



# REPUBLIC REIT

**2020**  
ANNUAL  
REPORT



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 **Republic Investments**



# REIT

Real Estate Investment Trust

ANNUAL  
REPORT  
2020

# THE MANAGER

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<b>NAME</b>	Republic Investments (Ghana) Limited
<b>COUNTRY OF INCORPORATION</b>	Ghana
<b>REGISTRATION NUMBER</b>	CS058092017
<b>NATURE OF CORPORATE FORM</b>	Limited liability, wholly owned subsidiary of Republic Bank (Ghana) PLC
<b>REGISTERED OFFICE</b>	Ebankese No. 35 Sixth Avenue, North Ridge P.O. Box CT 4603 Cantonments, Accra
<b>PRINCIPAL PLACE OF BUSINESS</b>	No. 48A Sixth Avenue North Ridge, Accra
<b>DATE OF INCORPORATION</b>	7th July, 1993
<b>CAPITALISATION:</b>	
<b>AUTHORISED</b>	10,000,000 (Ten million) Ordinary shares of no Par value
<b>ISSUED</b>	4,609,601
<b>AUDITORS</b>	John Kay and Co Chartered Accountants 7th Floor, Trust Towers Farrar Avenue, Adabraka P.O. Box KA 16088 Airport, Accra
<b>TRUSTEES</b>	Universal Merchant Bank (Ghana) Limited SSNIT Emporium Liberation Road Accra



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## NOTICE OF ANNUAL GENERAL MEETING

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NOTICE IS HEREBY GIVEN THAT the 25th Annual General Meeting (AGM) of Unit Holders of Republic Real Estate Investment Trust will be held virtually via Zoom on Wednesday, June 30, 2021 at 12:00noon to transact the following business:

### **AGENDA ORDINARY BUSINESS**

1. To receive the Report of the Manager for the Year 2020.
2. To receive and adopt the Annual Report and the Audited Statement of Income and Expenditure of Republic Real Estate Investment Trust (REIT) for the financial year ended December 31, 2020, together with the Trustees Report and Auditors Report thereon.
3. To authorize the Fund Manager to fix the remuneration of the Auditors for the year 2021.

### **NOTE**

#### **General**

Following the amendment of the Constitution of the Fund Manager, which permits the Fund Manager to hold virtual or hybrid General Meetings as and when the Fund Manager deems it fit so to do, attendance and participation by all members and/or their proxies at this year's AGM shall be strictly virtual or by electronic means (online participation).

Dated this 9th day of June, 2021.

COMPANY SECRETARY  
BY ORDER OF THE MANAGER

### **DRAFT RESOLUTIONS ORDINARY RESOLUTIONS**

1. That the Fund Manager's Report for the year ended December 31, 2020 be received.
2. That the Audited Financial Statement of Income and Expenditure of Republic Real Estate Investment Trust (REIT) for the financial year ended December 31, 2020 together with the Trustee's Report and the Auditors' Report be received and adopted.
3. That the Fund Manager be and is hereby authorized to fix the remuneration of the Auditors for the Financial Year 2021.

### **PROCEDURE FOR PARTICIPATION To Register for the AGM**

The registration link shall be forwarded to the email addresses and contact numbers of Unit Holders to enable those who wish to participate in the AGM to register accordingly. Unit Holders shall be required to provide relevant information to complete the registration process.

After registering, Unit Holders will receive a confirmation email containing information about joining the AGM.

### To Participate in the AGM

Ensure you have downloaded the Zoom Application onto your device.

#### 1. Raise your hand to either second a motion or ask a question

##### On PC

- Click "Participants".
- Click "Raise Hand" at the bottom of the participants' dialogue box.

##### On Mobile

- Tap the three dots labeled "More" on the far right of the control bar.
- Tap "Raise Hand" to raise hand.

#### 2. Type your question

##### On PC

- Click "Q&A" at the bottom of the participants' dialogue box.
- Type your question and submit.

##### On Mobile

- Tap the three dots labeled "More" on the far right of the control bar.
- Click "Q&A" to type your question.

