GOVERNMENT OF THE REPUBLIC OF UGANDA

REPORTS AND FINANCIAL STATEMENTS FOR

ABI ZARDI

FOR THE PERIOD ENDED 31 MARCH 2008

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

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Statement of Responsibilities of the Accounting Officer

The financial statements set out on pages 5 to 48 have been prepared in accordance with the provisions of the Public Finance and Accountability Act, 2003 [the Act]. The financial statements have been prepared on the modified cash basis of accounting and comply with the generally accepted accounting practice for the public sector.

In accordance with the provisions of Section 8 of the Public Finance and Accountability Act, 2003, [the Act], I am responsible for the control and personally accountable to Parliament for the regularity and propriety of the expenditure of money applied by an expenditure vote, or any provision funded wholly through the Consolidated Fund, and for all resources received, held or disposed of.

Under the provisions of Section 31 of the same Act, I am required to prepare, sign and submit financial statements to the Minister responsible for Finance, the Auditor General, and to the Accountant General within a period of three months from the end of the Financial Year. Accordingly, I am pleased to submit the required financial statements in compliance with the Act. I have provided, and will continue to provide all the information and explanations as maybe required in connection with these financial statements.

To the best of my knowledge and belief, these financial statements agree with the books of account, which have been properly kept.

I accept responsibility for the integrity of these financial statements, the financial information they contain and their compliance with the Public Finance and Accountability Act, 2003.

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

ABI ZARDI
[Name of the reporting entity]

4/4/2008
Date

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Commentary on the Financial Statements by the Head of Accounts

[Give a specific one page commentary on financial performance and financial position of the vote. As a minimum, the commentary should include: performance against budget and entity objectives, analysis of movements in domestic arrears, if any, and reasons there from, accounting issues arising during the year, plus any comments that are relevant to understanding the financial performance and position of the entity]

RECURRENT BUDGET

The proposed budget figure by the institute of shs 59,000,000/= is what was approved. However, if you compare the proposed budget against the approved one, you find that an expense code (223006) and its budget figure were omitted in the approved budget. This has made the institute find difficulties in settling water bills this financial year. We pray that this missing code should be reinstated in the budget of next financial year in order to have smooth operations.

The flow of cash under Recurrent Approved Budget has been consistent, although it comes slightly towards the end of the month. We have received funds up to 83% of the approved recurrent budget. This is quite commendable.

DEVELOPMENT BUDGET

The original proposed budget of the institute under the Approved Development Budget of Shs 275,000,000/= was reduced to Shs 108,204,000/= as approved budget. This represents a 67.7% cut. This situation is further aggravated by delayed funding which up to date stands at 42% of the budgeted figure yet we are in the last quarter to finish the financial year. This adversely impacts on the running of institute activities.

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RECOVERY

The institute's performance in relation to internal revenue generation has not been good. We have so far collected a paltry figure of 7,240,050 accounting for 34% as against the budget. This problem is caused by the fact that our facilities are under renovation thus hampering prospects of raising income through facility hire and accommodation. However, as a measure, we are scaling up activities in the agro-forestry department with the objective of increasing revenue collection through the sale of tree seedlings. We are also in the process of identifying areas were the little funds collected can be profitably utilized in order to generate more revenue.

Harold

: ADIGA AMABUA HAROLD
Head of Accounts [Names & Signature]

Date:4/4/2008

Report of the Auditor General

[Space reserved for the Report of the Auditor General]

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Trial Balance as at 31st March 2008

Code	Details	Debits	Credits
13	Grants		
131101	Grants from International Organizations		
	IDA		46,965,107
	DANIDA		
	GTZ		
	EU		
	Others – specify individually (Local Donors)		15,025,500
133	Transfers from Treasury		
133102	Recurrent		44,389,054
133202	Capital(Development)		45,064,500
133202	Capital(Competitive Research Funds)		11,300,000
14	Non – tax Revenue		
141501	Rent		
141601	Proceeds from disposal of Property, Plant and Equipment		2,603,500
141801	Other property Income		
142214	Market / Gate Charges		
1424	Incidental sale of Goods And Services		4,636,550
21	Employee Costs		
211101	General Staff Salaries		
211102	Contract Staff Salaries	40,514,300	
211103	Allowances	8,446,000	
22	Goods and Services		
221	General Expenses		
221001	Advertising &Public Relations	1,901,000	
221002	Workshops and Seminars	5,185,800	
221003	Staff Training	1,091,000	
211004	Recruiting Expenses	3,011,400	
211006	Committee and Board Expenses	4,710,890	
211007	Books, Periodicals and Newspapers	1,823,000	
221008	Computer Supplies and IT Services	7,006,927	
221009	Welfare & Entertainment	6,094,000	
221011	Printing, Stationary & Photocopy	1,313,823	
221012	Small Office Equipment	1,542,000	
221014	Bank Charges	1,553,048	
222	Communications		
222001	Telecommunications	821,000	
222002	Postage & Courier	1,231,932	
223	Utility & Property Expenses		
223001	Property Expenses		

223005	Electricity		
223006	Water		
223007	Other Utilities	1,670,000	
224	Supplies & Services		
224001	Medical & Veterinary Supplies		
224002	General Supply of Goods & Services	20,807,400	
225	Professional Services		
225001	Consultancy Services – Short Term	430,000	
225003	Taxes on (Professional) Services		
226	Insurance & Licenses		
226001	Licenses		
226002	Insurance		
227	Travel & Transport		
227001	Travel Inland	40,589,800	
227002	Travel Abroad		
227003	Carriage, Haulage, Freight		
227004	Fuel, Lubricants & Oils	18,161,967	
228	Maintenance		
228001	Civil	1,244,000	
228002	Vehicles	8,442,160	
228003	Machinery, Furniture & Equipment	1,618,000	
228004	Others		
23	Consumption of Fixed Assets		
231004	Transport Equipment		
231005	Machinery & Equipment		
231006	Furniture & Fixtures		
26	Grants Paid		
262101	Contributions to International Organisation		
263108	Transfers To Treasury – NTR	8,846,800	
263208	Transfers To Treasury – Closed Account	44,056	
264102	Contribution to Autonomous Inst.(Wage Subvention)		
273	Employer Social Benefit		
32	Financial Assets		
3211	Currency & Deposits(Cash & Bank)		
321102	Revenue Accounts	7,052,850	8,846,800
321103	Expenditure Accounts(Bank of Uganda)	60,054	44,056
321104	Project Accounts	13,851,967	30,190,107
321106	Collection Accounts		
321107	Cash in Transit		
321504	Other Advances		

