

QINGDAO INDUSTRIAL INVESTMENT COMPANY LIMITED
ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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COMPANY INFORMATION

NAME OF COMPANY : Qingdao Industrial Investment Company Limited

LEGAL FORM : Company

BUSINESS LOCATION : Temeke
: Dar es Salaam
: Tanzania
:

INDEPENDENT AUDITOR : Jamaa Consultants,
: Certified Public Accountants
: P. O. Box 15816
: Dar es Salaam
: Tanzania

DIRECTOR' REPORT

INTRODUCTION

The Directors of Qingdao Industrial Investment Company Limited are pleased to submit their report to the shareholders together with the audited financial statement for the year ended 31st December 2022, which disclose the state of affairs of the company as at that date. This Director's report has been prepared in accordance with the **Tanzania Financial Reporting Standards (TFRS) No. 1**, Directors report issued by National Board of Accountants and Auditors (NBAA)

STATEMENT OF PROPRIETOR'S RESPONSIBILITIES

The company is required to prepare financial statements for each financial period, that show a true and fair view of the state of affairs of the business as at the end of the financial period, operating results, statement of cash flow and statement of changes in equity for the period ended.

The company confirms that suitable accounting policies have been used and applied consistently. Reasonable and prudent judgment has been exercised where estimates were used in the preparation of the IFRS financial statements for the period ended 31 December 2022. The Proprietor also confirms that the International Financial Reporting Standards have been followed and that the financial statements have been prepared on the going concern basis.

The company is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the business and which enable them to ensure that the financial statements comply with IFRS requirements. The proprietor is also responsible for safeguarding the assets of the business and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the business is trading on water Industrial

DIRECTOR

The present membership of the company comprises:

Directors	Nationality	No. Shares
Mr. Guan Hongzhong	Chinese	16,200
Yan Sui	Chinese	900
Mr. Lu Guan	Chinese	900

RESULTS FOR THE PERIOD	2022	2021
	TZS	TZS
Profit before tax	<u>(19,086,800)</u>	<u>(20,644,287)</u>
Taxation	-	-
(Loss)/profit for the year	<u>(19,086,800)</u>	<u>(20,644,287)</u>

INCOME

The Company during the year didn't operate and generate income

SOLVENCY

The company's financial position as at 31 December 2022 as shown in the financial statement.

INDEPENDENT AUDITOR

The auditors Jamaa Consultants were appointed during the period ended 31 December 2022 and are eligible for re-appointment.

Signed.....

Date..... May 2, 2023

Director

Yan Sui



**PRACTITIONER'S COMPILATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

We have compiled the accompanying financial statements of Qingdao Industrial Investment Company Limited on the basis of information you have provided. These financial statements comprise the Statement of Financial Position of Qingdao Industrial Investment Company Limited, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in preparation and presentation of these financial statements in accordance with International Financial Reporting Standards for Small and medium-sized Entities (IFRS for SMEs). We have complied with relevant ethical requirements, including principles of integrity, objectivity and professional competence and due care.

These financial statements and the accuracy and completeness of information used to compile them are Directors responsibility.

Since a compilation engagement is not assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with IFRS for SMEs.



Bilal Mbura Mleli
For and on behalf of Jamaa Consultants
NBAA registration number: ACPA 2952
Dar es Salaam



STATEMENT OF FINANCIAL POSITION

	Notes	As at 31st December	
		2022 TZS	2021 TZS
ASSETS			
Equipment	7.	229,768,357	248,555,157
Trade and other receivables	8	0	0
Cash and cash equivalents	9	0	0
Total Assets		<u>229,768,357</u>	<u>248,555,157</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital	11	70,000,000	70,000,000
Advance towards share capital	12.	559,096,719	559,096,719
Retained earnings		(534,050,651)	(514,963,851)
		<u>95,046,068</u>	<u>114,132,868</u>
Less: Drawings		<u>95,046,068</u>	<u>114,132,868</u>
Liabilities			
Tax payable	6.	0	0
Trade and other payables	10	134,722,289	134,422,289
		<u>134,722,289</u>	<u>134,422,289</u>
Total Equity and Liabilities		<u>229,768,356</u>	<u>248,555,157</u>

The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

I, the undersigned trustees do hereby declare that the above statement of financial position and accompanying financial statement are correct and that the accounting records, information and explanation given to the accountant for the purpose of their audit are true and correct to the best of trust knowledge and belief.


