

**GLOBAL SPECTRUM ENERGY SERVICES PLC.**

**UNAUDITED FINANCIAL STATEMENT**

**&**

**3RD QUARTER REPORT**

**FOR**

**THE PERIOD ENDED 30TH SEPTEMBER, 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**

		30/09/2021	31/12/2020
	<u>NOTES</u>	Quarter 3	Quarter 4
<u>Assets</u>		N	N
<b><u>NON CURRENT ASSETS</u></b>			
Property, Plant and Equipment	1	1,320,655,668	1,362,529,946
Investment Property	23	2,514,155,000	2,514,155,000
<b><u>CURRENT ASSETS</u></b>			
Bank and cash balances	7	541,673,615	325,227,218
Intangible Assets	2		
Inventory	3	16,877,214	53,841,640
Trade Receivables	4	660,185,814	1,047,910,755
Other Receivables	5	365,112,786	213,458,326
Prepayments	6	3,544,587	2,750,000
Other Assets	8	217,029,661	241,565,084
<b>Total Assets (A)</b>		<b><u>5,639,234,344</u></b>	<b><u>5,761,437,970</u></b>
<b><u>LONG-TERM LIABILITIES</u></b>			
Borrowings	9	0	0
Trade payables	10	431,350,575	598,989,346
Other Payables	11	23,291,663	32,930,473
Tax payable	12	25,276,909	95,984,644
Deferred Tax	13	98,323,000	98,323,000
<b>Total Liabilities (B)</b>		<b><u>578,242,146</u></b>	<b><u>826,227,463</u></b>
<b>Net Assets (A-B)</b>		<b><u>5,060,992,198</u></b>	<b><u>4,935,210,506</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	1,760,397,198	1,634,615,506
Revaluation Reserves	17	414,155,000	414,155,000
<b>Total Equity</b>		<b><u>5,060,992,198</u></b>	<b><u>4,935,210,506</u></b>



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 2021	Jul - Sep 2020	Jan-Sep 2021	Jan-Sep 2020
		N	N	N	N
Revenue	18	506,056,744	349,844,679	1,292,327,941	1,794,988,545
Direct cost	19	390,309,320	275,076,998	934,657,416	1,350,675,530
<b>Gross profit</b>		<b>115,747,424</b>	<b>74,767,681</b>	<b>357,670,525</b>	<b>444,313,015</b>
Other Income		4,227,659	6,608,807	10,023,893	9,494,818
Administrative expenses	20	74,420,899	57,092,334	209,551,287	219,544,152
Other operating expenses	21	-	<b>0</b>		0
<b>Operating profit</b>		<b>45,554,184</b>	<b>24,284,154</b>	<b>158,143,130</b>	<b>234,263,681</b>
Finance costs	22	1,459,794	1,449,198	4,459,922	<u>5,375,086</u>
<b>Profit before taxation</b>		<b>44,094,390</b>	<b>22,834,956</b>	<b>153,683,208</b>	<b>228,888,595</b>
Taxation	12	6,614,159	3,425,243	25,348,944	39,020,372
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>37,480,232</b>	<b>19,409,713</b>	<b>128,334,265</b>	<b>189,868,223</b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 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>	189,868	-	189,868
<b>As at 30 September, 2020</b>	<b>400,000</b>	<b>2,032,267</b>	<b>2,486,440</b>	<b>2,432,267</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	128,334	0	128,334
<b>As at 30 June, 2021</b>	<b>400,000</b>	<b>2,174,552</b>	<b>2,486,440</b>	<b>5,060,992</b>

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

**PERIOD ENDED 30TH SEPTEMBER 2021**

	Jan - Sep 2021	Jan - Sep 2020
	N'000	N'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Taxation	153,683	228,889
Adjustment for:		
- Depreciation	71,645	71,249
	<b>225,328</b>	<b>300,138</b>
Changes in trade & Other receivables	260,606	-133,847
Changes in prepayments	-795	2,419
Changes in other assets		-88,964
Changes in Inventory	36,964	0
Changes in trade & Other payables	-177,278	82,114
	<b>119,498</b>	<b>-138,278</b>
Prior Yr PAYE tax paid	10,478	1,000
WHT Utilized during Q2	88,132	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>246,216</b>	<b>160,859</b>
<b>CASHFLOWS FROM INVESTMENT ACTIVITIES</b>		
Acquisition of property, plant and equipment	-1,987	-5,897
WIP ADJUSTED	-27,783	14,214
Proceeds from sale of property and equipment		-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-29,770</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>0</b>	<b>0</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>216,446</b>	<b>169,176</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>541,674</u></b>	<b><u>294,261</u></b>

**GLOBAL SPECTRUM ENERGY SERVICES PLC**

**NOTES TO THE ACCOUNTS**

**PERIOD ENDED 30TH SEPTEMBER 2021**

**1. PROPERTY, PLANT & EQUIPMENT**

	LAND & BUILDING N	MARINE EQUIPMENT N	PLANT & MACH N	MOTOR VEHICLES N	WIP N	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						1,987,000	
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>13,697,875</b>	<b>1,903,880,535</b>
<b>Depreciation and impairment losses</b>							
Balance as at previous quarter	110,075,000	420,589,431	10,970,160	10,200,750	0	7,508,013	559,343,354
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>114,450,000</b>	<b>439,157,822</b>	<b>11,415,020</b>	<b>10,322,625</b>	<b>0</b>	<b>7,879,400</b>	<b>583,224,867</b>
							<b>0</b>
<b>Carrying amounts</b>							<b>0</b>
<b>Balance as at end of quarter</b>	<b><u>235,550,000</u></b>	<b><u>1,046,312,378</u></b>	<b><u>4,582,179</u></b>	<b><u>609,375</u></b>	<b><u>27,783,261</u></b>	<b><u>5,818,475</u></b>	<b><u>1,320,655,668</u></b>
<b>Balance as at Jun 30, 2021</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>

