

**GLOBAL SPECTRUM ENERGY SERVICES PLC.**

**2ND QUARTER REPORT**

**FOR**

**THE PERIOD ENDED 30TH JUNE, 2023**



**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 JUNE**

	<b>NOTES</b>	<b>Jan-Jun 2023</b>	<b>Jan-Dec 2022</b>
<b>Assets</b>		<b>N</b>	<b>N</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1	1,124,346,617	1,172,385,808
Investment Property	23	2,514,155,000	2,514,155,000
<b>CURRENT ASSETS</b>			
Bank and cash balances	7	1,543,825,129	1,438,816,890
Intangible Assets	2		0
Inventory	3	0	0
Trade Receivables	4	1,658,982,981	991,927,080
Other Receivables	5	292,346,241	350,362,836
Prepayments	6	7,500,000	7,500,000
Other Assets	8	502,375,192	412,007,795
<b>Total Assets (A)</b>		<b><u>7,643,531,160</u></b>	<b><u>6,887,155,409</u></b>
<b>LONG-TERM LIABILITIES</b>			
Borrowings	9	0	0
Trade payables	10	1,295,989,792	1,073,605,451
Other Payables	11	92,248,679	31,609,858
Tax payable	12	239,981,654	217,322,360
Deferred Tax	13	141,066,000	141,066,000
<b>Total Liabilities (B)</b>		<b><u>1,769,286,125</u></b>	<b><u>1,463,633,650</u></b>
<b>Net Assets (A-B)</b>		<b><u>5,874,245,034</u></b>	<b><u>5,423,521,758</u></b>
<b>Equity</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	2,987,805,034	2,537,081,758
Revaluation Reserves	17	0	0
<b>Total Equity</b>		<b><u>5,874,245,034</u></b>	<b><u>5,423,521,758</u></b>
		<b><u>0</u></b>	<b><u>0</u></b>



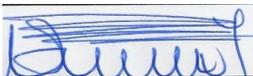
AKINDELE WASIU FRC/2018/ICAN/00000018056

**Managing Director**



CLEMENT AKANIBO FRC/2014/ICAN/00000008266

**Director**



ONUOHA MICHAEL FRC/2023/PRO/ICAN/001/680129

**Chief Financial Officer**

BOARD APPROVAL DATED 31ST JULY, 2023

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

	<u>NOTES</u>	<b>Apr- Jun 2023</b>	<b>Apr-Jun 2022</b>
		<b>N</b>	<b>N</b>
<b>Revenue</b>	18	2,145,924,587	699,194,431
Direct cost	19	1,940,479,636	548,552,704
<b>Gross profit</b>		<b>205,444,951</b>	<b>150,641,727</b>
Other Income		18,140,087	3,347,874
Administrative expenses	20	128,550,489	81,494,691
Other operating expense:	21	-	-
<b>Operating profit</b>		<b>95,034,550</b>	<b>72,494,910</b>
Finance costs	22	4,397,373	3,853,475
<b>Profit before taxation</b>		<b>90,637,176</b>	<b>68,641,435</b>
Taxation	12	22,659,294	12,160,359
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>67,977,882</b>	<b>56,481,077</b>

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

**PERIOD ENDED 30TH JUNE 2023**

**Jan - Jun 2023**

**Jan-Jun 2022**

N'000

N'000

**CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before Taxation	90,637	188,469
Adjustment for:		
- Depreciation	24,017	48,034

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**114,654**                      **236,503**

Changes in trade & Other receivables	-609,039	-538,545
Changes in prepayments	0	-4,707
Changes in other assets	-90,367	-68,270
Changes in Inventory	0	0
Changes in trade & Other payables	283,023	137,522

**-416,384**                      **-474,000**

Prior Yr PAYE tax paid/Income tax paid	0	-
Prior Yr Reserves Adjustment	-259,579	28,588

**NET CASH FLOWS FROM OPERATING ACTIVITIES**                      **-42,150**                      **-266,085**

**CASHFLOWS FROM INVESTMENT ACTIVITIES**

Acquisition of property,plant and equipment	0	0
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WIP ADJUSTED