415	Accounts Payable		
415001	Trade Creditors		
415002	Sundry Creditors		
512201	Revenue Reserves		
		209,065,174	**209,065,174**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of Financial Performance for the period ended 31 March 2008 [Based on classification of expenditures by nature]

Budget 2008 Shs		Notes	Actual 31 Mar 2008 Shs	Actual 31 March 2007 Shs
	Operating revenue			
	Grants from foreign governments	2		
	Grants from international organizations	3	61,990,607	68,833,000
	Domestic Grants	4		
125,403,000	Transfers received from the Treasury	5	100,753,554	181,997,032
	Transfers received from other government units	6		
7,256,626	Non-Tax Revenues	7	4,636,550	7,684,900
	Other Revenue	8		
132,659,626	**Total operating revenue**		167,380,711	258,514,932
	Operating expenses			
14,880,000	Employee costs	9	48,960,300	30,804,850
117,779,626	Goods and services consumed	10	130,249,147	190,722,050
	Consumption of property, plant & equipments	11		
	Interest expense	12		
	Subsidies	13		
	Transfers to other government units (Grants paid)	14	8,846,800	125,080
	Social benefits	15		
	Other expenses	16		
	Foreign exchange losses (gains)			
132,659,626	**Total operating expenses**		188,056,247	221,651,980
0	**Surplus/(deficit) from operating activities**		(20,675,536)	36,862,952
	Finance costs	17		
	Losses of cash only (refer to Statement of reported losses)			
	Proceeds on disposal of property, plant and equipments	18	2,603,500	
	Net surplus/(deficit) before extraordinary items		(18,072,036)	36,862,952
	Extraordinary items	19		
0	AMOUNT DUE TO THE CONSOLIDATED FUND		(18,072,036)	36,862,952

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DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of Financial Position as at 31 March 2008.

	Notes	Actual 31 Mar 2008 Shs	Actual 30 June 2007 Shs
ASSETS			
Cash and cash equivalents	20	**20,964,871**	**39,080,963**
Receivables	21		
Inventories	22		
Investments	23		
Investment properties	24		
Total Assets		**20,964,871**	**39,080,963**
LIABILITIES			
Borrowings (interest bearing liabilities)	25		
Payables	26		
Pension liabilities	27		
Total liabilities		**0**	**0**
NET ASSETS / (LIABILITIES)		**20,964,871**	**39,080,963**
REPRESENTED BY:			
NETWORTH		**20,964,871**	**39,080,963**

STATEMENT OF CHANGES IN EQUITY (NETWORTH) AS AT 31 March 2008

		31 Mar 2008 Shs	30 June 2007 Shs
Net worth Last Year 2006/2007 (B/F)		**39,080,963**	**1,404,165**
Less: Transfers to the UCF account (Balances)(44,056)		**(44,056)**	**487,500**
Add: Stale Cheques not replaced		**0**	**0**
Adjustment : Under/Over Statement of Domestic Arrears of Past Years		**0**	**0**
Adjustment of Revenue Reserve (Project Balances)		**0**	**0**
Add: Surplus/ Deficit for the Year		**(18,072,036)**	**38,164,298**
CLOSING NETWORTH		**20,964,871**	**39,080,963**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

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DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

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ABI-ZARDI

Cash Flow Statement for the year ended 31 March 2008 [Direct Method]

	Notes	31 Mar 2008 Shs	31 March 2007 Shs
CASH FLOWS FROM OPERATING ACTIVITIES			
Total receipts from operating revenues were (see below):		167,380,711	258,514,932
PAYMENTS FOR OPERATING EXPENSES:			
Employee costs		48,960,300	30,804,850
Goods and services consumed		130,249,147	190,722,050
Consumption of property, plant & Equipments(Fixed Assets)			
Interest expense			
Subsidies			
Grants paid		8,846,800	125,080
Social benefits			
Other expenses			
Net Advances paid			
Domestic arrears paid during the year			
Pension Arrears paid during the Year			
Losses of cash			
Extraordinary items			
Total payments for operating activities		188,056,247	221,651,980
Net cash inflows/(outflows) from operating activities		(20,675,536)	36,862,952
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments			
Proceeds from sale of property, plant and equipments		2,603,500	
Purchase of investments			
Proceeds from sale of investments			
Purchase of investment properties			
Proceeds from sale of investment properties			
Net cash inflows/(outflows) from investing activities		(18,072,036)	36,862,952
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from external borrowings			
Repayments of external borrowings			
Proceeds from other domestic borrowings			
Repayments of other domestic borrowings			
Net cash flows from financing activities			
Net increase (decrease) in cash and cash equivalents		(18,072,036)	36,862,952

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature

DIRECTOR
ABI-ZARDI

Cash Flow Statement for the year ended 31 March 2008 (continued)

For cash flow purposes receipts from operating revenue comprise:	Notes	31 Mar 2008 Shs	31 March 2007 Shs
Operating revenue			
Grants from foreign governments	2		
Grants from international organizations	3	61,990,607	68,833,000
Unconditional grants	4		
Conditional grants	4		
Equalization grants	4		
Transfers received from the Treasury	5	100,753,554	181,997,032
Transfers received from other government units	6		
Non-tax revenues	7	4,636,550	7,684,900
Miscellaneous and unidentified revenue	8		
Advances Recovered			
Deposits Received			
Total receipts from operating activities		**167,380,711**	**258,514,932**

Reconciliation of movement of cash during the year

	Notes	31 Mar 2008 Shs	31 March 2007 Shs
At the beginning of the year 2007/2008		39,080,963	1,404,165
Less: Transfers to the UCF account (Balances)		(44,056)	(487,500)
Add: Increase due to Stale Cheques		0	0
Adjustment of Revenue Reserve (Project Balances)		0	(791,585)
Net increase (decrease) of cash from the *Cash flow Statement*		(18,072,036)	36,862,952
At the end of 31st March 2008		**20,964,871**	**36,988,032**

