



UGANDA  
DEVELOPMENT  
CORPORATION  
*Driving Industrial Growth*

# 2024

## ANNUAL REPORT







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# Abbreviations and Acronyms

<b>BAPL</b>	Bukona Agro Processors Limited
<b>BUBU</b>	Buy Uganda Build Uganda
<b>DRC</b>	Democratic Republic of Congo
<b>EAMV</b>	East African Medical Vitals
<b>ESG</b>	Environmental, Social and Governance
<b>FONUS</b>	Food and Nutrition Solutions Limited
<b>FY</b>	Financial Year
<b>GoU</b>	Government of Uganda
<b>KIS</b>	Kalangala Infrastructure Services
<b>KHTL</b>	Kigezi Highland Tea Ltd
<b>MAAIF</b>	Ministry of Agriculture, Animal Industry and Fisheries
<b>MCAL</b>	Mutuma Commercial Agencies Limited
<b>MoFPED</b>	Ministry of Finance, Planning and Economic Development
<b>MTIC</b>	Ministry of Trade, Industry and Cooperatives
<b>MoU</b>	Memorandum of Understanding
<b>M<sup>3</sup></b>	Cubic Meters
<b>NAADS</b>	National Agricultural Advisory Services
<b>NMS</b>	National Medical Stores
<b>SOFTE</b>	Soroti Fruits Limited
<b>SPV</b>	Special Purpose Vehicle
<b>UDBL</b>	Uganda Development Bank Limited
<b>UDC</b>	Uganda Development Corporation
<b>UMA</b>	Uganda Manufacturers Association
<b>UTA</b>	Uganda Tea Association
<b>VLANs</b>	Virtual Local Area Networks





MESSAGE FROM THE

# Chairperson Board of Directors



*Looking ahead to FY 2024/25, the Board will focus on integrating sustainability into UDC's business model, recognizing that long-term success must align with broader societal needs.*



The performance of Uganda Development Corporation (UDC) in FY 2023/24 reflects the government's commitment to promoting and facilitating industrial and economic development. Over the past year, UDC's investment portfolio expanded from fifteen (15) in FY 2022/23 to seventeen (17) while maintain its commitment to innovation, automation, operational excellence, and sustainable growth. Our strategic focus enabled expansion in key sectors such as health and green energy, reinforcing UDC's pivotal role in industrialization and socio-economic transformation. These achievements are a testament to the dedication of our management team and staff, as well as the trust and support of our business partners and stakeholders. Collectively, our investments now provide 4,194 direct jobs, playing a significant role in addressing the challenge of unemployment.

The Board remains committed to strong governance and proactive risk management to ensure the Corporation's resilience amid global uncertainties, including challenges in the Tea Sub-Sector. Through rigorous oversight, we have enhanced internal controls, mitigated risks, and positioned the Corporation for sustained growth and stability.

Looking ahead to FY 2024/25, the Board will focus on integrating sustainability into UDC's business model, recognizing that long-term success must align with broader societal needs. This strategic approach will further strengthen stakeholder confidence in the Corporation's future direction.

We extend our sincere gratitude to our shareholders, the Office of the Prime Minister (OPM), the Ministry of Trade, Industry and Cooperatives (MTIC), and the Ministry of Finance, Planning, and Economic Development (MoFPED), among others, for their unwavering support. Your contributions have elevated UDC to greater heights and continue to shape a promising future for the Corporation. With your continued support, we look forward to another successful financial year in 2024/25, driving industrial growth and national prosperity.

**Godfrey R. Ruhurira**



## MESSAGE FROM THE Executive Director



*Investments will not only foster import substitution and export promotion but also drive Uganda's industrial competitiveness and support job creation.*



It gives me great pleasure to present the Uganda Development Corporation (UDC)'s Annual Performance Report FY 2023/24. This report highlights the milestones we have achieved in our commitment to accelerating Uganda's industrialization and economic growth.

During the reporting period, UDC continued to make strategic investments in key sectors such as agriculture, manufacturing, health, and tourism — all of which are central to our mandate of promoting sustainable development and industrial growth. These investments have not only strengthened Uganda's domestic production capacity but also enhanced the country's competitiveness both locally and within the region.

By the end of FY 2023/24, the corporation's investment portfolio comprised 17 investee companies, including: Soroti Fruits, Mabale Growers Tea Factory, Mpanga Growers Tea Factory, Kayonza Growers Tea Factory, Kigezi Highland Tea, Horyal Investment Holding Company, Bukona Agro Processors, Mutuma Commercial Agencies, Nilezilla Limited, Budadiri Arabica Coffee Mills, Kalangala Infrastructure Services, Nile Hotel International, Munyonyo

Commonwealth Resort, Speke Resort Convention Centre, Abubaker Technical Services and General Supplies, East Africa Medical Vitals, and Sanga Vet Limited.

The Corporation remains committed to expanding its footprint in strategic sectors with high economic impact, including grains, cocoa, soluble coffee, pharmaceuticals and vaccines, veterinary products, cassava starch and ethanol processing, iron ore mining, and textile and garment production. These investments will not only foster import substitution and export promotion but also drive Uganda's industrial competitiveness and support job creation.

I extend my heartfelt gratitude to the Government of Uganda, our partners, and the dedicated staff of UDC for their resolute support and commitment towards industrializing the country. Together, we will continue to pursue our vision of becoming the leading driver of industrial development for Uganda's social and economic transformation and prosperity.

**Patrick B. Birungi, PhD**

# Board of Directors



**Godfrey R. Ruhurira**  
Chairperson Board  
of Directors



**Dr. Edward Nyatia**  
Board Member



**Dorothy Masifa**  
Board Member



**Geraldine Sssali Busuulwa**  
Board Member



**Francis Ogwang**  
Board Member



**Patrick B. Birungi, PhD**  
Executive Director



# UDC Management Team



**Patrick B. Birungi, PhD**  
Executive Director



**Christine Zake**  
Director Finance  
& Administration



**Andrew Mugerwa**  
Director Investments  
& Appraisal



**Hope A. Kisitu**  
Corporation  
Secretary



**Teo Nanyange**  
Finance  
Manager



**Yudaya Kadondi**  
Manager  
Investment Services



**Pauline  
Among Ihumuza**  
Manager Legal Services



**Mildred Barungi, PhD**  
Manager Research,  
Monitoring & Evaluation



**Herbert Bitwire**  
Human Resource &  
Administration Manager



**Dan Atuhaire**  
Manager  
Procurement



**Ollen Wanda Kahurubuka**  
Manager Investment;  
Agro-Industry



**Denis Dokoria**  
Senior Public  
Relations Officer

# Overview of Key Accomplishments

## Investments

As at June 30, 2024, UDC had a total of seventeen (17) investments namely, Soroti Fruits Limited, Mabale Growers Tea Factory, Mpanga Growers Tea Factory, Kayonza Growers Tea Factory, Kigezi Highland Tea Limited, Horyal Investment Holding Company, Bukona Agro Processors, Mutuma Commercial Agencies Limited, Yumbe Fruit Factory, Budadiri Arabica Coffee Mills, Kalangala Infrastructure Services, Nile Hotel International Limited, Munyonyo Commonwealth Resort, Speke Resort Convention Centre, Abubaker Technical Services and General Supplies, East Africa Medical Vitals, and Sanga Vet Limited.

## Milestones

### Created/sustained Jobs

As at June 30, 2024, the Corporation's investee companies directly employed 4,194 people compared to 3,007 in FY 2022/23. This means jobs between FYs 2022/23 & 2023/24 grew by 39.5%.

4,194

People Employed

### Off take of local Raw Materials

In FY 2023/24, investee Companies off-took 14,629 agricultural commodities off-taken (e.g. green tea leaf, cassava, cotton, fruits) MT of raw materials. The uptake could have been more, but the tea companies could not purchase the abundant green leaf due to the global tea crisis at that time.

14,629

Agricultural Commodities off-taken

### Contribution to Household Incomes

Agro-industries' contribution to households amounted to UGX 13.5 billion. The contribution could have been greater, but similarly, the tea crisis resulted in fewer earnings for tea farmers.

UGX 13.5

Billion

### Contribution to Export Earnings

Export earnings by agro-industries totalled USD 3.8 Million. The exports could have been more, but tea companies experienced a depressed market throughout FY 2023/24.

USD 3.8

Million

# Who We Are

The Uganda Development Corporation (UDC) is a statutory body established under the UDC Act of 2016.



## Our Mandate

To promote and Facilitate industrial and economic development of Uganda.



## Our Vision

The leading driver of Industrial development for the social and economic transformation and prosperity of Uganda.



## Our Mission

To establish sustainable investments in areas strategic to Uganda's social and economic transformation, and prosperity.

## Strategic Objectives

1. Strengthening internal capacity and processes to enhance UDC's ability to effectively deliver on its mandate.
2. Leveraging partnerships and networks to optimize resources and foster collaboration across sectors.
3. Investing in strategic and sustainable ventures aimed at driving Uganda's overall economic and industrial development.

## Our Values



### Sustainability

It is our commitment and responsibility for the future to invest in strategic sustainable ventures that strike a balance between benefits and social good.



### Teamwork

UDC espouses team spirit, togetherness and collective responsibility for all actions, for their intended and unintended outcomes



### Adaptability

UDC is flexible to take on new ideas/innovative way of doing work and is proactive to emerging opportunities and challenges.



### Integrity

As UDC, we subscribe to high ethical and moral standards.



### Reliability

UDC strives to demonstrate its consistent behavior through meeting and exceeding the expectations of our stakeholders.



### Excellence

Excellence is a key virtual characterizing our undertakings and practices. We strive for perfection or near perfection in our processes and systems as well as results.





4.395792  
3.852575  
4.637457  
4.567356  
3.967945  
2.126548  
1.312658  
8.674424



14% 41%



# Our Fundamental Principles of Investment

UDC's operations are shaped by its Strategic Plan (2020-2030) and the Five-Year Action Plan (FY2022/23-FY2026/27), which align with Uganda's broader development agenda outlined in Vision 2040, the National Development Plan (NDP III), the National Industrial Policy, the NRM Manifesto, and Cabinet Directives. The Corporation's investment decisions are guided by five (5) key fundamental principles;

- 1** Creation of direct and indirect Jobs sustained and created, focusing on productive jobs.
- 2** Utilisation of local raw materials/ resources to manufacture for domestic and international markets.
- 3** Improvement of the trade balance position.
- 4** Development of local entrepreneurship.
- 5** Balanced regional development within the country.



