

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

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STATEMENT OF COMPREHENSIVE INCOME

	Notes	30 September 2023 N'000	30 September 2022 N'000
Rental income	6	1,091,981	966,801
Interest income on deposit with banks	8	253,490	134,553
Interest income on assets measured at fair value through profit or loss	7	87,726	128,253
Loss on financial assets held for trading	9	(23,090)	(56,081)
Revenue		1,410,107	1,173,526
Impairment charge on receivables	17	-	
Operating expenses	13	(488,917)	(420,334)
Profit/(loss) Profit before tax		921,190	753,192
Tax		-	-
Profit/(loss) profit after tax		921,190	753,192
Increase/(decrease) in net assets attributable to unit holders		921,190	753,192
Earnings/(Loss) per unit to unit holders of the Trust			
Earnings/(Loss) per unit - basic and diluted (Naira)	26	0.35	0.28

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

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

STATEMENT OF FINANCIAL POSITION

	Notes	30 September 2023 N'000	30 September 2022 N'000
Assets:			
Balances with banks	14	3,315,612	2,154,283
Financial assets held for trading	15	178,449	1,625,123
Other assets	17	119,399	60,101
Property and equipment	19	117,115	54,365
Right of use assets	16	16,731	17,557
Investment property	18	23,089,557	22,456,413
Total assets		26,836,863	26,367,842
Liabilities:			
Other liabilities	20	96,648	119,724
Rent received in advance	21	652,348	564,731
Lease liabilities	16	17,414	16,536
Total liabilities		766,410	700,992
Net assets attributable to unit holders of the Trust		26,070,453	25,666,850
Represented by:			
Units and reserves attributable to unit holders of the Trust			
Unit holders' contributions	22	26,682,695	26,682,695
Retained (loss)		(612,242)	(1,015,845)
		26,070,453	25,666,850

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STATEMENT OF CHANGES IN UNITS AND RESERVES

ATTRIBUTABLE TO UNIT HOLDERS OF THE TRUST

	Unitholders'	Retained	Total
	contributions	(loss)/earnings	
	N'000	N'000	N'000
At 1 January 2022	26,682,695	(1,753,665)	24,929,030
Comprehensive income			
Profit after tax	-	1,676,856	1,676,856
		1,676,856	1,676,856
Transactions with unit holders in their capacity as unit holders:			
Distribution paid to unit holders	-	(483,355)	(483,355)
	-	1,193,501	1,193,501
At 31 December 2022	26,682,695	(560,164)	26,122,531
Comprehensive income			
Profit after tax	-	921,190	921,190
		921,190	921,190
Transactions with unit holders in their capacity as unit holders:			
Distributions paid to unit holders	-	(973,268)	(973,268)
	-	(52,078)	(52,078)
At 30 September 2023	26,682,695	(612,242)	26,070,453

Notes to the financial statements

For the period ended 30 September 2023

	30 September 2023	30 September 2022
	N'000	N'000
6 Rental Income		
Rental Income	1,091,981	966,801
	<u>1,091,981</u>	<u>966,801</u>
7 Interest income on assets measured at fair value through profit or loss		
Held for trading assets:		
Bonds	28,455	45,273
Treasury bills	-	-
FGN Promissory notes	59,271	82,980
	<u>87,726</u>	<u>128,253</u>
8 Interest income on deposit with banks		
Interest earned on placements	253,036	134,553
Credit interest on bank balance	454	-
	<u>253,490</u>	<u>134,553</u>
Credit interest relates to interest earned on bank balances during the period		
9 Net gain/(loss) on financial assets held for trading		
Trading income	-	-
Fair value loss on held for trading instruments	(23,090)	(56,081)
	<u>(23,090)</u>	<u>(56,081)</u>
	30 September 2023	30 September 2022
	N'000	N'000
13 Operating expenses		
Fund manager's fee	85,821	88,333
Incentive Fees	-	-
Property maintenance expenses	183,094	98,552
Registrar's fees	7,500	22,100
Trustees' fees	3,204	3,225
Audit fees	6,809	7,608
Professional fees	15,493	16,258
Custodian fees	16,091	16,562
AGM Expenses	-	-
Printing, advert and travels	2,723	2,281
SEC fees	39,916	41,085
Property manager's fees	37,355	35,778
Insurance premium	21,266	13,794
Depreciation on property & equipment (see note 19)	46,128	39,728
Depreciation on right of use assets (Note 16)	620	620
Interest expense on lease	1,549	1,860
Withholding Tax Credit note write-off	-	-
Other operating expenses	21,347	32,550
	<u>488,916</u>	<u>420,334</u>

Notes to the financial statements

For the period ended 30 September 2023

14 Balances with banks		
- Current account with banks in Nigeria		
Balances with banks	<u>3,315,612</u>	<u>2,154,283</u>
	<u>3,315,612</u>	<u>2,154,283</u>
Current	<u>3,315,612</u>	<u>2,154,283</u>
Non-Current	<u>-</u>	<u>-</u>
	<u>3,315,612</u>	<u>2,154,283</u>

