

UPDC REAL ESTATE INVESTMENT TRUST

**UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	31 Dec 2022 N '000	31 Dec 2021 N '000
Income from investment property	1	1,261,744	1,259,006
Interest income	2	395,769	385,469
Net gain/(loss) on financial assets held for trading	3	(46,947)	(329,847)
Fair value (loss)/gain on investment property	7	552,220	(5,091,850)
Net income		2,162,786	(3,777,222)
Impairment charge on receivables		(15,371)	(141,483)
Operating expenses	4	(551,346)	(561,703)
Profit before tax		1,596,070	(4,480,408)
Tax		-	-
Profit after tax		1,596,070	(4,480,408)
Earnings per unit attributable to unit holders of the Trust			
Earnings per unit - basic and diluted (Naira)		0.60	(1.68)

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STATEMENT OF FINANCIAL POSITION

	Notes	31 Dec 2022 N'000	31 Dec 2021 N'000
Assets:			
Bank balances	5	1,977,318	2,501,503
Financial assets held for trading	6	1,605,472	1,711,152
Other assets	8	144,437	33,118
Investment property	7	23,026,444	21,480,000
Property and equipment	9	91,372	77,292
Right of use assets	10	17,351	18,177
Total assets		26,862,394	25,821,242
Liabilities:			
Accounts payable	11	283,302	636,084
Rent received in advance	12	520,138	241,452
Lease liabilities	10	17,208	14,676
Total liabilities		820,649	892,212
Net assets attributable to unit holders of the Trust		26,041,745	24,929,030
Represented by:			
Units and reserves attributable to unit holders of the Trust			
Unit holders' contributions		26,682,695	26,682,695
Retained earnings		(640,950)	(1,753,665)
		26,041,745	24,929,030

The financial statements have been approved and signed on behalf of the Board of Directors of the Fund Manager on 31 January, 2023 by:

Oladele Sotubo (Director of the Fund Manager)



Emmanuel Adebayo (Financial Controller of the Fund Manager)



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STATEMENT OF CHANGES IN UNITS AND RESERVES

ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST

	Unitholders' contributions	Retained earnings	Total
	N'000	N'000	N'000
At 31 December 2021	26,682,695	(1,753,665)	24,929,030
Comprehensive income			
Profit for the year	-	1,596,070	1,596,070
		-	-
		1,596,070	1,596,070
Transactions with unit holders in their capacity as unit holders:			
Distributions paid to unit holders	-	(483,355)	(483,355)
	-	1,112,715	1,112,715
At 31 December 2022	26,682,695	(640,950)	26,041,745

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	31 Dec 2022	31 Dec 2021
	<u>N'000</u>	<u>N'000</u>
1 Income from investment property		
Rental Income	1,261,744	1,259,006
	<u>1,261,744</u>	<u>1,259,006</u>
2 Interest income		
Placements with banks	227,218	126,980
Bonds	57,607	71,625
Treasury bills	-	5,439
Commercial papers	-	
FGN promissory notes	110,944	181,425
	<u>395,769</u>	<u>385,469</u>
3 Net gain/(loss) on financial assets held for trading		
Fair value gain on held for trading instruments	(46,947)	(323,844)
Loss from investment in real estate development	-	(6,003)
	<u>(46,947)</u>	<u>(329,847)</u>
	31 Dec 2022	31 Dec 2021
	<u>N'000</u>	<u>N'000</u>
4 Operating expenses		
Fund manager's fee	116,144	123,908
Incentive Fees	-	131,226
Property maintenance expenses	117,155	887
Registrar's fees	38,558	4,300
Trustees' fees	4,300	8,500
Audit fees	10,200	14,137
Professional fees	23,142	23,436
Custodian fees	21,820	-
AGM Expenses	-	2,564
Printing, advert and travels	2,864	3,348
SEC fees	54,717	34,567
Property manager's fees	51,587	15,290

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Insurance premium	18,392	71,531
Depreciation on property & equipment (see note 17)	52,952	826
Depreciation on right of use assets (Note 14)	826	2,159
Interest expense on lease	2,532	112,797
Other operating expenses	36,157	12,227
	551,346	561,703
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	31 Dec 2022	31 Dec 2021
	N'000	N'000
5 Bank balances		
- Current account with banks in Nigeria	-	-
Balances with banks	1,977,318	2,501,503
	1,977,318	2,501,503
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6 Financial assets held for trading	31 Dec 2022	31 Dec 2021
	N'000	N'000
Corporate bonds		354,552
FGN bonds	350,431	192,239
FGN promissory note	1,255,041	1,164,361
	1,605,472	1,711,152
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7 Investment property		
Beginning balance	21,480,000	26,522,225
Additions	936,443	-
Renovation	57,780	49,625
Fair value (loss)/gain	552,220	(5,091,850)
	23,026,444	21,480,000
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	31 Dec 2022 N'000	31 Dec 2021 N'000
8 Other assets		
Financial:		
Rent receivables	116,082	12,317
Receivable from property manager	-	-
	<u>116,082</u>	<u>12,317</u>
Non financial:		
Prepaid expenses	28,355	20,801
Other Receivables	-	-
	<u>28,355</u>	<u>20,801</u>
	<u>144,437</u>	<u>33,118</u>
9 Property and equipment		
	31 Dec 2022 N'000	31 Dec 2021 N'000
Cost		
At 1 January 2022	472,838	417,359
Additions	67,032	55,479
At 31 December 2022	<u>539,870</u>	<u>472,838</u>
Accumulated depreciation		
At 1 January 2022	395,546	324,016
Charge for the year	52,952	71,530
At 31 December 2022	<u>448,498</u>	<u>395,546</u>
Net book amount at 31 December 2022	<u>91,372</u>	<u>77,292</u>

10 Leases

i Right-of-use assets

	Total N'000
Opening balance as at 1 January 2022	20,655
Impact of adoption of IFRS 16	-
Closing balance as at 31 December 2022	<u>20,655</u>
Depreciation	
Opening balance as at 1 January 2022	2,478
Charge for the year	826
Closing balance as at 31 December 2022	<u>3,304</u>
Net book value as at 31 December 2022	<u>17,351</u>

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Lease liabilities

	N'000
Opening balance as at 1 January 2022	14,676
Impact of adoption of IFRS 16	-
Interest expense	2,532
Payments made during the period	-
Closing balance as at 31 December 2022	<u>17,208</u>

Current lease liabilities	2,853
Non-current lease liabilities	14,355
	<u>17,208</u>

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Amounts recognised in the statement of profit or loss

	31 Dec 2022	31 Dec 2021
	N'000	N'000
11 Other liabilities		
Fund manager's fee payable	34,727	40,079
Custodian fees payable	5,258	6,218
Dividend payable	-	499,213
Caution deposits	4,150	5,950
Accrued expenses	48,788	81,060
Other Payables	19,772	3,349
ECL provision	170,393	
	<u>283,087</u>	<u>635,869</u>
Non financial Liabilities		
VAT payable	215	215
	<u>215</u>	<u>215</u>
	<u>283,302</u>	<u>636,084</u>

12 Rent received in advance

Rent received in advance	520,138	241,452
	<u>520,138</u>	<u>241,452</u>
Current	444,338	
Non-Current	75,801	
	<u>520,138</u>	