

**GLOBAL SPECTRUM ENERGY SERVICES PLC.**

**UNAUDITED FINANCIAL STATEMENT**

**&**

**2ND QUARTER REPORT**

**FOR**

**THE PERIOD ENDED 30TH JUNE, 2021**



**Global Spectrum Energy Services Plc**

# **GLOBAL SPECTRUM ENERGY SERVICES PLC**

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**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF FINANCIAL POSITION**  
**PERIOD ENDED 30TH**

		<b>30/06/2021</b>	<b>31/12/2020</b>
	<b><u>NOTES</u></b>	<b>Quarter 2</b>	<b>Quarter 4</b>
<b>Assets</b>		<b>N</b>	<b>N</b>
<b><u>NON CURRENT ASSETS</u></b>			
Property, Plant and Equipment	1	1,342,550,181	1,366,431,694
Investment Property	23	2,514,155,000	2,514,155,000
<b><u>CURRENT ASSETS</u></b>			
Bank and cash balances	7	359,960,081	325,227,218
Intangible Assets	2		
Inventory	3	33,754,427	53,841,640
Trade Receivables	4	777,189,892	1,047,910,755
Other Receivables	5	362,310,466	213,458,326
Prepayments	6	7,005,840	2,750,000
Other Assets	8	190,894,497	241,565,084
<b>Total Assets (A)</b>		<b><u>5,587,820,385</u></b>	<b><u>5,765,339,718</u></b>
<b><u>LONG-TERM LIABILITIES</u></b>			
Borrowings	9	0	0
Trade payables	10	424,040,205	598,989,346
Other Payables	11	23,282,464	32,930,473
Tax payable	12	18,662,750	95,984,644
Deferred Tax	13	98,323,000	98,323,000
<b>Total Liabilities (B)</b>		<b><u>564,308,419</u></b>	<b><u>826,227,463</u></b>
<b>Net Assets (A-B)</b>		<b><u>5,023,511,966</u></b>	<b><u>4,939,112,254</u></b>
<b><u>Equity</u></b>			
Share Capital	15	400,000,000	400,000,000
Deposit for Shares	14	2,486,440,000	2,486,440,000
Retained earnings	16	1,722,916,966	1,634,615,506
Revaluation Reserves	17	414,155,000	414,155,000
<b>Total Equity</b>		<b><u>5,023,511,966</u></b>	<b><u>4,935,210,506</u></b>



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

**Managing Director**



**CLEMENT AKANIBO** FRC/2014/ICAN/00000008266

**Director**



**AKINDELE WASIU** FRC/2018/ICAN/00000018056 <sup>3</sup>

**Chief Financial Officer**

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**

PERIOD ENDED 30TH		Apr - Jun 2021	Apr - Jun 2020	Jan-Jun 2021	Jan-Jun 2020
	<u>NOTES</u>	N	N	N	N
Revenue	18	439,885,742	549,591,473	786,271,198	1,445,143,866
Direct cost	19	302,467,827	378,685,644	544,348,096	1,075,598,532
<b>Gross profit</b>		<b>137,417,915</b>	<b>170,905,829</b>	<b>241,923,101</b>	<b>369,545,334</b>
Other Income		5,796,234	2,886,012	5,796,234	2,886,012
Administrative expenses	20	64,309,602	52,991,425	135,130,389	152,891,710
Other operating expenses	21	-	<b>0</b>		0
<b>Operating profit</b>		<b>78,904,547</b>	<b>120,800,416</b>	<b>112,588,946</b>	<b>219,539,636</b>
Finance costs	22	1,658,752	374,880	3,000,128	<u>3,925,888</u>
<b>Profit before taxation</b>		<b>77,245,795</b>	<b>120,425,536</b>	<b>109,588,818</b>	<b>215,613,748</b>
Taxation	12	11,586,869	18,063,830	18,734,785	35,595,130
Other comprehensive income		-	-	-	-
Exchange differences on translation of foreign oper		-	-	-	-
Income tax effect		-	-	-	-
Other comprehensive income for the quarter, net of		-	-	-	-
<b>Total comprehensive income for the quarter</b>		<b>65,658,925</b>	<b>102,361,705</b>	<b>90,854,033</b>	<b>180,018,619</b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30TH JUNE 2021**

