

GLOBAL SPECTRUM ENERGY SERVICES PLC.

UNADITED FINANCIAL STATEMENT

&

1ST QUARTER REPORT

FOR

THE PERIOD ENDED 31ST MARCH, 2021



Global Spectrum Energy Services Plc

GLOBAL SPECTRUM ENERGY SERVICES PLC

TABLE OF CONTENT

	<u>PAGE</u>
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF PROFIT / LOSS AND OTHER COMPREHENSIVE INCOME	4
STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF CASH FLOW	6
NOTES TO THE ACCOUNTS	7- 11

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF FINANCIAL POSITION
PERIOD ENDED 31ST

		31/03/2021	31/12/2020
	<u>NOTES</u>	Quarter 1 N	Quarter 4 N
Assets			
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	1	1,366,431,694	1,362,529,946
Investment Property	23	2,514,155,000	2,514,155,000
<u>CURRENT ASSETS</u>			
Bank and cash balances	7	240,741,851	325,227,218
Intangible Assets	2		
Inventory	3	50,631,640	53,841,640
Trade Receivables	4	930,453,352	1,047,910,755
Other Receivables	5	292,780,139	213,458,326
Prepayments	6	37,651,120	2,750,000
Other Assets	8	257,775,352	241,565,084
Total Assets (A)		<u>5,690,620,150</u>	<u>5,761,437,970</u>
<u>LONG-TERM LIABILITIES</u>			
Borrowings	9	0	0
Trade payables	10	512,181,866	598,989,346
Other Payables	11	29,135,469	32,930,473
Tax payable	12	103,132,560	95,984,644
Deferred Tax	13	98,323,000	98,323,000
Total Liabilities (B)		<u>742,772,895</u>	<u>826,227,463</u>
Net Assets (A-B)		<u>4,947,847,254</u>	<u>4,935,210,506</u>
Equity			
Share Capital	15	400,000,000	400,000,000
Deposit for Shares	14	2,486,440,000	2,486,440,000
Retained earnings	16	1,647,252,254	1,634,615,506
Revaluation Reserves	17	414,155,000	414,155,000
Total Equity		<u>4,947,847,254</u>	<u>4,935,210,506</u>



AUSTIN OYAGHA (Rtd) FRC/2019/003/00000020275

Managing Director



CLEMENT AKANIBO FRC/2014/ICAN/00000008266

Director



AKINDELE WASIU FRC/2018/ICAN/00000018056 ³

Chief Financial Officer

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF COMPREHENSIVE INCOME
PERIOD ENDED 31ST MARCH 2021

	<u>NOTES</u>	Jan-Mar 2021 N	Jan-Mar 2020 N
Revenue	18	346,385,456	895,552,393
Direct cost	19	251,886,056	696,912,888
Gross profit		94,499,400	198,639,505
Other Income			0
Administrative expenses	20	70,820,787	99,898,197
Other operating expenses	21	-	
Operating profit		23,678,613	98,741,308
Finance costs	22	1,341,376	3,551,008
Profit before taxation		22,337,237	95,190,300
Taxation	12	7,147,916	17,531,434
Other comprehensive income		-	-
Exchange differences on translation of foreign oper		-	-
Income tax effect		-	-
Other comprehensive income for the quarter, net of		-	-
Total comprehensive income for the quarter		15,189,321	77,658,866

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2021

	Issued Share Capital	Retained Earnings	Deposit for Shares	Total Equity
	N'000	N'000		N'000
As at 1 January 2020	400,000	1,842,399	2,486,440	2,242,399
<u>Changes in 2020</u>				
Adjustment in Retained Earning	0		0	
Profit for the Quarter	<u>0</u>	<u>77,659</u>	<u>-</u>	<u>77,659</u>
As at 31 March, 2020	400,000	1,920,058	2,486,440	4,806,498
<u>Changes in 2021</u>				
As at 1 January 2021	400,000	2,048,771	2,486,440	2,448,771
Adjustment in Retained Earning		-2,553		
Profit for the quarter	0	15,189	0	15,189
As at 31 March, 2021	400,000	2,061,407	2,486,440	4,947,847