For purposes of the cash flow statement, cash and cash equivalents comprise

		31 Mar 2008 Shs	31 March 2007 Shs
Cash and bank balances	20	20,964,871	39,080,963
Less bank overdrafts	25	0	0
Net cash and bank balances		**20,964,871**	**39,080,963**

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DR. MUKALAZI JULIUS
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DIRECTOR
ABI-ZARDI

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of Appropriation Account [Based on services voted by Parliament]

Actual 31 March 2007 Shs.		Notes	Actual 31 Mar 2008 Shs.	Budget 30 June 2008 Shs.	Variance 31 Mar 2008 Shs.
	RECEIPTS				
	Grants from foreign governments	2			
63,670,000	Grants from international organizations	3	61,990,607	0	(61,990,607)
	Unconditional grants	4			
	Equalization grants	4			
	Conditional grants	4			
181,997,032	Transfers received from the Treasury	5	100,753,554	125,403,000	24,649,446
	Transfers received from other government units	6			
7,684,900	Non-Tax Revenues	7	4,636,550	7,256,626	2,620,076
5,163,000	Miscellaneous and unidentified revenue	8			
258,514,932	Total receipts		167,380,711	132,659,626	(34,721,085)
	EXPENDITURE- by services voted in the Estimates Book.				
221,651,980	PROGRAMME 13		157,609,447	132,659,626	(24,949,821)
221,651,980	Total expenditure for services voted		157,609,447	132,659,626	(24,949,821)
36,862,952	Surplus/(deficit) before finance costs		9,771,264	0	(9,771,264)
	Finance costs	17			
0	Gains on disposal of property, plant and equipments	18	2,603,500	0	(2,603,500)
36,862,952	Net surplus/(deficit) before extraordinary items		7,167,764	0	(7,167,764)
	Extraordinary items	19			
36,862,952	AMOUNT DUE TO THE CONSOLIDATED FUND		7,167,764	0	(7,167,764)

0

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The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of Appropriation Account [Based on nature of expenditure for services voted]

Actual 31 March 2007 Shs		Notes	Actual 31 Mar 2008 Shs	Budget 30 June 2008 Shs	Variance 31 Mar 2008 Shs
	RECEIPTS				
	Grants from foreign governments	2			
63,670,000	Grants from international organizations	3	61,990,607	0	(61,990,607)
	Unconditional grants	4			
	Equalization grants	4			
	Conditional grants	4			
181,997,032	Transfers received from the Treasury	5	100,753,554	125,403,000	24,649,446
	Transfers from other government units	6			
7,684,900	Non-Tax Revenues	7	4,636,550	7,256,626	2,620,076
5,163,000	Miscellaneous and unidentified revenue	8			
258,514,932	**Total receipts**		**167,380,711**	**132,659,626**	**(34,721,085)**
	EXPENDITURE-by nature of expenditure				
30,804,850	Employee costs	9	45,080,300	14,880,000	(30,200,300)
190,722,050	Goods and services consumed	10	112,529,147	117,779,626	5,250,479
	Consumption of property, plant & equipments (fixed assets)	11			
	Interest expense	12			
	Subsidies	13			
125,080	Transfers to other government units(Grants Paid)	14			
	Social benefits	15			
	Other operating expenses	16			
	Domestic arrears paid				
221,651,980	**Total operating expenses**		157,609,447	132,659,626	**(24,949,821)**
36,862,952	Surplus/(deficit) before finance costs		**9,771,264**	0	**(9,771,264)**
	Finance costs	17			
0	Gains on disposal of property, plant and equipments	18	2,603,500		(2,603,500)
36,862,952	Net surplus/(deficit) before extraordinary items		**7,167,764**	0	**(7,167,764)**
	Extraordinary items	19			
36,862,952	AMOUNT DUE TO THE CONSOLIDATED FUND		**7,167,764**	0	**(7,167,764)**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

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DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of reconciliation between total expenditure per Statement of Appropriation Account to total expenditure in Statement of Financial Performance

	Notes	Actual 31 Mar 2008 Shs
Total expenditure per Appropriation Account		157,609,447
Add:		
Letters of credit receivable prior year but delivered during the year		
Transfers rec'd from other government units		
Transfer to Treasury NTR		8,846,800
Expenses from Opening Balances		21,600,000
Less:		
Letters of credit receivable at year-end		
Transfers made to other government units		
Total Expenditure per Statement of Financial Performance		188,056,247

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.
The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of Revenues collected during the period ended 31 March 2008 [Based on source of revenue] (Memorandum Statement)

Actual 31 March 2007 Shs		Notes	Actual 31 Mar 2008 Shs	Budget 31 March 2008 Shs	Variance 31 Mar 2008 Shs
	RECEIPTS				
	Non-tax revenues				
	Investment income				
	Dividends				
	Property income attributed to insurance policy holders				
	Rent				
	Other property income				
	Sale by market establishments				
	Administrative fees & licenses				
7,684,900	Incidental sale of goods and services		7,240,050	7,256,626	16,576
	Imputed fines and penalties				
	Court fines and penalties				
	Other fines and penalties				
	Voluntary transfers other than grants- current				
	Voluntary transfers other than grants- capital				
	Withdrawal from income of quasi-corporations				
	Miscellaneous and unidentified revenues				
	Total Non-Tax Revenue				
7,684,900			**7,240,050**	**7,256,626**	**16,576**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of Arrears of Revenues for the year ended 31 March 2008
[Based on source of revenue] (Memorandum Statement)