.....
YAN SUI
Director



.....
Date May 2, 2023

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2022 TZS	2021 TZS
Revenue	1.	-	-
Cost of Sales	2.	<u>-</u>	<u>-</u>
Gross profit		-	-
Administrative Expenses	3.	(19,086,800)	(20,644,287)
Operating expenses	4.	-	-
Finance costs	5.	-	-
Profit before taxation		<u>(19,086,800)</u>	<u>(20,644,287)</u>
Taxation	6.	-	-
(Loss)/profit for the year		<u><u>(19,086,800)</u></u>	<u><u>(20,644,287)</u></u>

The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

STATEMENT OF CASH FLOWS

	Notes	2022 TZS	2021 TZS
Cash flows from operating activities			
Profit before tax		(19,086,800)	(20,644,287)
<i>Adjustments for:</i>			
Depreciation	7.	18,786,800	20,344,287
Tax paid	6.	-	-
Decrease/ (Increase) in inventories		-	-
Drawing/increaseC decrease)		-	-
(Increase)/ (Decrease in trade and other receivables		-	-
Increase/(Decrease) in trade and other payables		<u>300,000</u>	<u>300,000</u>
Net cash flows generated from/(utilised in) operating activities		-	-
Cash flows from investing activities			
Acquisition of equipments	7.	-	-
Net cash flows (utilised by) investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Capital introduced			
Net cash flows from financing activities			
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at start of year	9	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	9	<u><u>-</u></u>	<u><u>-</u></u>

STATEMENT OF CHANGES IN EQUITY

	Share Capital TZS	Retained earnings TZS	Total TZS
Year ended 31 December 2022			
As at 1 January 2022	70,000,000	(514,963,851)	(444,963,851)
profit for the year		(19,086,800)	(19,086,800)
As at 31 December 2022	<u><u>70,000,000</u></u>	<u><u>(534,050,651)</u></u>	<u><u>(464,050,651)</u></u>
Year ended 31 December 2021			
As at 1 January 2021	70,000,000	(493,334,534)	(423,334,534)
Prior Year Error Adjusted		(985,030)	(985,030)
Profit during the year		(20,644,287)	(20,644,287)
Loss for the year			-
As at 31 December 2021	<u><u>70,000,000</u></u>	<u><u>(514,963,851)</u></u>	<u><u>(444,963,851)</u></u>

The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements are prepared under the historical cost basis of measurement as modified by revaluation of fixed assets, revaluation at fair value of financial assets held as 'at fair value through profit or loss' or 'available for sale'. These financial statements have been presented in Tanzania Shillings.

1.2 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the foundation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

1.3 Trade and other receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the business will not be able to collect the debts. Bad debts are written off when identified.

1.4 Trade and other payables

The operating cost for running the business monthly are paid by cash and bank. However expenses incurred during the period but not yet paid for were accrued.

1.5 Cash and cash equivalents

Cash and bank balances in the balance sheet comprise cash at banks. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1.6 Property, plant and equipment

Plant and equipment is stated at cost. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met. Depreciation is calculated on reducing balance method. The annual rates of depreciation are:

Item	Rate %
Office equipments	37.5
Motor Vehicle	25.0
Furniture and fittings	12.5

1.7 Impairment of assets

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Provisions

Provisions are recognized when the foundation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS

