



STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND SHARE HOLDERS ON THE AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the abridged financial information of Unity bank Plc for the year ended 31 December 2020. These abridged financial information are derived from the full financial statements for the year ended 31 December 2020 and are not the full financial statements of the Bank. The full financial statements, from which these abridged financial information were derived, will be delivered to the Corporate Affairs Commission within the required deadline. The Bank's Auditors issued an unmodified audit opinion on the full financial statements for the year ended 31 December 2020 from which these abridged financial information were derived. An electronic copy of the full financial statements can be obtained at www.unitybankng.com.

STATEMENT OF FINANCIAL POSITION			STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	2020	2019		2020	2019
	N'000	N'000		N'000	N'000
Assets			Gross earnings	82,709,272	44,887,271
Cash and balances with Central Bank			Interest income	95,119,457	35,947,977
Due from banks	99,296,770	14,209,138	Interest expense	(21,872,315)	(19,454,646)
Loans and advances to customers	33,063,169	104,017,725	Net interest income	17,247,142	16,493,331
Investment Securities:			Fee and commission income	5,218,926	4,977,761
At fair value through other comprehensive income	62,039,611	87,262,055	Fee and commission income	5,218,926	4,977,761
Debt instruments at amortised cost	64,379,307	29,209,131	Net trading (loss)/ income	(1,817,080)	329,291
Property and equipment	21,915,364	21,963,559	Other operating income	2,185,267	3,332,242
Intangible assets	1,863,836	136,201	Total operating income	21,234,957	25,132,625
Other assets	5,324,417	2,528,985	Net reimbursement of ECL allowance on financial assets	4,127,332	(1,921,923)
Total assets	492,020,329	293,052,070	Net operating income	25,362,289	23,210,702
Liabilities			Personnel expenses	(10,408,996)	(9,436,816)
Due to other banks	106,699,303	108,240,698	Depreciation of property and equipment	(1,695,657)	(1,708,636)
Deposits from customers	358,615,192	257,691,182	Amortisation of intangible assets	(47,223)	(48,517)
Borrowings	24,467,633	183,303,723	Other operating expenses	(11,889,219)	(8,374,321)
Current tax liabilities	499,184	621,300	Total operating expenses	(23,043,099)	(19,568,509)
Other liabilities	38,741,644	22,044,718	Profit before tax	2,319,191	3,542,112
Employee benefit liabilities	1,115	6,331	Minimum tax expense	(114,679)	(222,660)
Total liabilities	767,430,328	571,907,958	Income tax expense	(22,123)	(36,243)
Equity			Profit after tax	2,086,393	3,383,189
Share capital	5,844,669	5,844,669	Profit for the year	2,086,393	3,383,189
Share premium	10,485,871	10,485,871	Other comprehensive income		
Statutory reserve	12,750,174	12,437,215	Items that will never be reclassified to profit or loss:		
Accumulated Deficit	(372,722,376)	(374,443,951)	Fair value gains on equity instruments at FVOCI	505,315	438,373
Non distributable Regulatory Risk Reserve	51,899	-	Items that are or may be reclassified to profit or loss:		
Other reserves	68,180,007	66,820,308	Net reclassification adjustment of realised losses to profit or loss	4,309,300	-
Total equity	(278,409,796)	(278,855,888)	Fair value gains on debt securities at FVOCI	(7,654,916)	1,697,205
Liabilities and equity	492,020,329	293,052,070	Other comprehensive income for the year net of tax	1,399,699	2,135,578
			Total comprehensive income for the year net of tax	3,486,092	5,518,766

The financial statements were approved by the Board of Directors for issue on 26 March 2021 and signed on its behalf by:

Aminu Babangida
Chairman
FRC/2018/IODN/0000018507

Toml Somefun
Managing Director/CEO
FRC/2013/ICAN/0000002231

Ebenazer Kolawole
Executive Director / Chief Financial Officer
FRC/2013/ICAN/0000001964