## Our Funding Model

The corporation uses three financing arrangements: equity financing, finance lease and shareholder loan funding. Through equity financing, the Corporation acquires a stake by taking either more than 50 per cent of shareholding in a company (Subsidiary entity) or less than 50 per cent of shareholding in a company (associated entity). Under a finance lease arrangement, UDC procures and leases equipment and machinery and hands it over to a private company that operates and manages it for purposes of fostering industrialization; however, UDC remains the legal owner of the establishment (assets) for the duration of the lease. UDC recovers the investment cost through receipt of rental payments made by the lessee until the last rental has been cleared. On the other hand, shareholder loans are debts UDC extends to investee companies where the Corporation owns some shares.





# Strengthening Internal Systems and Processes

## Governance

Throughout the financial year, the Board held 30 meetings to deliberate on strategic matters and make key decisions that drive the Corporation's growth. Notable resolutions included investments in the grains sub-sector, value addition in cocoa, the introduction of animal drugs and acaricides, and the operation and maintenance of Soroti Fruits Limited.

## Corporation Restructuring and alignment

To enhance efficiency and strengthen internal business processes, the Corporation initiated a comprehensive review of its organizational structure. This strategic effort aims to streamline operations, optimize resource utilization, and improve service delivery.

## Internships to Universities and other Higher Institutions of Learning

The Corporation provided three-month internship placements to ten (10) university students, offering them valuable hands-

on experience and an opportunity to apply their academic knowledge in a real-world work environment. The interns were drawn from Makerere University, Kyambogo University, and Uganda Christian University-Mukono.

## Enhancements in Digital Infrastructure and Security

- **Enhanced Digital Presence:** The UDC website was redesigned and updated with relevant content to improve user engagement, accessibility, and overall functionality.
- **Strengthened Security:** A biometric access control system was successfully installed, enhancing the security of the data center and preventing unauthorized access.
- **Improved Network Infrastructure:** Managed switches were installed, and network segmentation using Virtual Local Area Networks (VLANs) was implemented, significantly improving network security, efficiency, and performance.





# Operational Investments

As of June 30, 2024, UDC had a total of seventeen (17) investee companies, comprising ten (10) in agro-industries, five (5) in the infrastructure and services sector, and two (2) in pharmaceutical and animal drug manufacturing.

	Investment	Region	Sub-region	District
<b>Agro-manufacturing</b>				
1	Soroti Fruits Factory	Eastern	Teso	Soroti
2	Mutuma Commercial Agencies Limited	Eastern	Busoga	Luuka
3	Budadiri Arabica Mills	Eastern	Elgon	Sironko
4	Atiak Sugar Factory	Northern	Acholi	Amuru
5	Bukona Agro Processors	Northern	Acholi	Nwoya
6	Yumbe Fruit Factory	Northern	West Nile	Yumbe
7	Kigezi Highland Tea Limited	Western	Kigezi	Kabale & Kisoro
8	Kayonza Growers' Tea Factory Limited	Western	Kigezi	Kanungu
9	Mabale Growers' Tea Factory Limited	Western	Tooro	Kyenjojo
10	Mpanga Growers' Tea Factory Limited	Western	Tooro	Kabarole
<b>Infrastructure &amp; Services</b>				
11	Abubaker Technical Services & General Supplies Ltd	Central	Buganda	Mukono
12	Kalangala Infrastructure Services	Central	Buganda	Kalangala
13	Nile Hotel International Ltd	Central & Western	Kampala & Ankole	Kampala Capital City and Mbarara City
14	Munyonyo Commonwealth Resort	Central	Buganda	Kampala Capital City
15	Speke Resort Convention Centre	Central	Buganda	Kampala Capital City
<b>Pharmaceutical and Animal Drugs manufacturing</b>				
16	East African Medical Vitals	Central	Buganda	Mukono
17	Sanga Vet. Chem. Ltd	Central	Buganda	Mukono





# Kalangala Infrastructure Services

Kalangala Infrastructure Services (KIS) plays a vital role in serving Ugandans by operating and maintaining two (2) roll-on/roll-off ferries, MV Pearl and MV Ssese, which facilitate the transport of people and goods between Bukakata (Masaka) and Luuku (Kalangala). Additionally, the company generates, transmits, and distributes electricity for domestic and light industrial use on Bugala Island in Kalangala. KIS also provides clean, treated water to residents of Kalangala Town Council and other settlements on Bugala Island.

## Jobs created and sustained by KIS

Over the past five years, Kalangala Infrastructure Services (KIS) has maintained an average of 68 direct jobs, employing exclusively Ugandan nationals. These positions span critical sectors, including energy, water and hydraulics engineering, financial management, human resources, economics, health and safety, environment, and social development. Additionally, KIS has played a significant role in sustaining and creating indirect employment opportunities in tourism, metal fabrication, and agriculture, further contributing to Uganda's economic growth and development.





## Increased Ferry Operations and Economic Growth

Since the full reopening of the economy after the COVID-19 lockdowns, ferry operations between Kalangala and Masaka along Lake Victoria have stabilized. In the financial year 2023/24, ferry trips increased by 75, representing a 1.3% growth in ferry transport services. This rise is attributed to increased economic activities in Kalangala District, particularly the growing demand for tourism and holiday services. The steady growth in ferry operations reflects the district's expanding economic potential and KIS's critical role in supporting regional mobility and trade.

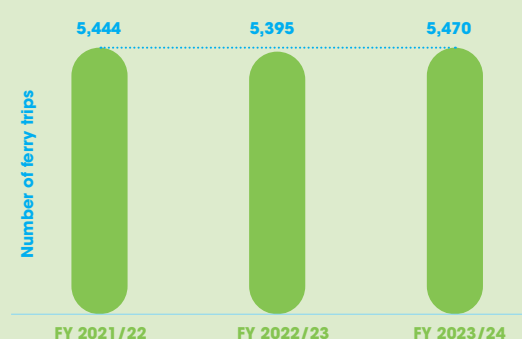


Figure 1: Annual ferry trips on Lake Victoria by KIS Between Kalangala and Masaka

## Steady Growth in Water Supply

Kalangala Infrastructure Services (KIS) has continued to expand access to clean water, significantly increasing the volume of water supplied and sold over the years. Water sales rose from 42,429 cubic meters in the 2021/22 financial year to 79,733 cubic meters in 2022/23, reflecting an impressive growth of 37,304 cubic meters—an 87.9% increase. This surge was driven by the expansion of the piped water network, post-COVID-19

economic recovery, and increased demand from households and businesses on Bugala Island.

However, in the 2023/24 financial year, water sales declined by 4,678 cubic meters, marking a 5.86% reduction. This decline was primarily due to water losses caused by pipe leakages and the vandalism of water infrastructure. To address these challenges, KIS is implementing measures to enhance system maintenance, improve pipeline security, and reduce water losses, ensuring continued access to clean and reliable water for residents and businesses in Kalangala.

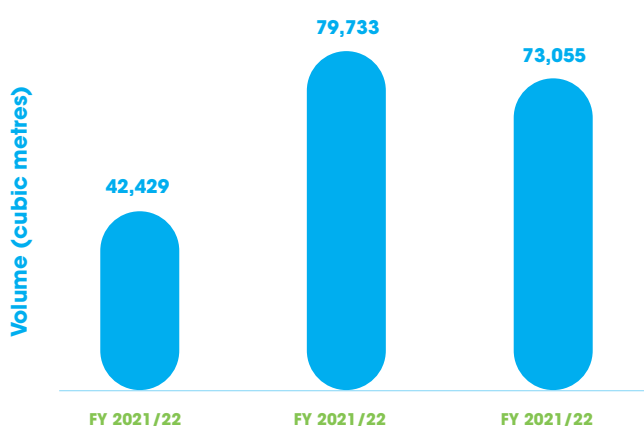


Figure 2: Annual Water Sales (Cubic Meters) by Kalangala Infrastructure Services

## Power Sales Performance and Key Influencing Factors

Over the past three years, power sales by KIS have declined by 7.7%, decreasing from 2.008 million kWh in FY 2021/22 to 1.853 million kWh in FY 2023/24. This decline is primarily attributed to the fluctuating exchange rate between the Ugandan Shilling (UGX) and the US Dollar (USD), which has impacted electricity pricing on Bugala Island. As power tariffs increased, consumers increasingly shifted to alternative energy sources, particularly solar power. Additionally, the rising cost of diesel—an essential input in electricity generation—resulted in gradual increases in the price per unit consumed, further affecting demand. Despite these challenges, KIS remains committed to enhancing energy efficiency and exploring sustainable solutions to stabilize power sales and improve affordability for consumers.

# | Soroti Fruits Limited



The Government of Uganda (GoU), in collaboration with the Korea International Cooperation Agency (KOICA), established a fruit processing factory in Soroti, Teso sub-region, to enhance value addition in the fruit sector. Commissioned in April 2019, Soroti Fruits Limited (SOFTE) is owned by UDC and the Teso Tropical Fruit Cooperative Union (TEFCU). The facility is operated and managed by Chimaki Agro on behalf of the shareholders. It has an installed capacity to process 6 metric tons of mangoes and 6 metric tons of oranges per hour. The factory sources fruits from smallholder farmers in the Teso sub-region and surrounding areas, producing fruit pulp, concentrate, and ready-to-drink juices under the 'Teju' brand.

## **SOFTE contribution to Jobs created/sustained**

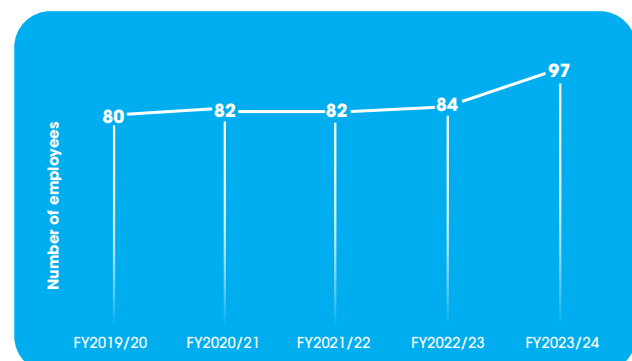
Since its commissioning, the SOFTE factory has steadily contributed to job creation, increasing direct employment from 80 workers in 2020 to 97 by 2024. While employment growth was modest in the initial years—rising to 82 in 2021 and remaining stable in 2022—there was a gradual increase to 84 in 2023, followed by a significant



# 97

Workers Employed

jump in 2024. This upward trend underscores the factory's expanding operations and its role in generating employment opportunities, particularly in technical, managerial, and administrative roles, thereby contributing to economic development and livelihoods in the region.