#### 3. Use the polling feature to vote for or against a motion.

##### On PC or Mobile

- When it is time to vote, the poll will appear on your screen.
- Tap/Click your preferred option (FOR or AGAINST) to cast your vote.

When voting ends, the results will be shared on your screen.

For more information on participating in the meeting, kindly visit our website at

[www.republicinvestmentsgh.com](http://www.republicinvestmentsgh.com)

### Proxy

A Unit Holder who is entitled to attend and vote may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a unit holder. A completed proxy form should be deposited at the registered office of the Fund Manager at No. 48A, Sixth Avenue, North Ridge, Accra or via email to [investments@republicghana.com](mailto:investments@republicghana.com) not later than 48 hours before the appointed time of the meeting. A proxy form is provided in the Annual Reports of the Fund and is also available on the Fund Manager's [website www.republicinvestmentsgh.com](http://www.republicinvestmentsgh.com).

All relevant documents in connection with the meeting are available to unit holders from the date of this Notice on the Company's website ([www.republicinvestmentsgh.com](http://www.republicinvestmentsgh.com)) and at the Company's registered office aforesaid.

## STATEMENT OF TRUSTEES RESPONSIBILITIES

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The Trust Deed requires the Trustees to prepare financial statements for each financial period, which gives a true and fair view of the state of affairs of the Republic Real Estate Investment Trust. In Preparing the financial statements, the Trustees are required to:

1. Select suitable accounting policies and apply them consistently
2. Make judgements and estimates that are responsible and prudent
3. State whether applicable accounting standards have been followed, subject to any material departures, disclosed and explain them in the financial statements and
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the investment Trust will continue in business.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Republic Real Estate Investment Trust, which will ensure that the financial statements comply with the Trust Deed and Securities Industry Act, 2016 (Act 929). They are also responsible for safeguarding the assets of the Investment Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The statements should be read in conjunction with the statement of the Auditors' responsibilities as set out on page 16, the respective responsibilities of the Trustees and the Auditors in relation to the financial statements.



## REPORT OF THE TRUSTEES

TO THE UNIT HOLDERS OF REPUBLIC REAL ESTATE INVESTMENT TRUST

In our opinion, according to the information made available to us and the explanations provided, we confirm that in all material respects, the manager has managed the scheme during the year covered by these financial statements in accordance with the Trust Deed dated 1st August, 2018 and all regulations for the time being in force under the Unit Trust and Mutual Funds Regulations, 2001, (L.I. 1695).

Dated this 30th Day of April, 2021



For: UNIVERSAL MERCHANT BANK (GHANA) LIMITED

Universal Merchant Bank  
(Ghana) Limited  
SSNIT Emporium  
Liberation Road  
Accra

## FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020

### A. Economic Overview

#### Global Economic Review

The global economy, which was projected to grow at 2.9% for the year 2020, is gradually recovering from the depths to which it had plummeted. The easing of restrictions and the mass vaccination campaigns led by the World Health Organization (WHO) has contributed to reduction in reported cases across the globe, impacting positively on global economic recovery and growth prospects.

#### Ghanaian Economic Review

The Ghanaian economy grew by 0.9% in 2020 from a position of 7.9% the previous year, according to the Ghana Statistical Service. The economy saw some improvements in its macroeconomic indicators on the back of effective monetary policy and interest rates management and a near containment of inflation within the target band.

#### Highlight of Key Economic Indicators

##### **Inflation:**

Headline inflation was 10.4% in December 2020 compared to 7.9% in December 2019. Inflationary pressures caused by government spending and increase in food prices moved the rate beyond the government's band of 8% +/-2.

##### **Exchange Rate:**

The Ghanaian cedi was relatively stable against some of the major trading currencies. It is worthy of note that the local currency performed better in 2020 amid Covid 19. This was mainly due to the substantial reserve build up by the Central Bank, successful issuance of the Eurobond as well as IMF's rapid credit facility. According to the

## FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020 (CONT'D)

Bank of Ghana, the Cedi depreciated against the US Dollar, Pound Sterling and Euro by 3.90%, 7.10% and 12.10% respectively in 2020 as against 12.9%, 15.70% and 11.20% in 2019.