Budgeted Revenue 2007/2008 Shs		Arrears of Revenue 31 Mar 2008 Shs	Total Revenue billed during 31 Mar 2008 Shs	Actual Amounts collected 31 Mar 2008 Shs	Amount remitted to the Consolidated Fund during the year Shs	Due to Consolidated Fund Shs. 31 Mar 2008	Cumulative Arrears of Revenue at 31 Mar 2008 Shs
	RECEIPTS						
	Non-tax revenues						
	Investment income						
	Dividends						
	Property income attributed to insurance policy holders						
	Rent						
	Other property income						
	Sale by market establishments						
	Administrative fees & licenses						
7,256,626	Incidental sale of goods and services	0	7,240,050	7,240,050	8,846,800	7,052,850	0
	Imputed fines and penalties						
	Court fines and penalties						
	Other fines and penalties						
	Voluntary transfers other than grants-current						
	Voluntary transfers other than grants-capital						
	Withdrawal from income of quasi-corporations						
	Miscellaneous and unidentified revenues						
7,256,626	**Total Non-Tax Revenue**	**0**	7,240,050	7,240,050	**8,846,800**	7,052,850	**0**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.
The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of Contingent Liabilities as at 31 Mar. 2008 (Memorandum Statement)

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
DOMESTIC			
Legal proceedings			
Guarantees and indemnities			
Guarantees of bank overdrafts			
Other contingent liabilities			
TOTAL DOMESTIC CONTINGENCIES			
FOREIGN			
Legal proceedings			
Guarantees and indemnities			
Guarantees of bank overdrafts			
Other contingent liabilities			
TOTAL FOREIGN CONTINGENCIES			
TOTAL CONTINGENT LIABILITIES			

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of Non-Quantifiable Contingent Liabilities as at 31 Mar. 2008 (Memorandum Statement)

Serial number	Brief description of liability, its origin, nature, the uncertainty, and period of identification	Type of liability	Any other comment/responsibility

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

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DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of Outstanding Commitments as at 31 Mar. 2008

	Schedule	Outstanding commitments at beginning of year 1 July 2007	Prior years commitments paid during the year	New outstanding commitments incurred during the period	Cumulative outstanding commitments 31 Mar 2008
Commitments by nature of expenditure: Cumulative					
OPERATING COMMITMENTS (PAYABLES)					
Employee costs					
Goods and services consumed					
Interest expense					
Subsidies					
Grants payable					
Social benefits					
Other operating expenses					
Finance cost					
Total operating commitments					
CAPITAL COMMITMENTS (PAYABLES)					
Property					
Plant					
Equipments					
Total capital commitments					
TOTAL PAYABLES					
ADD:					
LONG TERM COMMITMENTS CARRIED FORWARD					
Commitments for Extraordinary items					
TOTAL COMMITMENTS					

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The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of losses of public moneys, stores and other assets written off, and claims abandoned during the period ended 31 Mar. 2008.

Reference number of reported loss/write off/claim abandoned.		Notes	31 Mar 2008 Shs	31 March 2007 Shs
	Losses of public moneys (cash and cash equivalents)			
	Total losses of cash written off			
	Losses of stores			
	Total losses of stores written off			
	Other assets			
	Property			
	Plant			
	Equipments			
	Total losses of other assets written off.			
	Claims abandoned			
	Total value of claims abandoned			
	Total losses of public funds, stores and claims abandoned			

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Accounting Officer [Names & Signature]

DIRECTOR
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Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of reported losses of public moneys, stores and other assets whether or not written off during the period ended 31 Mar. 2008

Reference number of reported loss/write off/claim abandoned.		Notes	31 Mar 2008 Shs.	31 March 2007 Shs.
	Losses of public moneys reported (cash and cash equivalents)			
	Total losses of cash			
	Losses of stores reported.			
	Total losses of stores reported			
	Losses of other assets			
	Property			
	Plant			
	Equipments			
	Total losses of other assets reported			
	Total losses of public funds, stores and other assets reported			

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Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Statement of stores and other assets (physical assets) acquired during the period ended 31 Mar. 2008

Asset register number for current period acquisition		31 Mar 2008 Cost in Shs	31 March 2007 Cost in Shs
	By individual assets		
	TOTAL COST OF ASSETS ACQUIRED		
	Analyzed as follows:		
	Land		
	Non Residential buildings		
	Residential buildings		
	Roads and bridges		
	Transport equipment-Motor vehicles etc		
	Machinery and equipment		
	Furniture and fittings		
	Total value of physical assets acquired		

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.
The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/1/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

Statement of disposal of physical assets during the period ended 31 March 2008

Year of acquisition	Asset register number		Receipt number	Original Cost in Shs	Proceeds on disposal Shs
		By individual assets			
		Tractor	Y0255476		550,000
		Toyota – Pickup(UG0763A)	Y0255477		250,000
		Toyota – Pickup(UG0402A)	Y0255478		250,000
		Pressure Lamp	Y0255479		5,000
		Planter	Y0255479		80,000
		Coffee Mesh Tray	Y0255479		10,000
		Water Tank	Y0255480		10,000
		Fridge	Y0255480		35,000
		Gutters	Y0255481		20,000
		Ridges	Y0255481		40,000
		Source Pan	Y0255481		50,000
		Iron Sheets	Y0255482		76,000
		Iron Sheets	Y0255483		40,000
		Timber	Y0255483		100,000
		Mattresses	Y0255484		255,000
		Kettle	Y0255484		1,500
		Blankets	Y0255484		25,000
		Towels	Y0255484		30,000
		Beds	Y0255484		180,000
		Metallic Table	Y0255485		20,000
		Cupboard	Y0255485		30,000
		Gas cylinder	Y0255485		5,000
		Pillow Cases	Y0255485		5,000
		Wire Mesh	Y0255486		30,000
		Motor Cycle	Y0255487		60,000
		Bed Sheets	Y0255487		20,000
		Pillows	Y0255487		40,000
		Door Shutters	Y0255488		175,000
		Maize Seed Sheller	Y0255489		70,000
		Milling Machine	Y0255489		60,000
		Water Pipe	Y0255489		31,000
		Assorted Tyres	Y0255490		50,000

		TOTAL PROCEEDS FROM DISPOSALS			**2,603,500**
		Analyzed as follows:			
		Land			
		Non Residential buildings			
		Residential buildings			
		Roads and bridges			
		Transport equipment-Motor vehicles etc			560,000
		Machinery and equipment			1,042,500
		Furniture and fittings			1,001,000
		Total value of physical assets acquired			**2,603,500**

The accounting policies and notes set out on pages 20 to 37 form an integral part of these financial statements.

