

# M/S BEIJING NEW BUILDING MATERIALS (T) CO LIMITED

## AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2019



**DIAMOND FINANCIAL SERVICES**  
*Certified Public Accountants*

Pembe House 2nd Floor, Suite 216  
Pemba Road/Garden Avenue  
P.O. Box 12462 DSM  
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Email: [diamondfs@gmail.com](mailto:diamondfs@gmail.com)

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**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**FOR THE YEAR ENDED 30th June, 2019**

Country of Incorporation	United Republic of Tanzania
Nature of Business	Import & Sale of building materials
Physical Address of Business and Registered Office	Mandela Road, Plot No 1010/3/1-3 Buguruni Sukita Ilala District Dar es Salaam United Republic of Tanzania
Postal Address	P. O. Box 75753 Dar es Salaam United Republic of Tanzania
Ultimate Holding Company	Beijing New Building Material (Group) Co., Ltd
Bankers	United Bank of Africa Standard Chartered Bank CRDB Bank Plc National Microfinance Bank Barclays Bank Tanzania Ltd
Lawyer	AYMAK Attorneys P. O. Box 79575 Dar es Salaam Chole Road, House No 51 Masaki Dar es Salaam
Auditors	DIAMOND FINANCIAL SERVICES Certified Public Accountants P.O. Box 12482, Dar es Salaam, Tanzania. Tel: +255-022-2124339
Tax Consultant	SAO Associates P. O. Box 77747 Mwalimu House Flour No 7 Ilala Boma Dar es Salaam



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30th June, 2019**

The Directors are pleased to submit their report to the shareholders together with the Audited Financial Statements for the year ended 30th June, 2019, which disclose the state of affairs of the Company as at that date.

1. **INCORPORATION**  
The Company was Registered in Tanzania and Incorporated Under Companies Ordinance (Cap. 212) No. 68094 on 23<sup>rd</sup> October, 2008.
2. **PRINCIPAL ACTIVITIES**  
The Company is engaged in Import & Whole sale of building materials.
3. **FINANCIAL PERFORMANCE**  
The operating results for the period are set out on page 8 of these Financial Statements.
4. **DIVIDENDS**  
The Directors do not recommend the payment of any dividends.
5. **SOLVENCY**  
The Company's state of affairs as at 30th June, 2019 is set out on page 7 of these Financial Statements. The Directors consider the Company to be solvent within the meaning ascribed by the Tanzania Companies Act made there under no matters have come to the attention of the directors to indicate that the Company will not remain a going concern for the next 12 months from the date of this report.  
  
The Directors are of the opinion that the Company will be a going concern in years ahead. Accordingly, the Financial Statements have been prepared on a going concern basis.
6. **CORPORATE GOVERNANCE**  
The directors believe that high standards of corporate governance directly influence the organization's stakeholders and investor confidence and the directors recognize the importance of integrity, transparency and responsibility.
7. **ADMINISTRATIVE MATTERS**  
The Company is capable of handling all administrative matters.
8. **RELATED PARTY TRANSACTION**  
The details of related party transactions and balances are provided in note 7 of the notes to the Financial Statements.



BEIJING NEW BUILDING MATERIALS (T) CO., LTD

REPORT OF THE DIRECTORS FOR  
THE YEAR ENDED 30th June, 2019

(CONTINUED)

9. **DIRECTORS**

The Directors who held office during the period and to the date of this report are:-

<u>Name of Director</u>	<u>Category</u>	<u>Nationality</u>	<u>Date of App</u>
XIAO YUENAN	Director	Chinese	23 <sup>rd</sup> May 2017
LI YUAN	Director	Chinese	23 <sup>rd</sup> Oct 2008
YU XIANFENG	Director	Chinese	23 <sup>rd</sup> Oct 2008


10. **AUDITORS**

The auditors, Diamond Financial Services have expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing their re-appointment as auditors for the year ending 30 June 2019 will be put at the Annual General Meeting.



BY ORDER OF THE BOARD

29/06/2020  
.....  
DATE

  
.....  
DIRECTOR

BEIJING NEW BUILDING MATERIALS (T) CO., LTD

STATEMENT OF DIRECTORS' RESPONSIBILITY  
FOR THE YEAR ENDED 30th June, 2019

The Tanzanian Companies Act, 2002 requires the directors to prepare Financial Statements for each financial year which gives a true and fair view of the state of affairs of the company as at the end of the financial year and of the operating results of the company for that year. It also requires the directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the Financial Position of the Company. They are also responsible for safeguarding the assets of the Company.

