

GLOBAL SPECTRUM ENERGY SERVICES PLC.

UNAUDITED FINANCIAL STATEMENT

&

4TH QUARTER REPORT

FOR

THE PERIOD ENDED 31ST DECEMBER, 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 31ST

	<u>NOTES</u>	Jan-Dec 2021 N	Jan-Dec 2020 N
Assets			
<u>NON CURRENT ASSETS</u>			
Property, Plant and Equipment	1	1,296,774,155	1,362,529,946
Investment Property	23	2,514,155,000	2,514,155,000
<u>CURRENT ASSETS</u>			
Bank and cash balances	7	591,519,810	325,227,218
Intangible Assets	2		
Inventory	3	0	53,841,640
Trade Receivables	4	825,859,582	1,047,910,755
Other Receivables	5	371,976,258	213,462,326
Prepayments	6	3,416,667	2,750,000
Other Assets	8	250,133,753	241,565,084
Total Assets (A)		<u>5,853,835,225</u>	<u>5,761,441,970</u>
<u>LONG-TERM LIABILITIES</u>			
Borrowings	9	0	0
Trade payables	10	550,016,653	598,989,346
Other Payables	11	19,137,717	32,930,473
Tax payable	12	40,578,746	95,984,644
Deferred Tax	13	98,323,000	98,323,000
Total Liabilities (B)		<u>708,056,116</u>	<u>826,227,463</u>
Net Assets (A-B)		<u>5,145,779,109</u>	<u>4,935,214,506</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	1,845,184,109	1,634,615,506
Revaluation Reserves	17	414,155,000	414,155,000
Total Equity		<u>5,145,779,109</u>	<u>4,935,210,506</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 31ST		Oct-Dec 2021	Oct - Dec 2020	Jan-Dec 2021	Jan-Dec 2020
	<u>NOTES</u>	N	N	N	N
Revenue	18	661,967,834	426,388,636	1,954,295,775	2,226,756,773
Direct cost	19	484,353,804	289,789,367	1,419,011,221	1,663,696,118
Gross profit		177,614,030	136,599,268	535,284,555	563,060,655
Other Income		4,460,983	0	14,484,876	0
Administrative expenses	20	79,352,547	112,857,839	288,903,834	326,880,403
Other operating expense:	21	-	0		0
Operating profit		102,722,466	23,741,430	260,865,596	236,180,252
Finance costs	22	1,190,453	751,027	5,650,375	<u>6,074,934</u>
Profit before taxation		101,532,013	22,990,403	255,215,222	230,105,318
Taxation	12	15,229,802	3,448,560	40,578,746	34,515,798
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		86,302,211	19,541,842	214,636,476	195,589,520

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 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>206,372</u>	<u>-</u>	<u>206,372</u>
As at 31 December, 2020	400,000	2,048,771	2,486,440	2,448,771
<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		-4,068		
Profit for the period	0	214,636	0	214,636
As at 31 December, 2021	400,000	2,259,339	2,486,440	5,145,779

GLOBAL SPECTRUM ENERGY SERVICES PLC
STATEMENT OF CASHFLOW

PERIOD ENDED 31ST DECEMBER 2021

	Jan - Dec 2021	Jan - Dec 2020
	N'000	N'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Taxation	255,215	230,105
Adjustment for:		
- Depreciation	95,526	95,470
	350,741	325,575
Changes in trade & Other receivables	63,537	-207,559
Changes in prepayments	-667	4,850
Changes in other assets	-8,569	-109,853
Changes in Inventory	53,842	20,000
Changes in trade & Other payables	-62,765	99,347
	45,378	-193,215
Prior Yr PAYE tax paid/Income tax paid	11,925	11,853
WHT Utilized during Q2	88,132	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	296,062	120,506
CASHFLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of property,plant and equipment	-1,987	-9,384
WIP ADJUSTED	-27,783	14,214
Proceeds from sale of property and equipment		-
NET CASH FLOWS FROM INVESTING ACTIVITIES	-29,770	4,830
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	266,292	125,336
Cash and Cash Equivalents at beginning of quarter	<u>325,227</u>	<u>125,084</u>
Cash and Cash Equivalents at end of quarter	<u>591,520</u>	<u>250,420</u>

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

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, 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						1,987,000	
Disposals							
Balance as at end of quarter	350,000,000	1,485,470,200	15,997,199	10,932,000	27,783,261	13,697,875	1,903,880,535
Depreciation and impairment losses							
Balance as at previous quarter	114,450,000	439,157,822	11,415,020	10,322,625	0	7,879,400	583,224,867
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	118,825,000	457,726,213	11,859,880	10,444,500	0	8,250,787	607,106,380
Carrying amounts							0
Balance as at end of quarter	<u>231,175,000</u>	<u>1,027,743,987</u>	<u>4,137,319</u>	<u>487,500</u>	<u>27,783,261</u>	<u>5,447,088</u>	<u>1,296,774,155</u>
Balance as at Sept 30, 2021	<u>235,550,000</u>	<u>1,046,312,378</u>	<u>4,582,179</u>	<u>609,375</u>	<u>27,783,261</u>	<u>5,818,475</u>	<u>1,320,655,668</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>	<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>	<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 31ST