	<b>Issued Share Capital</b>	<b>Retained Earnings</b>	<b>Deposit for Shares</b>	<b>Total Equity</b>
	<b>N'000</b>	<b>N'000</b>		<b>N'000</b>
<b>As at 1 January 2020</b>	400,000	1,842,399	2,486,440	2,242,399
<b><u>Changes in 2020</u></b>				
Adjustment in Retained Earning	0		0	
Profit for the Quarter	<b>0</b>	<b>180,019</b>	<b>-</b>	<b>180,019</b>
<b>As at 30 June, 2020</b>	<b>400,000</b>	<b>2,022,418</b>	<b>2,486,440</b>	<b>4,908,858</b>
<b><u>Changes in 2021</u></b>				
<b>As at 1 January 2021</b>	400,000	2,048,771	2,486,440	<b>2,448,771</b>
Adjustment in Retained Earning		-2,553		
Profit for the period	0	90,854	0	90,854
<b>As at 30 June, 2021</b>	<b>400,000</b>	<b>2,137,072</b>	<b>2,486,440</b>	<b>5,023,512</b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF CASHFLOW**

**PERIOD ENDED 30TH JUNE 2021**

**Jan - Jun 2021**

**Jan - Jun 2020**

	N'000	N'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	109,589	215,614
Adjustment for:		
- Depreciation	47,763	47,500
	<b>157,352</b>	<b>263,114</b>
Changes in trade & Other receivables	172,539	-517,787
Changes in prepayments	-4,256	4,800
Changes in Inventory	20,087	0
Changes in trade & Other payables	-184,597	222,577
	<b>3,774</b>	<b>-290,410</b>
Prior Yr PAYE tax paid	10,478	-
WHT Utilized during Q2	88,132	
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>62,516</b>	<b>-27,297</b>
<b>CASHFLOWS FROM INVESTMENT ACTIVITIES</b>		
Acquisition of property,plant and equipment	0	-5,897
WIP ADJUSTED	-27,783	14,214
Proceeds from sale of property and equipment		-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-27,783</b>	<b>8,317</b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares		0
Deposit for Shares		0
Loan Repayment		0
Dividend Paid		-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>34,733</b>	<b>-18,980</b>
Cash and Cash Equivalents at beginning of quarter	<u>325,227</u>	<u>125,085</u>
<b>Cash and Cash Equivalents at end of quarter</b>	<b><u>359,960</u></b>	<b><u>106,105</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH JUNE 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
<b>Cost</b>							
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							
<b>Balance as at end of quarter</b>	<b>350,000,000</b>	<b>1,485,470,200</b>	<b>15,997,199</b>	<b>10,932,000</b>	<b>27,783,261</b>	<b>11,710,875</b>	<b>1,901,893,535</b>
<b>Depreciation and impairment losses</b>							
Balance as at previous quarter	105,700,000	402,021,040	10,525,300	10,078,875	0	7,136,626	535,461,841
Depreciation for the quarter	4,375,000	18,568,391	444,860	121,875	0	371,387	23,881,513
impairment losses							
Disposals							
<b>Balance as at end of quarter</b>	<b>110,075,000</b>	<b>420,589,431</b>	<b>10,970,160</b>	<b>10,200,750</b>	<b>0</b>	<b>7,508,013</b>	<b>559,343,354</b>
<b>Carrying amounts</b>							
<b>Balance as at end of quarter</b>	<b><u>239,925,000</u></b>	<b><u>1,064,880,769</u></b>	<b><u>5,027,039</u></b>	<b><u>731,250</u></b>	<b><u>27,783,261</u></b>	<b><u>4,202,862</u></b>	<b><u>1,342,550,181</u></b>
<b>Balance as at Mar 31, 2021</b>	<b><u>244,300,000</u></b>	<b><u>1,083,449,160</u></b>	<b><u>5,471,899</u></b>	<b><u>853,125</u></b>	<b><u>27,783,261</u></b>	<b><u>4,574,249</u></b>	<b><u>1,366,431,694</u></b>