	2022	2021
	TZS	TZS
1. Revenue		
sales	0	0
Rental Income	0	0
	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
2. Cost of Sales		
Opening Stock	0	0
Purchases	0	0
Closing Stock	0	0
	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
3. Administrative Expenses		
Accounting Fees	300,000	300,000
Security	0	0
Depreciation	18,786,800	20,344,287
	<u>19,086,800</u>	<u>20,644,287</u>
	<u>19,086,800</u>	<u>20,644,287</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022	2021
	TZS	TZS
4. Operating expenses		
Fuel Expense	0	
Electricity and Water	0	0
Rent	0	0
Labour Charges	0	0
	<u>0</u>	<u>0</u>
5. Finance costs		
Bank charges	0	0
	<u>0</u>	<u>0</u>
6. Taxation		
Profit as per accounts	(19,086,800)	(20,644,287)
Add: Depreciation	18,786,800	20,344,287
Communication and Telephone (20%)		
Trasnport and travelling (20%)	<u>(300,000)</u>	<u>(300,000)</u>
Less: Wear and Tear Allowance	<u>(18,786,800)</u>	<u>(20,344,287)</u>
Adjusted Taxable Profit	(19,086,800)	(20,644,287)
Tax Charge for the Year	0	0
Prior Year Tax Charge	0	0
Total Charge for the Year	<u>-</u>	<u>-</u>
Tax Movement		
Opening Balance	-	-
Current Tax	0	0
Prior Year Tax	0	0
Less: Tax Paid Current Year	0	0
Tax Paid for Prior Year	<u>-</u>	<u>-</u>
Net Tax Payable/(Recoverable)	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Equipment Period ended 31 December 2022	Land and Building	Motor Vehicle	Furniture and Fitting	Total
	TZS 5%	TZS 25%	TZS 12.5%	TZS
Cost				
At start of period	207,243,302	13,214,804	68,611,167	289,069,273
Additions	-	-	-	-
At end of period	207,243,302	13,214,804	68,611,167	289,069,273
Depreciation				
At start of period	18,651,897	5,781,477	16,080,742	40,514,116
Charge for the period	10,362,165	1,858,332	6,566,303	18,786,800
At end of period	29,014,062	7,639,809	22,647,045	59,300,916
Net book value	178,229,240	5,574,995	45,964,122	229,768,357
Equipment Period ended 31 December 2021				
Cost				
At start of period	207,243,302	13,214,804	68,611,167	289,069,273
Additions	-	-	-	-
At end of period	207,243,302	13,214,804	68,611,167	289,069,273
Depreciation				
At start of period	8,289,732	3,303,701	8,576,396	20,169,829
Charge for the period	10,362,165	2,477,776	7,504,346	20,344,287
At end of period	18,651,897	5,781,477	16,080,742	40,514,116
Net book value	188,591,405	7,433,327	52,530,425	248,555,157

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022	2021
8. Trade and other receivables		
Other receivables	0	0
Vat Receivable	-	-
Total	<u>-</u>	<u>-</u>
9. Cash and cash equivalents		
Cash in hand	0	0
Cash at bank	0	0
Total	<u>-</u>	<u>-</u>
10. Trade and other payables		
Trade Creditors	134,122,289	134,122,289
Accounting fees Payable	300,000	300,000
Directors short term loan to the company	300,000	0
Total	<u>134,722,289</u>	<u>134,422,289</u>
11. Share Capital		
a) Authorized share Capital 18,000 Ordinary Shares of TZS 10,000 Each		
b) Issued and Paid up share capital 7,000 @ TZS 10,000	<u>70,000,000</u>	<u>70,000,000</u>
12. Advance towards Share Capital	<u>559,096,719</u>	<u>559,096,719</u>

The amount represent contribution made by the shareholders to increase the woking capital. The amount will be capitalized in future once all legal formalities with registrar of companies is finished.

QINGDAO INDUSTRIAL INVESTMENT COMPANY LIMITED
ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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COMPANY INFORMATION

NAME OF COMPANY : Qingdao Industrial Investment Company Limited

LEGAL FORM : Company

BUSINESS LOCATION : Temeke
: Dar es Salaam
: Tanzania
:

INDEPENDENT AUDITOR : Jamaa Consultants,
: Certified Public Accountants
: P. O. Box 15816
: Dar es Salaam
: Tanzania

DIRECTOR' REPORT

INTRODUCTION

The Company presents his report and audited financial statements for the period ended 31 December 2021.

STATEMENT OF PROPRIETOR'S RESPONSIBILITIES

The company is required to prepare financial statements for each financial period, that show a true and fair view of the state of affairs of the business as at the end of the financial period, operating results, statement of cash flow and statement of changes in equity for the period ended.

The company confirms that suitable accounting policies have been used and applied consistently. Reasonable and prudent judgment has been exercised where estimates were used in the preparation of the IFRS financial statements for the period ended 31 December 2021. The Proprietor also confirms that the International Financial Reporting Standards have been followed and that the financial statements have been prepared on the going concern basis.