### Interest Rates:

Interest rates continued a downward trend as the government sought to reduce the pricing of new bond issuances, and interest payments on its borrowings, re-adjusting the yield curve. The 91 and 182-day Treasury bill rates reduced to 14.08% and 14.13% respectively in December 2020 as compared to 14.69% and 15.15% in December 2019. Similarly, the yields quoted for the 2-year note and 3-year GOG bonds reduced from 20.95% and 19.70% in 2019 to 18.5% and 19.25% respectively in 2020. The monetary policy rate was reduced from 16% in 2019 to 14.50% in 2020. The interbank rate however averaged between 15.20% and 13.56%, which created a lot of liquidity on the market.

### Stock Market Performance

The stock market was bearish in 2020 as the Covid-19 pandemic and its effects impacted the performance of listed companies. The second quarter however recorded its worst performance over the past 18 months. Due to the uncertainties of the pandemic and general economic depression, investors generally reduced their exposure to risk by selling off stocks in favour of safe investment options such as GOG instruments. Market sentiments impacted the performance of the stock market in 2020, resulting in the GSE-CI closing the year 2020 on a bearish note with a year to date loss of (13.98)%, compared with a loss of (9.69)% recorded in the previous year 2019. Similarly, the GSE-FSI closed the year 2020 with a year-to-date loss of (11.73)% as against a loss of (6.23)% in 2019. The stock market is expected to rebound in 2021 as the negative effects of the pandemic continue to abate.

## FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020 (CONT'D)

### Economic Outlook for 2021

Interest rates are estimated to continue their downward trend despite a projected inching up of Ghana's debt levels. The monetary policy rate is expected to remain fairly stable with less fluctuation. Inflation is projected to inch up in the short-term but remain within the target band of 8% +/-2% by close of the year. Global debt levels are however expected to rise as countries speed up funding to access vaccines, and manage economic stability.

### B. OVERVIEW OF THE REAL ESTATE SECTOR

The real estate sector had its share of the impact of the COVID-19 pandemic. The industry was characterized by the convergence of vacant properties, loss of rent and declining rental yields, cancellation of tenant leases and emergence of smaller office spaces. In some instances, tenants were given reprieve as property owners overlooked a few months' rent in exchange for extended leases for the same duration. The pandemic triggered changes in the real estate industry, specifically for retail and office spaces. The real estate market remained sluggish in 2020 despite the ever-expanding housing deficit. Considerable number of properties in Accra and its environs had "For Rent" or "For Sale" banners, with owners ready to negotiate prices downwards. At the high end of the market a 3BD apartment whose rental charge would have been anywhere between \$3,000 to \$3,500 per month in 2019, were now fetching between \$2,000 to \$2,800 per month in 2020. Prime retail space that were letting at \$40 per square meter in 2019 were available to be negotiated down by as much as 10% - 30%.

## FUND MANAGER'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2020 (CONT'D)

### C. FUND PERFORMANCE

The pandemic related challenges notwithstanding, Republic REIT's assets grew by 4.19% from GHS65.43million in 2019 to end the year 2020 at GHS68.17million, with an annualised yield of 7.41%. Significantly though, is the fact that your fund remained resilient in the face of a slowdown in the real estate sector. The number of unit holders in the fund increased over the year under review from 6,227 to 6,252 unitholders.

### D. PORTFOLIO REVIEW AND ASSET MIX

Given its real estate focus, the portfolio mix as at the end of the review period was dominated by Properties, which made up 68.26% of the assets, as against a 69.46% allocation in the prior year. Investments in relatively liquid instruments comprising fixed income securities and cash made up the difference of 31.74%.

