



DIGICUT PRODUCTION & ADVERTISING PLC

**UNAUDITED FINANCIAL STATEMENT
FOR THE NINE-MONTH PERIOD
ENDED 30 SEP 2023**

COMPANY INFORMATION

| | |
|----------------------|---|
| DIRECTORS | Joseph Kusi-Tieku John Sterlin Victoria Aligboh Raphael Ayitey |
| SECRETARY | Credibilis Unlimited |
| COMPANY REGISTRATION | PL000412017 |
| REGISTERED ADDRESS | No. 350, Nima Court Avenue Ward E, Block 2 Avenor – Accra, Ghana +233546886775 |
| AUDITOR | Adom Boafo & Associates Mango Street Avenue Asylum Down – Accra, Ghana +233302788324 |
| BANKERS | Ecobank Ghana Limited |
| ADVISOR | Teak Tree Brokerage Limited F380/4 Osu La Crescent Nyaniba Estate – Accra, Ghana +233302978838 |
| REGISTRAR | Central Securities Depository 4th Floor, Cedi House Ridge – Accra, Ghana +233302689313 |

DIGICUT PRODUCTION & ADVERTISING PLC
Unaudited financial statement for the six-month period ended 30 Sept 2023

STATEMENT OF COMPREHENSIVE INCOME

| | Notes | 2023 GH¢ | 2022 GH¢ |
|--|-------|---------------------|---------------------|
| Revenue | 4 | 293,749 | 111,962 |
| Cost of sales | 5 | - <u>156,117</u> | - <u>-49,852</u> |
| Gross profit | | 137,632 | 62,111 |
| Other operating income | | 10,760 | 7,004 |
| Operating profit | | <u>148,392</u> | <u>69,115</u> |
| Admin and general expenses | 11 | - 250,585 | - 170,263 |
| Profit before tax | | <u>102,193</u> | <u>101,149</u> |
| Income tax expense | | - | - |
| Profit after tax transferred to income surplus | | <u>102,193</u> | <u>101,149</u> |
| Other comprehensive income | | - | - |
| Total comprehensive income | | <u>102,193</u> | <u>101,149</u> |
| | | - | - |
| Earnings per share (basic / diluted) | 6 | - 102,193 | - 101,149 |

DIGICUT PRODUCTION & ADVERTISING PLC
Unaudited financial statement for the six-month period ended 30 Sept 2023

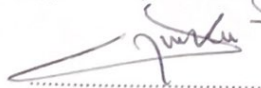
STATEMENT OF CHANGES IN EQUITY

| | 2023 | Income Surplus GHC | Stated Capital GHC | Total GHC |
|----------------------------|------|--------------------------|-----------------------|------------------|
| Balance at 1 Jan | | -469,433 | 3,103,811 | 2,634,378 |
| Transfer to stated capital | | - | - | - |
| Profit for the year | | -102,193 | - | -102,193 |
| Balance at 30th Sep | | <u>-571,626</u> | <u>3,103,811</u> | <u>2,532,185</u> |
| | 2022 | Income Surplus GHC | Stated Capital GHC | Total GHC |
| Balance at 1 Jan | | -368,761 | 3,103,811 | 2,735,050 |
| Transfer to stated capital | | - | - | - |
| Profit for the year | | -101,149 | - | -101,149 |
| Balance at 30th Sep | | <u>-469,910</u> | <u>3,103,811</u> | <u>2,633,901</u> |