	30 September 2023 N'000	30 September 2022 N'000
15 Financial assets held for trading		
Corporate bonds	<u>80,253</u>	218,315
FGN bonds	<u>98,196</u>	194,066
FGN promissory note	<u>-</u>	1,212,741
	<u>178,449</u>	<u>1,625,123</u>

	30 September 2023 N'000	30 September 2022 N'000
16 Leases		
i Right-of-use assets		
Opening balance as at 1 January 2022	20,655	20,655
Additions during the year	-	-
Closing balance as at 31 December 2022	<u>20,655</u>	<u>20,655</u>
Depreciation		
Opening balance as at 1 January 2022	3,304	2,478
Charge for the year	620	620
Closing balance as at 31 December 2022	<u>3,924</u>	<u>3,098</u>
Net book value as at 31 December 2022	<u>16,731</u>	<u>17,557</u>

Notes to the financial statements

For the period ended 30 September 2023

			30 September 2023 N'000	30 September 2022 N'000
ii	Lease liabilities			
	Opening balance as at 1 January 2022		15,865	14,676
	Additions		-	-
	Interest expense		1,549	1,860
	Payments made during the period		-	-
	Closing balance as at 31 December 2022		17,414	16,536
	Current lease liabilities		-	2,384
	Non-current lease liabilities		17,414	14,152
			17,414	16,536
iii	Amounts recognised in the statement of profit or loss			
	Depreciation charge of right-of-use assets		620	620
	Interest expense		1,549	1,860
iv	Liquidity risk (maturity analysis of lease liabilities)			
		0-3 months	3-12 months	1-2 years
	Lease liability			Above 2 years
	2022	-	-	-
	2021	-	-	46,200
		-	-	46,200
			30 September 2023 N'000	30 September 2022 N'000
17 Other assets	Financial:			
	Rent receivables		201,919	225,897
	ECL provision		(89,609)	(170,395)
			112,310	55,502
	Non financial:			
	Prepaid expenses		7,089	4,599
			7,089	4,599
			119,399	60,101
	Current		119,399	60,101
	Non-Current		-	-
			119,399	60,101
	ECL provision			
	Opening Balance		(89,609)	(13,540)
	Impairment Charge for the year		-	(15,371)
	Closing Balance		(89,609)	(28,911)

Notes to the financial statements

For the period ended 30 September 2023

18 Investment property

Beginning balance	23,026,444	21,480,000
Additions (Asset under construction)	63,113	929,118
Improvement		47,294
Fair value gain/(loss)	-	
	<u>23,089,557</u>	<u>22,456,413</u>
Non-Current	<u>23,089,557</u>	<u>22,456,413</u>

Details of the investment property is in note 4.2.

19 Property and equipment

	Office equipment N'000	Fixtures & fittings N'000	Total N'000
Cost			
At 1 January 2022	356,868	183,002	539,870
Additions	63,293	8,578	71,871
At 30 June 2023	<u>420,161</u>	<u>191,580</u>	<u>611,741</u>
Accumulated depreciation			
At 1 January 2022	283,183	165,315	448,498
Charge for the year	32,593	13,535	46,128
At 30 June 2023	<u>315,776</u>	<u>178,850</u>	<u>494,626</u>
Net book amount at 1 January 2023	<u>73,685</u>	<u>17,687</u>	<u>91,372</u>
Net book amount at 30 June 2023	<u>104,385</u>	<u>12,730</u>	<u>117,115</u>

Property and equipment continued

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

20 Other liabilities

Financial liabilities:

Fund manager's fee payable	28,396	35,157
Custodian fees payable	5,324	5,295
Caution deposits	6,173	3,473
Accrued expenses	36,768	49,405
Other Payables	19,772	26,178
SEC Supervisory Fees Payable	-	
	<u>96,433</u>	<u>119,509</u>

Non financial Liabilities

VAT payable	215	215
	<u>215</u>	<u>215</u>
	<u>96,648</u>	<u>119,724</u>
Current	96,648	119,724
Non-Current	-	-
	<u>96,648</u>	<u>119,724</u>

Notes to the financial statements**For the period ended 30 September 2023**

	30 September 2023 N'000	30 September 2022 N'000
21 Rent received in advance		
Rent received in advance	<u>652,348</u>	<u>564,731</u>
	<u>652,348</u>	<u>564,731</u>
Current	<u>614,395</u>	<u>488,930</u>
Non-Current	<u>37,953</u>	<u>75,801</u>
	<u>652,348</u>	<u>564,731</u>
<hr/>		
22 Unit holders' contribution		
Authorised		
3,000,000,000 units of N10 each	<u>30,000,000</u>	<u>30,000,000</u>
Issued and fully paid		
2,668,269,500 units of N10 each	<u>26,682,695</u>	<u>26,682,695</u>
