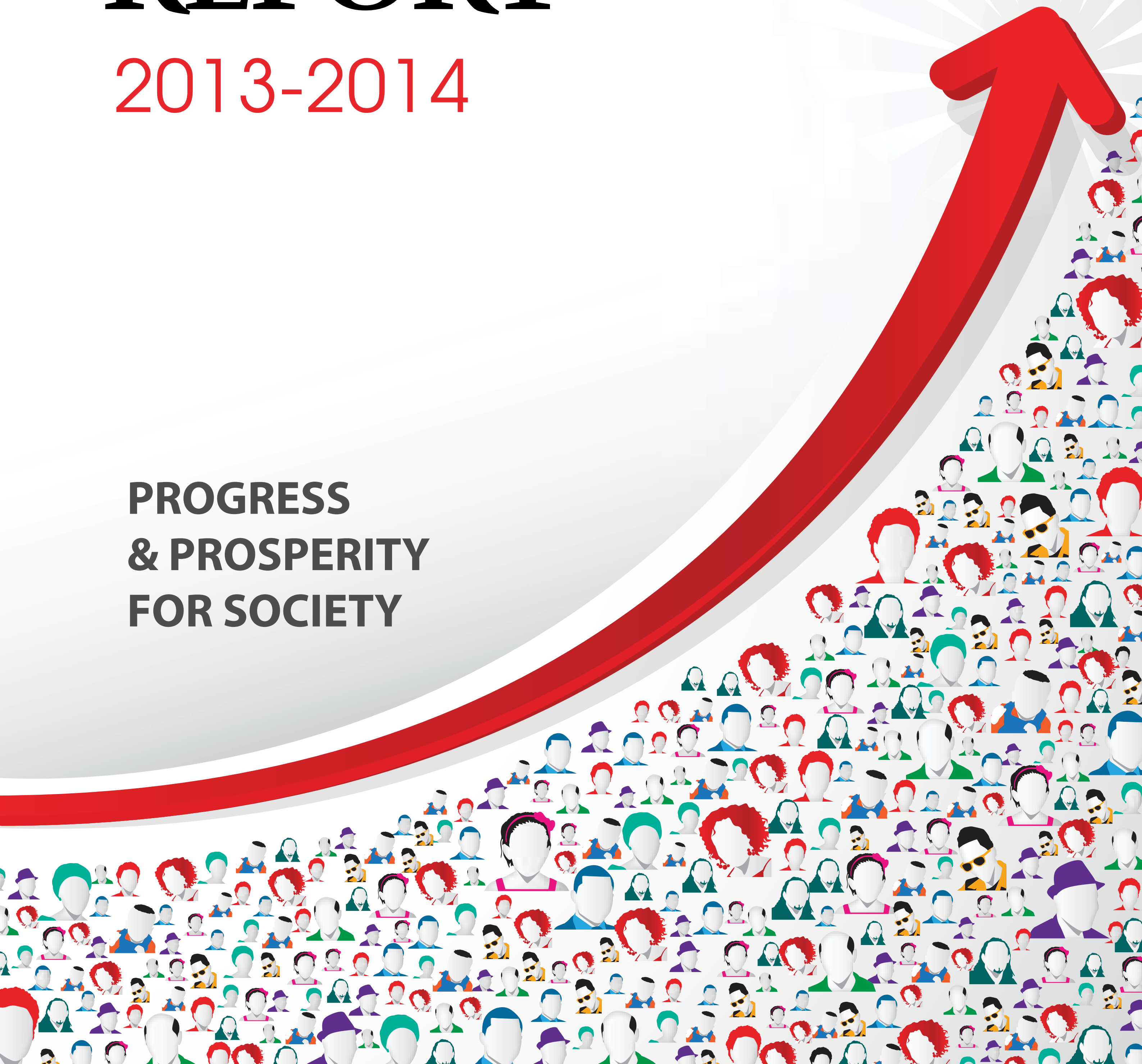
VISION GROUP®

NATIONAL PRIDE • GLOBAL EXCELLENCE

ANNUAL REPORT

2013-2014

PROGRESS
& PROSPERITY
FOR SOCIETY




THE NEWSROOM
WE ARE CHANGING THE WAY YOU CONSUME NEWS
NEWS UPDATES AT THE TOP OF EVERY HOUR
#TNR
Urban

CONTENTS

VISION

"A globally respected African media powerhouse that advances society"

MISSION

"To be a market-focused, performance-driven organisation, managed on global standards of operational efficiency

VALUES

- Honesty
- Innovation
- Fairness
- Courage
- Excellence
- Zero tolerance to corruption
- Social Responsibility

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **13th ANNUAL GENERAL MEETING (AGM)** of New Vision Printing & Publishing Company Limited will be held at the head office of the Company, Plot 19/21 First Street Industrial Area, Kampala on Thursday, 13th November 2014 at 3:00pm to conduct the following business;

1. To receive, consider and if approved adopt the annual financial statements for the year ended 30th June 2014, together with the report of the Auditors.

2. To approve and declare a final dividend of Ushs35 for the year ended 30th June 2014.

3. To rotate and elect directors.
In accordance with Articles 83-87 of the Articles of Association of the Company; Mr. David Ssebabi, Mr. Orono Otweyo and Mr. Charles Tukacungurwa retire by rotation as directors of the Company and being eligible offer themselves for re-election.

4. To appoint Mrs. Ketra Tukuratiire as a director of the Company.

5. To appoint External Auditors for the financial year 2014/2015 and authorise the directors to negotiate and fix their remuneration in accordance with Sections 167-169 of the Companies Act 2012.

6. To approve the fees payable to the Non-Executive Directors for the financial year 2014/2015.

7. To conduct any other business that may be conducted at the AGM for which notice will have been duly received.

Dated this 15th day of October, 2014

By order of the Board

Gervase Ndyanabo
COMPANY SECRETARY

Note:

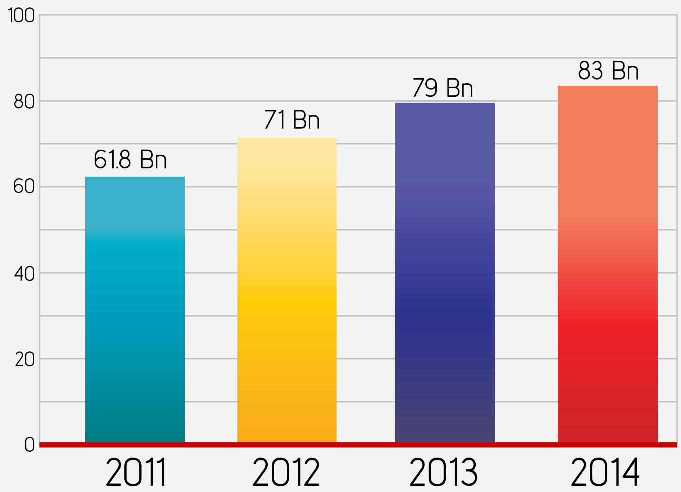
- Articles 60, 61, 62 and 63 provide for the appointment of a proxy if a shareholder is unable to attend.
- The proxy card is to be physically delivered to the Company Secretary at the physical address stated above, faxed to +256 (0414) 346432 or emailed to shareholder@newvision.co.ug at least forty eight hours before the time fixed for the meeting (Tear out the proxy card attached in the Annual Report)
- In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
- If the card is returned without any indication as to how the proxy shall vote, the proxy will exercise his discretion on how to vote.
- Shareholders with unclaimed dividends should contact the Company Secretary.
- Shareholders are advised to notify the Company Secretary of any change in their addresses or bank account details by email at shareholder@newvision.co.ug or through the aforementioned address.
- Shareholders are encouraged to open Securities Central Depository accounts. Please contact any registered stock broker for assistance.

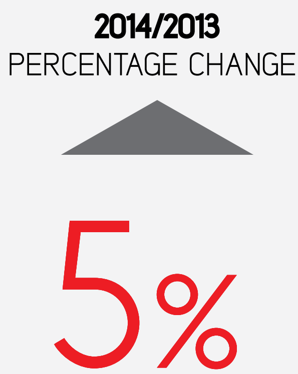
Vision Group CEO, Robert Kabushenga, presents Vision Group's Golden Jubilee book to Archbishop Cyprian Lwanga, as the Minister of Information, Rose Namayanja, looks on

FINANCIAL HIGHLIGHTS

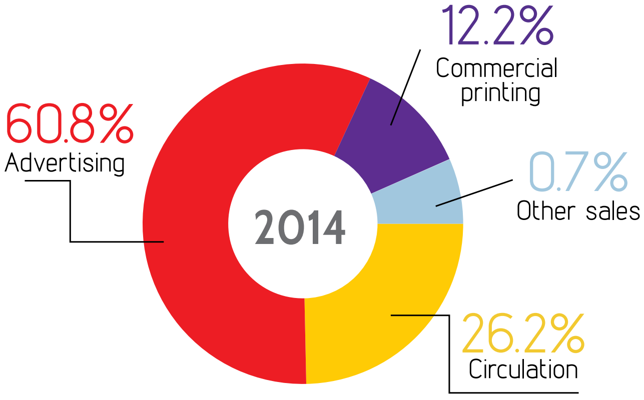
	2014 UGX '000	2013 UGX '000	2012 UGX '000	2011 UGX '000	% change 2014/13
STATEMENT OF COMPREHENSIVE INCOME					
Turnover	82,960,115	78,897,566	71,111,117	61,819,630	5%
Profit before tax	4,377,500	4,819,528	4,685,859	4,685,859	-9%
Profit after tax	3,098,785	3,551,526	3,859,053	3,003,680	-13%
STATEMENT OF FINANCIAL POSITION					
Property, Plant & Equipment	31,932,364	33,898,649	33,639,844	34,866,599	-6%
Total Assets	66,971,707	66,382,476	64,410,639	61,995,235	1%
Shareholders funds	52,898,440	52,477,155	51,603,129	49,897,388	1%
FINANCIAL PERFORMANCE					
Gross profit Margin	26.5%	27.5%	29.2%	29.4%	-1.0%
Net profit margin	3.7%	4.5%	5.4%	8.0%	-0.8%
Return on Capital Employed	8.3%	9.2%	9.1%	9.4%	-0.9%
Return on Total Assets	6.5%	7.3%	7.3%	7.6%	-0.7%
Return on Non-Current Assets	13.7%	14.2%	13.9%	13.4%	-0.5%
SHARE STATISTICS					
Earnings per share-basic & diluted	41	46	50	39	-11%
Dividends (proposed) per share	35	35	35	30	0%

TURNOVER

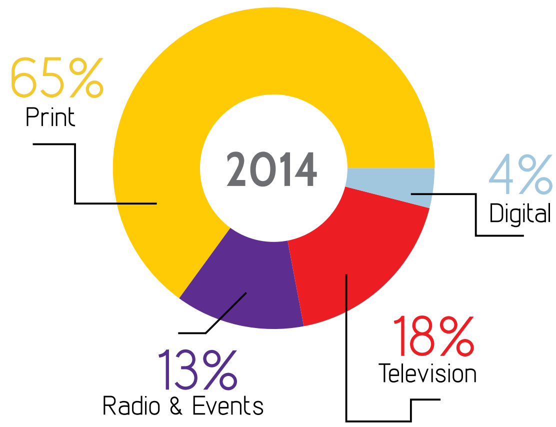




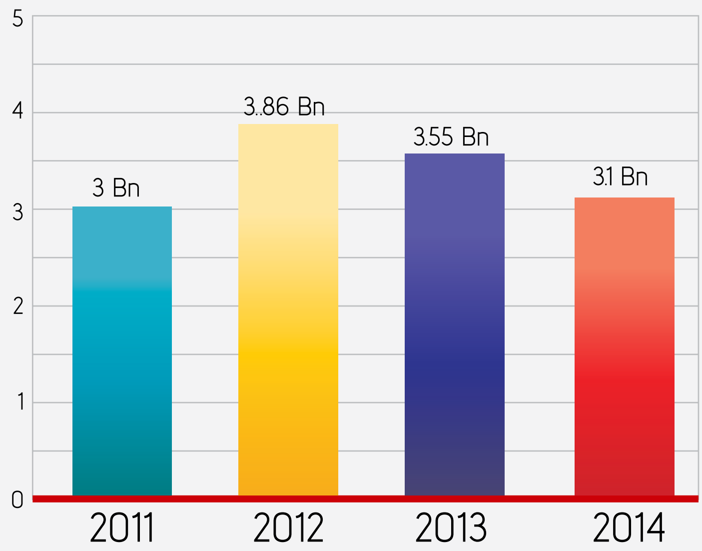
SALES BREAKDOWN



ADVERTISING REVENUE



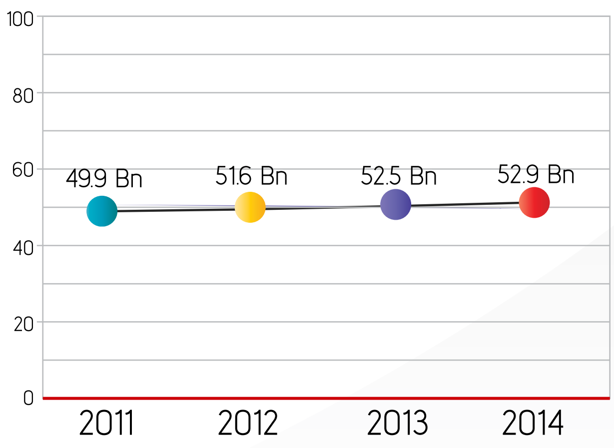
PROFIT AFTER TAX



2014/2013
PERCENTAGE CHANGE

-13%

SHAREHOLDER FUNDS



2014/2013
PERCENTAGE CHANGE

1%

BOARD OF DIRECTORS

AUDIT COMMITTEE

Gervase Ndyanabo
Chief Operations Officer/
Company Secretary

Oode Obella
Non Executive Director

Steven Bamwanga
Non Executive Director

Grace Dwonga
Non Executive Director

Gad Gasaatura
Non Executive Director

Parity Twinomujuni
Member

Susan Lubega
Member

Joseph Baliddawa
Member

CHAIRMAN'S STATEMENT

We advance society as we grow

On behalf of the Board, it is with pleasure that I present to you the Annual Report and Financial Statements of Vision Group for the year ended 30th June 2014. This was yet another challenging year owing to a general reduction in expenditure across the economy. The print advertising industry continued to experience a decline in spend directly impacting the Company's revenue. The year however also saw a significant growth on ad spend in electronic media. This shift is expected to continue and the Company will continue to align its strategy with the changing market trends but at the same time command a bigger market share and revenue in print media.

The Company remains committed to good corporate citizenship and even with the difficult economic environment, we continued to implement our mission of advancing society and acting responsibly because we believe creating a strong business and advancing society are both essential ingredients for long-term success.

We focused on the society as a way of delivering informative and educative products and at the same time provide acceptable returns to the shareholders. We continued to integrate sustainability into our business since the profitable growth of our Company depends on the economic, environmental discipline and sustainability of the society. In addition, our role in society goes beyond profit maximization and satisfying the needs of shareholders. We identified the needs of our society and used our products and initiatives as a tool for change in society.

David Ssebabi
CHAIRMAN, BOARD OF DIRECTORS

Financial Performance

In the past financial year, overall turnover grew by 12.75% but with the continually increasing cost of sales and other operating costs, there was a 12.7% decline in net profit.

Dividends

The Company has consistently paid a dividend to shareholders and the Board is pleased to recommend a dividend of Ushs 35 per share for approval by shareholders at the Annual General Meeting (AGM). The decision to recommend this

The Board Chairman, Mr. David Ssebabi, welcomes the Uganda Communications Commission Executive Director, Mr. Godfrey Mutabaazi, to the Annual Board Retreat as the CEO looks on

amount has been made cognisant of the need to balance between maximizing shareholder value and the need to plough back funds into the Company for future growth. We believe that the decision to continue ploughing back improves the long-term prospects of the Company and will yield greater returns.

Strategy

Our focus in the past year was on executing our broad strategy and specific identified priority areas which ensured we remained competitive and placed us ahead of most of our competitors in industry. Our products continued to demand a bigger market share. Our radio stations registered improvement in listenership and revenue. Bukedde TV is now the most watched TV station in Uganda and its revenue has continuously been on the increase. Our print products also continued to perform well. Bukedde newspaper is now the leading newspaper in Uganda with New Vision coming in 2nd. This is good for the business when our products command a bigger market, the revenue share increases. We should now focus on translating this bigger market share into real return to our shareholders.

We intend to leverage our positions so as to enhance profitability and improve our margins across all our business segments. Over the next two years we intend to realign our business by making profitable investments especially in the electronic media so as to harness more growth opportunities. Profitable growth will improve our margins and will directly translate into shareholder value.

