GOVERNMENT OF THE REPUBLIC OF UGANDA

REPORTS AND FINANCIAL STATEMENTS FOR

ABI ZARDI

FOR THE YEAR END 30th JUNE 2010

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

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Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

Statement of Responsibilities of the Accounting Officer

The financial statements set out on pages 5 to 40 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. Julius Mukalazi……………………………
Accounting Officer [Names & Signature]

ABI ZONAL AGRICULTURAL RESEARCH AND DEVELOPMENT INSTITUTE
[Name of the reporting entity]

Date: 4/8/2010

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

Information about the Reporting Entity

Full address for the entity
A description of the nature, operations and principal activities of the Entity
Entities main responsibilities

Abi ZARDI
P.O Box 219, Arua, Uganda
Phone: 0476421749/421734
Email: naroabizardi@yahoo.co.uk

Abi ZARDI is mandated to conduct and manage applied and adaptive agricultural research, and develop and disseminate improved agricultural technologies relevant to West Nile Agro ecological Zone

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

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, movements in total expenditure and total assets plus any comments that are relevant to understanding the financial performance and position of the entity]

Talk about prior year errors corrected i.e. nature of error, amount of correction, and the fact that comparative information has been re-stated

The Financial Year2009/2010 was generally impressive. Government was able to meet its obligation towards the approved budgets for development and recurrent. The persisting problem is the delay in remittance of these funds as this affects the implementation of planned activities. Some of the highlights of the budget performance are indicated as below.

Development budget

The Institute received the whole development budget which was approved at shs 659,817,000. With these funds, the institute was able to fund the core activities and effectively delivered services to our stakeholders. However, the greatest challenge remains late disbursements of these funds as it tends to affect timeliness of service delivery

Recurrent budget

Out of an approved recurrent budget of Shs. 114,000,000, Government managed to fund it by 100 percent. This commitment by the Government is highly commendable. However, due to the general increase in price of goods and services, the ceiling remains still low. It is therefore my prayer that Government moves swiftly to raise the budget ceiling to match with growing increase of goods and services.

Non Tax Revenue.

The Institute had made a projection of Shs. 23,892,000 to collect from its Non Tax Revenue sources. Am glad that this target was achieved with an extra collection of Shs. 5,086,500. This positive result is attributed to increased production and sale of crop produce and high demand for tree seedlings in the region. Also with the construction of a modern dormitory and conference facility, the prospects are even higher as our revenue source is being diversified. This local collection is expected to grow by over 100 percent projected at shs 53,140,000 for F/Y 2010/2011.

I take full responsibility for the integrity of these Financial Statements, the financial information they contain and their compliance with the PFAA 2003.

Harold Adiga Amabua...
Head of Accounts [Names & Signature]

Date: 4/8/2010

Report of the Auditor General

[Space reserved for the Report of the Auditor General]

Government of the Republic of Uganda
Name of the Reporting Entity:NARO/ABI ZARDI F.Y. 2009/2010
For the Period running: 1/7/2009 to 30/6/2010

