



NATIONAL LOTTERIES AND GAMING
REGULATORY BOARD

Responsible Gaming

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

ANNUAL REPORT





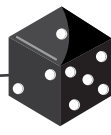






2021/2022

National Lotteries and Gaming Regulatory Board
Annual Report
2021/2022
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Acronyms / Abbreviations



BUBU	Buy Uganda, Build Uganda
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
DPP	Directorate of Public Prosecutions
EEE	Engage, Educate and Enforce
FIA	Financial Intelligence Authority
FY	Financial Year
ICRG	International Corporation Review Group
KMA	Kampala Metropolitan Area
L&G	Lotteries and Gaming
MGLSD	Ministry of Gender, Labor and Social Development
MoFPED	Ministry of Finance, Planning and Economic Development
NDP	National Development Plan
NLGRB	National Lotteries and Gaming Regulatory Board
Q	Quarter
SOPs	Standard Operating Procedures
SWOT	Strengths, Weaknesses, Opportunities and Threats
TBD	To Be Determined
UGX	Uganda Shillings
UNBS	Uganda National Bureau of Standards
URA	Uganda Revenue Authority

Vision, Mission and Values



VISION

A technologically driven and revenue generating gaming sector free from adverse effects.



MISSION

To license, regulate, set standards, investigate and arbitrate complaints in lotteries, gaming, betting and casinos in Uganda.

Core Values

The following core values of the NLGRB will provide the guiding principles, which help the Board, Management and Staff to behave and relate with all stakeholders.



Board members



Mr. Aloysius Mugasa Adyeri
(Chairperson)



Rt. Hon Margret Nantongo
(Member)



AIGP Grace Akullo
(Member)



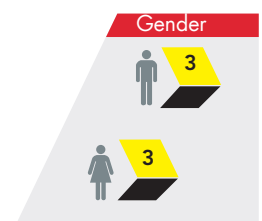
Ms. Rebecca N. Nassimbwa
(Member)



Mr. Frances N. Twinamasiko
(Member)



Mr. Denis Mudene Ngabirano
(Ex-Officio/CEO)



Management Team



Mr. Denis Mudene Ngabirano
(Ag. Chief Executive Officer)



Mr. Bernard Winyi
Head Finance and Administration



Ms. Deborah Kituyi
Head Legal and Board Affairs



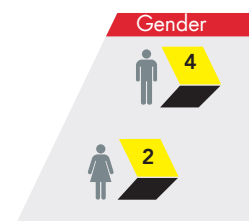
Mr. Richard Mutesasira Kavuma
Manager Internal Audit



Ms. Rhona Ajuna
Manager Finance and Accounts



Mr. Brian Ainomugisha
Manager Responsible Gaming



Chairperson's message



I want to particularly salute our esteemed new Operators and Partners that have increasingly put effort to participate and grow Uganda's gaming sector especially during this very unprecedented period of the COVID 19 pandemic.

On June 18th 2021, the President H.E Yoweri Museveni announced another 42-day lockdown phase to save the country from COVID 19. The effects of the lock down on the gaming sector were far reaching as the night economy, public gatherings, places of entertainment, sports events were put on a halt. Operators had to contend with idle equipment in rented premises and persons employed in the sector became redundant increasing poverty and vulnerability in the country.

As a Board, we are delighted that we designed the NLGRB's 5 year Strategic Plan FY 2020/21-2024/25 which is guiding management in the development, regulation and promotion of responsible gaming in Uganda.

The Board has developed and engaged a client-oriented approach that facilitates ease of doing business. The Board also approved the Board Charter; Information and Technology Manual; Records Manual; Internal Audit Charter and Manual; Enforcement and Compliance Manual; and Re-engineering and Automation of Business Processes.

The Board has been keenly following the management and leadership of the NLGRB. Priority has been on ensuring continuity and stability in the gaming regulatory body. The Board promoted Mr. Denis Mudene Ngabirano, formerly Manager, Information Technology to Head Strategy and Corporate Affairs and subsequently appointed him as Acting Chief Executive Officer and Accounting Officer following the exit of Ms. Juliet Namuli.

The Board's focus has also been put on ensuring that NLGRB gets adequate budgetary allocations to fill all the established positions in its organizational structure so that it executes its mandate in the country.

On behalf of the Board of NLGRB therefore, it is my pleasure to present to you, our Annual Report and Financial Statements for the year 2021/22.

Mr. Aloysius Mugasa Adyeri
Chairperson

Message from the Chief Executive Officer



The National Lotteries and Gaming Regulatory Board has continued to strengthen its internal capacity to effectively deliver services and increase access of Gaming Board services to the public. The Board has developed a client-oriented approach that facilitates ease of doing business. This includes calling upon and instigating players to renew their licences before the year elapses and by also putting in place a robust team in charge of responsible gaming, compliance and enforcement.

We continued to update and avail to the public the register of all licenced operators, premises and machines in order to increase accessibility, fair play, and protect the public from fraudsters. Through working with our partners, the Gaming Board continued to simplify the licensing processes and guidelines and make them simple and easy to adhere to by the various players of lotteries, gaming, betting and casino businesses who normally face challenges in the meticulous adherence to the set standards.

The Board continued to hold strategic engagements with Uganda Revenue Authority, Financial Intelligence Authority, media, local governments, institutions of higher learning and the Police so as to create awareness and foster compliance and ensure responsible gaming in the country. In the

FY 2021/2022, the Board licenced 20 Casinos; 39 companies for General Betting; 2 Bingo companies; 2 Slot machines; 536 employees; and 1352 premises for suitability. This was a steady recovery from the two years of COVID 19 lockdowns.

The Board continued to carry out Compliance Audits and Inspections aimed at monitoring and supervising all Operators to ensure that licensed entities operate in accordance with the law. During the same period, NLGRB received 63 disputes worth UGX 885,214,192 which were all resolved. A total of 7,201 gaming equipment and devices were also registered in 2022

In terms of the human resources, the Board currently has 36 staff on its payroll. In the Financial Year 2021/22, 19 new staff out of 51 staff establishments were recruited to strengthen its human resource capacity and more specifically to fill up positions for those staff whose contracts expired. Despite these recruitments, the Board has not yet attained the optimum numbers required to effectively deliver the Board's mandate, especially the manpower required to support licencing, responsible gaming, compliance and enforcement.

Implementation of the Board's 5 year Strategic Plan FY 2020/21- 2024/25 for the 1st year was on track with the overall budget and physical performance during the year being satisfactory. Most of the planned activities were effectively implemented and the Board was able in FY 2021/2022 to collect and remit UGX 110.5 Billion of Non Tax Revenue (NTR) to the Treasury.

The details of the Board's functional performance are outlined in the subsequent chapters. We look forward to better performance in the coming FY2022/23 and beyond.

Denis Mudene Ngabirano
Ag. Chief Executive Officer
National Lotteries and Gaming Regulatory Board



Legal Mandate

The National Lotteries and Gaming Regulatory Board (NLGRB) is a body corporate established under the Lotteries and Gaming Act No. 7, 2016 to license, supervise and regulate the establishment, management and operation of gaming activities in Uganda, and to protect the citizens from its adverse effects. The Board came into operation on 8th April 2016 and was launched on 10th May 2017.

Board

NLGRB is governed by a five-personal Board appointed by the Minister of Finance, Planning and Economic Development in accordance with Section 6 Subsection 3 of the Lotteries and Gaming Regulatory Act 7, 2016.

The Board comprise of Six members, including the Chief Executive Officer as an Ex- Officio. Membership of the board is drawn from persons with diverse and relevant experiences in the legal, financial, public and private sector.

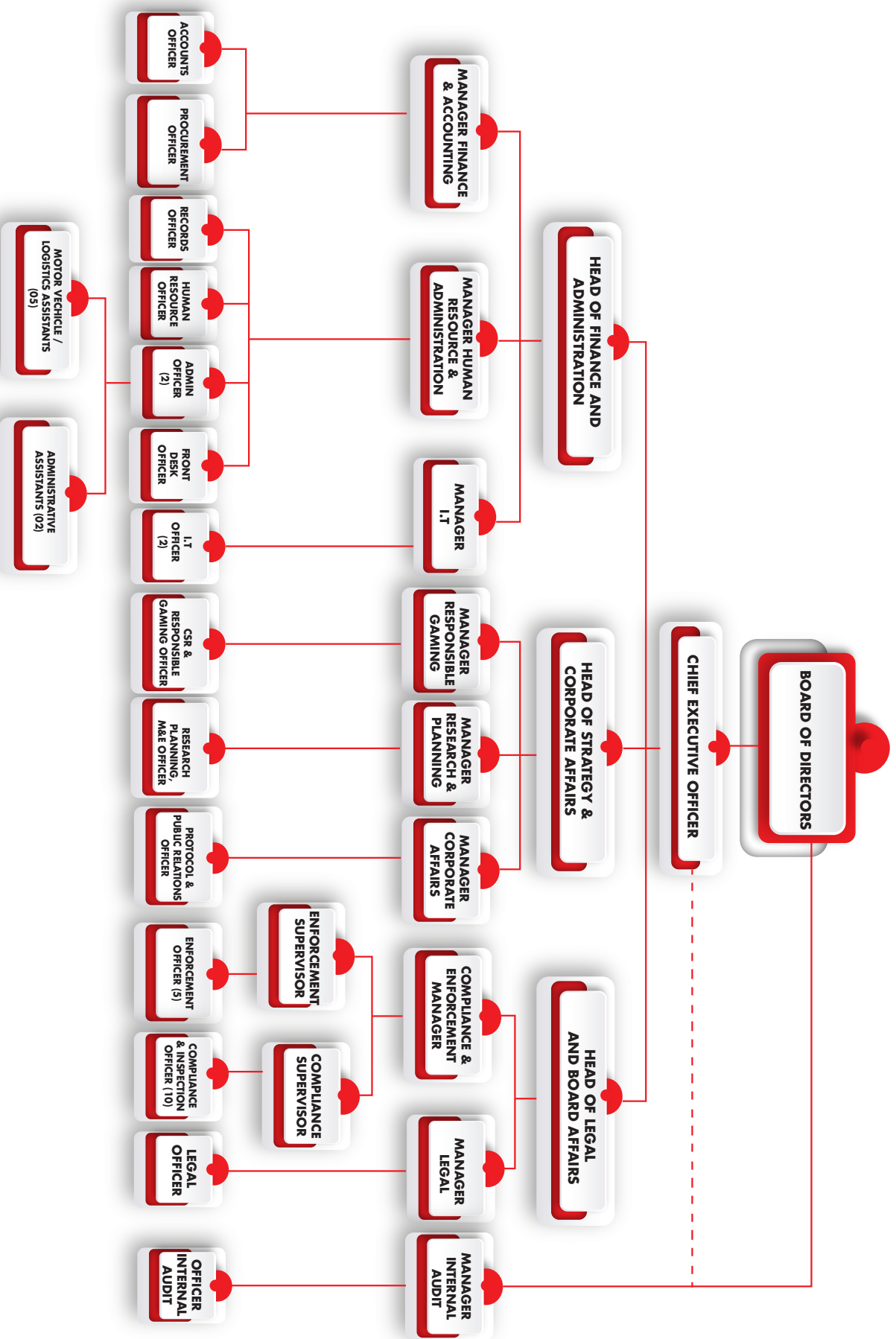
The Board serves for a period of 3 years and may be renewed for one more term.

The Board works closely with Management in developing policies and operational strategies. The Board business is undertaken through committees namely: Risk, Audit and Arbitration Committee; and the Finance and Administration Committee.

Management and Staff

The day to day operations of the NLGRB are supervised by the Ag. Chief Executive Officer who doubles as Head Strategy and Corporate Affairs. He is supported by other 02 departmental Heads, and 03 Managers who are heads of respective departments. The strategies and policies established by Board are implemented by Management and staff. NLGRB had 36 staff at the end of the year with the male to female ratio of 3:1.

Figure 1: ADMINISTRATIVE STRUCTURE OF THE NLGRB



1.0 Implementation of NLGRB Strategic Objectives



Strategic Objective 1: Strengthening partnerships with key stakeholders

For timely and efficient execution of activities, the Board developed strategic partnerships with a number of stakeholders. Specifically, NLGRB collaborated with Media houses and Local government among others to improve on the achievement of its mandate especially in enforcements and promotion of responsible gaming in the country. It should be noted that these arrangements are mutually beneficial and are helping the board and the organizations in the execution of their mandates.



NLGRB staff at an engagement session.



Strategic Objective 2: Reducing gaming harm

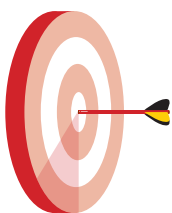
Gaming harm happens when the gambling activities start to cause problems for the player and the community. NLGRB is concerned about the increased harm from irresponsible gaming practices.

Several interventions were undertaken to ensure reduced number of minors participating in gaming; reduction in the number of reported cases of punters addicted to gaming; and ensure that there is improved perception of gaming.

In addition to Makerere University, members of LGRB held stakeholders meetings at Kyambogo University, Uganda Christian University and MUBS to create gaming sector awareness and leverage technology advancements to protect Uganda youths from the adverse effects of gambling. The team received commitment, positive feedback, ideas or proposals from all these stakeholders.

The engagement enhanced the Board's mandate and created public awareness on Responsible Gaming. For instance, prevention, identifying problem gamblers, counselling and treatment, protection of minors, awareness creation, training, and research.

One infomercial documentary on Responsible Gaming was produced and is being aired at convenient times to increase awareness about the sector and also promote responsible gaming in the country.



Strategic Objective 3: Increase stakeholder satisfaction

Conducted outreach and stakeholder engagement to increase NLGRB awareness among accountable persons and the general public.

Outreach activities and public awareness campaigns were undertaken through various platforms including; virtual (on-line) platforms, newspaper articles/press releases published in selected newspapers and magazines; conferences; workshops; seminars; and exhibitions.

This was achieved through strengthening stakeholder relationship management. The interventions carried out included:

- **Undertaking strategic marketing and communication.** To realize this, 11 Staff IDs were printed for the newly recruited Staff; a number of Teardrops and Vinyl stickers were procured and used to brand NLGRB premises; Brochures with different responsible Gaming messages were printed and distributed; 35 new photo captions were displayed on the NLGRB website; and the website was updated several times in the year and specifically 12 times in Q4;
- **Developing a framework for sector focused engagements:** NLGRB held 07 Stakeholder engagements with various stakeholders including Vision Group; Next Media Services (NBS TV); Gaming operators; Members of Parliament; and Government Citizens Interaction Centre;
- **Undertaking Corporate Social Responsibility programmes:** NLGRB had engagements in 07 regional referral hospitals and 07 learning institutions.
- Resolving of issues raised on the complaint handling platform.



