



STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND SHARE HOLDERS ON THE AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present the summary financial information of Unity Bank Plc for the year ended 31 December 2019. These summary financial information are derived from the full financial statements for the year ended 31 December 2019 and are not the full financial statements of the Bank.

The full financial statements, from which these summary financial information were derived, will be delivered to the Corporate Affairs Commission within the required deadline.

The Company's Auditors issued an unmodified audit opinion on the full financial statements for the year ended 31 December 2019 from which these summary financial information were derived. An electronic copy of the full consolidated and separate financial statements can be obtained at www.unitybankng.com.

STATEMENT OF FINANCIAL POSITION				STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
	2019 N'000	2018 N'000 <i>restated</i>	2017 N'000 <i>restated</i>		2019 N'000	2018 N'000 <i>restated</i>	
ASSETS				Gross Earnings			
Cash and balances with Central Bank	14,209,138	9,340,378	5,575,491	Interest income	44,587,371	34,653,753	
Due from banks	33,725,276	32,690,650	16,520,573	Interest expense	(3,941,917)	(29,205,950)	
Loans and advances to customers	104,017,725	44,906,859	8,928,127	Net interest income	16,497,131	13,970,137	
Investment Securities:				Fee and commission income	4,977,761	5,291,812	
At fair value through other comprehensive income	87,626,055	76,669,150	58,703,358	Net fee and commission income	4,977,761	5,291,812	
Debt instruments at amortized cost	29,209,131	20,504,236	21,501,033	Net trading income/(loss)	329,281	(1,642,814)	
Property and equipment	21,943,559	80,866	112,334	Other operating income	3,332,282	4,388,825	
Intangible assets	136,201	-	-	Total operating income	25,136,457	20,417,969	
Other assets	2,528,985	8,295,340	4,114,322	Impairment losses on financial assets	(1,921,923)	(5,958,492)	
Deferred tax assets	-	-	-	Net operating income	23,214,534	14,459,477	
TOTAL ASSETS	293,052,070	210,800,841	134,957,181	Personnel expenses	(9,436,816)	(1,296,491)	
				Depreciation of property and equipment	(1,708,636)	(81,885)	
LIABILITIES				Amortisation of intangible assets	(48,817)	(6,354,148)	
Due to other banks	108,240,698	100,347,202	43,897,843	Other operating expenses	(8,374,321)	-	
Deposits from customers	257,691,182	247,630,564	228,230,468	Total operating expenses	(19,568,590)	(20,713,469)	
Borrowings	183,303,723	105,211,139	80,545,363	Profit/(loss) before tax	3,645,944	(7,553,701)	
Current tax liabilities	22,044,718	901,187	710,127	Minimum tax expense	(222,990)	(117,849)	
Other liabilities	6,331	30,431,810	39,303,807	Income tax expense	(15,383)	(54,670)	
Employee benefit liabilities	-	34,493	44,810	Profit/(loss) after tax	3,383,169	(7,695,320)	
TOTAL LIABILITIES	571,907,958	495,478,495	408,873,979	Profit/(loss) after tax	3,383,169	(7,695,320)	
EQUITY				Other comprehensive income	-	-	
Share capital	5,844,669	5,844,669	5,844,669	Items that will never be reclassified to profit or loss:	-	-	
Share premium	10,485,871	10,485,871	10,485,871	Fair value gains on equity instruments at FVOCI	438,373	-	
Statutory reserve	12,437,216	11,899,737	11,899,737	Items that are or may be reclassified to profit or loss:	-	-	
Accumulated Deficit	(374,443,951)	(377,319,662)	(397,417,643)	Fair value gain/(loss) on debt securities at FVOCI	1,697,285	(660,024)	
Non-Distributable Regulatory Reserve	66,820,308	64,684,730	68,341,281	Other comprehensive income for the year net of tax	1,135,578	(620,242)	
Other reserves	-	-	-	Total comprehensive income for the year net of tax	4,518,747	(8,315,562)	
TOTAL EQUITY	(278,855,888)	(284,674,654)	(270,916,087)				
TOTAL LIABILITIES AND EQUITY	293,052,070	210,800,841	134,957,181				

