

UPDC REAL ESTATE INVESTMENT TRUST

**MANAGEMENT ACCOUNTS
FOR PERIOD ENDED 30 JUNE 2021**

UPDC REAL ESTATE INVESTMENT TRUST
MANAGEMENT ACCOUNTS
FOR PERIOD ENDED 30 JUNE 2021

STATEMENT OF COMPREHENSIVE INCOME

	Notes	3 Months	6 Months	3 Months	6 Months
		Ended	Ended	Ended	Ended
		30 Jun 2021	30 Jun 2021	30 Jun 2020	30 Jun 2020
		N '000	N '000	N '000	N '000
Income from investment property	1	301,206	627,006	412,921	849,197
Interest income	2	85,638	159,180	85,354	154,604
Net gain/(loss) on financial assets held for trading	3	(5,042)	(5,042)	216	2,338
Other income	4	(6,003)	(6,003)		163,393
Net income		375,799	775,141	498,491	1,107,617
Operating expenses	5	(86,911)	(191,941)	(105,054)	(291,057)
Profit before tax		288,888	583,200	393,437	816,560
Tax		-	-		
Profit after tax		288,888	583,200	393,437	816,560
Earnings per unit attributable to unit holders of the Trust					
Earnings per unit - basic and diluted (Naira)		0.11	0.22	0.15	0.31

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FOR PERIOD ENDED 30 JUNE 2021**

STATEMENT OF FINANCIAL POSITION


	Notes	30 Jun 2021 N'000	31 Dec 2020 N'000
Assets:			
Bank balances	6	2,591,527	1,305,432
Financial assets held for trading	7	2,768,053	3,847,599
Other assets	0	177,529	231,670
Investment property	8	26,550,940	26,522,225
Property and equipment	10	35,549	50,182
Fixtures and fittings	11	49,976	43,161
Right of use assets	12	18,589	19,003
		<hr/>	<hr/>
Total assets		32,192,164	32,019,272
Liabilities:			
Accounts payable	13	123,541	620,205
Rent received in advance	14	562,419	476,060
Lease liabilities		12,517	12,517
		<hr/>	<hr/>
Total liabilities		698,477	1,108,782
		<hr/>	<hr/>
Net assets attributable to unit holders of the Trust		31,493,687	30,910,490
Represented by:			
Units and reserves attributable to unit holders of the Trust			
Unit holders' contributions	15	26,682,695	26,682,695
Retained earnings		4,810,992	4,227,795
		<hr/>	<hr/>
		31,493,687	30,910,490
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The financial statements has been approved and signed on behalf of Board of Directors of the Fund Manager on 24, August 2021 by:

Oladele Sotubo (Director of the Fund Manager)



Tonye Gbadebo (Financial Controller of the Fund Manager)



**UPDC REAL ESTATE INVESTMENT TRUST
MANAGEMENT ACCOUNTS
FOR PERIOD ENDED 30 JUNE 2021**

STATEMENT OF CHANGES IN UNITS AND RESERVES	30 June 2021			30 June 2020		
	ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST			ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST		
	Unitholders' contributions	Retained earnings	Total	Unitholders' contributions	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000
At 31 December	26,682,695	4,227,792	30,910,487	26,682,695	3,869,783	30,552,478
Comprehensive income						
Profit for the year	-	583,200	583,200	-	816,560	816,560
Impairment of other financial instruments		-	-			
		583,200	583,200		816,560	816,560
Transactions with unit holders in their capacity as unit holders:						
Distributions paid to unit holders	-	-	-	-	-	-
	-	583,200	583,200	-	816,560	816,560
At 30 June	26,682,695	4,810,992	31,493,687	26,682,695	4,686,343	31,369,037