NLGRB staff led by the CEO held their first of the many stakeholders meetings with Makerere to create gaming sector awareness and leverage technology advancements to protect Uganda youths from the adverse effects of gambling

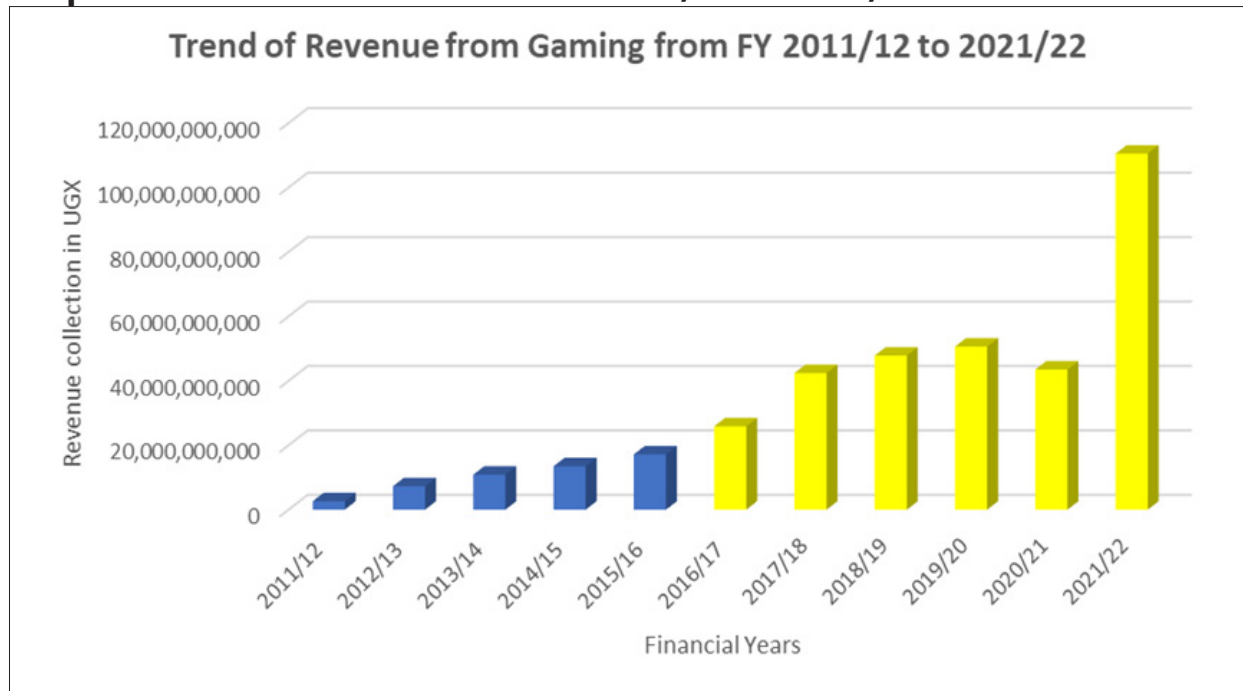


Strategic Objective 4: Increase revenue

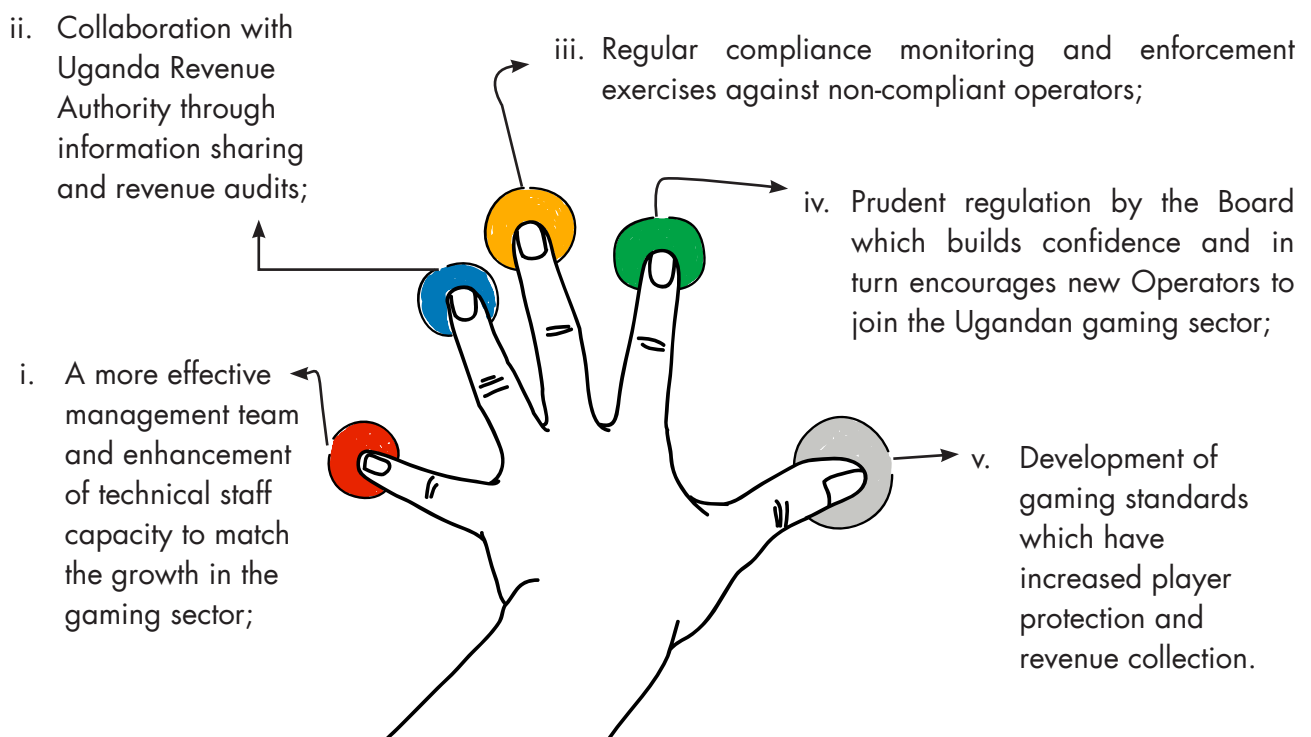
One of the Board's legal mandates is to enhance revenue collection from the various gaming activities.

Accordingly, the annual revenue collection has grown from UGX 17.16 Billion in FY 2015/16 when NLGRB was established to UGX 110.5 Billion in FY 2021/22.

Graph 1: Trend of Revenue collections 2011/12 to 2021/22



This revenue growth can be explained by the factors below.





Strategic Objective 5: Improve compliance

5.1. Enforcement

Enforcement exercises were carried out to enforce the laws that govern the Gaming Sector and to protect the public from adverse effects of gaming in Uganda. The enforcement was also aimed at the following:

- Seizing and confiscating illegal gaming equipment and devices in line with Section 5(h) of the Lotteries and Gaming (Amendment) Act, 2018;
- Closing of illegal or unlicensed gaming premises that contravene Section 26 of the Act;
- Closing of premises of non-compliant- licensed operators in line with Section 5(j) of the Lotteries and Gaming (Amendment) Act, 2018;
- Cautioning non-compliant operators in line with the Law, Board Directives and Guidelines Number 1 of 2018 on Enforcement.

5.1.1 Enforcement approach

A combined approach of surveillance, use of information from other departments of the Board, involvement of other stakeholders for example the Police and community members to support the team; were employed to achieve the above objectives. The following steps were taken:

- The team carried out surveillances and relied on information from the local community. The team identified informants to provide Intel on the locations of illegal operators and premises. This aided effective enforcement;
- The team strategically used the support of other relevant stakeholders such as the Uganda Police Force. The Police force has the mandate to enforce the laws of the land as stipulated in Article 212 of the 1995 Constitution of the Republic of Uganda as amended and the Police Act cap 303 as amended;
- The team used Compliance and Inspection reports as a source of information to target illegal and irregular gaming operations. For example, the team deployed to the field with the list of illegal Operators and premises that had been compiled by the compliance team while conducting inspections.

5.1.2 Enforcement Achievements

In the FY 2021/2022, the operation performance and output increased due to the increased number of staff in the enforcement department.

a. Enforcement operations.

The Board mounted efforts to confiscate illegal and unlicensed gaming equipment. A total number of 1,124 illegal gaming equipment and devices were confiscated, 77 premises cautioned and 19 premises closed for not complying with the Laws, Regulations, directives and guidelines including violation of COVID-19 SOPs.

Details of the confiscated machines and devices are in the table below:

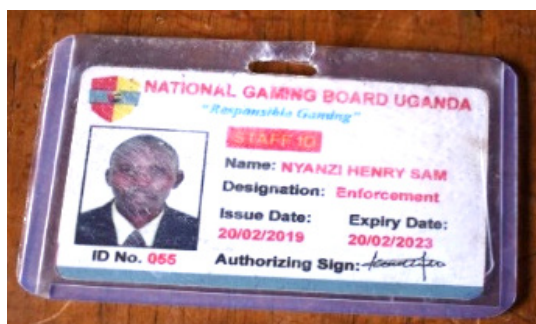
Confiscation Performance comparison per Quarter in the FY 2021/2022

Quarter	Number confiscated	Percentage
Q1	LOCKDOWN	LOCKDOWN
Q2	294	26.0%
Q3	353	31.5%
Q4	477	42.5%
Total	1,124	100%

b. Investigations

In the FY 2021/2022, the Board carried out several investigations on irregularities in the gaming sector.

The Board upon conducting an investigation in collaboration with the Uganda Police, arrested impersonators in the areas of Katwe and Buloba in greater Kampala. Files were opened in both cases i.e., SD Ref. 87/21/2022 at Katwe Police Station and Ref.161/2022 at Buloba Police Station.



The alleged impersonator, Nyanzi Sam at Katwe police and his forged ID



Illegal machine confiscated by the enforcement team in transit to the warehouse in Kawempe.

c. Cautioning of non-compliant licensees

The Board cautioned 77 premises of licensed operators in line with the Law, Board Directives and Guidelines Number 1 of 2018 on Enforcement.



Enforcement team cautioning Fortebet premises in Luwero

d. Closing of unlicensed illegal premises.

The Board closed off and sealed 20 premises that were operating without a license contrary to S.26 and 27 of the Lotteries and Gaming Act, 2016.

e. Surveillances

Surveillances were majorly conducted in the Greater Kampala Metropolitan in the areas of Kawempe, Bwaise, Equatorial Mall and Arua Plaza. Several illegal operators were identified and the sanctioned enforcements targeted some of the identified illegal operators.

The Board intends to conduct special enforcements at Equatorial Mall and Arua Plaza in the FY 2022/2023 as these were identified as hubs for illegal operators as per the Surveillance Reports.

f. Special Enforcements.

The Board carried out ad hoc enforcements when they got Intel from the community / local leaders reporting the prevalent illegal gaming activities in their jurisdiction. A total of 19 illegal gaming machines were confiscated in Kamwenge district in Q3 upon the DPC of Kamwenge district calling upon the Board to notify them of the illegal Operations in his area.



Illegal machines located at Arua Plaza

5.2.0 Compliance Operations

5.2.1 Operator Compliance Appraisal

In line with the Lotteries and Gaming Act, 2016 and the Lotteries and Gaming Regulations, 2017, Operators are required to comply with the provisions of the Law, regulations and Board guidelines that may be issued from time to time.

The Compliance and Inspection Department conducted compliance appraisals for 55 operators during the financial year. The reviews were made against the following benchmarks.

- Principal Licence in line with S.26 and 62 of the Act;
- Suitability of Premises in line with S.27 (3a) of the Lotteries and Gaming (Amendment) Act, 2018 and Regulation 18 of the Lotteries and Gaming (Licensing) Regulations, 2017;
- Licenced special Special employees in line with S.27 (3) and Regulation 26 of the Lotteries and Gaming (Licensing) Regulations;
- Approved games in line with S.32 of the Act, the Board may, by statutory order, approve the games that may be made available in a casino and the rules applying to those games;
- Registered equipment in line with S.33, 35 and 36 of the Act and Regulation 4 and 5 of the Lotteries and Gaming (Gaming and Betting Machines) Regulations, 2017;
- Tax Return analysis in line with S.4(f) and 50 of the Act;
- Minimum capital analysis in line with S.39 of the Act and Regulation 4(2) of the Lotteries and Gaming (Minimum Capital Requirements), 2017;
- Business plan implementation in line with the annual Business plans submitted to the Board;
- Public domain (complaints lodged against the Licencee) in line with S.4(m) of the Act;
- Anti-money laundering for casinos in line with the second schedule of the Anti-Money Laundering Act, 2013 and S.6(k)(i) of the same Act;
- Registration of punters in line with Regulation 5 of the Lotteries and Gaming (Betting) Regulations 2017 and the Data protection and privacy Act, 2019;
- Compliance with advertisement guidelines in line with S.70(d) of the Act, Regulation 3 and 4 of the Lotteries and Gaming (Betting) Regulations, 2017 and the Gaming (Advertisement) Directive, 2020;
- Gaming equipment certification in line with Regulation 6 and 7 of the Lotteries and Gaming (Gaming and Betting Machines) Regulations, 2017.
- A total of 1,309 premises were inspected and have been placed in three (3) categories.

- **Premises that are fully compliant**

There were a total 154 fully complaint operators that were found in the field during the Q4 monitoring exercise, this translates into 11.7% of the total inspected operators.

- **Premises cautioned**

There were a total 874 cautioned operators in the field for Q4, this translates to 66.8% of the total inspected field operations. Cautioned operators take up the biggest portion of the output collected by the compliance team.

- **Premises recommended for enforcement /ceiling**

There was a total of 281 operators recommended for enforcement/ceiling, this translates into 21.5% of the total number of operators inspected in the field.

Compliance Findings For Operator Premises For All The Regions Covered In F/Y 21/22.

#	Operator name	Cautioned	Compliant	Recommended for enforcement	Grand Total
1.	5 Points Investments Limited	9	1	15	25
2.	A Better Place Limited	3	20	1	24
3.	Aba Ventures Ltd (Head Office)		1		1
4.	Arua Casino Limited	5		43	48
5.	Audley Ltd		1		1
6.	Best Holdings Ltd	38	7	13	58
7.	Bet City Uganda Limited	3		6	9
8.	Eldorado Company Ltd	57	34	9	100
9.	Enterprise Gaming Limited	10	4	11	25
10.	Fair Sports Betting Limited	8	2	7	17
11.	Firma Profit International Ltd	9	6	4	19
12.	Grand Victoria Ltd	363	11	12	386
13.	Home Grounds Uganda Limited			6	6
14.	Hot Bet Uganda Ltd	8	1	9	18
15.	Kings Investments Ltd	212	19	79	310
16.	Lev Uganda Limited	4		2	6
17.	Nile Bet Ltd	1			1
18.	Owi Capital Ventures Ltd	10	4	20	34
19.	Parsha International Ltd	104	37	23	164
20.	Sahara Games Technology Ltd	12	1	11	24
21.	Sastos Amusements Ltd	17	3	10	30
22.	Visvar Investments Limited	1	1		2
23.	World Star Betting Ltd		1		1
	Grand Total	874	154	281	1309

5.2.2 General observations based on region

During Q4, the Board interacted with various operators across all the regions of the country and their compliance ratings are in the Table that follows. The difference in variations of compliance for different regions might depend on different factors to mention but a few strict interventions of the local councils, cultures, and other factors.