STATEMENT OF CASHFLOW			
	2019 N'000	2018 N'000 <i>restated</i>	
FOR THE YEAR ENDED 31 DECEMBER 2019			
Cash flows from operating activities	3,283,189	(7,695,320)	
Profit after tax for the year	2,145,574	164,098	
Adjustment for non-cash items:			
Impairment charges on debt instruments	1,184,395	(2,797,315)	
Impairment charges on other assets	432,220	478,401	
Employee benefit charge for the year	(8,575)	31,284	
Exchange gain/loss on financial instruments	102,382	1,269,491	
Depreciation of property and equipment	(2,139,460)	(99,101)	
Amortisation of intangible assets	102,382	138,209	
Profit on disposal of property and equipment	(73,577)	-	
Write off of property and equipment	(3,193,597)	-	
Gain on substantial modification of terms of borrowings	(3,597,577)	(1,997,213)	
Gain from sale of investments	19,544,646	(9,395,860)	
Interest expense	(34,922,927)	(45,528,824)	
Interest income	254,927	(91,143)	
Dividend income	-	14,619	
Tax expense	(10,247,177)	(1,754,965)	
Changes in operating assets:			
Net (decrease)/increase in loans and advances	(82,072,657)	(38,373,092)	
Net (decrease)/increase in other assets	2,108,329	(9,775,649)	
Net (decrease)/increase in other liabilities	(64,244,488)	(45,149,642)	
Changes in operating liabilities:			
Net increase/(decrease) in deposits from customers	8,501,430	(6,127,034)	
Net increase/(decrease) in deposits from banks	7,622,798	37,209,697	
Net increase/(decrease) in other liabilities	16,371,055	(5,492,381)	
Net increase/(decrease) in other liabilities	-	42,730,202	
Cash generated from operations	(57,520,580)	(104,174,404)	
Income tax paid	(138,804)	(330,520)	
Interest received	34,666,791	30,829,423	
Interest paid	(16,025,929)	(14,411,499)	
Dividend income	51,302	101,143	
Proceeds from employee contribution plan	(660,362)	(445,719)	
Net cash flows used in operating activities	(39,427,642)	(44,469,926)	
Cash flows from investing activities	(1,728,933)	(748,093)	
Purchase of property and equipment	(104,152)	(30,490)	
Purchase of intangible assets	27,556	382,428	
Proceeds from sale of property and equipment	(79,349,853)	(18,078,813)	
Acquisition of investment securities at FVOCI	(1,818,051)	(4,019,223)	
Proceeds from disposal of investment securities at FVOCI	(1,271,913)	-	
Acquisition of investment securities at amortized cost	(10,808,148)	(23,034,099)	
Net cash flows used in investing activities	-	-	
Cash flows from financing activities	71,415,076	50,134,897	
Borrowings	14,028,694	(6,669,537)	
Proceeds from loans and borrowings	57,386,382	43,633,690	
Repayment of borrowing	-	-	
Net cash flows from financing activities	71,415,076	50,134,897	
Net increase/(decrease) in cash and cash equivalents	13,887,434	(1,335,029)	
Cash and cash equivalents at 1 January	41,203,202	30,106,688	
Cash and cash equivalents at 31 December	48,444,604	28,771,659	

INDEPENDENT AUDITORS REPORT ON THE SUMMARY FINANCIAL INFORMATION			
TO THE MEMBERS OF UNITY BANK PLC			
Report on the Summary Financial Information			
Opinion			
The summary financial information which comprise the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income for the year ended 31 December 2019 and the statement of cashflows for the year ended 31 December 2019 derived from the audited financial statements of Unity Bank Plc for the year ended 31 December 2019, in all material respects, with the audited financial statements in accordance with Companies and Allied Matters Act, CAP 424, Laws of the Federation of Nigeria 2004 and the Banks and Other Financial Institutions Act, Cap 48, Laws of the Federation of Nigeria 2004.			
Summary Financial Information			
The summary of the financial information do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act, CAP 424, Laws of the Federation of Nigeria, the Financial Reporting Council of Nigeria Act 2011, the Banks and Other Financial Institutions Act and the auditor report thereon, therefore, it is not a substitute for reading the audited financial statements and the auditor report thereon.			
The Audited Financial Statements and Our Report Thereon			
We express an unmodified audit opinion on the audited financial statements in our report dated 20 May 2020. That report also includes:			
Material Uncertainty related to going concerns			
We draw attention to note 27 to the financial statements, which indicates that as at 31 December 2019, the Bank's total liabilities exceeded its total assets by N87 billion. We note that the Bank did not meet the required minimum Capital Adequacy Ratio (CAR) of 10% for a national bank. As stated in Note 25, there exists a possibility of going concern. Our opinion is not modified in respect of this matter.			
Key audit matters			
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have included in our report the key audit matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.			
Emphasis of matter - Comparative Information			
We draw attention to note 27 to the financial statements which indicates that the comparative information presented as at and for the year ended 31 December 2018 has been restated. Our opinion is not modified in respect of this matter.			
Other matter relating to comparative information			
The financial statements of Unity Bank Plc as at and for the years ended 31 December 2019 and 31 December 2017 (from which the statement of financial position as at 31 January 2018 was derived), including the adjustments described in note 27 to the financial statements were audited by another auditor who expressed an unmodified opinion on those financial statements on 8 February 2019.			
Director's Responsibility for the Summary Financial Information			
The Directors are responsible for the preparation of a summary of the summary financial information in accordance with the Companies and Allied Matters Act of Nigeria, CAP 424, Laws of the Federation of Nigeria, 2004 and the Banks and Other Financial Institutions Act, CAP 48, Laws of the Federation of Nigeria, 2004.			
Auditor's Responsibility			
Our responsibility is to express an opinion on whether the summary financial information are consistent, in all material respects, with the audited financial statements based on our procedures which were conducted in accordance with the International Standard on Auditing (ISA) (Revised), Engagements to Report on Summary Financial Information.			
Report on Other Legal and Regulatory Requirements			
Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act, CAP 424, Laws of the Federation of Nigeria, 2004.			
In our opinion, proper books of account have been kept by the bank, as far as appears from our examination of those books and the Bank's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.			
Compliance with section 27(3) of the Banks and Other Financial Institutions Act, Cap 48, Laws of the Federation of Nigeria and Central Bank Circulars BCB/1/2004.			
1. The Bank paid penalty of N14 million in respect of contraventions of the Bank's and Other Financial Act during the year ended 31 December 2019. Details of these contraventions and penalty paid are disclosed in note 29 to the financial statements.			
2. Related party transactions and balances are disclosed in note 23 to the financial statements in accordance with the Central Bank of Nigeria Circular BCB/1/2004.			

The above summarized financial statements and report of the independent auditor are published in accordance with the requirements of Section 27 of Banks and Other Financial Institutions Act



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FRC/2019/ICAN/0000000190
For EPRAI Professional Services
(Chartered Accountant)
30 May 2020
Lagos, Nigeria