UPDC REAL ESTATE INVESTMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR PERIOD ENDED 30 JUNE 2021

	3 Months Ended 30 Jun 2021 N'000	6 Months Ended 30 Jun 2021 N'000	3 Months Ended 30 Jun 2020 N'000	6 Months Ended 30 Jun 2020 N'000
1 Income from investment property				
Rental Income	301,206	627,006	412,921	849,197
	<u>301,206</u>	<u>627,006</u>	<u>412,921</u>	<u>849,197</u>
2 Interest income				
Placements with banks	1,451	1,451	3,049	4,536
Corporate bonds	24,687	41,953	24,850	50,376
Treasury bills	-	5,439	9,320	25,693
Commercial bills	28,678	34,032	4,376	5,434
FGN promissory notes	30,822	76,305	43,759	68,565
	<u>85,638</u>	<u>159,180</u>	<u>85,354</u>	<u>154,604</u>
3 Net gain/(loss) on financial assets held for trading				
Treasury bill trading income	(5,042)	(5,042)	216	2,338
	<u>(5,042)</u>	<u>(5,042)</u>	<u>216</u>	<u>2,338</u>
4 Other income				
Gain/(loss) on James Pinnock JV	(6,003)	(6,003)		
Income on disposal of investment property				163,393
	<u>(6,003)</u>	<u>(6,003)</u>	<u>-</u>	<u>163,393</u>
5 Operating expenses				
	30 Jun 2021 N'000	30 Jun 2021 N'000	30 Jun 2020 N'000	30 Jun 2020 N'000
Fund manager's fee	10,548	37,671	27,579	54,848
Property maintenance expenses	34,715	74,925	16,708	97,737
Registrar's fees	68	68	532	1,064
Trustees' fees	542	542	1,050	2,100
Audit fees	-	-	2,500	5,000
Professional fees	3,187	13,008	7,014	20,872
Custodian fees	2,249	7,838	5,859	11,170
Statutory charges & fees	-	-		1,158
Property manager's fees	-	-	11,766	25,509
Insurance premium	3,960	7,782	3,091	6,181
Depreciation	11,029	28,094	27,555	61,135
Other operating expenses	20,614	22,014	1,400	4,283
	<u>86,911</u>	<u>191,941</u>	<u>105,054</u>	<u>291,057</u>
6 Bank balances				
	30 Jun 2021 N'000	31 Dec 2020 N'000		
- Current account with banks in Nigeria	2,418,022	1,305,432		
- Fixed deposit	173,506			
- Call Deposit	0			
	<u>2,591,527</u>	<u>1,305,432</u>		
7 Financial assets held for trading				
	30 Jun 2021 N'000	31 Dec 2020 N'000		
Treasury bills	-	1,066,602		
Corporate bonds	506,680	595,929		
Commercial papers	-			
FGN promissory note	2,261,373	2,185,068		
	<u>2,768,053</u>	<u>3,847,599</u>		

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	30 Jun 2021	31 Dec 2020
	N'000	N'000
8 Investment property		
Beginning balance	26,550,940	26,893,847
Disposal: Aba property	-	(652,435)
Renovation	-	227,736
Fair value gain/(loss) (Derecognition of unrealised gain on Aba)		53,077
	<u>26,550,940</u>	<u>26,522,225</u>

	30 Jun 2021	31 Dec 2020
	N'000	N'000
9 Other assets		
Financial:		
ECL Provision		(13,540)
Receivable from James Pinnock Estate		6,129
Rent receivables	22,034	77,299
Receivable from property manager	142,719	142,594
	<u>164,753</u>	<u>212,482</u>
Non financial:		
Prepaid expenses	7,507	15,290
Other Receivables	5,268	3,898
	<u>12,775</u>	<u>19,188</u>
	<u>177,529</u>	<u>231,670</u>

	30 Jun 2021	31 Dec 2020
	N'000	N'000
10 Property and equipment		
Cost		
At 1 January	251,015	251,015
Additions	20,870	20,409
At 30 Jun 2021	<u>271,424</u>	<u>271,424</u>
Accumulated depreciation		
At 1 January	187,861	187,861
Charge for the year	48,014	33,381
At 30 Jun 2021	<u>235,875</u>	<u>221,242</u>
Net book amount at 30 Jun	<u>35,549</u>	<u>50,182</u>

	30 Jun 2021	31 Dec 2020
	N'000	N'000
11 Fixtures and Fittings		
Cost		
At 1 January	133,428	133,428
Additions	32,369	12,507
At 30 Jun 2021	<u>165,797</u>	<u>145,935</u>
Accumulated depreciation		
At 1 January	56,280	56,280
Charge for the year	59,541	46,494
At 30 Jun 2021	<u>115,821</u>	<u>102,774</u>
Net book amount at 30 Jun	<u>49,976</u>	<u>43,161</u>

12 Leases

i Right-of-use assets

	Land N'000
Opening balance as at 1 January 2021	20,655
Impact of adoption of IFRS 16	-
Closing balance as at 30 Jun 2021	<u>20,655</u>
Depreciation	
Opening balance as at 1 January 2020	1,652
Charge for the year	413
Closing balance as at 30 Jun 2021	<u>2,065</u>
Net book value as at 30 June 2021	<u>18,589</u>

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Lease liabilities

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	N'000	
Opening balance as at 1 January 2021	12,517	
Impact of adoption of IFRS 16	-	
Interest expense	-	
Payments made during the period	-	
Closing balance as at 30 Jun 2021	<u>12,517</u>	
Current lease liabilities	1,571	
Non-current lease liabilities	10,946	
iii) Amounts recognised in the statement of profit or loss	<u>12,517</u>	
	Land N'000	
Depreciation charge of right-of-use assets	413	
Interest expense	-	
Lease modification gain	-	
iv) Liquidity risk (maturity analysis of lease liabilities)	<u>3-12 months</u>	<u>1-2 years</u>
Lease liability	-	-
	30 Jun 2021	31 Dec 2020
	N'000	N'000
13 Other liabilities		
Account payables	11,103	27,542
Custodian fees payable	1,978	5,449
Unclaimed Dividend	6,757	31,537
Accrued expenses	89,948	100,662
ECL provision	13,540	
Other payables	-	454,800
	<u>123,326</u>	<u>619,990</u>
Non financial Liabilities		
VAT payable	215	215
	<u>215</u>	<u>215</u>
	<u>123,541</u>	<u>620,205</u>
14 Rent received in advance		
Rent received in advance	562,419	476,060
	<u>562,419</u>	<u>476,060</u>