

# VISION GROUP

NATIONAL PRIDE • GLOBAL EXCELLENCE

Incorporated as New Vision PPCL

## NEW VISION PRINTING AND PUBLISHING COMPANY LTD

The Board of Directors, New Vision Printing and Publishing Company Ltd would like to announce the Audited results for the year ended 30th June 2019 as follows;

### INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of New Vision Printing and Publishing Company Limited

#### Opinion

The accompanying summary financial statements, which comprise the statement of financial position as at June 30, 2019, the statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended and related notes, are derived from the audited financial statements of New Vision Printing and Publishing Company Limited for the year ended June 30, 2019.

In my opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, on the basis described in note 1 of the summary financial statements.

#### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

#### The Audited Financial Statements and Our Report Thereon

I expressed an unmodified audit opinion on the audited financial statements in my report dated October 15, 2019. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended June 30, 2019.

#### Responsibilities of Management for the Summary Financial Statements

The Directors are responsible for the preparation of the summary financial statements on the basis described in note 1 of the summary financial statements.

#### Auditor's Responsibilities for the Audit of the Summary Financial Statements

My responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on my procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Mr. John F.S. Muwanga  
Auditor General  
Date: October 15, 2019  
Kampala, Uganda

### ANNOUNCEMENT

The Annual General Meeting (AGM) will be held on **Thursday November 21, 2019 at 3:00pm at the Company's Head Office, located at Plot 19/21 First Street Industrial Area Kampala.** NOTICE of the AGM will be published in the New Vision newspaper on November 1, 2019 and uploaded onto the company website: <http://Visiongroup.co.ug/shareholders/>. The Annual Report will be circulated by November 1, 2019.

#### BY ORDER OF THE BOARD



Gervase Ndyabo  
COMPANY SECRETARY  
October 15, 2019

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

	2019	2018
	Ushs' 000	*Restated Ushs, 000
Revenue from contracts with customers	90,156,920	90,592,698
Cost of sales	(68,328,035)	(67,805,123)
<b>Gross profit</b>	<b>21,828,885</b>	<b>22,787,575</b>
Other income	1,521,543	883,347
Distribution costs	(1,742,097)	(1,892,410)
Impairment losses on financial assets	(481,170)	(309,895)
Administrative expenses	(14,763,198)	(14,027,635)
Other operating expenses	(2,454,721)	(2,820,213)
<b>Profit before taxation</b>	<b>3,909,242</b>	<b>4,620,769</b>
Income tax expense	(1,780,469)	(2,227,016)
<b>Profit for the year</b>	<b>2,128,773</b>	<b>2,393,753</b>
Other comprehensive income	-	-
Total comprehensive income for the year	2,128,773	2,393,753
<b>Dividends</b>		
Proposed dividends for the year	1,912,500	1,912,500
<b>Earnings per share</b>		
Basic and diluted (Ushs per share)	27.8	31.3

\*Certain amounts shown here do not correspond to the 2018 audited financial statements and reflect adjustments included in Note 32 of the detailed audited financial statements.

### STATEMENT OF FINANCIAL POSITION

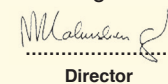
	2019	2018	2017
	Ushs '000	*Restated Ushs '000	*Restated Ushs '000
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	43,124,096	46,118,045	47,634,072
Prepaid operating lease rentals	3,163,257	3,262,213	3,360,972
Intangible assets	86,317	44,766	165,940
	<b>46,373,670</b>	<b>49,425,024</b>	<b>51,160,984</b>
<b>Current assets</b>			
Inventories	7,670,613	4,513,066	8,465,945
Trade and other receivables	23,727,935	17,103,790	17,606,823
Right of return asset	31,929	-	-
Deposits with commercial banks	4,938,649	9,724,488	450,000
Cash and cash equivalents	4,401,565	5,896,458	6,298,369
Tax deposit recoverable	2,569,777	-	-
Current tax recoverable	287,925	55,311	17,347
	<b>43,628,393</b>	<b>37,293,113</b>	<b>32,838,484</b>
<b>Total Assets</b>	<b>90,002,063</b>	<b>86,718,137</b>	<b>83,999,468</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	1,503,990	1,503,990	1,503,990
Share premium	27,158,864	27,158,864	27,158,864
Revaluation reserve	11,122,624	12,297,149	13,475,064
Proposed dividend	1,912,500	1,912,500	-
Retained earnings	30,406,125	26,459,674	24,295,686
Total shareholders' funds	<b>72,104,103</b>	<b>69,332,177</b>	<b>66,433,604</b>
<b>Non-current liabilities</b>			
Deferred tax liability	7,539,853	7,030,886	7,131,465
<b>Current liabilities</b>			
Trade and other payables	5,659,067	5,891,913	6,602,799
Refund liability	42,573	-	-
Provision for litigations	896,500	714,521	331,000
Dividends payable	2,041,432	999,591	1,100,629
Grant liability	149,854	-	-
Contract liabilities	1,568,681	2,749,049	2,399,971
	<b>10,358,107</b>	<b>10,355,074</b>	<b>10,434,399</b>
<b>Total Equity and Liabilities</b>	<b>90,002,063</b>	<b>86,718,137</b>	<b>83,999,468</b>

