



DIGICUT PRODUCTION & ADVERTISING PLC

**UNAUDITED FINANCIAL STATEMENT  
FOR THE NINE-MONTH PERIOD  
ENDED 30 SEP 2024**

## DIGICUT PRODUCTION & ADVERTISING PLC

*Unaudited financial statement for the Nine-month period ended 30 Sep 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  
Avenor – Accra, Ghana  
+233546886775

#### AUDITOR

BETA & ASSOCIATES  
MADINA-ACCRA  
[betaassociate@gmail.com](mailto:betaassociate@gmail.com)  
+233 (0) 245797718

#### 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  
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## 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	(297,802)	-	(297,802)
Balance at 30th Jun	<u>(845,403)</u>	<u>3,103,811</u>	<u>2,258,408</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	(35,147)	-	(35,147)
Balance at 30th Jun	<u>(504,580)</u>	<u>3,103,811</u>	<u>2,599,231</u>

## STATEMENT OF COMPREHENSIVE INCOME

		YTD	YTD
	Notes	Sep-24	Sep-23
		GHC	GHC
Revenue	1	320,604	356,146
Cost of sales	2	<u>(191,637)</u>	<u>(155,097)</u>
Gross profit		128,968	201,049
Other operating income	3	<u>93,495</u>	<u>11,562</u>
Operating profit		222,463	212,611
Admin and general expenses	13	<u>(520,265)</u>	<u>(247,757)</u>
Profit before interest and tax		(297,802)	(35,147)
Finance cost	4	<u>-</u>	<u>-</u>
Profit before tax	4	(297,802)	(35,147)
Income tax expense	5	<u>-</u>	<u>-</u>
Profit after tax		(297,802)	(35,147)
Other comprehensive income		-	-
Total comprehensive income		<u>(297,802)</u>	<u>(35,147)</u>
Earnings per share (basic / diluted)	6	(0.0025)	(0.0003)

**STATEMENT OF CASHFLOWS**


	Notes	Sep-24 GHC	Sep-23 GHC
<b>Cashflow from operating activities</b>			
Operating profit		(297,802)	(35,147)
Depreciation	7	2,363	3,545
<b>Operating profit before working capital changes</b>		<b>(295,439)</b>	<b>(31,602)</b>
(Increase) / decrease in accounts receivable	8	1,221,443	43,704
Increase / (decrease) in accounts payable	12	91,249	64,252
Increase in Investment		(984,419)	(69,854)
<b>Cash generated from operating activities</b>		<b>32,834</b>	<b>6,500</b>
Tax paid (withholding tax adjusted)	5	-	-
<b>Net cashflow from operating activities</b>		<b>32,834</b>	<b>6,500</b>
<b>Cashflow from investing activities</b>			
Purchase of non-current assets	7	(118,058)	-
Disposal of non-current assets	7	-	-
Capital work in progress	7	-	-
<b>Net cashflow from investing activities</b>		<b>(118,058)</b>	<b>-</b>
<b>Cashflow from financing activities</b>			
Stated capital	11	-	-
Change in loans	11	69,844	-
<b>Net cashflow from financing activities</b>		<b>69,844</b>	<b>-</b>
<b>Net increase / decrease in cashflow</b>		<b>(15,381)</b>	<b>6,500</b>
<b>Analysis of changes in cash and cash equivalent</b>			
Balance at 1 Jan		32,879	10,303
Net increase / decrease in cashflow		(15,381)	6,500
<b>Balance at 30th Jun</b>		<b>17,498</b>	<b>16,803</b>

## STATEMENT OF FINANCIAL POSITION

Assets	Notes	Sep-24 GHC	Sep-23 GHC
<b>Non-current Assets</b>			
Property, plant and equipment	7	123,344	8,830
Capital work-in-progress	7	525,292	525,292
		<u>648,636</u>	<u>534,121</u>
<b>Current Assets</b>			
Investment	10	1,034,429	69,854
Accounts receivable	8	3,299,218	4,556,784
Taxation	5	177,369	177,369
Cash and cash equivalents	9	17,503	16,804
		<u>4,528,519</u>	<u>4,820,811</u>
<b>Total Assets</b>		<u><u>5,177,155</u></u>	<u><u>5,354,933</u></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Stated capital	11	3,103,811	3,103,811
Income surplus		<u>(845,403)</u>	<u>(504,580)</u>
		<u>2,258,408</u>	<u>2,599,231</u>
<b>Non-current Liabilities</b>			
Borrowings	11	1,089,277	1,019,433
<b>Current Liabilities</b>			
Accounts payable	12	1,829,468	1,736,269
<b>Total Equity and Liabilities</b>		<u><u>5,177,153</u></u>	<u><u>5,354,933</u></u>

The unaudited financial statement for the Nine-month period ended 30 Sep 2024 were approved by the Board of Directors on 15th Sep 2024 and signed on their behalf by:

.....  
Joseph Kusi-Tieku  
Chairman

  
.....  
Raphael Ayitey  
Director

<b>7 PROPERTY, PLANT AND EQUIPMENT</b>	<b>Bal at 1 Jan</b>	<b>Addition</b>	<b>Disposal</b>	<b>Bal at 31st Dec</b>
<b>Cost</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Billboard -Cost	-	28,965		28,965
Computer and accessories	153,047	16,997	-	170,044
Furniture and fittings	47,264	-	-	47,264
Motor vehicle	1,709,980	63,600	-	1,773,580
Field equipment	422,990	1,879	-	424,869
Office equipment	41,508	6,618	-	48,126
<b>Total</b>	<b>2,374,789</b>	<b>118,058</b>	<b>-</b>	<b>2,492,847</b>
<b>Depreciation</b>	<b>Bal at 1 Jan</b>	<b>Charge</b>	<b>Disposal</b>	<b>Bal at 31st Dec</b>
	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Billboard				
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
<b>Total</b>	<b>2,365,499</b>	<b>2,363</b>	<b>-</b>	<b>2,369,503</b>
<b>Net book value</b>				<b>123,344</b>

Capital work-in-progress (GH¢ 525,292) is related to the on-going office complex construction at Avenor.