The company is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the business and which enable them to ensure that the financial statements comply with IFRS requirements. The proprietor is also responsible for safeguarding the assets of the business and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the business is trading on bottle material production

DIRECTOR

The present membership of the company comprises:

Directors	Nationality
Mr. Guan Hongzhong	Chinise
Mr.Zhang Li	Chinise
Mr. Lu Guan	Chinise

RESULTS FOR THE PERIOD	2021 TZS	2020 TZS
Profit before tax	<u>(20,644,287)</u>	<u>(62,546,548)</u>
Taxation	-	-
(Loss)/profit for the year	<u>(20,644,287)</u>	<u>(62,546,548)</u>

SOLVENCY

The company's financial position as at 31 December 2021 as shown in the financial statement.

INDEPENDENT AUDITOR

The auditors Jamaa Consultants were appointed during the period ended 31 December 2021 and are eligible for re-appointment.

Signed.....

Date..... 30th May 2022

Director



PRACTITIONER'S COMPILATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

We have compiled the accompanying financial statements of Qingdao Industrial Investment Co Ltd on the basis of information provided by the Directors. These financial statements as set out on pages 6 to 12 comprise the statement of financial position as at 31 December 2021, the statement of profit or loss for the year ended, statement of cash flows and a summary of significant accounting policies and other explanatory notes.

We have performed this compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), Compilation Engagements.

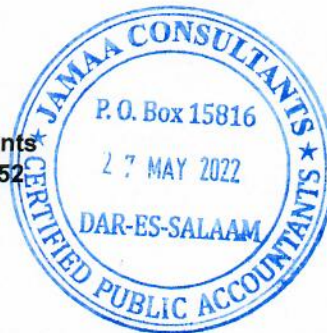
We have applied our expertise in accounting and financial reporting to assist the Directors in preparation and presentation of these financial statements on the basis of accounting policies described. We have complied with relevant ethical requirements, including principles of integrity, objectivity and professional competence and due care.

These financial statements and the accuracy and completeness of information used to compile them are the responsibility of Directors.

Since a compilation engagement is not assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us to compile these financial statements, accordingly we do not express an audit opinion or a review conclusion.



Bilal Mbura Mleli
For and on behalf of Jamaa Consultants
NBAA registration number: ACPA 2952
Dar es Salaam




STATEMENT OF FINANCIAL POSITION

	Notes	As at 31st December	
		2021 TZS	2020 TZS
ASSETS			
Equipment	7.	248,555,157	269,884,475
Trade and other receivables	8	0	0
Cash and cash equivalents	9	0	0
Total Assets		248,555,157	269,884,475
EQUITY AND LIABILITIES			
Proprietors Equity			
Capital employed		629,096,719	629,096,719
Retained earnings		(514,963,851)	(493,334,534)
		114,132,868	135,762,186
Less: Drawings			
		114,132,868	135,762,186
Liabilities			
Tax payable	6.	0	0
Trade and other payables	10	134,422,289	134,122,289
		134,422,289	134,122,289
Total Equity and Liabilities		248,555,156	269,884,475


The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

I, the undersigned trustees do hereby declare that the above statement of financial position and accompanying financial statement are correct and that the accounting records, information and explanation given to the accountant for the purpose of their audit are true and correct to the best of trust knowledge and belief.



Mr. Guan Hongzhong
 Director





 Date

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 TZS	2020 TZS
Revenue	1.	-	-
Cost of Sales	2.	-	-
Gross profit		-	-
Administrative Expenses	3.	(20,644,287)	(62,546,548)
Operating expenses	4.	-	-
Finance costs	5.	-	-
Profit before taxation		<u>(20,644,287)</u>	<u>(62,546,548)</u>
Taxation	6.	-	-
(Loss)/profit for the year		<u><u>(20,644,287)</u></u>	<u><u>(62,546,548)</u></u>

The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

Qingdao Industrial Investment Company Limited
Annual Accounts And Financial Statements
For the Year ended 31 December 2021

STATEMENT OF CHANGES IN EQUITY

	Capital employed TZS	Retained earnings TZS	Total TZS
Year ended 31 December 2021			
As at 1 January 2021	629,096,719	(493,334,534)	135,762,186
Prior Year Error Adjusted	-	(985,030)	(985,030)
profit for the year		(20,644,287)	(20,644,287)
As at 31 December 2021	<u><u>629,096,719</u></u>	<u><u>(514,963,851)</u></u>	<u><u>114,132,868</u></u>
Year ended 31 December 2020			
As at 1 January 2020	629,096,719	(430,787,986)	198,308,733
Profit during the year		(62,546,548)	(62,546,548)
Loss for the year			-
As at 31 December 2020	<u><u>629,096,719</u></u>	<u><u>(493,334,534)</u></u>	<u><u>135,762,186</u></u>