	REGION	COMPLIANCE RATINGS	RANKINGS
1	Mid-East	88%	1
2	KMP	85%	2
3	Albertine	81%	3
4	Greater Kampala	80%	4
5	Southwest	80%	5
6	Northern	80%	6
7	Far East	80%	7
8	Buganda	79%	8
9	Mid-West	78%	9
10	Near East	77%	10
11	West Nile	77%	11
	Grand Total	81%	

Buffalo banner in Partnership with Bunga bet on Slot Operations



Some Manufacturers like Bet City where seen Operating Shops





Photos of the graffiti paintings of Ababet Inn in West Nile



Graffiti paintings of Mel Bet





Minors inside a best bet Premise in Northern region and below the Compliance Team Educating a Shop Operator in the Gals Sports Betting Premise in Mbale





An illegal Operator in Kasese and below Kings Premise with activities viewed from outside



An Over Sized Forte Bet Banner



Enticing Posters inside Forte Bet Premises

5.2.3 Pre-Licensing inspections of Gaming Premises carried out Countrywide and Reports Prepared

The Board received 214 premises applications and undertook country wide inspections of them. This was in line with the Lotteries and Gaming (Licensing) Regulations which prescribe that all operator premises were to be vetted against the established requirements (Major and Minor).

Using a specific criteria, the following companies were evaluated for pre-licencing after applying and paying for premises of operation for the year 2022.

Criteria followed during Pre-licensing Inspections

S/n	Criteria	Category
1	Situated within a city, municipality, or town	Major
2	Minimum size of 30 square meters	Major
3	Permanent Structures	Major
4	Away from a school, a hospital, a market, a place of worship and government office.	Major
5	Accessible facilities of convenience and a common area for clients.	Major
7	Notice board in a conspicuous place	Major
8	Adherence to COVID-19 SOPs	Major
9	For Land based casinos, capacity to accommodate 10 gaming tables, 30 slot machines and ample parking	Major
10	Possession of a Principal Licence	Major
11	Adequate security	Minor

Status of Inspections as of December 2021

Following the inspection carried out and the criteria set, the outcome was as follows:

#	Item	Number
1	Recommended for Issuance of Premises Suitability of Premises Certificates	841
2	Premises to be Closed (near a school, market, hospital or less than 30 square meters)	148
3	Premises Closed at time of inspection	23
4	Premises not inspected	696
5	Total Applied for	1,708

Summary of 2nd Phase Inspection

Status	Number
Inspected	464
Uninspected	190
Closed	34
Not operational at time of inspection	8
Total	696

Of the 464 premises inspected, **351** premises met the criteria and were recommended for issuance of certificates of suitability, **113** did not meet the criteria and are not recommended for approval. See **Annex A** for details of phase 1 and 2.

Closed premises

The compliance team noted that because of the effects of the lock downs, brought about by the Covid 19 pandemic many operators during the 1st phase and the 2nd phase had started downsizing some of their operations and as such, they closed some of their premises permanently. The total number of closed premises stood at 57 premises i.e 23 were found closed in phase one and 34 in phase two.

Phase three (3) pre-licensing inspections.

The recently concluded pre-licensing exercise was carried out to cover the **214** recently uninspected premises and new applications by the operators.

A pre-licensing inspection exercise was carried out in the Kampala metropolitan areas listed below from **12th August to 17th August, 2022.**

- a) Makindye Division
- b) Rubaga Division
- c) Nakawa Division
- d) Central Division
- e) Wakiso District (Entebbe Municipality, Kiira Municipality, Makindye Ssabagabo)
- f) Mukono District.

A pre-licensing inspection exercise was carried out up-country in the areas listed below from **7th September 2022 to 13th September 2022;**

- a) **Western** (Masaka, Lyatonde, Sheema, Bushenyi, Ntungamo, Kisoro, Rukungiri, Kabale, Mbarara)
- b) **Northern** (Dokolo, Apac, Kitgum, Lira, Gulu, Amolatar, Pader, Omoro, Alebtong, Pader, Apac, Kwanya, Amuru, Oyam, Kole, Nwoya)
- c) **Albertine** (Masindi, Luweero, Kasese, Mubende, Nakasongola, Mityana, Hoima, Kyenjojo)
- d) **Buganda** (Sembabule, Gomba, Mpigi, Kasanda, Kalungu, Butambala, Bukomansimbi, Nakasongora, Nakaseke, Luweero)
- e) **West Nile** (Pakwach, Zombo, Nebbi, Maracha, Madi Okollo, Arua, Koboko, Yumbe, Moyo, Obongi, Adjumani)

The team managed to inspect a total of **192** premises. **126** premises met the criteria and were recommended for licencing approval, 66 failed and were not recommended for licencing approval.

5.2.4. 4 Gaming Operator Returns Analysis

The team carried out a returns analysis for the Q1, Q2, Q3 and Q4. The returns analysis was made against the sales, payout, win/loss (the difference between the sales and the payouts), withholding and gaming tax computations.

- 1) Sales/stake: These are the total stakes that players place their bets, or it can be defined as the total wager that punters place on bets.
- 2) Payouts: These are the total winnings by the punters/players.

- 3) Gross Gaming Revenue: also called game yield, is a key metric used by gambling and betting companies. It reflects the difference between the amount of money players wager minus the amount that they win. It is important to note that gross gaming revenue is equivalent to "sales" or "revenue" – not "profit" or "earnings".
- 4) Gaming Tax: This is tax levied on the gross wager/sales and it's at 20%.
- 5) Withholding Tax: This is tax levied on the gross payouts and it's at 15%.
- 6) Total Tax: This is the sum of the withholding tax and gaming tax levied.

The observations and recommendations made are based on deep insights and appreciation of the returns data and as well the information received from URA for a comparison.

Revenue analysis

Sales revenues for the gaming industry in Uganda was analyzed per operator and the ranking were made.

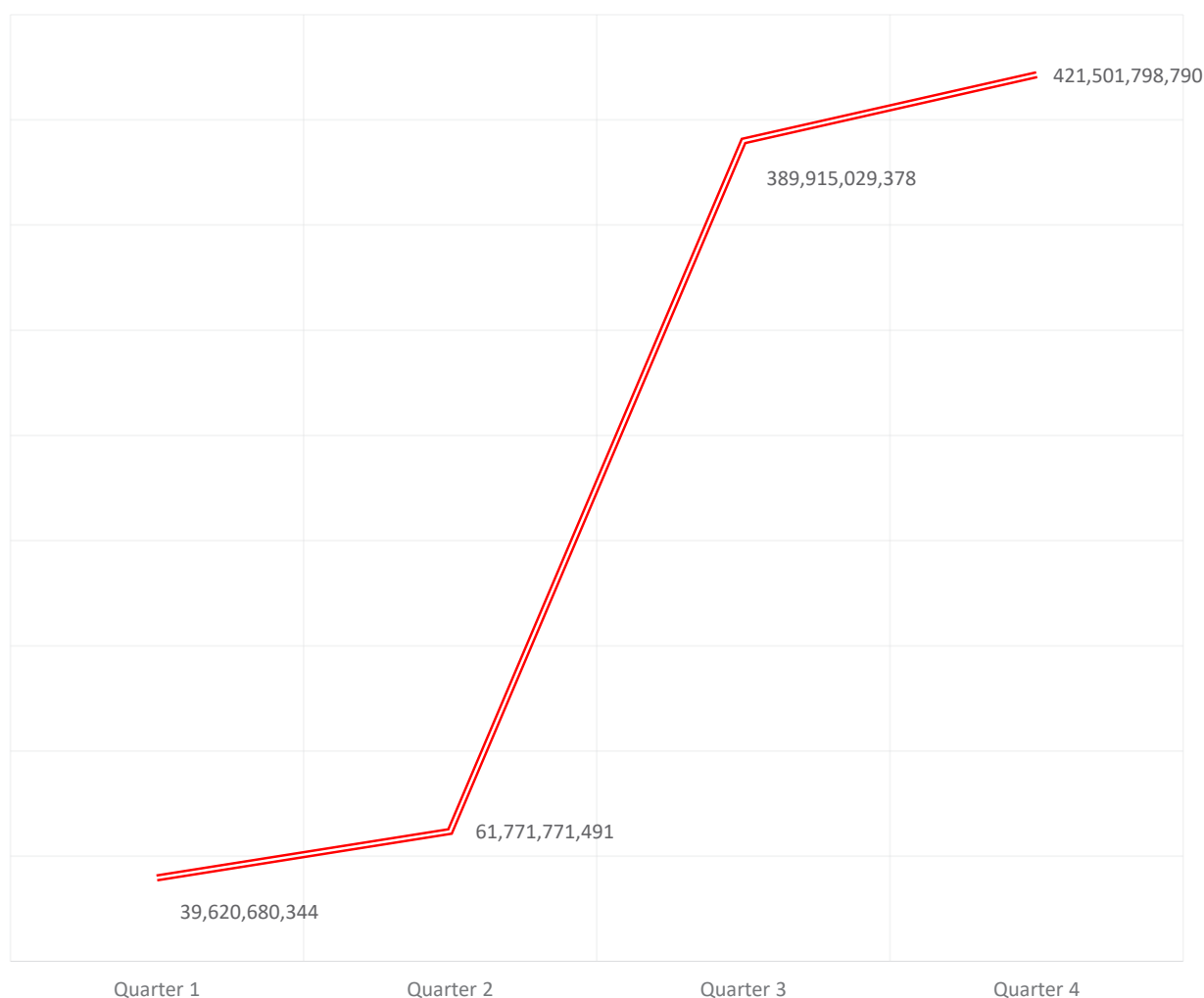
The table below gives a detailed breakdown of the sales revenue and a trend analysis chart for the F/Y 21/22 for all the operators in Uganda.

OPERATOR NAME	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Sales	2021-2022 Total Sales Ranking
Intel World Co. Limited	4,219,881,133	32,745,405,156	359,521,536,026	383,488,191,932	779,975,014,248	1
The Rangers Limited	23,494,414,775	5,135,919,159	-	-	28,630,333,934	2
Grand Victoria Limited	2,038,110,780	6,451,003,644	4,380,564,180	7,557,431,665	20,427,110,269	3
Eldorado Co.Ltd	350,759,878	2,229,411,443	4,035,224,156	7,192,703,733	13,808,099,210	4
Parsha International Limited	194,750,300	1,425,747,893	2,978,820,390	3,744,293,300	8,343,611,883	5
Aba Sports Betting (U) Limited	858,124,600	1,895,496,430	2,470,379,588	1,150,974,153	6,374,974,771	6
A Better Place Limited	858,124,600	1,895,496,430	2,470,379,588	1,150,974,153	6,374,974,771	6
Otrada Hospitality Limited	2,634,976,446	1,843,107,896	841,712,692	981,875,266	6,301,672,301	8
Blue Cube (U) Limited	2,765,102,790	2,058,259,689	864,850,516	444,673,019	6,132,886,014	9
Fortuna Limited	-	1,581,738,000	1,474,413,500	2,707,644,000	5,763,795,500	10
Advanced Gaming Limited	-	-	1,005,980,928	4,425,958,283	5,431,939,212	11
Kings Investment Limited	-	-	1,916,845,000	1,306,169,000	3,223,014,000	12
Grand Lisboa Limited	-	476,776,467	958,695,000	1,104,233,000	2,539,704,467	13
Audley Limited	-	-	1,205,352,777	1,141,558,414	2,346,911,191	14
Garden City Investment Limited	5,139,188	710,897,493	720,959,353	895,603,713	2,332,599,747	15
WorldStar Limited	506,962,754	494,362,553	468,743,581	451,495,453	1,921,564,340	16
Enterprise Gaming (U) Limited	-	346,980,161	769,643,637	706,931,749	1,823,555,547	17
Arua Casino Limited	138,898,000	757,161,300	514,788,300	267,854,000	1,678,701,600	18
Firma Profit International Limited	228,567,896	389,473,003	426,151,900	461,495,400	1,505,688,199	19
Quick Venture Co. Limited	359,580,333	364,711,341	399,601,477	333,724,437	1,457,617,588	20
Arcadia Hospitality Limited	623,413,572	312,619,348	307,357,885	211,089,271	1,454,480,076	21
Best Holdings Limited	-	-	373,500,000	396,228,000	769,728,000	22
Sahara Games Technology Limited	56,268,259	88,325,475	264,501,514	328,954,292	738,049,540	23

OPERATOR NAME	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Sales	2021-2022 Total Sales Ranking
Star Casino Limited	-	-	306,475,500	179,745,000	486,220,500	24
Golden Tripod Casino Limited	-	70,950,000	158,260,000	153,325,000	382,535,000	25
TGW	-	104,449,441	225,031,531	41,626,137	371,107,109	26
5 Point Investments Limited	55,854,278	113,519,654	114,194,894	68,125,495	351,694,321	27
Bet City Limited	170,364,114	145,430,346	-	-	315,794,460	28
Fair Sports Betting Limited	-	-	160,878,000	136,023,500	296,901,500	29
Sasfos Amusements Limited	4,097,700	69,144,238	71,470,005	70,911,649	215,623,592	30
Mobile Lotto Limited	-	-	211,693,757	-	211,693,757	31
Gaming East Africa & Entertainment Limited	-	-	70,634,000	139,257,000	209,891,000	32
HotBet Uganda LTD	-	-	66,218,075	107,758,723	173,976,798	33
Paragon Gaming Limited	19,417,160	32,633,693	33,243,587	47,528,955	132,823,395	34
Casino Golden City Limited	-	-	20,880,000	69,620,000	90,500,000	35
Lev U Limited	-	-	58,178,650	-	58,178,650	36
Tai Chi Casino Limited	-	12,562,545	21,637,987	21,377,394	55,577,926	37
Visvar Investments Limited	4,971,300	12,202,000	21,847,600	9,141,000	48,161,900	38
RF20 Limited	27,856,189	-	-	-	27,856,189	39
Game Pros (U) Limited	5,044,298	7,986,693	4,383,805	5,504,395	22,919,191	40
MAUUGAN ENTERPRISES LIMITED	-	-	-	1,798,308	1,798,308	41
Bet Masters	-	-	-	-	-	42
Buffalo Consultants Ltd	-	-	-	-	-	42
Cobblestone	-	-	-	-	-	42
Gateway Gaming Limited	-	-	-	-	-	42
GMCP	-	-	-	-	-	42
Good Bet (U) Limited	-	-	-	-	-	42
Home Grounds	-	-	-	-	-	42
Kefeng	-	-	-	-	-	42

OPERATOR NAME	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Sales	2021-2022 Total Sales Ranking
Mora Investments			-		-	42
NILE BET CO LTD			-		-	42
NOVO GAMES LTD			-		-	42
Owi Capital Ventures			-		-	42
Red Flower LTD			-		-	42
Rubine Box (U) Limited			-		-	42
SPORTS BETTING AFRICA (UGANDA) LIMITED			-		-	42
Ssebo Bet			-		-	42
Top Bet Sports Betting Limited	-	-	-	-	-	42
Ultimate Innovations			-		-	42
Wang guan Casino Limited	-	-	-		-	42
Zatoka Limited	-	-	-		-	42
Grand total	39,620,680,344	61,771,771,491	389,915,029,378	421,501,798,790	912,809,280,003	

TRENDLINE SHOWING GROWTH IN QUATERLY SALES IN 2021-2022



Tax Analysis

The expected tax to be paid by the operators for the gaming industry in Uganda was analyzed per operator and the rankings were also made.