<b>5 TAXATION</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Balance at 1 Jan	177,369	177,369
Charge for the year	-	-
Payments	-	-
Balance at 30th Sep	<u>177,369</u>	<u>177,369</u>
<b>6 EARNINGS PER SHARE</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Profit attributable to equity holders	(297,802)	(35,147)
Outstanding ordinary shares (weighted average)	118,890,621	118,890,621
Earnings per share (basic)	<u>(0.0025)</u>	<u>(0.0003)</u>
The company has no category of potential diluted ordinary shares.		
<b>8 ACCOUNTS RECEIVABLE</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Related-party debtors	2,959,542	2,976,267
Other trade debtors	67,450	30,101
Other prepayment and advances	88,416	14,509
Funds with Receiver (GN Bank)	56,229	1,408,325
Funds in GMMF	127,582	127,582
	<u>3,299,218</u>	<u>4,556,784</u>
<b>9 CASH AND CASH EQUIVALENTS</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Cash balance	6,447	3,396
Bank balance	11,055	13,409
	<u>17,503</u>	<u>16,804</u>
<b>10 Short-term investment</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
GoG treasury bill	1,034,429	69,854
	<u>1,034,429</u>	<u>69,854</u>



**DIGICUT PRODUCTION & ADVERTISING PLC***Unaudited financial statement for the Nine-month period ended 30 Sep 2024*

<b>11 BORROWINGS (Related-Party)</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Loan account	420,053	420,053
GGFC	585,572	585,572
GN Treasury (Directors)	83,652	13,808
	<u>1,089,277</u>	<u>1,019,433</u>
<b>12 ACCOUNTS PAYABLE</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Related-party payables	490,300	435,635
Other trade payables	37,766	36,846
Accrual Rent	511,364	511,364
Other Accrued Expenses	769,713	728,684
Audit fees	20,325	23,740
	<u>1,829,468</u>	<u>1,736,269</u>

<b>13 ADMINISTRATIVE AND GENERAL EXPENSES</b>	<b>Sep-24</b>	<b>Sep-23</b>
	<b>GHC</b>	<b>GHC</b>
Accommodation	29,344	1,324
Accounting And Payroll Service	17,297	7,784
Audit Expense	3	-
Audit fees	10,335	3,302
Bank charges	729	675
CSD -Account Maintenance fees	3,750	3,750
Board fees	24,000	24,000
Depreciation	2,363	3,545
Donation	-	1,620
Equipment Maintenance & Repairs	5,535	2,029
Facility maintenance fees	10,659	-
facilitation fees	-	-
Fuel and lubricants	200	24,696
GSE Listing fee	3,000	3,000
Health / life insurance (welfare)	4,935	6,952
Income Tax Expense	2,500	-
Internet subscription	3,752	-
IT services	5,362	947
Legal fees	101,467	11,350
Management Meeting Expenses	3,764	-
Office Running	4,512	1,659
Office stationery	1,120	1,284
OPS Consult- Swanzy Exp	-	-
Registration and licensing	5,920	2,690
Sales commission	-	4,769
Staff cost	136,999	49,678
Telephone expense	170	2,021
Transportation and travel	25,201	11,054
Vehicle insurance	-	9,773
Vehicle repairs and maintenance	117,335	69,855
Water and energy (utilities)	13	-
	<b>520,265</b>	<b>247,757</b>

## **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.

<b>1 REVENUE</b>	YTD	
	Sep-24	Sep-23
	GHC	GHC
Printing and production	41,630	28,550
Billboard rental	81,440	44,280
Mobile advertising van	62,212	80,498
Advertising and publicity	650	7,875
Agency Fee/Commission	-	8,761
Branding	134,672	186,182
	<u>320,604</u>	<u>356,146</u>
<b>2 COST OF SALES</b>	YTD	
	Sep-24	Sep-23
	GHC	GHC
Advertising and publicity	3	428
Printing and production	34,921	37,697
Billboard maintenance	55,920	26,540
Mobile advertising van	17,931	7,064
CNC router	-	-
Branding	82,862	83,368
	<u>191,637</u>	<u>155,097</u>
<b>3 OTHER OPERATING INCOME</b>	YTD	
	Sep-24	Sep-23
	GHC	GHC
Other income	93,495	11,562
Profit on motor vehicle disposal	-	-
Interest income	-	-
	<u>93,495</u>	<u>11,562</u>
<b>4 PROFIT BEFORE TAX</b>	YTD	
	Sep-24	Sep-23
<b>Is issue after charging:</b>	GHC	GHC
Directors' remuneration	24,000	24,000
Auditors' remuneration	10,335	3,302
Depreciation of fixed assets	2,363	3,545