1,342,550,181

**2. INTANGIBLE ASSETS**

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

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<u>Jun-21</u>	<u>Dec-20</u>
	<u>N</u>	<u>N</u>
<b>3. INVENTORY</b>		
Sundries	33,754,427	53,841,640
	<b><u>33,754,427</u></b>	<b><u>53,841,640</u></b>
<b>4. TRADE RECEIVABLES</b>		
Trade Receivables	777,189,892	1,047,910,755
Associated Companies		
	<b><u>777,189,892</u></b>	<b><u>1,047,910,755</u></b>
<b>5. OTHER RECEIVABLES</b>		
Other Receivables	357,469,266	210,382,726
Staff loan & Advances	4,841,200	3,075,600
	<b><u>362,310,466</u></b>	<b><u>213,458,326</u></b>
<b>6. PREPAYMENTS</b>		
Prepayment	3,755,840	
Prepaid - Rent	3,250,000	2,750,000
	<b><u>7,005,840</u></b>	<b><u>2,750,000</u></b>
<b>7. BANK AND CASH BALANCES</b>		
Access Bank Plc	833,249	833,249
United Bank for Africa Plc	608,421	608,421
Fidelity Bank Plc	178,622,920	205,682,614
Zenith Bank Plc	40,895,755	25,109,726
POLARIS BANK	34,580,614	9,310,397
Sterling Bank	98,743,296	79,721,871
Cash at hand	5,675,826	3,960,941
	<b><u>359,960,081</u></b>	<b><u>325,227,218</u></b>
<b>8. OTHER ASSETS</b>		
Quoted and Unquoted Investment		
Withholding Tax Receivables	190,894,497	241,565,084
	<b><u>190,894,497</u></b>	<b><u>241,565,084</u></b>
<b>9. BORROWINGS</b>		
Bank loan	0	0
<b>10. TRADE PAYABLES</b>		
Trade Payables	424,040,205	598,989,346
	<b><u>424,040,205</u></b>	<b><u>598,989,346</u></b>



**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<u>Jun-21</u>	<u>Dec-20</u>
	<u>N</u>	<u>N</u>
<b>11. OTHER PAYABLES</b>		
Other Payables	9,780,118	20,479,727
Accruals	13,502,346	12,450,746
	<b><u>23,282,464</u></b>	<b><u>32,930,473</u></b>
<b>12. TAX PAYABLE</b>		
Balance as at previous quarter	103,132,560	26,347,000
Prior year tax provision		3,444,000
Charge for the Quarter	11,586,869	95,984,644
WHT Utilized during the Quarter	-88,132,019	
Paid during the quarter	-7,924,660	<u>-29,791,000</u>
Balance as at end of quarter	<b><u>18,662,750</u></b>	<b><u>95,984,644</u></b>
<b>Tax Expense</b>		
Company Income tax	-	88,059,646
Education tax	-	<u>7,924,998</u>
	<b><u>0</u></b>	<b><u>95,984,644</u></b>
<b>13. DEFERRED TAX</b>		
Balance brought forward	98,323,000	75,606,000
(Write back)/charged for the year		22,717,000
Asset/Liability carried forward	<b><u>98,323,000</u></b>	<b><u>98,323,000</u></b>
<b>14. DEPOSIT FOR SHARES</b>		
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	<b><u>2,486,440,000</u></b>	<b><u>2,486,440,000</u></b>
<b>15. SHARE CAPITAL</b>		
Authorised and fully issued share capital		
800,000,000 ordinary shares of 50k each	<u>400,000,000</u>	<u>400,000,000</u>
	<b><u>400,000,000</u></b>	<b><u>400,000,000</u></b>
<b>16. RETAINED EARNINGS</b>		
Balance as at previous quarter	1,634,615,509	1,424,796,509
Profit and loss	90,854,033	209,819,000
Prior year Adjustment (PAYE audit)	(2,552,576.00)	0
Balance as at end of quarter	<b><u>1,722,916,966</u></b>	<b><u>1,634,615,509</u></b>
<b>17. OTHER RESERVES</b>		
Revaluation reserves	414,155,000	414,155,000
General reserves		
	<b><u>414,155,000</u></b>	<b><u>414,155,000</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	<u>Jun-21</u>	<u>Jun-20</u>
	<b>N</b>	<b>N</b>
<b>18. REVENUE</b>		
Revenue from services	439,885,742	549,591,473
Other Income	5,796,234	<u>2,886,012</u>
	<b><u>445,681,975</u></b>	<b><u>552,477,485</u></b>
<b>19. DIRECT COST</b>		
Direct Labour	20,874,700	41,979,615
Vessel Expenses	23,383,513	21,649,400
Berthing Expenses	-	-
Overheads	18,568,391	18,568,379
Vessel and Boat Hiring	230,281,254	280,691,722
Carbotage Surcharge & Development Levy	9,359,969	<u>15,796,528</u>
	<b><u>302,467,827</u></b>	<b><u>378,685,644</u></b>
<b>20. ADMINISTRATIVE EXPENSES</b>		
Directors Remuneration	0	-
Salaries and Wages	19,527,674	24,230,430
Transport and Travelling	2,139,665	1,146,185
Rent and Rates	750,000	2,607,800
Electricity and water	2,428,100	955,403
Stationeries	684,090	430,400
Motor Running Expenses	865,700	446,200
Repairs and Maintenance	3,813,050	2,078,700
Office and General Expenses	3,269,543	1,484,094
Telephone ,Internet and Postages	644,100	554,472
Security expenses	4,215,200	2,312,700
Staff Training and Development	-	150,000
Insurance and Hse	348,300	-
Medical Expenses	236,000	-
Regulatory and Annual filing expenses	528,000	3,347,859
Business Development Expenses	9,343,070	-
Depreciation	5,313,122	5,181,632
Legal and Professional charges	0	6,515,550
Other professional Charges	5,265,000	-
Governance & Compliances	4,938,987	550,000
CSR	0	1,000,000
	<b><u>64,309,602</u></b>	<b><u>52,991,425</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30TH**