1,320,655,668

**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**

	<b>Sep-21</b>	<b>Dec-20</b>
	<b><u>N</u></b>	<b><u>N</u></b>
<b>3. INVENTORY</b>		
Sundries	<u>16,877,214</u>	<u>53,841,640</u>
	<b><u>16,877,214</u></b>	<b><u>53,841,640</u></b>
<b>4. TRADE RECEIVABLES</b>		
Trade Receivables	660,185,814	1,047,910,755
Associated Companies		
	<b><u>660,185,814</u></b>	<b><u>1,047,910,755</u></b>
<b>5. OTHER RECEIVABLES</b>		
Other Receivables	360,091,586	210,382,726
Staff loan & Advances	5,021,200	<u>3,075,600</u>
	<b><u>365,112,786</u></b>	<b><u>213,458,326</u></b>
<b>6. PREPAYMENTS</b>		
Prepayment	1,877,920	
Prepaid - Rent	<u>1,666,667</u>	<u>2,750,000</u>
	<b><u>3,544,587</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	277,779,694	205,682,614
Zenith Bank Plc	37,130,505	25,109,726
POLARIS BANK	157,480,683	9,310,397
Sterling Bank	62,205,814	79,721,871
Cash at hand	5,635,249	<u>3,960,941</u>
	<b><u>541,673,615</u></b>	<b><u>325,227,218</u></b>
<b>8. OTHER ASSETS</b>		
Quoted and Unquoted Investment		
Withholding Tax Receivables	217,029,661	<u>241,565,084</u>
	<b><u>217,029,661</u></b>	<b><u>241,565,084</u></b>
<b>9. BORROWINGS</b>		
Bank loan	<b>0</b>	<b><u>0</u></b>
<b>10. TRADE PAYABLES</b>		
Trade Payables	<u>431,350,575</u>	<u>598,989,346</u>
	<b><u>431,350,575</u></b>	<b><u>598,989,346</u></b>



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

	<u>Sep-21</u>	<u>Dec-20</u>
	<u>N</u>	<u>N</u>
<b>11. OTHER PAYABLES</b>		
Other Payables	9,780,117	20,479,727
Accruals	13,511,546	12,450,746
	<b><u>23,291,663</u></b>	<b><u>32,930,473</u></b>
<b>12. TAX PAYABLE</b>		
Balance as at previous quarter	18,662,750	26,347,000
Prior year tax provision		3,444,000
Charge for the Quarter	6,614,159	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	<b><u>25,276,909</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	128,334,265	209,819,000
Prior year Adjustment (PAYE audit)	(2,552,576.00)	0
Balance as at end of quarter	<b><u>1,760,397,198</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>Sep-21</u>	<u>Sep-20</u>
	<u>N</u>	<u>N</u>
<b>18. REVENUE</b>		
Revenue from services	506,056,744	349,844,679
Other Income	4,227,659	6,608,807
	<b><u>510,284,403</u></b>	<b><u>356,453,486</u></b>
<b>19. DIRECT COST</b>		
Direct Labour	36,375,930	27,065,000
Vessel Expenses	36,221,163	21,668,580
Berthing Expenses	0	-
Overheads	18,568,391	18,568,379
Vessel and Boat Hiring	286,703,136	197,871,900
Carbotage Surcharge & Development Levy	12,440,700	9,903,139
	<b><u>390,309,320</u></b>	<b><u>275,076,998</u></b>
<b>20. ADMINISTRATIVE EXPENSES</b>		
Directors Remuneration		-
Salaries and Wages	34,027,770	29,085,092
Transport and Travelling	4,791,491	1,594,240
Rent and Rates	1,597,033	2,495,750
Electricity and water	2,164,900	1,289,260
Stationeries	1,214,750	634,400
Motor Running Expenses	781,800	1,148,450
Repairs and Maintenance	3,926,600	1,262,660
Office and General Expenses	2,230,370	1,616,303
Telephone ,Internet and Postages	701,800	784,000
Security expenses	2,276,000	3,277,300
Staff Training and Development	-	-
Insurance and Hse	1,527,000	1,527,000
Medical Expenses	351,632	-
Regulatory and Annual filing expenses	0	2,606,728
Business Development Expenses	8,491,344	1,080,250
Depreciation	5,313,122	5,181,632
Legal and Professional charges	244,550	2,415,600
Other professional Charges	0	-
Governance & Compliances	4,780,737	1,093,669
CSR	0	-
	<b><u>74,420,899</u></b>	<b><u>57,092,334</u></b>

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

	<u>Sep-21</u>	<u>Sep-20</u>
	N	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	1,459,794	1,449,198
Exchange Loss		
	<u>1,459,794</u>	<u>1,449,198</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. 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.