The financial statements on pages 5 to 19 were approved by the Accounting Officer on 4/4/2008

DR. MUKALAZI JULIUS
Accounting Officer [Names & Signature]

DIRECTOR
ABI-ZARDI

1. General Information

ABI ZONAL AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE is an accounting entity of the Government of the Republic of Uganda and is domiciled in Uganda. The principal address of the entity is:

P.O.BOX 219 ARUA

2. Accounting policies

These are the specific principles, bases, conventions, rules and practices adopted by the Government of the Republic of Uganda in preparing and presenting the financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Public Finance and Accountability Act, 2003 [the Act] and comply with generally accepted accounting principles taking into consideration the Government of Uganda legal and regulatory framework regarding public finances.

The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The cash basis of accounting as modified with regard to recognition of pension liabilities, domestic arrears and revenue from Uganda Revenue Authority has been consistently used.

Under the modified cash basis of accounting, revenue is recognized generally in the period in which it is received and not when earned, while expenditure is recognized in the period in which it is incurred. Similarly, purchases of assets including immovable property, plant and equipments are expensed fully in the year they are paid for.

(b) Reporting currency and translation of foreign currencies

(i) Functional and presentation currency

The functional and reporting currency is the Uganda Shilling, which is the legal tender of the Republic of Uganda. Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates.

(ii) Translation of transactions in foreign currency

Foreign currency transactions are translated into Uganda shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of financial performance.

Accounting policies (continued)

(c) Reporting Period

The reporting period for these financial statements is the financial year of the Government, which runs from 1 July 2007 to the 31 March 2008.

The Budget forecast is the original forecast as amended by subsequent supplementary budgets for the year as presented appropriated by Parliament.

(d) Revenue

Revenue represents cash received by the entity during the financial year and comprises Transfers from the Consolidated Fund, Grants received and Non-Tax Revenue.

Subject to Article 152 of the Constitution of the Republic of Uganda, tax is levied with the authority of Parliament.

Many services and benefits are provided by the accounting entity to the public but these do not necessarily give rise to revenue to the entity. Equivalently, payment of tax and other dues do not necessarily result into an entitlement to the taxpayer to receive equivalent value of services or benefits because there is no explicit relationship between payment of tax and other dues, and receipt of goods and services from the government. Revenue is recognized as follows:

(i) Transfers from the Consolidated Fund

Transfers from the Consolidated Fund to the entity are recognized when disbursement is made. Transfers are made periodically to facilitate the operations of the entity in accordance with the appropriated budget and the cash limits that have been established for government spending for the period.

(ii) Grants

Grants are recognized when received. Similarly, grants/transfers to other entities of government are recognized when disbursement is made.

(iii) Non-Tax Revenue

Non-Tax Revenue is proceeds from sales of designated services by the entity. Sales of services are recognized in the period in which the payment for the service is received and not necessarily when the service is rendered.

Non-Tax Revenue, whether directly collected by the entity or collected by another entity on its behalf is recognized when received.

Accounting policies (continued)

(e) Expenses

In general, expenditure is recognized when incurred. Expenses relating to pension liabilities, domestic arrears and interest expense on treasury bills are accrued for in the financial statements

(f) Property, Plant and Equipments (physical assets or fixed assets)

Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipments, highways, specialist military equipments and any other infrastructure assets but does not include regenerative natural resources such as forests and mineral resources.

Under government's cash basis of accounting, purchases of property, plant and equipments are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Asset Registers at historical cost of non-current assets of government.

Unrealized gains or losses arising from changes in the values of property, plant and equipments are not recognized in the financial statements. Proceeds from disposal of property, plant and equipment are recognized as non-tax revenue in the period in which it received.

(g) Receivables

(i) Advances and other receivables

Receivables are carried at original historical cost. Bad debts are written -off, with the approval of Parliament, when identified and are reflected in the Statement of Financial Performance as such.

(ii) Letters of credit

Procurement of goods and services through letters of credit which are cash covered are recognized in the Appropriation Account when the letter of credit is opened. Outstanding letters of credit at period-end are treated as deposits receivable and reflected in the Statement of financial position (balance sheet).

(h) Inventories

Consumable supplies are expensed in the period in which they are paid for.

(i) Projects expenditure

Accounting policies (continued)

Government projects are a series of undertakings by an accounting entity with specific objectives and a defined time frame and could be either:

(i) Fully funded by a government
(ii) Jointly funded by government and a development partner
(iii) Fully funded by a development partner

Fully or partly government funded project expenditure is recognized in the statement of financial performance of the parent accounting entity to the extent of funding received from government.

(j) Investments

Investments are classified into three groupings, namely: investments held for trading; investments held-to- maturity; and investments available –for-sale.

Investments that are acquired principally for the purposes of generating profit from short-term fluctuations in price are classified as "trading investments", and are, therefore, current assets and are treated as monetary assets.

Investments with fixed maturities and there is an intention and ability to hold them to maturity dates are classified as "Investments held-to-maturity", and are, therefore, non-current assets, and are treated as non- monetary assets.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as "investments available-for-sale", and are therefore non-current assets and regarded as non-monetary assets. However, if there is an expressed intention to sell these within 12 months, then these are treated as current assets and are monetary assets.

Appropriate classification of investments at the time of purchase and re-evaluation of such designation are carried out on a regular basis.

All purchases and sales of investments are recognized at the date when payments are effected or when proceeds are received. All investments in the balance sheet are carried at historical cost.

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. In the balance sheet bank overdrafts are included in borrowings.

Unspent cash balances

Accounting policies (continued)

In accordance with the requirement of the Public Finance and Accountability Act 2003, unspent cash balances at the end of the financial year are returned to the Consolidated Fund in the course of the following financial year.

Transfers of unspent cash balances to the Consolidated Fund are treated as a direct movement in reserves of the accounting entity and reflected in the balance sheet as part of the changes in net worth.

(l) Borrowings

Borrowings are initially recorded in the Statement of Financial Position [the balance sheet] at cost net of any transaction costs paid.

Interest expense or income on borrowings is recognized in the Statement of Financial Performance only when paid or received.

(m) Employee benefits

Employee benefits include salaries, allowances, pensions and other related-employment costs. However, these are recognized in the financial statements only when actual payments are made. No provision is made for accrued leave.