**Figure 3: Trend in direct employment at Soroti Fruits Factory (2020–2024)**

## Enhancing Fruit Off-Take and Supporting Farmers

The SOFTE factory has significantly increased its off-take of fruits, demonstrating its growing role in supporting smallholder farmers and strengthening the fruit processing value chain. The volume of fruits procured rose from 472 metric tons in 2022 to 588.54 metric tons in 2023, marking a 24.7% increase, followed by a sharp rise to 1,210 metric tons in 2024, representing a 105.6% growth. This substantial increase reflects the factory's enhanced processing capacity, improved market demand for processed fruit products, and a more efficient supply chain. By providing a stable and expanding market for locally grown fruits, the factory continues to contribute to improved farmer incomes, reduced post-harvest losses, and overall economic development in the region. In FY 2023/24, SOFTE procured fruits worth UGX 138 million from farmers, directly contributing to household incomes and supporting local livelihoods.

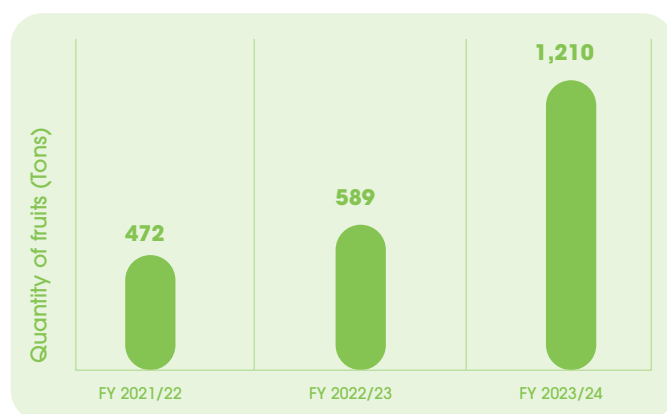


Figure 4: Annual off-take of fruits (mangoes and oranges) by Soroti Fruits Factory

## Contribution to Export Earnings

While SOFTE has not yet established a strong presence in regional or international markets for its products, the company has been actively exporting fruit concentrates over the past three years. Export earnings declined from USD 22,323 in FY 2021/22 to USD 13,000 in FY 2023/24, reflecting the need for a more robust market expansion strategy. However, with the recent onboarding of Chimaki Agro as the operations and management company, there is renewed optimism for a business turnaround. Through the implementation of targeted export promotion strategies, SOFTE is well-positioned to expand its market reach, enhance competitiveness, and boost export earnings in the coming years.



**1,210**

Metric Tons Procured



**105.6%**

Growth



**UGX 138M**

Fruits Produced from Farmers







# Bukona Agro-Processors Ltd

Bukona Agro Processors Ltd, based in Nwoya, produces ethanol from cassava, maize, and sorghum through a distillation process, with an annual installed capacity of 40,000 liters. The company launched commercial operations in 2021, supplying ethanol both locally and to East African Community (EAC) markets. To drive and sustain demand, Bukona also assembles ethanol cook stoves for the local market.

## Contribution to Job Creation and Sustainability

Bukona Agro Processors Ltd directly employs 194 individuals, 189 of whom are Ugandans. The company actively recruits, trains, and equips local workers with the skills needed to operate in the factory, creating opportunities even for those with limited formal education. Employment at the factory has steadily grown from 145 in FY 2021/22 to 194 in FY 2023/24, representing a 34% increase. This growth highlights Bukona's commitment to economic empowerment and providing sustainable livelihoods for local communities.



**189**

Ugandans Employed



**34%**

Employment Growth



***Some women who were previously employed as housemaids have now transitioned to roles in our laboratory and stove assembly units, where they earn up to UGX 800,000 per month—a significant improvement in their livelihoods.***

***Managing Director,  
Bukona Agro Processors***

## Role in Off taking Agricultural Produce and Supporting Farmers' Incomes

Bukona Agro Processors Ltd plays a vital role in off taking agricultural produce and supporting farmers' incomes by sourcing cassava, sorghum, and maize from local farmers for the production of denatured ethanol and molasses. Despite fluctuations in supply, the factory remains a key market for smallholder farmers. Raw material purchases grew from 612 metric tons in FY 2021/22 to 8,604 metric tons in FY 2022/23, before adjusting to 5,465 metric tons in FY 2023/24. These procurements have provided farmers with a reliable and steady income stream. Over the past three years, Bukona has made significant payments to farmers, disbursing UGX 637 million in FY 2021/22, UGX 9 billion in FY 2022/23, and UGX 3.1 billion in FY 2023/24. While payments have declined due to reduced supply, the factory remains committed to strengthening agricultural value chains, ensuring farmers have a sustainable market for their produce, and contributing to rural economic growth.

## Export Performance and Market Adaptation

Despite disruptions in the export market for denatured ethanol, Bukona Agro Processors has maintained a strong growth trajectory, demonstrating resilience and adaptability. Export volumes increased from 999,003 units in 2022 to 1,652,951 units in 2023, and further to 2,200,425 units in 2024, reinforcing the company's commitment to expanding its market presence.

Previously, Bukona Agro secured export orders from Vivo Energy in Kenya; however, a shift in Kenya's sourcing strategy towards cheaper ethanol imports from Brazil and the United States disrupted this market. Rather than remaining passive, Bukona Agro has proactively pursued new opportunities in Rwanda and Tanzania, ensuring continued growth and sustainability in the export sector.

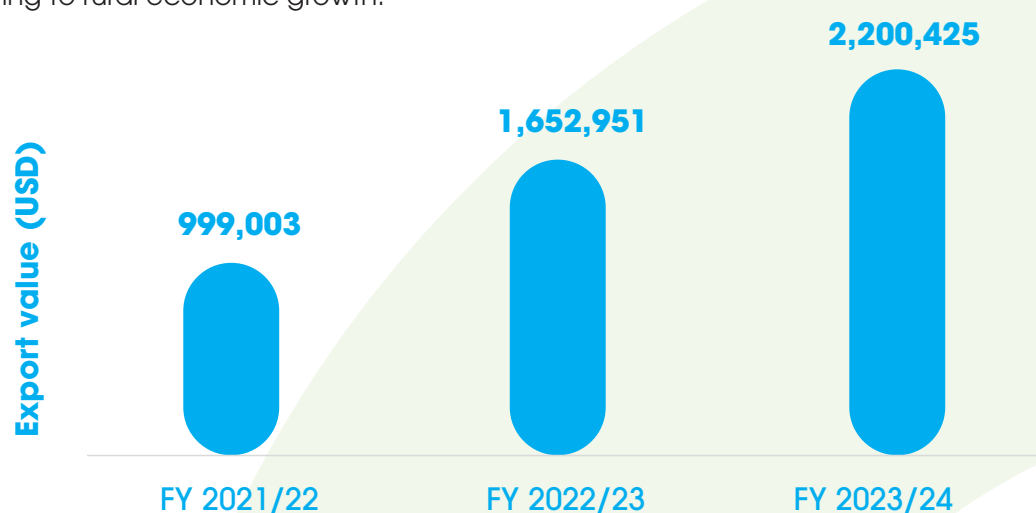


Figure 6: Bukona's Contribution to Export Earnings (FY2021/22 – FY 2023/24)

# Tea Factories



The Corporation (UDC) has stake in four tea processing companies. Mabale and Mpanga Growers Tea Factories, located in Kyenjojo and Kabarole in Tooro sub-region, each operate Cut, Tear, and Curl (CTC) lines with an installed processing capacity of 1,200 kg of green leaf per hour. In the Kigezi sub-region, UDC invested in Kayonza Growers Tea Limited, headquartered in Kanungu, by financing the installation of a 600 kg/hr CTC line to boost production. Additionally, UDC partnered with Kigezi Highland Tea Ltd through lease financing to establish two tea factories in Kisoro and Kabale, each equipped with CTC machinery capable of processing 450 kg of tea per hour. These strategic investments aim to expand processing capacity, enhance production efficiency, and provide sustainable support to tea-growing communities.

## Navigating the Global Tea Crisis: Challenges and Resilience

The global tea sector crisis significantly impacted UDC's tea factories, leading to workforce reductions, financial strain, and declining export revenues. While the factories continued to provide employment for Ugandans, the crisis forced notable job cuts across multiple facilities.

 **600kg of Tea Per Hour**  
CTC machinery installed at Kayonza, Kanungu District

 **450kg of Tea Per Hour**  
CTC machinery installed at factories in Kisoro & Kabale

At Mabale Tea Factory, the workforce declined from 447 employees in 2023 to 306 in 2024, while Kayonza Growers Tea Factory saw a reduction from 316 to 301 employees. The hardest hit was Kigezi Highland Tea Factory, where staff numbers dropped sharply from 247 to just 75 employees. Mpanga Tea Factory suspended operations in early 2024, leaving 346 employees in limbo.

Beyond job losses, the crisis also disrupted livelihoods for tea farmers, as factories scaled back purchases of green leaf due to a depressed market for made tea. At Mabale Tea Factory, payments to tea growers fell from UGX 1.986 billion in 2023 to UGX 1.733 billion in 2024, while export earnings dropped from \$1.7 million to \$993,000.

Despite these setbacks, there is hope for recovery as market conditions stabilize. UDC remains committed to supporting the tea sector, exploring new market opportunities, and enhancing factory efficiencies to restore jobs and improve earnings for both workers and tea growers.



# Mutuma Commercial Agencies Ltd



Mutuma Commercial Agencies Ltd (MCAL) is a Ugandan company founded in 1999 in Luuka, Busoga Sub-region. Over the years, MCAL has established itself as a reliable producer of high-quality cotton products, serving both local and regional markets. The company sources seed cotton from over 6,000 farmers and processes it into medical absorbent cotton wool, marketed under the brand name 'Pearl', as its primary product. Additionally, the factory produces lint, vegetable oil, and cotton seed cake, contributing to value addition in Uganda's cotton industry. Through its operations, MCAL plays a key role in supporting cotton farmers, enhancing local manufacturing, and strengthening the country's industrial sector.

the past three financial years, cotton uptake has grown exponentially, from 9.2 MT in FY 2021/22 to 24 MT in FY 2022/23, and further to over 3,130 MT in FY 2023/24. This sharp increase is attributed to new market acquisitions, including supply agreements with the National Medical Stores (NMS) and Joint Medical Stores (JMS).