\*Certain amounts shown here do not correspond to the 2018 and 2017 audited financial statements and reflect adjustments included in Note 32 of the detailed audited financial statements.

The financial statements were approved by the Board on October 15, 2019 and signed on its behalf by:



Director



Director

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## NEW VISION PRINTING AND PUBLISHING COMPANY LTD

The Board of Directors, New Vision Printing and Publishing Company Ltd would like to announce the Audited results for the year ended 30th June 2019 as follows;

### STATEMENT OF CHANGES IN EQUITY

	Share capital Shs'000 Note 22 (a)	Share premium Shs'000 Note 22 (b)	Proposed dividend Shs'000 Note 13 (a)	Revaluation reserve Shs'000	Retained earnings Shs'000	Total Shs'000
At 1 July 2017 (as previously stated)	1,503,990	27,158,864	-	14,672,829	24,430,392	67,766,075
Prior year adjustment (note 32)	-	-	-	(1,197,765)	(134,706)	(1,332,471)
<b>Restated opening balance</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>-</b>	<b>13,475,064</b>	<b>24,295,686</b>	<b>66,433,604</b>
Profit for the year	-	-	-	-	2,393,753	2,393,753
Transfer of realised revaluation surplus to retained earnings (restated)	-	-	-	(1,177,915)	1,177,915	-
Deferred tax effect of transfer	-	-	-	-	504,820	504,820
Final dividend proposed for 2018	-	-	1,912,500	-	(1,912,500)	-
<b>At 30 June 2018</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>1,912,500</b>	<b>12,297,149</b>	<b>26,459,674</b>	<b>69,332,177</b>
At 1 July 2018	1,503,990	27,158,864	1,912,500	12,297,149	26,459,674	69,332,177
Initial impact of IFRS 9, net of tax	-	-	-	-	2,059,626	2,059,626
Initial impact of IFRS 15, net of tax	-	-	-	-	(7,341)	(7,341)
<b>Restated opening balance</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>1,912,500</b>	<b>12,297,149</b>	<b>28,511,959</b>	<b>71,384,462</b>
Profit for the year	-	-	-	-	2,128,773	2,128,773
Transfer of realised revaluation surplus to retained earnings	-	-	-	(1,174,525)	1,174,525	-
Deferred tax effect of transfer	-	-	-	-	503,368	503,368
Dividends declared	-	-	(1,912,500)	-	-	(1,912,500)
Final for 2019 (Proposed)	-	-	1,912,500	-	(1,912,500)	-
<b>At 30 June 2019</b>	<b>1,503,990</b>	<b>27,158,864</b>	<b>1,912,500</b>	<b>11,122,624</b>	<b>30,406,125</b>	<b>72,104,103</b>

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	2019 Ushs '000	2018 *Restated Ushs '000
<b>Net cash flows (used in)/ generated from operating activities</b>	<b>(4,324,388)</b>	<b>12,337,586</b>
<b>Cash flows generated from / (used in) investing activities</b>		
Purchase of property, plant and equipment	(2,204,835)	(3,540,701)
Purchase of intangible assets	(61,635)	(36,168)
Placements of deposits with commercial banks	(10,200,000)	(18,000,000)
Maturities of deposits with commercial banks	15,200,000	8,750,000
Interest received from commercial bank deposits	617,310	163,640
Proceeds from disposal of property, plant and equipment	46,303	24,770
<b>Net cash generated from/(used in) investing activities</b>	<b>3,397,143</b>	<b>(12,638,458)</b>
<b>Cash flows used in financing activities</b>		
Grant received	303,011	-
Dividends paid	(870,659)	(101,038)
<b>Net cash used in financing activities</b>	<b>(567,648)</b>	<b>(101,038)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,494,893)</b>	<b>(401,911)</b>
Cash and cash equivalents at beginning of year	5,896,458	6,298,369
<b>Cash and cash equivalents at end of year</b>	<b>4,401,565</b>	<b>5,896,458</b>

\*Certain amounts shown here do not correspond to the 2018 audited financial statements and reflect adjustments included in Note 32 of the detailed audited financial statements.

