

HUNAN TENGDA POWER GROUP LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2022



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Coast Region - Tanzania

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
REPORT BY THOSE CHARGED WITH GOVERNANCE

The Those charged with governance present their report together with audited financial statements of HUNAN TENGDA POWER GROUP COMPANY LIMITED for the year ended 31st December 2022.

1.0 Introduction

Hunan Tengda Power Group Company Limited is a limited company registered under the Law of Tanzania

2.0 The Directors

The directors of the company at the date of this report, and who have held office throughout the year were as follows:

1. FU DI
2. ZHU GU OHE

3.0 Principal Activities of the Company

The principal activities of the company is production and sales of concrete poles.

4.0 Operational Performance of the Company

As from June 2022, the company started again production of concrete poles after a long period of non-production due to market failure.

5.0 Future Plans

Presently the Company plans to improve its marketing strategies in order to expand its market share in sales of concrete poles

6.0 Shareholders' Interests

The shareholders' interests in the issued shares of the company at 31st December 2022 were as follows:
Shares

FU DI	900
ZHU GU OHE	100
Total	1000

7.0 Related Party Transactions

During the period directors purchase material and machines from China for use in the company. the amount was treated as creditors in the financial statements to be refunded when the company gain its liquidity position.

8.0 Disabled Persons

It is the Company's policy to give priority to disabled persons for employment for vacancies that they are able to fill, and does not discriminate anybody from employment if their disability does not impede their capability to work.

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REPORT BY THOSE CHARGED WITH GOVERNANCE

9.0 Employee's Welfare

The Company provides support to employees in accordance with staff regulations and incentive packages approved by the Board of Directors from time to time.

The Company communicates with its employees through regular management and staff meetings and circulars. There were continued good relations between employees and management during the financial year 2022 and no unrest has been reported apart from isolated disciplinary cases.

Employees Benefit Plan

The Company's employment terms are reviewed annually.

10.0 HIV/ AIDS Mitigation

The Company conducts HIV / AIDS awareness rising at workplace to employees engaging HIV / AIDS experts.

11.0 Going Concern

The directors confirm that the company operation is in good hand that nothing can impair the going concern of company

12.0 Auditors

PanAfrican Auditors (Certified Public Accountants), have been appointed as company auditor for the year 2022.

BY ORDER


.....
MANAGING DIRECTOR

Date 01/06/2023

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act No.12 of 2002 requires the Directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company as at the end of the financial period and of its profit or loss. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. The Directors are also responsible for safeguarding the assets of the Company.

The Directors of HUNAN TENGDA POWER GROUP COMPANY LIMITED hereby accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies Act 2002 and its subsequent amendments. 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 and of its profit for the year ended 31st December 2022. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Directors still believe that the Company will retain its going concern status for at least next twelve months from the date of this statement despite having no sales of concrete poles for the previous three years.


.....
MANAGING DIRECTOR

Date 01/06/2023

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

DECLARATION OF THE HEAD OF ACCOUNTING

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors.

I **DEOGRATIUS DAFI** being the registered Accountants outsourced by **HUNAN TENGDA POWER GROUP COMPANY LIMITED** hereby acknowledge my responsibility of ensuring that financial statements for the year ended **31st December 2022** have been prepared in compliance with applicable accounting standards and statutory requirements. I thus confirm that the financial statements give a true and fair view position **HUNAN TENGDA POWER GROUP COMPANY LIMITED** as on that date and that they have been prepared based on properly maintained financial records.

Signed : 

Position: ACCOUNTANT

NBAA Membership No.: ACPA 3607

Date: 30/04/2023

HUNAN TENGDA POWER GROUP COMPANY LIMITED
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INDEPENDENT AUDITORS REPORT

We were engaged to audit the accompanying financial statements of **HUNAN TENGDA POWER GROUP COMPANY LIMITED**, which comprise the Statement of Financial Position, as at 31st December 2022, the Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, together with a summary of significant accounting policies and notes.

OPINION

In our opinion, , the financial statements give a true and fair view of the state of affairs of the Company as at 31st December 2022 and of the results of its operations and cash flows for the year then ended in accordance with the International Financial Reporting Standards and in compliance with the Companies Act of 2002 and its subsequent amendments.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

As described in the Statement of Directors' Responsibilities, the company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies Act 2002. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements by conducting the audit in accordance with International Standards on Auditing. Those Standards require that I comply with ethical standards and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence 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 statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating overall presentation of the financial statements.