As a result, payments to smallholder farmers have risen dramatically, from UGX 61 million in 2022 to UGX 229 million in 2023, and UGX 703 million in 2024, representing a 1,050% increase in farmer earnings. This steady growth underscores MCAL's commitment to boosting agricultural livelihoods, improving rural incomes, and fostering sustainable economic development in Uganda's cotton-growing communities.

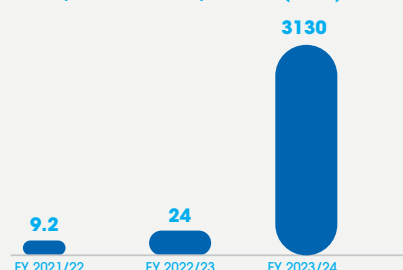
## MCAL's Contribution to Job Creation and Sustainability

Mutuma Commercial Agencies Ltd (MCAL) remains a key contributor to employment in the cotton processing sector, providing stable jobs for Ugandans. Over the past three financial years, the company has consistently sustained direct employment for over 130 individuals, ensuring livelihoods for local communities. In FY 2021/22, MCAL employed 145 people, while in FY 2022/23 and FY 2023/24, the workforce remained steady at 132 employees.

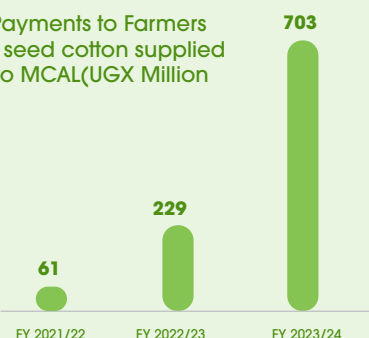
## Contribution to Seed Cotton Offtake and Farmer Incomes

The company (MCAL) has significantly increased its procurement of seed cotton, enhancing farmer incomes and strengthening the cotton value chain. Over

Volumes of seed cotton purchased by MCAL (Tons)



Payments to Farmers for seed cotton supplied to MCAL (UGX Million)





# Budadiri Arabica Coffee Mills Ltd



## Early Milestones and Growth Prospects

Budadiri Arabica Coffee Mills Ltd (BACML), located in Sironko District, Bugisu, in the Elgon Sub-region, is a key player in Uganda's coffee value chain. Specializing in the purchase, grading, and sorting of Arabica coffee for export, the factory has an installed processing capacity of 12,000 MT per year. The Corporation (UDC) acquired equity in BACML in 2022, facilitating the resumption of commercial operations in Q1 FY 2023/24.

Despite being in the early stages of operation, significant milestones have already been achieved. By June 30, 2024, the factory had purchased 385 MT of coffee from farmers in the Elgon sub-region, translating to UGX 3.6 billion in payments to farmers. This marks a strong start, demonstrating the company's role in improving

farmer incomes and enhancing the region's coffee industry.

As BACML continues to scale up operations, production volumes and farmer earnings are expected to grow steadily, reinforcing its position as a catalyst for economic transformation in Uganda's coffee sector.



# Abubaker Technical Services and General Supplies Ltd

Abubaker Technical Services and General Supplies Limited (ABTGSL) is a civil engineering and construction company specializing in infrastructure development. The company provides a wide range of services, including the construction and maintenance of bridges, roads, and drainage systems, as well as large waterway channels and traffic scheme modifications. ABTGSL is also engaged in concrete works, building construction and renovations, mast construction, metal fabrication, machining, and geological investigations.

In addition to its engineering services, the company manufactures high-quality construction materials such as dense bitumen macadam, concrete paving blocks, slabs, kerb stones, reinforced concrete culvert pipes, and asphalt concrete.

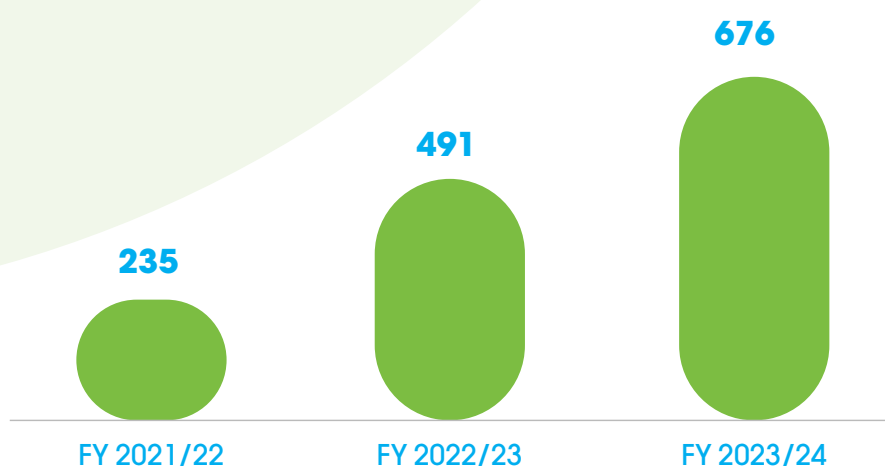
As part of its commitment to strengthening Uganda's construction industry, UDC has supported ABTGSL to enhance local capacity in road construction. This investment aims to reduce reliance on international firms and minimize the expatriation of income, ensuring that more value remains within Uganda's economy.



## Job Creation and Workforce Growth at ABTGSL

Abubaker Technical Services and General Supplies Limited (ABTGSL) has demonstrated remarkable growth in job creation, reinforcing its contribution to employment and skills development in Uganda's construction sector. The company's workforce expanded significantly from 235 employees in 2022 to 491 in 2023, reaching 676 employees in 2024. This steady increase is attributed to the rising number of construction projects awarded by the Government, reflecting ABTGSL's growing role in national infrastructure development.

Number of employees of Abubaker company



## Completion status of works by Abubaker company

No.	Projects undertaken by Abubaker company	Completion level (%)
1	Construction Works for selected Infrastructure sub-projects in cluster II Lira City (3.657km)	100.0
2	Construction Works for selected Infrastructure sub-projects in cluster II Apac (1.6km)	100.0
3	Construction Works for selected Infrastructure sub-projects in cluster II Moroto (0.8km)	100.0
4	Upgrading of 25KM Roads using probase technology	83.0
5	Emergency procurement of civil works for upgrading of Kafunta-Buwampa Road (9.5KM) Linking to MMP Industrial Park from gravel to paved in Buikwe District	71.0
6	Rehabilitation of priority roads in Entebbe municipality under the pre-financing arrangement (10km)	11.0
7	Civil Works for the Rehabilitation of Matugga-Semuto-Kapeeka Road (41KM)	10.0
8	Civil Works for the Rehabilitation of Busunju-Kiboga-Hoima Road (145KM)	6.0
9	Civil Works for the upgrading of Bubulo-Bududa Circular (28km) & Mbale Nkonkonjeru roads to Bitumen Standard	6.0



# Horyal Investment Holding Company Ltd



Horyal Investment Holding Company Ltd (HIHC), commonly known as Atiak Sugar Factory, is a strategic investment in Uganda's agro-processing sector, with UDC as a key shareholder. Located in Amuru, the factory was commissioned in October 2020 with an installed capacity of 1,650 tons of cane crushed per day (TCD), with expansion plans to increase capacity to 4,000 TCD. However, due to an inadequate supply of sugarcane, commercial operations were halted in April 2022. To address this challenge and ensure a consistent supply of raw materials, HIHC embarked on a mechanisation initiative for sugarcane planting and harvesting. Horyal currently provide 543 Jobs to Ugandan nationals.



## Advancing Mechanization at Atiak Sugar Factory

During the reporting period, HIHC successfully procured a fleet of modern agricultural equipment to enhance mechanized sugarcane farming. The acquisitions included advanced agricultural tractors, high-efficiency sugar harvesters, precision spraying boom tractors, and a state-of-the-art GPS base station. This strategic investment underscores the company's commitment to adopting cutting-edge mechanization technologies, which will lead to improved efficiency, increased productivity, and a sustainable supply of raw materials when the factory resumes manufacturing operations.

# East African Medical Vitals Ltd



East African Medical Vitals (EAMV), an associate investee company of UDC, was established in 2021 and is a pioneering manufacturer of disposable medical supplies in Uganda. Notably, EAMV is the first company in Africa to produce powder-free latex medical examination gloves, contributing to import substitution and the growth of the local healthcare manufacturing sector. The company's headquarters and main production facility are located in the Namanve Industrial Park, Mukono district.

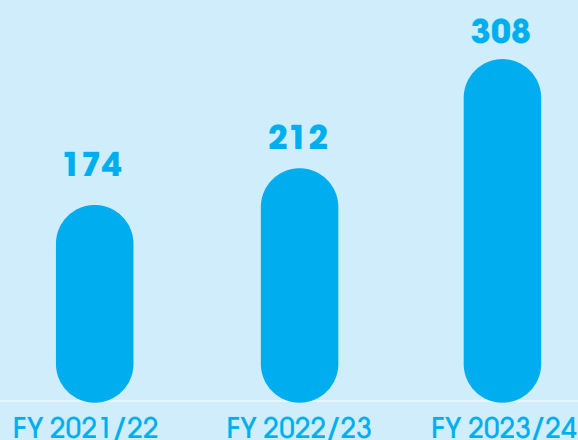
## Employment Growth and Economic Impact

Over the past three years, East African Medical Vitals (EAMV) has demonstrated a strong commitment to job creation and economic empowerment in Uganda. The company has consistently expanded its workforce, providing sustained employment opportunities. In FY 2021/22, EAMV employed 174 individuals, and this number grew by 21% in FY 2022/23 with the addition of 38 new jobs. The most significant expansion occurred in FY 2023/24, with employment rising from 212 to 308—a remarkable 45% increase. This steady growth underscores the strategic significance of EAMV's investment

in Uganda's manufacturing sector, not only enhancing local production capacity but also contributing to socio-economic development through job creation.