Along the above lines, during the past year specific steps were taken to expose the Board and Executive Management to the electronic media industry. This was achieved through a case study visit to the Nairobi market and an annual retreat focused on the developments in the electronic media industry, macro-economic developments and prospects in Uganda. The knowledge acquired was very useful as it continues to inform and guide strategic decision making focused in this direction. Corporate objectives and annual staff targets were informed by the findings and discussions of these events.

Corporate Governance

As a Company, we embrace best practice principles of corporate governance and strive to ensure compliance with the Companies Act, 2012 and USE Listing Rules. In the past financial year, the Board performed its oversight role to ensure proper functioning, transparency and accountability.

In line with the Companies Act 2012, the Board underwent a restructuring exercise. Committees were reconstituted with specifically 3 non-members of the board being appointed to the Audit Committee.

The CEO of Crested Stocks and Securities, Robert Baldwin, meets with the Board

We continued to appraise ourselves of training needs and induction to ensure Board effectiveness. The focus for this year was on strategy, business environment, industry trends toward electronic media and legal compliance particularly with the Companies Act, 2013. Continuous training of directors took place throughout the year. The purpose of the training was to boost the Board with knowledge and skills to enable them direct the growing media empire, fulfill its mandate to provide strategic direction, and effectively maintain oversight of the business to ensure delivery of shareholder value.

In line with the Company's Articles of Association and corporate governance best practice, the company continues to ensure that the performance of directors is up for review annually by the shareholders through rotation of directors who have served for three years. The directors who are eligible offer themselves to the Annual General Meeting for re-election and shareholders get to decide whether to re-appoint them. Three directors shall present themselves to the AGM this year. The Board shall also recommend to shareholders for approval, the appointment of Ketra Tukuratiire - a shareholder, as a minority shareholder representative to safeguard their interests.

In line with corporate governance best practice, the Board conducted a self-evaluation exercise in December 2013 focusing on the role and responsibility of the Board, structure, composition, functions and processes, information and meetings among other critical areas. The results of this evaluation were discussed by the Board at the Board retreat held in January 2013 and formed a basis for identification of areas of improvement, training needs and necessary appointments.

Another evaluation of the Board will be carried out towards the end of the year. Evaluation of board committees and individual directors will also be carried out and the findings discussed at the Board retreat scheduled for February 2015.

Outlook for 2014/2015

In the past financial year, we aimed at preserving profitability for shareholders whilst advancing society. This will remain our never ending objective. We have taken note of the recent market trends which shall guide our actions and decisions. We shall aim at positioning our Company to seize these emerging trends and live by the basics of good corporate citizenship.

In the next financial year, we plan to grow our electronic products while ensuring that our print media continues to grow and dominate the market. We are confident that we shall remain competitive and relevant in the market.

Conclusion

I thank my fellow members of the Board whose insight, untiring effort, support and sacrifice has ensured the Company thrives despite the challenges experienced in the market. I acknowledge our staff, on which the Company relies for its success. Their commitment and diligence is the reason we have continued to stand out and is much appreciated.

On behalf of the Board, I extend my sincere appreciation to our customers and stakeholders for their continued support and loyalty. I thank our shareholders for their commitment to the success of the Company and for trusting us to spearhead it. We shall continue to implement our strategy aimed at increasing shareholder value whilst advancing society.

Standard Group - Kenya engineers explain to the Board how their pre-press machine operates

The Managing Director of Kiss 100, Mr. Patrick Quarcoo (right), makes a presentation to the Board on the future of electronic media

The Board of Directors at the Standard Group TV studio in Nairobi, Kenya

SENIOR MANAGEMENT

Kathy Turinawe
Chief Human Resource Officer

Barbara Kaija
Editor-in-Chief

Robert Kabushenga
Managing Director/ Chief Executive Officer

Gervase Ndyanabo
Chief Operations Officer/ Company Secretary

Susan Nsibirwa
Head of Marketing and Communications

Zubair Musoke
Chief Finance Officer

Louis Jadwong
Head of Digital

Carol Lutalo
Chief Internal Auditor

Bill Tibingana
Head of Radio

Hope Nuwagaba
Head of Sales

Peter Taremwa
Head of Printing

Mark Walungama
Head of TV

CEO'S STATEMENT

A tough financial year, but we persist

Robert Kabushenga
CEO/MD

> We came up with measures to ensure the Company commanded a wider share of the market and to build preference for our products

This was yet another year of continued efforts to return value to shareholders amidst challenges in the operating environment. The media industry also saw a shift in market trends with an indication that advertising preference is shifting from the traditional print media to electronic media. The investment in fiber-optic by Google in the greater Kampala and an expected digital migration scheduled to be rolled out at the end of the year pose both a risk and an investment opportunity for us and measures are being put in place to ensure we withstand the challenges these bring along as well as seize the opportunities.

We continued to implement our strategy and specific priority areas highlighted. Our decisions were guided by our corporate objectives and we are confident that we are on the right track towards ensuring the sustainability of our business.

Financial Performance

Our overall turnover grew by 12.75% while cost of sales increased by 6.6%. The increase in cost of sales and other operating costs, therefore, led to a 12.7% decline in our net profits. Earnings per share reduced from 46 to 41.

Operating Environment

The tight expenditure budget across most businesses has led to a reduction in advertising which translates into a reduction in revenue. In addition, the share price has continued to decline which has denied shareholder their capital gains and has put management under pressure to grow revenue despite increasing operating costs.

We came up with measures to ensure the Company commanded a wider share of the market and to build preference for our products which in the end translates into increased revenue.

We enhanced our live TV broadcast capacity which has enabled us cover events and offer live broadcasts to our viewers. Urban TV underwent a restructuring and is on a growth plan. It can now be received in eastern Uganda (Soroti and Mbale) and northern parts of the country i.e. Arua and Gulu, which has resulted in a wider market share and increased revenue.

There is increased attention to our sales process in a deliberate move to make our route to market more productive. Supervision of distributors upcountry has been enhanced by posting regional circulation supervisors and this is already paying off. The sales team also underwent training on conceptual selling, product knowledge and market dynamics to improve on presentation and penetration of the market.

Printing capacity has been increased by the purchase of 2 printing presses which have enabled us meet client timelines despite a huge workload. To reduce machine downtime we focused on preventive maintenance of our equipment which has resulted in reduction in costs of repair & maintenance plus reduced machine downtime. Nevertheless, in order to enhance competitiveness, there is need for further investment in the printing capacity.

Achievements

This year, Bukedde, one of our main brands, made 20 years. Since its inception in 1994, the brand has grown from a weekly newspaper to a daily newspaper, a radio station and a TV station. According to ABC, *Bukedde* newspaper is now the leading daily in Uganda in terms of circulation. Bukedde TV is also the most watched TV station in Uganda and its revenue has continually risen

Our commercial printing department set a new record of monthly performance of Ushs 1.8 billion from Ushs 1.4 billion. TV revenues have also picked up to an average of Ushs 1 billion per month. There was an impressive trend in radios, with Arua One, Bukedde FM and XFM registering an improvement in listenership and revenue. According to the Audit Bureau of Circulation (ABC), our main newspapers, *Bukedde and New Vision* maintained market leadership by taking position 1 and 2, with a total circulation of 35,008 and 31,495 copies respectively.

> Our main newspapers, Bukedde and New Vision maintained market leadership by taking position 1 and 2, with a total circulation of 35.008 and 31.495 copies respectively

Our projects and events continued to grow. Pakasa registered attendance of over 3,000 participants and attracted great leaders like the President of the Republic of Kenya – Uhuru Kenyatta and successful businessmen and women. We also launched a Luganda version of Pakasa titled Yiiya Sente, which was well received by the public and has continued to attract an equally large audience and successful panelists. These projects have built our brand equity and have enabled us advance society, which is good for our business.

We held 2 editions of the Bride and Groom Expo, which were both equally successful and a very successful 3rd season of Coca-Cola Rated Next. Our regional stations were also not left out; we held successful marketing drives for all these stations.

Marketing and Research

The marketing function undertook a deliberate drive to create preference/loyalty for our brands and continuously carried out market research. Discussions on the findings influenced our strategy, which explains the improvement in our products.

Human Resource

The Company continued to implement its human resources strategy aimed at attracting, developing and retaining a skilled workforce that is committed to delivering the Company's objectives. During the last financial year,there was extensive training in key areas like Multi-platform Journalism, Photography, Radio Community News Enterprise, Journalism, Newsroom Management, and Productivity Enhancement.

BUKEDDE MARKS 20 YEARS

The Archbishop, Cyprian Lwanga, tours the Bukedde offices

Special guests cut cake at the 'Bukedde at 20' celebrations

Manager of Ethiopian Airlines - Uganda, Abebe Angessa, presents to the CEO 10 air tickets of the winners of the Bukedde Dubai trip

Vision Group's Chief Finance Officer Zubair Musoke and Kampala District Kadhi Sheikh Siliman Ndirangwa receive the Minister for Information, Ms. Rose Namayanja, at the 'Bukedde at 20' celebrations

Buddo Senior Secondary School students entertain guests at the celebrations

Rated Next 2014 winner Ruth Grace is presented with a Ushs 50m cash prize by CEO Robert Kabushenga and the Century Bottling Marketing Manager, Rob Davis

An analysis of the skills and abilities of our current staff was carried out and developed a more accurate understanding of what skills exist in the business and gaps identified which provided a good starting point for more focused training plans.

Future Outlook

In the coming financial year, there will be greater focus on route to market to ensure consistent revenue growth. Furthermore, strict measures to control the rate at which cost of sales are growing are being implemented. This is in order to ensure the business achieves a much higher level of profitability, the overall objective being to improve the market valuation of the business.

The more important issue though is the future of our business. Currently the Company is highly invested in legacy media. However, there are major advances in new technology and digital media which is going to be more accessible. This coupled with changing demographics of our audiences means there will be a strategic shift in media consumption patterns in the industry. The next financial year will be spent preparing to transition the business into a digital environment.

> We are confident that we are on the right track towards ensuring sustainability of our business

You make us who we are. You are the reason New Vision stands apart as a mark of excellence, quality and reliability. This award is therefore dedicated to our readers, advertisers, stakeholders and staff. Thank you for making us a Superbrand!!

New Vision
UGANDA'S LEADING DAILY

AWARDED FOR
East Africa
Superbrands
2012-14
QUALITY - RELIABILITY - DISTINCTION

CORPORATE GOVERNANCE STATEMENT

Newly appointed members of the Board Audit and Risk Committee tour the factory as part of induction

We uphold good corporate governance

In the past financial year, the Company was managed on the basis of effective practice of standards of good corporate governance as highlighted in this statement and will continue to uphold these standards.

The Board

Vision Group is headed by a unitary board of directors appointed by shareholders at the Annual General Meeting (AGM) and has powers and duties vested in it by the Companies Act 2012, Uganda Securities Exchange (USE) Listing Rules 2003 and the Articles of Association.

The Board is responsible for setting the Company's strategic direction and ensures that the strategy is aligned with the Company's vision, mission, values and objectives. It guides the Company with a view to ensuring long-term and sustainable returns for shareholders, while delivering exceptional services to our customers, having regard to the interests of stakeholders and the communities in which the Company operates.

The Board embraces corporate governance best practice and strives to achieve effectiveness as highlighted in this statement.

The Board takes cognisance of the requisite knowledge, skills and experience of directors, as well as other necessary attributes to enable them perform their roles.

The Company's Board is currently constituted of nine directors with a wide array of skills and experience to enable effective Board discourse. Eight of them are Non-Executive Directors (NEDs) to ensure decision making is sufficiently informed by independent perspectives. Of the 8 NEDs, 5 are independent. The Managing Director/CEO is the only Executive serving Board member. The Chief Finance Officer, Editor-in-Chief and Chief Internal Auditor attend meetings on invitation.

Classification of directors

Director		Independent	Non-Independent
David Ssebabi	Non-Executive/Chairman		✓
Robert Kabushenga	Managing Director		✓
Prof. Monica Chibita	Non-Executive	✓	
Orono Otweyo	Non-Executive		✓
Oode Obella	Non-Executive	✓	
Grace Dwonga	Non-Executive	✓	
Gad Gasaatura	Non-Executive	✓	
Steven Bamwanga	Non-Executive	✓	
Charles Tukacungurwa	Non-Executive		✓

The roles of Chairman and Chief Executive are separate and distinct.

In addition, the Audit Committee is comprised of 3 non-members of the Board in accordance with the Companies Act, 2012.

The number and caliber of independent non-executive directors on the Board ensures that decision-making is sufficiently informed by independent perspectives.

In order to improve on its effectiveness, the Board underwent a restructure this year and put in place a Nominations Committee. In accordance with approved Board Nominations Guidelines, the Committee considers, approves and through the Board recommends nominees to shareholders for approval at the AGM.

There were no casual vacancy appointments to the Board during the past financial year. At this year's AGM, the Board will recommend and offer Mrs. Ketra Tukuratiire for appointment as a shareholder representative on the Board.

Directors who have served 3 years retire by rotation at AGMs and may offer themselves for re-election. This year, the directors retiring by rotation are:

- Mr. Orono Otweyo
- Mr. Charles Tukacungurwa

Induction and Training

After appointment, new directors undergo induction into the Company's business and operations. They are advised on their rights, duties, legal and regulatory requirements, as well as governance best practice. Induction of new members of the Audit Committee took place on 24th April, 2014.

All existing directors are continually trained in corporate governance, applicable legislation and regulations, codes and any changes to legislation which impact the Company. They are also exposed to Company operations.

The Company Secretary is responsible for the induction and ongoing education of directors. The focus this year was on strategy, industry trends toward electronic media and legal compliance particularly with the Companies Act, 2012. Continuous training of directors took place throughout the year, which included a study tour to media houses in Kenya which operate in an environment similar to that of Vision Group but have been able to thrive despite the difficult economic climate.

The theme for this year's annual retreat for the Board and Executive Management in February 2014 was on developments in the electronic media industry, macro-economic developments and prospects in Uganda. The retreat was aimed at informing the Board on recent trends and developments in the media industry that should guide their decision-making.

Meetings of the Board

The Board meets quarterly and the meetings are structured to allow open discussion.

All substantive agenda items have comprehensive briefing papers which are circulated at least 7 days to the scheduled meeting.

The Board Chairman, Mr. David Ssebabi (centre), addresses shareholders at the 2013 AGM as other directors look on

Before commencement of a meeting, directors are required to disclose existence of any potential conflict of interest. Directors also disclose any potential conflict of interest which may arise from time to time during their directorship. No instances of conflict of interest arose in the past financial year.

A register for conflict of interest exists for record of existing or potential cases of conflict of interest.

Directors' shareholding as at June 2014 was:

	No. of shares
David Ssebabi (in joint ownership with his wife)	7579

Mrs. Susan Lubega – a member of the Board Audit and Risk Committee holds 1313 shares.

In addition to the regular quarterly Board meetings, other meetings to deal with specific matters are held.

Directors upheld the culture of excellent attendance of Board meetings as highlighted in the table below:

	Oct 3, 2013	Oct 24, 2013	Nov 4, 2013	Nov 21, 2013	Feb 5, 2014	Apr 30, 2014	Jun 26, 2014	Jul 31, 2013
David Ssebabi	X	✓	✓	✓	✓	✓	✓	✓
Robert Kabushenga	✓	✓	✓	✓	✓	✓	✓	✓
Orono Otweyo	✓	✓	✓	X	✓	✓	✓	✓
Grace Dwonga	✓	✓	✓	✓	✓	✓	✓	✓
Oode Obella	✓	✓	✓	✓	✓	✓	✓	✓
Monica Chibita	✓	✓	✓	X	✓	✓	X	✓
Steven Bamwanga	✓	✓	✓	✓	✓	✓	✓	✓
Gad Gasaatura	x	✓	✓	✓	✓	X	✓	✓
Charles Tukacungurwa	✓	✓	✓	✓	✓	✓	X	✓

Committees of the Board

The Board monitors and evaluates the implementation of strategies, policies, management performance and business plans through Board committees which improve its effectiveness. The committees facilitate discharge of the Board's responsibilities by providing in-depth focus on specific areas. The committees each have terms of reference which detail roles and how they operate.

Each committee has access to relevant information and is provided with all necessary resources to enable them undertake their responsibilities in an effective manner.

Following findings of the Board evaluation and in accordance with the Companies Act 2012, the committees were restructured in January 2014 to enhance their efficiency.