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
Cash flows from operating activities		
Profit after tax for the year	2,086,393	3,383,189
Minimum tax	114,679	222,660
Tax expense	22,123	36,243
Profit before tax	2,223,194	3,642,112
Adjustment for non-cash items:		
Impairment charges on debt instruments	618,699	2,146,574
Impairment (writeback)/charge on other assets	(3,199,073)	1,194,995
Trading loss on financial instrument	4,309,297	432,200
Employee benefit charge for the year	609,267	(88,575)
Exchange (gain)/loss on financial instruments	-	1,708,636
Depreciation of property and equipment	1,695,656	48,817
Amortisation of intangible assets	47,223	(26,770)
Gain on disposal of property and equipment	(8,923)	102,424
Write off of property and equipment	1,104	(2,129,460)
Gain on readjustment/modification of terms of borrowings	-	(733,597)
Loss/(gain) from sale of investments	(1,261,435)	(35,947,977)
Interest income	(39,119,457)	19,454,646
Interest expense	(21,372,315)	(51,202)
Dividend income	(89,872)	(10,287,126)
Changes in operating assets		
Net increase in loans and advances	(91,291,731)	(62,072,437)
Net increase in other assets	(6,330,710)	(2,108,329)
Net increase in CBN - AGSMEIS Account	(182,130)	(63,472)
Changes in operating liabilities		
Net increase in deposit from customers	97,802,482	8,501,430
Net (decrease)/increase in due to other banks	(2,839,329)	7,652,798
Current tax liabilities	16,091,187	31,832
Cash generated from operations	(2,334,499)	(57,520,579)
Cash flows from financing activities		
Interest tax paid	(28,923)	(138,804)
Interest received	34,191,088	34,666,791
Interest paid	(18,616,796)	(16,025,909)
Dividend income	89,873	51,202
Payment on employee contribution plan	(613,653)	(460,363)
Net cash flows used in operating activities	(2,807,114)	(39,427,661)
Cash flows from investing activities		
Purchase of property and equipment	(1,609,316)	(1,728,932)
Purchase of intangible assets	(9,880)	(104,153)
Proceeds from sale of property and equipment	8,923	27,887
Acquisition of investment securities at FVOCI	(130,135,918)	(79,549,582)
Proceeds from disposal of investment securities at FVOCI	190,831,944	71,818,851
Acquisition of investment securities at amortised cost	(53,520,011)	(1,271,919)
Net cash flows used in investing activities	(9,254,456)	(10,808,148)
Cash flows from financing activities		
Borrowings	100,554,443	71,415,076
Proceeds from loans and borrowings	(22,008,288)	(14,028,494)
Repayment of borrowing	77,645,695	87,386,582
Net cash flows from financing activities	84,097,377	7,150,779
Net increase in cash and cash equivalents	81,290,263	41,293,833
Cash and cash equivalents at 1 January	159,811,606	48,444,605

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 comprises:
• the statement of financial position as at 31 December 2020;
• the statement of profit or loss and other comprehensive income for the year ended 31 December 2020; and
• the statement of cash flows for the year then ended
are derived from the audited financial statements of Unity Bank Plc for the year ended 31 December 2020.
In our opinion, the summary financial information is consistent, in all material respects, with the audited financial statements in accordance with Companies and Allied Matters Act (CAMA) 2020 and the Banks and Other Financial Institutions Act, 2020.

Summary Financial Information

The summary of the financial information does not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act (CAMA) 2020, the Financial Reporting Council of Nigeria Act 2011, the Banks and Other Financial Institutions Act (BOFIA) 2020 and other relevant Central Bank of Nigeria guidelines and Circulars. Reading the summary financial information and the auditor report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 19 April 2021. That report also includes the communication of 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.

Emphasis of matter - Comparative information

We draw attention to note 38 to the full financial statement which indicates that as at 31 December 2020 the Bank's total liabilities exceeded its total assets by N275 billion. The Bank did not meet the required minimum Capital Adequacy Ratio (CAR) of 10% and the minimum capital requirement of N250 billion for a national bank. As stated in Note 35 to the full set of financial statement, these events and conditions, along with other matters as set forth therein, indicate that a material uncertainty exists that may cast significant doubt about the Bank's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 (CAMA) 2020 and the Banks and Other Financial Institutions Act, 2020.

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) 810 (Revised), Engagements to Report on Summary Financial Statements.

Report on Other Legal and Regulatory Requirements

Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act (CAMA) 2020:

- 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 account have been kept by the Bank, so far as appears from our examination of those books.
- 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 26 (9) of the Banks and Other Financial Institutions Act, 2020 and Central Bank of Nigeria circular

- The Bank paid penalties in respect of contravention of the Banks and Other Financial Institutions Act, 2020 during the year ended 31 December 2020. Details of penalty paid are disclosed in note 38 to the financial statements.
- Related party transactions and balances are disclosed in note 33 to the financial statements in compliance with the Central Bank of Nigeria circular BSN/01/2008.

Akiyem Adenle, FCA
FRC/2013/ICAN/000000076
For: RPSAC Professional Services
Chartered Accountants
19 April 2021
Lagos, Nigeria



The above summarized financial statements and report of the independent auditor are published in accordance with the requirements of Section 26 & 27 of Banks and Other Financial Institutions Act