Number of employees of EAMV







## Yumbe Fruits Factory/Nilezilla Ltd

The factory, located in Yumbe, is designed to process locally grown mangoes into puree, with an input capacity of 5 metric tons per hour and an output of 2.5 metric tons of puree per hour. To ensure efficient management and operations, the shareholders—UDC, Food and Nutrition Solutions Limited (FONUS) and Aringa Fruit Farmers' Cooperative Society—incorporated a Special Purpose Vehicle (SPV) named Nilezilla Limited on 14 December 2021.

In preparation for the commencement of commercial operations in FY 2024/25, UDC has provided critical funding for the procurement of essential operational items, including furniture, IT equipment, packaging materials, laboratory chemicals, fruit crates, 242 drums, 1,000 crates, 5,004 aseptic bags, and 90 pallets. Additionally, a motor vehicle was acquired for the General Manager to facilitate operational mobility and factory oversight.



With all necessary equipment and logistics in place, the Yumbe Fruit Factory will soon commence production and drive value addition, create employment opportunities, and provide a sustainable market for local mango farmers in the West Nile region.

### Equipment and Facility Readiness for commencement of Commercial Fruit Processing





# Munyonyo Common Wealth Resort Ltd

In 2006, Meera Investment Ltd (MIL) and the Government of Uganda (GOU), represented by the Ministry of Finance, Planning and Economic Development (MOFPED), entered into a Memorandum of Understanding (MOU) to establish a joint venture to develop, construct, furnish and equip conference facilities, presidential suites and other related facilities to host the 2007 Commonwealth Heads of Government Meeting (CHOGM). As a result, Munyonyo Commonwealth Resort was incorporated to implement the joint venture.

In line with the UDC Act 2016, Section 4 (e), and schedule 2, the Ministry of Finance, Planning and Economic Development (MOFPED) transferred Munyonyo Commonwealth to UDC in FY 2020/21 to take over the Government's interests.

Munyonyo Commonwealth Resort Hotel has remained a key player in Uganda's hospitality industry, not only driving tourism growth but also creating and sustaining employment opportunities. Over the past three years, the hotel has consistently provided stable jobs, positively impacting the livelihoods of over 304 individuals.



# Speke Resort Convention Centre Ltd



In preparation for hosting the Non-Aligned Movement (NAM) summit in January 2024, UDC, in partnership with MEERA Investments Limited (MIL), constructed a state-of-the-art International Convention Centre at Munyonyo, Kampala. The Speke Resort Convention Centre (SRCC) covers a gross built-up area of 21,677 square meters with a total capacity of 5,520 pax and a conference hall hosting 3,800 delegates ago. In addition, the convention centre has a multi-purpose hall, twelve high-end Conference/Meeting rooms and a floating restaurant that can accommodate 500 guests (Boardroom sitting style) with additional supporting spaces, the first in the country with an extraordinary view of the incredible Lake Victoria.

## Driving Economic Growth and Global Engagement through the SRCC

The Convention Centre continues to be a pivotal hub for high-profile international engagements, and directly employs

HOSTED OVER

**5,000**

DELEGATES

EMPLOYS

**250**

INDIVIDUALS CONTRIBUTING  
TO UGANDA'S ECONOMY

250 individuals—significantly contributing to Uganda's economy. In FY 2023/24, the facility successfully hosted major global events, including the Commonwealth Speakers Conference, the Non-Aligned Movement (NAM) Summit, and the China +77 Conference, positioning Uganda as a key player in global diplomacy and trade. Additionally, the SRCC hosted the Pearl of Africa Tourism Expo, which attracted over 5,000 trade visitors and consumers, and the 2024 Uganda-EU Business Forum, drawing 3,600 participants both online and in person. These events have not only enhanced Uganda's international visibility but have also stimulated business growth, tourism, and job creation, reinforcing UDC's commitment to fostering economic transformation.



# Nile Hotel International Ltd

## KEY MILESTONES



ACQUISITION OF

**49%**

SHAREHOLDING  
IN IGONGO COUNTRY



SERENA EMPLOYS

**342**

UGANDANS



PROCURED GOODS

**UGX 7 Bn**

FROM 169  
LOCAL VENDORS

Nile Hotel International Ltd (NHIL) is a company limited by shares incorporated on October 28, 1994, and operating under the Companies Act. NHIL is wholly owned by UDC on behalf of the Government of Uganda.

In 2004, the Government of Uganda entered into a 30-year concession and lease agreement with Tourism Promotional Services (U) Ltd (TPS) to manage the Nile Hotel complex.

The Key milestones of the Nile Hotel International Ltd in FY 2023/24 include;

1. Acquisition of 49% shareholding in Igongo Country Hotel and Cultural Centre in 2023.
2. Under the concession agreement, the Serena Hotel employs 342 Ugandans.
3. Nile Hotel's concessionaire (Serena Hotel) procured goods worth over UGX 7 billion from 169 local vendors in 2024.







# Sanga Vet. Chem. Ltd



Sanga Vet. Chem. Ltd, an associate investee company of UDC, is playing a critical role in Uganda's veterinary pharmaceutical sector by manufacturing high-quality animal health products. Located in Namanve Industrial Park, the company specializes in producing acaricides, essential in controlling ticks and other livestock parasites. Its flagship products—Sangatraz, Sangasupa, and Sanga Delta—offer effective solutions to safeguard animal health, supporting Uganda's livestock industry.

By reducing reliance on imported veterinary medicines, Sanga Vet. Chem. Ltd is enhancing local capacity, ensuring affordability, and providing timely access to critical livestock treatments. Additionally, the company directly employs 78 Ugandans, contributing to job creation and skills development in the pharmaceutical manufacturing sector. This investment aligns with UDC's commitment to supporting import substitution.





# Key Challenges Faced by UDC and Investee Companies

## Market instability and depressed demand

UDC's investee companies are grappling with market instability and depressed demand for factory products, which directly impact revenue generation. Tea producers faced declining and fluctuating prices at the Mombasa Tea Auction due to political and economic crises in major consumer countries, while Bukona Agro-Processors struggled with export restrictions on denatured ethanol in Kenya. Additionally, some companies, such as Soroti Fruits Limited, faced challenges in securing stable markets for their products. Market instability and depressed demand limited investee companies' ability to scale operations and maximize returns.

## Delayed Payments for Goods and Services

Delayed government payments continued to strain cash flows and working capital across multiple investee companies. Abubaker Technical Services and Kalangala Infrastructure Services faced financial pressure due to late payments for completed infrastructure projects and provision of ferry transport services, while Nile Hotel struggled with overdue government receivables for accommodation and conferencing services. These delays limited operational efficiency, hindered reinvestment, and affected service delivery and project completion timelines.

## Raw Material Supply Constraints

Agricultural-based industries under UDC suffered from low supply and inconsistent quality of raw materials. This challenge is largely attributed to the limited use of productivity enhancing inputs, technologies and practices by farmers.

## Funding Constraints and Distressed Investments

UDC continued to be undercapitalized. Moreover, the piecemeal release of funds on a quarterly basis limits flexibility in executing strategic investments. Additionally, the majority of UDC investee companies are still in the early years of recovery from distress, resulting in prolonged payback periods and an inability to generate dividends for UDC as shareholder. Unlocking alternative financing mechanisms, such as concessional loans, strategic partnerships, and private-sector co-investment, will be crucial to sustaining and scaling UDC's investments.





# Strengthening Partnerships, Collaborations & Brand Visibility



*Chairperson of Uganda Manufacturers Association (UMA) and Chairperson of UDC after reaching an agreement to sign an MOU for formal collaboration.*

In the pursuit of fostering strategic alliances and enhancing its brand presence, UDC actively engaged in various partnerships, collaborations, and networking initiatives.



The Corporation collaborated with key government institutions, including the Ministry of ICT and GCIC, to launch a targeted social media campaign aimed at amplifying UDC's brand and public awareness.



Additionally, UDC partnered with leading media houses, NBS TV and NTV, as sponsors of the UG Economic Forum and the NTV Economic Summit, respectively, reinforcing its role in shaping national economic discourse.



Further strengthening its stakeholder engagement, UDC partnered with the Uganda Development Forum (UDF) to successfully host the 2nd UDF Annual Conference at Chobe Safari Lodge.



The Corporation also took part in various media engagements—including radio and TV shows, as well as X Spaces discussions—to clarify its mandate and address emerging issues.



Beyond media and public engagements, UDC remained active in key industry events, participating in exhibitions such as those organized by the Uganda Manufacturers Association (UMA), the East African Community (EAC), and the Private Sector Foundation Uganda (PSFU).



The Corporation also strengthened internal capacity by organizing quarterly staff prayers, monthly staff training sessions, and engagement initiatives to enhance employee relations.



To ensure efficiency in service delivery, UDC maintained regular engagements with the Public Procurement and Disposal of Public Assets Authority (PPDA) and suppliers during procurement processes.



As part of its Corporate Social Responsibility (CSR), the Corporation supported the Archdiocese of Mbarara Development Association's medical camp activities in Ibanda District, demonstrating its commitment to community well-being.



Through these concerted efforts, UDC continues to build strategic partnerships, enhance operational efficiency, and solidify its position as a key driver of Uganda's economic transformation.





The ED of UDC presents a gift to the MD of New Vision during his visit to UDC offices.



Gen. Wilson Mbasu Mbadi, Minister of State for Trade, during his official visit to UDC.



