



DIGICUT PRODUCTION & ADVERTISING PLC

**UNAUDITED FINANCIAL STATEMENT
FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2024**

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
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AUDITOR

BETA & ASSOCIATES
MADINA-ACCRA
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+233 (0) 245797718

BANKERS

Ecobank Ghana Limited

ADVISOR

Teak Tree Brokerage Limited
F380/4 Osu La Crescent
Nyaniba Estate – Accra, Ghana
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REGISTRAR

Central Securities Depository
4th Floor, Cedi House
Ridge – Accra, Ghana
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STATEMENT OF COMPREHENSIVE INCOME

	Notes	YTD Jun-24 GHC	YTD Jun-23 GHC
Revenue	1	207,070	262,802
Cost of sales	2	(162,936)	(95,415)
Gross profit		44,134	167,387
Other operating income	3	92,725	8,760
Operating profit		136,860	176,147
Admin and general expenses	15	(366,674)	(159,907)
Profit before interest and tax		(229,815)	16,240
Finance cost	4	-	-
Profit before tax	5	(229,815)	16,240
Income tax expense	6	-	-
Profit after tax		(229,815)	16,240
Other comprehensive income		-	-
Total comprehensive income		(229,815)	16,240

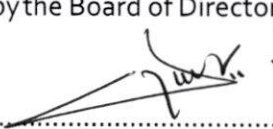
STATEMENT OF CHANGES IN EQUITY

2024	Income Surplus	Stated Capital	Total
	GHC	GHC	GHC
Balance at 1 Jan	(547,601)	3,103,811	2,556,210
Transfer to stated capital	-	-	-
Profit for the year	(229,815)	-	(229,815)
Balance at 30th Jun	<u>(777,416)</u>	<u>3,103,811</u>	<u>2,326,395</u>
2023	Income Surplus	Stated Capital	Total
	GHC	GHC	GHC
Balance at 1 Jan	(469,433)	3,103,811	2,634,378
Transfer to stated capital	-	-	-
Profit for the year	16,240	-	16,240
Balance at 30th Jun	<u>(453,193)</u>	<u>3,103,811</u>	<u>2,650,618</u>

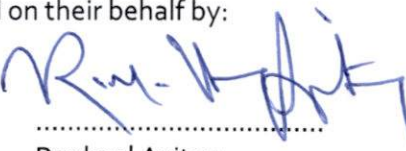
STATEMENT OF FINANCIAL POSITION

	Notes	Jun-24 GHC	Jun-23 GHC
Non-current Assets			
Property, plant and equipment	8	89,056	10,012
Capital work-in-progress	8	525,292	525,292
		614,348	535,303
Current Assets			
Investment	11	1,086,429	10
Accounts receivable	9	3,306,732	4,635,299
Taxation	6	177,369	177,369
Cash and cash equivalents	10	32,393	22,290
		4,602,923	4,834,968
Total Assets		5,217,271	5,370,271
Equity and Liabilities			
Equity			
Stated capital	12	3,103,811	3,103,811
Income surplus		(777,416)	(453,193)
		2,326,395	2,650,618
Non-current Liabilities			
Borrowings	13	1,089,277	1,019,433
Current Liabilities			
Accounts payable	14	1,801,598	1,700,220
Total Equity and Liabilities		5,217,270	5,370,271

The unaudited financial statement for the Six-month period ended 30 June 2024 were approved by the Board of Directors on 16th Jul 2024 and signed on their behalf by:



 Joseph Kusi-Tieku
Chairman



 Raphael Ayitey
Director

	Notes	Jun-24 GHC	Jun-23 GHC
Cashflow from operating activities			
Operating profit		(229,815)	16,240
Depreciation	8	2,363	2,363
Operating profit before working capital changes		(227,452)	18,604
(Increase) / decrease in accounts receivables	9	1,213,929	(34,811)
Increase / (decrease) in accounts payables	14	63,379	28,203
Increase in Investment		(1,036,419)	(10)
Cash generated from operating activities		13,438	11,986
Tax paid (withholding tax adjusted)	6	-	-
Net cashflow from operating activities		13,438	11,986
Cashflow from investing activities			
Purchase of non-current assets	8	(83,770)	-
Disposal of non-current assets	8	-	-
Capital work in progress	8	-	-
Net cashflow from investing activities		(83,770)	-
Cashflow from financing activities			
Stated capital	12	-	-
Change in loans	13	69,844	-
Net cashflow from financing activities		69,844	-
Net increase / decrease in cashflow		(489)	11,986
Analysis of changes in cash and cash equivalent			
Balance at 1 Jan		32,879	10,303
Net increase / decrease in cashflow		(489)	11,986
Balance at 30th Jun		32,390	22,289

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 consider 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.