I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion expressing an opinion on the effectiveness of entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating overall presentation of the financial statements. I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

HHHH

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

REPORT ON OTHER LEGAL REGULATORY REQUIREMENTS

As required by the Companies Act, 2002 we report that;-
Proper books of Accounts have been properly kept by HUNAN TENGDA POWER GROUP COMPANY LIMITED

We obtained information and explanations which to the best of our knowledge were necessary for the purpose of audit.

Signed by,



Saidi Yusuph
ACPA (T) 2758
Partner,
PanAfrican Auditors PF308



Signed on: 02/06/2023

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDEND 31ST DECEMBER 2022

	Note	31.12.2022 Tshs	31.12.2021 Tshs
Income		1,153,138,141	255,543,036
Cost of Sale	12	903,391,272	138,557,743
Gross Profit		249,746,869	116,985,293
Less:			
Financial Charge	13	2,456,870	559,447
Operating Expenses	14	133,953,074	36,254,933
Depreciation	15	90,630,199	49,932,880
		227,040,143	86,747,260
Operating profit before Tax		22,706,726	30,238,033
Tax		6,812,018	9,071,410
Operating Profit/(loss)for the year After Taxation		15,894,708	21,166,623

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

	Note	31.12.2022 Tshs	31.12.2021 Tshs
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	6	544,168,802	407,482,883
		544,168,802	407,482,883
CURRENT ASSETS			
Stock & WIP	12	353,693,963	55,234,479
Debtors & Pre payments	8	110,081,257	240,580,059
Cash and Bank Balances	7	440,461,837	18,008,156
Tax Asset	10	6,673,725	
		910,910,781	313,822,694
Total Assets		1,455,079,583 =====	721,305,577 =====
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital	11	500,000,000	500,000,000
Accumulated Loss		(345,667,433)	(320,959,420)
Advanced towards capital		540,000,000	540,000,000
Total Equity		694,332,567	719,040,580
Current Liabilities			
Trade and Other Payables	9	760,747,015	2,000,000
Taxation	10	-	264,998
		760,747,015	2,264,998
Total Equity and Liabilities		1,455,079,583 =====	721,305,577 =====

The Board of Directors is responsible for the preparation and presentation of these financial statements. Approved and signed on behalf of the board.



MANAGING DIRECTOR

20/04/2023
DATE

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2022

	Share Capital Tshs.	Accumulated Profit /(Loss) Tshs.	Total Tshs.
Balance as at 1st January 2021	500,000,000	(342,126,044)	157,873,956
Loss for the Year ended 31 ST December 2021	-	21,166,623	21,166,623
Balance as at 31ST December 2021	500,000,000	(320,959,420)	179,040,580
Balance as at 1st January 2022	500,000,000	(320,959,420)	179,040,580
Profit for the Year ended 31 ST December 2022	-	15,894,708	15,894,708
Prior Year tax payments		(40,602,720)	(40,602,720)
Balance as at 31ST December 2022	500,000,000	(345,667,433)	154,332,567

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

	Note	31.12.2022 Tshs.	31.12.2021 Tshs
Cash Flows From/(Used in) Operating Activities			
Profi/(Loss)t before Income Tax Expenses and Extraordinary Item		22,706,726	30,238,033
Adjustment for			
Depreciation		90,630,199	49,932,880
		113,336,925	80,170,913
Operating Profit before Working Capital Changes			
(Increase)/Decrease Stock & WIP		(298,459,484)	48,200,000
(Increase)/Decrease in VAT Accounts		130,498,802	(100,203,648)
Increase/ (Decrease) in Trade and Other Payables		758,747,015	(441,481)
		590,786,334	(52,445,129)
Cash Generated from Operations		704,123,259	27,725,784
Tax Paid		(54,353,460)	(10,367,628)
Cash Flows from/(Used in) Investing Activities			
Acquisition of Property, Plant & Equipment	6	(227,316,118)	-
		(227,316,118)	-
Cash Flows from/(Used in) Financing Activities			
Increase/ (Decrease) in Loan			
Increase/ (Decrease) in Share Capital		-	-
Increase/ (Decrease) in Advanced to capital		-	-
		-	-
Net Increase/Decrease in Cash and Cash Equivalents		422,453,680	17,358,156
Cash and Cash Equivalents at the beginning of the Year		18,008,156	650,000
Cash and Cash Equivalents at the end of the Year		440,461,836 =====	18,008,156 =====

