

GLOBAL SPECTRUM ENERGY SERVICES PLC.

UNAUDITED FINANCIAL STATEMENT

&

3RD QUARTER REPORT

FOR

THE PERIOD ENDED 30TH SEPTEMBER, 2022



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 30TH

	<u>NOTES</u>	<u>Jul-Sep 2022</u>	<u>Jan-Dec 2021</u>
<u>Assets</u>		<u>N</u>	<u>N</u>
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	1	1,196,397,527	1,268,448,437
Investment Property	23	2,514,155,000	2,514,155,000
<u>CURRENT ASSETS</u>			
Bank and cash balances	7	594,127,435	605,872,540
Intangible Assets	2		
Inventory	3	0	0
Trade Receivables	4	1,492,748,251	825,859,582
Other Receivables	5	389,540,480	402,379,200
Prepayments	6	3,937,056	3,416,667
Other Assets	8	361,034,047	250,206,126
Total Assets (A)		<u>6,551,939,796</u>	<u>5,870,337,552</u>
<u>LONG-TERM LIABILITIES</u>			
Borrowings	9	79,800,000	0
Trade payables	10	922,452,448	550,016,653
Other Payables	11	37,979,761	25,379,000
Tax payable	12	136,278,917	91,636,139
Deferred Tax	13	141,066,000	141,066,000
Total Liabilities (B)		<u>1,317,577,125</u>	<u>808,103,045</u>
Net Assets (A-B)		<u>5,234,362,671</u>	<u>5,062,234,506</u>
<u>Equity</u>			
Share Capital	15	400,000,000	400,000,000
Deposit for Shares	14	2,486,440,000	2,486,440,000
Retained earnings	16	2,347,922,670	2,175,794,506
Revaluation Reserves	17	0	0
Total Equity		<u>5,234,362,671</u>	<u>5,062,234,506</u>



AKINDELE WASIU FRC/2018/ICAN/00000018056

Managing Director



CLEMENT AKANIBO FRC/2014/ICAN/00000008266

Director



IWUJI AUGUSTINE FRC/2021/001/00000024230

Chief Financial Officer

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF COMPREHENSIVE INCOME
PERIOD ENDED 30TH

	<u>NOTES</u>	Jul- Sep 2022 N	Jul- Sep 2021 N	Jan-Sep 2022 N	Jan-Sep 2021 N
Revenue	18	851,167,460	506,056,744	2,221,108,285	1,292,327,941
Direct cost	19	684,907,544	390,309,320	1,714,976,874	934,657,416
Gross profit		166,259,917	115,747,424	506,131,412	357,670,525
Other Income		5,452	4,227,659	3,357,295	10,023,893
Administrative expenses	20	90,072,198	74,420,899	239,362,976	209,551,287
Other operating expense:	21	-	0		
Operating profit		76,193,170	45,554,184	270,125,731	158,143,130
Finance costs	22	10,377,315	1,459,794	15,841,219	4,459,922
Profit before taxation		65,815,855	44,094,390	254,284,512	153,683,208
Taxation	12	11,453,964	6,614,159	53,571,128	25,348,944
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		54,361,891	37,480,232	200,713,384	128,334,265

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30TH SEPTEMBER 2022

	Issued Share Capital	Retained Earnings	Deposit for Shares	Total Equity
	N'000	N'000		N'000
As at 1 January 2021	400,000	2,048,771	2,486,440	4,935,211
<u>Changes in 2021</u>				
Adjustment in Retained Earning	0	(2,553)	0	(2,553)
Profit for the Quarter	0	128,334	-	128,334
As at 30 Sep, 2021	400,000	2,174,552	2,486,440	5,060,992
<u>Changes in 2022</u>				
As at 1 January 2022	400,000	2,175,799	2,486,440	5,062,239
Adjustment in Retained Earning		(6)		(6)
Profit for the period		172,128	0	172,128
As at 30th Sep 2022	400,000	2,347,921	2,486,440 #	5,234,361