1 REVENUE

	YTD Jun-24 GHC	YTD Jun-23 GHC
Printing and production	34,450	27,650
Billboard rental	31,580	29,400
Mobile advertising van	39,122	80,498
Advertising and publicity	650	2,500
CNC router	-	959
Branding	101,268	121,795
Agency fee / commission	-	-
Retainership	-	-
	<u><u>207,070</u></u>	<u><u>262,802</u></u>

2 COST OF SALES

	Jun-24 GHC	Jun-23 GHC
Advertising and publicity	-	428
Printing and production	26,279	35,697
Billboard maintenance	47,792	9,340
Mobile advertising van	17,931	6,510
CNC router	-	-
Branding	70,934	43,439
	<u><u>162,936</u></u>	<u><u>95,415</u></u>

3 OTHER OPERATING INCOME

	Jun-24 GHC	Jun-23 GHC
Other income	92,725	8,760
Profit on motor vehicle disposal	-	-
Interest income	-	-
	<u><u>92,725</u></u>	<u><u>8,760</u></u>

5 PROFIT BEFORE TAX

Is issue after charging:

	Jun-24 GHC	Jun-23 GHC
Directors' remuneration	16,000	16,000
Auditors' remuneration	6,890	302
Depreciation of fixed assets	2,363	2,363

7 EARNINGS PER SHARE

	Jun-24 GHC	Jun-23 GHC
Profit attributable to equity holders	(229,815)	16,240
Outstanding ordinary shares (weighted average)	<u>118,890,621</u>	<u>118,890,621</u>
Earnings per share (basic)	<u>(0.0019)</u>	<u>0.0001</u>

The company has no category of potential diluted ordinary shares.

9 ACCOUNTS RECEIVABLE

	Jun-24 GHC	Jun-23 GHC
Related-party debtors	2,981,885	2,956,133
Other trade debtors	52,619	58,317
Other prepayment and advances	88,417	15,098
Funds with Receiver (GN Bank)	56,229	1,478,169
Funds in GMMF	<u>127,582</u>	<u>127,582</u>
	<u>3,306,732</u>	<u>4,635,299</u>

10 CASH AND CASH EQUIVALENTS

	Jun-24 GHC	Jun-23 GHC
Cash balance	4,459	2,001
Bank balance	<u>27,934</u>	<u>20,290</u>
	<u>32,393</u>	<u>22,290</u>

11 Short-term investment

	Jun-24 GHC	Jun-23 GHC
GoG treasury bill	<u>1,086,429</u>	<u>10</u>
	<u>1,086,429</u>	<u>10</u>

13 BORROWINGS (Related-Party)

	Jun-24 GHC	Jun-23 GHC
Loan account	420,053	420,053
GGFC	585,572	585,572
GN Treasury (Directors)	<u>83,652</u>	<u>13,808</u>
	<u>1,089,277</u>	<u>1,019,433</u>

14 ACCOUNTS PAYABLE

	Jun-24 GHC	Jun-23 GHC
Related-party payables	466,314	442,610
Other trade payables	37,766	40,866
Accrual Rent	511,364	511,364
Other Accrued Expenses	769,274	684,640
Audit fees	16,880	20,740
	<u>1,801,598</u>	<u>1,700,220</u>

PROPERTY, PLANT AND EQUIPMENT

Cost	Bal at 1 Jan GH¢	Addition GH¢	Bal at 31st Dec GH¢
Computer and accessories	153,047	16,917	169,964
Furniture and fittings	47,264	-	47,264
Motor vehicle	1,709,980	63,600	1,773,580
Field equipment	422,990	1,905	424,895
Office equipment	41,508	1,349	42,857
Total	<u>2,374,789</u>	<u>83,770</u>	<u>2,458,559</u>

Depreciation	Bal at 1 Jan GH¢	Charge GH¢	Bal at 31st Dec GH¢
Computer and accessories	153,047	-	153,047
Furniture and fittings	39,616	2,363	41,980
Motor vehicle	1,709,980	(0)	1,709,980
Field equipment	422,990	(0)	422,990
Office equipment	39,866	-	41,507
Total	<u>2,365,499</u>	<u>2,363</u>	<u>2,369,503</u>

Net book value	<u>89,056</u>
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15 ADMINISTRATIVE AND GENERAL EXPENSES

	Jun-24 GHC	Jun-23 GHC
Accommodation	27,544	649
Accounting and Payroll Service	10,811	5,189
Audit Expense	3	-
Audit fees	6,890	302
Bank charges	585	338
CSD -Account Maintenance fees	2,500	2,500
Board fees	16,000	16,000
Depreciation	2,363	2,363
Equipment Maintenance & Repair	5,135	1,375
Facility maintenance fees	10,359	-
Facilitation fees	-	4,769
Fuel and lubricants	200	15,441
GSE Listing fee	2,000	2,000
Health / life insurance (welfare)	-	6,252
Income Tax Expense	2,500	-
Internet subscription	474	-
IT services	-	947
Legal fees	86,627	8,400
Management Meeting Expenses	3,764	-
Office Running	3,772	1,058
Office stationery	594	102
Registration and licensing	1,150	2,530
Staff cost	79,860	31,401
Telephone expense	80	750
Transportation and travel	16,486	2,793
Vehicle insurance	-	4,716
Vehicle repairs and maintenance	86,977	50,032
	<u>366,674</u>	<u>159,907</u>