The notes on pages 9 to 12 form part of these financial statements. Independent auditor's report on pages 3

STATEMENT OF CASH FLOWS

	Notes	2021 TZS	2020 TZS
Cash flows from operating activities			
Profit before tax		(20,644,287)	(62,546,548)
<i>Adjustments for:</i>			
Depreciation	7.	20,344,287	20,310,548
Tax paid	6.	-	-
Decrease/ (Increase) in inventories		-	-
Drawing/increaseC decrease)		-	-
(Increase)/ (Decrease in trade and other receivables		-	-
Increase/(Decrease) in trade and other payables		300,000	40,122,289
		<u> </u>	<u> </u>
Net cash flows generated from/(utilised in) operating activities		-	(2,113,711)
Cash flows from investing activities			
Acquisition of equipments	7.	-	-
		<u> </u>	<u> </u>
Net cash flows (utilised by) investing activities		-	-
Cash flows from financing activities			
Capital introduced		<u> </u>	<u> </u>
Net cash flows from financing activities		<u> </u>	<u> </u>
Net increase in cash and cash equivalents		-	(2,113,711)
Cash and cash equivalents at start of year	9	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	9	<u> </u>	<u> </u>

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements are prepared under the historical cost basis of measurement as modified by revaluation of fixed assets, revaluation at fair value of financial assets held as 'at fair value through profit or loss' or 'available for sale'. These financial statements have been presented in Tanzania Shillings.

1.2 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the foundation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

1.3 Trade and other receivables

Trade receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the business will not be able to collect the debts. Bad debts are written off when identified.

1.4 Trade and other payables

The operating cost for running the business monthly are paid by cash and bank. However expenses incurred during the period but not yet paid for were accrued.

1.5 Cash and cash equivalents

Cash and bank balances in the balance sheet comprise cash at banks. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1.6 Property, plant and equipment

Plant and equipment is stated at cost. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met. Depreciation is calculated on reducing balance method. The annual rates of depreciation are:

Item	Rate %
Building	5%
Motor Vehicle	25%
Furniture and fittings	12.5

1.7 Impairment of assets

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Provisions

Provisions are recognized when the foundation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE FINANCIAL STATEMENTS