A trend analysis of the total expected tax for the sector in Q1 stood at UGX. 7,042,709,600 this moved to UGX. 10,768,836,293 for Q2 and indication of a 52.9% increase in total expected tax. Q3 saw a very exponential increase in expected tax at UGX. 41,014,646,711 and indication of a 280% increase. This exponential increase was attributable to the full opening of the economy in Q3. Q4 also had the total expected tax of UGX. 65,610,625,240 an increase of 59%.

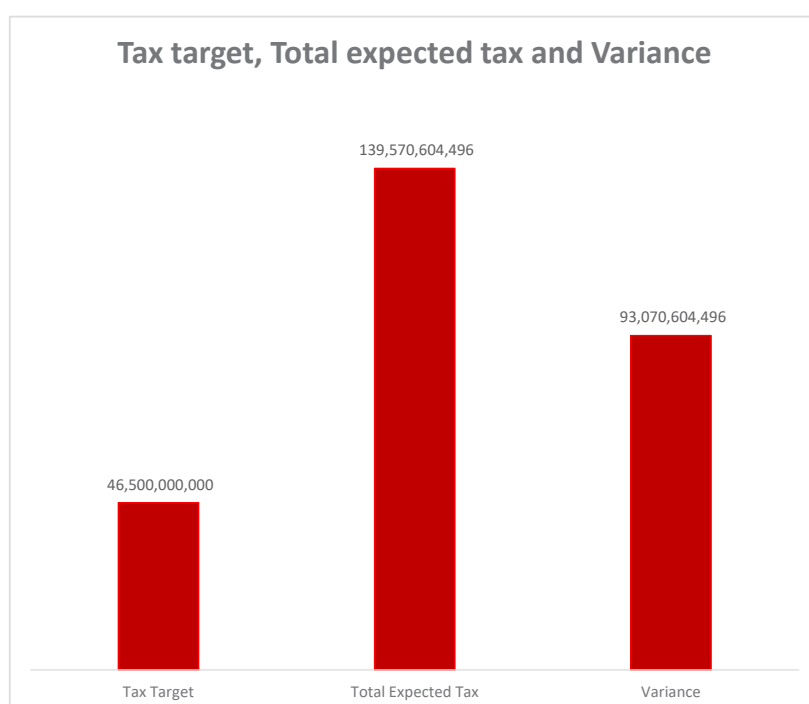
TRENDLINE SHOWING GROWTH IN TOTAL EXPECTED TAX IN 2021-2022



Expected tax versus the 46.5 billion target as per MPS Vote 314

A comparative analysis of the expected tax of UGX. 139,570,604,496 and the target as per the MPS **Vote 314** of UGX. 46,500,000,000 implied that the Board exceeded target by Ugx. 93,070,604,496.

The graph below shows the comparative between the target and expected tax collection.



A comparison between the expected tax and actual tax collected by Uganda Revenue Authority (URA).

Computations that were made for every operator regarding the expected withholding and gaming tax to paid were compared to the actual tax that was paid to URA. A comparative analysis of the data and the variance was made.

These were the top five gaming tax contributors for the F/Y 21/22.

Actual tax contributions of different gaming operators and ranks.

Operator name	Gaming Tax	Withholding tax	Total tax	% Contribution	Ranking
Intel World Co. Limited	28,113,288,872	16,043,116,653	44,156,405,525	47%	1
The Rangers Limited	2,891,220,338	8,523,478,770	11,414,699,108	12%	2
Grand Victoria Limited	7,522,651,015	3,514,994,900	11,037,645,915	12%	3
A Better Place Limited	2,210,238,081	1,964,118,172	4,174,356,253	4%	4
Eldorado Co.Ltd	1,199,288,163	1,501,386,778	2,700,674,941	3%	5
Advanced Gaming Limited	1,329,258,403	1,249,073,204	2,578,331,607	3%	6
Parsha International Limited	1,276,467,955	851,662,060	2,128,130,015	2%	7
Kings Investment Limited	1,465,185,991	280,371,736	1,745,557,727	2%	8
Aba Sports Betting (U) Limited	441,782,965	1,239,507,969	1,681,290,934	2%	9
RF20 Limited	836,693,365	793,194,032	1,629,887,397	2%	10
Fortuna Limited	1,075,081,527	279,927,707	1,355,009,234	1%	11
Otrada Hospitality Limited	470,204,944	763,908,821	1,234,113,765	1%	12
Blue Cube (U) Limited	455,273,130	731,397,828	1,186,670,958	1%	13
SPORTS BETTING AFRICA (UGANDA) LIMITED	82,039,794	943,422,609	1,025,462,403	1%	14
Garden City Investment Limited	642,153,418	97,997,225	740,150,643	1%	15
Audley Limited	620,785,857	115,505,350	736,291,207	1%	16
Golden Tripod Casino Limited	86,182,948	353,754,971	439,937,919	0%	17
Grand Lisboa Limited	171,234,233	227,936,500	399,170,733	0%	18
Star Casino Limited	361,429,400		361,429,400	0%	19
Enterprise Gaming (U) Limited	162,748,086	160,052,326	322,800,412	0%	20
Quick Venture Co. Limited	119,810,026	173,043,199	292,853,225	0%	21

Operator name	Gaming Tax	Withholding tax	Total tax	% Contribution	Ranking
Firma Profit International Limited	177,310,550	106,024,575	283,335,125	0%	22
Top Bet Sports Betting Limited	33,798,400	238,723,190	272,521,590	0%	23
Arcadia Hospitality Limited	106,530,051	103,480,931	210,010,982	0%	24
Best Holdings Limited	133,182,304	70,867,040	204,049,344	0%	25
Gaming East Africa & Entertainment Limited	142,225,000	10,814,900	153,039,900	0%	26
Sahara Games Technology Limited	55,805,214	54,685,221	110,490,435	0%	27
Fair Sports Betting Limited	59,085,351	31,544,638	90,629,989	0%	28
TGW	51,246,541	34,836,390	86,082,931	0%	29
5 Point Investments Limited	64,982,067	11,318,575	76,300,642	0%	30
Sastos Amusements Limited	12,962,626	60,535,935	73,498,561	0%	31
Arua Casino Limited	71,101,112	-	71,101,112	0%	32
Bet City Limited	-	62,957,579	62,957,579	0%	33
Gateway Gaming Limited	54,767,110	1,775,191	56,542,301	0%	34
Owi Capital Ventures	12,241,054	29,761,592	42,002,646	0%	35
WorldStar Limited		40,500,000	40,500,000	0%	36
HotBet Uganda LTD	7,589,735	20,859,944	28,449,679	0%	37
Casino Golden City Limited	13,708,000	11,425,500	25,133,500	0%	38
Paragon Gaming Limited	7,005,662	12,665,324	19,670,986	0%	39
Mobile Lotto Limited	16,747,344		16,747,344	0%	40
Game Pros (U) Limited	1,879,985	14,211,188	16,091,173	0%	41
Lev U Limited	11,816,102	3,364,857	15,180,959	0%	42
NILE BET CO LTD	11,990,000	-	11,990,000	0%	43
Tai Chi Casino Limited	1,834,546	9,723,342	11,557,888	0%	44
Ultimate Innovations	6,180,000	4,923,297	11,103,297	0%	45
Visvar Investments Limited	9,060,900	280,197	9,341,097	0%	46

Operator name	Gaming Tax	Withholding tax	Total tax	% Contribution	Ranking
Rubine Box (U) Limited	6,475,783		6,475,783	0%	47
NOVO GAMES LTD	1,469,000		1,469,000	0%	48
Good Bet (U) Limited	1,251,687		1,251,687	0%	49
MAUUGAN ENTERPRISES LIMITED	157,260	640,953	798,213	0%	50
Zatoka Limited	-	-	-	0%	51
Wang guan Casino Limited	-	-	-	0%	51
Ssebo Bet	-	-	-	0%	51
Red Flower LTD	-	-	-	0%	51
Mora Investments	-	-	-	0%	51
Kefeng	-	-	-	0%	51
Home Grounds	-	-	-	0%	51
GMCP	-	-	-	0%	51
Cobblestone	-	-	-	0%	51
Buffalo Consultants Ltd	-	-	-	0%	51
Bet Masters	-	-	-	0%	51
Total	52,605,421,895	40,743,771,169	93,349,193,064		

Conclusion

With the full opening of the sector, the post pandemic period is surely going to have an improvement regarding the increased revenues for operators and increased taxes.

The stringent and ever changing hard global economic situation should also be a factor not to be forgotten as it will surely have an impact on the sector in the coming financial year 2022/2023.

Out of the 1309 premises inspected, 78.5 % of these met the basic compliance requirements and 21.5% of the premises were in breach of the fundamental requirements which warrant enforcement. It can rightly be concluded that while majority of the operators have taken steps towards ensuring compliance with the compliance obligations, there is still a desperate need to educate the Operators on the compliance requirements. There is also need for continuous sensitization of the population on the industry and the role of the Board in the industry.



Strategic Objective 6: Improve cost effectiveness and accountability

In a bid to improve management, foster the implementation of the Board's Strategic Plan and achieve results, NLGRB in the 2021/22 FY carried out 04 Staff performance Appraisals; provided lunch to all its 36 staff; funded 08 Staff to undertake specialized trainings. Nine staff are still undertaking this specialized training.

During 2021/22, all the 36 staff were sensitized on Covid19, Malaria, HIV/AIDS and other non-communicable diseases in a bid to foster prevention, management and prevention of these ailments amongst its workforce. The Board was able secure medical insurance cover for all its 36 staff. The process of securing Workman's compensation insurance cover for all its staff is ongoing. The Board has also succeeded in updating records for all the 36 staff.



Strategic Objective 7: Improve governance and communication systems

1. Promotion of Good Governance

The Board has developed the following Policies and Manuals:

- i. Board Charter
- ii. Information and Technology Manual;
- iii. Records Manual;
- iv. Internal Audit Charter and Manual;
- v. Enforcement and Compliance Manual;
- vi. Re-engineering and Automation of Business Processes.

2. Promoting Local Content

The Board gives preferential treatment to East African Nationals during licensing. The percentage of local ownership of Gaming Companies has grown from 20% in 2019/20 to 40% in 2021/22. The Sector directly employs over 9,000 Ugandans (professionals and non-professionals).

7.2 Client-oriented Approach of the Board with Operators and General Public

The Board of Directors have developed a client-oriented approach that facilitates ease of doing business. The Board has held engagements with gaming operators, URA and FIA. The Board also engaged five illegal companies that have since obtained licenses.



Strategic Objective 8: Improve research and planning

The changing trends and patterns in the gaming industry necessitate continuous research aimed at coming up with strategies to close regulatory gaps.

In the FY 2021/22, one survey was conducted to ascertain the trend, growth and effect of Gaming in the country. A Consultancy to roll out business process re-engineering to facilitate business automation at the Lotteries and Gaming Regulatory Board has also been procured and is under way.



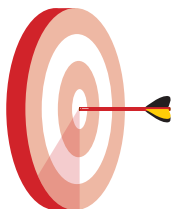
Strategic Objective 9: Improve Business Processes

The system has been developed. Integration and user acceptance testing phase is ongoing. The automation is expected to be implemented in Financial Year 2022/23. Similarly, sets of gaming standards have been developed by the Board in collaboration with GLI. UNBS is yet to approve and gazette them. The implementation of this project is set to resume in Financial Year 2022/23. An Access control system has been procured and installation completed at the office. The service and maintenance of all IT equipment was carried out at office.



Objective 10: Improve infrastructure

NLGRB needs to acquire and maintain assets for sustainability purposes. Of priority importance, the NLGRB needs to develop and move to its own premises to cut costs on rent in the long term. The NLGRB needs to locate strategic equipment in vital areas to expand coverage.



Objective 11: Increase uptake of technology

(a) National Central Electronic Monitoring System

The National Central Electronic Monitoring System (NCEMS) is a type of system that the Board has procured in line with Section 61 of the Act, to detect and monitor significant events associated with gaming activities, analyze and report received data. This procurement commenced in the year 2018/19, but due to its complexity, was not completed by then. Due to the COVID-19 pandemic that caused travel restrictions, due diligence was undertaken online and the contract signed by the Ministry of Finance on behalf of the National Lotteries and Gaming Regulatory Board. Implementation commenced in the FY 2020/21 with initial engagements with the different key stakeholders to discuss the different outputs expected, and to guide in the design of the system. The development has been slowed down by overlapping projects that are being carried out by the development team (NITA-U). Consequently, the implementation of the project has been slowed by funding constraints.

(b) Information Communication Technology (ICT) Manual

The Board drafted an ICT Manual to guide the set-up, management and maintenance of ICT infrastructure. The draft was subjected to review by the Ministry of ICT and National Guidance. The Ministry advised the NLGRB to incorporate matters related to cyber security, software development and acquisition as well as data protection and privacy. In addition, the manual has been submitted to National Information Technology Authority Uganda [NITA (U)] for further review and guidance.

(c) Development of gaming standards.

NLGRB in consultation with UNBS, developed 14 gaming software and hardware standards. The process of public review and comments has been concluded. The standards are awaiting UNBS approval.



Strategic Objective 12: Improve Skills, Knowledge and Teamwork

NLGRB's commitment is to attract and retain the right talent pool that contributes effectively to the delivery of its overall strategy and mandate. As such, NLGRB is dedicated to ensuring that there is continual capacity development of its staff. In 2020/21 the Board sponsored its technical staff to undertake numerous courses. NLGRB staff also continue to attend courses offered by various partner organizations to enhance their understanding of the gaming industry and improvement in execution of its mandate.

12.1 NLGRB Human Resource Workforce

The NLGRB workforce comprised of the following categories: staff on permanent contract, staff on probation, and temporary staff as shown in the matrix below.

#	Category of contract	Number of employees	Status
1	Permanent contract	24	Active
2	Probation contract	12	Active
3	Temporary	01	Contract expired
4	Total	37	

12.2 Wage and salary Management

Salary management is an ongoing task processed monthly. In the FY ended 30th June 2022, the HR unit processed payrolls for the 12 months in the FY from 1st July 2021 to 30th June 2022.

These were approved by the Accounting Officer and all staff received their monthly salaries as indicated in the matrix below.

#	Month	Number of employees on payroll	Number of employees paid
1	July 2021	25	25
2	August 2021	26	26
3	September 2021	28	28
4	October 2021	28	28
5	November 2021	28	28
6	December 2021	26	26
7	January 2022	26	26
8	February 2022	28	28
9	March 2022	32	32
10	April 2022	36	35
11	May 2022	36	36
12	June 2022	36	36

12.3 Recruitments

The board was engaged in a series of staff recruitments to fill the gaps left by staff whose contracts expired and were not renewed and for those staff who resigned. In the Financial Year 2021/22, 19 new staff were recruited in the departments of Compliance and Enforcement; Human Resource and Administration; Finance and Accounts; and Responsible Gaming as indicated in the table below.