### SEGMENT INFORMATION

	PRINT MEDIA		ELECTRONIC MEDIA		COMMERCIAL PRINTING		OTHERS		TOTAL	
	2018 Shs'000	2019 Shs'000	2018 Shs'000	2019 Shs'000	2018 Shs'000	2019 Shs'000	2018 Shs'000	2019 Shs'000	2018 Shs'000	2019 Shs'000
External sales	49,974,245	50,218,198	26,010,662	26,524,546	11,552,020	9,910,340	3,055,771	3,503,836	90,592,698	90,156,920
<b>Total Sales</b>	<b>49,974,245</b>	<b>50,218,198</b>	<b>26,010,662</b>	<b>26,524,546</b>	<b>11,552,020</b>	<b>9,910,340</b>	<b>3,055,771</b>	<b>3,503,836</b>	<b>90,592,698</b>	<b>90,156,920</b>
<b>Segment profit before taxation</b>	<b>7,242,942</b>	<b>7,283,651</b>	<b>4,647,464</b>	<b>4,669,410</b>	<b>2,166,918</b>	<b>1,228,177</b>	<b>556,779</b>	<b>686,268</b>	<b>14,614,103</b>	<b>13,867,506</b>

### Reconciliation of operating profit

Reported segment profit before tax	14,614,103	13,867,506
Other income	872,196	1,521,543
Administrative staff costs	(9,058,155)	(9,414,548)
Other administrative costs	(1,497,480)	(1,584,088)
Impairment on financial assets	(309,895)	(481,170)
<b>Profit before tax</b>	<b>4,620,769</b>	<b>3,909,242</b>

### OVERVIEW

The Company registered a turnover of Shs 90.2 billion in 2019 compared to Shs 90.6 billion in 2018. Advertising revenue grew by 2.8%.

Cost of sales increased by 0.8%. The increase was directly related to increase in advertising revenue related costs of raw material inputs and sales commission.

The Company recorded a gross profit of Shs 21.8 billion in 2019 compared to Shs 22.8 billion in 2018 while profit before taxation was Shs 3.9 billion in 2019 compared to Shs 4.6 billion in 2018.

Administrative and other operating expenses increased by 2.2% to Shs 17.2 billion in 2019 from Shs 16.8 billion in 2018. These increase expenses was due to reclassification of legal costs from cost of sales in the previous year to administrative expenses in the current financial year.

Profit after tax was Shs 2.1 billion in the year 2019 compared to Shs 2.4 billion in 2018.

### DIVIDENDS

The Directors are pleased to propose a final dividend of Shs 25 per ordinary share. The dividends, less withholding tax where applicable, will be paid on or before January 22, 2020 to members on the share register at close of business on January 2, 2020.

**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, 2019, which are prepared in accordance International Financial Reporting Standards and the requirements of the Companies Act, 2012.

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## NEW VISION PRINTING AND PUBLISHING COMPANY LTD

The Board of Directors, New Vision Printing and Publishing Company Ltd would like to announce the Audited results for the year ended 30th June 2019 as follows;

### 2. Accounting Policies

Accounting policies used in the preparation of these summary financial statements are consistent with those set out in Note 3 of the June 30, 2019 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, 2018 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 56% (2018 - 55%) of its revenue from print media, 29% (2018 - 29%) of its revenue from electronic media, 11% (2018 - 13%) of its revenue from commercial printing and 4% (2018 - 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 2018/2019

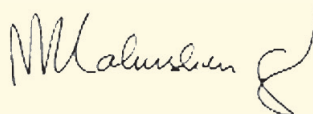
We the undersigned of New Vision Printing and Publishing Company Limited acknowledge the responsibility for the proper safe guarding of assets of the Company and hereby confirm that we have complied with all the requirements of the law.

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 15, 2019



**Jim Mugunga**  
Deputy Chairperson



**Robert Kabushenga**  
Managing Director/CEO



**Gervase Ndyababo**  
Company Secretary/DMD