

# NEW VISION PRINTING AND PUBLISHING COMPANY LTD

## REPORT AND FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

### PERFORMANCE

The economic impact of Covid 19 Pandemic continues to affect the different revenue streams. However, business is steadily recovering and expected to pick up and grow.

Overall turnover declined by 25.80 % compared to same period last year because of reduced publishing orders.

Advertising revenue, Circulation sales and Publishing revenues declined by 3.15%, 12.50% and 77.71% respectively while Commercial Printing revenue registered a growth of 29.90%. Radio advertising, Television advertising and Print advertising declined by 23.20%, 4.53% and 2.86% respectively from the same period last year.

Cost of sales decreased by 31.77% due to reduction in volume of business while Administrative expenses increased by 10.02% due to increased costs of running business particularly fuel and transportation costs.

### PUBLISHING

The Company received a certificate of mass production for printing Ministry of Education and Sports educational materials for Senior Three and Senior Four during the period. The total revenues recognised from these contracts in the interim period was Shs 4.38 Bn and payments of Shs 758Mn were made leaving the ministry with a total outstanding debt of Shs 8.28 Bn reflected under receivables for the period ended 31 December 2022.

Publishing contributed 10% to total revenue, accounted for 9.18% of the total costs and highest contribution to profitability for the period ended 31 December 2022. The increases in trade receivables and current liabilities are associated with the slow recovery of publishing debts and other receivables.

Content Development Expenditure of Shs 2.8 Bn for S3 and S4 educational material has been capitalised in the interim period and associated amortisation of Shs 93 Mn reflected in the Interim Financial statements.

### FINANCING

The Company stocked relatively high levels of commercial paper, newsprint, printing inks and materials in the interim period in anticipation of unexpected risks and uncertainties during the Kenya August 2022 elections. The increased inventory levels combined with slow recovery of receivables affected cash/working capital availability and a buildup of trade payables.

The Company had an outstanding loan balance of Shs 11.997Bn at the start of the period and borrowed an additional Shs 7.073 Bn from Stanbic Bank Uganda Ltd for procurement of Plant & Machinery, printing Upper Secondary educational materials and Nile English Course. Loan repayments of Shs 5.978 Bn have been made and a cumulative balance of Shs 13.092 Bn remains outstanding as at the reporting date.

### DIVIDENDS

The Directors have not recommended payment of an interim dividend in accordance with the company's practice of only paying the dividend at the end of the financial year.

### REPORTING STANDARDS

There were neither new nor revised Standards and Interpretations adopted in the current Half Year.

The company has applied the same accounting policies and methods in the interim financial statements for the period ended 31 December 2022 as was used in the annual accounts for the year ended 30 June 2022.

### FUTURE OUTLOOK

The Company remains resilient with high business potential in new ventures in Publishing and Packaging. Focus on traditional media business will be maintained.

Management is keen to increasing efficiencies and expects to conclude the Financial Year 2022/23 with a much better outcome.

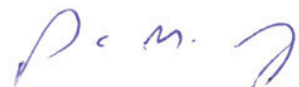
### CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Dec 2022 Shs'000	Dec 2021 Shs'000
Revenue	45,351,757	61,124,980
<b>Gross profit</b>	<b>11,340,649</b>	<b>11,276,384</b>
Other operating income	965,818	734,381
Profit before taxation	243,062	677,155
Taxation charge	(185,709)	(280,607)
<b>Profit for the period</b>	<b>57,353</b>	<b>396,548</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>57,353</b>	<b>396,548</b>
Proposed dividends ( Shs per share)	-	-
<b>Earnings per share</b>		
Basic and diluted (Shs per share)	0.75	5.2

### CONDENSED STATEMENT OF FINANCIAL POSITION

	As at Dec 2022 Shs '000	As at Jun 22 Shs '000
<b>ASSETS</b>		
Non-current assets	62,132,098	52,546,767
Current assets	60,789,670	49,586,809
<b>Total assets</b>	<b>122,921,768</b>	<b>102,133,576</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	1,503,990	1,503,990
Share premium	27,158,864	27,158,864
Revaluation reserve	2,881,622	2,926,853
Proposed dividend	-	494,190
Retained earnings	33,711,109	33,589,140
Shareholders' funds	65,255,585	65,673,037
Non-current liabilities	4,524,436	4,667,630
Current liabilities	53,141,747	31,792,909
Total liabilities	57,666,183	36,460,539
<b>Total equity and liabilities</b>	<b>122,921,768</b>	<b>102,133,576</b>

The Interim financial statements were approved by the Board on **7 March 2023** and signed on its behalf by:



DIRECTOR



DIRECTOR

# NEW VISION PRINTING AND PUBLISHING COMPANY LTD

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### CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs'000	Share premium Shs'000	Proposed dividend Shs'000	Revaluation reserve Shs'000	Retained earnings Shs'000	Total Shs'000
<b>Year ended 30 June 2022</b>						
At start of year	1,503,990	27,158,864	-	3,435,348	32,940,863	65,039,065
Profit for the year	-	-	-	-	988,709	988,709
Transfer of excess depreciation to retained earnings	-	-	-	(153,758)	153,758	-
Deferred tax effect on transfer	-	-	-	46,127	-	46,127
<b>Other comprehensive income</b>						
Revaluation decrease on plant and machinery and buildings				(651,234)		(651,234)
Deferred tax effect on revaluation				195,370		195,370
Revaluation increase on freehold land				55,000		55,000
<b>Transactions with owners</b>						
Dividends - Proposed June 2022	-	-	494,190	-	(494,190)	-
<b>At end of year</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>494,190</b>	<b>2,926,853</b>	<b>33,589,140</b>	<b>65,673,037</b>
<b>Half year ended 31 December 2022</b>						
At start of year	1,503,990	27,158,864	494,190	2,926,853	33,589,140	65,673,037
Profit for the period	-	-	-	-	57,353	57,353
Transfer of excess depreciation to retained earnings	-	-	-	(64,616)	64,616	-
Deferred tax effect on transfer	-	-	-	19,385	-	19,385
<b>Transactions with owners</b>						
Dividends - Declared November 2022	-	-	(494,190)	-	-	(494,190)
<b>At end of period</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>-</b>	<b>2,881,622</b>	<b>33,711,109</b>	<b>65,255,585</b>

### CONDENSED STATEMENT OF CASH FLOWS

	'Dec 2022 Shs '000	'Dec 2021 Shs '000
Net cash inflow/(outflow) from operating activities	8,118,947	(17,918,785)
Net cash from/( used) in investing activities	(10,623,254)	2,843,421
Net cash from financing activities	957,756	16,302,112
<b>Net change in cash and cash equivalents</b>	<b>(1,546,551)</b>	<b>1,226,748</b>
Cash and cash equivalents at beginning of period	2,532,816	3,044,646
<b>Cash and cash equivalents at end of period</b>	<b>986,265</b>	<b>4,271,394</b>

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