#	Category	Number of Staff recruited	Status
1	Manager Finance and Accounts	1	Active
2	Manager Responsible Gaming	1	Active
3	Supervisor Compliance	1	Active
4	Supervisor Enforcement	1	Active
5	Compliance Officers	6	Active
6	Enforcement Officers	3	Active
7	Responsible Gaming Officer	1	Active
8	Procurement Officer	1	Active
9	Front Desk Officer	1	Active
10	Administrative Officer	1	Active
11	Administrative Assistants	2	Active
12	Total	19	

12.4 Orientation and induction of new employees

All newly appointed staff were taken through the induction process. This process provided the new staff with the necessary information to enable them accustom themselves to the job and to familiarize with the respective departments.

The topics covered included the following matrix.

#	Induction topics	Facilitator	Status
1	<ul style="list-style-type: none"> • Welcoming new staff to the Board • Brief about Board and Management expectations • Brief about the gaming industry 	Ag. Chief Executive Officer	Completed
2	<ul style="list-style-type: none"> • Brief on the HR Manual • Administrative procedures • Employee entitlements • Staff welfare • Occupational Health and safety 	Finance and Administration	Completed
3	<ul style="list-style-type: none"> • Tools of trade • Directorate expectations • Laws regulations governing Board operations and activities • Segments of the Board • Board structure • Job description and terms of reference. 	Head Legal and Board Affairs	Completed
4	<ul style="list-style-type: none"> • Compliance and enforcement Operational procedures • Use of operational tools 	Manager Responsible Gaming	Completed
5	<ul style="list-style-type: none"> • Accountability process • Processing company Returns 	Manager Internal Audit	Completed
6	<ul style="list-style-type: none"> • Briefing on the Board Strategic Plan • The planning and reporting process 	Planning Research and M&E officer	Completed
7	<ul style="list-style-type: none"> • Brief about the Board responsible gaming program • Operator obligations under responsible gaming • Stakeholder engagements • Brief on the need for CSR 	Responsible Gaming and CSR Officer	Completed

12.5 Performance Management

The Board regards performance of its employees as a key factor to meeting its mandate. Several performance management measures were established to reward good performing staff and to check poor performances, these include promotion, training and development, rewarding outstanding employees and assessment of its staff during time of contract confirmation, renewal of contract and annual general staff assessments.

12.5.1 Promotions

Section 5.12 of the Board Human Resource Manual states that Promotion means advancement of an employee to a job or position in terms of greater responsibility, higher status, and a higher salary scale. Appointment on promotion takes effect when an officer serving the Board in a lower rank fills a vacancy in a higher rank.

The Board promoted Mr Denis Mudene Ngabirano formerly Manager Information Technology to Head Strategy and Corporate Affairs and subsequently appointed Acting Chief Executive Officer and Accounting Officer following the resignation of Ms. Juliet Namuli.

12.5.2 Re-designation.

Re-designation is a performance management measure intended to deploy a staff where he/she is more productive and effective. The Board resolved to re-designate Ms. Grace Kemo and Naume Mbeiza Inspection and Compliance Officers to Enforcement Officers. The two officers have formally been settled in their new positions.

12.6 Training and Development

The National Lotteries and Gaming Regulatory Board regards its employees as its important assets and is committed to ensuring that staff are trained to carry out their jobs efficiently.

During FY 2021/22, Management approved to sponsor 15 members of staff to undertake short term and long-term trainings in various disciplines as indicated in the matrix below.

#	Directorate/Departments	Number trained
1	Strategy and Corporate affairs	1
2	Legal and Board Affairs	4
3	Finance and Administration	9
4	Internal Audit	1
Total		15

Status of trainings (training report attached to this report as appendix 1)

S/n	Status of the training	Number trained
1	Completed	7
2	On going	8
Total		15

12.7.0 Staff assessment (Appraisal)

The Board uses staff appraisal as a tool of assessing the performance of its employees for several reasons including confirmation of contract, renewal of contract and general annual appraisal.

12.7.1 Confirmation of Staff on Probational Appointments.

Following the successful completion of the 6-month probational period and assessment, Management approved the confirmation to permanent contracts of 7 new staff as seen in the matrix below.

12.7.2 Annual Staff Appraisal

The annual staff appraisals are on-going in the different departments where directorates assess performance of their staff for a period of 1 year January to December.

12.8 Team Building

Engaging employees in team building activities is an effective tool in increasing engagement, involvement and creating synergy among staff at different levels. During FY2021/22, the Departments organized team building sessions for their employees



Board and staff of LGRB at Munyonyo resort during team building retreat.

12.9.0 Rewards and Benefits

Rewarding outstanding staff is a performance management tool used to encourage hard work and increase staff engagement and involvement. In the FY2021/22 the Board rewarded its outstanding staff in two forms, that is

12.9.1 Employee of the Year

- Mr. Julius Tumwine was recognised for his outstanding performance during the year 2021 and was awarded as Employee of the Year
- Ms. Vannesa Babirye and Mr. Richard Walugada were recognised as rising employees

The officers recognised in the above categories were awarded a certificate and also offered a financial reward.



Board members in a group photo with award winners Mr Julius Tumwine for his outstanding performance during FY 2021/2022 and also rising employees Ms. Vannesa Babirye and Mr Richard Walugada

12.9.2 Service Award

The Human Resource Manual provides for reward of long serving employees of the Board. The award is to appreciate employee commitment to the Board. Management approved the awarding of 13 long serving Board employees with financial service award benefit of 15% of their annual salary for the number of years served at the Board.

These employees included active and inactive staff as indicated in the table below.

#	NAME OF EMPLOYEE	POSITION HELD
1.	Denis Mudene Ngabirano	Head Strategy & Corporate Affairs
2.	John Bernard Winyi	Head Finance and Administration
3.	Juliet Namuli	Former Head Strategy and Corporate Affairs
4.	Ronald Kimanje	Records Officer
5.	John Patrick Elesu	Strategy, Research and Planning Officer
6.	Naume Mbeiza	Compliance and Inspection Officer
7.	Grace Kemo	Enforcement Officer
8.	Jeniffer Kyomuhendo	Accounts Officer
9.	Lydia Matama	Compliance and Inspection Officer
10.	Collins Akampurira	IT officer
11.	Charles Ssekamatte Kawuma	Drivers/ Logistics Assistant
12.	Brian Ainomugisha	Supervisor enforcement
13.	Maude Kesiime	Administrative Officer
14.	Matia Munyirwa	Office Attendant

12.10 Internship Programmes

The Board through the Human Resource Manual provides for offering of internship opportunities to Postgraduate and Undergraduate students to undertake industrial training at the Board.

In the FY2021/22, Management approved 17 internship offers to students from different higher institutions of learning including Makerere University Kampala; Kyambogo University; Uganda Christian University, Mukono; Ndejje University; Law Development Center; and Nkumba University. All the interns completed their trainings successfully and were exited.

12.11 Staff welfare

Managing staff welfare at the Board is a core function of the HR unity. During the FY2021/22, the department achieved the following regarding staff welfare.





12.12 Enrolment of Staff and their beneficiaries on Medical Insurance.

36 staff members and 86 beneficiaries were enrolled to medical insurance cover with Jubilee Insurance. This was to provide Board employees and their immediate family effective health services.

12.13 Enrolment of Staff on Group Life Insurance & Accidents and Death cover

36 staff members and 86 beneficiaries were enrolled to Group Life Insurance cover with ICEA.

12.14 Other welfare benefits include

- i. Break fast and Lunch
- ii. Well stocked First Aid Kit
- iii. Drinking water

12.15 Office Premises and Staff Security

The Board enhanced the security of its premises and staff through acquiring security personnel from Uganda Police Anti-Terrorism Unit to provide security to Board staff and property.

12.16 Installation of Bio- metric Access locks

Bio-metric access locks have been installed at the entrance of Board premises and access to key offices like Stores, Records, etc.

2.0 Administrative Function

The administrative function of the Board supports in providing a conducive work environment for Board employees and its stakeholders.

2.1 Cleaning services

The contract for provision of cleaning services to the Board by Almid Cleaning Services was extended to September 2023 to give room for the procurement process.

2.2 Rent for office Premises

Rent for office premises has been cleared up to the month of September 2023 (end of Q1).

2.3 Fleet Management.

The department has continuously ensured that Board motor vehicles are in perfect mechanical condition to safeguard the lives of staff who use them during activities. Five (5) motor vehicles and one motorcycle are attached to the Board.

#	Type of Vehicle	Motor vehicle registration	Mechanical Status
1	Chevrolet (attached to Ag. CEO office)	UG 0793F	Active
2	Rush	UG 0823F	Active
3	Rush	UG 0824F	Active
4	Rush	UG 0825F	Active
5	Mazda double cabin pickup	UG 0791F	Grounded (inactive)
6	Motorcycle	UG 0790F	Active

3.0 Cross Cutting Issues

During the FY 2021/22, the Board organised an awareness and sensitization workshop for staff in implementation of the planned cross cutting policy issues. Key among the issues emphasised were the following.

3.1 HIV/AIDS

The orientation and induction were facilitated by Uganda AIDS Commission. The orientation was aimed at increasing staff awareness of the prevention, treatment, care, and support systems for management of HIV/AIDS at the Board.





Mr. Charles Otaayi from Uganda Aids Commission orientating staff on the increasing spread of HIV/AIDS and the support systems for the management of HIV/AIDS



3.2 Gender

This was facilitated by Equal Opportunities Commission, and it aimed at training and building staff capacity in gender equity responsive budgeting.



NLGRB staff attending training to capacity to build in gender equity responsive budgeting

3.3 Environment

This was facilitated by National Planning Authority, and was aimed at promoting awareness, knowledge, and attitudes of workplace environment. Key outcomes included building staff capacity on key principles of sustainability, that is, economy, society and the environment.



Ms. Catherine Mayanja from the National Planning Authority inducting NLGRB staff on workplace environment building key principles on sustainability (economic, social and environment)

4.0 Challenges faced by the Board during FY2021/2022

i.

Inadequate budgetary provisions/budget cuts: NLGRB reprioritizes its resources during the planning and execution of activities and continues to engage the Ministry of Finance Planning and Economic Development for additional resources especially for key unfunded and underfunded activities. The inadequacy of budgetary resources negatively affects the Board's ability to undertake some due diligence checks, mentioned above, comprehensively.

ii.

COVID-19: The COVID-19 pandemic brought on many challenges and affected the planned activities of the Board. The most affected activities were in areas of outreach and on-site inspections of the gaming operations due to closure of land-based gaming operations, sensitization drives, enforcement activities on unlicensed operators.

iii.

Ignorance of the gaming industry legal framework by the general public: During inspection and enforcement drives, the Board faces resistance from the employees of operators who do not understand the role of the Board. It is upon this experience that the Board plans to carry out sensitization meetings with the different operators and employees to teach them about the law.

iv.

Illegal Operators: The sector has several illegal operators both online and land based. In the FY2022/2022, the illegal land-based operators included SkyBet and online illegal operators included Uganda Bettors' Association, Crown football, UwinBet Uganda, E-Cairo, Ugafootball, and BLQ football and the Board will continue to reign on them.

5.0 Priorities for the FY2022/2023

Improve adherence to tax and gaming sector regulatory requirements: This will be done through appraising the performance of operators against the set compliance parameters and administrative costs. The board will also acquire new tools and carry out routine inspections. Notably, the Board will acquire relevant equipment and software to monitor the sector adequately;

Improve the regulatory environment in the gaming sector: This will be aimed at promoting responsible gaming, reigning on errant operators and maximizing revenue collection for the country.

Conduct public awareness: The public needs about gaming regulatory frameworks, adverse effects of gaming and responsible gaming in order to improve public awareness about the gaming industry and its adverse effects;

Rehabilitating people affected by gaming activities: This will be carried out through counselling and treatment of the problem gamblers;

Carry out Revenue enhancement research: The research in the gaming sector will be conducted through the development of joint research initiatives with partners;

Research based policy: NLGRB will conduct research on the prevalence of problem gambling. The findings will be used to come out with practical solutions on how to control the vice through research-based policy;

Stakeholders Involvement: The NLGRB will continue to involve various stakeholders on Gaming regulatory matters. The LGRB will therefore promote engagement with Gaming operators, Ministry of Finance, Planning and Economic Development; Uganda Police Force and Uganda Revenue Authority.

Maintaining a Properly Regulated Sector: The Board will continue to effectively regulate the gaming industry, ensuring that the industry is free from criminal elements or exploitation, while also ensuring that vulnerable members of our communities are free from the harm associated with the industry. The board will give access to information, education and public-awareness programmes that grow awareness of responsible gaming



Audited Financial Statements for the Financial Year ended 30 June 2022

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NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Responsibilities of the Accounting Officer

The financial statements set out on pages 6 to 36 have been prepared in compliance with the provisions of the Public Finance Management Act, 2015 (the Act) and the generally accepted accounting principles for the public sector. They have been prepared on the modified accrual basis of accounting where revenue is recognised when earned with the exception of taxes and grants which are recognised when received. Expenditure on the other hand is recognised when incurred as further detailed in the accounting policies attached to these financial statements.

In accordance with the provisions of Section 45 and Schedule 5 of the Public Finance Management Act, 2015, I am responsible for and personally accountable to Parliament for the activities of the vote to which I am the accounting officer. Further, I am responsible for the regularity and proper use of the funds appropriated to the vote to which I am the Accounting Officer. I am also responsible for authorizing any commitments made by the vote and for controlling resources received, held or disposed of by or on account of the vote. Finally, I am responsible for putting in place effective systems of risk management and internal control in respect to all resources and transactions of the vote.

Section 45 (3) of the Act require the Accounting Officer to enter into an annual budget performance contract with the Secretary to the Treasury which shall bind the Accounting Officer to deliver on the activities in the work plan of the vote for a financial year.

Sections 50 and 51 of the Act require me to prepare and submit financial statements of my vote to the Accountant General for consolidation and to the Auditor General for audit within the specified timelines using the prescribed formats.

Accordingly, I am pleased to report that I have complied with these provisions in all material respects and I am also 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 and objectivity of these financial statements, the financial information they contain and their compliance with the Public Finance Management Act, 2015 as amended.

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Commentary on the Financial Statements by the Accounting Officer

General Information about the Reporting Entity

Principal Activity of the Vote

Principal Activity of the National Lotteries and Gaming Regulatory Board

The National Lotteries and Gaming Regulatory Board was established by an Act of Parliament (Lotteries and Gaming Act No. 7 of 2016) to supervise and regulate the establishment, management and operation of Lotteries, Gaming, Betting and Casinos in Uganda and to protect citizens from the adverse effects of Gaming and Betting in Uganda.