	2021	2020
	TZS	TZS
1. Revenue		
sales	0	0
Rental Income	0	0
	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
2. Cost of Sales		
Opening Stock	0	0
Purchases	0	0
Closing Stock	0	0
	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
3. Administrative Expenses		
Accounting Fees	300,000	2,600,000
Security	0	39,636,000
Depreciation	20,344,287	20,310,548
	<u>20,644,287</u>	<u>62,546,548</u>
	<u>20,644,287</u>	<u>62,546,548</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2021 TZS	2020 TZS
4. Operating expenses		
Fuel Expense	0	
Electricity and Water	0	0
Rent	0	0
Labour Charges	0	0
	<u>0</u>	<u>0</u>
5. Finance costs		
Bank charges	0	0
	<u>0</u>	<u>0</u>
6. Taxation		
Profit as per accounts	(20,644,287)	(62,546,548)
Add: Depreciation	20,344,287	20,310,548
Communication and Telephone (20%)		
Trasport and travelling (20%)		
	<u>(300,000)</u>	<u>(42,236,000)</u>
Less: Wear and Tear Allowance	<u>(20,344,287)</u>	<u>(20,310,548)</u>
Adjusted Taxable Profit	(20,644,287)	(62,546,548)
Tax Charge for the Year	0	0
Prior Year Tax Charge	0	0
Total Charge for the Year	<u>-</u>	<u>-</u>
Tax Movement		
Opening Balance	-	-
Current Tax	0	0
Prior Year Tax	0	0
Less: Tax Paid Current Year	0	0
Tax Paid for Prior Year	-	-
Net Tax Payable/(Recoverable)	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Equipment	Company Registration	Land and Building	Motor Vehicle	Furniture and Fitting	Total TZS
Period ended 31 December 2021					
Cost	TZS 12.5%	TZS 5%	TZS 25%	TZS 12.5%	
At start of period					
Additions	1,125,749	207,243,302	13,214,804	68,611,167	290,195,022
At end of period	<u>1,125,749</u>	<u>207,243,302</u>	<u>13,214,804</u>	<u>68,611,167</u>	<u>290,195,022</u>
Depreciation					
At start of period	140,719	8,289,732	3,303,701	8,576,396	20,310,548
Charge for the period	-	10,362,165	2,477,776	7,504,346	20,344,287
Error Adjustment on registration fees	985,030				985,030
At end of period	<u>1,125,749</u>	<u>18,651,897</u>	<u>5,781,477</u>	<u>16,080,742</u>	<u>41,639,865</u>
Net book value	<u>0</u>	<u>188,591,405</u>	<u>7,433,327</u>	<u>52,530,425</u>	<u>248,555,157</u>
Equipment					
Period ended 31 December 2020					
Cost					
At start of period					
Additions	1,125,749	207,243,302	13,214,804	68,611,167	290,195,022
At end of period	<u>1,125,749</u>	<u>207,243,302</u>	<u>13,214,804</u>	<u>68,611,167</u>	<u>290,195,022</u>
Depreciation					
At start of period	0.00	0.00	0.00	0.00	-
Charge for the period	140,719	8,289,732	3,303,701	8,576,396	20,310,548
At end of period	<u>140,719</u>	<u>8,289,732</u>	<u>3,303,701</u>	<u>8,576,396</u>	<u>20,310,548</u>
Net book value	<u>985,030</u>	<u>198,953,570</u>	<u>9,911,103</u>	<u>60,034,771</u>	<u>269,884,476</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2021	2020
8. Trade and other receivables		
Other receivables	0	0
Vat Receivable	-	-
Total	<u>-</u>	<u>-</u>
9. Cash and cash equivalents		
Cash in hand	0	0
Cash at bank	0	0
Total	<u>-</u>	<u>-</u>
10. Trade and other payables		
Trade Creditors	134,122,289	134,122,289
Accounting fees Payable	300,000	
Total	<u>134,422,289</u>	<u>134,122,289</u>

QINGDAO INDUSTRIAL INVESTMENT COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST
DECEMBER, 2020

JUNE, 2021

DEMUS 
ASSOCIATES
Certified Public Accountants in Public

*Red Cross Building,
Morogoro/Bibi Titi Streets,
P.O. Box 12665,
Dar Es Salaam,
Tanzania*

*Tel: +255 22 2 138034,
Fax: +255 22 2 138034*

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

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QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements, which discloses the state of affairs of the Company for the year ended 31ST DECEMBER, 2020.

1.0 Principal Activities

Principal activities of the company are processing and selling bottled mineral water

2.0 Results

The results for the year are set out on page 6.

3.0 Directors

The directors who served during the year are:

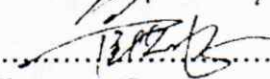
Name	Nationality
(a) Mr Guan Hongzhong	Chinese
(b) Mr Zhang Li	Chinese
(c) Mr Lu Guan	Chinese

4.0 Auditors

Ms. Demus Associates of P. O. Box 12665, Dar es Salaam are statutory auditors of the Company.

By order of the Board

Date: 03/06/2021


Chairman/Director

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

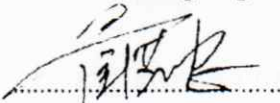
For the year ended 31st December, 2020

The Tanzanian Companies Act 2002 requires Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the Directors to ensure that the company maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the company. Directors are also responsible for safeguarding assets of the company

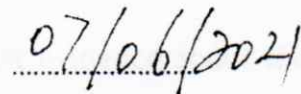
The Directors accept responsibility for the preparation and fair presentation of these financial statements, which are free from material misstatement whether due to fraud or error. They also accept responsibility for: Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements; Selecting and applying appropriate accounting policies; and Making accounting estimates and judgments that are reasonable in the circumstances.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company for the year ended 31st December 2020 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Tanzania Companies Act 2002.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.