	Jun-21 N	Jun-20 N
<b>21. OTHER OPERATING EXPENSES</b>		
other operating expenses	0	0
	<u>0</u>	<u>0</u>
<b>22. FINANCE COST</b>		
Bank charges	1,658,752	374,880
Exchange Loss		
	<u>1,658,752</u>	<u>374,880</u>
<b>23. INVESTMENT PROPERTY</b>		
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.

**24. FREE FLOAT RETURNS**

Global Spectrum Energy Services Plc  
Board Listed: Main board  
Year End: December  
Reporting Period: Half year ended 30 June, 2021  
Share price at the end of reporting period: N4.19k (2019: N4.65)  
Shareholding Structure and Free Float Status  
Company

Description	30-Jun-21		30-Jun-20	
	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	800,000,000	100%	800,000,000	100%
Details of Substantial Shareholdings (5% and above)				
[Name(s) of Shareholders]				
ASPIRAL SUN LTD	440,000,000	55%	440,000,000	55%
MUSTAPHA SHUAIBU (REP. CRITERION NIGERIA LTD)	120,000,000	15%	120,000,000	15%
OCEAN 99 LIMITED	44,900,000	5.61%	44,900,000	5.61%
<b>Total Substantial Shareholdings</b>	<b>604,900,000</b>	<b>75.6%</b>	<b>604,900,000</b>	<b>75.6%</b>
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
[Name(s) of Directors]				
Osahon Idemudia (Direct)	814,322	0.10%	814,322	0.10%
Austin Oyagha (Direct)	1,400,000	0.18%	1,400,000	0.18%
Wasiu Akindele (Direct)	6,000,000	0.75%	6,000,000	0.75%
Clement Akanibo (Direct)	500,000	0.06%	500,000	0.06%
Chiodule Okonkwo	231,804	0.03%	0	0.00%
<b>Total Directors' Shareholdings</b>	<b>8,946,126</b>	<b>1.1%</b>	<b>8,714,322</b>	<b>1.09%</b>
Details of Other Influential shareholdings, if any (E.g. Government, Promoters)				
[Name(s) of Entities/ Government]				
Not applicable				
<b>Total of Other Influential Shareholdings</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>
Free Float in Unit and Percentage	186,153,874	23.27%	186,385,678	23.48%
Free Float in Value	N742,274,732.06		866,693,402.70	

**Declaration:**

1. Global Spectrum Energy Services Plc with a Free float percentage of **23.27%** as at June 30, 2021 is compliant with The Exchange's free float requirements for companies listed on the Main Board.

2. Global Spectrum Energy Services Plc with a Free float value of **N742,274,732.06** as at June 30, 2021 is compliant with The Exchange's free float requirements for companies listed on the Main Board.