The committees, membership and attendance of Board committee meetings in the past financial year was as set out in the tables below:

HR and Remunerations Committee

	Jul 22. 2013	Aug 26. 2013	Oct 21. 2013	Apr 28. 2014	Jul 30. 2014
Capt. Gad Gasaatura	✓	✓	✓	X	✓
Orono Otweyo	✓	X	✓	✓	✓
Prof. Monica Chibita	✓	✓	✓	n/a	n/a
Robert Kabushenga	✓	✓	✓	✓	✓
Grace Dwonga	n/a	n/a	n/a	✓	✓
Steven Bamwanga	n/a	n/a	n/a	✓	✓

Finance and Operations Committee

	Jul 23 2013	Oct 22. 2013	Apr 29. 2014	Jun 24. 2014	Jul 29. 2014
David Ssebabi	X	✓	✓	✓	✓
Robert Kabushenga	✓	✓	✓	✓	X
Oode Obella	✓	✓	n/a	n/a	n/a
Steven Bamwanga	x	✓	✓	✓	✓
Grace Dwonga	n/a	n/a	✓	✓	✓
Charles Tukacungurwa	n/a	n/a	✓	✓	✓

Editorial Committee

	Jul 22. 2013	Oct 21. 2013	Apr 28. 2014	Aug 21. 2014
Prof. Monica Chibita	✓	✓	✓	✓
Capt. Gad Gasaatura	✓	✓	x	✓
Steven Bamwanga	x	✓	n/a	n/a
Grace Dwonga	✓	✓	n/a	n/a
Orono Otweyo	n/a	n/a	✓	✓
Charles Tukacungurwa	n/a	n/a	✓	✓

Audit and Risk Committee

	July 23. 2013	Oct 01. 2013	Oct 22. 2013	Jan 28. 2014	Apr 29. 2014	Jul 29. 2014
Orono Otweyo	✓	✓	✓	✓	n/a	n/a
Oode Obella	✓	✓	✓	✓	✓	✓
Grace Dwonga	✓	✓	✓	✓	n/a	n/a
Charles Tukacungurwa	✓	✓	✓	✓	n/a	n/a
Parity Twinomujuni	n/a	n/a	n/a	n/a	✓	✓
Joseph Baliddawa	n/a	n/a	n/a	n/a	✓	✓
Susan Lubega	n/a	n/a	n/a	n/a	✓	✓

Key: ✓ - Present X - Absent n/a - Not Applicable

Board Audit and Risk Committee (BARC)

In line with the Companies Act 2012, the Board Audit and Risk Committee was reconstituted to meet the requirement of at least three members of reputable integrity, not being members of the Board. Membership of the committee now consists of 4 members, 3 of whom are not directors while 1, the chairperson, is an independent non-executive director. To ensure continuity, the chairperson is a previously serving member of the committee which ensured continuity in the performance of its duties and mandate.

The committee is comprised of members who collectively are experts in corporate governance, financial reporting, risk management and internal and external audit.

The committee is governed by a charter which provides for its terms of reference and guides its activities.

The committee provides independent oversight of the Company's financial reporting. It monitors the integrity of the company's financial statements and considers the significant accounting policies used for preparation. It ensures timely, transparent and objective disclosure of financial information. It considers and makes recommendations to the Board on the half-year and annual audited accounts.

The committee provides oversight of the risk management and internal audit function to ensure that appropriate systems are in place to identify, evaluate and manage significant risks faced by the company. It ensures that sound, effective risk management and internal control systems are maintained.

The committee considers quarterly internal audit and risk reports.

Barbara Kaija, the Editor-in-Chief, responds to a question at the 2013 AGM

Internal Audit

The Company has an internal audit department whose primary role is to provide assurance to the Board and the Executive management on governance, risk management, and internal control processes by analyzing, measuring and evaluating the effectiveness of systems of control in achieving company objectives through a systematic and disciplined approach.

The department applies the Risk Based Internal Audit methodology (RBIA). RBIA enables Internal Audit to provide assurance to the Board and Executive management that risk management processes are effective, in relation to the Company's risk appetite.

During the year 2013/2014, the department achieved 100% coverage of the approved annual audit plan, covering all the Company's strategic business units and support units. The reports arising from the audits were discussed with management and agreed actions and implementation dates included in the reports. Quarterly updates on progress of implementation of agreed actions were discussed at the Board Audit and Risk Committee (BARC) meetings. Quarterly follow up on implementation of the external auditors' management letter recommendations was also done and updates discussed at the quarterly BARC meetings.

The Chief Internal Auditor functionally reports to and has unrestricted access to the committee.

Risk Management

The Company operates under an approved Enterprise Risk Management framework following the COSO model. The risk management framework was reviewed during the period by both management & the Board committees.

The Board Audit & Risk Committee provides oversight of the risk management function. The committee considers a quarterly risk report prepared by the Risk Officer and discussed by management. The oversight roles involves ensuring that management has a process in place for identifying key risks and an approach to mitigate these risks to an acceptable level. The Executive Committee (EXCO) serves as the Risk Management Committee and the Company employs a full time Risk Officer.

The quarterly risk report includes identified key risks, highlighting any changes and responses to each risk ranking as well as emerging risks.

The Company's key risks are profiled and monitored regularly for change in ranking and appropriateness of mitigation measures as well as identifying new risks.

Vision Group's key risks are:
- Reputation damage
- Failure to meet financial targets
- Credit risk (bad debt & increase in collection days)
- Loss of market share
- Inadequate business continuity
- Defamation suits
- Fraud (lapses in internal controls)

Vision Group has embarked on the process of procurement for implementation of an Enterprise Resource Planning system, whose functionality will include cloud storage to address part of the Company's business continuity needs.

The risks with responses to highlight for the period include:

- **Foreign Exchange Risks**

The Company's exposure to the risk of foreign exchange rates relates primarily to purchase of imported raw materials quoted in foreign currencies. Strong foreign currencies have a direct impact on the cost of imported input, therefore, increasing the cost of production. This risk has been managed by managing stocks optimally.

- **Economic Factors**

Government is primarily the biggest spender within the economy; fiscal measures by the Central Bank to manage inflation during the year have reduced aggregate demand within the economy. Advertisers are subsequently tightly managing their budgets & advertising budgets are continually reduced by the major advertisers.

However, the Company continues to be a leader in innovation through its diversified platforms and maintains command of advertising spend.

- **Growth of Electronic Media**

Electronic media advertising spend is growing faster than print adverting. Vision Group is working towards reducing the reliance on print advertising by continually investing & strategically positioning the electronic media platforms.

There has been significant investment in television to take advantage of the growing preference of television by advertisers, with particular focus on Urban TV for the year.

The risks shall continually be monitored and effectiveness of the responses continually evaluated and assessed.

Nominations Committee

In line with the Companies Act 2012, a Nominations Committee was set up in the course of the year to handle appointments onto the Board. The committee is governed by the Nomination Committee terms of reference and ensures that at all times there is a balanced mix of skills, experience and competence in various fields of expertise on the Board to ensure its effectiveness.

The Committee is responsible for evaluating the Board and advising on its structure as well as matters of succession planning. This year, the Committee recommended the rotation of two directors for consideration by the shareholders at the AGM and the

> The (audit) department achieved 100% coverage of the approved Annual Audit plan, covering all the Company's strategic business units and support units

appointment of a minority shareholder representative, Mrs Ketra Tukuratiire.

The Board chairman is the chairman of the Nominations Committee.

HR and Remuneration Committee

This Committee is composed of four non-executive directors and is governed by the HR and Remunerations Committee terms of reference. The committee reviews the Company's remuneration policies, structures and practices and, among others, agrees the employment terms for executive and senior management, including the Chief Executive Officer, taking into account the objectives of the company from which performance targets for the Executive management are extracted.

The committee also ensures compliance and implementation of Human Resource policies and makes recommendations to the Board.

Remuneration Philosophy

In determining the remuneration of non-executive directors, the Board considers the extent and nature of their responsibilities, and reviews of comparative remuneration offered by similar companies. The Company aims at attracting and retaining high caliber directors to provide oversight and guidance to management. Remuneration takes into account the caliber of directors.

In the past financial year non-executive directors were paid a quarterly fee and sitting allowance approved by shareholders at the last AGM as follows:

	CHAIRMAN	NON-EXECUTIVE DIRECTORS
Sitting Allowance (UGX) (net)	672,000	560,000
Quarterly Fees (UGX) (net)	1,344,000	1,120,000

Directors interact with participants at the 2013 AGM

Board Evaluation

The Board is committed to continued improvements to its effectiveness and performance. The Board conducts an annual evaluation exercise which focuses on role, its responsibility, structure, composition, functions and processes, information and meetings among other critical areas. The objective of these evaluations is to assist the Board and committees to constantly improve their effectiveness by addressing areas needing improvement and providing directors with the necessary training.

The Board carried out a self-evaluation to assess its performance, that of its committees, the chairman and individual directors in December 2013. Questionnaires were filled, results collated and feedback discussed. The results of this evaluation formed a basis for identification of areas of improvement, training needs and necessary appointments. Training was identified especially in electronic media.

Performance of individual directors was evaluated by the directors. The chairman discussed the peer review results with each director.

Suggestions on effectiveness and compositions were taken into account and a restructure undertaken.

The next scheduled evaluation will be carried out in December 2014.

Financial Reporting and Disclosures

Financial performance is monitored through quarterly reports from management, and governance and risks are monitored by the relevant risk committees, and reviewed by the Board. The performance is formally reported to shareholders through half-year unaudited results and audited financial statements. The audited accounts are presented to, and considered by shareholders at the Annual General Meeting.

Financial information on the Company's performance is prepared using appropriate accounting policies and standards, which are applied consistently. Financial statements are produced in accordance with International Financial Reporting Standards (IFRS) and the requirements of all the relevant statutes, rules and regulations.

All accounts are approved by the Board and presented to the Uganda Securities Exchange before publication in fulfillment of the Listing Rules.

The accounts are published in the *New Vision* newspaper and uploaded onto the Company website. They are also sent to shareholders via email (eshareholder@newvision.co.ug) and are uploaded on the website (http://www.visiongroup.co.ug/financialreports.php).

Dealing in Securities

The Company restricts dealing in securities by directors and employees during closed periods. Communication is sent out to employees and directors to notify them of the closed periods, which are from July 1 to the publication of final results, and from January 1 to the publication of interim results.

The Board is committed to continued improvements to its effectiveness and performance

Engagement with Shareholders

Regular communication with shareholders is a responsibility of the Company in order to improve shareholder value and relationships. The Company is committed to ensuring that shareholders and the financial markets are provided with full, accurate and timely information about its performance. In addition to engagements facilitated by the office of the Company Secretary, the Board ensures that shareholders and the investing public are availed with full and timely information about its business performance through publication of half-year and full-year financial statements and circulation of annual reports.

Communication to shareholders is usually through emails (*shareholder@newvision.co.ug*), SMS, post, telephone calls and announcements in the newspapers. Shareholders are, therefore, encouraged to ensure their details are updated and to notify the Company of any change in their postal or email addresses, phone numbers and bank account details.

The Company has also put in place a shareholder page on its website which contains important information like all past annual reports, audited and unaudited financial statements, list of approved brokers, frequently asked questions etc. The page can be accessed directly at *http://www.visiongroup.co.ug/shareholder-information.php*.

The annual report is published each year on the Company's website (*www.visiongroup.co.ug*) together with the notice and resolutions of the Annual General Meeting.

Shareholders are encouraged to attend the annual general meetings to exercise their rights and for more interaction.

The Company has put in place an investor relations function to ensure shareholder engagement. The officer in charge of investor relations can be reached on 0414 337835.

Company Secretary

The role of the Company Secretary is to ensure the Board remains cognisant of its duties and responsibilities.

The Company Secretary acts as secretary to the Board and its committees. The Company Secretary assists the chairman in ensuring that all directors have full and timely access to all relevant information and is responsible for ensuring that the correct Board procedures and applicable laws are followed.

The Company Secretary keeps the Board abreast of relevant changes in legislation and governance best practices. The Company Secretary also oversees the induction of new directors as well as the ongoing education of directors.

All directors have access to the services of the Company Secretary.

Compliance

Vision Group remains committed to conducting business in accordance with relevant laws and regulations. In the past financial year, we saw the coming into force of the Companies Act 2012, the passing of the Anti-Pornography Act and the Press and Journalists Act as amended. Measures have been put in place to ensure compliance.

Compliance checks were carried out for all strategic business units to boost compliance and identify areas lacking. The major compliance challenges were the increased costs of compliance and the high risk of fines and penalties by regulators.

Compliance with the Companies Act 2012 was also observed. Annual returns were filed while Board and shareholder resolutions were registered on time. Some areas of the Companies Act 2012 are still grey and will require further guidance from the Uganda Registration of Services Bureau (URSB).

Going Concern

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement.

SHAREHOLDER INFORMATION

SUMMARY OF SHAREHOLDERS

	NO. OF SHAREHOLDERS	SHARES (UGX)	% HOLDING
INSTITUTIONAL			
Ugandan	77	68,179,258	89.12
Foreign	3	187,988	0.25
INDIVIDUAL			
Ugandan	2,329	7,370,209	9.63
Foreign	105	762,545	1
GRAND TOTAL	2,514	76,500,000	100.00

TOP 10 SHAREHOLDERS

	SHAREHOLDER	SHARES	PERCENTAGE
1.	Government of Uganda	40,800,000	53.34
2.	National Social Security Fund	15,000,000	19.61
3.	National Insurance Corporation Ltd	2,068,172	2.70
4.	Bank of Uganda Staff Retirement Benefit Scheme - AIG	1,703,380	2.23
5.	National Social Security Fund - SIMS	1,435,857	1.88
6.	National Social Security Fund - Pinebridge	750,000	0.98
7.	Bank Of Uganda Staff Retirement Benefit Sch - SIM	675,971	0.88
8.	Mr. Wazunula Samuel Mangaali	510,000	0.67
9.	Tullow Uganda Staff Retirement Benefits Scheme	499,800	0.65
10.	Makerere University Rbs - Pinebridge	475,000	0.62

CORPORATE SOCIAL RESPONSIBILITY REPORT

Vision Group's CEO Robert Kabushenga asks H.E. Uhuru Kenyatta a question during the third Pakasa Forum

Sustainability through social relevance

> We cannot seek achievement for ourselves and forget about progress and prosperity for our community
>
> *—Cesar Chavez*

At Vision Group, we believe that our most important contribution to sustainable development is to operate a profitable and sustainable business and have, therefore, embedded sustainable business practices into our business. We believe that business has a responsibility beyond its basic responsibility to its shareholders; a responsibility to a broader constituency that includes its key stakeholders and the society.

Through our various platforms we highlight various societal challenges such as unemployment, food insecurity, access to health care and access to information. We play a vital role in fighting vices like child sacrifice and defilement, and also act as a channel in finding solutions. In addition, we educate individuals and enable them improve their quality of life by providing informative news and educative reading materials.

In formulating our strategy, we consider the full range of issues that influence the sustainability of our business and that of the community in which we operate.

We aim at remaining commercially viable and socially relevant to the societies in which we operate. We also take into consideration those factors that affect the stability and growth of the society we operate in, the Ugandan economy and in turn our business.

As a result, the Company was in the past financial year involved in various activities through which it used its various platforms and resources to empower the community and to highlight social causes.

The main projects undertaken were:

1. The Best Farmers Competition.

Organized under Harvest Money, our hugely popular weekly farming pullout, the contest attracted over 1,800 farmers across the nation and drew attention to agriculture to help Ugandans take advantage of it to address the issue of unemployment, food insecurity and commercial farming.

The project highlighted the underlying impediments to farming in Uganda. These include poor extension services, low technology, poor marketing and storage of produce and other products, low access to finance, and the mutual distrust between financial institutions and farmers among many other challenges.

The project run jointly with dfcu Bank, Dutch Embassy and KLM Airlines and was arguably one of our best contributions to Uganda this year. The project helped focus attention on agriculture, a critical sector of our economy that employs over 80% of our population. The main purpose of the project was to motivate Ugandans into exploiting the Country's natural resources to make a living out of farming and improve quality and standards of living.

The project managed to make farming attractive by showcasing the best farmers for all to see and emulate. This was aimed at inspiring millions of other Ugandans to take to farming which is the backbone of our economy. Seminars for farmers were organised where various topics of concern were addressed. Teams of successful farmers participated in agricultural shows and shared information and experiences. The project also highlighted urban farming and as a result urban dwellers have begun putting their small pieces of land to optimal use by growing vegetables and rearing chicken and or zero-grazing.

The 10 winners of the project will get a fully sponsored trip to the Netherlands to visit and learn from successful farmers. The overall winner will get Ushs 50 million and the first and second runners up will receive Ushs 30 million and Ushs 20 Million respectively

> Pakasa Forum registered a high attendance of up to 3,000 people and broke Twitter records in Uganda, scoring the highest social media traffic to date

to finance acquisition of farm assets like tractors, milk coolers, irrigation systems etc. to enhance their farming. The remaining seven will receive an award of Ushs 7 million each.

2. Pakasa and Yiiya Sente

These are aimed at providing entrepreneurial skills to empower Ugandans to create employment for themselves and others.

Weekly Pakasa pullouts were published in the Friday *New Vision* newspaper. The pullout carries stories and experiences of successful entrepreneurs who have beaten the odds by starting and growing their businesses from scratch. Their main purpose was to educate and inform readers on how to acquire and use their entrepreneurial skills and meager income to start or grow businesses for the long-term.