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CASHFLOW

PERIOD ENDED 30 SEPTEMBER 2022

Jan - Sep 2022

Jan-Sep 2021

	N'000	N'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	254,285	153,683
Adjustment for:		
- Depreciation	72,051	71,645
	326,335	225,328
Changes in trade & Other receivables	-654,050	260,606
Changes in prepayments	-520	-795
Changes in other assets	-110,828	
Changes in Inventory	0	36,964
Changes in trade & Other payables	385,037	-177,278
	-380,362	119,498
Prior Yr PAYE tax paid/Income tax paid	8,928	10,478
Prior Yr Reserves Adjustment	28,588	88,132
NET CASH FLOWS FROM OPERATING ACTIVITIES	-91,543	246,216
CASHFLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of property,plant and equipment	0	-1987
WIP ADJUSTED		-27783
Proceeds from sale of property and equipment		-
NET CASH FLOWS FROM INVESTING ACTIVITIES	0	-29,770
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Shares		0
Deposit for Shares		0
Loan	79,800	0
Dividend Paid		-
NET CASH FROM FINANCING ACTIVITIES	79,800	0
NET INCREASE IN CASH AND CASH EQUIVALENTS	-11,743	216,446
Cash and Cash Equivalents at beginning of quarter	<u>605,870</u>	<u>325,227</u>
Cash and Cash Equivalents at end of quarter	<u>594,127</u>	<u>541,674</u>

GLOBAL SPECTRUM ENERGY SERVICES PLC
NOTES TO THE ACCOUNTS
PERIOD ENDED 30TH SEPTEMBER 2022
1. PROPERTY, PLANT & EQUIPMENT

	LAND & BUILDING N	MARINE EQUIPMENT N	PLANT & MACH N	MOTOR VEHICLES N	WIP	FURNITURE & FITTINGS & OFFICE EQUIPMENT N	TOTAL
Cost							
Balance as at Jan 01, 2022	350,000,000	1,485,470,200	15,997,199	10,932,000	0	13,697,875	1,876,097,274
Additions						0	
Disposals							
Balance as at end of quarter	350,000,000	1,485,470,200	15,997,199	10,932,000	0	13,697,875	1,876,097,274
Depreciation and impairment losses							
Balance as at previous quarter	127,575,000	494,862,995	12,749,600	10,688,250	0	9,806,932	655,682,777
Depreciation for the quarter	4,375,000	18,568,391	444,860	121,875	0	506,844	24,016,970
impairment losses							
Disposals							
Balance as at end of quarter	131,950,000	513,431,386	13,194,460	10,810,125	0	10,313,776	679,699,747
Carrying amounts							
Balance as at end of quarter	<u>218,050,000</u>	<u>972,038,814</u>	<u>2,802,739</u>	<u>121,875</u>	<u>0</u>	<u>3,384,099</u>	<u>1,196,397,527</u>
Balance as at JUNE 30, 2022	<u>222,425,000</u>	<u>990,607,205</u>	<u>3,247,599</u>	<u>243,750</u>	<u>0</u>	<u>3,890,943</u>	<u>1,220,414,497</u>

2. INTANGIBLE ASSETS

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

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

	<u>Sep-22</u>	<u>Dec-21</u>
	<u>N</u>	<u>N</u>
3. INVENTORY		
Sundries	<u>0</u>	<u>0</u>
	0	0
4. TRADE RECEIVABLES		
Trade Receivables	1,492,748,251	825,859,582
Associated Companies		
	<u>1,492,748,251</u>	<u>825,859,582</u>
5. OTHER RECEIVABLES		
Other Receivables	384,069,280	397,258,000
Staff loan & Advances	5,471,200	<u>5,121,200</u>
	<u>389,540,480</u>	<u>402,379,200</u>
6. PREPAYMENTS		
Prepayment	3,437,056	
Prepaid - Rent	500,000	<u>3,416,667</u>
	<u>3,937,056</u>	<u>3,416,667</u>
7. BANK AND CASH BALANCES		
Access Bank Plc	861,272	861,272
United Bank for Africa Plc	608,421	608,421
Fidelity Bank Plc	630,800	334,203,617
Zenith Bank Plc	97,028,035	46,048,337
POLARIS BANK	268,938,229	156,013,424
Sterling Bank	217,732,500	64,748,760
Cash at hand	8,328,178	<u>3,388,709</u>
	<u>594,127,435</u>	<u>605,872,540</u>
8. OTHER ASSETS		
Quoted and Unquoted Investment		
Withholding Tax Receivables	361,034,036	<u>250,206,126</u>
	<u>361,034,036</u>	<u>250,206,126</u>
9. BORROWINGS		
Bank loan	79,800,000	0
10. TRADE PAYABLES		
Trade Payables	<u>922,452,448</u>	<u>550,016,653</u>
	<u>922,452,448</u>	<u>550,016,653</u>

