

UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of Profit and Loss
for the year ended 31 December, 2013

	31 December 2013	31 December
	N'000	2012
		N'000
Interest and similar income	52,195,852	41,237,494
Interest and similar expense	(22,052,800)	(15,974,022)
Net interest income	30,143,052	25,263,472
Fee and commission income	7,334,874	9,890,248
Fee and commission expense	-	-
Net fee and commission income	7,334,874	9,890,248
Net trading income	48,823	35,947
Other operating income	3,248,378	2,596,664
	3,297,202	2,632,611
Total operating income	40,775,127	37,786,331
Credit loss expense	(21,592,692)	(1,352,911)
Impairment losses on Financial investments	(11,000)	-
Impairment losses on Goodwill	(509,256)	(104,435)
Impairment losses on Non current assets held for sale	(405,470)	(202,517)
Impairment losses on Bank Balances	(10,125)	-
Net operating income	18,246,584	36,126,468
Personnel expenses	(15,093,664)	(14,577,095)
Depreciation of property and equipment	(2,508,152)	(2,545,017)
Amortisation of intangible assets	(390,668)	(395,053)
Other operating expenses	(33,893,468)	(12,152,575)
Total operating expenses	(51,885,952)	(29,669,740)
(Loss)/Profit before tax	(33,639,369)	6,456,728
Income tax credit/(expense)	11,057,029	(276,666)
(Loss)/Profit after tax	(22,582,339)	6,180,061
Earnings per share		
Basic earnings per share (Kobo)	(58.74)	16.07

UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of Comprehensive Income
for the year ended 31 December, 2013

	31 December 2013 N'000	31 December 2012 N'000
(Loss)/Profit for the year	(22,582,339)	6,180,061
Other comprehensive income		
Net (loss)/ gain on available-for-sale financial assets	(54,585)	2,052,784
Income tax (charge)/credit relating to components of other comprehensive income	-	(596,847)
Other comprehensive income for the year, net of tax	(54,585)	1,455,937
Total comprehensive income for the year, net of tax	(22,636,924)	7,635,998

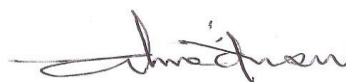
UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of Financial Position
for the year ended 31 December, 2013

	31 December 2013 N'000	31 December 2012 N'000	31 December 2011 N'000
Assets			
Cash and balances with Central Bank	9,710,926	41,245,431	27,702,285
Due from banks	7,385,127	13,586,887	61,034,229
Loans and advances to customers	195,229,573	189,041,345	117,875,258
Financial investments – available-for-sale	49,456,338	25,247,739	16,221,557
Financial investments – available-for-sale (pledged) collateral	38,330,267	6,295,200	13,604,253
Financial investments – held-to-maturity	28,259,864	55,072,364	55,939,144
Other assets	15,526,590	19,271,529	31,629,931
Property and equipment	20,091,653	20,886,553	21,954,455
Goodwill and other intangible assets	17,389,808	17,498,195	17,928,538
Deferred tax assets	19,036,676	7,147,823	7,634,265
Investment in Subsidiaries	-	-	1,402,832
Non current assets held for sale	3,212,468	427,115	-
Total assets	403,629,290	395,720,180	372,926,748
Liabilities and Equity			
Liabilities			
Due to customers	303,270,560	270,060,046	266,877,426
Debt issued and other borrowed funds	54,319,092	54,434,499	43,007,826
Current tax liabilities	425,554	591,511	642,480
Other liabilities	17,201,354	18,856,671	16,928,998
Employee benefit liabilities	200,090	319,771	1,648,335
Total liabilities	375,416,650	344,262,498	329,105,065
Equity			
Issued share capital	19,223,345	19,223,345	17,475,768
Share premium	11,929,515	11,929,515	13,677,092
Statutory reserve	7,691,052	7,691,052	5,837,033
Retained earnings	(58,700,475)	(7,478,136)	(11,682,091)
Non Distributable Regulatory Reserve	33,181,767	4,541,768	4,419,678
Other reserves	14,887,436	15,550,140	14,094,203
Total equity	28,212,639	51,457,684	43,821,683
Total liabilities and equity	403,629,290	395,720,180	372,926,748

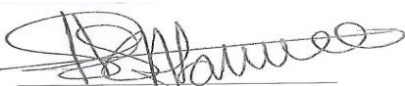
The accounting policies on pages 68 to 93 and the financial statements on pages 61 to 186 were approved by the Board of Directors on 13th March, 2014 and signed on its behalf by:



Patricia Chinwe Ahunanya - Chief Financial Officer
FRC/2014/ICAN/00000006866



Ahmed Yusuf - Executive Director
FRC/2014/CIBN/00000006950



Henry James Semenitari - Managing Director/CEO
FRC/2014/IODN/00000006865

The accounting policies on pages 68 to 93 and the explanatory notes on pages 94 to 183 form part of these financial statements.

UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of changes in equity
for the year ended 31 December , 2013

	Issued Capital N'000	Share Premium N'000	Statutory Reserves N'000	Retained Earnings N'000	Non-distributable Regulatory Reserve N'000	Other Reserves N'000	Total equity N'000
At 1 January, 2011	16,643,588	14,509,272	5,106,539	(10,554,895)	3,209,215	14,288,055	43,201,774
					-		-
Restated balance	16,643,588	14,509,272	5,106,539	(10,554,895)	3,209,215	14,288,055	43,201,774
Prior period adjustment	-	-	-	(215,738)	-	-	(215,738)
Profit for the year	-	-	-	2,693,859	-	-	2,693,859
Issued share capital	832,180	(832,180)	-	-	-	-	-
Dividend paid	-	-	-	(1,664,360)	-	-	(1,664,360)
Transfer from retained earnings	-	-	730,494	(730,494)	-	-	-
Transfer from retained earnings in respect of excess of Prudential guideline provisions over IFRS	-	-	-	(1,210,463)	1,210,463	-	-
Other comprehensive income	-	-	-	-	-	(334,721)	(334,721)
Reclassification of fair value adjustments	-	-	-	-	-	140,869	140,869
Total Comprehensive Income for the year	-	-	-	-	-	-	-
At 31 December, 2011	17,475,768	13,677,092	5,837,033	(11,682,091)	4,419,678	14,094,203	43,821,683
Profit for the period	-	-	-	6,180,061	-	-	6,180,061
Transfer from retained earnings	-	-	-	(122,090)	122,090	-	-
Transfer from retained earnings	-	-	1,854,019	(1,854,019)	-	-	-
Dividend paid	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	1,455,937	1,455,937
At 31 December, 2012	17,475,768	13,677,092	7,691,052	(7,478,136)	4,541,768	15,550,140	51,457,683
Reclassification in respect of bonus issue	1,747,577	(1,747,577)	-	-	-	-	-
At 31 December, 2012	19,223,345	11,929,515	7,691,052	(7,478,136)	4,541,768	15,550,140	51,457,683
At 1 January, 2013	19,223,345	11,929,515	7,691,052	(7,478,136)	4,541,768	15,550,140	51,457,683
Write off from reserves	-	-	-	-	-	(608,120)	(608,120)
Profit/(Loss) for the period	-	-	-	(22,582,339)	-	-	(22,582,339)
Transfer from retained earnings	-	-	-	(28,640,000)	28,640,000	-	-
Dividend paid	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(54,585)	(54,585)
							-
At 31 December, 2013	19,223,345	11,929,515	7,691,052	(58,700,475)	33,181,767	14,887,436	28,212,639

UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of changes in equity
for the year ended 31 December , 2013

Statutory Reserve

Nigerian banking regulations require Banks to make an annual appropriation to a statutory reserve. As stipulated by section 16(1) of the Banks and Other Financial Institutions Act of 1991 (ammended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up capital

Non Distributable Regulatory Reserve

This is a reserve created by comparing impairment of risk assets under IFRS and provisions for risk assets using CBN Prudential Guidelines. Where the impairment amount under IFRS is lower than the provisions amount under Prudential Guidelines, the IFRS impairment figure is used in the accounts. However, the difference between the IFRS impairment and Prudential guidelines provisioning is removed from the the distributable reserve to a non distributable reserve. As at 31 December, 2013, the sum of N28.64 billion was transferred from the retained earnings to the Non Distributable Regulatory Reserve as the CBN Prudential provision was more than the IFRS Impairment

Other Reserves (See Note 29)

The reconciliation of the Statement of Changes in Equity from transition date became necessary as a result of the retrospective adjustment done on the revalutaion reserves of the Bank. The revaluation reserve was adjusted and collapsed into retained earnings as the revalued amounts of the Bank's fixed assets is now taken as the deemed cost of the assets.

UNITY BANK PLC
2013 ANNUAL REPORT AND ACCOUNTS
Statement of Cash Flows

for the year ended 31 December, 2013

	31 December 2013 N'000	31 December 2012 N'000
Operating activities		
Profit before tax	(33,639,369)	6,456,727
Adjustment for non cash items:		
Impairment losses on Bank balances	10,125	-
Impairment losses on Other assets	17,049,243	1,299,652
Impairment losses on Risk assets	21,592,692	1,352,911
Impairment losses on financial Investment	11,000	-
Impairment losses on goodwill	509,256	104,435
Impairment losses on Non currnt assets held for sale	405,470	202,517
Depreciation of property and equipment	2,508,152	2,545,017
Amortisation of intangible assets	390,668	395,053
Profit on disposal of Property and equipment	(68,175)	(68,791)
Gains from sale of investments	(572,489)	(902,081)
	8,196,574	10,771,537
Changes in operating assets		
Deposits with the Central Bank of Nigeria	27,696,943	10,154,720
Loans and advances to customers	(30,853,791)	(73,543,600)
Other assets	(13,304,305)	23,168,631
	(16,461,152)	(40,220,250)
Changes in operating liabilities		
Due to customers	34,394,799	3,182,620
Current tax liabilities	(165,957)	(50,968)
Other liabilities	(1,655,317)	1,927,673
Defined contribution	(119,681)	(1,328,565)
	32,453,844	3,730,760
Cash generated from operations	24,189,266	(25,717,952)
Income tax paid	(400,935)	(638,774)
Net cash flows from/(used in) operating activities	23,788,331	(26,356,726)
Investing activities		
Purchase of property and equipment	(1,779,046)	(1,512,799)
Purchase of intangible assets	(792,138)	(69,144)
Proceeds from sale of property and equipment	133,969	1,286,346
Proceeds from sale of investment in subsidiaries	-	218,088
Available for sale investments	(58,087,530)	(605,869)
Held to maturity investments	26,812,500	866,781
Net cash flows from/(used in) investing activities	(33,712,245)	183,403
Financing activities:		
Debt issued and other borrowed funds	(115,406)	11,426,673
Net cash flows from /(used in) financing activities	(115,406)	11,426,673
Net increase/(decrease) in cash and cash equivalents	(10,039,321)	(14,746,650)
Cash and cash equivalents at 1 January	27,135,374	41,882,025
Cash and cash equivalents at 31 December	17,096,053	27,135,374