The directors are responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards and the provisions of the Tanzania Companies Act 2002. This responsibility includes, designing, implementing and maintaining internal controls 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.

The directors 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 in the manner required by the Companies Act, 2002. 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 operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of Financial Statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement. In addition, the directors confirm that the shareholders' commitment to continue providing the financial support that may be required to enable the company continue operating and meet its obligations as they fall due. On this basis, the directors consider it appropriate to prepare the Financial Statements on the going concern basis.


**Approval of the Financial Statements**

The Financial Statements of the Company, as indicated above, were approved by the Directors and are signed on its behalf by:



29/06/2020

Date

  
.....  
DIRECTOR

**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**


**DECLARATION OF THE ACCOUNTANT OF BEIJING NEW BUILDING MATERIALS (T) CO., LTD**

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/Governing Body/Management 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 Directors as under Directors' Responsibility Statement on an earlier page.

I, **Tonny .S. Laurent** Being the Accountant of BEIJING NEW BUILDING MATERIALS (T) CO., LTD hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended on 30th June,2019 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 of BEIJING NEW BUILDING MATERIALS (T) CO., LTD on that date and that they have been prepared based on properly maintained financial records.

Signed by:.....

Position: Accountant

NBAA Membership No. GA 2884

Date:.....29/06/2020





## REPORT OF THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of **BEIJING NEW BUILDING MATERIALS (T) CO.,LTD**, which comprise the statement of financial position as at 30<sup>th</sup> June 2019, and the statement of comprehensive income, statement of charges in equity and statement of cash flows for the period from 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30<sup>th</sup> June 2019, and its financial performance and its cash flow for the period from 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019 in accordance with International Financial Reporting Standards for small Medium – Sized Entities (IFRSs for SME's) and the Tanzanian Companies Act 2002.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Tanzania and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

### Responsibilities of Directors and Those charged with Governance for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and the Company's Act Cap 212, and for such internal control as Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable matters related to going concern and using the going concern basis of accounting unless Directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

### Key Audit Matters

We have determined that there are no key audit matters to communicate in our audit reporting.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee.



**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BEIJING NEW BUILDING MATERIALS (T) CO..LTD**

That an audit conducted in accordance with ISAs will always detect material misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financials is given in the Appendix to independent Auditors report. This description forms part of our auditor's report.

**Report on Other Legal and Regulatory Requirements**

This report, including, the opinion, has been prepared for, and only for, the company's members as a body in accordance with the Tanzanian Companies Act 2002 and for no other purpose.



As required by the Companies Act 2002 we report to you, based on our audit that

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
2. In our opinion proper books of account have been kept by the company, so far as appears from our examination of those books, and
3. The company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

NAME Octavian S. Ueszy (ACA 1809)

Signature [Handwritten Signature]



Engagement partner  
Diamond Financial Services  
Dar Es Salaam

Date 30/6/2020

**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2019**

	NOTES	2019 TZS	2018 TZS
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	2	28,034,186,932	10,234,281,723
<b>CURRENT ASSETS</b>			
Inventories		11,913,567,946	5,732,071,141
Trade Receivables	3	10,890,770,921	12,048,133,790
Taxation	4	4,109,277,625	1,559,730,817
Cash and Cash Equivalent	5	701,600,340	1,498,087,818
<b>Current Assets</b>		<u>27,615,216,831</u>	<u>20,838,023,566</u>
<b>TOTAL ASSETS</b>		<u>55,649,403,764</u>	<u>31,072,305,289</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Authorised and Paidup capital		16,152,000,000	16,152,000,000
Reserve Fund		62,448,501	62,448,501
Retained Earnings/(Accumulated Loss)		129,086,909	(380,699,185)
		<u>16,343,535,410</u>	<u>15,833,749,316</u>
<b>LOAN</b>			
		3,339,724,933	4,520,174,977
<b>CURRENT LIABILITIES</b>			
Trade Payables		13,968,240,741	9,884,898,305
Taxation		12,120,425	89,830,545
Other Payables		21,985,782,255	743,652,145
<b>Current Liabilities</b>		<u>35,966,143,421</u>	<u>10,718,380,995</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>55,649,403,764</u>	<u>31,072,305,289</u>