HUNAN TENGDA POWER GROUP COMPANY LIMITED
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1.0 GENERAL INFORMATION

HUNAN TENGDA POWER GROUP COMPANY LIMITED was incorporated under the Companies Ordinance (CAP212) and was issued with the Certificate of Incorporation has been assigned TIN No. 131 -846 - 770

The main principal activities are to produce concrete Poles

2.0 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Functional and Presentation Currency

The financial statements are presented in the functional currency, Tanzania Shilling (Tsh), rounded to the nearest Shilling.

The financial statements have been prepared under the historical cost convention and as modified by the revaluation of assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgments are continually made and evaluated based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

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

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.1 Principal Accounting Policies

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

2.2 Income Recognition

Income is recognized to the extent that it is probable that economic benefit will flow to the Company and income can be measured reliably.

3.0 Property, Plant and Equipment

3.1 Recognition

All items of property, plant and equipment are initially recorded at cost. Cost comprises expenditure that is directly attributable to the acquisition of the items and putting them into its stable condition and location.

3.2 Subsequent Costs

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to expense account during the financial period in which they are incurred.

Major renovations are capitalized and included in the carrying amount of the assets when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company.

3.3 Depreciation

Depreciation is calculated to write off the cost/valuation of fixed assets on a reducing balance method over their expected useful lives.

The principal annual rates used for this purpose are as follows:

Types of Assets	Rate
Furniture and Fittings	12. %
Machinery & equipment	12. %
Motor vehicles	25%
Buildings	5%
Land	0%

Depreciation is charged in full in the year of acquisition but no depreciation charged in the year of disposal.

Assets are depreciated from the dates they are put to use to the date when they are derecognized. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount and are credited / charged to Statement of Comprehensive Income.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Impairment of assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The Company has not assessed its assets for impairment and therefore has not been compliant to IAS 36. Consequences and the impact of this are equally minimal because the value of the total net fixed assets is 407.482 Million.

3.4 Inventories

Inventories are stated at lower of cost or net realizable value. Cost is determined using weighed average cost method. Cost is comprised of the actual cost of Production and processing, and therefore includes expenditure incurred in acquiring the raw material, direct labour costs, and other production overheads that bring the poles into its finished state.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. Provision is made where necessary for obsolete, redundant, defective stocks or when their selling prices have declined. Provisions are determined for specific items identified. During the year the company did not sale its stock of concrete poles produced so the stock of poles remain unsold

3.5 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less; and bank overdrafts. For the purpose of reporting for this period Cash and Cash equivalent contain only Cash on hand and bank balance.

3.6 Payables and Accruals

Payables are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the year under review.

3.7 Income Tax

Income tax expense is the aggregate of the charge to the profit or loss account in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Tanzania Income Tax Act, 2004.

The Company, being a profit generating entity is subject to taxation and is therefore liable to pay Income Tax as per Second Schedule of the Tanzania Income Tax Act, 2004.

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3.8 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, or it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

4.0 FINANCIAL RISK MANAGEMENT

The Company's activities do not expose it directly to financial risks such as, credit risk or foreign currency risk.

The Company's exposure to each of the above risks is mitigated by policies and procedures aimed at minimizing or managing the risk as described below:

Credit risk

The Company is currently not exposed to credit risk as it receives its cash outflows normally.

Foreign currency risk

The Company is not exposed to fluctuations in foreign currency exchange rates all transactions are carried out in local currency.

Interest rates and liquidity risk

The Company is not subjected to interest rate on borrowed funds, as the Company has no loans at the moment.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory origins and generally accepted standards of operation.

Capital risk management

The Company does not have any capital risk because its capital structure does not include any long term debt financing. Its ability to continue as a going concern and to maintain an optimal capital structure depends, to a large extent, on its operational results and retained earnings.

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5.0 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Critical estimates are made by the management in determining average useful lives for property plant and equipment and their carrying values. The assets useful lives used are set out in Note 3.3(b) above.

Critical judgments in applying the entity's accounting policies

In the process of applying the Company's accounting policies, management has determined that assets' carrying amounts are reasonable and there is no need to provide for impairment losses for the year 2022.