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CASHFLOW

PERIOD ENDED 31ST MARCH 2021

Jan - March 2021

Jan - Mar 2020

	N'000	N'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	22,337	95,190
Adjustment for:		
- Depreciation	23,882	23,750
	46,219	118,940
Changes in trade & Other receivables	21,925	-274,868
Changes in prepayments	-34,901	2,400
Changes in Inventory	3,210	0
Changes in trade & Other payables	-90,602	85,759
	-100,368	-186,708
Prior Yr PAYE tax paid	2,553	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	-56,702	-67,768
CASHFLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of property,plant and equipment	0	-5,897
WIP ADJUSTED	-27,783	14,214
Proceeds from sale of property and equipment		-
NET CASH FLOWS FROM INVESTING ACTIVITIES	-27,783	8,317
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares		0
Deposit for Shares		0
Loan Repayment		0
Dividend Paid		-
NET CASH FROM FINANCING ACTIVITIES	0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS	-84,485	-59,451
Cash and Cash Equivalents at beginning of quarter	<u>325,227</u>	<u>125,086</u>
Cash and Cash Equivalents at end of quarter	<u>240,742</u>	<u>65,635</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 31ST MARCH 2021

1. PROPERTY, PLANT & EQUIPMENT

	LAND & BUILDING N	MARINE EQUIPMENT N	PLANT & MACH & MACH N	MOTOR VEHICLES N	WIP	FURNITURE & FITTINGS & OFFICE EQUIPMENT N	TOTAL
Cost							
Balance as at Jan 01, 2021	350,000,000	1,485,470,200	15,997,199	10,932,000	27,783,261	11,710,875	1,901,893,535
Additions							
Disposals							
Balance as at end of quarter	350,000,000	1,485,470,200	15,997,199	10,932,000	27,783,261	11,710,875	1,901,893,535
Depreciation and impairment losses							
Balance as at previous quarter	101,325,000	383,452,649	10,080,440	9,957,000	0	6,765,239	511,580,328
Depreciation for the quarter	4,375,000	18,568,391	444,860	121,875	0	371,387	23,881,513
impairment losses							
Disposals							
Balance as at end of quarter	105,700,000	402,021,040	10,525,300	10,078,875	0	7,136,626	535,461,841
Carrying amounts							
Balance as at end of quarter	<u>244,300,000</u>	<u>1,083,449,160</u>	<u>5,471,899</u>	<u>853,125</u>	<u>27,783,261</u>	<u>4,574,249</u>	<u>1,366,431,694</u>
Balance as at Dec 31, 2020	<u>248,675,000</u>	<u>1,102,017,551</u>	<u>5,916,759</u>	<u>975,000</u>	<u>0</u>	<u>4,945,636</u>	<u>1,362,529,946</u>

2. INTANGIBLE ASSETS

	GOODWILL N	PURCHASED SOFTWARE N	DEVELOPED SOFTWARE N
Cost			
Balance as at previous quarter		0	0
Acquisition			0
Internal development			
Balance as at end of quarter		<u>0</u>	<u>0</u>
Depreciation and impairment losses			
Balance as at previous quarter		0	0
Amortization for the quarter			
impairment losses			
Balance as at end of quarter		<u>0</u>	<u>0</u>
Carrying amounts			
Balance as at end of quarter		<u>0</u>	<u>0</u>
Balance as at previous quarter		<u>0</u>	<u>0</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 31ST

	Mar-21	Dec-20
	N	N
3. INVENTORY		
Sundries	<u>50,631,640</u>	<u>53,841,640</u>
	<u>50,631,640</u>	<u>53,841,640</u>
4. TRADE RECEIVABLES		
Trade Receivables	930,453,352	1,047,910,755
Associated Companies		
	<u>930,453,352</u>	<u>1,047,910,755</u>
5. OTHER RECEIVABLES		
Other Receivables	289,310,939	210,382,726
Staff loan & Advances	3,469,200	<u>3,075,600</u>
	<u>292,780,139</u>	<u>213,458,326</u>
6. PREPAYMENTS		
Prepayment	35,651,120	
Prepaid - Rent	<u>2,000,000</u>	<u>2,750,000</u>
	<u>37,651,120</u>	<u>2,750,000</u>
7. BANK AND CASH BALANCES		
Access Bank Plc	833,249	833,249
United Bank for Africa Plc	608,421	608,421
Fidelity Bank Plc	106,320,834	205,682,614
Zenith Bank Plc	39,131,039	25,109,726
POLARIS BANK	17,522,719	9,310,397
Sterling Bank	75,770,819	79,721,871
Cash at hand	554,770	<u>3,960,941</u>
	<u>240,741,851</u>	<u>325,227,218</u>
8. OTHER ASSETS		
Quoted and Unquoted Investment		
Withholding Tax Receivables	257,775,352	<u>241,565,084</u>
	<u>257,775,352</u>	<u>241,565,084</u>
9. BORROWINGS		
Bank loan	0	<u>0</u>
10. TRADE PAYABLES		
Trade Payables	<u>512,181,866</u>	<u>598,989,346</u>
	<u>512,181,866</u>	<u>598,989,346</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 31ST