  
 \_\_\_\_\_  
 DIRECTOR

29/06/2020  
 \_\_\_\_\_  
 DATE

  
 \_\_\_\_\_  
 DIRECTOR

**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**STATEMENT OF COMPREHENSIVE INCOME AS AT 30TH JUNE, 2019**

NOTES	2019 TZS	2018 TZS
<b>Income from Sales</b>	85,935,766,265	57,275,964,360
<b>Bonus Received</b>	<u>1,456,272,130</u>	<u>871,197,290</u>
	<b>87,392,038,395</b>	<b>58,147,161,650</b>
Opening Inventories	5,732,071,141	6,422,837,621
Add: Purchases	<u>86,984,990,996</u>	<u>53,258,081,767</u>
	92,717,062,137	59,680,919,388
Less: Closing Inventories	<u>11,913,567,946</u>	<u>5,732,071,141</u>
	80,803,494,191	53,948,848,246
Less: Warehouse Renovation	-	-
<b>Cost of Sales</b>	<u>80,803,494,191</u>	<u>53,948,848,246</u>
<b>Gross Profit/(Loss)</b>	<b>6,588,544,204</b>	<b>4,198,313,403</b>
Add: Gain/(Loss) on Disposal of asset	413,200	2,252,033
	<u>6,588,957,404</u>	<u>4,200,565,436</u>
<b>LESS: OPERATING EXPENSES</b>		
Management Cost	9 3,374,852,348	2,694,730,510
Finance Cost	10 1,163,957,475	192,598,482
Sales, Marketing & Advertising Expense	11 <u>1,512,860,834</u>	<u>1,258,383,616</u>
	<b>6,051,670,657</b>	<b>4,145,712,609</b>
<b>Net Profit/(Loss)</b>	537,286,747	54,852,827
<b>Less: Corporate Tax</b>	<u>24,161,819</u>	-
<b>Net Profit/(Loss) after Tax</b>	<u>513,124,928</u>	<u>54,852,827</u>



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR  
ENDED 30TH JUNE, 2019**

	<b>SHARE CAPITAL TZS</b>	<b>CAPITAL RESERVES TZS</b>	<b>RETAINED EARNINGS TZS</b>	<b>TOTAL TZS</b>
As at 01st July, 2018	16,152,000,000	62,448,501	(380,699,185)	15,833,749,316
Profit/(Loss) for the year	-	-	513,124,928	513,124,928
Prior year Adjustment	-	-	(3,338,835)	(3,338,835)
<b>As at 30th June, 2019</b>	<b>16,152,000,000</b>	<b>62,448,501</b>	<b>129,086,909</b>	<b>16,343,535,410</b>



Accounting Report - page 5

Notes on page 11 form part of these financial statements

**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**STATEMENT OF CASH FLOW AS AT 30TH JUNE, 2019**

	2019 TZS	2018 TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	537,286,747	54,852,827
Adjustment for Depreciation	399,853,849	109,504,320
Bonus Received	(1,456,272,130)	(871,197,290)
Adjustment for Assets Disposal Loss	-	-
	<u>(519,131,533)</u>	<u>(706,840,143)</u>
<b>CHANGE IN WORKING CAPITAL ITEMS</b>		
(Increase)/Decrease in Inventories	(6,181,496,805)	690,766,479
(Increase)/Decrease in Receivables	(1,141,787,451)	3,496,478,122
Increase/(Decrease) in Payables	25,247,762,425	3,949,949,775
Cash Generated from Operating Activities	<u>17,405,346,636</u>	<u>7,430,354,233</u>
Tax paid	(101,871,939)	(5,000,000)
Prior Year	-	-
Net Cash from in Operating Activities	<u>17,303,474,697</u>	<u>7,425,354,233</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Assets Acquired	(12,882,671,859)	(9,980,358,516)
Disposal	8,075,000	7,747,967
Construction on Progress	(5,324,749,000)	-
Net Cash from in Investment Activities	<u>(18,199,345,859)</u>	<u>(9,972,610,550)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan	52,427,527,325	3,495,666,300
Loan Repayment	(52,328,143,640)	(3,563,814,810)
Share capital paid up	-	-
Net Cash from in Financing Activities	<u>99,383,685</u>	<u>(68,148,510)</u>
Net Increase in Cash and Cash Equivalent	(796,487,478)	(2,615,404,827)
Cash and Cash Equivalent at beginning of period	1,498,087,818	4,113,492,645
Cash and Cash Equivalent at end of period	<u>701,600,340</u>	<u>1,498,087,818</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR END 30TH JUNE, 2019

