

UPDC REAL ESTATE INVESTMENT TRUST
UNAUDITED REPORTS FOR THE PERIOD ENDED 30 JUNE 2023

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	30 June 2023	30 June 2022
		N'000	N'000
Rental income	6	725,718	652,541
Interest income on deposit with banks	8	158,645	83,497
Interest income on assets measured at fair value through profit or loss	7	76,249	87,931
Loss on financial assets held for trading	9	(15,032)	17,102
Revenue		945,580	841,071
Impairment charge on receivables	17	-	
Operating expenses	13	(324,596)	(300,457)
Profit/(loss) Profit before tax		620,984	540,614
Tax		-	-
Profit/(loss) profit after tax		620,984	540,614
Increase/(decrease) in net assets attributable to unit holders		620,984	540,614
Earnings/(Loss) per unit to unit holders of the Trust			
Earnings/(Loss) per unit - basic and diluted (Naira)	26	0.23	0.20

The accompanying notes form an integral part of these financial statements.

UPDC REAL ESTATE INVESTMENT TRUST
UNAUDITED REPORTS FOR THE PERIOD ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2023 N'000	30 June 2022 N'000
Assets:			
Balances with banks	14	2,380,615	2,888,181
Financial assets held for trading	15	1,594,950	1,723,624
Other assets	17	152,743	78,285
Property and equipment	19	96,185	53,786
Right of use assets	16	16,938	17,764
Investment property	18	23,026,444	21,509,901
		<hr/>	<hr/>
Total assets		27,267,875	26,271,541
Liabilities:			
Other liabilities	20	141,296	109,799
Rent received in advance	21	812,897	676,207
Lease liabilities	16	17,207	15,891
		<hr/>	<hr/>
Total liabilities		971,400	801,897
Net assets attributable to unit holders of the Trust		26,296,475	25,469,644
Represented by:			
Units and reserves attributable to unit holders of the Trust			
Unit holders' contributions	22	26,682,695	26,682,695
Retained (loss)		(386,220)	(1,213,051)
		<hr/>	<hr/>
		26,296,475	25,469,644

UPDC REAL ESTATE INVESTMENT TRUST
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STATEMENT OF CHANGES IN UNITS AND RESERVES

ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST

	Unitholders'	Retained	Total
	contributions	(loss)/earnings	
	N'000	N'000	N'000
At 1 January 2022	26,682,695	(1,753,665)	24,929,030
Comprehensive income			
Profit after tax	-	1,676,856	1,676,856
		1,676,856	1,676,856
Transactions with unit holders in their capacity as unit holders:			
Distribution paid to unit holders	-	(483,355)	(483,355)
	-	1,193,501	1,193,501
At 31 December 2022	26,682,695	(560,164)	26,122,531
Comprehensive income			
Profit after tax	-	620,984	620,984
		620,984	620,984
Transactions with unit holders in their capacity as unit holders:			
Distributions paid to unit holders	-	(447,040)	(447,040)
	-	173,944	173,944
At 30 June 2023	26,682,695	(386,220)	26,296,475

Notes to the financial statements
For the period ended 30 June 2023

	30 June 2023	30 June 2022
	N'000	N'000
6 Rental Income		
Rental Income	725,718	652,541
	<u>725,718</u>	<u>652,541</u>
7 Interest income on assets measured at fair value through profit or loss		
Held for trading assets:		
Bonds	21,233	32,915
Treasury bills	-	-
FGN Promissory notes	55,016	55,016
	<u>76,249</u>	<u>87,931</u>
8 Interest income on deposit with banks		
Interest earned on placements	158,541	83,497
Credit interest on bank balance	104	-
	<u>158,645</u>	<u>83,497</u>
Credit interest relates to interest earned on bank balances during the period		
9 Net gain/(loss) on financial assets held for trading		
Trading income	-	-
Fair value loss on held for trading instruments	(15,032)	17,102
	<u>(15,032)</u>	<u>17,102</u>
	30 June 2023	30 June 2022
	N'000	N'000
13 Operating expenses		
Fund manager's fee	57,424	60,091
Incentive Fees	-	-
Property maintenance expenses	104,584	66,577
Registrar's fees	16,550	21,967
Trustees' fees	2,132	2,150
Audit fees	4,531	4,250
Professional fees	6,864	12,420
Custodian fees	10,767	11,267
AGM Expenses	-	-
Printing, advert and travels	1,173	-
SEC fees	26,708	27,949
Property manager's fees	28,836	28,275
Insurance premium	14,177	9,196
Depreciation on property & equipment (see note 19)	30,008	28,215
Depreciation on right of use assets (Note 16)	413	-
Interest expense on lease	1,342	-
Withholding Tax Credit note write-off	-	-
Other operating expenses	19,086	28,099
	<u>324,595</u>	<u>300,457</u>

Notes to the financial statements
For the period ended 30 June 2023

14 Balances with banks		
- Current account with banks in Nigeria		
Balances with banks	<u>2,380,615</u>	<u>2,888,181</u>
	<u>2,380,615</u>	<u>2,888,181</u>
Current	2,380,615	2,888,181
Non-Current	<u>-</u>	<u>-</u>
	<u>2,380,615</u>	<u>2,888,181</u>

