings Per Share

Earnings per share (EPS) is calculated by dividing profit attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

4. Segment Information

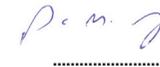
The Company derived 49% (2020 - 48%) of its revenue from print media, 36% (2020 - 29%) of its revenue from broadcast, 14% (2020 - 20%) of its revenue from commercial printing and 1% (2020 - 3%) from the others. The Company's revenue strategy is associated with these product lines, accordingly, the segment information is so presented.

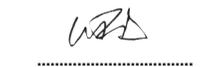
ANNUAL CERTIFICATE OF RESPONSIBILITY FOR THE FINANCIAL YEAR 2019/2020

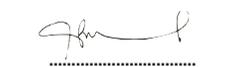
We the undersigned of New Vision Printing and Publishing Company Limited acknowledge the responsibility for the proper safe guarding of assets of the Company and hereby confirm that we have complied with all the requirements of the law.

We further affirm that any act or omission resulting out of this acknowledgment is our responsibility. A list of the Company's assets is available for viewing at the Company's Head Office, located at Plot 19/21, First Street, Industrial Area, Kampala.

Dated this October 28, 2021


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Patrick Ayota
Board Chairman


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Don Wanyama
Managing Director/CEO


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Gervase Ndyababo
Company Secretary/DMD