Fora that offered the youth an opportunity to interact with successful businessmen and obtain tips on entrepreneurship were conducted.

In the past financial year, Pakasa was held three times. Attendance was free of charge and was open to members of the public. The forum offered a platform for discourse where successful and aspiring entrepreneurs from all walks of life shared tips and experiences.

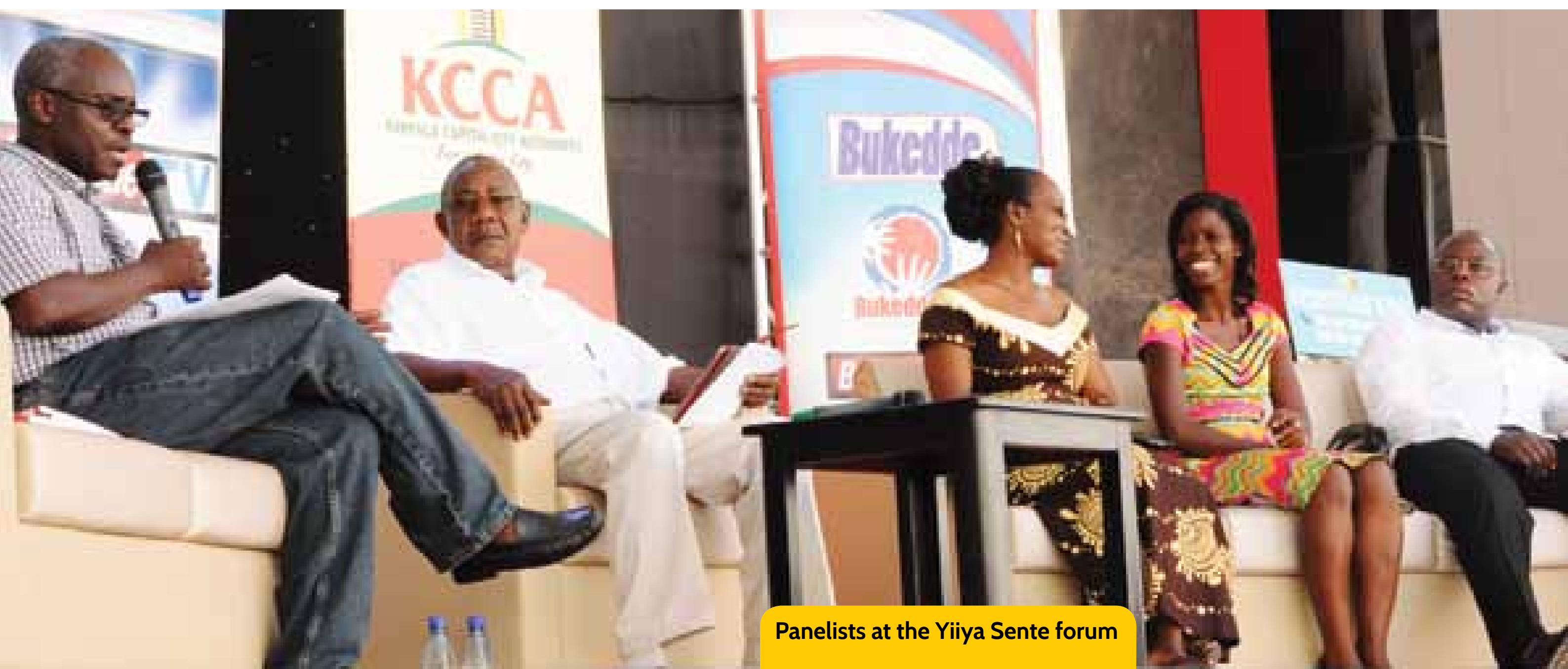
Prominent people like the President of the Republic of Uganda and successful businessmen shared their experiences and enlightened participants on starting and growing businesses.

The hugely popular Pakasa Forum registered a high attendance of up to 3,000 people and broke Twitter

Some of Uganda's successful entrepreneurs offer advice to participants at the Pakasa Forum

Participants take notes at the Yiiya Sente forum

A huge crowd of participants from all walks of life at the first Yiiya Sente forum



Panelists at the Yiiya Sente forum

H.E. Uhuru Kenyatta interacts with participants after the Pakasa Forum

records in Uganda, with the last forum scoring the highest social media traffic to date. The proceedings were telecast live on Urban TV, and across the East African region. This is testament to the value attached to the fora due to their benefits and contribution to the development of our economy and the fight against unemployment and poverty.

PAKASA was also adapted on the Bukedde radio, newspaper and TV as Yiiya Ssente and 2 fora were held at Freedom City in Kampala in April. Like Pakasa, the fora have attracted successful businessmen and an equally large audience. It is a platform for sharing entrepreneurial advice in a local language - Luganda.

3. Education

The Newspapers in Education (NIE) project in partnership with various organisations has continued to create awareness on major issues that affect children and their communities.

As part of this project, the Company partnered with United Bank for Africa (UBA) to promote financial literacy and a reading culture. Ushs 50 million was invested in the project where more than 500 books, mostly African literature, were donated to 15 secondary schools from various regions in the country. The project was tailored to bridge the information gap especially among children, their parents and peers. The project not only boosted support for financial literacy but also enhanced the students' reading culture. Schools visited include St. Maria Goretti Girls School in Fort Portal, Ntare School – Mbarara, International Window School – Mbarara, Jinja SSS and Kiira College – Butiki. This resulted in the formation of entrepreneurship clubs in most of the schools aimed at income generation.

The Company also partnered with the Polish Embassy where each of 20 primary schools received 100 copies of the New Vision every Wednesday for 8 weeks. The pullouts imparted environmental conservation skills and led to formation of environmental clubs and initiatives to spread the environmental conservation message to their communities. Schools that benefited from this project include Highfeld Primary School – Wakiso District, Katakwi Parents School, Katakwi Pimary School, Masindi Army Boarding Pimary School, Ediofe Boys, Arua Primary School, Kihiihi Primary School, Runyinya Primary School and Bwindi Watoto School.

4. Environmental Watch

Vision Group partnered with National Forestry Authority in a Community Tree Planting Programme with the aim of restoring natural degraded forests in Uganda. This is a continuous project and the Company intends to plant trees in several gazetted areas in various parts of the country. In the past financial year, members of staff together with those of National Forestry Authority planted seedlings of indigenous species on land at Lwamunda on Mityana Road. The next batch of trees will be planted in Mbarara and Soroti.

Vision Group also believes that a clean country will make Ugandans healthier, happier and wealthier. We carried out yet another successful environmental campaign under the theme "Make Uganda Clean" to improve sanitation and hygiene in the various towns of Uganda. Deteriorating levels of hygiene in some of the towns were highlighted and clean towns were acknowledged.

Sick children sleep on the ground while a patient in Atutur Hospital prepares a bed without a mattress before Vision Group donated mattresses

Linda Mabikke (right), Vision Group's CSR coordinator, presents mattresses to Atutur Hospital in Kumi district

Members of staff participate in an environmental conservation project in partnership with the National Forestry Authority (NFA)

Jolly Kabirizi, a farmer, explains to the Netherlands Ambassador (right) to Uganda, the dfcu Bank Chief of Business (centre) and the Editor - New Vision, John Kakande (far left)

Managing Editor Ben Opolot presents an award to one of the winners of the Clean Towns competition

Winners of the Women Achievers Awards with Vision Group's staff

Vision Group, through all its products, aims at remaining relevant in the society in which it operates

Profiles of various towns were published in the newspaper and broadcast media across the country. The state of cleanliness of each town was highlighted and as a result authorities were prompted to respond and improve hygiene conditions in towns. The cleanest towns were used as a standard measure to provide best practice for others to improve. Authoritative members of society who developed ranking criteria were involved. These persons included urban planners, architects, landscape planners and experts in environmental conservation.

The project accentuated our concern for issues that affect people. The impact registered immediate responses as several towns cleaned up but is expected to have a long-term effect as it stirred up the desire for a standard of improvement and need for recognition among various towns such as Arua, Koboko, Yumbe, Mityana, Gulu, Lira, Kabale and Kisoro. The net effect of this renewed sense of cleanliness is that Ugandan urban centers are cleaner and more pleasant to live in, which will not only make Ugandans proud of their country but will also attract investors. The expected long-term goal of the project is to enhance responsibility for the environment among the authorities.

5. Community Outreach

Vision Group, through all its products, aims at remaining relevant in the society in which it operates. The various regional offices participated in community outreach programmes in their areas.

Mbarara office partnered with Rotary Club of Mbarara in a campaign to raise funds towards eradicating polio under the theme "Running Towards a Polio-free World". The goal of the campaign was to raise funds to immunise 17,000 children per region in western Uganda, thus fight the prevalence of the disease in the country.

Radio Rupiny offered financial literacy sessions to members of Kacel Watwero Savings & Credit Group in Gulu. Leaders and members of the group learnt why it is important to save and how to make use of their hard-earned income. The sessions were conducted by persons who have stood out in generating income. Peer counseling on drug abuse was also offered to Gulu Central High School and Career Guidance to Graceland

Members of Makata Abayita Ababiri Development Association during a community outreach programme

Girls' Senior Secondary School so as to address the high rate of school dropouts, broken families, unemployment and rise in the crime rate.

Etop staff offered career guidance and peer counselling sessions at Labira Senior Secondary School and Opot Primary School in Soroti. The sessions were on self-esteem, building interpersonal skills and anger management and were aimed at empowering the children to improve their wellbeing.

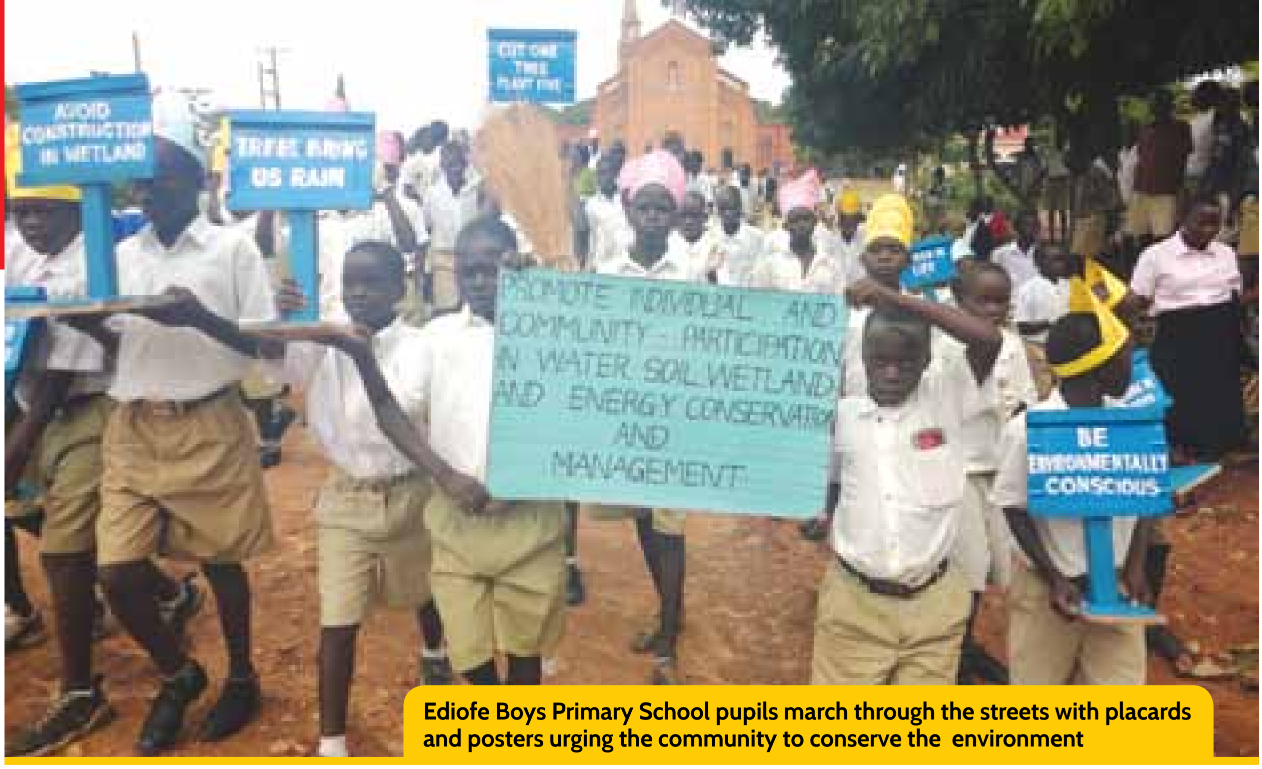
As part of a Bukedde initiative, the head office engaged the Makata Abayita Ababiri Development Association (SACCO) in Mukono in a financial literacy session. Members of staff, who are experts in financial management and investment, were identified and offered advice to members of the SACCO, which is mainly comprised of peasant farmers and taxi drivers. The purpose of this was to equip them with knowledge on management of their finances to enable them invest their income and generate more revenue to improve their livelihoods.

The Deputy Head of TV, Hadija Nabukenya, makes a presentation on 'financial literacy' to members of Makata Abayita Ababiri Development Association

6. Health

A staff initiative was launched following the publication of the deteriorating state of one of the oldest and the only Government referral hospital in Kumi distict. The motive of the initiative dubbed 'Lukumi Campaign' was to pool resources in order to refurbish the women and children wards where patients were sleeping on meshes and the floor. Employees pooled resources for the purchase of mattresses which were delivered to the hospital. Our ultimate goal was to improve the welfare of the patients by ensuring residents have access to comfortable beds as they receive treatment.

Mr. Augustine Tamale (right), Vision Group's Revenue Manager advises a participant during one of the community outreach programmes



Ediofe Boys Primary School pupils march through the streets with placards and posters urging the community to conserve the environment

Impact of the Newspapers in Education (NiE) project

AVOID POLYTHENE BAGS

Fellow Ugandans let us be responsible people and mind about our future by avoiding throwing polythene papers (kavera) anyhow because it affects our environment and this will be bad for our future generation.

Twikirize Catherine,
P7, Kihiihi Primary School


Pupils of Highfield Primary School, Wakiso burn rubbish in their community

TREES ARE OUR BEST FRIENDS

Trees are our best friends on earth because they provide us with fresh oxygen. In the same trees, birds build their nests, bees make hives, and other living things live. I urge people to plant five trees for every tree cut down.

Felix Ambayo,
P6, Masindi International Primary School

STOP DUMPING RUBBISH IN WATER CHANNELS

Our village is called Wamala and it is found in Wakiso district. We have some neighbours who throw rubbish in an open space where water passes. These rubbish smells and attracts all houseflies from the village. This is a very big threat to other village members.

Jackline Nalubwama,
St. Kizito Primary School, Bwaise

RECYCLE PLASTIC MATERIALS

In our school, waste is disposed of by putting it in dust-bins. In case the bins are full, the rubbish is either burnt or taken by KCCA rubbish trucks. Environment can be improved by recycling waste products like polythene paper and plastic bottles. People should also ensure no human waste is disposed of in the open.

Drake Kato Mutungi,
P7, Nakasero Primary School

STOP CUTTING DOWN TREES

I would like to appeal to the government to control deforestation in Nakasongola district. People are cutting down trees in search of timber for building and carpentry work. Very soon Nakasongola will become a desert. The

National Forest Authority should ensure that people obey the rule of cutting one and planting five trees.

Mark Muhabuzi,
P6, Nakasongola Parents School

STOP DEFORESTATION

Deforestation is bad for our environment Ugandans should try as much as possible and avoid deforestation because it may lead to drought which makes plants to dry up and this will have a negative impact on our environment. The Government should also work hard and ensure that rural electrification becomes a reality in all villages so that people can depend less on trees for wood fuel and this will protect our environment.

Akatwijuka Derrick,
Kihiihi Primary School

St. Maria Goretti Girls School students at their canteen

St. Maria Goretti Girls' School, Fort Portal

With only sh22,000, a group of 51 Senior Two students at St. Maria Goretti Girls' School, Fort Portal, Kabarole district started up a business called 'Vision Canteen'. The canteen that was initiated at the beginning of first term, has not only raked in good profits but has also inspired the students to plan for more business projects.

Over the weekends, the students make pancakes that are sold to both staff members and the student community during the week. In addition to the pancakes, Vision Canteen also sells boiled eggs and ripe bananas at break time during weekdays.

Pupils urge the public to protect the environment

Jinja SSS

After reading the *Pakasa* pullout, the entrepreneurship club was inspired to start income-generating projects. The projects include liquid soap making, horticulture and mushroom growing. They also make floor and door mats, and dusters using locally available materials. These are sold and the profits are shared among club members.

Ntare School, Mbarara

Ntare Boys display the T-shirts they sell as part of their income-generating project

The students have begun a T-shirt designing and popcorn projects being run by the school's entrepreneurship club.