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	31.12.2022	31.12.2021
	Tshs	Tshs
4. REVENUE		
Sales Income	1,153,138,141	255,543,036
4.1 OTHER OPERATING INCOME	-	-
Miscellaneous Income		
4.2 PROFIT FROM OPERATING ACTIVITIES		
Stated after Charging/(Crediting)		
Auditors' Remuneration	2,389,831	5,520,000
Depreciation	90,630,199	49,932,880
5. INCOME TAX EXPENSES		
Balance as at 1st January 2022	264,998	1,561,216
Tax for the period	6,812,018	9,071,410
Payment	(2,000,000)	(2,000,000)
Withholding Tax Deducted	(11,750,740)	(8,367,628)
Prior Tax Assesements	40,602,720	
Prior year tax payments	(40,602,720)	
Balance c/f	(6,673,725)	264,998

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

6. PROPERTY, PLANT & EQUIPMENT

6.1 Gross Carrying amounts	Balance as at 1.1.2022 Tshs.	Additions Tshs.	Balance as at 31.12.2022 Tshs.
At Cost			
Land	59,590,000	-	59,590,000
Buildings	81,637,019		81,637,019
Motor Vehicles	84,600,000	156,583,898	241,183,898
Machinery and Equipments	494,383,117	70,732,220	565,115,337
Furniture		3,093,220	3,093,220
	720,210,136	227,316,118	947,526,254
6.2 Depreciation			
	Balance as at 1.1.2022 Tshs.	Charge for the year Tshs.	Balance as at 31.12.2022 Tshs.
Land	-	-	-
Buildings	18,467,850	3,158,458	21,626,308
Motor Vehicles	53,449,805	46,933,523	100,383,328
Machinery and Equipments	240,809,599	40,538,217	281,347,816
	312,727,253	90,630,199	403,357,452
Net Book Value	407,482,883		544,168,802

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

	31.12.2022	31.12.2021
	TShs.	Tshs
7. CASH AND BANK BALANCES		
Cash at Bank	439,487,667	5,187,441
Cash on Hand	974,169	12,820,715
	440,461,837	18,008,156
8. DEBTORS AND PREPAYMENTS		
VAT Accounts	110,081,257	48,699,462
Other Debtors		<u>178,565,100</u>
	110,081,257	227,264,562
	=====	=====
9. TRADE AND OTHER PAYABLES		
Audit Fees	2,389,831	2,000,000
Directors Accounts	758,357,185	-
Trade Payables		-
	760,747,015	2,000,000

	Per Value Tshs.	At the Beginning of the Year	At the End of the period
10 . SHARE CAPITAL			
1000 Authorised	500,000	500,000,000	500,000,000
Issued and Fully Paid 1000	500,000	500,000,000	500,000,000
		500,000,000	500,000,000
		=====	=====
ADVANCED TOWARDS CAPITAL		540,000,000	540,000,000
		=====	=====

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DETAILED EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

		31.12.2022	31.12.2021
		Tshs.	Tshs
12. COST OF SALE			
Opening Stock :	Material	-	-
	Finished goods	55,234,479	103,434,479
Purchase raw Material		1,159,672,444	46,750,343
Direct Labour		31,559,500	41,250,600
Electricity		10,618,812	2,356,800
Goods available for production/sale		1,257,085,235	193,792,222
Less Closing Stock:	Materials/WP	(30,900,400)	-
	Finished Goods	(322,793,563)	(55,234,479)
		(353,693,963)	(55,234,479)
COST OF GOODS PRODUCED/ SOLD		903,391,272	138,557,743
13. FINANCIAL CHARGES			
Bank Charges		2,456,870	559,447
14. OPERATING EXPENSES			
Motor vehicles spare & Repairs			2,194,915
Accounts & Audit fee		3,949,155	5,520,000
Salary and Wages		16,800,000	16,800,000
Printing and Stationery		8,475	2,580,068
Office Expenses		12,860,491	1,231,445
Cleaning and sanitation		-	-
Transportation charges		78,003,396	-
Security charges		7,200,000	7,200,000
Electricity		123,250	728,505
Building repair & Maintenance		9,454,155	-
Tools		2,825,339	-
Repair and Maintenance Machines		2,372,881	-
Lubricants		313,560	-
Legal Fee		42,373	-
		133,953,074	36,254,933
15. DEPRECIATION		90,630,199	49,932,880

HUNAN TENGDA POWER GROUP COMPANY LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2022
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)