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

	<u>Sep-22</u>	<u>Dec-21</u>
	<u>N</u>	<u>N</u>
11. OTHER PAYABLES		
Other Payables	32,585,815	15,949,355
Accruals	5,393,946	9,429,646
	<u>37,979,761</u>	<u>25,379,000</u>
12. TAX PAYABLE		
Balance as at previous quarter	133,753,303	95,984,644
Prior year tax provision		0
Charge for the Quarter	11,453,964	91,298,495
WHT Utilized during the Quarter	0	
Paid during the quarter	-8,928,350	-95,647,000
Balance as at end of quarter	<u>136,278,917</u>	<u>91,636,139</u>
Tax Expense		
Company Income tax	-	84,155,824
Education tax	-	7,142,671
	<u>0</u>	<u>91,298,495</u>
13. DEFERRED TAX		
Balance brought forward	141,066,000	98,323,000
(Write back)/charged for the year		42,743,000
Asset/Liability carried forward	<u>141,066,000</u>	<u>141,066,000</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	2,293,560,778	2,048,770,509
Profit and loss	54,361,891	127,024,000
Prior year Adjustment		0
Balance as at end of quarter	<u>2,347,922,670</u>	<u>2,175,794,509</u>
17. OTHER RESERVES		
Revaluation reserves	0	0
General reserves	<u>0</u>	<u>0</u>

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

	<u>Sep-22</u>	<u>Sep-21</u>
	N	N
18. REVENUE		
Revenue from services	851,167,460	506,056,744
Other Income	5,451.86	4,227,659
	<u>851,172,912</u>	<u>510,284,404</u>
19. DIRECT COST		
Direct Labour	33,700,000.00	36,375,930
Vessel Expenses	101,186,110.75	36,221,163
Berthing Expenses	-	-
Overheads	18,568,391.00	18,568,391
Vessel and Boat Hiring	505,918,013.53	286,703,136
Carbotage Surcharge & Development Levy	25,535,028.24	12,440,700
	<u>684,907,544</u>	<u>390,309,300</u>
20. ADMINISTRATIVE EXPENSES		
Directors Remuneration	-	-
Salaries and Wages	30,374,429.87	34,027,770
Transport and Travelling	8,120,228.08	4,791,491
Rent and Rates	941,499.65	1,597,033
Electricity and water	1,613,250.00	2,164,900
Stationeries	1,008,890.00	1,214,750
Motor Running Expenses	1,118,200.00	781,800
Repairs and Maintenance	3,863,007.76	3,926,600
Office and General Expenses	2,034,760.00	2,230,370
Telephone ,Internet and Postages	904,840.00	701,800
Security expenses	2,310,500.00	2,276,000
Staff Training and Development	-	-
Insurance and Hse	2,743,751.08	1,527,000
Medical Expenses	150,000.00	351,632
Regulatory and Annual filing expenses	12,820,247.75	-
Business Development Expenses	8,494,448.31	8,491,344
Depreciation	5,448,578.95	5,313,122
Legal and Professional charges	1,058,000.00	244,550
Other professional Charges	800,000.00	-
Governance & Compliances	6,267,567.00	4,780,737
CSR	-	-
	<u>90,072,198</u>	<u>74,420,899</u>

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

	<u>Sep-22</u>	<u>Sep-21</u>	
	N	N	
21. OTHER OPERATING EXPENSES			
other operating expenses	0	0	
	<u>0</u>	<u>0</u>	
22. FINANCE COST			
Bank charges	10,377,315	1,459,794	
Exchange Loss			
	<u>10,377,315</u>	<u>1,459,794</u>	
23. INVESTMENT PROPERTY			
As at January 1	2,514,155,000	2,514,155,000	0
Revaluation Surplus	-	-	
Balance as at Sep 30	<u>2,514,155,000</u>	<u>2,514,155,000</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.