Initially they sold the T-shirts at sh25,000 but have now raised the price to sh30,000. The popcorn business has also expanded so much that the students are supplying both the teaching staff and fellow students with the products.

International Window School, Mbarara

The entrepreneurship club earns a profit of sh20,000 every day from the sale of fried chips; a business idea they developed after reading *Pakasa* stories in the *New Vision*.

Kiira College, Butiki

The entrepreneurshipclub has started a savings scheme for the students. They also make liquid soap, among o ther products.

ACCOLADES

Vision Group journalists pose for a photo with the IGG, Mrs. Irene Mulyagonja (4th right), after receiving the ACME Awards

Vision Group journalists pose for a photo after presentation of the UN Uganda 2013 Development Journalism Awards by the Minister of Finance, Mrs. Maria Kiwanuka (2nd right), and a UNDP representative (centre)

Vice President of Uganda, H.E. Edward Ssekandi presents the Superbrands award to Vision Group's Chief Operations Officer, Mr. Gervase Ndyanabo. To witness the award were (from left to right) Marketing Manager Print, Daniel Komunda, Head of Marketing, Susan Nsibirwa, Finance Minister, Mrs. Maria Kiwanuka and Superbrands Project Director, Mr. Jawar Jaffer

Vision Group print marketing manager, Daniel Komunda receiving the award for good environment reporting from the Vice President, H.E. Edward Ssekandi, at the UN World Environment Day as the Minister of State for Environment, Mrs. Flavia Munaabi, looks on

COMPANY PRODUCTS

NEWSPAPERS

Vision Group dominates the newspaper market with ten publications in five languages

The New Vision is Uganda's leading daily newspaper, which is informative, entertaining and educative.

It reaches every part of Uganda and also East African major destinations like Kenya, Rwanda and Southern Sudan. It mainly targets English-speaking audiences of all ages.

New Vision is a balanced newspaper that has something for everybody through a number of products/ pullouts in diverse areas of health and beauty, jobs, education (Mwalimu), Harvest Money, Her Vision, Pakasa, Business Vision, The Beat etc that target niche audiences or markets and segments not reached.

The *New Vision* has an average print run of 36,000 copies per day and going by this figure the New Vision alone circulates over 1,080,000 million copies monthly of which no competitor can compare to.

The New Vision is read by 64% out of 4 million newspaper readers in Uganda on a weekly basis through shared copies according the UAMPS.

Sunday Vision comes with a free magazine *Sunday Extra* and offers a variety of background news, features, sports, lifestyle, political commentary and entertainment and is the best Sunday paper, read for the whole family.

Saturday Vision has special segments that include *Goal* for sports fans, *Swagg* for the youth and *Homes* for the latest in architectural and interior design.

These papers offer a variety of news features, sports, commentary and entertainment for the English reader.

Bukedde is a Luganda daily newspaper. Luganda is the main business language not only in central but also in other parts of Uganda. Research shows high readership across Buganda, Busoga, Bunyoro & Bugisu regions. *Bukedde ku Ssande* mainly focuses on family including parents, children, with pullouts like *Ekisakate*, which contains letters from children, greetings from parents; *Akezimbira*, where the readers narrate their experiences during construction of their houses, *Olulimi Oluganda*, which focuses on the literature of Luganda, *Akalipo*, which focuses on traffic and modes of transport. It covers areas of the population that understands, speaks and reads Luganda, targeting both males and females.

The Kampala SUN is a weekly magazine circulating 10,000 copies every Friday in Kampala. It captures the unpredictable and unexpected rhythms and daily heartbeat of the city. *The Kampala Sun* promises to offer editorial content that is emotionally gratifying and thus appeals to anyone interested in entertainment, corporate gossip, light sports, fashion, lifestyle and celebrity gossip

Regional newspapers

Regional newspapers are published weekly and focus on the everyday life and human interest side of the communities in western, northern and eastern Uganda. The Vision Group is the only publishing house in Uganda producing local language newspapers for the different areas in the country.

Etop newspaper is an Ateso publication distributed in the market every Thursday. It targets Ateso-comprehending Ugandans mainly in the eastern region. It is the only newspaper published in that language in that region, therefore, giving it an edge to even the English publications on the day it is circulated in the east.

Orumuri is a weekly Runyakitara newspaper published every Monday. It offers a variety of information to its readers, which includes local and international news, gossip, relationships, education, politics, business, agriculture and a weekly roundup of sports. In summary, it offers a detailed, simple and colourful presentation of issues that affect local communities in their language.

Rupiny newspaper is published every Wednesday and It targets Ugandans in the north and West Nile region and it offers a variety to its readers which include community, local and international news, gossip, relationships, education, politics, business, agriculture, entertainment and a weekly roundup of sports.

MAGAZINES

Bride and Groom is the only quarterly wedding magazine that covers the A-Z basics of marriage event planning in Uganda. It is an aid to any person planning a "kwanjula" or wedding. It constantly delivers local, inspiring wedding content from fabulous photographers and advice from leading local experts.

It covers services and all aspects of a successful marriage ceremony and provides relationship tips. B&G magazine is a complete guide and planner for all brides and grooms-to-be that brings the latest tidings and expert views on fashion, jewelry, beauty, styling, real life weddings, reception venues, decorators, caterers, beauticians, photographers, videography, fashion designers, travel companies, event planners and all other service providers in this sector.

Flair for Her is Uganda's most established quarterly magazine for a Ugandan woman, with rich editorial content for aspirers.

It is a guideline for all topical issues and an aid to making a better African woman and equips today's woman achiever with information she can use on career, wealth, health, finance, fashion, beauty, relationships and lifestyle trends that every reader can identify with.

DIGITAL

With a dedicated SMS platform, 8338 is available for Bulk SMS, SMS polls, content aggregation and other customized offerings.

www.newvision.co.ug
Our flagship website is a leading breaking news website in East Africa, with approximately over 1.5 million monthly visitors & 6.191 million page views.

www.bukedde.co.ug
is very popular with Ugandans living in Uganda and the diaspora, with approximately over 332,024 monthly new visitors & 1.5 million page views.

enteruganda.com

www.enteruganda.com
is the definitive online business guide to all services and activities in Uganda.

JOB MART

www.jobs.co.ug
This is a comprehensive jobs site offering a listing of jobs and candidates seeking employment.

BROADCASTING

Bukedde TV 1 Is Uganda's first Luganda TV station, Bukedde TV is the leading station in the central region. Reaching a 100km radius from the centre of Kampala, the station talks to people from Luwero to Jinja, Masaka to Entebbe and includes the Ssese Islands.

Bukedde TV 2's core audience is Luganda speakers and it provides them with political news, cultural information, sports, business content and music entertainment, among others.

Urban TV is one of the latest entrants on the Ugandan TV scene targeting urban dwellers living in and around Kampala. It boasts of fresh, fun, adventurous and non-conventional infotainment. Urban TV gives young adults everything they are passionate about from music, fashion, lifestyle and attitude, politics and creativity. Only Urban can offer the consistently fresh, honest, ground-breaking, fun and inclusive youth-oriented programming found nowhere else in Uganda. Urban is the only channel that owns the young adult demographic in urban Kampala, growing from a mere 15% to 31% in a single year in the English broadcasting TV category, according to UAMPS 2011 & 2012 respectively.

TV West is stationed in Mbarara in western Uganda and is the leading regional station.
It has a strong relationship with *Orumuri* and Radio West, the sister media houses in the region. It is the only station in Uganda that is dedicated to broadcasting in Runyakitara, which is understood by Banyankole, Bakiga, Banyoro, Batoro, Banyarwanda and Bahororo. It hence enjoys a monopoly in the western region, which is the second biggest commercial region in Uganda. The content is designed for family viewing. Content includes music, both local and international, local drama, sports, talk-shows, soaps, movies, development programmes in education, agriculture and business.

Radio

XFM is Uganda's freshest and most dynamic, urban youth station. It is a hip & happening radio station that plays nothing but the hottest local and international hits featuring the coolest on-air presenters. The station broadcasts in and around Kampala and Mbarara in western Uganda.

Bukedde FM broadcasts in Luganda, offering its listeners a blend of entertainment and information. The radio station shares a close & beneficial relationship with the audience of the *Bukedde* newspaper and television. It is a prominent station in the central region with listenership of over one million people.

Radio West is western Uganda's dominant radio station, offering regional news, music & entertainment and it keeps the listeners connected to their heritage and culture. It covers districts like Mbarara, Lyantonde, Kabale, Kibale, Bushenyi, Sheema, Kanungu, Kirhura, Rukungiri, Ibanda, Kabarole and Kisoro.

Radio Rupiny is based in Gulu for the people of the northern part of Uganda. Radio Rupiny is a popular vernacular station among the Luo-speaking audience mainly residing in northern Uganda.
The station's footprint covers Lango and Acholi sub-region.
The programme format is simple, unpretentious, fun and interactive. Our audience is guaranteed access to interesting information, politics, interactive talk-shows, news, sports, music and entertainment.

Etop Radio station is based in Soroti and targets Ateso-comprehending Ugandans mainly in eastern region. The station's footprint covers the following areas: Soroti, Kumi, Katakwi, Abim, Ngora, Bukedia, Serere, Kaberamaido Tororo, Karamoja, Pallisa and Tororo. Format and style of presentation caters for all the socio-economic groups across the boards which include news bulletins, business features, highly interactive talk-shows, agricultural programmes, health issues, music, sports, politics and greetings.

Arua One FM is one of the leading multilingual stations in the West Nile region. The station broadcasts in mainly Lugbara, Swahili and English. Arua One FM's signals reach an extensive area, including the districts of Arua, Nebbi, Yumbe, Moyo, Adjumani, Pakwach, Koboko and parts of the Democratic Republic of Congo and Southern Sudan. The region is currently targeted by all major corporates and multinationals, a good indicator that the economy is growing and that the lifestyle of these people is improving.

PRINTING SERVICES

Vision Printing is Vision Group's commercial printing division and offers customers value for money. We print anything on paper at the most competitive price in Uganda.
Some of the products printed include books, annual reports, spiral-bound diaries, calendars (desk, wall, shipping & piano), folders, printed stationery, labels, magazines, newsletters, newspapers, marketing & promotional materials like brochures, flyers, leaflets, posters and wobblers.
The printing is done in quantities from 1 piece to millions.

Vision Printing also provides digital colour printing with emphasis on high productivity; superb media handling and finishing; exceptional fusing and image quality for the sharpest text and clearest graphics; powerful workflow integration enabling significant, additional time and cost-saving benefits, with features such as on-line ordering, job ticketing and payment, and direct integration with variable data printing applications.

ADVERTISING SERVICES

We partner with advertisers in order to offer them the best opportunities to reach their target market.We offer a unique combination of print design, radio and television advert production and other customised communication packages.

Advertising services include:

- Notices and announcements
- Special reviews
- Insertions
- Television adverts
- Display and classified adverts
- Job adverts
- Website adverts
- Supplements
- Tenders
- Radio adverts

Please refer to the attached advertising rate card.

CIRCULATION DISTRIBUTION SERVICES

Circulation distribution services ensures that our newspapers and magazines are sold and distributed daily to all major towns in Uganda and neighbouring cities like Nairobi, Kigali and Juba. Circulation services aims at getting the newspaper on the market early enough to conveniently serve all readers at a profit.

New Vision is a member of the Audit Bureau of Circulations South Africa (ABC). The *New Vision*, *Sunday Vision* and *Bukedde* circulation figures are independently audited every quarter.

ABC registration offers independently audited, accurate, consistent and regular circulation data. It also gives credibility to the circulation data; provides content that aids the advertiser in media planning and buying decisions and aids the publisher in selling advertising.

CONTACT NEW VISION

HEADQUARTERS
-+256 (0)414 337 000
+256 (0)312 337 000

EDITORIAL
editorial@newvision.co.ug+256 (0)414 337 000+256 (0)312 337 000

ADVERTISING
advertising@newvision.co.ug
+256 (0)414 337 000
+256 (0)312 337 000

PRINTING
print@newvision.co.ug
+256 (0)414 337 000
+256 (0)312 337 000

OFFICES
Kampala
Our head office is located on plot 19/21, First Street Industrial Area. Advertising offices are situated at JR Complex, Plot 101 Jinja Road.

Western Uganda
- Masaka, Plot 58, Buddu Street
- Mbarara Plot 4, Stanley Road

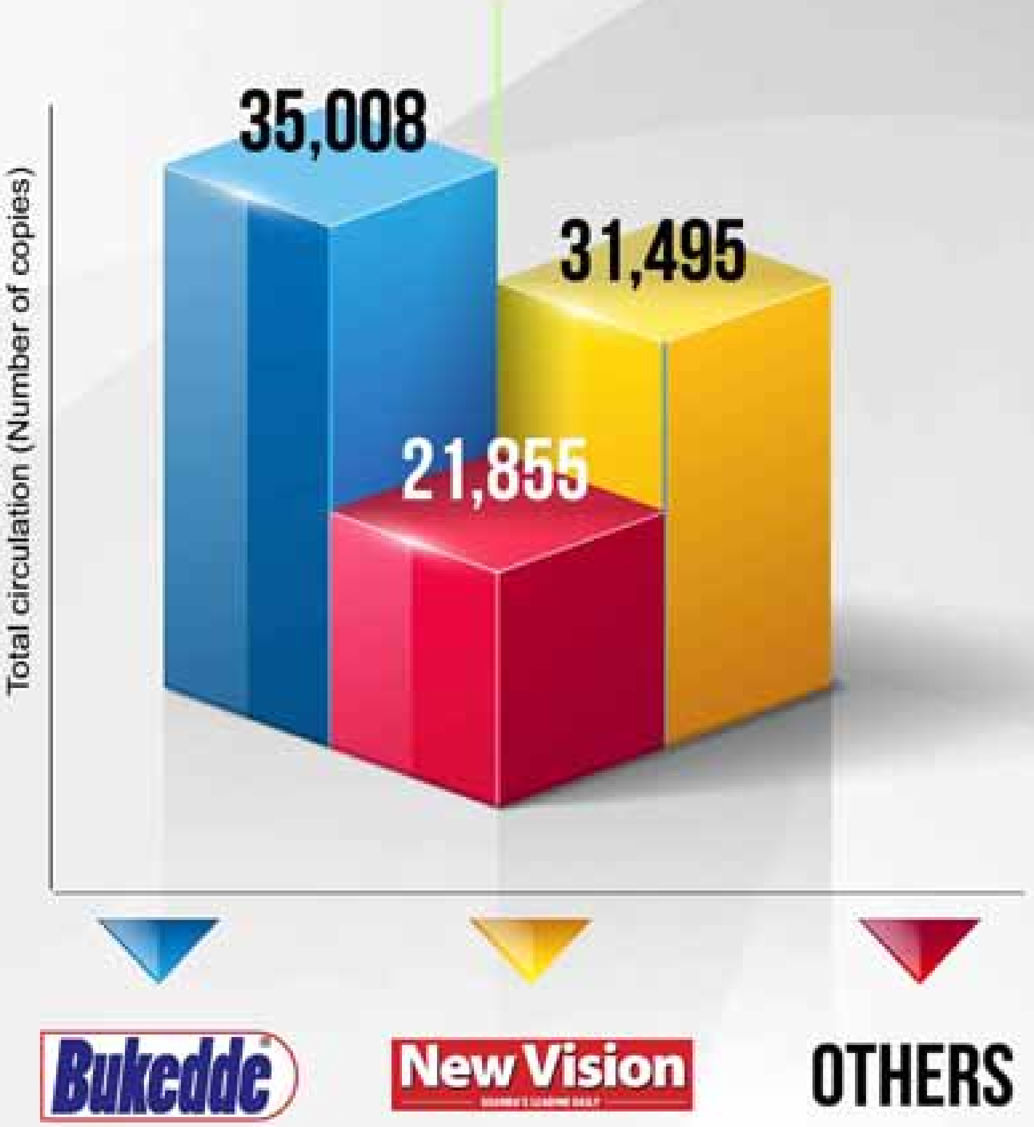
Eastern Uganda
- Jinja - Plot 18 African Mall, Clive Road
- Mbale - Plot 51-54 Republic Street
- Soroti - Plot 14 Engwau Road

Northern Uganda
- Lira - Plot 72/74 Isaya Ogwanguzi Road
- Arua - Plot 13/15 Pakwach Road
- Gulu - Plot 9/11 Coronation Road

Nairobi
10th floor, South Wing Bruce House
Standard Street
P. O. Box 13450,00100
Tel: +254 20 22 135 67

DOMINATING

WHICHEVER MARKET WE ARE IN



Audit Bureau of Circulation of South Africa April to June 2012 Figures

VISION GROUP
NATIONAL PRIDE • GLOBAL EXCELLENCE

FINANCIAL STATEMENTS

COMPANY INFORMATION

DIRECTORS

David Ssebabi	- Chairman
Robert Kabushenga	- Managing Director / CEO
Monica Chibita	- Non Executive Director
Oode Obella	- Non Executive Director
Charles Tukacungurwa	- Non Executive Director
Orono Otweyo	- Non Executive Director
Steven Bamwanga	- Non Executive Director
Grace Dwonga	- Non Executive Director
Gad Gasaatura	- Non Executive Director

BOARD AUDIT COMMITTEE

Oode Obella - chairman (appointed on 1 April 2014)
Joseph Baliddawa - member (appointed on 1 April 2014)
Parity Twinomujuni - member (appointed on 1 April 2014)
Susan Lubega - member (appointed on 1 April 2014)
Orono Otweyo - ceased to be a chairman on 31 March 2014
Grace Dwonga - ceased to be a member on 31 March 2014
Charles Tukacungurwa - ceased to be a member on 31 March 2014

COMPANY SECRETARY

Gervase Ndyanabo
Plot 19/21, 1st Street
Industrial Area
P. O. Box 9815
Kampala, Uganda

REGISTERED OFFICE

Plot 19/21, First Street
Industrial Area
P.O. Box 9815
Kampala, Uganda

STATUTORY AUDITOR

Auditor General
Ministry of Finance Building
Plot 2/12, Appollo Kagwa Road
P.O. Box 7983
Kampala, Uganda

INDEPENDENT AUDITOR

PKF Uganda
Certified Public Accountants
P.O. Box 24544
Kampala, Uganda

BANKERS

Standard Chartered Bank Uganda Limited
P. O. Box 7111
Kampala, Uganda

Stanbic Bank Uganda
P.O Box 7131
Kampala, Uganda

KCB Bank Uganda Limited
P.O Box 7399
Kampala, Uganda

COMPANY INFORMATION (CONTINUED)

LEGAL ADVISORS	Lex Uganda Advocates and Solicitors P. O. Box 22490 Kampala, Uganda
	Kiwanuka and Karugire Advocates & Solicitors P. O. Box 6160 Kampala, Uganda
	Kimuli and Sozi Advocates P. O. Box 22593 Kampala, Uganda
	Okae, Basalirwa, Kakerewe and Company Advocates P. O. Box 1876 Lira, Uganda

REPORT OF THE DIRECTORS

The directors submit their report along with the audited financial statements for the year ended 30 June 2014, which disclose the state of affairs of the company.