Key Performance highlights

During the FY ending 30th June 2022, LGRB's key achievements against the targets for the year are outlined below:

Output	Target for the FY 2021/22	Achieved in the FY 2021/22	Comment for variance
Revenue from the Gaming Sector	UGX.80 Billion	UGX.110.5 Billion	Improved Enforcement through collaboration and information sharing with URA
Licensing	70 Licenses	65 Licenses Issued	
Gaming Standards Drafted	14	14	Under Review by committee comprised of NLGRB, UNBS, NITA, UTB
Gaming Dispute resolution	10	10	
Confiscation/enforcement on illegal equipment	700	1,148	Increased vigilance
Staff recruitment	12	12	
Gaming Premises inspected	2,404	1,708	Inspection exercise is on-going for year 2022
Stakeholder Engagements (Operators, URA, N/V, Parliament, NBS, UNBS, UNF,	15	28	
Board meetings	18	18	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD**Risk Management Practice and Internal Control**

The vote maintained a system of internal control through the Board's risk register which is in place and is updated annually.

NLGRB maintained a system of internal control through compliance with the Lotteries and Gaming Act, 2016, The Public Finance Management Act 2015, Treasury Instructions 2017 and all other applicable laws and Regulations.

NLGRB constantly monitors the effectiveness of its internal controls through the Internal Audit Function. The audit function supports management by evaluating the operation of internal controls and giving recommendations. Internal Audit conducts internal audit assignments based on approved risk based annual audit plan, the status of findings of which it regularly reports to the Board. During the financial year, the Board Audit Committee reviewed the actions taken on audit recommendations.

Comment on the Payroll for both salary and Pensions

Below is a summary list of the Employees under the Vote for the FY ended 30th June 2022

Salary scale	Number of Employees at the beginning of the year 1 st July 2021	New Employees to the vote either through promotions, transfers or through recruitment	Number of Employees who transferred, promoted or resigned	Number of Employees at the end of the Period
Lot 1	1	0	1	0
Lot 2	3	1	1	3
Lot 3	4	0	1	3
Lot 4	0	2	0	2
Lot 5	14	9	1	22
Lot 6	4	0	0	4
Lot 7	2	0	0	2
Total	28	12	4	36

Action on Parliamentary Recommendations

Provide high level summary report of actions taken on the recommendations of Parliament based on the reports of the Auditor General

Annex report on action taken on recommendations of Parliament based on reports of the Auditor General

Action was taken on all the three recommendations of parliament for the FY 2020/21. (See Annex vii)

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Commentary on the Financial Statements by the Head of Accounts

1) Commentary on the Income and Expenditure of the vote against budget

The Annual approved budget for the Lotteries and Gaming Regulatory Board for the F/Y 2021/22 was Ugx 8,370,000,000. During the FY 2021/22, LGRB was given a cash limit of Ugx 8,309,999,990 representing 99.28% of the budget. Ugx 7,590,408,003 was actually spent as shown in the table below.

	ANNUAL APPROVED BUDGET FY 2021/22	TOTAL CASH LIMITS FY 2021/22	ACTUAL SPENT FY 2021/22	% BUDGET RELEASED	% of Release Actually spent
Employee costs	3,682,940,000	3,682,940,000	3,164,349,640	100.00	86%
Goods & Services	4,687,060,000	4,627,059,990	4,305,684,069	98.72	93%
GRAND TOTAL	8,370,000,000	8,309,999,990	7,470,033,709	99.28	90%

2) Comment on the Assets and Liabilities of the vote and mention any significant acquisition or disposal of asset as well as liability incurred or settled during the reporting period

Asset Type	Opening Assets on 1 st July 2021 at cost	Additions during the period	Closing Assets 30 th June 2022 at cost
Motor cycles	2,000,000	0	2,000,000
Motor vehicles	714,455,000	0	714,455,000
Furniture and Fixtures	281,923,472	0	281,923,472
Computers and IT equipment	340,466,233	0	340,466,233
Total	1,338,844,705	0	1,338,844,705

I take full responsibility for the completeness and integrity of these Financial Statements

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Financial Performance

[Based on classification of expenditures by nature]

	Note	Actual 30 June 2022 (Shs)	Actual 30 June 2021 (Shs)
OPERATING REVENUE			
Taxes	2		
External Assistance	3		
Transfers received from Treasury- UCF	4	7,527,922,410	
Transfers received from Other Government units	5		
Non Tax revenue	6	3,062,920,000	
Total Operating Revenue		10,590,842,410	
OPERATING EXPENSES			
Employee costs	7	3,164,349,640	
Goods and services consumed	8	4,305,684,069	
Consumption of property, plant & equipment	9		
Subsidies	10		
Transfers to other Organisations	11		
Social benefits	12		
Other operating expenses	13		
Total operating expenses		7,470,033,709	
Excess of revenue over expenditure from operating activities		3,120,808,701	
Foreign exchange loss/Gain	14	0	
Finance costs	15		
Bad debts expense	16		
Transfers to Treasury	17(a)	-2,965,920,000	
Excess of Revenue over expenditure for the year		154,888,701	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Financial Position

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
ASSETS			
Cash and cash equivalents	18	0	
Receivables	19	216,833,904	
Investments	20		
Investment Properties	21		
Non Produced Assets	22		
Total Assets		216,833,904	
LIABILITIES			
Borrowings	23		
Payables	24	207,945,203	
Deposits	25		
Pension Liability	26		
Total Liabilities		207,945,203	
Net assets (liabilities)			
REPRESENTED BY:-			
Net Worth		8,888,701	

Statement of Changes in Equity (Net Worth)

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
At 1 July - Net worth Last Year (B/F)		0	
Less: Transfers to the UCF account	17(b)		
+/- Balance sheet adjustments	27	(146,000,000)	
Revaluation reserves			
Add: Excess of revenue over expenditure for the Year		154,888,701	
Closing Net Financial Worth		8,888,701	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Cash flow Statement for the year ended [Direct Method]

	30 June 2022 (Shs)	30 June 2021 (Shs)
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenue from Operating activities (<i>see below</i>)	7,527,922,410	
PAYMENTS FOR OPERATING EXPENSES:		
Employee costs	2,972,974,640	
Goods and services consumed	4,289,113,866	
Subsidies		
Transfers to Other Organisations		
Social benefits		
Other expenses		
Foreign exchange loss/gain		
Net Advances paid	119,833,904	
Domestic arrears paid during the year		
Deposits paid		
Pension/Gratuity Arrears paid during the Year	146,000,000	
Losses of cash		
Letters of Credit receivable		
Total payments for operating activities	7,527,922,410	
Net cash inflows/(outflows) from operating activities	0	
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment		
Purchase of non-produced assets		
Proceeds from sale of property, plant and equipment		
Purchase of investments		
Proceeds from sale of investments		
Net cash inflows/(outflows) from investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES	0	
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	0	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Cash flow Statement for the year ended (continued)

For cash flow purposes receipts from revenue comprise

	Notes	30 June 2022 Shs.	30 June 2021 Shs.
Total Revenue as per Statement of Financial Performance		10,590,842,410	
Add : Advances recovered during the year			
: Revenue receivable collected during the period			
: Deposits received			
Total Revenue		10,590,842,410	
Less: Grants received in Kind			
Revenue in Kind (Tax waivers)			
Transfers to Treasury	(17a)	2,965,920,000	
Revenue Receivable for the reporting period		97,000,000	
Total revenue received for Cash flow statement purposes		7,527,922,410	

Reconciliation of movement of cash during the year

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
At the beginning of the year			
Less: Transfers to the UCF account (Previous Year Balances)	17(b)		
Add/ (Less) : Adjustments in cash and cash equivalents	27		
Net increase (decrease) of cash from the <i>Cash flow Statement</i>		0	
At the end of the year		0	

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

	Notes	30 June 2022 (Shs)	30 June 2021 (Shs)
Cash and cash equivalents	18	0	
Cash and bank balances		0	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Appropriation Account [Based On Services Voted]

Statement of Appropriation Account [Based On Services Voted]

	Initial Approved Budget 30 June 2022	Revised Approved Budget 30 June 2022	Warrants 30th June 2022	Actual 30 June 2022	Variance Revised Budget Vs Actual 30 June 2022	Variance Warrants Vs Actual 30 June 2022
	(Shs) (a)	(Shs) (b)	(Shs) (c)	(Shs) (d)	(Shs) (b-d)	(Shs) (c-d)
REVENUE						
Taxes						
External Assistance						
Transfers received from Treasury- UCF	8,370,000,000	8,370,000,000	8,309,999,990	7,527,922,410	842,077,590	782,077,580
Transfers received from Other Government units						
Non Tax revenue	3,900,000,000	3,900,000,000	4,224,488,932	3,062,920,000	837,080,000	1,161,568,932
Total Revenue	12,270,000,000	12,270,000,000	12,534,488,922	10,590,842,410	1,679,157,590	1,943,646,512
EXPENDITURE - by services voted						
Finance and Administration	6,882,220,000	6,882,220,000	6,882,220,000	6,246,697,770	635,522,230	635,522,230
Internal Oversight and Advisory services	83,398,000	83,398,000	83,398,000	79,395,149	4,002,851	4,002,851
Office of the chief Executive	54,736,000	54,736,000	54,736,000	45,639,471	9,096,529	9,096,529
Compliance and Enforcement	505,960,000	505,960,000	505,960,000	455,761,626	50,198,374	50,198,374
Legal and Board Affairs	438,020,000	438,020,000	428,019,990	375,240,239	62,779,761	52,779,751
Research and Planning	233,961,333	233,961,333	183,961,333	168,377,650	65,583,683	15,583,683
Corporate Affairs	86,072,667	86,072,667	86,072,667	79,459,832	6,612,835	6,612,835
Responsible Gaming	85,632,000	85,632,000	85,632,000	77,350,673	8,281,327	8,281,327
Total Expenditure	8,370,000,000	8,370,000,000	8,309,999,990	7,527,922,410	842,077,590	782,077,580
Less: Transfers to Treasury (17a)				2,965,920,000		
Net Revenue/Expenditure				97,000,000		

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Appropriation Account [based on nature of expenditure]

	Initial Approved Budget 30 June 2022	Revised Approved Budget 30 June 2022	Warrants 30 June 2022	Actual 30 June 2022	Variance Revised Budget Vs Actual 30 June 2022	Variance Warrants Vs Actual 30 June 2022
	(Shs) (a)	(Shs) (b)	(Shs) (c)	(Shs) (d)	(Shs) (b-d)	(Shs) (c-d)
REVENUE						
Taxes						
External Assistance						
Transfers received from Treasury-UCF	8,370,000,000	8,370,000,000	8,309,999,990	7,527,922,410	842,077,590	782,077,580
Transfers received from Other Government units						
Non Tax revenue	3,900,000,000	3,900,000,000	4,224,488,932	3,062,920,000	837,080,000	1,161,568,932
Total Revenue	12,270,000,000	12,270,000,000	12,534,488,922	10,590,842,410	1,679,157,590	1,943,464,512
EXPENDITURE - by nature of expenditure						
Employee costs	3,682,940,000	3,682,940,000	3,682,940,000	3,118,974,640	563,965,360	563,965,360
Goods and services consumed	4,687,060,000	4,687,060,000	4,627,059,990	4,408,947,770	278,112,230	218,112,220
Consumption of property, plant & equipment						
Subsidies						
Transfers to other Organisations						
Social benefits						
Other expenses						
Domestic arrears paid						
Finance costs						
Total Expenditure	8,370,000,000	8,370,000,000	8,309,999,990	7,527,922,410	842,077,590	782,077,580
Less: Transfers to Treasury (17a)				2,965,920,000		
Net Revenue/Expenditure				97,000,000		

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Reconciliation between total expenditure per Appropriation Accounts and per Statement of Financial Performance

	Actual 30 June 2022 (Shs)	Actual 30 June 2021 (Shs)
Total expenditure per Appropriation Account	7,527,922,410	
Add:		
Letters of credit receivable prior year but delivered during the year		
Accrued expenditure	207,945,203	
Prepayments performed		
Less:		
Letters of credit receivable at year-end		
Domestic Arrears paid	146,000,000	
Non produced assets for the period		
Prepayments for the period	119,833,904	
Total Expenditure per Statement of Financial Performance	7,470,033,709	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Notes to the Financial Statements

Note 1(a): 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 in all material aspects unless otherwise stated.

(i) General Information

As required by Sections 50(1) and 51(1) of the Public Finance Management Act, 2015, each vote shall prepare financial statements and submit a copy to the Accountant General. The Annual Accounts shall be submitted for Audit to the Auditor General. The FY 2021/22 is the first year for the National Lotteries and Gaming Regulatory Board to prepare financial statements as a vote and therefore the prior year comparatives have not been included. Previously the financial statements were prepared and consolidated with MoFPED since the entity was a subvention.

(ii) Reporting Entity

Lotteries and Gaming Regulatory Board is a reporting entity of the Government of the Republic of Uganda and is domiciled in Uganda.

The principal address of the entity is:

4th Floor Communication House Plot 1 Colville Street
P.O BOX 5446, Kampala
Tel: 0414231628
Email: info@ngb.go.ug
Website: www.ngb.go.ug

(iii) The Consolidated Fund

Is the Consolidated Fund as established by the Article 153 of the Constitution of the Republic of Uganda. As provided by Section 30 of the Public Finance Management Act, 2015 (the Act), it is the Fund into which all revenues or other money raised or received for the purpose of the Government shall be paid. Except for receivables into another public fund established for a special purpose (for example the Petroleum Fund) where this is authorized by an Act of Parliament, or where a vote, state enterprise or public corporation shall retain revenue collected or received as authorized through an appropriation by Parliament or is a monetary grant exempted under Section 44 of the ACT.

Withdrawals from the Consolidated Fund shall only be done upon the authority of a warrant of expenditure issued by the Minister of Finance to the Accountant General after a grant of credit has been issued to the Minister by the Auditor General in the first instance. The withdrawal can be effected only when: (a) the expenditure has been authorized by an Appropriation Act or a Supplementary Appropriation Act; (b) is a statutory expenditure; (c) for repaying funds received in error by the Consolidated Fund; (d) and for paying sums required for an advance, refund, rebate or drawback that are provided for in this and other Act of Parliament.

(iv) Classified expenditures

Classified expenditures are included under supply of goods and services in the Statement of Financial Performance, and are audited separately. The funds appropriated for classified expenditure shall only be used for defense and national security purposes. A committee of Parliament comprising the chairpersons of the committees responsible for budget; defense and internal affairs; and another member appointed by the Speaker will be responsible for scrutiny of classified expenditure budget.

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD**(v) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the requirements of the Public Finance Management Act, 2015 [the Act] and comply with generally accepted accounting principles. The Financial Statements have been prepared using the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenue when earned with the exception of revenue from taxes and grants that is recognised when received. Expenses are recognised when incurred resulting into recognition of payables in the statement of financial position. All non-current assets with the exception of non-produced assets are expensed 100% in the year of acquisition in the statement of financial performance.