### E. FUND STRATEGY AND OUTLOOK FOR 2021

As a fund with twin objectives of providing an alternative asset class to support investment diversification and ensuring that being an open-ended fund, the liquidity demands of unitholders are met in a timely fashion, your fund manager will continue to deploy its skill in re-aligning the portfolio mix to realize these objectives. Largely as a result of the pandemic and its growing effect on the real estate market, your fund will identify opportunities at the high end of the retail market and emerging affordable housing considerations. We believe this is the way forward for your fund in its current guise and in the context of the prevailing conditions of the real estate market. The real estate sector is filled with optimism in 2021 and beyond despite a slower growth rate. With mortgage rates predicted to remain lower than the prior years, the demand for housing is expected to continue. For the real estate sector, 2021 will be about reinvention. The sector will be challenged to find

responses to events threatening property values and working from home arrangements. This uncharted territory will first involve preserving value across each portfolio, keeping tenants safe, emphasizing risk management, and business continuity planning in 2021. Collectively, the sector has always exhibited the resilience and creativity needed to repurpose assets and fast track construction when necessary.

By all accounts, the medium term outlook for the real estate market is a promising one. The initiatives by the government with a renewed commitment to providing an enabling environment for the private sector to thrive is welcome. In particular, the recommendation to set up a National Housing Authority will fuel interest and continuity in projects undertaken to address housing deficits. Indeed the country's demographic trends, characterised by rapid urbanisation and a fast growing middle class will continue to be a strong push factor that will fuel pressure for the market to meet their various housing needs. Notwithstanding these opportunities, there remain inconsistencies and difficulties that weigh down activities within the sector. These include the lack of adequate infrastructure, bureaucratic challenges, difficulties with land acquisition, glut in some property types suppressing rental yields. These are however not insurmountable hurdles. Creativity and resilience will be key themes your fund manager will adopt in shaping the direction of your fund.

The outlook for your fund is a promising one. We therefore cannot overemphasize the need to continue to diversify your investment portfolios with holdings in the Republic REIT.

Thank you for your custom and we look forward to a fulfilling year 2021.



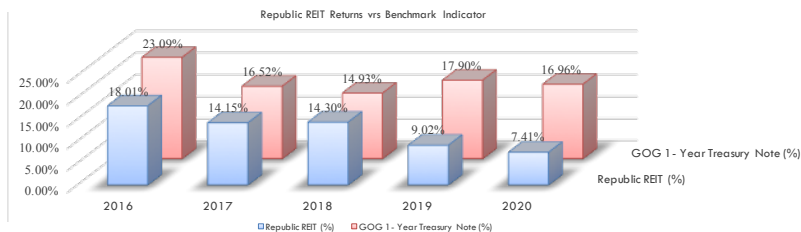
Madeline Nettey

Chief Executive Officer

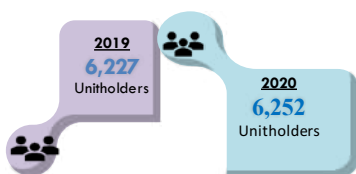
# REPUBLIC REIT: 2020 PERFORMANCE

## REPUBLIC REIT RETURNS VRS BENCHMARK INDICATOR

	2016	2017	2018	2019	2020	5yr Avg
<b>Republic REIT (%)</b>	18.01%	14.151%	14.30%	9.02%	7.41%	<b>12.58%</b>
<b>GOG 1- Year Treasury Note (%)</b>	23.09%	16.52%	14.93%	17.90%	16.96%	<b>17.88%</b>



## NUMBER OF UNIT HOLDERS



## FUND VALUE

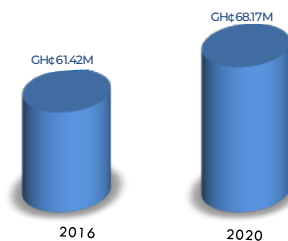
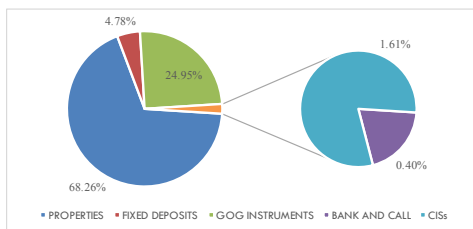


## 2020 RETURN (YTD)

**7.41%**

## GROWTH IN FUND VALUE: AMOUNT IN GH¢ MILLION

## PORTFOLIO MIX- GROSS FUND VALUE 2020



## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF REPUBLIC REIT



John Kay & Co.