PRINCIPAL ACTIVITY

The principal activities of the company are those of publishing, printing and distribution of newspapers and magazines, radio and television broadcasting and digital online production.

FINANCIAL RESULTS	2014 Ushs' 000	2013 Shs '000
Profit before taxation	4,377,500	4,819,528
Tax	(1,278,715)	(1,268,002)
Profit for the year	3,098,785	3,551,526

DIVIDEND

The directors propose a final dividend of Shs 35 per share amounting to Shs 2,677,500,000 for the year (2013: Shs 35 per share amounting to Shs 2,677,500,000).

DIRECTORS

The directors who held office at the date of this report are shown on page 1.

Hon. Steven Bamwanga, Mr. Oode Obella, Prof. Monica Chibita and Ms. Grace Dwonga are the directors who retired by rotation in accordance with the Company's Articles of Association and being eligible, offered themselves for re-election.

INDEPENDENT AUDITOR

The delegated auditor, PKF Uganda, has indicated willingness to continue in office in accordance with the Companies Act, 2012.

BY ORDER OF THE BOARD

SECRETARY

KAMPALA

September 25th, 2014

PROGRESS AND PROSPERITY FOR SOCIETY

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act, 2012 requires the directors to prepare financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the operating results for that year. It also requires the directors to ensure that the company maintains proper accounting records which disclose with reasonable accuracy the financial position of the company. The directors are also responsible for safeguarding the assets of the company.

The directors accept the responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, consistent with previous years and in conformity with International Financial Reporting Standards and the requirements of the Companies Act, 2012. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company as at 30 June 2014 and of its operating results for the year then ended. The directors further confirm the accuracy and completeness of the accounting records maintained by the company which have been relied upon in the preparation of the financial statements, as well as the adequacy of the systems of internal financial controls.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the board of directors onSeptember 25th, 2014 and signed on its behalf by:

DIRECTOR **DIRECTOR**

NEW VISION PRINTING AND PUBLISHING COMPANY LIMITED

REPORT AND OPINION OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2014

THE RT. HON. SPEAKER OF PARLIAMENT

By Article 163 (3) of the Constitution of the Republic of Uganda, I am required to audit and report to Parliament on the public accounts of Uganda and of all public offices including the Courts, the Central and Local Government administrations, Universities and public institutions of the like nature and any Public Corporation or other bodies or organizations established by an Act of Parliament.

Accordingly, I have audited the financial statements of New Vision Printing and Publishing Company Limited for the year ended 30th June 2014, as set out on pages 7 to 33 appended to this report. These financial statements, comprise of the Statement of Financial Position as at 30th June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Director's responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act (Cap 110). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the Financial Statements, based on my audit. I conducted the audit in accordance with International Standards on Auditing. Those standards require that the audit is planned and performed to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Auditor considers the internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence obtained was sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion the accompanying financial statements give a true and fair view of the state of the financial affairs of the company as at 30th June, 2014 and of its profit and cash flows for the year then ended in accordance with the International Financial Reporting Standards and the requirements of the Uganda Companies Act.

Report on other Legal Requirements

As required by the Companies Act, I report based on the audit that;

i. all information and explanations which to the best of my knowledge and belief was necessary for the purposes of the audit was obtained.
ii. proper books of account have been kept by the Company, so far as appears from my examination of those books, and
iii. the Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

John F.S. Muwanga

AUDITOR GENERAL

KAMPALA

25th September, 2014

STATEMENT OF PROFIT OR LOSS

	Notes	2014 Shs '000	2013 Shs '000
Revenue	4	82,960,115	78,897,566
Cost of sales		(60,992,771)	(57,213,342)
Gross Profit		21,967,344	21,684,224
Other operating income	5.	320,844	284,006
Distribution costs		(1,589,045)	(1,540,458)
Administrative expenses		(13,865,187)	(13,182,168)
Other operating expenses		(2,456,455)	(2,426,076)
Profit before taxation		4,377,500	4,819,528
Tax charge	8	(1,278,715)	(1,268,002)
Profit for the year		3,098,785	3,551,526
Dividends			
Proposed dividends for the year - Final	9(a)	2,677,500	2,677,500
Earnings per share			
- basic and diluted (Shs per share)	9(b)	41	46

The notes on pages 56 to 76 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	AS AT 30 JUNE 2014 Shs '000	2013 Shs '000
ASSETS			
Non-current assets			
Property, plant and equipment	12	31,932,364	33,898,649
Intangible assets	13	537,345	974,214
		32,469,709	34,872,863
Current assets			
Inventories	16	13,608,402	12,564,780
Trade and other receivables	17	16,883,432	14,223,772
Corporate tax recoverable		764	149,258
Cash and cash equivalents	18	4,009,400	4,571,803
		34,501,998	31,509,613
Total assets		66,971,707	66,382,476
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	10	1,503,990	1,503,990
Share premium	10	27,158,864	27,158,864
Revaluation reserve		180,658	253,722
Retained earnings		24,054,928	23,560,579
Shareholders' funds		52,898,440	52,477,155
Non-current liabilities			
Deferred tax liability	11	4,417,730	4,979,890
		4,417,730	4,979,890
Current liabilities			
Trade and other payables	19	8,609,475	7,767,913
Dividends payable	14	1,046,062	1,157,518
		9,655,537	8,925,431
Total equity and liabilities		66,971,707	66,382,476

The financial statements on pages 7 to 31 were authorised and approved by the board of directors on ________________ 2014 and were signed on its behalf by:

Director **Director**

The notes on pages 56 to 76 form an integral part of these financial statements.

PROGRESS AND PROSPERITY FOR SOCIETY

STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2013	Share capital Shs '000	Share premium Shs '000	Revaluation reserve Shs '000	Retained earnings Shs '000	Total Shs '000
At 1 July 2012	1,503,990	27,158,864	342,492	22,597,783	51,603,129
Transfer of excees depreciation	-	-	(126,814)	126,814	-
Deferred tax on excess depreciation	-	-	38,044	(38,044)	-
Dividend declared for year 2012	-	-	-	(2,677,500)	(2,677,500)
Total comprehensive income for the year	-	-	-	3,551,526	3,551,526
At 30 June 2013	1,503,990	27,158,864	253,722	23,560,579	52,477,155
Year ended 30 June 2014					
At 1 July 2013	1,503,990	27,158,864	253,722	23,560,579	52,477,155
Transfer of excees depreciation	-	-	(104,377)	104,377	-
Deferred tax on excess depreciation	-	-	31,313	(31,313)	-
Dividend declared for year 2013	-	-	-	(2,677,500)	(2,677,500)
Total comprehensive income for the year	-	-	-	3,098,785	3,098,785
At 30 June 2014	1,503,990	27,158,864	180,658	24,054,928	52,898,440

The notes on pages 56 to 76 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Notes	2014 Shs '000	2013 Shs '000
Cash flows from operating activities			
Cash from operations	20	7,058,732	7,880,989
Interest received	5	23,732	34,606
Tax paid		(1,692,382)	(1,646,196)
Net cash from operating activities		5,390,082	6,269,399
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(3,156,309)	(3,064,294)
Purchase of intangible assets	13	(13,755)	(24,332)
Sale of investments		-	321,614
Proceeds from disposal of property		6,535	31,376
Net cash used in investing activities		(3,163,529)	(2,735,636)
Cash flows from financing activities			
Dividends paid	14	(2,788,956)	(2,227,325)
Net cash used in financing activities		(2,788,956)	(2,227,325)
(Decrease)/increase in cash and cash equivalents		(562,403)	1,306,438
Cash and cash equivalents at beginning of year		4,571,803	3,265,365
(Decrease)/increase in cash and cash equivalents		(562,403)	1,306,438
Cash and cash equivalents at end of year	18	4,009,400	4,571,803

The notes on pages 56 to 76 form an integral part of these financial statements.

NOTES: SIGNIFICANT ACCOUNTING POLICIES

1. **General information**

The New Vision Printing and Publishing Company Limited is incorporated in Uganda under the Companies Act, 2012 as a public limited company and domiciled in Uganda.

2. **Basis of preparation**

The financial statements have been prepared under the historical cost convention, except as indicated otherwise below and are in accordance with the International Financial Reporting Standards (IFRS). The historical cost convention is generally based on the fair value of the consideration given in exchange of assets. They are presented in Uganda Shillings (Shs.), rounded to the nearest thousands ('000).

Going concern

The financial performance of the entity is set out in the Directors' report and in the statement of profit or loss. The financial position of the entity is set out in the statement of financial position. Disclosures in respect of risk management are set out in note 25 and 26.

Based on the financial performance and position of the entity and its risk management policies, the directors are of the opinion that the entity is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

These financial statements comply with the requirements of the Companies Act. The statement of profit or loss represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

New and amended standards adopted by the entity

The entity has applied the amendments to IAS 1 Presentation of Items of Other Comprehensive Income. Under the amendments to IAS 1, the statement of comprehensive income requires separately analysis of items that will not be subsequently reclassified to profit or loss and those that will be subsequently reclassified, including the related income tax effects. These changes have been retrospectively applied. Other than the above mentioned presentation changes, the application of the amendments to IAS 1 do not result in any impact on profit or loss, comprehensive income and total comprehensive income.

The entity has applied the amendments to IFRS 7 Disclosures offsetting financial assets and liabilities– Transfers of financial assets in the current year. The amendments improve the disclosure requirements for transactions involving the transfer of financial assets. As the entity did not transfer any financial assets that were not recognised, this had no material impact on the financial statements.

The amendments to IFRS 7 require entities to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar arrangement. As the company does not have material offsetting arrangements, these amendments do not have a material impact on the financial statements.

Amendments to IAS 32: The amendments to IAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of ‘currently has a legally enforceable right of set-off and simultaneous realization and settlement'.
The amendments to IAS 32 are not effective until annual periods beginning on or after 1 January 2014,with retrospective application required.

International Financial Reporting Standard 13 (IFRS 13) on ‘Fair Value Measurement' - The standard aims to improve consistency and reduce complexity by providing a more precise definition and a single source of measurement of fair valuation of certain assets and liabilities and the related disclosure requirements. Adoption of IFRS 13 had no material impact on the financial statements.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 July 2013 and not adopted in advance of the effective date.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of 'financial assets and financial liabilities. IFRS 9 requires financial assets to be classified into two principal measurement categories: those measured as at fair value and those measured at amortised 'cost. IFRS 9 also now includes provisions for hedge accounting. The entity is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 for the financial statements for the year ending 30 June 2015. There is at present no specific mandatory date for adoption of IFRS 9.

Amendments to IAS 36, Disclosure of recoverable amounts of non financial assets, IAS 39, Novation of derivatives and IFRIC 21, Levies are not effective until annual periods beginning on or after 1 July 2014, with retrospective application permissible.

3. **Summary of significant accounting policies**

a) **Key sources of estimation uncertainty.**

In the application of the accounting policies, the directors are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of trade receivables
The company reviews their portfolio of trade receivables on an annual basis. In determining whether receivables are impaired, the management makes judgement as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

Impairment of goodwill
The entity tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note f(ii). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The carrying amount of the goodwill and the key assumptions made are set out in Note 13.

Useful lives of property, plant and equipment
The entity's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on projected product lifecycles for its assets. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

b) **Significant judgements made by management in applying the company's accounting policies**

Directors have made the following judgements that are considered to have the most significant effect on the amounts recognised in the financial statements:

- revenue recognition - In making their judgement, the directors considered the detailed criteria for the recognition of revenue from the sale of goods set out in IAS 18 and, in particular, whether the company had transferred to the buyer the significant risks and rewards of ownership of the goods. Following the detailed quantification of the company's liability in respect of rectification work, and the agreed limitation on the customers ability to require further work or to require the replacement of the goods, the directors are satisfied that the significant risks and rewards have been transferred and that recognition of an appropriate provision for the recitation costs.

- the classification of financial assets and leases; and
- whether assets are impaired.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for sales of goods and services, and is stated net of value-added tax (VAT), rebates and discounts and after eliminating sales within the entity. The entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the entity's activities as described below.
The entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:
(i) Sales of goods are recognised in the period in which the company delivers products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

(ii) Sales of services are recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(iii) Interest income is recognised using the effective interest method.

d) **Translation of foreign currencies**

Transactions in foreign currencies during the year are converted into Uganda Shilling (the functional currency), at rates ruling at the transaction dates. Assets and liabilities at the reporting date which are expressed in foreign currencies are translated into Uganda Shilling at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they arise.

e) **Property, plant and equipment**

All property, plant and equipment is initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Land, buildings and plant and machinery are subsequently shown at market value, based on periodic valuations by external independent valuers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the branch and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation reserve in equity through the statement of other comprehensive income. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Leasehold land is depreciated over the remaining period of the lease.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) **Property, plant and equipment (Continued)**

Depreciation is calculated on a straight line basis to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

	Rate %
Buildings	4.0
Plant and machinery	8.0
Furniture and office equipment	12.5
Motor vehicles and motor cycles	25.0
Computers and digital cameras	40.0
Pre-press equipment	25.0
Radio transmission and studio equipment	12.5
Radio electronic equipment	20.0
Television transmission equipment	12.5
Television studio equipment	20.0

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds to their carrying amounts and are taken into account in determining operating profit. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings.

f) **Intangible Assets**

i) Computer software

Costs associated with developing or maintaining intangible assets are recognised as an expense as incurred in profit or loss. Costs that are directly associated with the purchase of identifiable software products controlled by the company, that will probably generate economic benefits exceeding beyond one year, are recognised as intangible assets. Intangible assets relating to software and website are initially measured at purchase cost and amortised on a straight line basis over their estimated useful lives.

ii) Goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of assets acquired at the date of acquisition. Goodwill is recognised as an intangible asset in the first year and subsequently tested for impairment on an annual basis.

g) **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the Weighted average cost method. The cost of raw and packing materials, consumables, work-in-progress and finished goods comprises raw materials, direct labour, other direct costs and related production overheads, attributable to bringing the inventory to its present location and condition but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

h) **Segment reporting**

Operating segments are identified on the basis of internal reports about components of the company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess their performance. The company's reportable segments under IFRS 8 are therefore; publishing, broadcasting, commercial printing and others.

All transactions between business segments are conducted on an arm's length basis, with intra-segment revenue and costs being eliminated in head office. Income and expenses associated with each segments are included in determining business segment performance.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) **Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks net of bank overdrafts and advances from related parties, which are specifically used to fund working capital requirements.

In the statement of financial position, bank overdrafts and advances from related parties, which are specifically used to fund working capital requirements are included within borrowings in current liabilities.

j) **Dividends**

Proposed dividends are disclosed as a separate component of equity until declared.

