

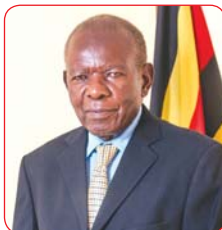


MINISTRY OF INFORMATION AND COMMUNICATION TECHNOLOGY

UGANDA POST LIMITED



Hon. Frank Tumwabwe
Minister of ICT and National Guidance



Dr. Jackson Odimbe Were
Board Chairman of UPL



Mr. James Arinaitwe
Managing Director

PUBLICATION OF FINANCIAL REPORTS OF UGANDA POST LIMITED

MESSAGE FROM THE MANAGING DIRECTOR

Posta Uganda is happy to publish audited accounts for the financial year ended 30 June 2016. The accounts demonstrate modest but sustainable performance improvement.

During the FY 2015/16 the company's annual turnover grew by 7.9%, from Ugx18.9bn to Ugx20.4bn. It was a year of depressed economic activity, but Posta Uganda managed to sustain revenue growth. Most significantly, our profits grew exponentially from Ugx528 to Ugx1.1bn, almost 100%. This was largely attributed to good performance on the international trading account (foreign mail distributed in Uganda).

The company is poised to hold an annual general meeting (AGM) in March/April 2017, during which it is hoped that the remaining encumbrances like inadequate cash flow shall be presented to the shareholders for resolution.

During the next financial year, attention shall be turned towards overhaul of the company's operations to fully embrace IT and modernization. The plans to digitize P.O. Boxes and give every Ugandan a mobile postal address are in advanced stages of procurement. Posta is also partnering with municipal authorities and other MDAs to introduce physical addresses and post codes in order to boost e-commerce. The company also plans to step up its Courier and Logistics business units in order to further diversify its products offering. These and other plans in the pipeline give confidence that Posta Uganda shall continue to grow and thrive within the highly competitive communications sector.

I want to use this opportunity to thank the political leadership, the Board of Directors, and all employees of Posta Uganda for the good spirit of collegiality and dedication at work that have enabled Posta Uganda to rise from a loss-making institution 5 years ago, to an improving entity making profits on a sustained basis. Significant work lies ahead of us, but the recent achievements demonstrate that our efforts are beginning to reap good benefits. Posta Uganda shall continue to work hard, and I invite all our stakeholders to maintain their support to us. *Ushindi wetu ni wa lazima* (our success is guaranteed).

For God and My Country

REPORT AND OPINION OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016.

I have audited the financial statements of Uganda Post Limited for the year ended 30th June 2016. These financial statements comprise of the statement of financial position as at 30th June 2016, a statement of comprehensive income, statement of changes in equity and cash flow statement together with other accompanying schedules, notes and accounting policies.

MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Under section 17 of the Public Enterprise Reform and Divestiture (PERD) Act and the Company's Act (Cap 98, Laws of Uganda), the Directors of the company are responsible for the preparation of the financial statements which give a true and fair view of the Company's state of affairs and its profit or loss in accordance with International Financial Reporting Standards. 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 as required by Article 163 of the Constitution of the Republic of Uganda, 1995 (as amended), the Companies Act

and Sections 13 and 19 of the National Audit Act, 2008 is to audit and express an opinion on these statements based on my audit. I conducted the audit in accordance with International Standards of Auditing. Those standards require that I comply with the ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing audit procedures to obtain evidence about the amounts and disclosures in the financial statements as well as evidence supporting compliance with relevant laws and regulations. The procedures selected depend on the Auditors' judgment including the assessment of risks of material misstatement of financial statements whether due to fraud and error. In making those risk assessments, the Auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances but not for 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 estimates made by management as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

OPINION

In my opinion, the financial statements present, fairly in all material respects the financial position of Uganda Post Limited, for the year ended 30th June 2016 and it's financial performance and cash flows for the year then ended, in accordance with the International Financial Reporting Standards and the Company Act.