Proceeds from sale of property and equipment

**NET CASH FLOWS FROM INVESTING ACTIVITIES**                      **0**                      **0**

**CASHFLOWS FROM FINANCING ACTIVITIES**

Proceeds from Issue of Shares

Deposit for Shares

Loan Repayment

Dividend Paid

**NET CASH FROM FINANCING ACTIVITIES**                      **0**                      **230,640**

**NET INCREASE IN CASH AND CASH EQUIVALENTS**                      **-42,150**                      **-35,445**

Cash and Cash Equivalents at beginning of quarter                      1,585,975                      605,870

**Cash and Cash Equivalents at end of quarter**                      **1,543,825**                      **570,425**

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**NOTES TO THE ACCOUNTS**  
**PERIOD ENDED 30ST JUNE 2023**

**1. PROPERTY, PLANT & EQUIPMENT**

	LAND & BUILDING N	MARINE EQUIPMENT N	PLANT & MACH N	MOTOR VEHICLES N	WIP	FURNITURE & FITTINGS & OFFICE EQUIPMENT N	TOTAL
<b>Cost</b>							
Balance as at Jan 01, 2023	350,000,000	1,485,470,200	15,997,199	10,932,000	0	13,697,875	1,876,097,274
Additions						0	
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>0</b>	<b>13,697,875</b>	<b>1,876,097,274</b>
<b>Depreciation and impairment losses</b>							
Balance as at previous quarter	140,700,000	550,568,168	14,084,180	11,053,875	0	11,327,464	727,733,687
Depreciation for the quarter	4,375,000	18,568,391	444,860	121,875	0	506,844	24,016,970
impairment losses							
Disposals							
<b>Balance as at end of quarter</b>	<b>145,075,000</b>	<b>569,136,559</b>	<b>14,529,040</b>	<b>11,175,750</b>	<b>0</b>	<b>11,834,308</b>	<b>751,750,657</b>
<b>Carrying amounts</b>							
Balance as at end of quarter	<u>204,925,000</u>	<u>916,333,641</u>	<u>1,468,159</u>	<u>-243,750</u>	<u>0</u>	<u>1,863,567</u>	<u>1,124,346,617</u>
Balance as at June, 2023	<u>209,300,000</u>	<u>934,902,032</u>	<u>1,913,019</u>	<u>-121,875</u>	<u>0</u>	<u>2,370,411</u>	<u>1,148,363,587</u>

**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>	<u>0</u>	<u>0</u>	<u>0</u>
<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>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Carrying amounts</b>			
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>Jun-23</u>	<u>Dec-22</u>
	<u>N</u>	<u>N</u>
<b>3. INVENTORY</b>		
Sundries	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<b>4. TRADE RECEIVABLES</b>		
Trade Receivables	1,658,982,981	991,927,080
Associated Companies		
	<b><u>1,658,982,981</u></b>	<b><u>991,927,080</u></b>
<b>5. OTHER RECEIVABLES</b>		
Other Receivables	277,075,041	335,091,636
Staff loan & Advances	15,271,200	<u>15,271,200</u>
	<b><u>292,346,241</u></b>	<b><u>350,362,836</u></b>
<b>6. PREPAYMENTS</b>		
Prepayment	0	
Prepaid - Rent	7,500,000	<u>7,500,000</u>
	<b><u>7,500,000</u></b>	<b><u>7,500,000</u></b>
<b>7. BANK AND CASH BALANCES</b>		
Access Bank Plc	861,272	861,272
United Bank for Africa Plc	608,421	608,421
Fidelity Bank Plc	50,278	624,269
Zenith Bank Plc	547,975,250	430,608,156
POLARIS BANK	307,626,216	420,640,703
Sterling Bank	648,974,507	530,174,768
Cash at hand	37,729,184	<u>55,299,301</u>
	<b><u>1,543,825,129</u></b>	<b><u>1,438,816,890</u></b>
<b>8. OTHER ASSETS</b>		
Quoted and Unquoted Investment		
Withholding Tax Receivables	502,375,192	<u>412,007,795</u>
	<b><u>502,375,192</u></b>	<b><u>412,007,795</u></b>
<b>9. BORROWINGS</b>		
Bank loan	<b>0</b>	<b><u>0</u></b>
<b>10. TRADE PAYABLES</b>		
Trade Payables	<u>1,295,989,792</u>	<u>1,073,605,451</u>
	<b><u>1,295,989,792</u></b>	<b><u>1,073,605,451</u></b>