7th Floor, Trust Towers  
Farrar Avenue, Adabraka  
P. O. Box KA 16088  
Airport, Accra

Tel: +233 302 235406  
+233 302 238370  
Fax: +233 302 238371  
Email: jkayal@yahoo.com

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF REPUBLIC REAL ESTATE INVESTMENT TRUST

### Opinion

We have audited the financial statements of Republic Real Estate Investment Trust which comprise the statement of financial position as at December 31, 2020, and the income and distribution account and statement of movement in net assets and issued units for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and explanatory notes as set out on pages 22 to 30.

In our opinion, the financial statements give a true and fair view of the financial position of Republic Real Estate Investment Trust as at December 31, 2020 and of its financial performance and its cash flows for the year then ended and are in accordance with International Financial Reporting Standards and in the manner required by the Securities Industry Act, 2016 (Act 929) and the Unit Trusts and Mutual Funds Regulations, 2001 (L. I. 1695) and the Companies Act, 2019 (Act 992).

### 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



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## INDEPENDENT AUDITORS' REPORT

### TO THE UNIT HOLDERS OF REPUBLIC REIT (CONT'D)

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the Financial Statements section of our report. We are independent of the trust in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for the year ended 31 December 2020. These matters were addressed in the context of the 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. We have determined the following matters as key audit matters:

#### 1. Income Recognition

Income is an important measure of performance and represents a material item in the trust's income and distribution account. The trust generates income from investment of members' funds. Given that some of the trust's investments will mature beyond 31 December 2020, the cut-off date of 31 December 2020 is significant to ensure that amounts that will accrue after this date are not recognized as income in the current financial statements. In this regard, we consider income recognition as key audit matter.

#### How the matter was addressed in our audit

Our audit procedures included the following;

- a. We reviewed the design and implementation of controls over the trust's investment valuation procedures and income recognition

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## INDEPENDENT AUDITORS' REPORT

### TO THE UNIT HOLDERS OF REPUBLIC REIT (CONT'D)

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- b. For a sample of significant investments, we obtained evidence of their existence, their particulars and recomputed the income recognized on these investments to verify their accuracy.
- c. Evaluated the adequacy of the accounting policies and the disclosures on income recognized in the trust's income and distribution account.

#### **1. Impact of COVID-19**

The COVID-19 pandemic had significant impact on management's assumptions and judgments of the financial statement. The pandemic led to significant economic, accounting and regulatory developments that affected the operations of the trust during 2020. These developments also affected our overall approach to the audit. We therefore consider the impact of COVID-19 as a key audit matter.

#### **How the matter was addressed in our audit**

Our audit procedures included the following;

- a. Reviewed policies and directives from Government of Ghana and the Securities and Exchange Commission applicable to the operations of the trust to confirm compliance
- b. Reviewed the credit risk assessment of the trust's assets as a result of COVID-19 and reviewed the adequacy of impairment provisions made for the trust's assets
- c. Performed procedures to ensure income is not recognized on assets that are impaired as a result of the COVID-19 pandemic

#### **Responsibilities of the Trustees for the Financial Statements**

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in the manner required by the Securities Industry Act, 2016 (Act 929) and the Unit Trusts and Mutual Funds Regulations, 2001, (L.I. 1695) and the Companies Act, 2019 (Act 992) and for such internal control as the trustees determines is necessary

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## INDEPENDENT AUDITORS' REPORT

### TO THE UNIT HOLDERS OF REPUBLIC REIT (CONT'D)

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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 trustees are 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 trustees either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so. The trustees are responsible for overseeing the trust's financial reporting process.

#### **Auditors' 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 International Standards on Auditing 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 International Standards on Auditing, 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

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF REPUBLIC REIT (CONT'D)

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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 Trustees.
- Conclude on the appropriateness of the Trustees' 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 Trustees 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.