TRIAL BALANCE AS AT 30th JUNE 2010

CODE	DETAILS	DEBITS	CREDITS
13	Grants		
131101	Grants from International Organisations		
131101	IDA		-
131101	EU		
131101	DANIDA		
131101	GTZ		
131101	AGRA		111,169,485
132101	Others - specify individually (Local Donors)		-
133	Transfers from Treasury		
133102	Recurrent		114,001,000
133202	Capital - A.D.B		659,817,000
133202	Capital - Competitive Research Funds		-
14	Non - Tax Revenue		
141501	Rent		5,258,500
141601	Proceeds from disposal of Property,Plant & Equip.		-
141801	Other property income		
142214	Market / Gate Charges		
1424	Incidental Sale of Goods and Services		23,720,000
21	Employee Costs		
211101	General Staff Salaries		
211102	Contract Staff Salaries and Wages	24,992,500	
211103	Allowances(Overtime,Honoraria,Bonuses etc)	1,187,000	
213002	Incapacity, Death Benefits and Funeral Expenses	-	
22	Goods Services		
221	General Expenses		
221001	Advertising and Public Relations	10,830,000	
221002	Workshops and Seminars	19,261,000	
221003	Staff Training	60,011,000	
221004	Recruiting Expenses	2,491,000	
221005	Hire of Venue	226,000	
221006	Committee and Board Expenses	17,355,000	
221007	Books, Periodicals and Newspapers	2,515,000	
221008	Computer Supplies and IT Services	6,976,000	
221009	Welfare and Entertainment	10,927,900	
221011	Printing, Stationery and Photocopy	6,808,500	
221012	Small Office Equipment	1,189,000	
221014	Bank Charges	2,159,903	
222001	Telecommunications	6,524,000	
222002	Postage and Courier	357,000	
222003	Information Communications Technology	-	
223	Utility and Property Expenses		
223001	Property Expenses		
223005	Electricity	-	
223006	Water	-	
223007	Other Utilities	-	
224	Supplies and Services		
224001	Medical and Veterinary Supplies	-	
224002	General Supply of Goods Services	563,724,440	
225	Professional Services		
225001	Consultancy Services - Short Term	730,000	
225003	Taxes on (Professional) Services		
226	Insurance and Licenses		

226001	Licenses		
226002	Insurance		
227	Travel and Transport		
227001	Travel Inland	126,206,500	
227002	Travel Abroad		
227003	Carriage, Haulage & Freight		
227004	Fuels, Lubricants and Oils	44,125,000	
228	Maintenance		
228001	Civil	4,413,000	
228002	Vehicles	20,517,960	
228003	Machinery, Furniture and Equipment	6,340,000	
228004	Maintenance - Others	2,424,000	
231	Depreciation		
231001	Deprciation - Land and Building		
231002	Deprciation - Machinery and Equipment		
231003	Deprciation - Transport Equipment		
231004	Deprciation - Furniture		
231007	Deprciation - Motor Vehicles		
26	Grants Paid		
262101	Contribution To International Organisations		
263108	Transfers To Treasury - NTR	3,840,074	
263208	Transfers To Treasury - Closed Account	92,692	
264101	Contribution to Autonomous Inst.	-	
264102	Contribution to Autonomous Inst.(Wage Subv.)	-	
273	Employee Social Benefits		
273101	Medical Expenses		
3121	Fixed Assets		
312101	Non-Residential Buildings		
312102	Residential Buildings		
312103	Roads and Bridges		
312104	Other Structures		
312105	Taxes on Buildings & Structures		
3122	Machinery, Furniture and Vehicles		
312201	Motor Vehicles	66,533,900	
312202	Machinery and Equipment		
312203	Furniture and Fixtures		
312204	Taxes on Machinery, Furniture & Vehicles		
321	Financial Assets (Domestic)		
3211	Currency & Deposits (Cash & Bank)		
321102	Collection Accounts (Revenue)	5,101,145	3,840,074
321103	Expenditure Account (Bank of Uganda)	55,000	92,692
321104	Project Accounts	126,937,854	226,953,617
321107	Cash in Transit		
321504	Other Advances		
415	Accounts Payable		
415001	Trade Creditors		
415002	Sundry Creditors		
415003	Committed Creditors(Accruals)		
415004	Accountable Advances		
511	Central Government Reserves		
512201	Revenue Reserves		
		1,144,852,368	1,144,852,368

Reports and Financial statements of (Name of Reporting Entity:NARO/ABI ZARDI - ARUA F.Y.2009/2010) for the period running 1st July 2009 to 30th June 2010

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DR. JULIUS MUKALAZI
ACCOUNTING OFFICER

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of Financial Performance for the year ended 30th June 2010
[Based on classification of expenditures by nature]