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

	<u>Jun-23</u>	<u>Dec-22</u>
	<u>N</u>	<u>N</u>
<b>11. OTHER PAYABLES</b>		
Other Payables	67,195,278	21,730,412
Accruals	25,053,401	9,879,446
	<b><u>92,248,679</u></b>	<b><u>31,609,858</u></b>
<b>12. TAX PAYABLE</b>		
Balance as at previous quarter	217,322,360	136,278,906
Prior year tax provision		0
Charge for the Quarter	22,659,294	81,043,454
WHT Utilized during the Quarter	0	
Paid during the quarter	0	<u>0</u>
Balance as at end of quarter	<b><u>239,981,654</u></b>	<b><u>217,322,360</u></b>
<b>Tax Expense</b>		
Company Income tax	-	0
Education tax	-	<u>0</u>
	<b><u>0</u></b>	<b><u>0</u></b>
<b>13. DEFERRED TAX</b>		
Balance brought forward	141,066,000	141,066,000
(Write back)/charged for the year		0
Asset/Liability carried forward	<b><u>141,066,000</u></b>	<b><u>141,066,000</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	2,537,081,761	2,347,922,670
Profit and loss	67,977,882	189,159,091
Prior year Adjustment	382,745,391	0
Balance as at end of quarter	<b><u>2,987,805,034</u></b>	<b><u>2,537,081,761</u></b>
<b>17. OTHER RESERVES</b>		
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>Jun-23</u>	<u>Jun-22</u>
	<u>N</u>	<u>N</u>
<b>18. REVENUE</b>		
Revenue from services	2,145,924,587	699,194,431
Other Income	18,140,087	3,347,874
	<b><u>2,164,064,675</u></b>	<b><u>702,542,305</u></b>
<b>19. DIRECT COST</b>		
Direct Labour	94,444,246.25	32,207,000
Vessel Expenses	69,292,383.37	51,142,307
Berthing Expenses	-	-
Overheads	18,568,391.00	18,568,391
Vessel and Boat Hiring	1,718,294,264.58	429,409,409
Carbotage Surcharge & Development Levy	39,880,351.04	17,225,598
	<b><u>1,940,479,636</u></b>	<b><u>548,552,704</u></b>
<b>20. ADMINISTRATIVE EXPENSES</b>		
Directors Remuneration	-	-
Salaries and Wages	99,138,226.27	29,502,007
Transport and Travelling	3,369,669.00	3,134,300
Rent and Rates	466,100.00	1,459,167
Electricity and water	1,781,100.00	2,274,650
Stationeries	1,487,950.00	727,200
Motor Running Expenses	1,362,350.00	1,550,400
Repairs and Maintenance	938,900.00	1,384,400
Office and General Expenses	4,329,900.00	1,522,110
Telephone ,Internet and Postages	429,216.00	489,000
Security expenses	4,176,206.25	4,941,890
Staff Training and Development	-	-
Insurance and Hse	-	-
Medical Expenses	232,800.00	46,250
Regulatory and Annual filing expenses	2,820,092.16	8,864,370
Business Development Expenses	-	15,674,965
Depreciation	5,448,578.95	5,448,579
Legal and Professional charges	-	156,000
Other professional Charges	629,400.00	2,400,000
Governance & Compliances	1,940,000.00	1,919,403
CSR	-	-
	<b><u>128,550,489</u></b>	<b><u>81,494,691</u></b>

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

	<u>Jun-23</u>	<u>Jun-22</u>
	<u>N</u>	<u>N</u>
<b>21. OTHER OPERATING EXPENSES</b>		
other operating expenses	0	0
	<u>0</u>	<u>0</u>
<b>22. FINANCE COST</b>		
Bank charges	4,397,373	3,853,475
Exchange Loss		
	<u>4,397,373</u>	<u>3,853,475</u>
<b>23. INVESTMENT PROPERTY</b>		
As at January 1	2,514,155,000	2,514,155,000
Revaluation Surplus	-	-
Balance as at June 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 March 15, 2022.**

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. SECURITIES TRADING POLICY (DECLARATION)**

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares of the Rules of Nigerian Exchange Limited (Issuers' Rules), Global Spectrum Energy Services Plc maintains a Security Trading Policy which guides insiders as to their dealing in the Company's shares.

The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all insiders and is not aware of any infringement of the policy during the period under review.