Director



Date

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED**, which comprise the statement of financial position as at 31st December 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the audit considers internal control relevant to the entity's preparation

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of **QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED**, as at 31st December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

.....
SHADRACK L. MSEKALILE

MANAGING PARTNER - ACPA 581

DEMUS ASSOCIATES

Certified Public Accountants in Public Practice & Tax Consultants

June 2021




QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF FINANCIAL POSITION

DESCRIPTION	Notes	2020 TZS	2019 TZS
ASSETS			
NON CURRENT ASSETS			
Property, Plant, and Equipment	2	269,884,474	290,195,022
CURRENT ASSETS			
Cash and Bank Balances		-	2,113,711
Debtors and Prepayments		-	-
Total Current Assets		-	2,113,711
Total Assets		269,884,474	292,308,733
EQUITY & LIABILITIES			
CURRENT LIABILITIES			
Creditors and Accruals		134,122,289	94,000,000
Total Current Liabilities		134,122,289	94,000,000
EQUITY			
Share Capital	3	70,000,000	70,000,000
Advance Towards Share Capital		559,096,719	559,096,719
Retained Profit / (Losses)		(493,334,534)	(430,787,986)
Total equity and liabilities		269,884,474	292,308,733

Notes from page 10 to 14 form part of these Accounts


 DIRECTOR

07/06/2021
 DATE

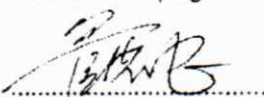
QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF COMPREHENSIVE INCOME

DESCRIPTION	Notes	2020 TZS	2019 TZS
Income		-	-
Less: Direct Costs		-	-
Operating Expenses			
Directors Remuneration		-	-
Administrative Expenses	4	39,636,000	42,475,140
Finance Costs		-	-
Accountancy & Audit Fee		2,600,000	2,600,000
Depreciation	2	20,310,548	23,002,489
Total Operating Expenses		62,546,548	68,077,629
Net Profit/(Losses) Before Tax		(62,546,548)	(68,077,629)
Income Tax		-	-
Net Profit/(Losses) After Tax		(62,546,548)	(68,077,629)

Notes from page 10 to 14 form part of these Accounts


 DIRECTOR

07/06/2021
 DATE

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF CHANGE IN EQUITY

DESCRIPTION	SHARE CAPITAL TZS	RETAINED EARNINGS TZS	TOTAL TZS
Balance 1/1/2019	70,000,000	(430,787,986)	(360,787,986)
Profit/ Losses for the year	-	-	-
Balance as 31/12/2019	70,000,000	(430,787,986)	(360,787,986)
Capital/ Loan injected	-	-	-
Profit/ Losses for the Year	-	(62,546,548)	(62,546,548)
Balance as at 31/12/2020	<u>70,000,000</u>	<u>(493,334,534)</u>	<u>(423,334,534)</u>

Notes from page 10 to 14 form part of these Accounts


.....
DIRECTOR

07/06/2021
.....
DATE

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

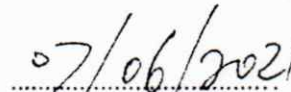
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

STATEMENT OF CASH FLOW

DESCRIPTION	2020 TZS	2019 TZS
Net Profit	(62,546,548)	(68,077,629)
Adjust by Non Cash Items		
Depreciation	20,310,548	23,002,489
Income Tax	-	-
Adjusted Profit	<u>(42,236,000)</u>	<u>(45,075,140)</u>
Chages in Working Capital Items		
(Increase)/Decrease in Debtors	-	10,224,500
Increase/(Decrease) in Creditors	40,122,289	35,510,351
Tax paid	-	-
Total Changes	<u>40,122,289</u>	<u>45,734,851</u>
Net Cash Flow from Operations	(2,113,711)	659,711
Cash Flows from Investing Activites		
Purchase of Non-Current Assets	-	-
Cash Flows from Financing Activities		
Directors contribution	-	-
Net Cash & Cash Equivalent for the Year	(2,113,711)	659,711
Add: Cash & Cash Equi. for Previous Year	<u>2,113,711</u>	<u>1,454,000</u>
Net Cash & Cash Equivalent at 31.12	<u>-</u>	<u>2,113,711</u>

Notes from page 10 to 14 form part of these Accounts


.....
DIRECTOR


.....
DATE

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial are set out below:

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost convention.

(b) Revenue Recognition

Revenue from the sale of goods is recognized in the income statement if the significant risks and rewards of ownership have been transferred to the buyer and to the extent that it is probable that the future economic benefits will flow to the company and the amount of revenue can be reliably measured

(c) Translation of Foreign Currency

Transactions in foreign currency during the year if any are translated into Tanzania Shilling at exchange rates ruling at the date of the transactions. Foreign currency monetary assets and liabilities at the balance sheet date are translated into Tanzania Shillings at the exchange rates prevailing at that date. Resulting exchange rates differences are recognized in the profit and loss account for the year..

