UPDC REAL ESTATE INVESTMENT TRUST

ANNUAL REPORTS FOR THE YEAR ENDED 31 DECEMBER 2023

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Parties to the Trust

Trustees
United Capital Trustees Limited
UBA House (12th Floor)
57 Marina
Lagos
Telephone: (01) 2807032

Trustees
FBNQuest Trustees Limited
10 Keffi Road
Off Awolowo Road, S.W. Ikoyi
Lagos
Telephone: (01) 4622673

Fund Manager
Stanbic IBTC Asset Management Limited
Stanbic IBTC Towers
Walter Carrington Crescent
Victoria Island
Lagos
Tel: 234-1-2805595
E-Mail: mutualfunds@stanbicibtc.com
Website: www.stanbicibtcassetmanagement.com

Property Manager
UACN Property Development Company Plc (UPDC)
REIT Business Manager
3rd Floor
1/5 Odunlami Street
Lagos Island, Lagos.
Telephone: (01) 2702201

Registrars
First Registrars Nigeria Limited
Plot 2 Abebe Village Road,
Iganmu
Lagos
Telephone: (01) 773086

Custodian
UBA Plc (Global Investor Services Division)
UBA House
57 Marina
Lagos
Telephone: (01) 2808349

Banker
United Bank for Africa Plc
Head Office Branch
UBA House
57 Marina
Lagos
Telephone: (01) 2808349

Auditor
PricewaterhouseCoopers
(Chartered Accountants)
Landmark Towers,
5B Water Corporation Drive
Victoria Island
Lagos
Telephone: (01) 2711700

Joint Trustees' Report on the UPDC Real Estate Investment Trust

For the Financial Statements for the year ended 31st December 2023

The Trustees present their Report on the affairs of the UPDC Real Estate Investment Trust, together with the Financial Statements for the year ended 31st December, 2023.

Principal activity:	The principal activity of the UPDC Real Estate Investment Trust (the "REIT") is to pool investment in a diversified portfolio of income-generating Real Estate in Nigeria with high growth potential in accordance with the Trustee Investments Act, the Investments and Securities Act (2007), the Securities and Exchange Commission's Rules and Regulations and the Trust Deed (the Applicable Regulations).
Results:	The results for the year ended 31st December, 2023 are set out on pages 19 and 22
Directors:	The Directors of the Fund Manager who served during the period under review were:

Dr. Demola Sogunle	Chairman
Mrs. Busola Jejelowo	Managing Director
Mrs. Yinka Johnson	Executive Director
Mr. Efe Omoduemuke	Executive Director
Mrs. Wunmi Ehis-Uzenabor	Executive Director
Prof. Olayinka David-West	Independent Non- Executive Director
Mrs. Ifeoma Esiri	Non- Executive Director
Mrs. Funke Amobi	Non- Executive Director
Mrs. Bridget Oyefeso-Odusami	Non-Executive Director
Mr. Babatunde Majiyagbe	Non-Executive Director
Mr. Olumide Oyetan	Non-Executive Director

Directors' and related parties' interest in the units of the REIT:	None of the directors of the Fund Manager, FBNQuest Trustees Limited and United Capital Trustees Limited has any direct beneficial interest in the units of the REIT.
Responsibilities of the Fund Manager:	The Investments and Securities Act, 2007 requires the Fund Manager to keep proper books of account and prepare annual financial statements, which give a true and fair view of the state of affairs of the Real Estate Investment Trust during the period covered by the financial statements. The Fund Manager is responsible for keeping proper accounting records, which disclose with reasonable accuracy, at any point in time, the financial

position of the REIT and enable the Fund Manager to ensure that the financial statements comply with the applicable regulations.

The Fund Manager is also responsible for maintaining adequate financial resources to meet its commitments and to manage the risks to which the Fund is exposed.

Responsibilities of the Trustees:

The responsibilities of the Trustees as provided by the Securities and Exchange Commission's Rules and Regulations made pursuant to the Investments and Securities Act, 2007 are as stated below:

- Monitoring the activities of the Fund Manager and the Custodian on behalf of and in the interest of the Unit Holders;
- Ensuring that the Custodian takes into custody all of the Scheme's assets and holds them in trust for the holders in accordance with the Trust Deed and the Custodial Agreement;
- Monitoring the register of Unitholders or contributors;
- Ascertaining the Fund Manager's compliance with the Applicable Regulations;
- Ascertaining that the monthly and other periodic returns/reports relating to the Fund are sent by the Fund Manager to the Commission;
- Taking all steps and executing all documents which are necessary to secure acquisitions or disposals properly made by the Fund Manager in accordance with the Trust Deed and Custodial Agreement;
- Exercising any right of voting conferred on it as the registered holder of any investment and/or forward to the Fund Manager within a reasonable time all notices of meetings, reports, circulars, proxy solicitations and any other document of a like nature for necessary action;
- Ensuring that fees and expenses of the Fund are within the prescribed limits; and
- Acting at all times in the interest and for the benefit of unit holders of the Scheme.

Administration of the REIT:

During the period under review, the allocation to liquid assets exceeded the maximum 10% limit as provided in the Trust Deed. This was as a result of the decline in the valuation of the Real Estate assets which impacted on the percentage holdings of the liquid assets. Apart from this, the Fund was administered in accordance with the applicable regulations, taking into cognisance prevailing market conditions as well as preserving and minimising possible losses to unit holders' funds.

Charitable donations:	The REIT did not make any charitable donations during the period.
Auditors:	PricewaterhouseCoopers, the REIT's Auditors, have indicated their willingness to continue in office.

By Order of the Joint Trustees

Adekunle Awojobi	***Michael Abiodun-Thomas***
FRC/2013/ICAN/00000002442	***FRC/2023/PRO/DIR/003/313031***
Managing Director	***Managing Director***
FBNQuest Trustees Limited	***United Capital Trustees Limited***
10, Keffi Street, Ikoyi	***Afriland Towers, 3rd & 4th Floors,***
Lagos, Nigeria	***97/105, Broad Street, Lagos,***
28th March, 2024	***Nigeria 28th March, 2024***

Fund Manager's report

Global Economy

Global economic recovery has been dampened by issues like the Russia-Ukraine conflict, Israel, and Hamas crises, declining international trade and commodity prices, tightened monetary policies, and capital outflows from emerging markets.

These developments have led to a strengthening of the US dollar, exacerbating inflationary pressures while weakening currencies and depleting external reserves in many emerging market countries. As a result, several central banks in emerging markets and developing economies have implemented restrictive policies to contain rising inflation and reduce capital outflows. The global widespread tightening of monetary policy restrained economic activities and suppressed growth.

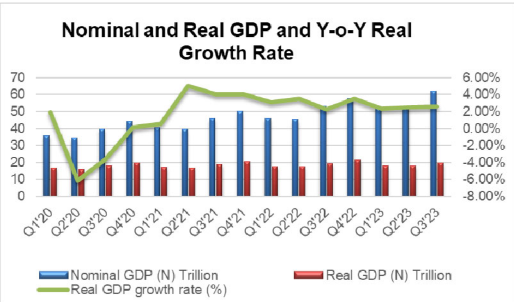
According to the IMF, advanced economies are expected to experience a slowdown from 2.6% in 2022 to 1.4% in 2024 as the impact of policy tightening takes hold while emerging market and developing economies are projected to have a modest decline in growth from 4.1% in 2022 to 4.0% in 2024.

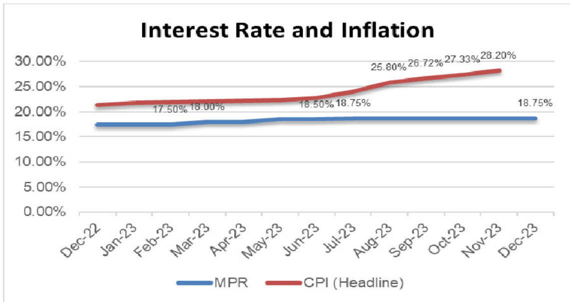
Domestic Economy Update

Nigeria's GDP expanded 2.54% YoY in real terms as at Q3 2023, according to latest National Bureau of Statistics figures, marking a slight recovery from 2.25% over the same period last year. Expansion was driven primarily by growth in services sectors like ICT, finance, real estate, and entertainment, which offset contractions in manufacturing and oil. In real terms, Construction and Real Estate services contributed 3.36% (₦653 billion) and 5.58% (₦1.084 trillion) in Q3 2023, higher than 3.23% (3Q'22: 3.32%) and 5.29% (3Q'22: 5.61%) recorded in Q2 2023 respectively.

On May 29, 2023, President Bola Ahmed Tinubu announced the removal of fuel subsidy which downed $10-15 billion last year alone. These funds are now available for more productive uses such as provision of infrastructure. Falling crude oil production has led to strains on government revenue, reduced forex inflows, and external reserves. Consequently, fiscal deficit and public debt have been on the increase, placing additional pressure on external reserves and contributing to exchange rate instability. Nigeria's external reserve declined by 10.68% from ₦36.05 billion to ₦32.18 billion as at Dec 29 2023.