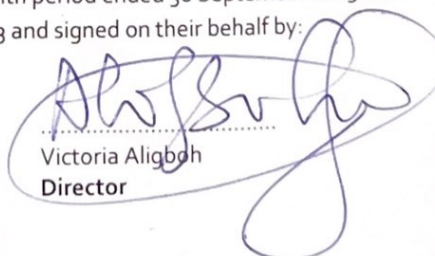
STATEMENT OF FINANCIAL POSITION

| Assets | Notes | Sep-23 GHC | Sep-22 GHC |
|-------------------------------------|-------|-------------------------|-------------------------|
| Non-current Assets | | | |
| Property, plant and equipment | 11 | 7,599 | 13,967 |
| Capital work-in-progress | 11 | <u>525,292</u> | <u>525,292</u> |
| | | 532,891 | 539,258 |
| Current Assets | | | |
| Investment | 12 | - | |
| Accounts receivable | 13 | 4,528,467 | 4,568,717 |
| Taxation | 9 | 177,369 | 172,853 |
| Cash and cash equivalents | 14 | <u>18,257</u> | <u>16,759</u> |
| | | 4,724,094 | 4,758,329 |
| Total Assets | | 5,256,985 | 5,297,587 |
| Equity and Liabilities | | | |
| Equity | | | |
| Stated capital | 15 | 3,103,811 | 3,103,811 |
| Income surplus | | <u>-571,626</u> | <u>-469,910</u> |
| | | <u>2,532,185</u> | <u>2,633,901</u> |
| Non-current Liabilities | | | |
| Borrowings | 16 | 1,019,433 | 1,019,433 |
| Current Liabilities | | | |
| Accounts payable | 17 | 1,705,367 | 1,644,252 |
| Total Equity and Liabilities | | <u>5,256,985</u> | <u>5,297,586</u> |

The unaudited financial statement for the Nine-month period ended 30 September 2023 were approved by the Board of Directors on 30th Oct 2023 and signed on their behalf by:



 Joseph Kusi-Tieku
 Director



 Victoria Aligboh
 Director

DIGICUT PRODUCTION & ADVERTISING PLC

Unaudited financial statement for the six-month period ended 30 Sept 2023

STATEMENT OF CASHFLOW

| | Notes | Sep-23 GHC | Sep-22 GHC |
|--|-------|----------------------|-----------------------|
| Cashflow from operating activities | | | |
| Operating profit | | -102,193 | -101,147 |
| Depreciation | 11 | <u>4,776</u> | <u>4,776</u> |
| Operating profit before working capital changes | | -97,418 | -96,371 |
| (Increase) / decrease in accounts receivables | 13 | 72,021 | -1,145 |
| Increase / (decrease) in accounts payables | 17 | <u>33,350</u> | <u>56,007</u> |
| Cash generated from operating activities | | 7,954 | -41,509 |
| Tax paid (withholding tax adjusted) | 9 | - | -438 |
| Net cashflow from operating activities | | 7,954 | -41,947 |
| Cashflow from investing activities | | | |
| Purchase of non-current assets | 11 | - | - |
| Disposal of non-current assets | 11 | - | - |
| Capital work in progress | 11 | - | - |
| Net cashflow from investing activities | | - | - |
| Cashflow from financing activities | | | |
| Stated capital | 15 | - | - |
| Change in loans | 16 | - | - |
| Net cashflow from financing activities | | - | - |
| Net increase / decrease in cashflow | | <u>7,954</u> | <u>-41,947</u> |
| Analysis of changes in cash and cash equivalent | | | |
| Balance at 1 Jan | | 10,303 | 58,706 |
| Net increase / decrease in cashflow | | <u>7,954</u> | -41,947 |
| Balance at 31st Dec | | <u>18,257</u> | <u>16,759</u> |

NOTES TO THE FINANCIAL STATEMENT

1. REPORTING ENTITY

Digicut Production & Advertising PLC is a company publicly registered in Ghana under Companies Act, 2019 (Act 992). Additional details of the company can be found on page 2 of this report.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The financial statements are prepared on the historical cost basis except for financial instruments that are stated at fair values.

The financial statements have been presented in Ghana cedi which is the company's functional currency.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Where necessary, the comparatives have been reclassified from the previously reported results to take into account changes in presentation.

3. ACCOUNTING POLICIES

The accounting policies adopted in this report are consistent with those used in the most recent annual financial statements.

DIGICUT PRODUCTION & ADVERTISING PLC

Unaudited financial statement for the six-month period ended 30 Sept 2023

| 4. REVENUE | Sep-23 | Sep-22 |
|--|--------------------|--------------------|
| | GHC | GHC |
| Printing and production | 28,550 | 42,180 |
| Billboard rental | 44,360 | 43,892 |
| Mobile advertising van | 80,498 | 18,931 |
| Advertising and publicity | 7,875 | - |
| CNC router | - | - |
| Branding | 167,582 | 6,960 |
| Agency fee / commission | 8,761 | - |
| Retainership | - | - |
| | <u>337,626</u> | <u>111,962</u> |
| | | |
| 5. COST OF SALES | Sep-23 | Sep-22 |
| | GHC | GHC |
| Advertising and publicity | 428 | 1,108 |
| Printing and production | 37,697 | 15,845 |
| Billboard maintenance | 26,540 | 23,257 |
| Mobile advertising van | 7,064 | 4,431 |
| CNC router | - | - |
| Branding | 84,388 | 5,210 |
| | <u>156,117</u> | <u>49,852</u> |
| | | |
| 6. EARNINGS PER SHARE | Sep-23 | Sep-22 |
| | GHC | GHC |
| Profit attributable to equity holders | -58,317 | -101,147 |
| Outstanding ordinary shares (weighted average) | <u>118,890,621</u> | <u>118,890,621</u> |
| Earnings per share (basic) | <u>-0.0005</u> | <u>-0.0009</u> |