**1 PRINCIPAL ACCOUNTING POLICIES**

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

**(a) Depreciation**

Depreciation is calculated to write off the fixed assets in a straight line basis over the highest expected useful lives of the assets concerned deduct the residual rate of 3%. The following are the estimated useful life of the assets:-

Land & Building	40	40 years
Motor Vehicles	10	10 years
Computer Equipments	8	8 years
Other Assets	8	8 years

**(b) Translation of Foreign Currency**

Translation of Foreign Currencies during the year converted into Tanzanian Shillings at rates ruling at the transaction dates. Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into Tanzanian Shillings at rates ruling at that date. The resulting differences from conversion of and transaction are dealt within the statement of comprehensive income in the year in which they relate.

**(c) Inventory Valuation**

Inventories are valued by the Management at the average weight method. Provision has been made in the accounts for all slow moving and obsolete inventories.

**2 (a) PROPERTY, PLANT AND EQUIPMENT**

	Building	Fixture & Fittings	Machinery Equipment	Motor Vehicle	Trucks & Trailors	Motor Cycle	Air Condition	Computer	TV	Office Equipment	Motor Crane	Container	Total
	TZS	TZS	TZS	5 years	10 years	5 years	8 years	8 years	8 years	8 years	10 years	8 years	TZS
At 1st July, 2018	-	4,200,000	67,661,535	364,694,703	275,932,203	4,791,458	30,153,251	47,470,022	3,899,999	71,472,160	257,090,599	-	1,150,898,431
Addition	12,736,790,708	-	62,022,296	-	30,000,000	-	3,057,695	14,069,651	-	7,262,710	-	29,474,800	12,882,671,859
Disposal	-	-	-	(11,600,000)	-	-	-	-	-	-	-	-	(11,600,000)
At 30th June, 2019	12,736,790,708	4,200,000	129,683,831	353,094,703	305,932,203	4,791,458	33,210,946	61,539,673	3,899,999	78,734,870	257,090,599	29,474,800	14,021,970,290
DEPRECIATION													
At 1st July, 2018	-	1,782,375	37,191,291	117,090,837	8,921,808	688,030	9,101,926	7,136,487	3,028,786	28,055,969	141,314,132	-	370,582,003
Charge for the year	257,389,312	509,250	7,064,516	58,024,592	28,947,924	930,707	2,158,885	6,257,853	233,115	8,739,383	24,937,788	595,637	399,853,849
Deletion	-	-	-	(3,938,200)	-	-	-	-	-	-	-	-	(3,938,200)
At 30th June, 2019	257,389,312	2,291,625	44,255,806	171,177,228	37,869,732	1,628,737	11,260,811	13,394,360	3,261,981	36,796,372	166,251,921	696,637	766,487,662
NET BOOK VALUE													
At 30th June, 2019	12,479,401,398	1,908,375	85,428,024	181,917,476	268,062,471	3,162,721	22,050,135	48,145,313	638,118	41,939,499	90,838,678	28,778,163	13,256,472,638
At 30th June, 2018	-	2,417,625	30,470,244	247,603,866	267,010,396	4,099,428	11,051,326	40,333,626	87,133	43,416,172	116,776,467	-	780,316,428

(b) Land acquired with value of TZS 9,453,865,294.63  
Construction in Progress with value of TZS 5,324,749,000.00