Dividends are recognised as liabilities in the period in which they are approved by the company's shareholders in the Annual General Meeting.

k) **Financial instruments**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Management determines all classification of financial assets at initial recognition.

- Financial assets

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

The company's financial assets fall into the following categories:

Loans and receivables: financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are classified as current assets where maturities are within 12 months of the reporting date. All assets with maturities greater than 12 months after the reporting date are classified as non-current assets. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method. Changes in the carrying amount are recognised in profit or loss.

Purchases and sales of financial assets are recognised on the trade date i.e. the date on which the company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. Impairment of financial assets is recognised in the statement of profit or loss under administrative expenses when there is objective evidence that the company will not be able to collect all amounts due per the original terms of the contract. Significant financial difficulties of the issuer, probability that the issuer will enter bankruptcy or financial reorganisation, default in payments and a prolonged decline in fair value of the asset are considered indicators that the asset is impaired.

The amount of the impairment loss is calculated as the difference between the assets carrying amount and the present values of expected future cash flows, discounted at the financial instrument's effective interest rate. Impairment losses are recognised in profit or loss. For available for sale assets cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

Subsequent recoveries of amounts previously written off/impaired are credited to profit or loss and for available for sale assets in other comprehensive income in the year in which they occur.

Cash in hand and balances with financial institutions, trade and other receivables, tax recoverable are classified as loans and receivables and are carried at amortised cost.

Financial liabilities

The company's financial liabilities which include trade and other payables and fall into the following categories:

- **Financial liabilities measured at amortised cost** : These include trade and other payables. These are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

NOTES: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) **Financial instruments (Continued)**

Financial liabilities (Continued)

All financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled or expired.

-Offsetting financial instruments
Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

l) **Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit or loss.

Current tax
Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

Deferred tax
Deferred tax is provided using the liability method for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary timing differences can be utilised.

m) **Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

n) **Accounting for leases**

Leases of assets under which a significant portion of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight line basis over the period of the lease.

o) **Retirement benefit obligations**

The company and all its employees also contribute to the National Social Security Fund, which is a defined contribution scheme. The company's contributions to this defined contribution schemes are charged to profit or loss in the year in which they fall due.

Gratuity expenses are accrued for staff whose contracts contain gratuity benefits in specific contributions as specified by their contracts and payments made after the contract term has elapsed.

Performance bonus provisions are recognised when it is apparent that the conditions for the bonus have been met and for only staff whose contracts contain a performance benefit clause.

p) **Share capital**

Ordinary shares are classified as equity.

q) **Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

NOTES (CONTINUED)

4. Revenue

	2014 Shs '000	2013 Shs '000
Advertising revenue	50,462,625	47,533,199
Circulation sales	21,774,060	20,316,232
Commercial printing revenue	10,133,207	10,505,402
Scrap sales	590,223	542,734
	82,960,115	78,897,566

5. Other operating income

	2014 Shs '000	2013 Shs '000
Bad debts recovered	112,705	13,855
Interest income	23,732	34,606
Other income	142,657	134,664
Profit on disposal	-	18,841
Foreign exchange gains	41,750	82,040
	320,844	284,006

6. Operating profit

The profit before taxation is arrived at after charging:

	2014 Shs '000	2013 Shs '000
Depreciation of property, plant and equipment (Note 12)	5,018,728	5,131,365
Amortisation of Intangible assets (Note 13)	200,245	199,296
Provision for doubtful debts	533,021	397,757
Impairment of goodwill	250,380	-
Provision for obsolete inventories	-	44,315
Auditors' remuneration	63,000	71,568
Directors expenses	183,302	175,805
(Loss)/gain on disposal of assets	(97,330)	18,841
Staff costs (Note 7)	25,775,000	23,467,309

7. Staff costs

	2014 Shs '000	2013 Shs '000
Salaries and wages	21,040,174	18,932,603
Terminal benefits	1,427	14,959
National Social Security Fund contributions	2,094,352	1,868,282
Gratuity expenses	972,011	783,525
Other staff costs	1,667,036	1,867,940
	25,775,000	23,467,309

NOTES (CONTINUED)

8. Taxation

	2014 Shs '000	2013 Shs '000
Taxation charge		
Current tax	1,840,875	1,544,130
Deferred tax (Note 11)	(562,160)	(276,128)
	1,278,715	1,268,002
Reconciliation of taxation charge to expected tax based on accounting profit		
Profit before taxation	4,377,500	4,819,528
Tax calculated at a tax rate of 30% (2013: 30%)	1,313,250	1,445,858
Tax effect of:		
- non-deductible expenses	38,640	94,492
- non-taxable income	(50,674)	-
- Over provision of prior deferred tax	(22,501)	(272,348)
	1,278,715	1,268,002

9. Dividends and earnings per share

a) Dividends per share

During the year, a dividend of Shs 35 per share amounting to Shs 2,677,500,000 was declared and paid in respect of 2013 financial year (2013: Shs 35 per share amounting to Shs 2,677,500,000 in respect of 2012 financial year). Payments of dividends is subject to witholding tax at a rate of 15% for non individuals and 10% for individuals.

b) Earnings per share

Basic earnings per share are calculated on the profit attributable to shareholders of Shs. 3,099 million(2013: 3,552 million) and on the weighted average number of ordinary shares outstanding during the year.

	2014 Shs '000	2013 Shs '000
Profit attributable to ordinary shareholders	3,098,785	3,551,526
Shares in issue during the year	76,500,000	76,500,000
Basic earnings per share(Shs)	41	46

10. Share capital

Authorised, issued and fully paid 76,500,000 Ordinary shares of Shs 19.66 each	1,503,990	1,503,990

Share premium

The share premium comprises 25,500,000 ordinary shares of Shs 19.66 each which were issued at a premium of Shs 1,080.34 per share less costs of Shs. 389,806,000.	27,158,864	27,158,864

11. Deferred tax

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using a principal tax rate of 30% (2013: 30%). The movement on the deferred tax account is as follows:

	2014 Shs '000	2013 Shs'000
At start of year	4,979,890	5,256,018
Credit to statement of profit or loss	(562,160)	(276,128)
At end of year	4,417,730	4,979,890

Deferred tax liability/asset and deferred tax charge/(credit) to profit or loss are attributable to the following items:

	At start of year Shs '000	Charge/(credit) to statement of profit or loss Shs '000	At end of year Shs '000
Deferred tax liabilities			
Property, plant and equipment			
- historical cost	5,385,788	(302,076)	5,083,712
- revaluation	104,453	(31,313)	73,140
Unrealised exchange gain	44,790	2,768	47,558
	5,535,031	(330,621)	5,204,410
Deferred tax (asset)			
Unrealised exchange loss	-	(24,014)	(24,014)
Provisions	(555,141)	(207,525)	(762,666)
	(555,141)	(231,539)	(786,680)
Net deferred tax liability	4,979,890	(562,160)	4,417,730

12. **Property, plant and equipment**

For the year ended 30 June 2014

	Operating lease rentals Shs '000	Freehold land Shs '000	Buildings Shs '000	Plant and machinery Shs '000	Motor vehicles Shs '000	Furniture and equipment Shs '000	Radio transmission equipment Shs '000	Computers Shs '000	Radio studio equipment Shs '000	Radio studio electronics Shs '000	Cameras and pre-press Shs '000	Television studio equipment Shs '000	Television transmission equipment Shs '000	Total Shs '000
Cost and Valuation														
At 1 July 2013	2,763,488	37,000	9,204,999	19,024,307	1,683,477	2,531,653	1,704,929	5,835,807	495,214	218,299	2,969,050	1,376,433	1,259,544	49,104,200
Additions	-	-	19,258	804,250	301,511	128,498	152,944	398,246	36,783	-	106,253	898,269	310,298	3,156,309
Disposals	-	-	-	(64,372)	-	(96,641)	-	(76,131)	-	(15,179)	-	-	-	(252,323)
At 30 June 2014	2,763,488	37,000	9,224,257	19,764,185	1,984,988	2,563,510	1,857,873	6,157,922	531,997	203,120	3,075,303	2,274,702	1,569,842	52,008,186
Comprising														
At cost	2,763,488	37,000	11,230,195	23,231,210	1,984,988	2,563,510	1,857,873	6,157,922	531,997	203,120	3,075,303	2,274,702	1,569,842	54,717,662
At valuation - 2007	-	-	(2,005,939)	(3,467,025)	-	-	-	-	-	-	-	-	-	(5,472,964)
	2,763,488	37,000	9,224,257	19,764,185	1,984,988	2,563,510	1,857,873	6,157,922	531,997	203,120	3,075,303	2,274,702	1,569,842	52,008,186
Depreciation														
At 1 July 2013	495,226	-	433,450	2,178,757	1,239,299	1,904,321	488,987	5,378,978	297,424	137,304	1,826,672	572,708	252,425	14,710,325
Eliminated on disposal	-	-	-	(31,439)	-	(32,134)	-	(75,913)	-	(8,971)	-	-	-	(148,457)
Charge for the year	70,149	-	433,074	2,207,651	342,913	173,923	169,432	527,111	64,403	30,737	547,584	329,518	122,233	5,018,728
At 30 June 2014	565,375	-	866,524	4,354,969	1,582,213	2,046,111	658,419	5,830,176	361,827	159,070	2,374,255	902,226	374,658	20,075,822
Net book value														
At 30 June 2014	2,198,113	37,000	8,357,732	15,409,216	402,776	517,399	1,199,454	327,746	170,170	44,051	701,047	1,372,476	1,195,183	31,932,364

During the year, no assets were acquired under a finance lease.

NOTES (CONTINUED)

12. **Property, plant and equipment(Continued)**

For the year ended 30 June 2013

	Operating lease rentals Shs '000	Freehold land Shs '000	Buildings Shs '000	Plant and machinery Shs '000	Motor vehicles Shs '000	Furniture and equipment Shs '000	Radio transmission equipment Shs '000	Computers Shs '000	Radio studio equipment Shs '000	Radio studio electronics Shs '000	Cameras and pre-press Shs '000	Television studio equipment Shs '000	Television transmission equipment Shs '000	Total Shs '000
Cost and Valuation														
At 1 July 2012	2,763,488	37,000	9,204,999	18,467,200	1,693,283	2,387,045	1,548,207	5,533,612	429,266	203,176	1,883,458	1,196,362	819,393	46,166,489
Additions	-	-	-	557,107	2,753	146,358	156,722	409,077	65,948	15,123	1,090,984	180,071	440,151	3,064,294
Disposals	-	-	-	-	(12,559)	(1,750)	-	(106,882)	-	-	(5,392)	-	-	(126,583)
At 30 June 2013	2,763,488	37,000	9,205,000	19,025,009	1,683,477	2,531,653	1,704,928	5,835,808	495,214	218,299	2,968,348	1,371,214	1,259,544	49,104,200
Comprising														
At cost	2,763,488	27,000	9,582,524	18,836,181	1,683,477	2,531,653	1,704,929	5,835,807	495,214	218,299	2,969,050	1,376,433	1,259,544	49,283,599
At valuation - 2007	-	10,000	(377,525)	188,126	-	-	-	-	-	-	-	-	-	(179,399)
	2,763,488	37,000	9,205,000	19,025,009	1,683,477	2,531,653	1,704,928	5,835,808	495,214	218,299	2,968,348	1,371,214	1,259,544	49,104,200
Depreciation														
At 1 July 2012	425,077	-	-	-	934,124	1,693,073	334,653	4,666,825	235,937	98,186	1,293,447	354,282	152,630	10,188,234
Eliminated on disposal		-	-	-	(10,156)	(875)	-	(100,860)	-	-	(2,157)	-	-	(114,048)
Charge for the year	70,149	-	433,450	2,178,757	315,331	212,123	154,334	813,013	61,487	39,118	535,382	218,426	99,795	5,131,365
At 30 June 2013	495,226	-	433,450	2,178,757	1,239,299	1,908,038	478,271	5,375,262	312,872	132,573	1,826,672	353,238	252,424	15,205,551
Net book value														
At 30 June 2013	2,268,262	37,000	8,771,550	16,846,252	444,178	623,615	1,226,657	460,546	182,342	85,726	1,141,676	1,017,976	1,007,120	33,898,649

Buildings, plant and machinery were last re-valued during the year ended 30 June 2012, by Bageine and Company, independent valuers. Valuations were made on the basis of open market value. The book values of the revalued assets were adjusted to revalued amount and and the resultant surplus on plant and machinery net of deferred income tax was credited to the revaluation reserve in shareholders' equity. The revaluation reserve is non-distributable and is released to retained earnings through use of the asset. There was a revaluation gain of Shs 198,223,000 on land, plant and machinery and a revaluation loss of Shs. 377,525,000 on buildings. The revaluation loss on buildings was charged to profit or loss and other comprehensive income.

NOTES (CONTINUED)

12. **Property, plant and equipment (Continued)**	**2014 Shs '000**	**2013 Shs '000**
Cost - capitalised finance leases	877,641	877,641
	877,641	877,641
Depreciation		
At beginning of year	199,024	75,640
Charge for the year	123,385	123,384
	322,409	199,024
Net Book Value	555,232	678,617

If the buildings, plant and machinery were stated on the historical cost basis, the amounts would be as follows:

	Buildings 2014 Shs '000	**Buildings 2013 Shs '000**	**Plant and machinery 2014 Shs '000**	**Plant and machinery 2013 Shs '000**
Cost	11,249,453	11,230,195	26,055,621	25,315,743
Accumulated depreciation	(2,545,805)	(2,095,827)	(10,766,640)	(8,682,190)
Net Book Value	8,703,648	9,134,368	15,288,981	16,633,553

NOTES (CONTINUED)

13. Intangible assets

	2014 Shs '000	2013 Shs '000
a) Computer software and websites		
Cost		
At start of year	1,012,031	987,699
Additions	13,755	24,332
At 30 June	1,025,786	1,012,031
Amortisation		
At start of year	422,903	223,607
Charge for the year	200,244	199,296
At 30 June	623,147	422,903
Net book value		
At end of year	402,639	589,128
b) Goodwill		
At beginning of year	385,086	385,086
Impairment	(250,380)	-
At end of year	134,706	385,086
Total intangible assets	537,345	974,214

Impairment test for goodwill

Goodwill is allocated to the company's cash-generating units (CGUs) identified according to the operating segment. A discounted cash flow model has been used to value Arua One in 2014 to assess that the goodwill is impaired.
Management has assessed the goodwill based on the performance of the segment.

14. Dividends payable

	2014 Shs '000	2013 Shs '000
At start of year	1,157,518	707,343
Dividends declared in the year	2,677,500	2,677,500
Dividends paid in the year	(2,788,956)	(2,227,325)
At end of year	1,046,062	1,157,518

NOTES (CONTINUED)

15. SEGMENT REPORTING

Segmental information

	PRINT MEDIA		ELECTRONIC MEDIA		COMMERCIAL PRINTING		OTHERS		TOTAL	
	2014 Ushs'000	2013 Ushs'000	2014 Ushs'000	2013 Ushs'000	2014 Ushs'000	2013 Ushs'000	2014 Ushs'000	2013 Ushs'000	2014 Ushs'000	2013 Ushs'000
External Sales	54,550,679	54,414,208	16,823,268	13,115,097	10,133,207	10,505,402	1,452,961	862,859	82,960,115	78,897,567
Other Operating Income	-	-	-	-	-	-	320,844	265,164	320,844	265,164
Total Sales	54,550,679	54,414,208	16,823,268	13,115,097	10,133,207	10,505,402	1,773,805	1,128,023	83,280,959	79,162,731
Segment profit before taxation	8,523,740	7,282,205	(4,377,018)	(2,990,776)	(715,850)	(128,152)	946,628	656,252	4,377,500	4,819,529
Income tax expense	(837,584)	(871,588)	(258,308)	(210,073)	(155,588)	(168,272)	(27,235)	(18,068)	(1,278,715)	(1,268,002)
Profit after taxation	7,686,156	6,410,616	(4,635,326)	(3,200,849)	(871,438)	(296,424)	919,393	638,184	3,098,785	3,551,527
OTHER INFORMATION										
Segment Assets	43,867,796	45,639,410	13,528,698	10,997,756	8,148,780	8,809,378	1,426,433	945,912	66,971,707	66,392,456
Segment Liabilities	5,639,377	6,135,087	1,739,167	1,478,700	1,047,558	1,184,462	183,374	127,182	8,609,475	8,925,431
Capital Expenditure	432,691	1,437,754	1,811,254	1,406,573	603,389	49,822	308,975	194,478	3,156,309	3,088,627
Depreciation & amortisation expense	3,002,880	2,856,474	916,276	1,443,564	278,246	69,718	1,021,571	960,904	5,218,973	5,330,660

For the purposes of monitoring segment performance:

- all assets are allocated to reportable segments other than tax assets. Goodwill is also allocated to the applicable reportable segment.
- all liabilities are allocated to reportable segments other than current and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.
- Income tax expense is allocated to reportable segments based on their share of profit before tax.