	30 June 2023	30 June 2022
	N'000	N'000
Corporate bonds	85,340	279,081
FGN bonds	202,346	204,619
FGN promissory note	1,307,264	1,239,924
	<u>1,594,950</u>	<u>1,723,624</u>

16 Leases		
	30 June 2023	30 June 2022
	N'000	N'000
i Right-of-use assets		
Opening balance as at 1 January 2022	20,655	20,655
Additions during the year	-	-
Closing balance as at 31 December 2022	<u>20,655</u>	<u>20,655</u>
Depreciation		
Opening balance as at 1 January 2022	3,304	2,478
Charge for the year	413	413
Closing balance as at 31 December 2022	<u>3,717</u>	<u>2,891</u>
Net book value as at 31 December 2022	<u>16,938</u>	<u>17,764</u>

Notes to the financial statements
For the period ended 30 June 2023

ii	Lease liabilities			30 June 2023	30 June 2022
				N'000	N'000
	Opening balance as at 1 January 2022			15,865	14,676
	Additions			-	-
	Interest expense			1,342	1,215
	Payments made during the period			-	-
	Closing balance as at 31 December 2022			17,207	15,891
	Current lease liabilities			-	2,384
	Non-current lease liabilities			17,207	13,507
				17,207	15,891
iii	Amounts recognised in the statement of profit or loss			30 June 2023	30 June 2022
				N'000	N'000
	Depreciation charge of right-of-use assets			413	413
	Interest expense			1,342	1,215
iv	Liquidity risk (maturity analysis of lease liabilities)	0-3 months	3-12 months	1-2 years	Above 2 years
	Lease liability				
	2022	-	-	-	46,200
	2021	-	-	-	46,200
				30 June 2023	30 June 2022
				N'000	N'000
17	Other assets				
	Financial:				
	Rent receivables			228,175	239,483
	ECL provision			(89,609)	(170,395)
				138,566	69,088
	Non financial:				
	Prepaid expenses			14,177	9,197
				14,177	9,197
				152,743	78,285
	Current			152,743	78,285
	Non-Current			-	-
				152,743	78,285
	ECL provision				
	Opening Balance			(89,609)	-
	Impairment Charge for the year			-	(170,395)
	Closing Balance			(89,609)	(170,395)

Notes to the financial statements
For the period ended 30 June 2023

18 Investment property		
Beginning balance	23,026,444	21,480,000
Additions (Asset under construction)		
Improvement		29,900
Fair value gain/(loss)	-	
	<u>23,026,444</u>	<u>21,509,901</u>
Non-Current	<u>23,026,444</u>	<u>21,509,901</u>

Details of the investment property is in note 4.2.

19 Property and equipment	Office equipment N'000	Fixtures & fittings N'000	Total N'000
Cost			
At 1 January 2022	356,868	183,002	539,870
Additions	26,243	8,578	34,821
At 30 June 2023	<u>383,111</u>	<u>191,580</u>	<u>574,691</u>
Accumulated depreciation			
At 1 January 2022	283,183	165,315	448,498
Charge for the year	21,006	9,002	30,008
At 30 June 2023	<u>304,189</u>	<u>174,317</u>	<u>478,506</u>
Net book amount at 1 January 2023	<u>73,685</u>	<u>17,687</u>	<u>91,372</u>
Net book amount at 30 June 2023	<u>78,922</u>	<u>17,263</u>	<u>96,185</u>

Property and equipment continued	Office equipment N'000	Furnitures & fittings N'000	Total N'000
Cost			
At 1 January 2021	296,498	176,340	472,838
Additions	60,370	6,662	67,032
At 31 December 2022	<u>356,868</u>	<u>183,002</u>	<u>539,870</u>
Accumulated depreciation			
At 1 January 2021	260,280	135,266	395,546
Charge for the year	22,903	30,049	52,952
At 31 December 2022	<u>283,183</u>	<u>165,315</u>	<u>448,498</u>
Net book amount at 1 January 2022	<u>36,218</u>	<u>41,074</u>	<u>77,292</u>
Net book amount at 31 December 2022	<u>73,685</u>	<u>17,687</u>	<u>91,372</u>

20 Other liabilities		
Financial liabilities:		
Fund manager's fee payable	29,002	34,955
Custodian fees payable	5,438	5,258
Caution deposits	8,121	
Accrued expenses	65,258	69,371
Other Payables	33,262	
SEC Supervisory Fees Payable	-	
	<u>141,081</u>	<u>109,584</u>
Non financial Liabilities		
VAT payable	215	215
	<u>215</u>	<u>215</u>
	<u>141,296</u>	<u>109,799</u>
Current	141,296	109,799
Non-Current	-	-
	<u>141,296</u>	<u>109,799</u>

Notes to the financial statements
For the period ended 30 June 2023

	30 June 2023	30 June 2022
	N'000	N'000
21 Rent received in advance		
Rent received in advance	812,897	676,207
	812,897	676,207
Current	774,944	648,345
Non-Current	37,953	27,862
	812,897	676,207
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22 Unit holders' contribution		
Authorised		
3,000,000,000 units of N10 each	30,000,000	30,000,000
Issued and fully paid		
2,668,269,500 units of N10 each	26,682,695	26,682,695