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## INDEPENDENT AUDITORS' REPORT

### TO THE UNIT HOLDERS OF REPUBLIC REIT (CONT'D)

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#### Report on Other Legal and Regulatory Requirements

The Companies Act, 2019, (Act 992) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the Trust, so far as appears from our examination of those books, and
- The Trust's Statement of Assets and Liabilities and Income and Distribution Account are in agreement with the books of accounts



JOHN ARMSTRONG YAO KLINOGO  
(P/No-ICAG/P/1116)

For and on behalf of John Kay & Co. (ICAG/F/2020/128)  
Chartered Accountants  
Accra

30<sup>th</sup> April, 2021



# FINANCIAL STATEMENTS

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31 DECEMBER 2020

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REPUBLIC REAL ESTATE  
INVESTMENT TRUST

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### STATEMENT OF ASSETS AND LIABILITIES

AT 31 DECEMBER 2020

	Note	2020 Market Value GH¢	% Net Assets	2019 Market Value GH¢	% Net Assets
<b>Non-Current Assets</b>					
Land - Serviced Plots		12,708,481	18.65	12,725,481	19.35
Investment Properties		24,759,934	36.33	23,517,885	35.76
Work in Progress		<u>8,756,023</u>	<u>12.85</u>	<u>8,756,023</u>	<u>13.32</u>
<b>Total Non-Current Assets</b>		<b><u>46,224,438</u></b>	<b><u>67.82</u></b>	<b><u>44,999,389</u></b>	<b><u>68.43</u></b>
<b>Short Term Funds</b>					
Cash and Cash Equivalents	8	195,309	0.29	321,286	0.49
Investments at Amortized Cost	9	20,405,872	29.94	18,743,948	28.50
Republic Unit Trust	11	737,840	1.08	716,669	1.09
Republic Equity Trust	11	<u>365,397</u>	<u>0.54</u>	<u>393,986</u>	<u>0.60</u>
<b>Total Short Term Funds</b>		<b><u>21,704,418</u></b>	<b><u>31.85</u></b>	<b><u>20,175,889</u></b>	<b><u>30.68</u></b>
<b>Total Financial Assets</b>		<b><u>67,928,856</u></b>	<b><u>99.67</u></b>	<b><u>65,175,278</u></b>	<b><u>99.11</u></b>
Other Assets in Excess of Liabilities		<u>225,538</u>	<u>0.33</u>	<u>583,152</u>	<u>0.89</u>
<b>Net Financial Assets</b>		<b><u>68,154,394</u></b>	<b><u>100</u></b>	<b><u>65,758,430</u></b>	<b><u>100</u></b>

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2020

	Note	2020 GH¢	2019 GH¢
<b>Assets</b>			
Total Financial Assets		67,928,856	65,175,278
<b>Other Assets:</b>			
Property Debtors		4,541	218,916
Rent Income Receivable		388,889	388,889
Republic Current Account		<u>211,749</u>	<u>136,619</u>
<b>Total Assets</b>		<b><u>68,534,035</u></b>	<b><u>65,919,702</u></b>
<b>Liabilities:</b>			
Amount Due to Managers		108,629	90,175
Management Fees Payable		145,104	-
Trustees Fees Payable		67,375	32,855
Auditors' Remuneration Payable		<u>58,533</u>	<u>38,242</u>
<b>Total Liabilities</b>		<b><u>379,641</u></b>	<b><u>161,272</u></b>
<b>Net Financial Assets</b>		<b><u>68,154,394</u></b>	<b><u>65,758,430</u></b>
<b>Represented by:</b>			
Accumulated Income		34,727,987	31,554,835
Revaluation Reserves	10	27,689,207	26,447,154
Capital Account		<u>5,737,200</u>	<u>7,756,441</u>
<b>Members' Fund</b>		<b><u>68,154,394</u></b>	<b><u>65,758,430</u></b>

SIGNED FOR REPUBLIC INVESTMENTS (GHANA) LIMITED ON 29TH APRIL, 2021



CHIEF EXECUTIVE OFFICER



DIRECTOR



## REPUBLIC REAL ESTATE INVESTMENT TRUST

### INCOME AND DISTRIBUTION ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 GH¢	2019 GH¢
<b>Investment Income:</b>			
Fixed Deposit		1,953,596	2,891,617
Bond		856,220	1,002,518
Call Account		5,666	25,961
Rent Income		1,555,556	1,555,556
Other Income	6	<u>182,143</u>	<u>354,237</u>
<b>Total Investment Income</b>		<b><u>4,553,181</u></b>	<b><u>5,829,889</u></b>
<b>Expenses</b>			
Management Fees		1,137,072	1,123,257
Auditor's Remuneration		48,065	52,956
Other Expenses	7	61,478	3,259,728
Trustee Fees		<u>133,414</u>	<u>142,740</u>
<b>Total Expenses</b>		<b><u>1,380,029</u></b>	<b><u>4,578,681</u></b>
<b>Net Investment Income</b>		<b><u>3,173,152</u></b>	<b><u>1,251,208</u></b>