	<u>Dec-21</u>	<u>Dec-20</u>
	<u>N</u>	<u>N</u>
3. INVENTORY		
Sundries	<u>0</u>	<u>53,841,640</u>
	<u>0</u>	<u>53,841,640</u>
4. TRADE RECEIVABLES		
Trade Receivables	825,859,582	1,047,910,755
Associated Companies		
	<u>825,859,582</u>	<u>1,047,910,755</u>
5. OTHER RECEIVABLES		
Other Receivables	366,855,058	210,386,726
Staff loan & Advances	5,121,200	<u>3,075,600</u>
	<u>371,976,258</u>	<u>213,462,326</u>
6. PREPAYMENTS		
Prepayment	0	
Prepaid - Rent	3,416,667	<u>2,750,000</u>
	<u>3,416,667</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	325,139,816	205,682,614
Zenith Bank Plc	45,826,242	25,109,726
POLARIS BANK	153,024,850	9,310,397
Sterling Bank	61,413,485	79,721,871
Cash at hand	4,673,747	<u>3,960,941</u>
	<u>591,519,810</u>	<u>325,227,218</u>
8. OTHER ASSETS		
Quoted and Unquoted Investment		
Withholding Tax Receivables	250,133,753	<u>241,565,084</u>
	<u>250,133,753</u>	<u>241,565,084</u>
9. BORROWINGS		
Bank loan	0	<u>0</u>
10. TRADE PAYABLES		
Trade Payables	<u>550,016,653</u>	<u>598,989,346</u>
	<u>550,016,653</u>	<u>598,989,346</u>

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

	Dec-21	Dec-20
	N	N
11. OTHER PAYABLES		
Other Payables	9,708,072	20,479,727
Accruals	9,429,646	12,450,746
	<u>19,137,717</u>	<u>32,930,473</u>
12. TAX PAYABLE		
Balance as at previous quarter	25,348,944	26,347,000
Prior year tax provision		3,444,000
Charge for the Quarter	15,229,802	95,984,644
WHT Utilized during the Quarter	0	
Paid during the quarter	0	<u>-29,791,000</u>
Balance as at end of quarter	<u>40,578,746</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	214,636,476	209,819,000
Prior year Adjustment (PAYE audit)	(4,067,876.00)	0
Balance as at end of quarter	<u>1,845,184,109</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

	Dec-21	Dec-20
	N	N
18. REVENUE		
Revenue from services	661,967,834	424,893,332
Other Income	4,460,983	1,495,304
	<u>666,428,817</u>	<u>426,388,636</u>
19. DIRECT COST		
Direct Labour	33,329,415	15,190,000
Vessel Expenses	42,357,777	34,196,350
Berthing Expenses	0	-
Overheads	18,568,391	18,568,379
Vessel and Boat Hiring	373,857,404	211,305,683
Carbotage Surcharge & Development Levy	16,240,817	10,528,956
	<u>484,353,804</u>	<u>289,789,367</u>
20. ADMINISTRATIVE EXPENSES		
Directors Remuneration		-
Salaries and Wages	32,510,007	35,413,429
Transport and Travelling	5,864,333	4,459,943
Rent and Rates	1,250,000	1,077,926
Electricity and water	1,445,920	1,984,920
Stationeries	539,480	2,053,752
Motor Running Expenses	1,041,350	806,150
Repairs and Maintenance	5,519,400	5,842,248
Office and General Expenses	5,850,451	2,667,750
Telephone ,Internet and Postages	385,500	827,400
Security expenses	2,410,595	6,678,000
Staff Training and Development	0	-
Insurance and Hse	343,200	15,000
Medical Expenses	0	-
Regulatory and Annual filing expenses	5,214,344	6,607,128
Business Development Expenses	5,703,405	3,167,500
Depreciation	5,313,122	5,650,861
Legal and Professional charges	19,000	32,308,763
Other professional Charges	57,000	-
Governance & Compliances	5,885,440	1,093,669
CSR	0	2,203,400
	<u>79,352,547</u>	<u>112,857,838</u>

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

	Dec-21	Dec-20
	N	N
21. OTHER OPERATING EXPENSES		
other operating expenses	0	0
	<u>0</u>	<u>0</u>
22. FINANCE COST		
Bank charges	1,190,453	751,027
Exchange Loss		
	<u>1,190,453</u>	<u>751,027</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.

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.