Budget 2010 Shs		Notes	Actual 30th June 2010 Shs	Actual 30th June 2009 Shs
	Operating revenue			
	Grants from foreign governments	2		
	Grants from international organizations	3	111,169,485	917,234,461
	Domestic Grants	4		
773,817,000	Transfers received from the Treasury	5	773,818,000	132,013,992
	Transfers received from other government units	6		
23,892,000	Non-Tax Revenues	7	28,978,500	25,688,166
	Other Revenue	8	0	0
797,709,000	**Total operating revenue**		**913,965,985**	**1,074,936,619**
	Operating expenses			
15,562,000	Employee costs	9	26,179,500	156,545,400
782,147,000	Goods and services consumed	10	916,112,203	683,754,982
	Consumption of property, plant & equipments	11	66,533,900	4,433,400
	Interest expense	12		
	Subsidies	13		
	Transfers to other Organizations	14	3,840,074	10,037,265
	Social benefits	15		
	Other expenses	16		
	Foreign exchange losses (gains)	18		
797,709,000	**Total operating expenses**		**1,012,665,677**	**854,771,047**
0	**Surplus/(deficit) from operating activities**		**(98,699,692)**	**220,165,572**
	Finance costs	17		
	Losses of cash only (refer to Statement of reported losses)			
	Extraordinary items	19		
0	**Net surplus/ (deficit) after extraordinary items**		**(98,699,692))**	**220,165,572**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.................................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of Financial Position as at 30th June 2010.

	Notes	30th June 2010 Shs	30 June 2009 Shs
ASSETS			
Cash and Cash equivalents	20	132,093,999	230,886,383
Receivables	21		
Inventories	22		
Investments	23		
Investment properties	24		
Total Assets		132,093,999	230,886,383
LIABILITIES			
Borrowings (interest bearing liabilities)	25		
Payables	26		
Pension liabilities	27		
Total liabilities			
NET ASSETS / (LIABILITIES)		132,093,999	230,886,383
REPRESENTED BY;			
NET FINANCIAL WORTH		132,093,999	230,886,383

STATEMENT OF CHANGES IN EQUITY (NETWORTH) AS AT 30th June 2010

			30th June 2010 Shs	30 June 2009 Shs
Net worth Last Year (B/F) – 2009/2010			230,886,383	10,810,346
Less:	Transfers to the UCF account (Balances)		(92,692)	89,535
			0	0
			0	0
Add:	Surplus/ Deficit for the Year		(98,699,692)	220,165,572
CLOSING NET FINANCIAL WORTH			132,093,999	230,886,383

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi……………………………
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Cash Flow Statement for the year ended 30th June 2010 [Direct Method]

	Notes	30th June 2010 Shs	30th June 2009 Shs
CASH FLOWS FROM OPERATING ACTIVITIES			
Total receipts from operating revenues were (see below):		**913,965,985**	**1,074,936,619**
PAYMENTS FOR OPERATING EXPENSES:			
Employee costs		**26,179,500**	**156,545,400**
Goods and services consumed		**916,112,203**	**683,754,982**
Interest expense			
Subsidies			
Transfers to other Organizations		**3,840,074**	**10,037,265**
Social benefits			
Other expenses			
Net Advances paid			
Domestic arrears paid during the year			
Pension Arrears paid during the Year			
Losses of cash			
Letters of Credit receivable			
Extraordinary items			
Total payments for operating activities		**946,131,777**	**850,337,647**
Net cash inflows/(outflows) from operating activities		**(32,165,792)**	**224,598,972**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments		**66,533,900**	
Proceeds from sale of property, plant and equipments			**4,433,400**
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		**(98,699,692)**	**220,165,572**
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		**(98,699,692)**	**220,165,572**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi......................................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

Cash Flow Statement for the year ended 30th June 2010 (continued)

For cash flow purposes receipts from operating revenue comprise:	Notes	30th June 2010 Shs	30th June 2009 Shs
Operating revenue			
Grants from foreign governments	2		
Grants from international organizations	3	111,169,485	917,234,461
Unconditional grants	4		
Conditional grants	4		
Equalization grants	4		
Transfers received from the Treasury	5	773,818,000	132,013,992
Transfers received from other government units	6		
Non-tax revenues	7	28,978,500	25,688,166
Miscellaneous	8		
Advances Recovered			
Deposits Received			
Total receipts from operating activities		**913,965,985**	**1,074,936,619**