(vi) Going concern consideration

The financial statements have been prepared on a going concern basis. However, cabinet on 22nd February 2021, under Minute No. 43 (CT 2021) took a decision to merge, mainstream and rationalize Government Agencies, Commissions, and Authorities and rationalize public expenditure to facilitate efficient and effective service delivery. The proposal is to mainstream NLGRB with the Ministry of Finance, Planning and Economic Development.

(vii) Presentation currency

The reporting and presentation currency is the Uganda Shilling (Shs), which is the functional currency 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.

(viii) Reporting Period

The reporting period for these financial statements is from 1 July 2021 to the next 30 June 2022. Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format in the current year's financial statements.

(ix) Appropriation

The initial approved budget is the original forecast as presented and approved by Parliament. A revised budget is the initial approved budget adjusted by a supplementary and reallocations/ virements.

(x) Revenue

Revenue represents cash and grants in kind received by the entity during the financial year and comprise; tax and non-tax revenue, transfers received from Treasury, transfers from the Contingency Fund and transfers received from other government units. Revenues are recognized as follows;

a) Tax revenues

Taxes are levied with the authority of Parliament subject to Article 152 of the Constitution of the Republic of Uganda. Payment of tax does not necessarily result into an entitlement to the taxpayer to receive equivalent value of services or benefits. All tax revenues are recognised when received.

b) External Assistance

Grants are received by the entity either as cash or in-kind from foreign governments (bilateral) or from international Organizations (multi-lateral). All grants (aid assistance) are recognized as income when received. In-kind receipts (donations) are recognized at fair value when received.

c) Transfers received from Treasury

Transfers received include; transfers received from the Consolidated Fund, and transfers received from other government units. All transfers are recognized when received by the Accounting Officers.

d) Transfers from other government units

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Comprise funds appropriated under one vote but transferred to another vote for execution of the intended activities of the former. These might include road maintenance funds from the Road fund, immunization funds from Ministry of health among others. These funds are recognised when received.

e) Non-Tax Revenue

Non-Tax Revenue (NTR) refers to all revenue due to government that is not tax revenue. Examples include proceeds from sale of designated goods and services, hire of assets, interest/gains associated from ownership of shares and fines/penalties. NTR whether directly collected by the entity or collected by another on its behalf is recognised when revenue is earned. NTR earned but not received is reported in the statement of Financial Position as receivables.

(xi) Expenses

Generally, expenditure is recognized when it is incurred. Qualifying¹ unsettled expenditure is recognised in the Statement of Financial position as payables. Payments of pension to existing retirees are recognized in the statement of financial performance and any arrears on such payments recognised in the statement of financial position. Pension liability for non- retirees is neither recognised nor disclosed in the financial statements.

(xii) Property, Plant and Equipment (physical assets or fixed assets)

Property, plant and equipment (PPE) principally comprises buildings, dams, roads and highways, hydropower stations, plant, vehicles, equipment, and any other infrastructure assets but does not include land and regenerative natural resources such as forests and mineral resources.

Acquisitions of PPE are recorded in the asset register on receipt of the item at cost and expensed fully through the Statement of Financial Performance. Cost of the item is defined as the total cost of acquisition. Where the cost of the PPE cannot be determined accurately, the PPE is stated at fair value. Subsequent repairs and maintenance costs of PPE are also expensed as goods and services consumed in the Statement of Financial Performance.

Proceeds from disposal of property, plant and equipment are recognized as non-tax revenue in the period in which it is received.

(xiii) 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 (spot rates). These result into realized gains/losses which are recognized in the Statement of Financial Performance. Foreign currency assets and liabilities held by the entity at year-end are translated into Uganda Shillings using the period closing rate for reporting purposes resulting into unrealized gains/losses. The unrealized gains/losses are recognized in the statement of changes in Equity through the revaluation reserve.

(xiv) Revaluation Gains/Losses

Unrealized gains or losses arising from changes in the value of investments, marketable securities held for investment purposes, and from changes in the values of property, plant and equipments are not recognized in the financial statements.

(xv) 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.

(xvi) Unspent cash balances

¹ All payables should be verified by the Internal Audit and a certificate issued signed by the Accounting Officer, Head of Internal Audit and Head of Accounts/Finance.

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In accordance with the requirement of the Public Finance Management Act, 2015, unspent cash balances by Government entities at the end of the financial year are returned through the Single Treasury Account (TSA) to the Consolidated Fund. With the commencement of the TSA, votes fully operational on IFMS no longer have unspent cash balances for Transfers received by MALGs from the Treasury.

Escrow Account balances are to be recognized in the Financial Position of the responsible entity and expensed through the Financial Performance in the period when funds are utilized.

(xvii) Receivables**(a) Accrued Non Tax Revenue and Advances**

Receivables include revenue earned but not collected and advances not retired by the reporting date. These are carried at historical cost and are written down by recovered receipts or write-off of unrecoverable amounts (bad debts are written-off with the approval of Parliament, when identified in the Statement of Changes in Equity).

(b) Letters of credit

Procurement of goods and services through letters of credit which are cash covered are recognized in the statement of appropriation when the letter of credit is opened. Outstanding letters of credit at period-end are treated as receivable and expensed through the Statement of Financial Performance in the period when the goods and services are delivered.

(c) Other Receivables

These include expenditure paid for but not consumed during the financial year. Examples include rent expenditure paid for the period crossing financial years.

(xviii) Inventories

Comprise consumable supplies and goods purchased for resale. All inventories are expensed in the period in which they are acquired.

(xix) Investment properties

Investment property principally comprises land, office, commercial and residential buildings, and other physical assets, which is held for long-term rental income and is not occupied internally. Investment property is treated as a long-term investment and is carried at cost. Investment properties are currently not recognised in the financial statements.

(xx) Investments

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

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

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

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

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Appropriate classification of investments at the time of purchase and re-evaluation of such designation are carried out on a regular basis but any resulting reclassifications are rare and cannot be made from “trading investments” to “investments held to maturity”

All investments in the balance sheet are carried at historical cost. Non-financial assets are measured at net worth. For investments quoted in foreign currency, the historical cost is translated at the closing rate.

(xxi) Projects expenditure

Government projects are a series of undertakings of a reporting entity with specific objectives and a defined time frame and could be either: (a) fully funded by a Government; (b) jointly funded by Government and a development partner; (c) fully funded by a development partner through either budget support or project support; and (d) fully funded by development partner through provision of physical items rather than funds.

Fully or partly Government funded project expenditure is recognized in the statement of financial performance of the reporting entity to the extent of funding received from Government. Project expenditure that is not recognised is disclosed in the statement/schedule of project/ subvention balances.

(xxii) Borrowings

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

Interest expense and any other expense on borrowings are recognized in the Statement of Financial Performance when they fall due.

(xxiii) Employee benefits

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

(xxiv) Contingent liabilities and assets

Contingent liabilities are disclosed in a memorandum statement (Statement of Contingent liabilities) of the entity when it's probable that an outflow of economic benefits or service potential will flow from the entity or when an outflow of economic benefits or service potential is probable but cannot be measured reliably. Contingent liabilities comprise government guarantees issued, court awards that have been appealed by the Attorney General, those arising from Public Private Partnerships (PPPs) etc. Non quantifiable contingent liabilities are disclosed in the memorandum statement of Non quantifiable contingent liabilities. Contingent assets are neither recognized nor disclosed.

(xxv) Outstanding Commitments

Commitments include operating and capital commitments arising from non-cancelable contractual or statutory obligations. Loan interest due but not paid is recognised in the Statement of Financial Position. The loan interest not yet due for payment is not recognised but disclosed. Outstanding commitments relating to non-cancelable contractual or statutory obligation where goods have been delivered or service provided are included in the statement of financial position as payables and in the Statement of Outstanding Commitments to the extent of the appropriation.

(xxvi) Public Private Partnerships

Any investment by the Government in a Public Private Partnership may be through a joint venture or as an associate or as a major shareholder. Except for the latter, these are accounted for as investments whether held for trading purposes or otherwise. The financial statements in that case are consolidated as if the other entity is a controlled entity in accordance with IPSAS 38.

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

In other instances where the Government provides certain guarantees which could crystalize and result into an outflow of resources, the guarantees are quantified and disclosed in the memorandum Statement of Contingent Liabilities. The amounts disclosed as part of contingent liabilities represent the most likely outflow of resources should certain events crystalize which are assessed annually. If the events crystalize, the amounts become payables through the Statement of Financial Performance and Statement of Financial Position on an accrual basis

Other Notes to the Financial Statements**Note 1(b): Exchange Rates**

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

	30 June 2022	30 June 2021
United States Dollar		
British Pound		
Euro		

Note 2: Tax Revenues

Tax revenues comprise both direct and indirect taxes levied and collected on behalf of Government.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Local Services Tax		
Land fees		
Business Licenses		
Other tax revenues		
Total taxation revenues		

Note 3: External Assistance

	30 June 2022 (Shs)	30 June 2021 (Shs)
Grants from foreign governments		
Grants from International Organizations		
Grants from Local sources - Donations		
Total Grants		

Note 4: Transfers Received From the Treasury – Consolidated Fund

	30 June 2022 (Shs)	30 June 2021 (Shs)
Transfers from the Treasury – (Current & Capital)	7,527,922,410	
Total Transfers	7,527,922,410	

Note 5: Transfers received from Other Government Units

Comprise funds appropriated under one vote but transferred to another vote for execution of the intended activities. For instance road maintenance funds, grants recognised by treasury but transferred to other executing MALGS, etc

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

	30 June 2022 (Shs)	30 June 2021 (Shs)
Transfers received from other Gov't Units - Current (Name of the Government unit)		
Transfers received from other Gov't units - Capital (Name of the Government unit)		
Total		

Note 6: Non-Tax Revenues

Comprise non-tax revenues from exchange transactions collected during the year as follows:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Investment income		
Dividends		
Rent		
Other property income		
Sale of goods and services		
Administrative fees and licenses		
Court fines and Penalties		
Other fines and Penalties		
Miscellaneous Revenue	3,062,920,000	
Total Non-Tax Revenue	3,062,920,000	

Note 7: Employee Costs

Employee costs principally comprise:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Wages and salaries	2,066,027,755	
Social contributions	194,539,874	
Other employment costs	903,782,011	
Total employee costs.	3,164,349,640	

Note 8: Goods and Services

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

	30 June 2022 (Shs)	30 June 2021 (Shs)
General expenses	759,305,128	
Communications	192,276,424	
Utility and property expenses	511,325,535	
Supplies and services	30,217,239	
Professional services	2,191,030,297	
Insurances and licenses	0	
Travel and transport	595,458,392	
Maintenance	26,071,054	
Inventories (goods purchased for resale)	0	
Total cost of goods and services	4,305,684,069	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Note 9: Consumption of Property, Plant and Equipment (Fixed Assets)

As explained in accounting policy (xii), property, plant and equipment (physical assets) are expensed in the year of purchase i.e. they are fully expensed in the year of purchase using the cash basis of accounting.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Non Residential buildings		
Residential buildings		
Roads and bridges		
Transport equipment-		
Machinery and equipment		
Furniture and fittings		
Other fixed assets		
Total value of property, plant and equipment expensed		

Note 10: Subsidies

Subsidies paid during the year are summarized as below:

	30 June 2022 (Shs)	30 June 2021 (Shs)
To public corporations		
To private enterprises		
To private individuals		
Total subsidies for the year		

Note 11: Transfers to Other Organisations

Transfers made during the year are summarized as below:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Transfer to foreign Governments		
Transfers to International Organisations		
Transfers to other government units		
To resident non-government units		
Total transfers		

Note 12: Social Benefits

Social benefits paid during the year comprise:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Pensions		
Employer Social benefits		
Total social benefits		

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Note 13: Other Operating Expenses

These comprise:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Property expenses other than interest		
Miscellaneous other expenses- current		
Miscellaneous other expenses- capital		
Total other operating expenses		

Note 14: Foreign Exchange Gains and Losses

During the year, foreign exchange losses and gains were as follows:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Realized loss /gain (SFP)		
Unrealized loss /gain (SCE)		
Net foreign exchange gains / losses		

Note 15: Finance costs

	Schedule	30 June 2022 (Shs)	30 June 2021 (Shs)
Interest on external debts (external borrowings)			
Interest on other domestic borrowings			
Total finance cost			

Note 16: Bad Debts Expense

	30 June 2022 (Shs)	30 June 2021 (Shs)
Bad debts w/o		
Provision for the year		
Total bad debts		

Note 17 (a): Transfers to Treasury

These comprise transfers back to the Consolidated Fund of unspent balances from the respective expenditure accounts, transfers of Non tax revenue collected, , unspent salaries, among others for the period.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Non Tax revenue	2,965,920,000	
Expenditure account balances		
Other cash balances		
Total for the year.	2,965,920,000	

Note 17 (b): Transfers to Treasury

These comprise transfers to the Consolidated Fund/ Treasury of Unspent balances, NTR collections, Cash in transit, LCs not performed etc for transactions crossing financial years.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Non Tax revenue		

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Expenditure account balances		
Other cash balances		
Total for the year.		

Note 18: Cash and cash equivalents

	30 June 2022 (Shs)	30 June 2021 (Shs)
DOMESTIC		
Revenue accounts		
Expenditure accounts		
Project accounts		
Collection accounts		
Cash in transit		
Cash at hand - Imprest		
Others		
Sub-total cash and bank balances - domestic		
FOREIGN		
Revenue Accounts		
Expenditure accounts		
Project Accounts		
Collection accounts		
Cash in transit		
Cash at hand- Imprest		
Others		
Sub-total cash and bank balances - foreign		
Total cash and bank balances		

Any over drafts should be included under the respective bank accounts

Note 19: Net Receivables

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

	Note	30 June 2022 (Shs)	30 June 2021 (Shs)
Total Receivables	19(a)	216,833,904	
Less: Provision for doubtful debts	19(b)		
Net Receivables		216,833,904	

Note 19(a): Total Receivables

	30 June 2022 (Shs)	30 June 2021 (Shs)
DOMESTIC		
Accrued Revenue		
Loans (short-term) - others		
Advances		
Outstanding letters of credit		
Prepayments	119,833,904	
Other accounts receivable	97,000,000	
Total domestic receivables	216,833,904	
FOREIGN		
Accrued Revenue		
Loans (short-term) - others		

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Advances		
Outstanding letters of credit		
Prepayments		
Other accounts receivable		
Total foreign receivables		
Total receivables		

The ageing of the receivables is as below:-

	Current Financial Year Shs	Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Accrued revenue				
Loans and Advances Loans and Advances Loans and Advances Loans and Advances				
Outstanding letters of credit				
Prepayments	119,833,904			119,833,904
Other receivables	97,000,000			97,000,000
Total Receivables	216,833,904			216,833,904

Note 19(b): Provision for doubtful debts

	30 June 2022 (Shs)	30 June 2021 (Shs)
Provision at the beginning of the year- at 1 July		
Increase / (decrease) in provision for the year		
Less: Provision approved for write off during the year		
Provision at the end of the year		

Note 20: Investments

Comprise investments as follows:

	30 June 2022 (Shs)	30 June 2021 (Shs)
Securities other than shares (long-term) - domestic		-
Shares and other equity-domestic		
Securities other than shares-foreign		
Total Investments		

Note 21: Investment Properties

Investment properties comprise properties, which are held either for long term rental income or for capital appreciation or both and are not occupied or used by the Government or any other Government entity.

