

UNITY BANK PLC
2014 ANNUAL REPORT AND ACCOUNTS
Statement of Profit or Loss
for the year ended 31 December, 2014

	Notes	31 December 2014 N'000	31 December 2013 N'000
Interest and similar income	3	62,635,546	52,195,852
Interest and similar expense	4	(17,184,561)	(22,052,800)
Net interest income		45,450,985	30,143,052
Fee and commission income	5	10,714,474	7,334,874
Fee and commission expense	5	-	-
Net fee and commission income	5	10,714,474	7,334,874
Net trading income	6	1,698,232	48,823
Net Income from sale of financial instrument at fair value through profit & Loss	7	(280,060)	-
Other operating income	8	2,303,297	3,248,378
		3,721,469	3,297,202
Total operating income		59,886,928	40,775,127
Credit loss expense	9	(15,054,246)	(21,592,692)
Impairment losses on Financial investments	9	0	(11,000)
Impairment losses on Goodwill	9	0	(509,256)
Impairment losses on Non current assets held for sale	9	0	(405,470)
Impairment losses on Bank Balances	9	0	(10,125)
Net operating income		44,832,682	18,246,584
Personnel expenses	10	(13,884,015)	(15,093,664)
Depreciation of property and equipment	20	(2,307,269)	(2,508,152)
Amortisation of intangible assets	21	(307,111)	(390,668)
Other operating expenses	11	(14,694,897)	(33,893,468)
Total operating expenses		(31,193,291)	(51,885,952)
Profit/(Loss) before tax		13,639,390	(33,639,369)
Income tax expense/credit	12	(2,946,915)	11,057,029
Profit/(Loss) after tax		10,692,476	(22,582,339)
Earnings per share			
Basic earnings per share (Basic)	13	17.45	(58.74)
Diluted earnings per share	13	17.45	(58.74)

UNITY BANK PLC
2014 ANNUAL REPORT AND ACCOUNTS
Statement of Comprehensive Income
for the year ended 31 December, 2014

	31 December 2014	31 December 2013
Notes	N'000	N'000
Profit/(Loss) for the year	10,692,476	(22,582,339)
Other comprehensive income		
Reclassifiable to Income Statement:		
Net (loss) on available-for-sale financial assets	(420,821)	(54,585)
Income tax (charge)/credit relating to components of other comprehensive income	-	-
Other comprehensive income for the year, net of tax	(420,821)	(54,585)
Total comprehensive income for the year, net of tax	10,271,654	(22,636,924)

UNITY BANK PLC
2014 ANNUAL REPORT AND ACCOUNTS
Statement of Financial Position
for the year ended 31 December, 2014

		31 December 2014	31 December 2013
	Notes	N'000	N'000
Assets			
Cash and balances with Central Bank	15	6,814,218	9,710,926
Due from banks	16	16,158,360	7,385,127
Loans and advances to customers	17	219,335,346	195,229,573
Financial investments – held-for-trading	18a	2,793,700	-
Financial investments – available-for-sale	18b	57,903,167	49,456,338
Financial investments – available-for-sale pledged as collateral	18c	19,605,200	38,330,267
Financial investments – held-to-maturity	18d	26,550,431	28,259,864
Other assets	19	8,681,702	15,526,590
Property and equipment	20	18,491,476	20,091,653
Goodwill and other intangible assets	21	17,148,015	17,389,808
Deferred tax assets	22	16,737,488	19,036,676
Non current assets held for sale	23	3,086,008	3,212,468
Total assets		413,305,111	403,629,290
Liabilities and Equity			
Liabilities			
Due to customers	24	277,025,613	303,270,560
Debt issued and other borrowed funds	25	45,499,812	54,319,092
Current tax liabilities	26	647,727	425,554
Other liabilities	27	13,792,184	16,931,889
Employee benefit liabilities	28	75,780	469,555
Total liabilities		337,041,116	375,416,650
Equity			
Issued share capital	29	58,446,690	19,223,345
Share premium	SCE	10,485,871	11,929,515
Statutory reserve	SCE	10,898,794	7,691,052
Retained earnings	SCE	(56,434,482)	(58,700,475)
Non Distributable Regulatory Reserve	SCE	38,400,508	33,181,767
Other reserves	30	14,466,615	14,887,436
Total equity		76,263,995	28,212,639
Total liabilities and equity		413,305,111	403,629,290

The accounting policies and the financial statements on the subsequent pages were approved by the board and signed on it's behalf by:



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



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



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

The accounting policies on pages 64 to 88 and the explanatory notes on pages 91 to 169 form part of these financial statements.