In a move to unify the exchange rates, erase arbitrage opportunities, and create stability, the CBN directed all Deposit Money Banks to remove the cap on the Nigerian Naira at the I&E (Investors' and Exporters') window of the foreign exchange market, allowing the value of a nation's currency to be determined only by market forces. Inflation trended hot through the year to a new high of 28.20% in November 2023 (21.47%: Nov 22) from 21.82% in January 2023. This northward trend is occasioned by food supply shocks, rising production costs, currency depreciation, and other structural factors. To curb inflationary pressures, CBN tightened monetary policy by raising interest rates by a combined 200-basis point (four consecutive rate hikes) from 16.5% in January 2023 to 18.5% in November 2023.





Real Estate Market Performance

According to PwC, Nigeria's real estate sector grew by an average of 3.7% in the first 9 months of 2023, surpassing the nation's 63-year average GDP growth rate of 3.67%. The Purchasing Managers Index ("PMI") which scored a 48.0 in November 2023, down from 49.1 in October 2023 and 54.5 in January signals some deterioration in business conditions, and one that was the most marked since the cash crisis in the opening quarter of the year.

An oversupply of office spaces was recorded with occupancy levels still averaging 75% for Grade A offices and 80% for Grade B offices according to Estate Intel. This is despite a decline in office development pipeline by 34% in 2023 compared to 2022 owing to a subdued macroeconomic environment conditioned by high financing costs as well as high cost of construction materials.

Office rental rates for Grade A buildings in Lagos rose by 6.9% in 2023, closing with rates ranging between at US$350 per sqm and US$850, while vacancy rates tightened further to 21% over the same period. Nonetheless, peculiarities brought about by the pandemic are still prevalent especially reduced space requirements and increasing demand for flexible and cost-effective coworking alternatives to traditional office spaces.

According to BudgIT 2023 rental index, the demand for residential housing remained robust in the year especially for affordable homes, indicated by a 14% increase in average rents for 2-bedroom flats in regions like Lekki, Ikeja and Victoria Island. Middle-income neighbourhoods saw the fastest growth as over 53,000 new units were added across Lagos, Abuja, Kano, and Port Harcourt through various private-public schemes.

With the removal of the decade-old fuel subsidy in Nigeria to the convergence of foreign exchange rate and elevated benchmark interest rates, market performance across the real estate sector remained mixed with the changing macroeconomic environment having a direct impact on development pipeline, market take up and real estate prices.

Nigeria's cash crisis had a toll on consumer spending, especially in the informal sectors, crippling trading, and retail activities during the first half of the year. The fuel subsidy removal and the consequent rise in inflation seriously impacted retail footfalls per Knight Frank Research Lagos market update. Nonetheless, the retail sector performance improved remarkably in the year as mall revenues expanded by 9.4%, supported by recovery of consumer demand despite inflationary pressures on consumers wallet. Average occupancy rates across malls in Lagos recorded an average of 70% in 2023.

Rental yields recorded within the year were however resilient across each sub-sector as rental escalations, urbanization, and other demand drivers prioritizing accessibility have kept demand firm across cities. Rising energy and maintenance costs has also raised operating expenditures across the market during the year.

Outlook

With heightened inflation and rising construction costs, it is expected that the announcement of new projects will be limited across the markets in the near term resulting in a core balance between demand and supply. The market is also poised to experience the effects of consecutive rate hikes as well as the long-term benefits of the various economic reforms and policy announcements made during the year.

The increased public and private spending on infrastructure projects like the recently commissioned Lekki Deep Seaport (one of the largest in Africa) and the $19 billion Dangote petroleum refinery, have improved market fundamentals in the Lekki-Epe region with increased volume of enquiries for built-up and Grade-A smart warehouses, and planned delivery of grade-A office spaces to cater for all port-related service providers.

The newly operational Blue Rail Line is expected to trigger some measure of shift in land use pattern and development. It will also potentially decrease traffic congestion, decongest certain neighbourhoods, improve property values along the corridor, and open new neighbourhoods to development. Such infrastructure projects often have catalytic effects on the surrounding areas attracting meaningful growth.

Fund Performance Summary

The REIT's portfolio consists of mixed-use retail, residential and commercial assets concentrated across Lagos recorded resilient performance in the year, underpinned by improved rental income and prudent cost management efforts. Consolidated occupancy rate held firm at 88.5% with most lease renewals completed ahead of expiry.

On the Nigerian Exchange, UPDC REIT traded a total of 281.22 million units in 2023 compared to 467 million units traded in 2022 to close at a price ₦6.4 on December 29, 2023. This represents a 113.33% increase in market price from the close of previous year's price of ₦3.0.

The REIT generated a gross revenue of ₦1.9bn in 2023 from ₦1.6bn in 2022 representing a 17% increase. Despite increased inflation, operating expenses increased slightly by 2.5% in 2023. Thus, net profit for recorded for 2023 is ₦1.3bn against ₦1.1bn in 2022.

An interim dividend of 19 kobo per unit for the period ended June 2023 was distributed to unit holders on 7th of September 2023, representing a dividend yield of 5.07%. A final dividend of 22 kobo per unit is proposed for distribution to unitholders for the period ended December 2023.

ON BEHALF OF THE FUND MANAGER

Olawunmi Ehis-Uzenabor
(FRC/2021/003/00000023363)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Statement of Fund Manager's responsibilities

The Fund Manager is responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Trust for the year ended 31 December 2023 and of the net income for the year ended 31 December 2023.

The responsibilities include ensuring that:

i. the Trust keeps accounting records which disclose with reasonable accuracy the financial position of the Trust and which ensure that the financial statements comply with the requirements of the relevant accounting standards;
ii. appropriate and adequate internal controls are established to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities;
iii. the Trust prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
iv. it is appropriate for the financial statements to be prepared on a going concern basis.

The Fund Manager accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with:

i. International Financial Reporting Standards
ii. Financial Reporting Council of Nigeria Act
iii. Investments and Securities Act
iv. Relevant circulars issued by the Securities and Exchange Commission.

The Fund Manager further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Fund Manager to indicate that the Trust will not remain a going concern for at least twelve monthsfrom the date of this statement.

ON BEHALF OF THE FUND MANAGER

Olawunmi Ehis-Uzenabor
(FRC/2021/003/00000023363)
Executive Director
Stanbic IBTC Asset Management Limited
28 March 2024

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Fund Manager's Annual Assessment of, and Report on, Internal Control over Financial Reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of UPDC Real Estate Investment Trust for the year ended 31 December 2023:

i. The Fund Manager is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii. The Fund Manager used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the Trust's ICFR;

iii. The Fund Manager has assessed that the Trust's ICFR as of the end of 31 December 2023 is effective.

UPDC Real Estate Investment Trust's external auditor Messrs PricewaterhouseCoopers that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the Trust's internal control over financial reporting.

The attestation report of Messrs PricewaterhouseCoopers that audited its financial statements will be filed as part of UPDC Real Estate Investment Trust's annual report.

Olawunmi Ehis-Uzenabor	**Busola Jejelowo**
(FRC/2021/003/00000023363)	(FRC/2023/PRO/DIR/003/022382)
Executive Director	Chief Executive (Designate)
Stanbic IBTC Asset Management Limited	Stanbic IBTC Asset Management Limited
28 March 2024	28 March 2024

Certification by the Chief Executive on Internal control over financial reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of UPDC Real Estate Investment Trust for the year ended 31 December 2023.

I, Busola Jejelowo, certify that:

a) I have reviewed this management assessment on internal control over financial reporting of UPDC Real Estate Investment Trust;

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Trust as of, and for, the periods presented in this report;

d) The Trust’s other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the, and its consolidated subsidiaries, is made known to us by others withi those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the Trust's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Trust's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Trust's auditors and the audit committee of the Trust's board of directors (or persons performing the equivalent functions):

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Trust’s ability to record, process, summarize and report financial information; and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Trust's internal control system.

f) The Trust's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited
28 March 2024

Certification by the Chief Financial Officer on Internal control over financial reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities 2007, I hereby make the following statements regarding the Internal Controls of UPDC Real Estate Investment Trust for the year ended 31 December 2023.

I, Kolawole Olaleye, certify that:

a) I have reviewed this Management assessment on internal control over financial reporting of UPDC Real Estate Investment Trust;

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Trust as of, and for, the periods presented in this report;

d) The Trust's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Trust, and its consolidated subsidiaries, is made known to us by oth within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the Trust's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e) The Trust's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the trust's auditors and the audit committee of the Trust's board of directors (or persons performing the equivalent functions):

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Trust's ability to record, process, summarize and report financial information; and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Trust's internal control system.

f) The Trust's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Olaleye Kolawole
FRC/2023/PRO/ICAN/001/598708
Chief Financial Officer
Stanbic IBTC Asset Management Limited
28 March 2024

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Independent practitioner's report

To the Members of UPDC Real Estate Investment Trust

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by the Fund Manager of UPDC Real Estate Investment Trust ("the Trust's") are not adequate as of 28 March 2024, based on the SEC Guidance on Implementation of Section 60 – 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on UPDC Real Estate Investment Trust's internal control over financial reporting as of December 31, 2023, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The Trust's Fund Manager is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Fund Manager's Annual Assessment of, and Report on Internal Control over Financial Reporting, Certification by the Chief Executive on Internal control over financial reporting and Certification by the Chief Financial Officer on Internal control over financial reporting. Our responsibility is to express an opinion on the Trust's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the Trust's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of UPDC Real Estate Investment Trust and our report dated 28 March 2024.