The PSST delivering a keynote address at the UDF Annual Conference organized by UDC



ED of UDC moderating a discussion at the CEO's Forum



# Planned Investments/ Projects for FY 2024/25

**Abubaker Technical  
Services and General  
Supplies Ltd**

**Soroti  
Fruits Ltd (SOFTE)**

**East African Medical  
Vitals (EAMV) Ltd**

**Fine  
Spinners (U) Ltd**

**Sanga Vet. Chem.  
Ltd (manufactures  
acaricides)**

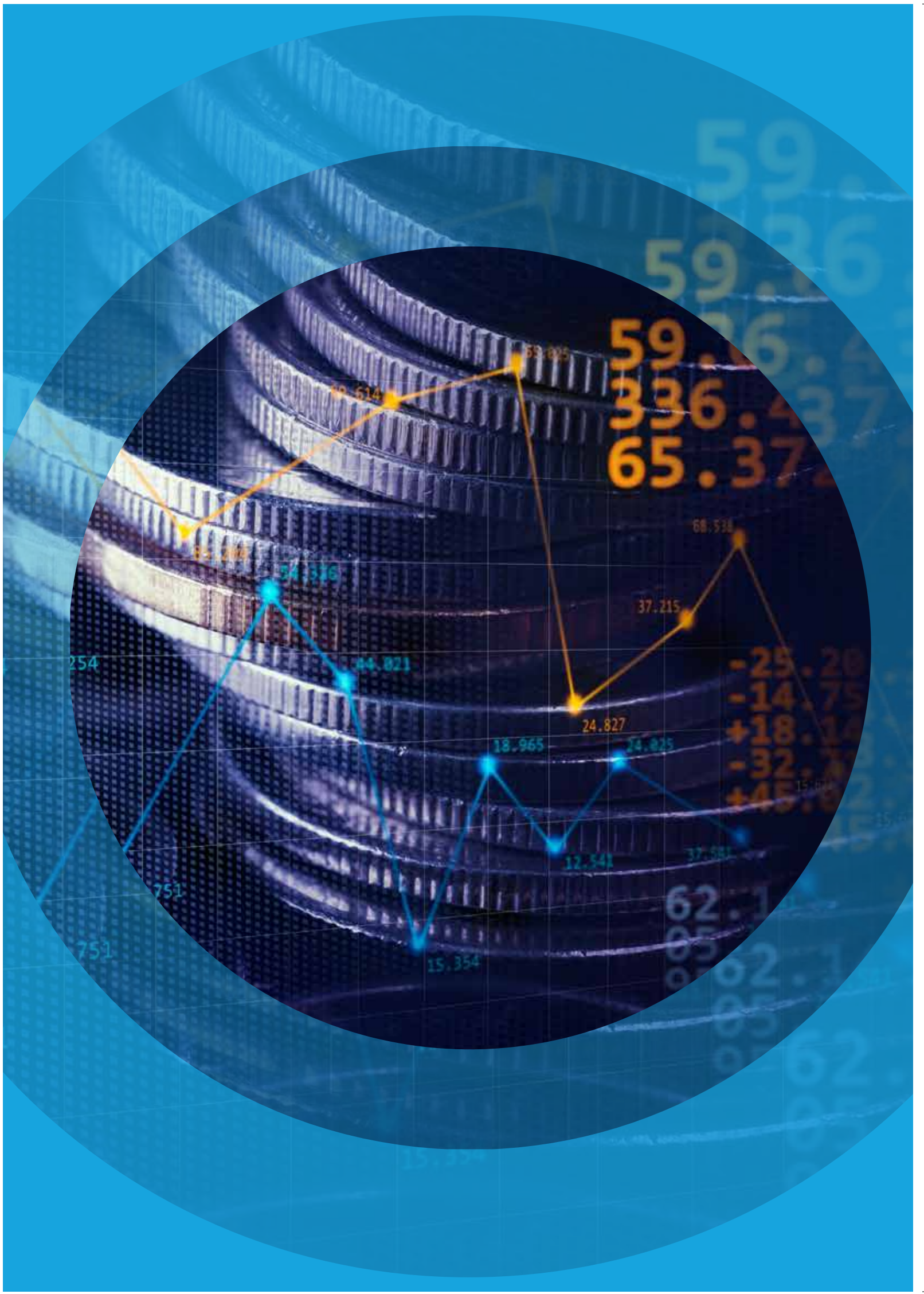
**Mutuma Commercial  
Agencies Ltd (MCAL)**

**Wazuri  
(water purification)**

**Cocoa factory in  
Bundibugyo District**

**Amuru  
Sugar Ltd**





# Financial Statements for FY 2023/24

## SECTION 1: REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE UGANDA DEVELOPMENT CORPORATION (UDC) FOR THE YEAR ENDED 30TH JUNE, 2024

### THE RT. HON. SPEAKER OF PARLIAMENT

#### Opinion

I have audited the financial statements of the Uganda Development Corporation (UDC), which comprise the Statement of Financial Position as at 30th June 2024, the Statement of Financial Performance, the Statement of Changes in Equity, and the Statement of Cash Flows, together with the other accompanying statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Uganda Development Corporation (UDC) as at 30th June 2024, and its financial performance and cash flows for the year that ended in accordance with International Financial Reporting Standards (IFRS), and the requirements under the Companies Act, Cap 106 of the laws of Uganda.

#### Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Corporation in accordance with the Constitution of the Republic of Uganda, 1995 (as amended), the National Audit Act, Cap 170, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.



## **Emphasis of Matter**

Without qualifying my opinion, I would like to draw the readers' attention to the following matter which has been reflected in the statement of financial position and disclosed under Note 17 of the financial statements;

### **1.1 Exploration Costs**

I reviewed the Finance Policies and Procedure Manual and established that it lacked guidelines to recognise and disclose the expenditure on exploration costs and the required accounting for the exploration costs. I further noted that the statement of financial position and Note 17, disclosed that UDC had exploration costs worth UGX.2.601Bn. Although UDC used IFRS 6 to account for exploration costs, they lacked guidelines or policies on the classification of what qualifies for exploration costs.

As a result, the assets may be misstated due to a lack of prudence in the recognition of the exploration expenditure.

The Accounting Officer acknowledged the observation and explained that the Corporation's Finance Policy and Procedures Manual would be revised to incorporate policies and guidelines on exploration expenditure.

## **Recommendation**

I advised the Accounting Officer to expedite the revision of the Finance Policy and Procedures Manual.

## **Other Matter**

I consider it necessary to communicate the following matters other than those presented or disclosed in the financial statements;

### **1.2 Absence of UDC Board**

I observed that from the beginning of their term, the Board was not fully constituted since there was no representation from the Ministry of Finance as stipulated in the UDC Act Cap 208.

During the course of the term in office, one Board member resigned in April 2022 after about five months of service. The Minister of Trade had not appointed a replacement Board member by the time of audit in November 2024. Therefore, for the majority of the three-year term of the UDC Board, the Board has not been fully constituted.

It was also observed that the tenure for the remaining members of the UDC Board expired on 25th November 2024. Currently, UDC does not have a Board.

The failure to have a fully constituted UDC Board impedes the proper functioning of the organization, as it is unable to execute its core mandate of investment, with such decisions requiring Board approval as stipulated by the laws. The current absence of a Board means that UDC cannot properly execute its core mandate of investment since such decisions must be approved by the Board.

The Accounting Officer explained that the UDC Chairperson had written to the Honourable Minister regarding filling the existing gaps on the Board and that he would also continue to follow up with the Minister on the Board appointments.

## **Recommendation**

I advised the Accounting Officer to emphasize to the responsible Minister, the importance of appointing a full Board as soon as possible for the Corporation to function effectively.



## Other Information

The Directors are responsible for the other information. The other information comprises the Report of the Directors, Statement of Directors' Responsibilities, and other supplementary information. The other information does not include the financial statements and my auditors' report thereon. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## Management Responsibilities for the Financial Statements

The Directors are responsible for the preparation of financial statements in accordance with International Financial Reporting Standards (IFRS), Section 49 of the Public Finance Management Act, Cap 171, and the requirements of the UDC Act Cap 208, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Directors have realistic alternative to the contrary.

The Directors are responsible for overseeing the Corporation's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also;

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accounting Officer.

- Conclude on the appropriateness of the Accounting Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to deliver its mandate. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ministry to fail to deliver its mandate.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that complies with the Government of Uganda Public Financial Management laws and regulations.

I communicate with the Accounting Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

I also provide the Accounting Officer with a statement that I have complied with relevant ethical requirements regarding independence and, communicate to the Accounting Officer all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Accounting Officer, I determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other reporting responsibilities**

In accordance with Section 18 (1) of the National Audit Act (NAA), Cap 170, I report to you, based on my work described on the audit of Financial Statements that, except for the matters in Section 2 of this report and those described below, and whose effects have been considered in forming my opinion on the financial statements, the activities, financial transactions and information reflected in the financial statements that have come to my notice during the audit, are in all material respects, in compliance with the authorities which govern them.

### **1.3 Status of UDC's Investments**

Section 3(1) of the UDC Act, Cap 208 provides that the objective of the Corporation is to promote and facilitate the industrial and economic development of Uganda. To this end, UDC is mandated to establish subsidiaries and associated companies and enter into public-private partnerships with any industrial, commercial or agricultural undertaking or enterprise, to mention but a few.

As at 30th June 2024, audit observed that UDC had invested in seventeen (17) companies. Of these, UDC had two (2) subsidiaries (Nile Hotel 100% ownership and Soroti Fruit Ltd 80% ownership), thirteen (13) associates and two (2) companies that UDC had offered lease financing. Refer to Appendix 1. I observed the following during the audit of the investments;

### **1.3.1 Failure of the Investment Policy to Guide on Lease Financing**

I noted that in 2019, UDC invested through lease financing UGX.9.243Bn in Kigezi Highland Tea Factory Ltd and UGX.4.358Bn in Kayonza Growers Tea Factory Ltd.

A review of the UDC Investment Policy showed that it did not have guidelines on what lease financing is, nor the modalities before funds can be released.

Lack of clear guidance on such investments renders the ownership of assets acquired through lease financing unknown. It also complicates the facility appraisal process.

The Accounting Officer acknowledged the observation and stated that the Investment Policy would be revised to include guidelines on lease financing.

### **Recommendation**

The Accounting Officer was advised to expedite the revision of the Investment Policy.

### **1.3.2 Failure to Execute Lease Financing Agreements**

#### **a) Lease financing in M/S Kayonza Growers Tea factory**

In the Presidential Directives dated 1st November 2010 and 28th July 2015, UDC was directed to provide M/S Kayonza Growers Tea Factory, with USD.2.5Mn and that the Government takes shares in the company. Based on this, UDC purchased a third tea processing line at UGX.4.358Bn.

The equipment was procured and commissioned in January 2021. However, UDC did not enter into a formal lease financing agreement with the factory, before advancing the funds for the purchase of the equipment. I also observed that due to this oversight, there has been an ongoing struggle to get Kayonza to start paying back for the past three years.

#### **b) Lease financing in M/S Horyal Ltd (HIHC)**

As per the offer letter dated 6th July 2022, UDC offered m/s Horyal Ltd lease financing for UGX.108 Bn to enable the company to acquire mechanized equipment required to boost the out-growers capacity to produce sufficient raw materials. UDC was in the advanced stages of procuring the equipment required. However, there was no signed lease financing agreement with Horyal.