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### ACCUMULATED NET INVESTMENT INCOME

	Note	2020 GH¢	2019 GH¢
Balance at January 1		31,554,835	30,303,627
Net Investment Income		<u>3,173,152</u>	<u>1,251,208</u>
<b>Balance at December 31</b>		<b><u>34,727,987</u></b>	<b><u>31,554,835</u></b>

### STATEMENT OF MOVEMENT IN NET ASSETS

	Note	2020 GH¢	2019 GH¢
Net Investment Income		3,173,152	1,251,208
Change in Unrealised Gains	10	<u>1,242,053</u>	<u>4,863,419</u>
<b>Increase in Net Assets from Operations</b>		<b><u>4,415,205</u></b>	<b><u>6,114,627</u></b>
Capital Transactions:			
Value of Units Sold and Converted		4,460,261	8,039,042
Value of Units Disinvested		<u>(6,479,502)</u>	<u>(19,671,633)</u>
<b>Net Proceeds from Capital Transactions</b>		<b><u>(2,019,241)</u></b>	<b><u>(11,632,591)</u></b>
Total Increase / (Decrease) in Net Assets		2,395,964	(5,517,964)
Balance at January 1		<u>65,758,430</u>	<u>71,276,394</u>
<b>Balance at December 31</b>		<b><u>68,154,394</u></b>	<b><u>65,758,430</u></b>

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### STATEMENT OF MOVEMENT IN ISSUED UNITS

	2020	2019
Number of units at January 1	18,495,049	21,469,602
Number of units issued during the year	<u>1,564,752</u>	<u>2,170,361</u>
Number of units disinvested during the year	<u>(2,065,990)</u>	<u>(5,144,914)</u>
<b>Number of units at December 31</b>	<b><u>17,993,811</u></b>	<b><u>18,495,049</u></b>

### CAPITAL ACCOUNT

CAPITAL ACCOUNT	Units	2020 GH¢	Units	2019 GH¢
Balance at January 1	18,495,049	7,756,441	21,469,602	19,389,032
Value of units sold and Converted	<u>1,564,752</u>	<u>4,460,261</u>	<u>2,170,361</u>	<u>8,039,042</u>
Value of Units Disinvested	<u>(2,065,990)</u>	<u>(6,479,502)</u>	<u>(5,144,914)</u>	<u>(19,671,633)</u>
<b>Balance at December 31</b>	<b><u>17,993,811</u></b>	<b><u>5,737,200</u></b>	<b><u>18,495,049</u></b>	<b><u>7,756,441</u></b>

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 6. OTHER INCOME

	2020 GH¢	2019 GH¢
Exchange Difference	52,371	2,402
Other Income	<u>129,772</u>	<u>351,835</u>
	<b><u>182,143</u></b>	<b><u>354,237</u></b>

#### 7. OTHER EXPENSES comprise the following

	2020 GH¢	2019 GH¢
Bank Charges	17,725	35,621
General Expense	29,875	99,900
Trading Expenses	13,878	271,263
Loss on sale of property	-	<u>2,852,944</u>
	<b><u>61,478</u></b>	<b><u>3,259,728</u></b>

#### 8. CASH AND CASH EQUIVALENTS

	2020 GH¢	2019 GH¢
Cash at Bank	<b><u>195,309</u></b>	<b><u>321,286</u></b>

#### 9. INVESTMENTS AT AMORTIZED COST

	2020 GH¢	2019 GH¢
Fixed Deposits	3,266,613	4,138,198
Bonds	6,456,107	6,891,398
Secondary Market Instruments	<u>10,683,152</u>	<u>7,714,352</u>
	<b><u>20,405,872</u></b>	<b><u>18,743,948</u></b>