Obioma Ubah

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0565017

28 March 2024

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

Engagement Partner: Obioma Ubah
FRC/2013/PRO/ICAN/004/00000002002

Independent auditor's report

To the Members of UPDC Real Estate Investment Trust

Report on the audit of the financial statements

Our opinion

In our opinion, UPDC Real Estate Investment Trust's ("the Trust's") financial statements give a true and fair view of the financial position of the Trust as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

UPDC Real Estate Investment Trust's financial statements comprise:

- the statement of comprehensive income for the year ended 31 December 2023;
- the statement of financial position as at 31 December 2023;
- the statement of changes in units and reserves for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Trust in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties – N25.59 billion (refer to notes 2.7, 4.2 and 18) We focused on this balance because significant judgment and estimate are made by the Fund Manager. The Fund Manager makes use of an external expert to perform these valuations. The valuation technique adopted for each property is determined by taking into consideration the current use of the property and the availability of market data on recent sales activities. Management considered the future rental income in determining the value of investment properties.	We assessed the independence, qualifications and expertise of the Fund Manager's valuation expert to determine whether there were any matters that might have affected their objectivity or competence. With the support of our valuation experts, we; - assessed the reasonableness of the valuation methodologies used in determining the fair value of the properties. - assessed the accuracy of inputs used in the valuation of the properties. - assessed whether the property-specific information used in the valuation (such as rental income and title held on each property) reflected the underlying property records held by the Trust. We also checked the adequacy of the presentation and disclosure on investment properties on the financial statements as well as the required disclosures of IAS 40.

Other information

The Fund Manager is responsible for the other information. The other information comprises the Parties to the Trust, Joint Trustees' Report on the UPDC Real Estate Investment Trust, Fund Manager's report, Statement of the Fund Manager's responsibilities, Fund Manager's Annual Assessment of, and Report on, Internal Control over Financial Reporting, Certification by the Chief Executive on Internal control over financial reporting, Certification by the Chief Financial Officer on Internal control over financial reporting, Value added statement and Five year financial summary, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Fund Manager for the financial statements

The Fund Manager is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund Manager either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Fund Manager is responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Fund Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Fund Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Fund Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the Trust has kept proper books of account, so far as appears from our examination of those books;

iii) the Trust's statement of financial position and statement of comprehensive income are in agreement with the books of account and returns.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement and reported on management's assessment of UPDC Real Estate Investment Trust's internal control over financial reporting as of 31 December 2023. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting issued by the Financial Reporting Council of Nigeria, and we have issued an unqualified opinion in our report dated 28 March 2024.

Obioma Ubah

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0565018

For: **PricewaterhouseCoopers**
Chartered Accountants
Lagos, Nigeria

28 March 2024

Engagement Partner: Obioma Ubah
FRC/2013/PRO/ICAN/004/00000002002

STATEMENT OF COMPREHENSIVE INCOME

	Notes	31 December 2023 N'000	31 December 2022 N'000
Rental income	6	**1,435,242**	1,261,744
Interest income on deposit with banks	8	**367,298**	204,780
Interest income on assets measured at fair value through profit or loss	7	**91,087**	168,551
Fair value gain on investment property	18	**2,474,594**	552,221
Net gain/(loss) on financial assets held for trading	9	**669**	(46,947)
Net profit on investment in real estate development	10	**-**	22,438
Revenue		**4,368,890**	2,162,787
Impairment charge on receivables	17	**(30,502)**	65,415
Operating expenses	13	**(535,843)**	(551,344)
Increase in net assets attributable to unit holders		**3,802,545**	1,676,858
Tax		**-**	-
Increase in net assets attributable to unit holders		**3,802,545**	1,676,858
Increase in net assets attributable to unit holders		**3,802,545**	1,676,858
Earnings per unit to unit holders of the Trust			
Earnings per unit - basic and diluted (Naira)	26	**1.43**	0.63

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

STATEMENT OF FINANCIAL POSITION

	Notes	**31 December 2023 N'000**	31 December 2022 N'000
Assets:			
Balances with banks	14	**3,671,267**	1,977,318
Financial assets held for trading	15	**92,811**	1,605,472
Other assets	17	**35,599**	54,829
Property and equipment	19	**133,138**	91,372
Right of use assets	16	**32,943**	17,351
Investment property	18	**25,586,557**	23,026,444
Total assets		**29,552,316**	26,772,786
Liabilities:			
Other liablities	20	**130,582**	112,909
Rent received in advance	21	**432,140**	520,138
Lease liabilities	16	**37,787**	17,208
Total liabilities		**600,509**	650,255
Net assets attributable to unit holders of the Trust		**28,951,806**	26,122,531
Represented by:			
Units and reserves attributable to unit holders of the Trust			
Unit holders' contributions	22	**26,682,695**	26,682,695
Retained Profit/(loss)		**2,269,111**	(560,164)
		28,951,806	26,122,531

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

These financial statements were prepared by the Fund Manager, approved by the Trustees of the Fund on 28 March 2024 and signed on behalf of the Fund Manager by the directors listed below:

Olawunmi Ehis-Uzenabor
(FRC/2021/003/00000023363)
Executive Director
Stanbic IBTC Asset Management Limited

Busola Jejelowo
(FRC/2023/PRO/DIR/003/022382)
Chief Executive (Designate)
Stanbic IBTC Asset Management Limited

Additionally certified by:

Olaleye Kolawole
FRC/2023/PRO/ICAN/001/598708
Chief Financial Officer
Stanbic IBTC Asset Management Limited

STATEMENT OF CHANGES IN UNITS AND RESERVES **ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST**

	Unitholders' contributions	Retained (loss)/earnings	Total
	N'000	N'000	N'000
At 1 January 2022	26,682,695	(1,753,665)	24,929,030
Comprehensive income			
Increase in net assets attributable to unit holders	-	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			
Increase in net assets attributable to unit holders	-	3,802,545	3,802,545
		3,802,545	3,802,545
Transactions with unit holders in their capacity as unit holders:			
Distributions paid to unit holders	-	(973,269)	(973,269)
	-	2,829,276	2,829,276
At 31 December 2023	**26,682,695**	**2,269,111**	**28,951,806**

STATEMENT OF CASH FLOWS

	Notes	**31 December 2023**	31 December 2022
		N'000	N'000
Cash flow from operating activities			
Cash generated from operating activities	23	**2,412,160**	664,903
Interest received		**452,288**	355,523
Net cash flow generated from operating activities		**2,864,448**	1,020,426
Cash flows from investing activities			
Acquisition of investment property	18	**(63,113)**	(936,443)
Improvement of investment property	18	**(22,406)**	(57,780)
Addition to Right of use asset		**(20,523)**	-
Purchase of property and equipment	19	**(106,209)**	(67,032)
Net cash used in investing activities		**(212,251)**	(1,061,255)
Cash flows from financing activities			
Principal element of lease payment	16	**15,020**	-
Distributions paid to unit holders		**(973,269)**	(483,355)
Net cash flow used in financing activities		**(958,249)**	(483,355)
Net increase in cash and cash equivalent for the period		**1,693,948**	(524,185)
Analysis of changes in cash and cash equivalents			
Cash and cash equivalents at start of period		**1,977,318**	2,501,503
Net increase in cash and cash equivalent for the period		**1,693,948**	(524,185)
Cash and cash equivalents at end of period		**3,671,267**	1,977,318

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

1. General information

The UPDC Real Estate Investment Trust (the "Trust"), established in June 6 2013, is a close-ended Real Estate Investment Trust which is listed on the Nigerian Exchange (NGX). The units of the Trust can be bought and sold through a licensed stockbroker on the floor of the NGX.

The primary objective of the Trust is to enable investors earn stable income while preserving capital over the long term. This is achieved by ensuring stable cash distributions from investments in a diversified portfolio of income–producing real estate property and to improve and maximize unit value through the ongoing management of the Trust's assets, acquisitions and development of additional income-producing real estate property.

These financial statements were approved and authorised for issue by the Investment Committee on the 15 March 2(

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). Additional information required by national regulations is included where appropriate. The financial statements have been prepared in accordance with the going concern principle under the historical cost convention as modified by the measurement of certain financial assets and investment property held at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Fund Manager to exercise its judgement in the process of applying the Trust's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Fund Manager believes that the underlying assumptions are appropriate and that the Trust's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

The financial statements are presented in Naira, which is the Trust's functional and presentation currency. The figures shown in the financial statements are stated in thousands of Naira, unless otherwise stated.