The failure to execute legally binding agreements before the disbursement of funds exposes UDC to a risk of loss of the said funds resulting from a lack of contractual remedy in case of disagreement between the parties.

For Kayonza, the Accounting Officer explained that, Kayonza had requested to convert the lease into equity and that UDC had begun the process of conducting due diligence and valuation on the entity, which is currently ongoing.

For Horyal, the Accounting Officer explained that the mechanization equipment was purchased through Letters of Credit (LCs) directly from manufacturers, with legally enforceable agreements that had been cleared by the Solicitor General. He added that UDC had communicated with the Attorney General seeking advice on the finance lease and had sent a formal communication to HIHC concerning the conversion of the finance lease into preference shares. However, the Corporation had not yet received a response.



## Recommendation

I advised the Executive Director and Corporation Secretary to ensure that legally enforceable agreements are always executed between the parties before funds are disbursed.

### 1.3.3 Failure to Collect UGX.10.553 Bn and USD.999,412 Owed to UDC

Loan agreements were entered into between UDC on one hand and; (i) Mpanga Growers Tea Factory Ltd, (ii) Mabale Growers Tea Factory Ltd and (iii) Kigezi Highland Tea Factory Ltd on the other hand.

I observed that as per the loan agreements, the grace period had expired and yet the companies had not started repaying their loans. The table below refers;

**Table Showing Amounts Owed to UDC**

SN	Company Name	Date of Loan Agreement	Amount Loaned (UGX 'Bn)	Date of First Payment	Amount Owed as at 30/06/2024 (UGX 'BN)
1	Mpanga Growers Tea Factory Ltd	05/08/2022	6.386	14/11/2023	2.014
2	Mabale Growers Tea Factory Ltd	23/12/2020	6.380	01/03/2023	4.795
3	Mabale Growers Tea Factory Ltd	05/09/2022	5.300	31/12/2023	1.629
4	Kigezi Highland Tea Factory Ltd	16/09/2016	9.243	31/10/2021	2.115
	<b>Total</b>				<b>10.553</b>

In the case of Kigezi Highland Tea Factory Ltd (KHTL), part of the loan was in United States Dollars and is expected to be repaid in USD. As of 30th June 2024, the company owed USD.999,412.

Failure to collect the loan repayment denies UDC resources for reinvesting into other ventures.

The Accounting Officer explained that the companies in question were in the tea industry, which had been severely impacted by the crisis that led to a decline in tea prices at the Mombasa Tea Auction. As a result, Mabale and Mpanga requested extensions of grace periods, which the Board had granted. KHTL had also written to express their inability to make payments, and UDC was still reviewing their request.

## Recommendation

The Accounting Officer was advised to liaise with the indebted companies and come up with payment plans, and ways in which to reduce their indebtedness.

### 1.3.4 Failure to collect UGX.0.261Bn as Transaction Fees from Abubaker Technical Services and General Supplies Ltd

UDC offered to invest UGX.26.150Bn in m/s Abubaker Technical Services Ltd in the form of equity as per the offer letter dated 22/12/2022 and the share subscription agreement dated 08/02/2023. It was agreed that UDC would charge a transaction fee of 1% (UGX.261.5Mn) of the sum invested.

UDC also offered the company a shareholder's loan to the tune of UGX.10Bn as per the shareholder's loan agreement signed on 4th June 2024. The company had authorized UDC to remove the transaction fee before the disbursement of the funds as per a letter dated 11/06/2024. However, UGX.0.261Bn was not deducted as per the agreement.

The failure to collect the transaction fees as per the agreements negatively affected UDC cashflows and the amount may not be recovered.

The Accounting Officer explained that efforts would be made to follow up with the company to recover the 1% transaction fees.

### **Recommendation**

I advised the Executive Director to expedite the engagement with Abubaker Technical Services and General Supplies Ltd, to collect the money owed.

### **Other Legal and Regulatory Requirements**

As required by the Companies Act, Cap 106, of Uganda, I report to you, based on my audit, that;

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



**Edward Akol**

**AUDITOR GENERAL**

**Kampala**

**23<sup>rd</sup> December, 2024**

## SECTION 2: REPORT ON THE AUDIT OF COMPLIANCE WITH THE RELEVANT REGULATORY FRAMEWORK

The Office of the Auditor-General conducted compliance audits on selected key subject matters.

The primary objective of the audit was to obtain sufficient and appropriate audit evidence to form a conclusion on whether the Uganda Institute of Information and Communications Technology complied with the relevant identified criteria.

My audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI 4000)<sup>1</sup> on compliance auditing.

The area of focus for the review was Procurement management for the financial year 2023/24

### Relevant Audit Criteria

The criteria for the audit were based on Acts of Parliament, regulations, and manuals/guidelines designed to ensure compliance with laws governing procurement management,

These include; the PPDA Act, Regulations and guidelines.

### Audit Methodology

My audit was conducted based on the information and records provided by the Uganda Institute of Information and Communications Technology.

In executing this audit, various approaches were exercised which included;

- (i) Documents reviews;
- (ii) Physical inspections
- (iii) Interviewing relevant officials of the Institute; and
- (iv) Analyzing data provided

### Audit Findings

The material findings with respect to the compliance criteria for the applicable subject matters are as follows;

#### 2.1 Failure to carry out Market Assessments

I sampled procurements worth **UGX.2.685 Bn** and noted that the Corporation did not carry out market assessments as required. Appendix 2 refers.

Failure to carry out market assessments leads to entity procuring goods and services market exorbitant prices hence leading to wastage of resources.

The Accounting Officer explained that Regulation 5 of the PPDA (Procurement of Consultancy Services) Regulations, 2023 mandates that the market price of a procurement must be determined using the prices specified in the guidelines issued by the Authority. However, the guidelines had not yet been issued, creating a gap in implementation.

<sup>1</sup> SSA14000 - Compliance Audit Standard



He added that UDC will proceed with conducting market surveys in its procurements while awaiting the guidelines from PPDA.


### **Recommendation**

In the absence of guidelines from PPDA, I advised that UDC should establish an interim process for determining market prices, such as conducting regular market surveys and benchmarking against similar procurements, to ensure compliance with procurement regulations and avoid delays in procurement activities.

### **Conclusion**

The evidence obtained from the compliance audit of the Uganda Development Corporation on the management of procurement subject matter is sufficient and appropriate to provide a basis for my conclusion.

Based on the work performed described in this report, except for the findings stated above, nothing has come to my attention that causes me to believe that the subject matter is not in compliance, in all material respects, with the relevant criteria.



**Edward Akol**

**AUDITOR GENERAL**

Kampala

23<sup>rd</sup> December, 2024

## SECTION 3: REPORT ON PERFORMANCE EVALUATION

In accordance with Schedule 2 of the Public Finance Management Act Cap 171 on the presentation of financial statements, and Section 18 of the NM Cap 170, I undertook an evaluation of the Authority's actual performance in comparison with its planned activities and outputs for the year as well as its mandate. This section presents the findings from the evaluation of the performance.

### 3.1 Review of the Implementation of the Entity's Mandate

The mandate of Uganda Development Corporation is to promote and facilitate industrial and economic development in Uganda through;

- Establishment of subsidiary and Associated companies,
- Entering into private partnerships with any commercial, industrial, or agricultural undertaking or enterprise,
- Using Public-Private Partnerships, assisting in the financing and management of undertakings promoting industrial or economic development, and
- Promoting and facilitating research into industrial development as per section 3 of the UDC Act, Cap. 208

A comparison of the entity's strategic and annual work plans for the last three (3) years with the mandate as stipulated in relevant laws revealed that the entity had adequately executed its mandates as per Table 2 below.

**Table 2: Showing Execution of Mandate**

SN	Mandated activity	Source of Mandate	Audit Comment
1	Shall establish a subsidiary and associated companies	UDC Act, Cap 208	Mandate activity was prioritized in the last three years
2	May enter into public-private partnerships with any commercial, industrial or agricultural undertaking or enterprise;	UDC Act, Cap 208	Mandate activity was prioritized in the last three years
3	May, through public-private partnerships, assist in the financing and management of undertakings promoting industrial or economic development.	UDC Act, Cap 208	Mandate activity was prioritized in the last three years.
4	Shall promote and facilitate research into industrial development	UDC Act, Cap 208	Mandate activity was prioritized in the last three years

Interaction with the Manager of Investment Services confirmed that the above mandates were all prioritised.

I commended the Accounting Officer for prioritising the entity's mandated activities.

### 3.2 Review of the Implementation of the Approved Budget

Paragraph 2(a) of schedule 5 of the PFMA, Cap 171, requires Accounting Officers to prepare an appropriation account showing the services for which the moneys expended were voted, the sums actually expended on each service, and the state of each vote compared with the amount appropriated for that vote by Parliament.

During the financial year 2023/2024, the entity had an approved budget of **UGX.104.097Bn** which was all released 100%. In July 2024, the entity received **UGX.27.771Bn** and they were advised by the Ministry of Trade that it was part of the financial year 2023/2024. This implies that the entity received a total of **UGX.131.868Bn** from government during the year. The entity also had balances brought forward from the previous financial year 2022/2023 of **UGX.126.726Bn**, it was also noted that the entity received other income amounting to **UGX.0.752Bn** during the year and also had other income carried forward from the FY 2022/2023 amounting to **UGX.3.26313n** leading to total cash available of **UGX.262.609Bn** as shown in table 3 below;

**Table 3: Showinn Summary Analysis of Entity Budget**

SN	Details	Revised Budget (UGX 'Bn)	The amount realized in July 2023 but for 2022/2023 (UGX 'Bn)	2023/2024 Amount Realised (UGX 'Bn)	Balance B/F (UGX 'Bn)	Total Cash (UGX 'Bn)	% age
1	Recurrent (Wage & Non- wage)	13.749	1.400	13.749	4.645	19.794	8%
2	Development	90.348	26.371	90.348	122.081	238.800	91%
3	Other Income	0	0	0.752	3.263	4.015	2%
	<b>Total</b>	<b>104.097</b>	<b>27.771</b>	<b>104.849</b>	<b>129.989</b>	<b>262.609</b>	<b>100%</b>

The Corporation spent UGX.170.063Bn out of the total funds available of UGX.262.609Bn. I audited 99.6% (UGX.169.299Bn) of the total cash spent as illustrated in table 4 below;

**Table 4: Showing Proportion of total warrants audited**

SN	Details	Amount audited (UGX 'Bn)	Cumulative %age
1	Operations (wage and Non-Wage)	12.525	7.4
2	Soroti Fruit Factory	1.933	8.5
3	Technical studies	1.458	9.4
4	Speke Resort Convention Centre (SRCC) - supplementary	36.999	31.1
5	Horyal Investment Holding Co. Ltd	89.594	83.8
6	Yumbe Fruit Factory (FileZilla)	6.117	87.4
7	East African Medical Vitals	10.673	93.7
8	Abubaker Technical Services	10.000	99.6
	<b>Total amount audited</b>	<b>169.299</b>	
	<b>Total amount spent</b>	<b>170.063</b>	

Based on the procedures undertaken, below are my findings;



### **3.2.1 Utilisation of Warrants and Implementation of Planned Activities**

#### **3.2.1.1 Utilisation of Warrants**

The entity had a total cash of **UGX.262.609Bn** out of which warrants worth **UGX.170.063Bn** had been utilised by the close of the financial year. The balance of **UGX.92.546Bn** was meant for the following activities which were either partially or not implemented at all.