(n) Contingencies

Contingent liabilities are recorded in the Statement of Contingencies Liabilities when the contingency becomes evident. Contingent assets are neither recognized nor disclosed.

(o) Commitments

Commitments include operating and capital commitments arising from non-cancelable contractual or statutory obligations. Interest commitments and loans and commitments relating to employment contracts are not included in the Statement of Outstanding Commitments. Outstanding commitments are included in the balance sheet as payables and in the Statement of Outstanding Commitments.

1. General Information

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The principal address of the entity is:
P.O.BOX 219 ARUA
[Put full address]

Accounting policies (continued)

2. Accounting policies

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These financial statements have been prepared in accordance with the requirements of the Public Finance and Accountability Act, 2003 [the Act] and comply with generally accepted accounting principles taking into consideration the Government of Uganda legal and regulatory framework regarding public finances.

The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The cash basis of accounting as modified with regard to recognition of pension liabilities, domestic arrears and revenue from Uganda Revenue Authority has been consistently used.

Under the modified cash basis of accounting, revenue is recognized generally in the period in which it is received and not when earned, while expenditure is recognized in the period in which it is incurred. Similarly, purchases of assets including immovable property, plant and equipments are expensed fully in the year they are paid for.

(b) Reporting currency and translation of foreign currencies

(ii) Functional and presentation currency

The functional and reporting currency is the Uganda Shilling, which is the legal tender of the Republic of Uganda. Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates.

(ii) Translation of transactions in foreign currency

Foreign currency transactions are translated into Uganda shillings using the exchange rates prevailing at the dates of the transactions. Foreign missions and entities that predominantly transact in foreign currencies translate transactions at average monthly exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

(c) Reporting Period

Accounting policies (continued)

The reporting period for these financial statements is the financial year of the Government, which runs from 1 July 2007 to the 31 March 2008.

The Budget forecast is the original forecast as amended by subsequent supplementary budgets for the year as presented appropriated by Parliament.

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Subject to Article 152 of the Constitution of the Republic of Uganda, tax is levied with the authority of Parliament.

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Non-Tax Revenue is proceeds from sales of designated services by the entity. Sales of services are recognised in the period in which the payment for the service is received and not necessarily when the service is rendered.

Non-Tax Revenue, whether directly collected by the entity or collected by another entity on its behalf is recognized when received.

(h) Expenses

Accounting policies (continued)

In general, expenditure is recognised when incurred. Expenses relating to pension liabilities, domestic arrears and interest expense on treasury bills are accrued for in the financial statements

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Property, plant and equipment principally comprises land, buildings, plant, vehicles, equipments, highways, specialist military equipments and any other infrastructure assets but does not include regenerative natural resources such as forests and mineral resources.

Under government's cash basis of accounting, purchases of property, plant and equipments are expensed fully in the year of purchase. However, a memorandum record is maintained in the Fixed Asset Registers at historical cost of non-current assets of government.

Unrealized gains or losses arising from changes in the values of property, plant and equipments are not recognized in the financial statements. Proceeds from disposal of property, plant and equipment are recognized as non-tax revenue in the period in which it received.

(g) Receivables

(i) Advances and other receivables

Receivables are carried at original historical cost. Bad debts are written -off, with the approval of Parliament, when identified and are reflected in the Statement of Financial Performance as such.

(ii) Letters of credit

Procurement of goods and services through letters of credit which are cash covered are recognised in the statement of financial performance when the letter of credit is opened. Outstanding letters of credit at period-end are treated as deposits receivable and expensed in the following period when they the goods or services are delivered.

(h) Inventories

Consumable supplies are expensed in the period in which they are paid for.

(i) Projects expenditure

Accounting policies (continued)

Government projects are a series of undertakings by an accounting entity with specific objectives and a defined time frame and could be either:

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(vi) Fully funded by a development partner

Fully or partly government funded project expenditure is recognized in the statement of financial performance of the parent accounting entity only to the extent of funding received from government.

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Investments are classified into three groupings, namely: investments held for trading; investments held-to- maturity; and investments available –for-sale.

Investments that are acquired principally for the purposes of generating profit from short-term fluctuations in price are classified as "trading investments", and are, therefore, current assets and are treated as monetary assets.

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Appropriate classification of investments at the time of purchase and re-evaluation of such designation are carried out on a regular basis.

All purchases and sales of investments are recognized at the date when payments are effected or when proceeds are received. All investments in the balance sheet are carried at historical cost.

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. In the balance sheet bank overdrafts are included in borrowings.

Accounting policies (continued)

Unspent cash balances

In accordance with the requirement of the Public Finance and Accountability Act 2003, unspent cash balances at the end of the financial year are returned to the Consolidated Fund in the course of the following financial year.

Transfers of unspent cash balances to the Consolidated Fund are treated as a direct movement in reserves of the accounting entity and reflected in the balance sheet as part of the changes in net worth.

(l) Borrowings

Borrowings are initially recorded in the Statement of Financial Position [the balance sheet] at cost net of any transaction costs paid.

Interest expense or income on borrowings is recognized in the Statement of Financial Performance only when paid or received.

(m) Employee benefits

Employee benefits include salaries, pensions and other related-employment costs. Employee benefits are recognized when incurred. No provision is made for accrued leave or reimbursable duty allowances.

(p) Contingencies

Contingent liabilities are recorded in the Statement of Contingencies Liabilities when the contingency becomes evident. Contingent assets are neither recognised nor disclosed.

(q) Commitments

Commitments include operating and capital commitments arising from non-cancelable contractual or statutory obligations. Interest commitments and loans and commitments relating to employment contracts are not included in the Statement of Outstanding Commitments. Outstanding commitments are included in the balance sheet as payables and in the Statement of Outstanding Commitments.