2.1 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

2.2 New standards and amendments - applicable 01 January 2023

The following standards and interpretations applied for the first time to financial reporting periods commencing on or after 01 January 2023

Title	Key requirements	Effective Date
IFRS 17 Insurance Contracts	IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured each reporting year. Contracts are measured using the building blocks o • Discounted probability-weighted cash flows • An explicit risk adjustment, and • A contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage year. The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers. There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by insurers where policyholders share in the returns fromunderlying items. When applying the variable fee approach the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general mod The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. However, this standard is not applicable to the fund.	1 January 2023 (deferred from 1 January 2021)
Classification of Liabilities as Current or Noncurrent - Amendments to IAS 1	The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023.	1 January 2023 (possibly deferred from 1 January 2022)
Disclosure of Accounting Policies Amendments to IAS 1 and IFRS Practice Statement 2	The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is material accounting policy information and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	01/01/2023
Definition of Accounting Estimates - Amendments to IAS 8	The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	01/01/2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • Right-of-use assets and lease liabilities, and • Decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments. However, this standard is not applicable to the fund.	01/01/2023

New standards and interpretations not yet effective

A number of new standards are effective for the year beginning after 1 January 2023 and earlier application is permitted; however, the Fund has not early adopted the new or amended

Title	Key requirements	Effective Date
IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments will be applied prospectively and are not expected to have a material impact on the Group's financial statements.	Effective date of this standard deferred indefinitely
Non-current Liabilities with Covenants (Amendments to IAS 1) and Classification of Liabilities as Current or Non - Current (Amendments to IAS 1)	This standard seek to clarify the conditions on determining whether a liability is current or non-current, and requires new disclosures for the non-current liabilities that are subject to future convenants.	1 January 2024.
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendment will be applied retrospectively. The impact on the annual financial statements has not yet been fully determined.	1 January 2024.
Amendment to IAS 7 and IFRS 17 (Supplier Finance Agreements)	The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangemens on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk.	1 January 2024.
Amendment to IAS 21 (Lack of Exchanageability)	The amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.	1 January 2025.

2.3 Financial assets and liabilities

Recognition and initial measurement – financial instruments

All financial instruments are measured initially at fair value plus directly attributable transaction costs and fees, except for those financial instruments that are subsequently measured at fair value through profit or loss where such transaction costs and fees are immediately recognised in profit or loss. Regular way purchases and sales of financial assets are recognised on settlement date.

Financial assets

Amortised cost	A debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss): • held within a business model whose objective is to hold the debt instrument (financial asset) in order to collect contractual cash flows; and • The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss.
Fair value through OCI	Includes: • A debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss): — held within a business model in which the debt instrument (financial asset) is managed to both collect contractual cash flows and sell financial assets; and — The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss . • Equity financial assets which are not held for trading and are irrevocably elected (on an instrument-by-instrument basis) to be presented at fair value through OCI.
Fair value through profit or loss	Financial assets that are not classified into one of the above-mentioned financial asset categories and are not designated at fair value through profit or loss.

Subsequent measurement

Subsequent to initial measurement, financial assets are classified in their respective categories and measured at either amortised cost or fair value as follows:

Amortised cost	Amortised cost using the effective interest method with interest recognised in interest income, less any impairment losses which are recognised as part of credit impairment charges. Directly attributable transaction costs and fees received are capitalised and amortised through interest income as part of the effective interest rate. The carrying amount is adjusted by any expected credit loss allowance recognised and measured. Interest income is included in interest income on deposit with banks.
Fair value through OCI	Debt instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When a debt financial asset is disposed of, the cumulative fair value adjustments, previously recognised in OCI, are reclassified to the other gains and losses on financial instruments within non-interest revenue. Interest income on debt financial asset is recognised in interest income in terms of the effective interest rate method. Equity instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When equity financial assets are disposed of, the cumulative fair value adjustments in OCI are reclassified within reserves to retained earnings. Dividends received on equity instruments are recognised in other income within non-interest income. The trust does not have any assets measured at FVOCI.
Fair value through profit or loss	Fair value gains and losses on the financial asset are recognised in the income statement as part of net gains on financial instruments held for trading. Interest income on these financial assets is included in interest income on assets received at fair value through profit or loss.

The trust did not have any equity investments at fair value through profit or loss during the period and in prior y

Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the Trust tests control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition).

Financial liabilities

Classification and measurement
Financial liabilities are classified as subsequently measured at amortised cost. The trust's financial liabilities includes Rent received in advance, fees payable, accrued expenses and lease liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The exchange between the Trust and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Category (as defined by IFRS 9)	**Classes as determined by the Trust**		**Subclasses**
Financial assets	Amortised cost	Bank balances	Balances with banks
		Other assets	Rent receivables
			Receivable from property manager
	Financial assets held for trading (FVTPL)	Financial assets held for trading	Treasury bills
			Corporate bonds
		Financial assets at fair value through profit or loss	Investment in real estate development
Financial liabilities	Amortised cost	Account payables	Fund manager's fee payable
			Custodian fees payable
			Dividend payable
			Accrued
		Rent received in advance	Rent received in advance
		Lease liability	Lease liabilities

2.4 Impairment

For trade receivables that do not contain a significant financing component, the loss allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL. As a practical expedient, a provision matrix has been used to estimate ECL for these assets.

The provision matrix simply involves applying the relevant loss rates to the balances outstanding across the different age bands i.e. rates applied depends on the number of days that a trade receivable is past due.

The loss rate is determined based on historical losses rate over a three-year period. The loss definition is any receivables balance that is over 180 days. The estimated historical loss rates have been appropriately adjusted to reflect the expected future changes using macroeconomic variables which serve as indicators of losses. Macro variables considered include GDP growth rate, inflation rate and exchange rate respectively.

Based on the assessment as at 31 December 2023, the loss rates for each age bucket are as follows:

Age bucket	Loss rate (%)
0-30 days	13.23%
31-60 days	26.47%
61-90 days	39.70%
91-120 days	52.93%
121-150 days	66.16%
151-180 days	79.40%
Above 181 days	100.00%

as at 31 December 2022

Age bucket	Receivable (%)
0-30 days	2%
31-60 days	21%
61-90 days	5%
91-120 days	1%
121-150 days	3%
151-180 days	6%
Above 181 days	63%

Impairment expense is used to reduce the carrying value of the receivable and is recognised as part of impairment charge on recievables in the statement of comprehensive income.

2.5 Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Trust determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Trust's procedures for recovery of amounts due

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Trust or the counterparty.

2.7 Investment property

Investment property include income producing properties and property under development (land or building, or part of a building, or both) that are held by the Trust to earn rental income or for capital appreciation or both but are not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes.

Investment property are initially recognized at property cost including related transaction costs.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value. Investment property under construction for which the fair value cannot be determined reliably, but for which the Trust expects that th of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Trust uses alternative valuation methods, such as recent prices on less active markets. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in the statement of comprehensive income. Investment property are derecognised when they have been disposed or when no further economic benefits are expected from the property.

For investment property, the fair valuation is carried out by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment property valued. For all investment property, their current use equates to the highest and best use.

Income on disposal of investment properties are recognised in the statement of comprehensive income as 'net gain/loss on disposal of investment property'.

2.8 Interest income and expense

Interest income for all interest-bearing financial instruments are recognised within 'interest income' in the statement of comprehensive income using the effective interest method. The Trust does not have any interest expense as at the reporting date.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:
(a) purchased or originated credit-impaired financial assets (POCI), for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.
(b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Trust estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.9 Rental income from property

Rental income from investment property is recognised on a straight-line basis over the lease term. When the Trust provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income. Rental Income earned but yet to be paid by the tenant(s) is recorded as "rent receivables" in the notes to the account and reported under "other assets" in the statement of financial position.

Rent paid in advance and yet to be earned are recorded as "Rent received in advance" in the statement of financial position.

2.10 Property and equipment

(i) Recognition and measurement

Items of property and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. An asset is recognised when it is probable that economic benefits associated with the item flow to the Trust and the cost of the item can be reliable measured.
The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and are recognized net within other operating income in statement of comprehensive income.
The assets' carrying values and useful lives are reviewed, and written down if appropriate, at each date of the statement of financial position. Assets are impaired whenever events or changes in circumstances indicate that the carrying amount is less than the recoverable amount.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Trust and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to- day servicing of property and equipment are recognised in statement of comprehensive income.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset is not depreciated while it is classified as held for sale.

The estimated useful lives for the period are as follows:

-Office equipment	- 3 years
-Fixtures & fittings	- 3 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(iv) Right-of-Use

The Right-of-Use Assets relates to a building lease by the REIT.

The Company recognises a right-of-use asset and if applicable, a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated amortisation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by the lease payments made.

(v) Decognition
Property, plant and equipment will be dereognised when no future economic benefit are expected from the assets. Gain or loss on the disposal is recognised as the difference betweeen the disposal proceeds and carrying value of the asset.

2.11 Cash and cash equivalents

For the purposes of statement of cash flow, cash and cash equivalents are balances that are held for the primary purpose of meeting short term cash commitments. Hence this includes cash in hand and cash equivalents that are readily convertible to known amount of cash, are subject to insignificant risk of changes in value and whose original maturity is three months or less. This includes placements with banks and other short-term highly liquid investments which originally matures in three months or less (such as treasury bills with less than 3 months maturity).

2.12 Taxation

The Trust is domiciled in Nigeria. There is no income, estate, corporation, capital gains or other gains or taxes payable by the Trust. The Trust only incurs withholding taxes on dividend and rental income. The Trust did not earn any dividend income during the period ended 31 December 2023 (December 2022: Nil). The Trust also charges value added tax on sale of investment property or any part thereof and remits same to the responsible tax authorities.

2.13 Distributions

Distributions are recognised in retained earnings in the period in which they are approved by the Joint Trustees. Distributions for the year that are declared after the date of the statement of financial position are dealt with in the subsequent events note in the financial statement.

2.14 Unit holding
Holdings of the Trust are classified as unit holding. Incremental costs directly attributable to the issue of new units, are shown as a deduction against unitholders contributions.

2.15 Earnings per unit
Basic earnings/(loss) per unit is calculated by dividing the profit/(loss) for the year by the weighted average number of units in issue during the period.