This implies that beneficiaries of unimplemented activities were denied services.

The Accounting Officer explained that the delays were due to the various investment processes the Corporation must go through, including appraisals, due diligence, valuation, and other necessary approvals to determine the suitability of a project. He further noted that when bottlenecks occur, additional time is required to resolve the challenges, and UDC will not invest until the risks are reduced to a manageable level, resulting in delays in spending funds on different projects.

#### **Recommendation**

I advised the Accounting Officer to implement a comprehensive process review and risk management framework to identify and address bottlenecks in the investment approval process, ensuring the timely utilization of warranted funds to avoid the negative effects of non-performance on service delivery.

#### **3.2.1.2 Implementation of Funded Activities**

I assessed the extent of implementation of activities for which funds were availed and utilised. A total of **20 outputs** with **53 activities** worth **UGX.170.063Bn** were assessed and the following was observed.

- a. Four (4) outputs with 4 activities and expenditures worth UGX. 57.805 Bn were fully implemented.
- b. Seven (7) outputs with 27 activities worth UGX.112.260Bn were partially implemented. Out of the 27, the entity fully implemented Seven(7) activities worth UGX.77.791Bn, Fifteen (15) activities worth UGX.34.092Bn were partially implemented, while five (5)\*\* activities worth UGX.0.376Bn remained unimplemented.
- c. Nine (9) outputs with 22 activities worth **UGX.66.744 Bn** were not implemented at all and the released amount was not spent.

Refer to Appendix 5 and 6 for details.

Delays in the implementation of activities and utilisation of funds may impact on realisation of the strategic objectives and delivery of services.

The Accounting Officer acknowledged the finding and added that several projects had since been progressed.

#### **Recommendation**

I advised the Accounting Officer to institute measures to ensure that all activities are implemented and funds utilised.

### 3.2.2 Supplementary Funding Requested by the Accounting Officer


I noted that supplementary funding amounting to UGX.44.881Bn was requested by the Accounting Officer as required by the PFMR. Table 9 below refers;

**Table 5: Showing Requests for Supplementary Funding**

SN	Purpose of the supplementary	Supplementary amount received (UGX 'Bn)	Person who requested
1	Working capital provision for SOFTE	7,881	Accounting Officer
2	Munycnyo Convention Centre	37.000	Accounting Officer
	<b>Total</b>	<b>44.881</b>	

I noted that all the supplementary funding released to the entity was requested by the Accounting Officer as per PFMR and the Treasury Instructions.

I commended the Accounting officer for going through the right procedures for supplementary funding.



Edward Akol

**AUDITOR GENERAL**

Kampala

23<sup>rd</sup> December, 2024

**UGANDA DEVELOPMENT CORPORATION**  
**HEADQUARTERS FINANCIAL STATEMENTS FOR THE PERIOD**  
**ENDED 30 JUNE 2024**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE**  
**INCOME FOR THE PERIOD ENDED 30TH JUNE 2024**

	Note	Jun 2024 Ushs '000	Jun 2023 Ushs '000
Government Subvention	3	14,882,809	9,102,853
Investment Income	4	19,550,623	5,640,262
Grant income	5	1,733,420	1,336,272
Other Income	6	4,920	3,480
		<b>36,171,773</b>	<b>16,082,868</b>
Administration Costs	7	(11,377,347)	(11,826,883)
Project Development costs	11	(1,393,542)	(3,176,695)
Share of profit (loss) of Associates	18.1	(32,695,646)	(478)
Grant expenses	22	(875,343)	(830,965)
Depreciation and amortization	8	(619,100)	(794,908)
Finance Costs	12	-	(7,626)
Expected Credit Losses	9	(10,017,209)	(23,923,507)
Foreign Exchange losses/gains	10	(253,229)	(2,053,835)
<b>Profit (loss) from operations</b>		<b>(21,059,642)</b>	<b>(26,532,030)</b>
Income tax		-	-
<b>Profit (loss) for the period</b>		<b>(21,059,642)</b>	<b>(26,532,030)</b>
<b>Other Comprehensive Income</b>		-	-
Other comprehensive income net of tax		-	-
<b>Total Other Comprehensive Income for the period</b>		<b>(21,059,642)</b>	<b>(26,532,030)</b>



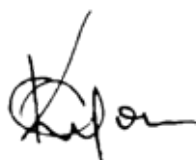
# UGANDA DEVELOPMENT CORPORATION

## HEADQUARTERS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

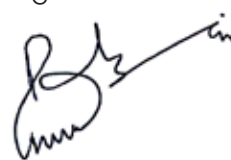
### STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2024

	Note	Jun 2024 Ushs '000	Jun 2023 Ushs '000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	13	1,859,553	2,212,353
Investment in Subsidiaries	15	284,014,561	282,081,912
Development Investments & Projects	16	106,634,373	26,535,194
Exploration Expenditure	17	2,601,189	1,967,611
Investments in Associates	18	187,430,680	210,444,041
Finance Lease Receivables	20	3,577,379	333,593
Other Financial Assets	19	423,910,032	304,236,731
		<b>1,010,027,767</b>	<b>827,811,436</b>
<b>Current Assets</b>			
Finance Lease Receivables	19	398,769	3,686,576
Prepayments	21	1,234,752	15,135,311
Trade and Other Receivables	25(a)	983,751	878,943
Dividend Receivable	25(b)	10,303,060	-
Inventory	26	55,925	48,130
Letter of Credit	24	4,132,436	49,114,384
Bank and Cash Balances	23	92,573,979	129,850,250
		<b>109,682,672</b>	<b>198,713,594</b>
<b>TOTAL ASSETS</b>		<b>1,119,710,439</b>	<b>1,026,525,030</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Capitalization Grants	27	1,186,525,713	1,071,406,644
Accumulated Reserves	28	(69,848,154)	(48,788,512)
		<b>1,116,677,558</b>	<b>1,022,618,132</b>
<b>Long-term Liabilities</b>			
Government Grants —non-current portion	22	1,221,440	1,688,342
		<b>1,221,440</b>	<b>1,688,342</b>
<b>Current Liabilities</b>			
Government Grants -current portion	22	1,513,987	914,514
Trade payables & other payables	30	265,374	642,762
Employee Benefits	29	32,080	661,280
		<b>1,811,441</b>	<b>2,218,556</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>1,119,710,439</b>	<b>1,026,525,030</b>

The draft financial statements were approved by the Board of Directors on 27th August 2024. The Board term expired on 25th November 2024 and the audited financial statements signed on behalf of the Board by.



**Mrs. Christine K. Zake**  
Director Finance & Administration



**Dr. Patri k B. Birungi**  
Executive Director

**UGANDA DEVELOPMENT CORPORATION**  
**HEADQUARTERS FINANCIAL STATEMENTS FOR THE PERIOD**  
**ENDED 30 JUNE 2024**

**STATEMENT OF CASH FLOWS FOR**  
**THE PERIOD ENDED 30TH JUNE 2024**

	Note	Jun 2024 Ushs '000	Jun 2023 Ushs '000
<b>OPERATING ACTIVITIES</b>			
<b>Net cash flows from operating activities</b>	<b>31</b>	<b>65,860,728</b>	<b>(79,633,684)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	13	(265,990)	(1,445,435)
Payment for Right of Use Asset (Office space)	14	-	(315,239)
Purchase of Shares in associates	18	(16,690,862)	(69,954,186)
Investment in Subsidiaries	15	(1,932,649)	(10,950,785)
Development Investments	16	(80,395,978)	(19,030,526)
Exploration Costs	17	(633,578)	(871,841)
Interest on Bank Balance and Dividend	4	708,244	2,369,084
Lease payments received	20	107,151	749,213
Increase in other financial assets	19	(121,109,998)	(285,732,144)
<b>Net cash flows from investing activities</b>		<b>(220,222,660)</b>	<b>(385,181,858)</b>
<b>FINANCING ACTIVITIES</b>			
Capital contribution	27	115,119,069	381,560,285
Subvention for Capital items	3	265,990	1,445,435
Government Grant (Ayu Alali)	22	1,600,000	-
<b>Net cash flows from Financing activities</b>		<b>116,985,059</b>	<b>383,005,720</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>23</b>	<b>(37,376,872)</b>	<b>(81,809,822)</b>
Cash and cash equivalents at beginning of the year		129,990,979	211,800,801
<b>Cash and cash equivalents at year end</b>		<b>92,614,107</b>	<b>129,990,979</b>

**UGANDA DEVELOPMENT CORPORATION  
HEADQUARTERS FINANCIAL STATEMENTS FOR THE PERIOD  
ENDED 30 JUNE 2024**

**STATEMENT OF CHANGES IN  
EQUITY AS AT 30TH JUNE 2024**

	<b>Capitalization Grants Ushs '000</b>	<b>Retained Earnings Ushs '000</b>	<b>Total Ushs '000</b>
As at 01 July 2023	1,071,406,644	(48,788,512)	1,022,618.132
Contribution to Assets & Dev Projects (GOU)	115,119.069	-	115,119,069
Surplus /(Deficit) for the year	-	(14,919.363)	(14,919,363)
<b>At 30 June 2024</b>	<b>1,186,525,713</b>	<b>(63,707,875)</b>	<b>1,122,817,838</b>



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