

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DIGNITY FINANCE AND INVESTMENT LIMITED

Our Opinion

In our opinion, Dignity Finance and Investment Limited's ("the company's") financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars.

What We Have Audited

Dignity Finance and Investment Limited's financial statements comprise:

- The statement of financial position as at 31 December 2020;
- The statement of profit or loss and other comprehensive income for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended; and
- The notes to the financial statements, which include a summary of significant accounting policies.

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 the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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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. These matters were addressed in the context of our 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.

Other Information

The directors are responsible for the other information. The other information comprises the Corporate information, Report of the directors, Statement of directors' responsibilities, Value added statement and Five* year financial summary, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities Of The Directors And Those Charged With Governance For The Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, and for such internal control as the directors determine is necessary 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company'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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism 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 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 Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- Conclude on the appropriateness of the directors' 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 company'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 Company to cease to continue as a going concern; and
- 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 those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. The Company has kept proper books of account, so far as appears from our examination of those books; and
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.



March 26, 2021

Oluwole Osagie - Jacobs FCA, JP
FRC/2014/ICAN/00000006427
Engagement Partner
Enenche Omeche & Co.
(Chartered Accountants)
Abuja - Nigeria.



DIGNITY FINANCE & INVESTMENTS LIMITED
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31st December, 2020

REPORT OF THE AUDITORS TO THE MEMBERS OF DIGNITY
FINANCE & INVESTMENT LIMITED

	Note	31-Dec-20 N	31-Dec-19 N
Interest income	4	394,778,132	438,094,041
Interest expense	9	(97,411,933)	(120,575,871)
Net Interest income		297,366,199	317,518,170
Fees and commission	3	27,712,418	41,229,301
Other income	5	65,624,787	59,372,355
Net operating income		390,703,404	418,119,826
Other expenses			
General & Administrative expenses	6	(227,480,498)	(205,946,270)
Personnel expense	8	(65,543,190)	(43,673,488)
General loan loss, impairment charges	7		(45,201,663)
Net Operating Income		97,679,716	123,298,405
Less other interest charges		-	-
PROFIT/LOSS BEFORE TAX		97,679,716	123,298,405
Tax expense	10	(14,290,730)	(38,847,685)
PROFIT (LOSS) AFTER TAX BEFORE DIVIDEND		83,388,985	84,450,720
Dividend		(55,620,453)	(50,000,000)
		27,768,532	34,450,720

We have audited the financial statements which are in agreement with the Company's Books of Accounts. 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.

Basis of Opinion

We conducted our audit in accordance with the international standards of audit. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatements

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the Accounting Principles used and significant estimates and judgement made by the Directors and an evaluation of the overall adequacy of the presentation of the financial statements.

DIGNITY FINANCE & INVESTMENT LIMITED
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

We planned and performed such audit procedures and obtained all the information and the explanation, which we considered necessary for the purposes of the audit, and we believed that our audit provided us with a reasonable basis for our opinion.

Opinion

In our opinion the company has kept proper books of accounts and financial statements that are in agreement with the books. The assets have been properly valued and adequate provisions made for losses and the diminution in the value of such assets. The financial statements drawn up in conformity with International Financial Reporting Standards in Nigeria, give a true and fair view of the state of affairs of the Company as at December 31, 2020. The profit/(loss) and cash flow for the year ended on that date have been properly prepared in accordance with the provisions of the Banks and Other Financial Institutions Act 1991, relevant circulars issued by the Central Bank of Nigeria and the Companies and Allied matters Act CAP C20 laws of the federation of Nigeria.

Oluwale Osagie - Jacobs FCA, JP
FRC/2014/ICAN/00000006427
Engagement Partner
Enenche Omeche & Co.
(Chartered Accountants)
Abuja - Nigeria.