Diluted earnings/(loss) per unit is calculated by adjusting the weighted average number of units outstanding to assume conversion of all dilutive potential units.

3 Risk Management Objective and Policies

3.1 Financial risk management

The Trust generates revenues for unit holders by investing in various income generating activities which include rental income on investment property, trading real estate equity securities on the stock exchange and trading in government securities. These activities expose the Trust to a variety of financial risks, including credit, liquidity risk and the effects of changes in debt and equity market prices and interest rates. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the Fund Managers under direction of the Investment Committee and Stanbic IBTC Asset Management's Risk Management Department. The Investment Committee works within policies approved by the Trust's Trustee. Fund Managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Group Risk Department provides the Fund Managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Securities and Exchange Commission (SEC).

The investment risk management framework also adheres to regulatory requirements in relation to investment policies; assets mix, valuation, diversification, asset and liability matching, and risk management. It also includes setting market, credit, liquidity and other investment risk management strategies and policies, developing management procedures to ensure that investments are only transacted in line with these policies, and having an appropriate system of measurement, monitoring, reporting and control underpinning investment activities.

Risk Management Governance structure

The Trust investments are made by the Fund Manager with the consent and approval of the Investment Committee in any of the following asset classes and in accordance with the maximum limit allowed. The limit allowed for each investment class is as stated below:

Asset Class	**Minimum Limit**	**Maximum Limit**
Real estate property	75.00%	100.00%
Real estate related assets	0.00%	25.00%
Liquid assets	0.00%	10.00%

This implies that:

1. A maximum of 100% or a minimum of 75% of the REIT's assets may be invested in real estate (property)
2. A maximum of 25% or a minimum of 0% of the REIT's assets may be invested in real estate related assets such as equities of a real estate company
3. A maximum of 10% or a minimum of 0% of the REIT's assets may be invested in liquid assets

The Investment Committee is made up of three independent members (one of whom is the Chairman) who are seasoned professionals in real estate business and two representatives each of the Fund manager, trustees and property manager.

The Trust's financial instruments are categorised as follows:

31 December 2023		**Financial Assets**		**Financial Liabilities**
In thousands of Nigerian Naira	**Note**	**Amortised cost**	**Financial assets at fair value through profit or loss**	**At amortised cost**
Financial assets:		N'000	N'000	N'000
Bank balances				
-Balances with banks	14	3,671,267	-	-
Financial assets held for trading				
- Corporate Bonds	15	-	-	-
- FGN Bonds	15	-	92,811	-
- FGN Promissory notes	15	-	-	-
Other assets				
- Rent receivables	17	1,620	-	-
Financial liabilities:				
Account payable	20	-	-	130,367

31 December 2022		**Financial Assets**		**Financial Liabilities**
In thousands of Nigerian Naira	**Note**	**Amortised cost**	**Financial assets at fair value through**	**At amortised cost**
Financial assets:		N'000	N'000	N'000
Bank balances				
-Placement with banks	14	1,977,318	-	-
Financial assets held for trading				
- FGN Bonds	15	-	198,767	-
- Corporate Bonds	15	-	151,664	-
- FGN Promissory notes	15	-	1,255,041	-
Other assets				
- Rent receivables	17	26,474	-	-
- Receivable from property manager	17	-	-	-
- Receivable on James Pinnock Estate	17	-		
Financial liabilities:				
Accounts payable	20	-	-	112,694

3.2 Liquidity risk

Liquidity risk is the risk that the Trust though solvent, has insufficient liquid assets to meet its obligations such as operational costs and distribution to unit holders when they fall due. The liquidity profile of the Trust is a function of the asset mix as enunciated in the investment guidelines. To the extent that they are predictable, immediate demands for cash are not expected to pose undue liquidity risk for the Trust. An immediate demand for cash can only be a risk if there is liquidity shortage. The Trust will invest 10% of its total portfolio in liquid assets of diversified nature and staggered tenors in order to ensure that it is always able to meet its obligations.

The Trust being a closed ended Trust would not be faced with liquidity requests for redemption of units as units can only be sold to willing buyer(s) on the floor of the Nigerian Exchange Group (NGX)

Liquidity maturity analysis

The tables below analyse the Trust's financial assets and financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

31 December 2023

Financial assets	**Due on demand**	**Due within 3 months**	**Due within 3 & 12 months**	**More than 1 year**	**Total**
	N'000	N'000	N'000	N'000	N'000
Bank balances					
- Balances with banks	162,519	3,508,748	-	-	3,671,267
Rent receivable	-	1,605	5,360	95,054	102,018
- Corporate Bonds	-		-	-	-
- FGN Bonds	-	-		92,811	92,811
- FGN Promissory notes	-	-	-	-	-
	162,519	3,510,353	5,360	187,865	3,866,097
Financial liabilities	-	130,367	-	-	130,367
Lease liability	-	-	-	37,787	37,787
Net financial asset	162,519	3,510,353	5,360	150,078	3,697,943
Net assets attributable to equity holders					28,951,806
holders					13%

31 December 2022

Financial assets	**Due on demand**	**Due within 3 months**	**Due within 3 & 12 months**	**More than 1 year**	**Total**
	N'000	N'000	N'000	N'000	N'000
Bank balances					
- Balances with banks	16,525	1,960,793	-	-	1,977,318
Rent receivable		32,537	10,946	72,599	116,082
- Corporate bonds	-		151,664		151,664
- FGN Bonds	-			198,767	198,767
- FGN Promissory notes	-		1,255,041		1,255,041
	16,525	1,993,330	1,417,651	271,366	3,698,872
Financial liabilities	-	112,694	-	-	112,694
Lease liability	-	-	-	17,208	17,208
Net financial asset	16,525	1,880,635	1,417,651	254,158	3,568,969
Net assets attributable to equity holders					26,122,531
Percentage of liquid financial assets to Net assets attributable to equity holders					14%

3.3 Credit risk

The Trust is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The main concentration to which the Trust is exposed arises from the Trust's investments in debt securities. The Trust is also exposed to counterparty credit risk on cash and cash equivalents, and rent receivable from tenants. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal.
The Trust considers the credit exposure to geographical sectors as immaterial as all the credit risk exposures are domiciled in Nigeria for all periods.
The maximum exposure to credit risk is the carrying amount of the financial assets as set out below.

Sector analysis of credit risk exposure

31 December 2023

	Bank balances	Financial assets held for trading	Other assets	Maximum Exposure
	N'000	N'000	N'000	N'000
Government	-	92,811	-	92,811
Financial Institutions	3,671,267	-	-	3,671,267
Corporate	-	-	-	-
Others	-	-	1,620	1,620
	3,671,267	92,811	1,620	3,765,699

31 December 2022

	Bank balances	Financial assets held for trading	Other assets	Maximum Exposure
	N'000	N'000	N'000	N'000
Government	-	1,453,808	-	1,453,808
Financial Institutions	1,977,318	-	-	1,977,318
Corporate	-	151,664	-	151,664
Others	-	-	26,474	26,474
	1,977,318	1,605,472	26,474	3,609,264

The financial assets to which the Trust is exposed are mainly Federal Government of Nigeria (FGN) Bonds to which as Nigeria's sovereign obligations, have low credit risk. Others are call placement with banks.

A rating grid which shows the ratings of all financial assets is illustrated below.

	31 December 2023	31 December 2022
	N'000	N'000
AAA	92,811	1,605,472
AA		
B-	3,671,267	1,977,318
BBB		
Unrated	1,620	26,474
	3,765,699	3,609,264

3.4 Market risk

(a) Price risk

This is the risk that prevailing market forces of demand and supply may negatively impact the Trust's underlying asset values and its ability to attain projected performance based on declining rental income and therefore result in reduced distributions to investors.

Over-supply and/or softening demand for real estate as a function of general economic conditions, will impact property values and rental income, as demand and supply imbalance will have a negative impact on real estate prices. Consequently, reduced occupancy levels and declining rental values will affect the Trust's operating performance, portfolio valuation and ultimately its capacity to distribute returns to investors.

With the expertise and track record of the Fund Manager, Property Manager and members of the Investment Committee, we expect that adverse changes in market conditions shall be effectively managed to ensure minimal impact on the operations and value of the Trust. Potential changes in market risk indicators such as adverse economic conditions that impact price of the underlying asset values are expected to be tabled before the Investment Committee by the Fund Manager for deliberation to ensure effective and proactive assessment and management of the risk.

Classification of financial assets

	31 December 2023	31 December 2022
	N'000	N'000
Financial assets held for trading	92,811	1,605,472
	92,811	1,605,472
of financial asset held had increased or decreased by 5% with all other variables held constant is shown below:		
Increase	4,641	80,274
Decrease	(4,641)	(80,274)

(b) Cashflow and fair value Interest rate

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cashflows.

The Trust also holds fixed interest securities which expose the Trust to fair value interest rate risk. The Trust's fixed interest rate financial asset is a FGN Bond, and call balances with financial institutions.

However, the Trust may be indirectly affected by the impact of interest rate changes on the earnings of certain companies in which the Trust invests. The risk here is not significant since the assets are fair value through profit or loss. The sensitivity of this on the Trust's net assets attributable to equity holders is represented in the table below.

The table below shows the impact on the Trust's profit before tax if interest rates on the financial assets held for trading had increased by 100 basis points, with all other variables held constant.