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR END 30TH JUNE,2019**

	2019 TZS	2018 TZS
<b>3 TRADE AND OTHER RECEIVABLES</b>		
Trade Receivable	4,118,873,462	1,150,485,355
Prepayment Expenses	-	117,742,029
SINOMA East Africa	2,375,378,535	2,160,085,823
SINOMA International	1,017,032,814	1,316,962,855
Other Receivable	265,650,240	177,589,526
Imprest Receivable	149,313,069	68,676,820
Note Receivable	-	2,135,707,916
Advance Payment	2,964,522,801	4,920,883,466
	<u>10,890,770,921</u>	<u>12,048,133,790</u>
<b>4 TAXATION</b>		
Tax Receivables	4,109,277,625	1,559,730,817
Corporate tax	(12,120,425)	(89,830,545)
	<u>4,097,157,200</u>	<u>1,469,900,272</u>
<b>5 CASH &amp; CASH EQUIVALENTS</b>		
Cash in Hand (TZS)	147,157,213	74,627,395
Cash in Hand (USD)	202,292,488	33,083,917
Cash at I&M (USD)	228,951	-
Cash at I&M (TZS)	100,000	-
Cash at Exim (USD)	821,934	-
Cash at Exim(TZS)	17,637,810	-
Cash at Bank Standard (USD)	114,032,702	298,699,949
Cash at Bank Standard (TZS)	18,905,658	165,553,199
Cash at UBA (TZS)	638,005	130,570,550
Cash at UBA (USD)	39,494	205,331,645
Cash at NMB (TZS)	89,522,201	241,661,068
Cash at NMB (USD)	311,259	18,098,237
Cash at Bank CRDB (TZS)	101,392,802	87,748,279
Cash at Bank CRDB (USD)	982,512	160,847,676
Cash at Bank BARCLAYS (USD)	-	7,817,212
Cash at Bank BARCLAYS (TZS)	7,587,212	74,048,690
	<u>701,600,340</u>	<u>1,498,087,818</u>
<b>6 SHARE CAPITAL</b>		
Authorised Shares Capital 10,000 Shares of 1,615,200 each	<u>16,152,000,000</u>	<u>16,152,000,000</u>
Paid up Capital 10,000 Shares of 1,615,200 each	<u>16,152,000,000</u>	<u>16,152,000,000</u>
<b>7 TRADE PAYABLES</b>		
Account payables		
BNBMG	11,008,000,925	4,701,443,051
BNBM SINGAPORE	2,174,190,360	4,800,892,431
	786,049,455	382,562,822
	<u>13,968,240,741</u>	<u>9,884,898,305</u>



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR END 30TH JUNE, 2019**

		2019 TZS	2018 TZS
<b>8 a</b>	<b>OTHER PAYABLES</b>		
	Salary & Wages	-	300,318
	Advance Receipt	17,938,031,472	-
	Audit fees	-	6,000,000
	City Levy	261,200,759	503,456,198
	PAYE payable	10,006,256	7,057,622
	SDL Payable	3,440,115	2,879,182
	LAPF Payable	8,509,965	8,315,826
	WCF Payable	1,124,431	1,441,192
	Withholding Tax Payable	-	(5,669,160)
	Accrual Payments	-	206,305,767
	Others	3,763,469,257	13,565,200
		<u>21,985,782,255</u>	<u>743,652,145</u>
<b>b</b>	<b>LOAN</b>		
	Short Loan (Crdb Bank)	-	2,062,451,300
	SINOMA INTERNATIONAL	-	1,433,215,000
	BNBM SINGAPORE	3,339,724,933	1,024,508,677
		<u>3,339,724,933</u>	<u>4,520,174,977</u>
<b>9</b>	<b>MANAGEMENT COST</b>		
	Salaries and Wages	973,264,570	670,766,694
	Office Expenses	262,348,812	248,669,114
	Entertainment	275,446,563	218,452,435
	Office Rent	217,648,492	192,534,480
	Warehouse Rent	-	293,389,815
	Fuel and Lubricant	28,447,158	43,911,079
	Telephone, Postage & Internet	51,629,561	31,430,385
	Depreciation	374,916,061	84,566,531
	Electricity & Water	112,380,095	48,411,401
	Transport & Travelling	18,956,591	-
	Legal Fees	9,092,618	316,382
	Licence & Professional fees	2,308,475	3,647,458
	Insurance	270,363	12,417,175
	Maintenance	228,214,114	84,473,049
	Consultancy fees	1,347,458	142,550,678
	Medical Expenses	5,877,094	5,726,082
	Audit Fees	6,000,000	6,000,000
	Business Trip	237,556,145	286,325,993
	NSSF/LAPF Contribution	69,494,054	38,503,427
	WCF Contribution	9,373,255	8,696,356
	SDL	46,889,029	31,976,863
	City Levy	257,807,299	171,827,893
	Stamp Duty	659,170	146,652
	Inspection fee	4,260,000	250,306
	Training Fees	18,026,215	300,000
	Labour Protection Expenses	4,674,247	2,741,751
	Transport and parking Charges	2,447,000	28,475,141
	Security Charges	80,668,327	35,988,020
	Gabbage Collection	3,849,582	2,235,350
		<u>3,374,852,348</u>	<u>2,694,730,510</u>