Reconciliation of movement of cash during the year

	Notes	30th June 2010 Shs	30 June 2009 Shs
At the beginning of the year 2009/2010		**230,886,383**	**10,810,346**
Less: Transfers to UCF account (Balances)		**(92,692)**	**89,535**
		0	**0**
Net increase (decrease) of cash from the *Cash flow Statement*		**(98,699,692)**	**220,165,572**
At the end of the year		**132,093,999**	**230,886,383**

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

		30th June 2010 Shs	30th June 2009 Shs
Cash and bank balances	20	**132,093,999**	**230,886,383**
Less bank overdrafts	25	**0**	**0**
Net cash and bank balances		**132,093,999**	**230,886,383**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.................................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

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

Actual 30 June 2009 Shs.		Notes	Actual 30th June 2010 Shs.	Budget 30th June 2010 Shs.	Variance 30th June 2010 Shs.
	RECEIPTS				
	Grants from foreign governments	2			
917,234,461	Grants from international organizations	3	111,169,485	0	(111,169,485)
132,013,992	Transfers received from the Treasury	5	773,818,000	773,817,000	(1,000)
	Transfers received from other government units	6			
25,688,166	Non-Tax Revenues	7	28,978,500	23,892,000	(5,086,500)
	Miscellaneous	8			
1,074,936,619	Total receipts		913,965,985	797,709,000	(116,256,985)
	EXPENDITURE- by services as per appropriation				
844,523,165			797,571,019	797,709,000	137,981
844,523,165	Total expenditure for services appropriated		797,571,019	797,709,000	137,981

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi……………………………
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

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

Actual 30 June 2009 Shs		Notes	Actual 30th June 2010 Shs	Budget 30th June 2010 Shs	Variance 30th June 2010 Shs
	RECEIPTS				
	Grants from foreign governments	2			
917,234,461	Grants from international organizations	3	**111,169,485**	**0**	**(111,169,485)**
132,013,992	Transfers received from the Treasury	5	**773,818,000**	**773,817,000**	**1,000**
0	Transfers from other government units	6		**0**	
25,688,166	Non-Tax Revenues	7	**28,978,500**	**23,892,000**	**(5,086,500)**
0	Miscellaneous	8			
1,074,936,619	**Total receipts**		**913,964,985**	**804,284,000**	**(116,256,985)**
	EXPENDITURE-by nature of expenditure				
156,545,400	Employee costs	9	**15,559,000**	**15,562,000**	**3000**
683,544,365	Goods and services consumed	10	**782,012,019**	**782,147,000**	**134,981**
4,433,400	Consumption of property, plant & equipments (fixed assets)	11			
	Interest expense	12			
	Subsidies	13			
0	Transfers to other government units	14	**0**	**0**	**0**
	Social benefits	15			
	Other operating expenses	16			
	Domestic arrears paid				
844,523,165	**Total operating expenses**		**797,571,019**	**797,709,000**	**137,981**
	Finance costs	17			
	Total Expenditure		**797,571,019**	**797,709,000**	**137,981**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi..
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

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

	Notes	Actual 30th June 2010 Shs	Actual 30th June 2009 Shs
Total expenditure per Appropriation Account		797,571,019	844,523,165
Add:			
Letters of credit receivable prior year but delivered during the year			
Transfers received from other government units			
Transfer to Treasury (NTR)(3,269,658+570,416)		3,840,074	4,245,465
Transfer to Treasury Gross Tax			
Accrued Expenditure(622,929 + 210,631,655)			
Foreign exchange losses (gains)			
Project expenses on balance b/f		211,254,584	6,002,417
Less:			
Letters of credit receivable at year-end			
Transfers made to other government units			
Domestic Arrears paid			
Total Expenditure per Statement of Financial Performance		1,012,665,677	854,771,047

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.............................
Accounting Officer [Names & Signature]

Statement of Revenues collected during the year ended 30th June 2010 [Based on source of revenue] (Memorandum Statement)

Actual 30 June 2009 Shs		Notes	Actual 30th June 2010 Shs	Budget 30th June 2010 Shs	Variance 30th June 2010 Shs
	RECEIPTS				
	Non-tax revenues				
	Investment income				
	Dividends				
2,370,816	Rent		**5,258,500**	**0**	**(5,258,500)**
	Other property income				
	Income from Disposal of Assets				
	Administrative fees & licenses				
23,317,350	Incidental sale of goods and services		**23,720,000**	**23,892,000**	**172,000**
	Fines and penalties				
	Miscellaneous receipts				
25,688,166	**Total Non-Tax Revenue**		**28,978,500**	**23,892,000**	**5,086,500**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.........................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