Government of the Republic of Uganda

Name of Reporting Entity ABI ZARDI
Financial Statements for the Financial Year ended 31 March 2008

Notes to the financial statements

Note 1: Exchange rates

All monetary amounts in the financial statements are expressed in Uganda Shillings, the legal tender. The Uganda Shilling closing rates (the Bank of Uganda middle rate) for major currencies were:

		31 Mar 2008 Shs	31 March 2007 Shs
United States Dollar			
Japanese Yen			
British Pound			
Euro			

Note 2: Grants from foreign governments

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Donor funds- current			
	Donor funds- capital			
	TOTAL GRANTS- FOREIGN GOVERNMENTS			

Note 3: Grants from international organizations

Budget 2008 Shs		Schedule	31 Mar 2008 Shs.	31 March 2007 Shs.
	Donor funds- current			
0	Donor funds- capital		46,965,107	63,670,000
0	Donor funds- Local Donor		15,025,500	5,163,000
0	TOTAL GRANTS- FOREIGN GOVERNMENTS		61,990,607	68,833,000

Note 4: Grants received

Grants were received from other Government units including the central government, as follows:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Conditional grants			
	Unconditional grants			
	Equalization grants			
	TOTAL GRANTS FOR THE YEAR			

Grants for the year analyzed between current and capital as follows:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	CURRENT			
	Conditional grants			
	Unconditional grants			
	Equalization grants			
	Sub-total [current]			
	CAPITAL			
	Conditional grants			
	Unconditional grants			
	Equalization grants			
	Sub-total [capital]			
	Total grants from the central government			

Note 5: Transfers received from the Treasury:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
44,250,000	Transfers from the treasury- current		44,389,054	24,634,032
81,153,000	Transfers from the treasury- capital		56,364,500	157,363,000
125,403,000	TOTAL TRANSFERS FOR THE YEAR		100,753,554	181,997,032

Note 6: Transfers received from other government units

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Transfers from other Gov't units-current			
	Transfers from other Gov't units- capital			
	TOTAL TRANSFERS FOR THE YEAR			

Note 7: Non-Tax Revenues

Non-tax revenues collected were as follows:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Investment income			
	Dividends			
	Property income attributed to insurance policy holders			
	Rent			
	Other property income			
	Sale by market establishments			
	Administrative fees & licenses			
7,256,626	Incidental sale of goods and services		7,240,050	7,684,900
	Imputed fines and penalties			
	Court fines and penalties			
	Other fines and penalties			
	Voluntary transfers other than grants- current			
	Voluntary transfers other than grants- capital			
	Withdrawal from income of quasi-corporations			
7,256,626	**Total Non-Tax Revenue**		7,240,050	**7,684,900**

Note 8: Miscellaneous and unidentified revenues

This is shown separately for the purposes of the Statement of Financial Performance

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Windfall gains			
	Reimbursements by other bodies			
	Miscellaneous receipts/income			
	TOTAL MISC. REVENUES			

Note 9: Employee costs

Employee costs principally comprise:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
14,880,000	Wages and salaries- cash		48,960,300	30,804,850
	Wages and salaries- kind			
	Social contributions- actual			
	Social contributions- imputed			
	Other employment costs			
14,880,000	Total employee costs.		48,960,300	30,804,850

Note 10: Goods and services

Expenditure on goods and services during the year principally comprise the following:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
46,941,376	General expenses		35,232,888	28,308,970
2,439,000	Communications		2,052,932	24,600
2,394,000	Utility and property expenses		1,670,000	2,656,047
9,447,750	Supplies and services		20,807,400	40,507,635
708,750	Professional services		430,000	
	Insurances and licenses			
47,732,250	Travel and transport		58,751,767	91,956,992
8,116,500	Maintenance		11,304,160	27,267,806
	Inventories- net change in inventories			
	Sale of goods purchased for resale			
117,779,626	Total cost of goods and services		130,249,147	190,722,050

Note 11: Consumption of property, plant and equipments (fixed assets or physical assets)

As explained in accounting policy (f), property, plant and equipments (physical assets) are expensed in the year of purchase i.e. they are depreciated at 100% in the year of purchase. Any gains and losses on fair values of these assets are not recognized in the financial statements.

The value of property, plant and equipments purchased and expensed during this the financial year purchase comprise:

Budget 2008 Shs.		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Land			
	Non Residential buildings			
	Residential buildings			
	Roads and bridges			
	Transport equipment-Motor vehicles etc			
	Machinery and equipment			
	Furniture and fittings			
	Other fixed assets			
	Total value of property, plant and equipments expensed			

Note 12: Interest expense

Interest expense to other government units comprise:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	To the Treasury			
	To other government units			
	Total interest expense			

Note 13: Subsidies

Subsidies paid during the year are summarized as below:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	To public corporations			
	To private enterprises			
	To private individuals			
	Total subsidies for the year			

Note 14: Transfers to other government units (grants paid)

Transfers to other government units made during the year were as follows:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	To Treasury-Non Tax Revenue		8,846,800	125,080
	To Treasury- Gross Tax			
	To Foreign Governments			
	To International Organizations			
	To other general government units			
	To resident non-governmental units			
	Total grants for the year		8,846,800	125,080

Note 15: Social benefits

Social benefits paid out to employees comprise:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Social security benefits			
	Social assistance benefits			
	Employer Social benefits			
	Total social benefits			

Note 16: Other operating expenses

These comprise:

Budget 2008 Shs		Schedule	31 Mar 2008 Shs	31 March 2007 Shs
	Property expenses other than interest			
	Miscellaneous other expenses- current			
	Miscellaneous other expenses- capital			
	Total other operating expenses			

Note 17: Finance costs

Finance cost includes interests paid during the year in respect of external debts, commitment fees, and other domestic borrowings net of interest income received during the year. These charges arise only from financing arrangements for the budget rather than temporary arrangements to meet cash flow requirements. Consistent with the cash basis of accounting, finance costs/ (income) are only recognized when paid /(received).

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Interests on external debts (external borrowings)			
Interests on other domestic borrowings			
Interest income received			
Total finance cost			

Note 18: Proceeds from disposal of property, plant and equipments

Proceeds from disposal of property, plant and equipment are are recognized as revenue at the time of receipt and are included as part of Non Tax Revenues. During the year, proceeds from disposal of property, plant and equipments were made up as follows:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Sale of government assets (produced)			0
Sale of government assets (non-produced)		2,603,500	
Total gains (proceeds) received		2,603,500	0

Note 19: Extraordinary items

Extraordinary items are revenue or expenses that arise from events or transactions that are clearly distinct from ordinary activities of the government, are not expected to recur frequently or regularly and are outside the control or influence of the government. During the year expenditures were paid on the following extraordinary activities:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
To deal with an outbreak of Ebola			
Emergency operations following a catastrophic earthquake			
Total for the year.			