## REPUBLIC REAL ESTATE INVESTMENT TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

#### 10. UNREALIZED GAINS / (LOSSES) ON INVESTMENTS

	2020 GH¢	2019 GH¢
Market Value of Investments	46,224,438	44,999,389
Cost of Investments	<u>(44,982,385)</u>	<u>(40,135,970)</u>
Change in Unrealised gains	1,242,053	4,863,419
Add Unrealised gains from previous years	<u>26,447,154</u>	<u>21,583,735</u>
<b>Unrealised gains as at December 31</b>	<b><u>27,689,207</u></b>	<b><u>26,447,154</u></b>

## 11. RELATED PARTY TRANSACTIONS

The Trust is related to Republic Unit Trust, Republic Equity Trust and Republic Future Plan Trust through common Trustee and Fund Manager. As at 31st December 2020, the Trust has investments of GH¢737,840 and GH¢365,397 in Republic Unit Trust and Republic Equity Trust respectively.

## 12. CONTINGENT LIABILITIES

### I. O'Sullivan Estates Project

Republic Real Estate Investment Trust invested in this project together with O'Sullivan Estate Limited for the development and sale of residential properties and serviced plots. O'Sullivan Estate Limited had Land Title Certificate on the serviced land issued to it by the Land Title Registry. The project was completed in 2006 with the sale of the houses and serviced plots to interested buyers.

Subsequently, O'Sullivan Estate Limited was served with 2 writs from persons claiming ownership to parts of the land.

- Joseph Bortei Sessey Bortei vrs O'Sullivan Estates Limited
- J. K. Oppong & Paulina Oppong vrs. O'Sullivan Estates Limited

Some purchasers who did not immediately develop their properties had their lands encroached on and subsequently initiated the following writs against O'Sullivan Estate Limited and the Trust:

- Dr. Kwame Osei Akosah & Vivian Akosah vrs. Republic Realty Limited, O'sullivan Estates Limited & Home Finance Investment Fund Limited
- Esther Grace Ewool vrs Republic Investment (Ghana) Limited, Republic Realty Limited & O'sullivan Estates Limited
- Osei Owusu Ansa vrs Republic Bank (Ghana) Limited & O'sullivan Estates Limited

# PROXY FORM

Annual General Meeting of Republic REIT is to be held virtually via Zoom on Wednesday, June 30, 2021 at 12:00noon.

I/We..... being a Unit holder(s) hereby appoint

.....as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Fund to be held on 30th June, 2021 and at any adjournment thereof.

Dated this 9th day of June, 2021.

.....  
Unit Holder(s) Signature

RESOLUTION	FOR	AGAINST
To receive the Report of the Manager for the Year 2020		
To receive and adopt the Annual Report and the Audited Statement of Income and Expenditure of Republic Real Estate Investment Trust (REIT) for the financial year ended December 31, 2020, together with the Trustees Report and Auditors Report thereon.		
To authorize the Fund Manager to fix the remuneration of the Auditors for the Year 2021.		

Please indicate with an “X” in the appropriate square how you wish your votes to be cast on the resolutions set out above.

Unless otherwise instructed, the proxy will vote for, against or abstain from voting at his/her discretion.

**(Do not complete this form if you will attend the meeting)**













## It's not too early to invest into their future

You can guarantee your children the future they deserve by starting their investment journey for them with Republic Future Plan Trust

Talk to us to show you how.

📞 028 9669310 | 028 9669311

CONTACT US 📞 028 9669310 | 028 9669311 📞 0592300063



[www.republicinvestmentsgh.com](http://www.republicinvestmentsgh.com)



[investments@republicghana.com](mailto:investments@republicghana.com)



**Republic Investments**



## Republic Investments

No. 48A Sixth Avenue  
North Ridge, Accra  
P.O. Box CT4603, Cantonments, Accra  
[investments@republicghana.com](mailto:investments@republicghana.com)  
[www.republicinvestmentsgh.com](http://www.republicinvestmentsgh.com)  
028 9669310 • 028 9669311