	31 December 2023	31 December 2022
	N'000	N'000
Effect of 100 basis points movement on profit before		
Increase	928	16,055
Decrease	(928)	(16,055)

(c) Foreign exchange risk

The Trust did not have investments denominated in foreign currency as at 31 December 2023 (December 2022: Nil) and as a result was not exposed to foreign exchange risk.

3.5 Capital management

The capital of the Trust is represented by equity. The Trust is a closed-ended Trust as such there are no daily subscriptions and redemptions that can affect the capital of the Trust as the Trust can only be traded at prices determined by the forces of demand and supply on the Nigerian Exchange Group (NGX).

The Fund Manager's objectives when managing capital are to safeguard the Trust's ability to continue as a going concern in order to provide returns for equity holders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Trust may adjust the amount of distributions paid to equity holders, return capital to equity holders, issue new shares or sell assets to reduce debt. Also there is no regulatory capital requirement for the Trust.

3.6 Fair value estimation

Financial assets and liabilities not measured at fair value

	31 December 2023	
	Carrying Value N'000	**Fair value N'000**
Financial assets		
Bank balances		
- Placement with banks	3,671,267	3,671,267
- Other assets	1,620	1,620
	3,672,887	3,672,887
Financial Liabilities		
Other liabilities	130,367	130,367
	130,367	130,367

	31 December 2022	
	Carrying Value N'000	Fair value N'000
Financial assets		
Bank balances		
- Placement with banks	1,977,318	1,977,318
- Other assets	26,474	26,474
	2,003,792	2,003,792
Financial Liabilities		
Other liabilities	112,694	112,694
	112,694	112,694

For financial assets and liabilities not measured at fair value, their carrying values are reasonable approximation of their fair value.

Fair value hierarchy of financial assets and liabilities not measured at fair value is shown below.

At 31 December 2023 (N'000)	**Level 3**	**Total**
Balances with banks	3,671,267	3,671,267
Other assets	1,620	1,620
	3,672,887	3,672,887
Other liabilities	130,367	130,367
	130,367	130,367

At 31 December 2022 (N'000)	**Level 3**	**Total**
Balances with banks	1,977,318	1,977,318
Other assets	26,474	26,474
	2,003,792	2,003,792
Other liabilities	112,694	112,694
	112,694	112,694

Financial instruments measured at fair value

FGN promissory notes and bonds (Corporate & FGN)

FGN promissory notes represents short to medium term instruments issued by the Central Bank of Nigeria. Bonds are debt instruments or contracts issued for an agreed period of time. The investor lends an amount of money to the issuer and earns interest on the investment until the maturity of the bond when the principal will be repaid. The fair value of actively traded FGN promisory notes and bonds are determined with reference to quoted prices (unadjusted) in an active market for identical assets.

The fair values for bonds are obtained from the Financial Markets Dealers Quotations (FMDQ) bond price index. The bond prices are model prices derived from a modelled yield. The modelled yield is calculated by adding a risk premium to the valuation yield (corresponding tenor to maturity (TTM) yield interpolated off the FGN bond theoretical spot rate curve). This is used to calculate the bond bid price.

Risk premiums are derived by 2 methods described below;

1. Apply risk spread on latest acceptable trade for the respective bonds i.e. determine the spread between the bond yield on the latest acceptable trade and the FGN bond spot rate of comparable TTM.

2. Apply risk spread at issuance i.e. determine the spread between the bond yield at issuance and the FGN bond spot rate of comparable TTM. However, where the risk spread at issuance is less than 1% (100 basis points), a base risk premium of 100 basis points is applied.

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Trust's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs) This hierarchy requires the use of observable market data when available.

The Trust considers relevant and observable market prices in its valuations where possible.

Fair value hierarchy of financial assets is shown below

At 31 December 2023 (N'000)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
- Held for trading	92,811	-	-	92,811
	92,811	-	-	92,811

At 31 December 2022 (N'000)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
- Held for trading	1,605,472		-	1,605,472
	1,605,472	-	-	1,605,472

4 Critical accounting estimates and judgements

The Trust's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Fund Manager makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standards. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

Fund Manager's judgements for certain items are especially critical for the Trust's results and financial situation due to their materiality. These judgements and estimates include:

4.1 Equity holders classification

The units of the Trust are not redeemable and are therefore not carried as financial liabilities. The Trust is a close-ended trust.

Units are bought or redeemed at prices determined by the forces of demand and supply on the Nigerian Exchange Group (NGX) with no guarantees to the equity holders of principal or return.

The units are treated as equity in line with IAS 32/ IFRS 9.

4.2 Valuation of investment property

Investment property include income producing property and property under development (land or building, or part of a building, or both) that are held by the Trust to earn rent or for capital appreciation or both.

The Trust's investment property are measured at fair value. The Trust holds six investment property being office and residential buildings in Lagos and Abuja. The buildings are as listed below:

Property	**Abebe Court, Ikoyi**	**VMP I, Victoria Island**	**VMP II, Victoria Island**	**UAC Commercial Complex, Abuja**	**Pearl Hostel, Ibeju-Lekki**	**Kingsway Building, Marina**	**Project Stack**	**Total**
State	**Lagos**	**Lagos**	**Lagos**	**FCT Abuja**	**Lagos**	**Lagos**	**Lagos**	
	N'000	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Beginning balance	4,400,000	5,000,000	8,400,000	1,790,000	500,000	2,000,000	936,444	**23,026,444**
Additions(Asset under construction)	-	-	-	-	-	-	63,113	**63,113**
Disposals	-	-	-	-	-	-	-	**-**
Improvement	-	4,095	10,502	7,809	-	-	-	**22,406**
Unrealised fair value gain/(loss) recognised in the	780,000	1,455,905	(10,502)	(7,809)	(34,000)	291,000	-	**2,474,594**
Fair value at 31 December 2023	**5,180,000**	**6,460,000**	**8,400,000**	**1,790,000**	**466,000**	**2,291,000**	**999,557**	**25,586,557**

Property	Abebe Court, Ikoyi	VMP I, Victoria Island	VMP II, Victoria Island	UAC Commercial Complex, Abuja	Pearl Hostel, Ibeju-Lekki	Kingsway Building, Marina	Project Stack	Total
State	Lagos	Lagos	Lagos	FCT Abuja	Lagos	Lagos	Lagos	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Beginning balance	3,850,000	5,000,000	8,400,000	1,790,000	440,000	2,000,000	-	**21,480,000**
Additions during the period	-	-	-	-	-	-	936,444	**936,444**
Disposals	-	-	-	-	-	-	-	**-**
Improvement	22,951	1,847	13,798	3,764	10,486	4,934	-	**57,780**
Unrealised fair value gain/(loss) recognised in the	527,049	(1,847)	(13,798)	(3,764)	49,514	(4,934)	-	**552,220**
Fair value at 31 December 2022	**4,400,000**	**5,000,000**	**8,400,000**	**1,790,000**	**500,000**	**2,000,000**	**936,444**	**23,026,444**

Valuation Process

The fair value is based on valuation prepared by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

The professional valuer engaged for the preparation of the valuation reports is UBOSI ELEH & CO (ESTATE SURVEYORS & VALUERS), FRCN number (FRC/2014/NIESV/00000003997).

After the submission of the valuation report from the valuer, the Investment Committee which comprises of highly knowledgeable professionals in real estate business reviews the report.

At the financial year end, the Fund Manager and the Property Manager:
- verify all major inputs to the independent valuation report;
- assess property valuation method used and movements when compared to the prior year valuation report;
- hold discussions with the independent valuer, when necessary.

Valuation techniques

In carrying out the valuation, below are the various methods adopted by the valuer in determining the market value of investment property.
- Direct market comparison method
- Investment/income capitalisation method
- Redevelopment method

The adoption of these methods for a particular property depends on the type and market condition of the property. One or both methods could be used for a particular property at a particular time by way of cross-checking figures. The valuer uses his discretion to adopt the most appropriate method suitable to that type of property being valued.

Direct market comparison is the most reliable and used where there is evidence of recently completed transactions.

This method was adopted for the valuation of Abebe Court and VMP 1 in the current year because there is evidence of availability of recent price data for comparable properties. This is consistent with the valuation method applied in prior year for both properties.
Investment/income capitalisation method is usually adopted in determining the market value of an income producing property in the form of rentals. This method stands more appropriate in the absence of direct market comparison discussed above.

This method was adopted for the VMP II, Pearl Hostel, Kingsway Building and UAC commercial complex, Abuja because these properties are income generating and there are evidence of current rentals earned on the property.