Statement of Arrears of Revenues for the year ended 30th June 2010 [Based on source of revenue] (Memorandum Statement)

Budgeted Revenue 2009/10 Shs		Arrears of Revenue 30th June 2009 Shs	Total Revenue billed during the year Shs	Actual Amounts collected during the year Shs	Amount remitted to the Consolidated Fund b during the year Shs	Due to Consolidated Fund Shs.	Cumulative Arrears of Revenue at 30th June 2010 Shs
	RECEIPTS						
	Non-tax revenues						
	Investment income						
	Dividends						
	Rent	0	**5,258,500**	**5,258,500**	**570,416**	**1,816,604**	**0**
	Other property income						
	Income from Disposal of Assets						
	Administrative fees & licenses						
23,892,000	Incidental sale of goods and services	0	**23,720,000**	**23,720,000**	**3,269,658**	**3,284,541**	**0**
	Fines and penalties						
	Miscellaneous receipts						
23,892,000	**Total Non-Tax Revenue**	0	**28,978,500**	**28,978,500**	**3,840,074**	**5,101,145**	**0**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.......................................
Accounting Officer [Names & Signature]

Statement of Contingent Liabilities as at 30th June 2010 (Memorandum Statement)

	Schedule	30th June 2010 Shs	30th June 2009 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 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.......................................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of Non-Quantifiable Contingent Liabilities as at 30th June 2010
(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 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.……………………………
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of Outstanding Commitments as at 30th June 2010

	Outstanding commitments at beginning of year 1 July 2009	Prior years commitments paid during the year	New outstanding commitments incurred during the year	Cumulative outstanding commitments 30th June 2010
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:				
LONGTERM COMMITMENTS CARRIED FORWARD				
Commitments for Extraordinary items				
TOTAL COMMITMENTS				

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.……………………………
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of losses of public moneys, stores and other assets written off, and claims abandoned during the year ended 30th June 2010.

Reference number of reported loss/write off/claim abandoned.		Opening Balance as at 1 July 2009 Shs.	Losses written-off in the YR ended 30th June 2010 Shs.	Cumulative Losses written-off as at 30th June 2010
	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			

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi..
Accounting Officer [Names & Signature]

Government of the Republic of Uganda
Name of the Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010
Statement of reported losses of public moneys, stores and other assets whether or not written off during the year ended 30th June 2010

Reference number of reported loss/write off/claim abandoned.		Opening Balance as at 1 July 2009 Shs.	Losses for the YR ended 30th June 2010 Shs.	Cumulative Losses as at 30th June 2010
	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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Dr. Julius Mukalazi..
Accounting Officer [Names & Signature]

Statement of stores and other assets (physical assets) acquired during the year ended 30th June 2010

Asset register number for current period acquisition		30 June 2010 Cost in Shs	30 June 2009 Cost in Shs
	By individual assets		
	Nissan Hard body – Pickup (UAJ 334X)	**66,533,900**	0
	Monitor 17" TFT DELL	**0**	750,000
	Hp Colour Laser Jet Printer 1215	**0**	895,000
	Sonny Digital Camera DSC-W190	**0**	1,038,400
	Office Table BE 140 x 75cm	**0**	600,000
	Office Chair LB 9001 Fabric Black	**0**	450,000
	Steel Cupboard	**0**	700,000
	TOTAL COST OF ASSETS ACQUIRED	**66,533,900**	**4,433,400**
	Analyzed as follows:		
	Land		
	Non Residential buildings		
	Residential buildings		
	Roads and bridges		
	Transport equipment-Motor vehicles etc	**66,533,900**	
	Machinery and equipment	0	2,683,400
	Furniture and fittings	0	1,750,000
	Total value of physical assets acquired	**66,533,900**	**4,433,400**

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi……………………………
Accounting Officer [Names & Signature]