Report on other Legal Regulatory Requirements

As required by the Companies Act and National Audit Act, 2008, I report to you, based on my audit, that;

- I have obtained all information and explanations, which to the best of my knowledge and belief was necessary for the purposes of my audit
- In my opinion, proper books of account have been kept by the Company, so far as appears from my examination of those books, and
- 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
15th December 2016

FINANCIAL STATEMENTS

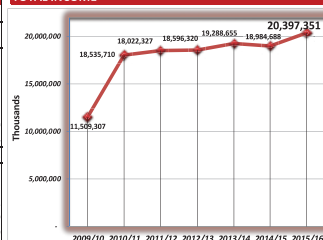
Statement of Financial Position

	For the year ended	
In thousands of Shs	June 2016	June 2015
ASSETS		
Non-current assets		
Property, plant and equipment	60,144,948.92	62,299,650.91
Investment property	21,032,120.00	21,273,840.00
Intangible assets	575,624.34	688,914.54
Total Noncurrent assets	81,752,693.26	84,262,405.45
Current assets		
Inventory	5,365,420.22	5,564,488.22
Trade and other receivables	15,941,706.18	12,727,659.70
Cash and cash equivalents	519,216.34	241,904.20
Prepayments	1,054,555.95	1,077,977.63
Total current assets	22,880,896.69	19,612,029.75
TOTAL ASSETS	104,633,591.95	103,874,435.20
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share Capital	19,487,176.00	19,487,176.00
Retained earnings	3,766,178.48	1,529,219.99
Revaluation Reserve	56,999,061.65	58,301,459.98
Total Equity	80,252,416.13	79,317,855.98
Non Current Liabilities		
Deferred Income	199,200.25	229,755.91
Finance lease	0.00	0.00
Long term borrowing	0.00	1,583,780.69
Deferred tax	4,523,063.86	4,713,789.84
Total Non Current Liabilities	4,722,264.11	6,527,326.43
Current Liabilities		
Trade and other payables	17,198,933.68	15,549,969.73
Finance lease	(43)	592,292.33
Bank overdraft	0.00	0.00
Short term borrowing	795,042.85	0.00
Deferred income liability	527,263.02	689,242.26
Provisions	1,137,715.54	1,197,748.47
Total Current Liabilities	19,658,911.71	18,029,252.79
Total Liabilities	24,381,175.82	24,556,579.22
TOTAL EQUITY AND LIABILITIES	104,633,591.95	103,874,435.20

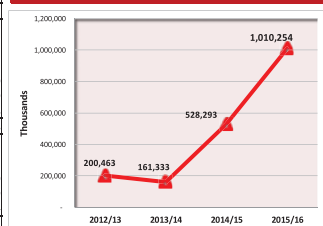
Statement of profit or loss and other comprehensive income for the year ended 30 June 2016

In thousands of Shs	June 2016	June 2015
Revenue	14,137,299	14,383,819
Cost of sales	(4,556,485)	(4,494,205)
Gross Profit	9,580,814	9,899,614
Other income	6,260,053	4,600,869
Operational expenses	(10,738,325)	(10,690,260)
Administrative expenses	(1,892,055)	(2,255,418)
Other expenses	(1,182,117)	(431,335)
Finance cost	(635,032)	(625,702)
Profit before tax	1,393,338	297,767
Income tax expense	(383,084)	230,526
Profits for the year from continuing operations	1,010,254	528,293
OTHER COMPREHENSIVE INCOME		
Items that will never be reclassified through		
Gains on Property Revaluation	0	1,880,000
Related tax	0	0
Items that are or may be reclassified to profit		
Foreign operations - Foreign	0	0
Related tax	0	0
Other Comprehensive Income net of tax	0	1,880,000
Total Comprehensive Income	1,010,254	2,408,293

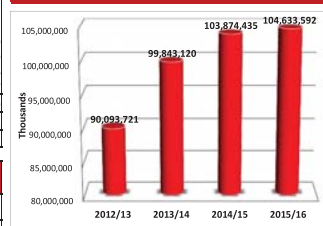
TOTAL INCOME



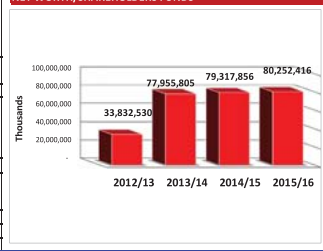
OPERATING PROFIT



TOTAL ASSETS



NET WORTH/SHAREHOLDERS FUNDS



CPA Emmanuel Okurut
Head of Finance



The Board of Directors Uganda Post Limited with the former Minister of ICT and former Minister of State of ICT



Staff of Uganda Post Limited donate blood on the Pan African Post Day

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