NOTES (CONTINUED)

	2014	2013
	Shs '000	Shs '000
16. Inventories		
News print	9,724,754	8,809,334
Consumables	1,247,438	1,421,623
Work in progress	248,179	336,251
Printing ink	1,245,213	903,276
Films and plates	1,179,209	1,130,688
Provision for obsolescence	(36,392)	(36,392)
	13,608,402	12,564,780

17. Trade and other receivables

	2014	2013
Trade receivables	14,218,718	11,967,821
Less: provision for impairment	(1,067,838)	(677,922)
Net trade receivables	13,150,881	11,289,899
Prepayments	1,221,412	722,159
Staff advances	680,574	540,351
Other receivables	320,988	373,596
Receivables from related parties (Note 22(b))	1,509,578	1,297,767
	16,883,432	14,223,772

Movement in impairment provision

	2014	2013
At start of year	677,922	972,001
Additions	533,021	397,757
Write offs	(143,105)	(691,836)
	1,067,838	677,922

18. Cash and cash equivalents

	2014	2013
Cash on hand	375,045	354,346
Cash at bank	3,184,355	3,902,580
Fixed deposits	450,000	314,877
	4,009,400	4,571,803

For the purposes of the statement of cash flows, cash and cash equivalents comprise the above.

The carrying amounts of the company's cash at bank and in hand are denominated in the following currencies:

	2014	2013
	Shs '000	Shs '000
Uganda Shilling	3,147,348	3,963,484
Kenya Shillings	351,902	-
Euro	57,462	40,358
US Dollar	452,688	567,961
	4,009,400	4,571,803

The company is not exposed to credit risk on cash and bank balances as these are held with sound financial institutions.

NOTES (CONTINUED)

19. **Trade and other payables**	**2014 Shs '000**	**2013 Shs '000**
Trade payables	4,628,039	4,369,672
Accruals	751,392	674,158
Other payables	3,223,026	2,724,083
Payables to related parties (Note 22(b))	7,018	-
	8,609,475	7,767,913

The carrying amounts of the company's trade and other payables are denominated in the following currencies;

	2014	2013
Uganda Shillings	8,255,889	7,385,769
US Dollar	324,522	380,307
Euro	29,064	1,837
	8,609,475	7,767,913

The maturity analysis of trade and other payables is as follows

As at 30 June 2014	**0 to 3 months Shs '000**	**3 to 12 months Shs '000**	**Total Shs '000**
Trade payables	4,561,868	66,171	4,628,039
Accruals	751,392	-	751,392
Other payables	2,334,735	888,291	3,223,026
Payables to related parties	7,018	-	7,018
	7,655,013	954,462	8,609,475

As at 30 June 2013	**0 to 3 months Shs '000**	**3 to 12 months Shs '000**	**Total Shs '000**
Trade payables	3,663,424	-	3,663,424
Accruals	674,158	-	674,158
Other payables	2,995,400	435,931	3,431,331
	7,332,982	435,931	7,768,913

20. **Cash from operating activities**	**2014 Shs '000**	**2013 Shs '000**
Profit before taxation	4,377,500	4,819,528
Adjustments for:		
Depreciation ofproperty, plant and equipment (Note 12)	5,018,728	5,131,365
Impairment of goodwill (Note 13)	250,380	-
Amortisation of Intangible assets (Note 13)	200,245	199,296
Loss/(gain) on disposal of property, plant and equipment	97,330	(18,841)
Interest received	(23,732)	(34,606)
Operating profit before working capital changes	9,920,452	10,096,742
Increase in inventories	(1,043,622)	(3,660,901)
(Increase)/decrease in trade and other receivables	(2,659,660)	521,385
Increase in trade and other payables	841,562	923,763
Cash from operations	7,058,732	7,880,989

NOTES (CONTINUED)

21. **Retirement benefit obligation**

During the year, the Company incurred Shs 972 million (2013: Shs 783.5 million) as gratuity for managers employed on contract terms. The amount has been charged to the statement of profit or loss and other comprehensive income.

22. **Related party transactions**

	2014 Shs '000	2013 Shs '000
(a) Transactions with related parties		
(i) Sales of goods and services		
Advertisements in Newspapers/Magazines/Radio and Television		
Government of Uganda	6,294,859	6,421,654
National Insurance Corporation Limited	95,298	12,690
National Social Security Fund	281,143	352,375
Print house	5,344	160,300
Bageine & Company Limited	5,640	11,900
Eye Magazine	230,204	200,611
	6,912,488	7,159,530
(b) Due from related parties		
Government of Uganda	1,480,530	1,143,912
National Social Security Fund	24,093	127,287
National Insurance Corporation Limited	-	5,189
Eye Magazine	-	11,196
Print House	2,134	6,951
Bageine and Company Limited	2,820	3,232
	1,509,578	1,297,767
Due to related parties		
National Insurance Corporation Limited	7,018	-
(c) Compensation to key management personnel		
Salaries and other short term benefits	2,835,143	1,688,801
Gratuity	972,011	783,525
	3,807,154	2,472,326
(d) Directors' remuneration		
- Executive Directors	448,008	407,280
- Non Executive Directors	183,302	175,805
	631,310	583,085

23. **Capital commitments**

There were no capital expenditure approved at the statement of financial position date (2013: 599 million)

NOTES (CONTINUED)

24. **Contingencies**

The company is involved in a number of legal and court cases which were yet to be concluded upon by the date of authorisation of these financial statements. The contingent liabilities arising from these cases amount to Shs 1,552 million (2013: Shs 1,351 million). However, based on legal advice, the directors have evaluated the pending cases and determined that no material financial liability is likely to crystallise. Consequently, no provisions have been made in these financial statements in respect of these cases.

25. **Financial risk management**

The company has exposure to the following risks from its use of financial instruments

- Credit risk
- Liquidity risk
- Market risk

The company's activities expose it to a variety of financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the finance department under policies approved by the Board of Directors. Finance identifies, evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity. The policies and procedures established for this purpose are continuously benchmarked with the industry best practices.
The financial management objectives and policies are as outlined below:

(a) Credit risk

The company's credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables.

Risk management is carried out by the finance department under the guidelines approved by the management finance committee. The finance committee provides principles for the overall risk management including foreign exchange risk, interest risk, credit risk, use of and investing excess liquidity.

The credit risk on liquid funds with financial institutions is also low, because the institutions are banks with high credit-ratings.
The amount that best represents the company's maximum exposure to credit as at 30 June 2014 is made up as follows:

As at 30 June 2014	**Total**	**Fully Performing**	**Past due not impaired**	**Impaired**
	Shs '000	**Shs '000**	**Shs '000**	**Shs '000**
Financial assets				
Bank balances	3,184,355	3,184,355	-	-
Fixed deposits	450,000	450,000	-	-
Trade and other receivables (net of prepayments)	15,373,855	13,560,694	2,880,998	(1,067,838)
Due from related parties	1,509,578	1,509,578	-	-
Total	20,517,788	18,704,627	2,880,998	(1,067,838)

NOTES (CONTINUED)

25. **Financial risk management (continued)**

(a) Credit risk (continued)

As at 30 June 2013	**Total Shs '000**	**Fully Performing Shs '000**	**Past due not impaired Shs '000**	**Impaired Shs '000**
Financial assets				
Bank balances	3,902,580	3,902,580	-	-
Fixed deposits	314,877	314,877	-	-
Trade and other receivables (net of prepayments)	12,203,827	10,550,577	2,331,171	(677,922)
Due from related parties	1,297,767	1,297,767	-	-
	17,719,051	16,065,801	2,331,171	(677,922)

The customers under the fully performing category are paying their debts as they continue trading.
The debtors that are impaired relate to amounts that have been outstanding for more than 2 years and have been fully provided for.
The amounts that are past due but not impaired are expected to be collected in ordinary course of business.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk through continuously monitoring forecasts and matching the maturity profiles of financial liabilities and ongoing review of future commitments and credit facilities available to the company.

As at 30 June 2014	**Total Shs '000**	**Less than 1 year Shs '000**	**Between 1 and 2 years Shs '000**
Financial assets			
Cash & Bank balances	4,009,400	4,009,400	-
Trade and other receivables	15,373,854	16,441,692	(1,067,838)
Due from related parties	1,509,578	1,509,578	-
	20,892,832	21,960,670	(1,067,838)
Financial liabilities			
Trade and other payables	8,609,475	8,609,475	-
	8,609,475	8,609,475	-
Net liquidity gap	12,283,357	13,351,195	(1,067,838)

NOTES (CONTINUED)

25. **Financial risk management (Continued)**

(b) Liquidity risk management (Continued)

As at 30 June 2013	**Total**	**Less than 1 year**	**Between 1 and 2 years**
	Shs '000	**Shs '000**	**Shs '000**
Financial assets			
Cash & Bank balances	4,256,926	4,256,926	-
Fixed deposits	314,877	314,877	-
Trade and other receivables	10,550,577	10,550,577	-
Due from related parties	1,297,767	1,297,767	-
	16,420,147	16,420,147	-
Financial liabilities			
Trade and other payables	7,767,913	7,767,913	-
	7,767,913	7,767,913	-
Net liquidity gap	8,652,234	8,652,234	-

(c) Market risk

Market risk exists wherever the company has taken trading, banking and investment positions. This risk is categorised into interest rate risk and foreign currency risk.

i) Interest rate risk

Interest rate risk arises from fluctuations in the bank borrowing rates. The interest rate vary from time to time depending on the prevailing economic circumstances. The company closely monitors the interest rate trends to minimise the potential adverse impact of interest rate changes. The table below summarises the exposure to interest risk at the end of each reporting period. Included in the table are the company's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	2014	**2013**
	Shs '000	**Shs '000**
Financial assets		
Cash and bank balances	3,559,400	4,256,926
Fixed deposits	450,000	314,877
Total financial assets	4,009,400	4,571,803
Financial liabilities		
Borrowings	-	-
Total financial liabilities	-	-
Interest sensitivity gap	4,009,400	4,571,803

ii) Foreign currency risk

The company is exposed to foreign exchange risk arising from various currency exposures primarily within respect to the US Dollar, Great Britain Pound and the Euro. The risk arises from future transactions, assets and liabilities in the statement of financial position.

The company's foreign currency dominated financial assets and liabilities are predominately in USD, Euros and Kenya Shillings. The carrying amounts of the company's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows;

NOTES (CONTINUED)

25. Financial risk management (Continued)

ii) Foreign currency risk (continued)

The table below sets out the impact on future earnings of an incremental 10% appreciation or depreciation in all foreign currencies during the 12 months from 1 July 2013.

	2014 Shs '000	2013 Shs '000
Effect on profit - increase	65,444	66,842

Year ended 30 June 2014	**US $ Shs '000**	**Euro Shs '000**	**Kshs Shs '000**	**Total Shs '000**
Trade and other receivables	483,678	8,722	39,106	531,506
Trade and other payables	(396,671)	(29,065)	(6,273)	(432,009)
Cash and cash equivalents	452,688	30,821	351,902	835,411
Net exposure	539,695	10,478	384,735	934,908

Year ended 30 June 2013	**US $ Shs '000**	**Euro Shs '000**	**Kshs Shs '000**	**Total Shs '000**
Trade and other receivables	695,431	31,442	-	726,873
Trade and other payables	(380,307)	(1,838)	-	(382,145)
Cash and cash equivalents	567,961	40,358		608,319
Net exposure	883,085	69,962	-	953,047

26. Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt.

The constitution of capital managed by the company is as shown below:

	2014 Shs '000	2013 Shs '000
Total borrowings	-	-
Less: Bank and cash balances	(4,009,400)	(4,571,803)
Net debt	(4,009,400)	(4,571,803)
Total Capital	48,889,039	47,905,352
Gearing	N/A	N/A

The entity has no borrowings.

DIRECT COSTS

		2014 Shs '000	2013 Shs '000
1.0	**Cost of sales**		
	Cost of raw materials (1.1)	14,330,598	14,890,738
	Direct costs (1.2)	46,662,173	42,322,604
		60,992,771	57,213,342
1.1	**Cost of raw materials**		
	Material cost	14,330,598	14,890,738
1.2	**Direct costs**		
	Production salaries	15,813,775	14,005,333
	Advertising commission	6,747,781	6,424,998
	Depreciation	4,198,973	4,299,608
	Promotional expenses	1,960,207	2,348,584
	Contributors' payments	2,823,593	2,881,743
	Other staff costs	1,241,064	1,441,310
	Utilities	1,206,588	1,342,444
	Other production costs	2,839,357	2,294,115
	Repairs and maintenance	1,364,280	1,333,982
	Communication costs	529,687	557,141
	Impairment of goodwill	250,380	-
	TV content	3,378,869	2,120,292
	Rent and rates	549,081	260,221
	News services & licenses	618,733	546,847
	Motor vehicle running costs	903,889	852,199
	Provision for obsolescence	-	44,315
	Professional fees	646,509	299,176
	Insurance	521,094	398,820
	Election expenses	-	42,086
	Meetings	25,536	61,937
	Events	1,042,780	767,453
		46,662,173	42,322,604
1.3	**Distribution costs**		
	Transportation of Newspapers	1,589,045	1,540,458

SCHEDULE OF OTHER OPERATING INCOME AND EXPENDITURE

	2014 Shs '000	2013 Shs '000
Other operating income		
Bad debts recovered	112,705	13,855
Interest income	23,732	34,606
Other income	142,657	134,664
Profit on disposal	-	18,841
Foreign exchange gains	41,750	82,040
	320,844	284,006

1. **Administrative expenses**

	2014 Shs '000	2013 Shs '000
Salaries and wages	5,226,399	4,927,270
NSSF Contribution	2,094,352	1,868,282
Other staff costs	425,972	426,630
Medical expenses	746,667	682,211
Staff training	337,654	297,637
Total employment costs	8,831,043	8,202,030
Other administrative expenses		
Repairs and maintenance	921,365	943,056
Bad debts provision	533,021	397,757
Printing and Stationery	476,270	554,732
Gratuity	972,011	783,525
Other operating expenses	307,622	339,712
Motor vehicle running costs	602,593	568,133
Professional fees	33,408	90,437
Loss on disposal	97,330	-
Travel and accommodation	323,754	380,251
Entertainment	58,869	179,436
Communication costs	132,422	139,285
Bank charges and commission	116,756	122,809
Shareholders' expenses	92,144	86,521
Audit fees	63,000	71,568
Directors' expenses	230,790	225,500
Grants and donations	72,789	97,416
Total other administrative expenses	5,034,144	4,980,138
Total administrative expenses	13,865,187	13,182,168

2. **Other operating expenses**

	2014 Shs '000	2013 Shs '000
Establishment:		
Rent and rates	662,987	635,672
General Insurance	140,817	136,692
Electricity and water	273,075	282,366
Security expenses	359,577	340,293
Depreciation of property, plant & equipment	1,020,000	1,031,053
Total other operating expenses	2,456,455	2,426,076

NOTES

NOTES

For the attention of:
The Company Secretary
New Vision Printing and Publishing Company Ltd
Plot 19/21, 1st Street Industrial Area
P. O Box 9815
Kampala

PROXY CARD

I/We..,of ...., being a shareholder/s of the above-named Company, hereby appoint .... of ....(address) as my/our proxy to vote for me/us on my/our behalf at the 13th Annual General Meeting of the Company to be held on the 13th day of November 2014 at 3:00 pm and at any adjournment thereof.

Signature; ....

Dated this .... day of ...., 2014

Please indicate with an X for each resolution below how you wish your votes to be cast. The 'vote withheld' option below is provided to enable you abstain on any particular resolution. However, it should be noted that a 'vote withheld' is not a vote and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution.

Resolution	For	Against	Vote withheld	At Discretion
1. To receive, consider and if approved adopt the annual financial statements for the year ended 30th June 2014, together with the report of the Auditors.				
2. To approve and declare a final dividend of Ushs 35 for the year ended 30th June 2014.				
3. To rotate and elect Directors in accordance with the provisions of the Articles of Association of the Company:				
a) Mr. David Ssebabi				
b) Mr. Orono Otweyo				
c) Mr. Charles Tukacungurwa				
4. To appoint Mrs. Ketra Tukuratiire as a director of the Company.				
5. To appoint External Auditors for the financial year 2014/2015 and authorise the directors to negotiate and fix their remuneration in accordance with Sections 167-169 of the Companies Act 2012.				
6. To approve the fees payable to the non-executive directors for the financial year 2014/2015.				

Notes:
1. This proxy card is to be physically delivered to the Company Secretary at the physical address stated above, faxed to +256 (0414) 346432 or emailed to *shareholder@newvision.co.ug* at least forty eight hours before the time fixed for the meeting.
2. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.
3. If this form is returned without any indication as to how the proxy shall vote, the proxy will exercise his discretion as to how to vote.

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