Statement of disposal of physical assets during the year ended 30th June 2010

Year of acquisition	Asset register number		Receipt number	Original Cost in Shs	**Proceeds on disposal Shs**
		By individual assets			
		TOTAL PROCEEDS FROM DISPOSALS			
		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 asset disposed off			

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi.......................................
Accounting Officer [Names & Signature]

Government of the Republic of Uganda

Name of Reporting Entity: ABI ZARDI
Financial Statements for the Financial Year ended 30th June 2010

Schedule of Letters of Credit as at 30th June 2010

Name of Supplier	LC Number	Due date	Bank	Currency	Ug.Shs. Amount
TOTAL					

The accounting policies and notes set out on pages 23 to 40 form an integral part of these financial statements.

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi...............................
Accounting Officer [Names & Signature]

Schedule of Project balances as at 30th June 2010

Project Name	End Date	Funding Agency	Balance as at 1st July 2009	Disbursements for the Year	Payments for the Year	Balance as at 30th June 2010
Director Abi Zardi(Recurrent)	30/6/2010	Gou	0	113,946,000	113,946,000	0
Abi Zonal Development	30/6/2010	Gou	0	659,817,000	659,817,000	0
Abi Zardi Recovery	30/6/2010	NTR	3,269,658	23,720,000	23,705,117	3,284,541
Abi Zardi Projects	30/6/2010	Loc. Donor	197,929	0	128,593	69,336
Abi Zardi Build/Rehab.	30/6/2010	NTR	570,416	5,258,500	4,012,312	1,816,604
Abi Zardi Cassava Project	31/1/2010	Gou	142,600	0	142,600	0
Abi Zardi Seed Project	31/1/2010	Gou	141,200	0	141,200	0
Abi Zardi Soil Project	31/1/2010	Gou	141,200	0	141,200	0
Abi Zardi Cereal, Grain & Root tuber	30/6/2010	Agra	226,330,688	111,169,485	210,631,655	126,868,518
Total			230,793,691	913,910,985	1,012,665,677	132,038,999

The financial statements on pages 5 to 20 were approved by the Accounting Officer on 4/8/2010

Dr. Julius Mukalazi…………………………………
Accounting Officer [Names & Signature]

Accounting policies (continued)

General Information

ABI ZARDI is an accounting entity of the Government of the Republic of Uganda and is domiciled in Uganda *[for Missions state Country of residence]*.

The principal address of the entity is:

P.O.BOX 219 ARUA

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.

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, revenue from Uganda Revenue Authority, letters of credit and prepayments has been consistently used.

Under 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 is paid not incurred. Similarly, purchases of assets including immovable property, plant and equipments are expensed fully in the year they are paid for.

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 and retranslated at year end using the closing rate. 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 2009 to the 30th June 2010.

The Budget forecast is the original forecast as amended by subsequent supplementary budgets for the year as 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 payments 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 recognised when incurred. Expenses relating to pension liabilities, domestic arrears and interest expense on treasury bills and bonds 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 is received.

(g) Receivables

(i) Advances and other receivables

Receivables are carried at original historical cost. Bad debts when identified are written -off as per procedure outlined Financial regulation. These are reflected the Statement of Financial Performance.

(ii) Letters of credit

Procurement of goods and services through letters of credit which are cash covered are recognised in the statement of appropriation 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 the goods and services are delivered.

(h) Inventories

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

Accounting policies (continued)

(i) Projects expenditure

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 through either budget support or project support
(iv) Fully funded by development partner through provision of physical items rather funds

Projects funded by Government and development partner(s) through either budget support or project support and are disbursed through the Treasury are accounted for as inflows and fully expensed in the year .

In the short to medium term as we proceed to develop guidelines for project accounting and reporting we intend to capture the bank balances in the statement of Financial position and thereafter the net movement.

(j) Investments

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. For investments quoted in foreign currency, the historical cost is translated at the closing rate.

(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

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 as part of the changes in net financial worth.

(l) Borrowings

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

Accounting policies (continued)

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. Employee benefits are recognized when incurred. No provision is made for accrued leave or reimbursable duty allowances.