Investment property and valuation methods and assumptions used

Property	Abebe Court, Ikoyi	VMP I, Victoria Island	VMP II, Victoria Island	UAC Commercial Complex,	Pearl Hostel, Ibeju-Lekki	Kingsway Building, Marina
State	Lagos	Lagos	Lagos	FCT Abuja	Lagos	Lagos
	N'000	N'000	N'000	N'000	N'000	N'000
Valuation method	Market value	Market value	Investment / Income capitalisation	Investment / Income capitalisation	Investment / Income capitalisation	Investment / Income capitalisation
Reasons for method used	Availability of market prices for similar	Availability of market prices for similar	Available rental income	Available rental income	Available rental income	Available rental income
Assumptions used on income capitalisation method						
Number of years	Unexpired lease in the property is 25yrs	Unexpired lease in the property is 83yrs	Unexpired lease in the property is 83yrs	Unexpired lease in the property is 67yrs	Unexpired lease in the property is 17yrs	Unexpired lease in the property is 17yrs
Rate of outgoing (deduction for repairs & maintenance)	N/A	N/A	10%	15%	40%	10%
Capitalisation rate	N/A	N/A	6%	5%	7% plus 5% sinking fund	7%

Fair value hierarchy of investment property is shown below

At 31 December 2023 (N'000)

	Level 2	Level 3	Total
Investment property:			
- Abebe Court, Ikoyi, Lagos	5,180,000	-	5,180,000
- VMP I, Victoria Island, Lagos	6,460,000	-	6,460,000
- VMP II, Victoria Island, Lagos	-	8,400,000	8,400,000
- UAC Commercial Complex, Abuja	-	1,790,000	1,790,000
- Pearl Hostel, Ibeju-Lekki, Lagos	-	466,000	466,000
- Kingsway Building, Marina, Lagos	-	2,291,000	2,291,000
	11,640,000	12,947,000	24,587,000

At 31 December 2022 (N'000)

	Level 2	Level 3	Total
Investment property:			
- Abebe Court, Ikoyi, Lagos	-	4,400,000	4,400,000
- VMP I, Victoria Island, Lagos	5,000,000	-	5,000,000
- VMP II, Victoria Island, Lagos	-	8,400,000	8,400,000
- UAC Commercial Complex, Abuja	-	1,790,000	1,790,000
- Pearl Hostel, Ibeju-Lekki, Lagos	-	500,000	500,000
- Kingsway Building, Marina, Lagos	-	2,000,000	2,000,000
	5,000,000	17,090,000	22,090,000

Reconciliation of Level 3 items

The following table presents changes in level 3 instruments

At 1 January 2022	12,630,000
Total Gains recognised through profit or loss	-
At 31 December 2022	12,630,000
Improvement	18,311
Unrealised loss recognised through profit or loss	238,689
At 31 December 2023	**12,887,000**

Sensitivity Analysis of property on level 2&3:

Below is the sensitivity analysis of changes in parameter used in the valuation of the investment property. This shows the effect on the valuation if there is a plus or minus 0.5% in the valuation table scale used for the purpose of the valuation. These sensitivity values will impact profit or loss.

31 December 2023

property:	**Abebe Court, Ikoyi Lagos**	**VMP I, Victoria Island Lagos**	**VMP II, Victoria Island Lagos**	**UAC Commercial Complex, Abuja FCT Abuja**	**Pearl Hostel, Ibeju-Lekki Lagos**	**Kingsway Building, Marina Lagos**
Valuation Method	Market value	Market value	Income capitalisation	Income capitalisation	Income capitalisation	Income capitalisation
Fair Value	5,180,000	6,460,000	8,400,000	1,790,000	466,000	2,291,000
Sensitivity Analysis:	+/- 5% of Market Value	+/- 5% of Market Value	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate
Impact of increase in valuation scale/rate	(259,000)	(323,000)	(886,267)	(177,193)	22,450	(87,899)
Impact of decrease in valuation scale/rate	259,000	323,000	723,818	181,208	80,500	93,659

31 December 2022

property:	**Abebe Court, Ikoyi Lagos**	**VMP I, Victoria Island Lagos**	**VMP II, Victoria Island Lagos**	**UAC Commercial Complex, Abuja FCT Abuja**	**Pearl Hostel, Ibeju-Lekki Lagos**	**Kingsway Building, Marina Lagos**
Valuation Method	Redevelopment Method	Market value	Income capitalisation	Income capitalisation	Income capitalisation	Income capitalisation
Fair Value	4,400,000	5,000,000	8,400,000	1,790,000	500,000	2,000,000
Sensitivity Analysis:	+/- 5% of Market Value	+/- 5% of Market Value	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate	+/- 0.5% on capitalisation rate
Impact of increase in valuation scale/rate	(220,000)	(250,000)	(886,267)	(177,193)	22,450	(87,899)
Impact of decrease in valuation scale/rate	220,000	250,000	723,818	181,208	80,500	93,659

5 Segment information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments. The Trust operates only one line of business, which is investing in real estate assets and other liquid assets to earn rentals or for capital appreciation or both in line with its Trust Deed. The Fund Manager does not consider it necessary to report the Trust's operations by both business and geographical segments.

	31 December 2023	31 December 2022
	₦'000	₦'000
6 Rental Income		
Rental Income	**1,435,242**	1,261,744
	1,435,242	1,261,744
7 Interest income on assets measured at fair value through profit or loss		
Held for trading assets:		
Bonds	**31,816**	57,607
FGN Promissory notes	**59,271**	110,944
	91,087	168,551
8 Interest income on deposit with banks		
Interest earned on placements	**359,838**	197,189
Credit interest on bank balance	**7,460**	7,591
	367,298	204,780
Credit interest relates to interest earned on bank balances during the period		
9 Net gain/(loss) on financial assets held for trading		
Fair value gain/(loss) on held for trading instruments	**669**	(46,947)
	669	(46,947)
10 Net profit on investment in real estate development		
Profit from investment in real estate development		22,438
	-	22,438
This is profit earned on joint venture real estate development during the period		

	31 December 2023	31 December 2022
	₦'000	₦'000
13 Operating expenses		
Fund manager's fee	**114,317**	116,144
Property maintenance expenses	**107,617**	117,155
Registrar's fees	**16,464**	38,558
Trustees' fees	**4,300**	4,300
Audit fees	**27,671**	10,200
Professional fees	**35,258**	23,142
Custodian fees	**21,434**	21,820
Printing, advert and travels	**1,505**	2,863
SEC fees	**53,170**	54,716
Property manager's fees	**45,904**	51,587
Insurance premium	**28,355**	18,392
Depreciation on property & equipment (see note 19)	**64,443**	52,952
Depreciation on right of use assets (Note 16)	**4,931**	826
Interest expense on lease	**5,559**	2,532
Other operating expenses	**4,915**	36,157
	535,843	551,344
14 Balances with banks		
- Current account with banks in Nigeria		
Balances with banks	**3,671,267**	1,977,318
	3,671,267	1,977,318
Current	**3,671,267**	1,977,318
Non-Current	**-**	-
	3,671,267	1,977,318

Balances with banks represents call account balances and fixed deposits with commercial banks.

The bank deposits are short term in nature and can be withdrawn at short notice. No impairment losses are recognised on the balance as the fund manager concludes that the risk of default is low and there is no material significant increase in credit risk (SICR).

Included in this balance is an amount of 3.509Billion(2022:1.920Billion) which has a tenor of over 90days.

15 Financial assets held for trading

	31 December 2023 N'000	31 December 2022 N'000
Corporate bonds	-	151,664
FGN bonds	92,811	198,767
FGN promissory note	-	1,255,041
	92,811	1,605,472
Current	-	1,605,472
Non-Current	92,811	-
	92,811	1,605,472

16 Leases

i Right-of-use assets

	31 December 2023 N'000	31 December 2022 N'000
Opening balance as at 1 January 2023	20,655	20,655
Additions during the year	20,523	-
Closing balance as at 31 December 2023	41,178	20,655
Depreciation		
Opening balance as at 1 January 2023	3,304	2,478
Charge for the year	4,931	826
Closing balance as at 31 December 2023	8,235	3,304
Net book value as at 31 December 2023	32,943	17,351

ii Lease liabilities

	31 December 2023 N'000	31 December 2022 N'000
Opening balance as at 1 January 2023	17,208	14,676
Additions	15,020	-
Interest expense	5,559	2,532
Payments made during the period	-	-
Closing balance as at 31 December 2023	37,787	17,208
Current lease liabilities	-	-
Non-current lease liabilities	37,787	17,208
	37,787	17,208

iii Amounts recognised in the statement of profit or loss

	31 December 2023 N'000	31 December 2022 N'000
Depreciation charge of right-of-use assets	4,931	4,931
Interest expense	5,559	2,532

iv

Liquidity risk (maturity analysis of lease liabilities)	0-3 months	3-12 months	1-2 years	Above 2 years
Lease liability				
2023	-	-	-	46,200
2022	-	-	-	46,200

17 Other assets

	31 December 2023 N'000	31 December 2022 N'000
Financial:		
Rent receivables	121,730	116,082
ECL provision	(120,110)	(89,608)
	1,620	26,474
Non financial:		
Prepaid expenses	33,979	28,355
	33,979	28,355
	35,599	54,829
Current	35,599	54,829
Non-Current	-	-
	35,599	54,829
ECL provision		
Opening Balance	(89,608)	(155,023)
Impairment Charge for the year	(30,502)	65,415
Clossing Balance	(120,110)	(89,608)

18 Investment property

	31 December 2023	31 December 2022
Beginning balance	23,026,444	21,480,000
Additions (Asset under construction)	63,113	936,443
Improvement	22,406	57,780
Fair value gain	2,474,594	552,221
	25,586,557	23,026,444
Non-Current	25,586,557	23,026,444

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 2023	**356,868**	**183,002**	**539,870**
Additions	**97,631**	**8,578**	**106,209**
At 31 December 2023	**454,499**	**191,580**	**646,079**
Accumulated depreciation			
At 1 January 2023	**283,183**	**165,315**	**448,498**
Charge for the year	**46,502**	**17,940**	**64,443**
At 31 December 2023	**329,685**	**183,255**	**512,941**
Net book amount at 1 January 2023	**73,685**	**17,687**	**91,372**
Net book amount at 31 December 2023	**124,814**	**8,325**	**133,138**