The company has no category of potential diluted ordinary shares.

DIGICUT PRODUCTION & ADVERTISING PLC

Unaudited financial statement for the six-month period ended 30 Sept 2023

| | Sep-23 GHC | Sep-22 GHC |
|-------------------------------|------------------|------------------|
| Related-party debtors | 2,878,073 | 2,916,432 |
| Other trade debtors | 30,124 | 23,712 |
| Other prepayment and advances | 14,520 | 22,822 |
| Funds with Receiver (GN Bank) | 1,478,169 | 1,478,169 |
| Funds in GMMF | 127,582 | 127,582 |
| | <u>4,528,467</u> | <u>4,568,717</u> |

| | Sep-23 GHC | Sep-22 GHC |
|--------------|---------------|---------------|
| Cash balance | 4,001 | 2,001 |
| Bank balance | 14,257 | 14,758 |
| | <u>18,257</u> | <u>16,759</u> |

| | Sep-23 GHC | Sep-22 GHC |
|-------------------------|------------------|------------------|
| Loan account | 420,053 | 420,053 |
| GGFC | 585,572 | 585,572 |
| GN Treasury (Directors) | 13,808 | 13,808 |
| | <u>1,019,433</u> | <u>1,019,433</u> |

| | Sep-23 GHC | Sep-22 GHC |
|------------------------|------------------|------------------|
| Related-party payables | 435,635 | 407,837 |
| Other trade payables | 37,867 | 33,788 |
| Accrual Rent | 511,364 | 511,364 |
| Other Accrued Expenses | 694,511 | 665,298 |
| Audit fees | 25,990 | 25,966 |
| | <u>1,705,367</u> | <u>1,644,252</u> |

DIGICUT PRODUCTION & ADVERTISING PLC*Unaudited financial statement for the six-month period ended 30 Sept 2023*

| | Sep-23 GHC | Sep-22 GHC |
|-----------------------------------|----------------|----------------|
| Accommodation | | |
| Accounting and Payroll Service | | |
| Cleaning and sanitation | 7,784 | 7,654 |
| Audit Expense | | 100 |
| Audit fees | 5,552 | 13,416 |
| Bad debts written off | | |
| Bank charges | 627 | 485 |
| CSD -Account Maintenance fees | 3,750 | 3,750 |
| Board fees | 24,000 | 24,000 |
| Depreciation | 4,776 | 4,776 |
| Donation | 1,620 | 500 |
| Equipment Maintenance & Repairs | 2,029 | 256 |
| Facility maintenance fees | | 583 |
| Facilitation fees | | 513 |
| Feeding & Accommodation | 1,324 | 1,165 |
| Fuel and lubricants | 24,496 | 19,277 |
| GSE Listing fee | 3,000 | 3,000 |
| Health / life insurance (welfare) | 6,752 | 1,380 |
| Internet subscription | 1,251 | 200 |
| IT services | 947 | |
| Legal fees | 11,350 | 9,860 |
| Management Meeting Expenses | | |
| Office Running | 1,659 | 1,670 |
| Office stationery | 1,199 | 1,522 |
| OPS Consult- Swanzy Exp | | 4,000 |
| Registration and licensing | 2,690 | 591 |
| Rent and rate | | |
| Sales commission | 4,769 | 1,209 |
| Security services | | |
| Staff cost | 49,678 | 28,656 |
| Telephone expense | 770 | 71 |
| Transportation and travel | 10,934 | 3,941 |
| Vehicle insurance | 9,773 | 2,212 |
| Vehicle repairs and maintenance | 69,855 | 35,477 |
| Training and Development Expense | | |
| | <u>250,585</u> | <u>170,263</u> |