(n) Contingencies

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

(o) Commitments

Commitments include operating and capital commitments arising from non-cancelable contractual or statutory obligations. Interest commitments on 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.

Notes to the financial statements (continued)

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:

		30th June 2010 Shs	30th June 2009 Shs
United States Dollar			
Japanese Yen			
British Pound			
Euro			

Note 2: Grants from foreign governments

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Donor funds- current			
	Donor funds- capital			
	TOTAL GRANTS- FOREIGN GOVERNMENTS			

Note 3: Grants from international organizations

Budget 2010 Shs		Schedule	30th June 2010 Shs.	30th June 2009 Shs.
	Donor funds- current		**0**	**0**
	Donor funds- capital		**111,169,485**	**917,234,461**
	TOTAL GRANTS- FOREIGN GOVERNMENTS		**111,169,485**	**917,234,461**

Note 4: Domestic Grants

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

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Conditional grants			
	Unconditional grants			
	Equalization grants			
	TOTAL GRANTS FOR THE YEAR			

Notes to the financial statements (continued)

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

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 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 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
114,000,000	Transfers from the treasury- current		**114,001,000**	**49,014,692**
659,817,000	Transfers from the treasury- capital		**659,817,000**	**82,999,300**
773,817,000	TOTAL TRANSFERS FOR THE YEAR		**773,818,000**	**132,013,992**

Note 6: Transfers received from other government units

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Transfers from other Gov't units-current			
	Transfers from other Gov't units- capital			
	TOTAL TRANSFERS FOR THE YEAR			

Notes to the financial statements (continued)

Note 7: Non-Tax Revenues

Non-tax revenues collected were as follows:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Investment income			
	Dividends			
	Rent		5,258,500	2,370,816
	Other property income			
	Disposal of Assets			
23,892,000	Incidental sale of goods and services		23,720,000	23,317,350
	Administrative fees & licenses			
	Fines and penalties			
23,892,000	**Total Non-Tax Revenue**		**28,978,500**	**25,688,166**

Note 8: Other Revenues

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

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Windfall gains			
	Reimbursements by other bodies			
	Miscellaneous receipts/income			
	TOTAL MISC. REVENUES			

Notes to the financial statements (continued)

Note 9: Employee costs

Employee costs principally comprise:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
15,562,000	Wages and salaries- cash		**26,179,500**	**156,545,400**
	Wages and salaries- kind			
	Social contributions- actual			
	Social contributions- imputed			
	Other employment costs			
15,562,000	**Total employee costs.**		**26,179,500**	**156,545,400**

Note 10: Goods and services

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

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
128,874,000	General expenses		**140,750,303**	**92,639,284**
6,886,000	Communications		**6,881,000**	**4,754,000**
0	Utility and property expenses		**0**	**2,875,455**
531,895,000	Supplies and services		**563,724,440**	**158,672,052**
730,000	Professional services		730,000	724,000
	Insurances and licenses			
85,439,000	Travel and transport		**170,331,500**	**349,093,938**
28,323,000	Maintenance		**33,694,960**	**74,996,253**
	Inventories- net change in inventories			
	Sale of goods purchased for resale			
782,147,000	**Total cost of goods and services**		**916,112,203**	**683,754,982**

Notes to the financial statements (continued)

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 financial year comprise:

Budget 2010 Shs.		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Land			
	Non Residential buildings			
	Residential buildings			
	Roads and bridges			
	Transport equipment-Motor vehicles etc		66,533,900	0
	Machinery and equipment		0	2,683,400
	Furniture and fittings		0	1,750,000
	Other fixed assets			
	Total value of property, plant and equipments expensed		66,533,900	4,433,400

Note 12: Interest expense

Interest expenses to other government units comprise:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	To the Treasury			
	To other government units			
	Total interest expense			

Note 13: Subsidies

Subsidies paid during the year are summarized as below:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	To public corporations			
	To private enterprises			
	To private individuals			
	Total subsidies for the year			

Notes to the financial statements (continued)