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

20 Other liabilities		
Financial liabilities:		
Fund manager's fee payable	**35,105**	34,727
Custodian fees payable	**5,329**	5,258
Dividend payable	**-**	-
Caution deposits	**4,300**	4,150
Accrued expenses	**64,876**	48,787
Other Payables	**1,505**	6,140
SEC Supervisory Fees Payable	**19,252**	13,632
	130,367	112,694
Non financial Liabilities		
VAT payable	**215**	215
	215	215
	130,582	112,909
Current	**130,582**	112,909
Non-Current	**-**	-
	130,582	112,909

	31 December 2023 N’000	31 December 2022 N’000
21 Rent received in advance		
Rent received in advance	**432,140**	520,138
Rental Income Liability Suspense Acct	**-**	-
	432,140	520,138
Current	**316,309**	482,185
Non-Current	**115,831**	37,953
	432,140	520,138

	31 December 2023 N’000	31 December 2022 N’000
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

	Notes	31 December 2023 ₦’000	N’000 31 December 2022 ₦’000
23 Cash generated from operations			
Reconciliation of profit after tax to cash generated from operations:			
Profit/(Loss) after tax		**3,802,545**	1,676,856
Adjustment for:			
– Fair value gain/(loss) on investment property	18	**(2,474,594)**	(552,220)
– Depreciation on right of use assets	16	**4,931**	826
– Depreciation on property & equipment	19	**64,443**	52,952
– Finance cost on leases	16	**5,559**	2,532
– Net gain/(loss) on financial assets held for trading	9	**(669)**	46,947
– Interest income on assets measured at fair value through profit or loss	7	**(91,087)**	(168,551)
– Interest income on deposit with banks		**(367,298)**	(204,780)
– Impairment charge on receivables		**30,502**	
Changes in working capital:			
– Financial assets held for trading		**1,519,426**	76,541
–Other assets		**(11,272)**	(21,711)
–Other liablities		**17,672**	(523,175)
–Rent received in advance		**(87,998)**	278,686
Cash generated from operations		**2,412,160**	664,903

	31 December 2023	31 December 2022
24 Cash and cash equivalents		
For purposes of the cash flow statement, cash and cash equivalents comprises:		
- Balances with banks (Note 14)	**3,671,267**	1,977,318
	3,671,267	1,977,318

25 Related party transactions

The Trust is managed by Stanbic IBTC Asset Management Limited (the ‘Fund Manager’), an investment management company incorporated in Lagos.

During the period, the following related party activities occurred:

Entity	Relationship	Type of transaction	2023 N'000	2022 N'000
Stanbic IBTC Asset Management Limited	Fund manager	Management fee	114,317	116,144
UACN Property Development Company Plc	Property manager	Property management fee	45,904	51,587
UBA Trustees Limited	Trustee	Trustee fee	2,150	2,150
FBN Trustees Limited	Trustee	Trustee fee	2,150	2,150

The amount payable to the related parties as at the end of the year is as follows; Fund Manager (SIAML) - 35.1million, Property Manager - 25.7million and Trustees - 4.2million

Key management staff has been defined as members of management staff of the Fund Manager and its other related companies. No compensation was paid to key management staff during the period (December 2022: Nil).

Units held by related parties to the Trust are listed below:

	31 December 2023 Units ₦'000	31 December 2022 Units ₦'000
Direct - UPDC	**133,413**	133,413

26 earnings/(loss) per unit

(i) Basic

Basic earnings/(loss) per unit is calculated by dividing the net (loss) / profit after tax attributable to the unit holders of the Trust by the number of units in issue during the period.

	31 December 2023	31 December 2022
Profit after tax attributable to unit holders of the Trust (N'000)	**3,802,545**	1,676,858
Number of ordinary units in issue (000)	**2,668,270**	2,668,270
Basic earnings per unit (expressed in Naira per share)	**1.43**	0.63

(ii) Diluted

The Trust does not have potential units with convertible options and therefore there is no dilutive impact on the profit attributable to the equity holders.

Diluted earnings per unit (expressed in Naira per unit)	**1.43**	0.63

27 Distributions	**31 December 2023 ₦'000**	31 December 2022 ₦'000
Interim/proposed distribution	**1,105,570**	930,394

In line with the provisions of the Trust Deed, minimum of 90% of the Trust's distributable income will be distributed to unit holders at the end of every financial year. Distributable income represents the "profit after tax" add/less unrealised fair value loss/gain on investment property plus realised gain on disposed investment property.

Final distributions are not accounted for until they have been ratified by the Investment Committe. 2023 Interim distribution was approved by the Joint Trustees. Interim distribution of 19 Kobo (December 2022 was 18 Kobo) per share totalling N526.22million (Dec 2022 was N483.35million) was accrued for the six months ended 30 June 2023 while 22 Kobo totalling N579.34million (Dec 2022 was N447Million) is being proposed as final distribution for the year ended 31 December 2023.

The proposed final distribution of 22 kobo has been accounted for, as an appropriation of retained earnings in the year ending 31 December 2023

Reconciliation of distribution	**₦'000**	₦'000
Profit after tax	**3,802,545**	1,676,858
Add realised gain on investment property	**-**	
Less replacement provision for Pearl Hostel	**(27,778)**	(27,778)
Less Provision for Sinking Fund (5%*Rental Income)	**(71,762)**	(63,087)
(Less)/add fair value (gain)/loss on investment property	**(2,474,594)**	(552,220)
Distributable income	**1,228,411**	1,033,773
Proposed distribution at 90% of distributable income	**1,105,570**	930,394
Interim distribution declared	**526,228**	483,354
Distribution proposed	**579,342**	447,040
Total distribution	**1,105,570**	930,394
Interim distribution declared per unit (Naira)	**0.19**	0.18
Distribution proposed per unit (Naira)	**0.22**	0.17
Total distribution per unit (Naira)	**0.41**	0.35

28 Capital commitments

The Trust had no capital commitments as at end of the period ended 31 December 2023 (31 December 2022: Nil).

29 Contingent liabilities

The Trust had no contingent liabilities as at end of the period ended 31 December 2023 (31 December 2022: Nil).

30 Events after the reporting period

There was no event known to management which could have a material effect on the financial statements of the Fund for the year ended 31 December 2023 that have not been adequately recognised and/or disclosed in the financial statements.

Value added statement

	Dec 2023 ₦'000	%	Dec 2022 ₦'000	%
Gross income	**4,368,890**	112	2,162,786	121
Bought-in-materials and services (local	**(452,028)**	(12)	(369,786)	(21)
Value added	**3,916,862**	100	1,793,000	100
Distribution of value added				
To Fund Managers				
Fund manager's fee	**114,317**	3	116,144	6
Retained in the fund				
Retained earnings	**3,802,545**	97	1,676,856	94
	3,916,862	**100**	**1,793,000**	**100**

Five year financial summary

	Dec 2023	Dec 2022	Dec 2021	Dec 2020	Dec 2019
	₦'000	₦'000	₦'000	₦'000	₦'000
ASSETS					
Balances with banks	**3,671,267**	1,977,318	2,501,503	1,305,432	3,174,924
Financial assets held for trading	**92,811**	1,605,472	1,711,152	3,847,599	928,673
Other assets	**35,599**	54,829	33,118	231,670	76,595
Property and equipment	**133,138**	91,372	77,292	93,343	140,302
Right of use assets	**32,943**	17,351	18,177	19,003	19,829
Investment property	**25,586,557**	23,026,444	21,480,000	26,522,225	26,893,847
TOTAL ASSETS	**29,552,316**	26,772,786	25,821,242	32,019,272	31,234,170
LIABILITIES					
Other liabilities	**600,509**	650,255	892,212	1,108,782	681,691
Net assets attributable to unitholders	**28,951,806**	26,122,531	24,929,030	30,910,490	30,552,479
Represented by:					
Unit holders' contributions	**26,682,695**	26,682,695	26,682,695	26,682,695	26,682,695
Retained earnings	**2,269,111**	(560,164)	(1,753,665)	4,227,795	3,869,783
	28,951,806	26,122,531	24,929,030	30,910,490	30,552,478
INCOME STATEMENT					
Rental income	**1,435,242**	1,261,744	1,259,006	1,566,896	1,686,205
Interest income on deposit with banks	**367,298**	204,780	126,980	10,660	12,413
Interest income on assets measured at fair value through profit or loss	**91,087**	168,551	258,489	321,381	679,853
Fair value gain on investment property	**2,474,594**	552,221	(5,091,850)	53,077	(2,395,285)
Net gain/(loss) on financial assets held for trading	**669**	(46,947)	(323,844)	246,502	100,782
Net profit on investment in real estate development	**-**	22,438	(6,003)	-	6,129
Net gain on disposal of investment property	**-**	-	-	101,453	
Other income	**-**	-	-	118,343	11,558
Impairment charge on receivables	**(30,502)**	65,415	(141,483)	(5,485)	(8,055)
Operating expenses	**(535,843)**	(551,344)	(561,703)	(480,534)	(542,893)
	3,802,545	1,676,858	(4,480,408)	1,932,293	(449,293)
	3,802,545	1,676,858	(4,480,408)	1,932,293	(449,293)