(d) Depreciation

Depreciation on asset is calculated on reducing balance method so as to allocate the cost to their residual values over their estimated useful lives from the time the asset is brought into use to the time of its de-recognition as follows:

Asset Description	Rates
Company registration fee	12.5%
Land and Building	4 %
Motor Vehicles	25%
Furniture , Fittings & Machine	12.5%

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

(e) Goods

Stock of Goods are carried at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the open market less applicable selling expenses. Stocks are stated at cost.

(f) Financial instruments

Financial assets and financial liabilities are recognised on the company's balance sheet when it has been a party to the contractual provisions of the instrument.

The accounting policies in respect of the main financial instruments are set out below:

(i) Trade debtors and other receivables

Trade debtors and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective cost method, less provision for impairment. A provision for impairment of trade debtors and other receivables is established when there is objective evidence that QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flow, discounted at the effective interest rate. The amount of provision is recognised in the income statement.

(ii) Fair values

Except where stated elsewhere, the carrying amounts of the financial instruments approximate their fair values because they carry market rates of interest.

(iii) Trade payables

Trade payable are stated at their nominal value.

(g) Impairment

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of the asset's net selling price and value in use.

(h) Functional and Presentation Currency

The financial statements are presented in Tanzanian Shillings, the currency of the primary economic environment in which the entity operates, "functional and presentation currency".

(i) Cash and Cash equivalent

For the purpose of cash flow statement, cash and cash equivalent comprise cash in hand and balances held at bank accounts at balance sheet date.

(j) Taxation

Tax on the profit for the year comprises current and deferred tax. Current tax is provided on the results in the year as shown in the accounts adjusted in accordance with tax legislation. Deferred tax is provided using the balance sheet liability method on temporary differences between the carrying amounts for the financial reporting purposes and the amounts used for taxation purposes. Deferred tax is calculated on the basis of the tax rates currently enacted.

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

FIXED ASSETS SCHEDULE

DESCRIPTION	COMPANY	LAND &	MOTOR	FURNITURE,	TOTAL
	REGISTRATION FEE TZS	BUILDINGS TZS	VEHICLES TZS	FITTINGS & MACHINE TZS	TZS
Cost					
Balance as at 01/01/2020	1,125,749	207,243,302	13,214,804	68,611,167	290,195,022
Additions	-	-	-	-	-
Balance as at 31/12/2020	<u>1,125,749</u>	<u>207,243,302</u>	<u>13,214,804</u>	<u>68,611,167</u>	<u>290,195,022</u>
Depreciation					
Charge for the Year	140,719	8,289,732	3,303,701	8,576,396	20,310,548
Balance as at 31/12/2020	<u>140,719</u>	<u>8,289,732</u>	<u>3,303,701</u>	<u>8,576,396</u>	<u>20,310,548</u>
Net Book Value	985,030	198,953,570	9,911,103	60,034,771	269,884,474

QINGDAO INDUSTRIAL INVESTMENTS COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

3.0 SHARE CAPITAL

(a) Authorized Share Capital

TZS 70,000,000/= divided into TZS 70,000 ordinary shares of TZS 1,000/=

(b) Issued and Paid Up Capital

TZS 70,000,000/= divided into TZS 70,000 ordinary shares of TZS 1,000/=

4.0 ADMINSTRATIVE EXPENSES

DESCRIPTION	2020 TZS	2019 TZS
Postage and Telephone	-	120,340
Travelling and Transport	-	250,400
Printing and Stationery	-	125,300
Business Licence	-	-
Office expenses	-	554,000
M/Vehicle insurance	-	554,400
M/Vehicle running expenses	-	1,234,700
Security expenses	39,636,000	39,636,000
	<u>39,636,000</u>	<u>42,475,140</u>

5.0 ADVANCE TOWARDS SHARE CAPITAL

The amount represent contribution made by the shareholders to increase the working capital, the amount will be capitalized in future once all legal formalities with registrar of companies is finished

6.0 INCOME

The company during the year didn't operate and generated income because of suspension of business operation for non - compliance with laws and regulation put in place by statutory regulatory bodies.