	30 June 2022 (Shs)	30 June 2021 (Shs)
At the beginning of the year – 1 July		
Additions/acquisitions made during the year		
Disposals made during the year		
Total Investment Properties		

Note: Currently we do not recognize investment properties.

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Note 22: Non Produced Assets

	30 June 2022 (Shs)	30 June 2021 (Shs)
Land		
Cultivated Assets		
Other Naturally occurring Assets		
Total Non-Produced Assets		

Note 23: Borrowings

	30 June 2022 (Shs)	30 June 2021 (Shs)
DOMESTIC		
Loans from commercial banks		
Interest payable on bank loans/borrowings		
Other		
Total domestic borrowings		
FOREIGN		
Loans from commercial banks		
Interest payable on bank loans/borrowings		
Other		
Total foreign borrowings		
Total borrowings		

Note 24: Payables

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

	30 June 2022 (Shs)	30 June 2021 (Shs)
Trade Creditors		
Sundry Creditors	191,375,000	
Committed Creditors		
Accountable advances		
Withholding tax payable	16,570,203	
Advances from other Government units		
Miscellaneous Accounts payables		
Total payables	207,945,203	

The categorization and ageing of the payables is as below;-

	Current Financial Year Shs	Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Utilities				
Rent				
Contributions to International Organisations				
Court Awards & Compensations				
Taxes and other deductions				

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Goods and services Consumed	207,945,203			207,945,203
Property Plant & Equipment				
Others				
Total Payables	207,945,203			207,945,203

Note 25: Deposits Received

These include deposits received which are funds held by the vote for onward transfer to another vote, entity, or individual(s) and Deferred Revenue which is revenue received but services have not yet been rendered. Total amounts recognised as deposits should be supported by an equivalent amount of cash and cash equivalent in note 18 above or Receivables in Note.19 for only Revolving Funds.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Deposits received		
Deferred income		
Total Deposits		

Note 26: Pension

Pension liabilities have been accrued in the financial statements because it is the policy of Government to pay pensions to all former employees of the Government who qualified for pension under the provisions of the Pensions Act, Cap 281.

	30 June 2022 (Shs)	30 June 2021 (Shs)
Former employees in Public Service		
Former employees in Military Service		
Former employees of the Education Service		
Gratuity Arrears		
Total		

The ageing of the pension liabilities is as below:-

	Incurred in the current Financial Year Shs	Incurred in the Previous Financial Year Shs	Other Financial Years Shs	Total Shs
Pensions				
Gratuity				
Total				

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Note 27: Movement in reserves

This includes the movement if any in assets (cash and cash equivalents, receivables, investments, investment properties, non-produced assets) and liabilities (borrowings, payables, deposits received, pension and gratuity liabilities)

	No tes	Opening balance 1 st July 2021 Shs	Adjustments to the opening balance Shs	Transfers to UCF(Prior year balance) 17(b)	Recovery or payments towards the opening balance Shs	Net asset or liability incurred/acqui red during the year Shs	Closing balance 30 June 2022 Shs
ASSETS							
Cash and Cash equivalents	18						
Receivables	19						
<i>Accrued Revenue</i>							
<i>Loans & Advances</i>							
<i>Letters of Credit</i>							
<i>Prepayments</i>							
<i>Other receivables</i>		0				216,833,904	216,833,904
Investments	20						
Investment Properties	21						
Non-Produced assets	22						
LIABILITIES							
Borrowings	23						
Payables	24					-207,945,203	-207,945,203
Deposits	25						
Pensions/Gratuity	26		-146,000,000		146,000,000		0
Total			-146,000,000		146,000,000	8,888,701	8,888,701

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Performance

For the year ended 30 June 2022 (Memorandum Statement)

Output	Target for the FY 2021/22	Achieved in the FY 2021/22	Comment for variance
Revenue from the Gaming Sector	UGX.80 Billion	UGX.110.5 Billion	Improved Enforcement through collaboration and information sharing with URA
Licensing	70 Licenses	65 Licenses Issued	
Gaming Standards Drafted	14	14	Under Review by committee comprised of NLGRB, UNBS, NITA, UTB
Gaming Dispute resolution	10	10	
Confiscation/enforcement on illegal equipment	700	1,148	Increased vigilance
Staff recruitment	12	12	
Gaming Premises inspected	2,404	1,708	Inspection exercise is on-going for year 2022
Stakeholder Engagements (Operators, URA, N/V, Parliament, NBS, UNBS, UNF,	15	28	
Board meetings	18	18	

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Revenues collected during the year
[Based on source of revenue] Memorandum Statement

Actual collected 30 June 2021 (Shs)		Actual collected 30 June 2022 (Shs)	Budget 30 June 2022 (Shs)	Variance 30 June 2022 (Shs)
	<i>Tax Revenues</i>			
	Local Services Tax			
	Land fees			
	Business Licenses			
	Other tax revenues			
	<i>Non Tax Revenues</i>			
	Investment income			
	Dividends			
	Rent			
	Other property income (disposal of assets)			
	Sale of goods and services			
	Administrative fees and licenses	3,062,920,000	3,900,000,000	837,080,000
	Court fines and Penalties			
	Other fines and Penalties			
	Miscellaneous Revenue			
	Total Revenue	3,062,920,000	3,900,000,000	837,080,000

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Arrears of Revenues [Based on source of revenue per category]
(Memorandum Statement)

	Opening balance 01 July 2021 A (Shs)	Arrears in A collected during the year B (Shs)	Amounts billed during the year C (Shs)	Actual Amounts collected for the year D (Shs)	Arrears of Revenue for the Year E (C-D) (Shs)	Cumulative Arrears of Revenue as at 30 June 2022 F A-B+E (Shs)
RECEIPTS						
<i>Tax Revenues</i>						
Local Services Tax						
Land fees						
Business Licenses						
Other tax revenues						
<i>Non Tax Revenues</i>						
Investment income						
Dividends						
Rent						
Other property income						
Sale of goods and services						
Administrative fees and licenses			3,062,920,000	2,965,920,000	97,000,000	97,000,000
Court fines and Penalties						
Other fines and Penalties						
Miscellaneous Revenue						
Total Revenue			3,062,920,000	2,965,920,000	97,000,000	97,000,000

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of contingent liabilities and guarantees
[Memorandum Statement]

	Schedule	30 June 2022 (Shs)	30 June 2021 (Shs)
DOMESTIC			
Legal proceedings		23,857,905,000	
Guarantees and indemnities			
Guarantees of bank overdrafts			
Guarantees under Public Private Partnerships			
Other contingent liabilities			
Total Domestic Contingencies			
FOREIGN			
Legal proceedings			
Guarantees and indemnities			
Guarantees of bank overdrafts			
Guarantees under Public Private Partnerships			
Other contingent liabilities			
Total Foreign Contingencies			
Total Contingent Liabilities		23,857,905,000	

The contingent Liability relates to outstanding court cases i.e

- (i) Mena Sports consulting Limited Vs The Lotteries and Gaming Regulatory Board and Attorney General CAD/ARB No 1 of 2019 with a potential liability of **23,683,905,000**
- (ii) Game concepts Limited and Homebet Vs The Lotteries and Gaming Regulatory Board and Attorney General constitutional petition No. 0051 of 2017 with potential liability of 174,000,000

Statement of non-quantifiable contingent liabilities

[illegible]

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of Outstanding Commitments
[Commitments by nature of expenditure]

	Outstanding commitments at beginning of year 1 July 2021	Adjustments to the previous year's commitments	Prior years commitments paid during the year	New outstanding commitments incurred during the year	Cumulative outstanding commitments 30 June 2022
	(Shs)	(Shs)	(Shs)	(Shs)	(Shs)
Payables & Pension liabilities					
Operating Commitments					
Employee costs				191,375,000	191,375,000
Pensions/Gratuity		146,000,000	146,000,000		
Goods and services consumed				16,570,203	16,570,203
Subsidies					
Transfers to Other Organisations					
Social benefits					
Other operating expenses					
Finance costs					
Total Operating Commitments		146,000,000	146,000,000	207,945,203	207,945,203
Capital Commitments					
Non - produced assets					
Property					
Plant					
Equipment					
Total Capital commitments					
Total Commitments (Operating & Capital)					
Deposits Received					
Deposits received					
Deferred revenue					
Total Deposits Received					
Total Commitments		146,000,000	146,000,000	207,945,203	207,945,203

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of losses of public money and stores written off, and claims abandoned during the year

Reference number of reported loss/write off/claim abandoned.		Opening Balance as at 1 July 2021 (Shs)	Losses written-off in the YR ended 30 June 2022 (Shs)	Cumulative Losses written-off as at 30 June 2022 (Shs)
	Losses of public moneys (cash and cash equivalents)			
	Total losses of cash written off			
	Losses of stores			
	Total losses of stores written off			
	Losses of other assets (Property, Plant & Equipment)			
	Total losses of other assets written off			
	Claims abandoned			
	Total value of claims abandoned			
	Total losses of public funds, stores and claims abandoned			

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Statement of reported losses of public moneys, stores and other assets whether or not written off during the year

Reference number of reported loss/bad debt		Opening Balance as at 1 July 2021 (Shs)	Losses for the YR ended 30 June 2021 (Shs)	Cumulative Losses as at 30 June 2022 (Shs)
	Bad debts			
	Total bad debts			
	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 & Equipment)			
	Total losses of other assets reported			
	Total losses of public funds, stores and other assets reported			

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Summary statement of stores and other assets (physical assets) as at the end of the year

Category/ Description	Opening balance 1 July 2021 Cost (Shs)	Additions during the year 30 June 2022 Cost (Shs)	Disposals during the year 30 June 2022 cost (Shs)	Cumulative at 30 June 2022 Cost (Shs)
Non Produced Assets				
Land				
Cultivated Assets				
Other naturally occurring assets				
Buildings & Structures				
Non Residential buildings				
Residential buildings				
Roads and bridges				
Other structures				
Transport equipment				
Motor Vehicles	714,455,000	0	0	714,455,000
Trailers/ Semi-trailers				
Ships and other marine vessels				
Railway locomotives				
Aircrafts				
Motor cycles and Bicycles	2,000,000	0	0	2,000,000
Other transport equipment				
Machinery and equipment				
Office equipment				
Medical equipment				
ICT Equipment	340,466,233	0	0	340,466,233
Laboratory and research equipt				
Other Machinery & equipment				
Other Assets				
Furniture and fittings	277,915,472			
Classified Assets				
Others				
Total value of physical assets acquired, disposed of and balances	1,334,836,705	0	0	1,334,836,705

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Schedule of Letters of Credit

[illegible]

NATIONAL LOTTERIES AND GAMING REGULATORY BOARD

Schedule of Project and Subvention Balances

Project /Subvention Name	End Date	Funding Source/Agency	Currency	Balance as at 1 July 2022	Disbursements for the Year	Payments for the Year	Balance as at 30 June 2022
Project balances							
Subvention Balances							

Name of the Reporting entity

Annexes to the Financial Statements

Annexes to the Financial Statements

Annex (i): Pension Payroll

	Name	Last Position held	IPPS no	Pension no.	Supplier no (IFMS)	Amount
1						
2						
3						

Annex (ii): Schedule of Inventory

	Category	Opening balance as at 1st July 2021 Cost Shs	Purchase/ Additions Cost Shs	Usage/Disposal Cost Shs	Obsolete Cost Shs	Closing balance 30 June 2022 Cost Shs
1	e.g Drug (a), Visa stickers, Passports					

Name of the Reporting entity
Annexes to the Financial Statements

Annex (iii): Trial Balance

NLGRB TRIAL BALANCE FOR THE YEAR ENDED 30TH JUNE 2022

	NET BALANCE
CLASS 1: REVENUE	
133209 : Transfers Received by Ministries and Agencies from Treasury	-7,527,922,410
145003 : Miscellaneous receipts/income	-3,062,920,000
211102 : Contract Staff Salaries (Incl. Casuals, Temporary)	2,005,016,383
211103 : Allowances	61,011,372
212101 : Social Security Contributions	194,539,874
213001 : Medical expenses (To employees)	193,762,354
213002 : Incapacity, death benefits and funeral expenses	3,751,362
213004 : Gratuity Expenses	706,268,295
221001 : Advertising and Public Relations	102,860,518
221003 : Staff Training	69,095,367
221004 : Recruitment Expenses	5,000,000
221006 : Commissions and related charges	270,430,000
221007 : Books, Periodicals & Newspapers	4,217,139
221009 : Welfare and Entertainment	171,193,856
221011 : Printing, Stationery, Photocopying and Binding	80,526,027
221012 : Small Office Equipment	1,873,500
221016 : IFMS Recurrent costs	48,513,977
221017 : Subscriptions	5,594,744
222001 : Telecommunications	26,847,179
222003 : Information and communications technology (ICT)	165,429,245
223003 : Rent (Produced Assets) to private entities	462,201,237
223004 : Guard and Security services	28,124,298
223005 : Electricity	21,000,000
224004 : Cleaning & Sanitation	17,587,699
224005 : Uniforms & Protective Gear	12,629,540
225001 : Consultancy Services- Short term	193,618,147
225002 : Consultancy Services- Long-term	1,997,412,150
227001 : Travel inland	460,198,031
227004 : Fuel, Lubricants and Oils	135,260,361
228002 : Maintenance - Vehicles	26,071,054
263108 : Transfers to Treasury	2,965,920,000
321102 : Revenue accounts	
321103 : Expenditure accounts	
321104 : Project accounts	
321106 : Collection accounts	
321107 : Cash In Transit	
321108 : Cash at Hand - Imprest	

Name of the Reporting entity

Annexes to the Financial Statements

321109 : Others	
321504 : Other Advances	216,833,904
415001 : Trade Creditors	-16,570,203
415002 : Sundry Creditors	-191,375,000
511201 : Revenue reserves	146,000,000
TOTAL	0

Annex (iv): Bank Reconciliations and list of all bank accounts**Annex (V): Schedule of Verified Arrears**

Name of the Reporting entity
Annexes to the Financial Statements

Annex (vi): Summary Staff Payroll

Salary scale	Number of Employees at the beginning of the year 1 st July 2021	New Employees to the vote either through promotions, transfers or through recruitment	Number of Employees who transferred, promoted or resigned	Number of Employees at the end of the Period
Lot 1	1	0	1	0
Lot 2	3	1	1	3
Lot 3	4	0	1	3
Lot 4	0	2	0	2
Lot 5	14	9	1	22
Lot 6	4	0	0	4
Lot 7	2	0	0	2
Total	28	12	4	36



VISION

A technologically driven and revenue generating gaming sector free from adverse effects.



MISSION

To license, regulate, set standards, investigate and arbitrate complaints in lotteries, gaming, betting and casinos in Uganda.

ANNUAL REPORT 2021/2022

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