Note 14: Transfers to other organizations

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

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	To Treasury-Non Tax Revenue		**3,840,074**	**4,245,465**
	To Treasury- Gross Tax			
	To Foreign Governments			
	To International Organizations		**0**	**5,791,800**
	To other general government units			
	To resident non-governmental units			
	Total grants for the year		**3,840,074**	**10,037,265**

Note 15: Social benefits

Social benefits paid out to employees comprise:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Social security benefits			
	Social assistance benefits			
	Employer Social benefits			
	Total social benefits			

Note 16: Other operating expenses

These comprise:

Budget 2010 Shs		Schedule	30th June 2010 Shs	30th June 2009 Shs
	Property expenses other than interest			
	Miscellaneous other expenses- current			
	Miscellaneous other expenses- capital			
	Total other operating expenses			

Notes to the financial statements (continued)

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	30th June 2010 Shs	30th June 2009 Shs
Interests on external debts (external borrowings)			
Interests on other domestic borrowings			
Total finance cost			

Note 18: Foreign Exchange Losses and Gains

This note takes care of both realized and unrealized foreign exchange losses and gains. During the year, Foreign exchange losses and gains were as follows:

	Schedule	30th June 2010 Shs	30th June 2009 Shs
Foreign Exchange Gains			
Foreign Exchange Losses			
Net Gain/ Loss			

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	30th June 2010 Shs	30th June 2009 Shs
To deal with an outbreak			
Emergency operations following a catastrophe eg earthquake			
Total for the year.			

Notes to the financial statements (continued)

Note 20: Cash and Cash equivalents.

Balances held in reporting currency comprise:

DOMESTIC	Schedule	30th June 2010 Shs	30th June 2009 Shs
Bank of Uganda- Revenue accounts			
Bank of Uganda- Expenditure accounts		55,000	92,692
Expenditure accounts –others			
Project Accounts		126,937,854	226,953,617
Collection Accounts		5,101,145	3,840,074
Cash in Transit			
Cash at Hand- Imprest accounts			
Others			
Total cash and bank balance held in local currency		**132,093,999**	**230,886,383**

Comprise the following at the end of the year:

	Schedule	30th June 2010 Shs	30th June 2009 Shs
Balances in local currency		132,093,999	230,886,383
Balances in foreign currencies		0	0
Total cash & bank balances		**132,093,999**	**230,886,383**

Balances held in foreign currencies comprise:

	Schedule	30th June 2010 Shs	30th June 2009 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			

Notes to the financial statements (continued)

Bank balances with foreign financial institutions comprise:

	Schedule	30th June 2010 Shs	30th June 2009 Shs
In United States Dollars			
In Japanese Yen			
In European currencies.			
In other currencies.			
Total bank balances in foreign currencies			

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	30th June 2010 Shs	30th June 2009 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 inventories purchased which have not been expensed.

	Schedule	30th June 2010 Shs	30th June 2009 Shs
Operating inventories			
Other inventories-			
Total inventories			

Notes to the financial statements (continued)

Note 23: Investments

Investments held at the year end comprised:

	Schedule	30th June 2010 Shs	30th June 2009 Shs
DOMESTIC			
Securities other than equity (short- term)			
Securities other than shares (long-term)			
Shares and other equity			
Sub-total for domestic			
FOREIGN			
Securities other than shares-foreign			
Shares and other equity- foreign			
Sub-total for foreign			
Total investments			

These are analyzed further as follows:

	Schedule	30th June 2010 Shs	30th June 2009 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	30th June 2010 Shs	30th June 2009 Shs
At the beginning of the year			
Additions/acquisitions made during the year			
Disposals made during the year			
Total cost of investment properties			

Notes to the financial statements (continued)

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	30th June 2010 Shs	30th June 2009 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.
The effective weighted average interest rates for foreign borrowings at the balance sheet date were as follows:

		30th June 2010 Interest rate %	30th June 2009 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	30th June 2010 Shs	30th June 2009 Shs
Maturing between 1-5 years after the year end			

Notes to the financial statements (continued)

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	**30th June 2010 Shs**	**30th June 2009 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	**30th June 2010 Shs**	**30th June 2009 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.			

Note 26: Payables

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

	Schedule	**30th June 2010 Shs**	**30th June 2009 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			