Note 20: Cash and Cash equivalents .

Balances held in reporting currency comprise:

DOMESTIC	Schedule	31 Mar 2008 Shs	30 June 2007 Shs
Bank of Uganda- Revenue accounts			
Bank of Uganda- Expenditure accounts		60,054	44,056
Expenditure accounts –others			
Project Accounts		13,851,967	30,190,107
Collection Accounts		7,052,850	8,846,800
Cash in Transit			
Cash at Hand- Imprest accounts			
Others			
Total cash and bank balance held in local currency		20,964,871	39,080,963

Comprise the following at the end of the year:

	Schedule	31 Mar 2008 Shs	30 June 2007 Shs
Balances in local currency		20,964,871	39,080,963
Balances in foreign currencies			
Total cash & bank balances		20,964,871	39,080,963

Balances held in foreign currencies comprise:

	Schedule	31 Mar 2008 Shs	30 June 2007 Shs
Project Accounts			
Contingency Accounts			
Collection Accounts			
Cash in Transit			
Cash at Hand- Imprest accounts			
Others			
Total cash and bank balance held in foreign currencies			

Bank balances with foreign financial institutions comprise:

	Schedule	31 Mar 2008 Shs	30 June 2007 Shs
In United States Dollars			
In Japanese Yen			
In European currencies.			
In other currencies.			
Total bank balances in foreign currencies			

Unrealized foreign exchange gains or losses on balances denominated in other currencies are not recognized in the Statement of Financial Performance using the cash basis of accounting.

[Please provide details of bank accounts held /operated with foreign financial institutions]

Note 21: Receivables

Comprise the following domestic and foreign receivables at the end of the year net of any provision for receivables doubtful of recovery.

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
DOMESTIC			
Loans (short-term) -others			
Clearing grants/transfers to other government units			
Advances			
Outstanding letters of credit			
Other accounts receivable			
Total domestic receivables			
FOREIGN			
Loans (short-term) -others			
Clearing grants/transfers to other government units			
Advances			
Other accounts receivable			
Total foreign receivables			
Total receivables			

Note 22: Inventories

Comprise strategic stock and other inventories purchased which have not been expensed.

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Strategic stock-petroleum products			
Other inventories-			
Total inventories			

Note 23: Investments

Investments held at the year end comprised:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
DOMESTIC			
Securities other than equity (short- term)			
Securities other than shares (long-term)			
Shares and other equity			
Financial derivatives			
Sub-total for domestic			
FOREIGN			
Securities other than shares-foreign			
Shares and other equity- foreign			
Insurance technical reserves- foreign			
Financial derivatives- foreign			
Sub-total for foreign			
Total investments			

These are analyzed further as follows:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Investments held-for-trading			
Investments-available-for-sale			
Investments-held-to-maturity			
Total investments			

Note 24: Investment properties

Investment properties comprise properties, which are held for long term rental income and are not occupied or used by the government or any other government entity.

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
At the beginning of the year			
Additions/acquisitions made during the year			
Disposals made during the year			
Total cost of investment properties			

Investment properties are carried at historical cost using the cash basis of accounting. Fair value gains or losses are not recognized in the financial statements.

Note 25: Borrowings

These comprise short borrowings to finance operating activities, and principally include bank overdrafts, bank loans and any other financial arrangements, which have not been redeemed by the year-end. Loans are raised internally and externally. Loans raised internally are grouped as domestic loans; external loans are foreign loans and alternatively refereed to as external debts of the Republic of Uganda. At the year-end outstanding loans were as follows:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
DOMESTIC			
Loans from commercial banks			
Interest payable on bank loans/borrowings			
Other			
Total domestic borrowings			
FOREIGN			
Loans from multi laterals			
Loans from foreign governments			
Loans from commercial banks			
Interest payable on bank loans/borrowings			
Other			
Total foreign borrowings			
Total borrowings			

Foreign borrowings (External debts)

Include borrowings from foreign governments, from international financial institutions, and from any other foreign private financial institutions. Unrealized foreign exchange gains or losses on foreign balances are not recognized in the Statement of Financial Performance on the cash basis of accounting. However, these gains/(losses) are shown as increases/(decreases) in the Balance Sheet.
The effective weighted average interest rate for foreign borrowings at the balance sheet date were as follows:

		31 Mar 2008 Interest rate %	31 March 2007 Interest rate %
From International organizations-multilateral			
From foreign governments-bilateral			
From foreign commercial banks			

Maturity dates for borrowings from multilateral organizations are summarized as shown below:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Maturing between 1-5 years after the year end			
Maturing between 5-10 year after the year end			
Maturing after 10 years after the year end			

Maturity dates for borrowings from foreign governments are summarized as shown below:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Maturing between 1-5 years after the year end			
Maturing between 5-10 year after the year end			
Maturing after 10 years after the year end			

Maturity dates for borrowings from foreign commercial banks are summarized as shown below:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
Maturing between 1-5 years after the year end			
Maturing between 5-10 year after the year end			
Maturing after 10 years after the year end			
Total value of borrowings from private financial institutions.			

[For each material selected material borrowing from foreign governments, please give a brief description of the loan, its purpose and the terms]

Note 26: <u>Payables</u>

These are principally accounts payables, domestic and otherwise, outstanding at the year-end and comprise:

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs
PAYABLES			
Trade Creditors			
Sundry Creditors			
Committed Creditors			
Accountable advances			
Withholding tax payable			
Deposits received			
Advances from other Government units			
Miscellaneous accounts payables			
Total payables			

Note 27: Pension liabilities

Pension liabilities have been accrued in the financial statements because it is the policy of government to pay pensions to all former employees of the Government who qualified for pension under the provisions of the Pensions Act, Cap 281. In accordance with the provisions of the Pensions Act, this is the first year during which pension liabilities have been included in the financial statements.

	Schedule	31 Mar 2008 Shs	31 March 2007 Shs.
Former employees in Public Service			
Former employees in Education Service			
Former employees in Military Service			
Former employees in Police and Prisons Service.			
Total			

Notes to the financial statements (continued)