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR END 30TH JUNE, 2019**

		2019 TZS	2018 TZS
<b>10</b>	<b>FINANCE COSTS</b>		
	Exchange Loss	111,326,375	86,139,800
	Bank Charges	65,042,014	18,919,397
	Interest	987,589,086	87,539,286
		<u>1,163,957,475</u>	<u>192,598,482</u>
<b>11</b>	<b>SALES, MARKETING &amp; ADVERTISING EXPENSES</b>		
	Transportation	922,308,332	878,586,848
	Advertisement	2,566,996	69,305,030
	Other Expenses	477,611,934	233,059,504
	Crane Services	-	-
	Crane Depreciation	24,937,788	24,937,788
	Crane repair	-	-
	Fuel	85,435,783	52,494,447
		<u>1,512,860,834</u>	<u>1,258,383,616</u>



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**

**TAX MOVEMENT SCHEDULE 2019**

<b>YEAR</b>	<b>B/F</b>	<b>ASSESSMENT TAX</b>	<b>TAX PAID</b>	<b>CORPORATE TAX</b>	<b>BALANCE</b>
<b>2015</b>	(58,792,902)	-	(16,200,000)	14,906,330	(60,086,572)
<b>2016</b>	(60,086,572)	<b>71,127,627</b>	(32,625,045)	19,391,375	(2,192,615)
<b>2017</b>	(2,192,615)	<b>124,101,155</b>	(146,775,250)	99,697,255	74,830,545
<b>2018</b>	74,830,545	20,000,000	(5,000,000)	-	89,830,545
<b>2019</b>	<b>89,830,545</b>	-	<b>(101,871,939)</b>	<b>24,161,819</b>	<b>12,120,425</b>



**BEIJING NEW BUILDING MATERIALS (T) CO., LTD**

**INCOME TAX COMPUTATION  
YEAR OF INCOME 2019**

	2019 TZS	2018 TZS
Net Profit / (Loss) per account	537,286,747	54,852,827
Add: Depreciation	399,853,849	109,504,320
Less: Depreciable asset Disposal	413,200	2,252,033
	<u>936,727,397</u>	<u>162,105,114</u>
Less: Depreciable Allowance	808,230,306	210,062,806
Loss B/F from year 2018	47,957,692	-
Adjusted Taxable Income/(Loss carried forward)	<u>80,539,398</u>	<u>(47,957,692)</u>
Corporate Tax 30%	24,161,819	-
Less: Estimated Tax	36,000,000	20,000,000
Withholding Tax	65,871,939	-
<b>Tax Payable/(Repayable)</b>	<u><u>(77,710,120)</u></u>	<u><u>(20,000,000)</u></u>



**SCHEDULE OF DEPRECIABLE ASSETS ALLOWANCE**

CLASS:	V 5%	I 37.5%	II 25%	III	TOTAL
Assets:	Building	Motor Vehicle & Computer	Motor Crain	Furniture & Fitting	
			TZS	TZS	TZS
1.7.2018 WDV	-	191,792,203	258,903,829	60,803,458	511,499,490
Addition	12,736,790,708	47,121,346	-	98,759,806	12,882,671,859
Disposal	-	(7,661,800)	-	-	(7,661,800)
	<u>12,736,790,708</u>	<u>231,251,749</u>	<u>258,903,829</u>	<u>159,563,263</u>	<u>13,386,509,549</u>
2019 Allowance	636,839,535.39	86,719,406	64,725,957	19,945,408	808,230,306
30.6.2019 WDV	<u>12,099,951,172</u>	<u>144,532,343</u>	<u>194,177,872</u>	<u>139,617,855</u>	<u>12,578,279,243</u>