UNITY BANK PLC
2014 ANNUAL REPORT AND ACCOUNTS
Statement of changes in equity
for the year ended 31 December , 2014

	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, 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/to retained earnings	-	-	-	(28,640,000)	28,640,000	-	-
Issued Share Capital	-	-	-	-	-	-	-
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)	33,181,768	14,887,436	28,212,639
At 1 January, 2014	19,223,345	11,929,515	7,691,052	(58,700,475)	33,181,768	14,887,436	28,212,639
Write off from reserves	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	-	-	10,692,476	-	-	10,692,476
Transfer from/to retained earnings	-	-	3,207,743	(8,426,483)	5,218,740	-	-
Issued Share Capital	39,223,345	(1,443,644)	-	-	-	-	37,779,701
Dividend paid	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(420,821)	(420,821)
At 31 December, 2014	58,446,690	10,485,871	10,898,794	(56,434,482)	38,400,508	14,466,615	76,263,995

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 retained earnings and transferred to a non distributable reserve.

Issued Share Capital

The Bank successfully raised N39.22billion through a rights issue(N19.22Billion) and special placement(N20Billion) during the year.

UNITY BANK PLC
2014 ANNUAL REPORT AND ACCOUNTS
Statement of Cash Flows
for the year ended 31 December, 2014

Operating activities

	31 December 2014 N'000	31 December 2013 N'000
Profit before tax	13,639,390	(33,639,369)
Adjustment for non cash items:		
Impairment losses on Bank balances	-	10,125
Impairment losses on Other assets	2,315,294	17,049,243
Impairment losses on Risk assets	15,054,246	21,592,692
Impairment losses on financial Investment	-	11,000
Impairment losses on goodwill	-	509,256
Impairment losses on Non current assets Held for sale	-	405,470
Depreciation of property and equipment	2,307,269	2,508,152
Amortisation of intangible assets	307,111	390,668
Profit on disposal of Property and equipment	(83,145)	(68,175)
Gains from sale of investments	(1,081,077)	(572,489)
	32,459,089	8,196,574

Changes in operating assets

Deposits with the Central Bank of Nigeria	0	27,696,943
Loans and advances to customers	(39,160,019)	(30,853,791)
Other assets	4,656,054	(13,304,305)
	(34,503,965)	(16,461,152)

Changes in operating liabilities

Due to customers	(26,244,948)	34,394,799
Current tax liabilities	0	(165,957)
Other liabilities	(3,139,705)	(1,924,782)
Defined contribution	(393,775)	149,784
	(29,778,427)	32,453,844

Cash generated from operations	(31,823,304)	24,189,266
Income tax paid	(425,554)	(400,935)
Net cash flows from/(used in) operating activities	(32,248,858)	23,788,331

Investing activities

Purchase of property and equipment	(772,381)	(1,779,046)
Purchase of intangible assets	(65,318)	(792,138)
Proceeds from sale of property and equipment	148,433	133,969
Proceeds from sale of investment	2,145,831	-
Available for sale investments	8,792,662	(58,087,530)
Held for trading investments	(2,793,700)	-
Held to maturity investments	1,709,432	26,812,500

Net cash flows from/(used in) investing activities	9,164,961	(33,712,245)
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Financing activities:

Share Capital	37,779,700	-
Debt issued and other borrowed funds	(8,819,280)	(115,406)
Net cash flows from /(used in) financing activities	28,960,420	(115,406)

Net increase/(decrease) in cash and cash equivalents	5,876,523	(10,039,320)
Cash and cash equivalents at 1 January	17,096,054	27,135,374
Cash and cash equivalents at 31 December	22,972,578	17,096,054