	Mar-21	Dec-20
	N	N
11. OTHER PAYABLES		
Other Payables	20,479,723	20,479,727
Accruals	8,655,746	12,450,746
	<u>29,135,469</u>	<u>32,930,473</u>
12. TAX PAYABLE		
Balance as at previous quarter	95,984,644	26,347,000
Prior year tax provision		3,444,000
Charge for the Quarter	7,147,916	95,984,644
Paid during the quarter		<u>-29,791,000</u>
Balance as at end of quarter	<u>103,132,560</u>	<u>95,984,644</u>
Tax Expense		
Company Income tax	-	88,059,646
Education tax	-	<u>7,924,998</u>
	<u>0</u>	<u>95,984,644</u>
13. DEFERRED TAX		
Balance brought forward	98,323,000	75,606,000
(Write back)/charged for the year		22,717,000
Asset/Liability carried forward	<u>98,323,000</u>	<u>98,323,000</u>
14. DEPOSIT FOR SHARES		
As at previous quarter	<u>2,486,440,000</u>	<u>2,486,440,000</u>
Transactions within the quarter		
Balance as at end of quarter	<u>2,486,440,000</u>	<u>2,486,440,000</u>
15. SHARE CAPITAL		
Authorised and fully issued share capital 800,000,000 ordinary shares of 50k each	<u>400,000,000</u>	<u>400,000,000</u>
	<u>400,000,000</u>	<u>400,000,000</u>
16. RETAINED EARNINGS		
Balance as at previous quarter	1,634,615,509	1,424,796,509
Profit and loss	15,189,321	209,819,000
Prior year Adjustment (PAYE audit)	(2,552,576.00)	0
Balance as at end of quarter	<u>1,647,252,254</u>	<u>1,634,615,509</u>
17. OTHER RESERVES		
Revaluation reserves	414,155,000	414,155,000
General reserves		
	<u>414,155,000</u>	<u>414,155,000</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 31ST

	Mar-21	Mar-20
	N	N
18. REVENUE		
Revenue from services	346,381,501	895,552,393
Other Income	3,954.40	<u>0</u>
	<u>346,385,456</u>	<u>895,552,393</u>
19. DIRECT COST		
Direct Labour	35,145,440	51,806,720
Vessel Expenses	19,522,133	26,420,000
Berthing Expenses	0	0
Overheads	18,568,391	19,734,140
Vessel and Boat Hiring	172,191,930	571,691,613
Carbotage Surcharge & Development Levy	6,458,162	<u>27,260,414</u>
	<u>251,886,056</u>	<u>696,912,888</u>
20. ADMINISTRATIVE EXPENSES		
Directors Remuneration	0	7,460,568
Salaries and Wages	32,292,569	30,633,841
Transport and Travelling	3,304,099	9,166,705
Rent and Rates	1,847,800	2,865,270
Electricity and water	1,983,320	3,889,300
Stationeries	1,275,350	887,775
Motor Running Expenses	751,425	1,669,450
Repairs and Maintenance	3,172,100	5,160,901
Office and General Expenses	2,608,793	1,008,975
Telephone ,Internet and Postages	609,600	1,208,800
Security expenses	2,754,800	6,420,070
Staff Training and Development	1,220,962.25	645,547
Insurance and Hse	0	50,000.00
Medical Expenses	125,350	266,100
Regulatory and Annual filing expenses	4,228,652	3,000,570.00
Business Development Expenses	1,382,844	12,202,732
Depreciation	5,313,122	5,181,632
Legal and Professional charges	7,950,000	8,018,961
CSR	0	161,000.00
	<u>70,820,787</u>	<u>99,898,197</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 31ST

	<u>Mar-21</u>	<u>Mar-20</u>
	<u>N</u>	<u>N</u>
21. OTHER OPERATING EXPENSES		
other operating expenses	0	0
	<u>0</u>	<u>0</u>
22. FINANCE COST		
Bank charges	1,341,376	3,431,622
Exchange Loss	0	119,386
	<u>1,341,376</u>	<u>3,551,008</u>
23. INVESTMENT PROPERTY		
As at January 1	2,514,155,000	2,486,342,000
Revaluation Surplus	-	-
Balance as at March 31	<u>2,514,155,000</u>	<u>2,486,342,000</u>

The company uses fair value model in accounting for investment property.
The properties were revalued by Diya Fatimilehin& Co. on May 30,2017.

Investment property is remeasured at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. [IAS 40.5] Gains or losses arising from changes in the fair value of investment property must be included in net profit or loss for the period in which it arises.