March 2020

	Note	31-Dec-20 N	31-Dec-19 N
ASSETS			
Cash & cash equivalents	11	408,962,722	553,965,343
Loans & other receivables	12	1,340,018,612	895,141,952
Other assets	13	42,799,830	22,479,000
Property, plant and equipment	14	39,018,557	28,120,735
TOTAL ASSETS		1,830,799,720	1,499,707,030
EQUITY AND LIABILITIES			
LIABILITIES			
Creditors & accruals	15	367,400,333	206,626,315
Tax payable	16	39,715,590	43,409,805
Deposit for shares	17	-	60,500,000
Borrowings and other accounts	18	1,103,712,942	896,968,588
Other Liability			
TOTAL LIABILITY		1,510,828,866	1,207,504,708
EQUITY			
Shares capital	20	240,125,000	240,125,000
Statutory Reserve	21	18,265,034	14,099,754
Retained earnings	SOCE	61,580,821	37,977,568
TOTAL EQUITY		319,970,854	292,202,322
TOTAL EQUITY & LIABILITY		1,830,799,720	1,499,707,030

Dr. Chijioke Ekechukwu FRC/2021/002/00000023035
Managing Director

Engr. Ahmed Ibrahim FRC/2019/NSE/00000019558
Chairman

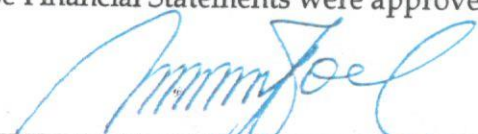
DIGNITY FINANCE AND INVESTMENT LIMITED

Annual Report and Financial Statements for the year ended 31st December, 2020

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

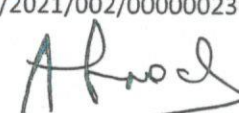
ASSETS	Notes	2020 N	2019 N
CURRENT ASSETS			
Cash & Cash Equivalents	11	408,962,722	553,965,343
Loans & Other Receivable	12	1,340,018,612	895,141,952
Other Assets	13	42,799,830	22,479,000
		<u>1,791,781,164</u>	<u>1,471,586,295</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	14	39,018,557	28,120,735
TOTAL ASSETS		<u>1,830,799,720</u>	<u>1,499,707,030</u>
LIABILITIES			
Creditors & accruals	15	367,400,333	206,626,315
Current Tax Liability	16	39,715,590	43,409,805
Deposits for shares		-	60,500,000
Borrowings and other accounts	19	1,103,712,942	896,968,588
Other Liabilities		-	-
TOTAL LIABILITIES		<u>1,510,828,866</u>	<u>1,207,504,708</u>
EQUITY			
Ordinary Share Capital	20	240,125,000	240,125,000
Statutory Reserve		18,265,034	14,099,754
Retained Earnings	SOCE	61,580,821	37,977,568
TOTAL EQUITY		<u>319,970,854</u>	<u>292,202,322</u>
TOTAL EQUITY & LIABILITIES		<u>1,830,799,720</u>	<u>1,499,707,030</u>

These Financial Statements were approved by the Board of Directors and signed on its behalf by:



Dr. Chijioke Ekechukwu FRC/2021/002/00000023035

Managing Director



Engr. Ahmed Ibrahim FRC/2019/NSE/00000019558

Chairman

DIGNITY FINANCE AND INVESTMENT LIMITED
Annual Report and Financial Statements for the year ended 31st December, 2020

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DEC., 2020

	Notes	2020 N	2019 N
Interest Income	3	394,778,132	438,094,041
Interest Expenses	11	(97,411,933)	(120,575,871)
Net Interest Income		297,366,199	317,518,170
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Other Income	5	65,624,787	59,372,355
Total Operating Income		390,703,404	418,119,826
 Other Expenses:			
General Administrative Expenses	6	(227,480,498)	(205,946,271)
Personnel Expenses	8	(65,543,190)	(43,673,488)
General loan loss, Impairment Charges	7	-	(45,201,663)
Net Operating Income		97,679,716	123,298,405
Less other Interest charges		-	-
Profit/(Loss) Before Tax		97,679,716	123,298,405
Tax Expenses	10	(14,290,730)	(38,847,685)
Deferred Tax		-	-
Profit/(Loss) After Tax		83,388,985	84,450,720
Dividend		55,620,453	50,000,000
		27,768,532	34,450,720