



ZENITH BANK PLC
CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2016

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Certification pursuant to section 60(2) of Investment and Securities Act No. 29 Of 2007

We the undersigned hereby certify the following with regards to our financial report for the period ended 31 March 2016 that:

- (a) We have reviewed the report;
- (b) To the best of our knowledge , the report does not contain:
 - (i) Any untrue statement of a material fact, or
 - (ii) Omit to state a material fact, which would make the statements misleading in the light of the circumstances under which such statements were made;
- (c) To the best of our knowledge, the financial statement and other financial Information included in the report fairly present in all material respects the financial condition and results of operation of the company as of, and the periods presented in the report.
- (d) We:
 - (i) Are responsible for establishing and maintaining internal controls
 - (ii) Have designed such internal controls to ensure that material information relating to the company and its consolidated subsidiary is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
 - (iii) Have evaluated the effectiveness of the company's internal controls as of date within 90 days prior to the reports;
 - (iv) Have present in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- (e) We have disclosed to the auditors of the company and audit committee:
 - (i) All significant deficiency in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarize and report financial data and have identified for the company's auditors any material weakness in internal controls, and
 - (ii) Any fraud, whether or not material, that involves management or other employees who have significant role in the company's internal controls;
- (f) We have identified in the report whether or not there were significant changes in effect internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses .



Peter Amangbo

Group Managing Director/CEO

FRC/2013/ICAN/00000001310



Ebenezer Onyeagwu

Executive Director

FRC/2013/ICAN/00000003788

Statement Of Directors' Responsibility

In relation to the Interim financial statements for the period ended 31 March 2016

The Directors accept responsibility for the preparation of interim financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, the Banks and Other Financial Institutions Act of Nigeria and relevant Central Bank of Nigeria regulations.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

The Directors have made assessment of the Bank's ability to continue as a going concern and have no reason to believe that the Bank will not remain a going concern in the year ahead.

Signed on behalf of the board of directors by:



Peter Amangbo
Group Managing Director/CEO
FRC/2013/ICAN/00000001310



Ebenezer Onyeagwu
Executive Director
FRC/2013/ICAN/00000003788

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Statements of profit or loss and other comprehensive income

In millions of Naira	Notes	Group			Bank		
		3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
Gross earnings		99,435	113,322	432,535	88,591	102,394	396,653
Interest and similar income	14	84,177	81,421	348,179	76,847	72,786	317,419
Interest and similar expense	15	(26,020)	(38,790)	(123,597)	(23,763)	(36,632)	(114,936)
Net interest income		58,157	42,631	224,582	53,084	36,154	202,483
Impairment charge for credit loss	16	(2,577)	(2,090)	(15,673)	(2,458)	(2,080)	(11,091)
Net interest income after impairment charge for credit losses		55,580	40,541	208,909	50,626	34,074	191,392
Fees and commissions income	17	15,668	17,219	60,904	12,862	14,599	50,313
Trading (loss)/income	18	(1,893)	5,423	18,150	(1,893)	5,423	17,884
Other income	19	1,483	9,259	5,302	775	9,586	11,037
Share of profit from associates	31	48	36	228	-	-	-
Amortisation of intangible assets	36	(341)	(220)	(1,239)	(328)	(212)	(1,129)
Depreciation of property and equipment	35	(2,252)	(2,222)	(9,188)	(2,039)	(2,031)	(8,472)
Personnel expenses		(16,885)	(15,458)	(67,522)	(15,410)	(14,151)	(62,428)
Operating expenses	20	(19,287)	(21,450)	(89,928)	(17,517)	(19,881)	(83,377)
Profit before tax		32,121	33,128	125,616	27,076	27,407	115,220
Income tax expense	21	(5,548)	(5,448)	(19,953)	(4,196)	(4,345)	(16,436)
Profit after tax		26,573	27,680	105,663	22,880	23,062	98,784
Other comprehensive income:							
Items that will never be reclassified to profit or loss							
Fair value movements on equity instruments		157	425	(1,752)	157	425	(1,752)
Items that are or may be reclassified to profit or loss							
Foreign currency translation differences		(10)	630	637	-	-	-
Other comprehensive income for the period		147	1,055	(1,115)	157	425	(1,752)
Total comprehensive income for the period		26,720	28,735	104,548	23,037	23,487	97,032

Statement of profit or loss and other comprehensive income

In millions of Naira	Notes	Group			Bank		
		3 Months 31-Mar-16	3 Months 31-Mar-15	12 months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 months 31-Dec-15
Profit attributable to:							
Equity holders of the parent		26,525	27,617	105,531	22,880	23,062	98,784
Non-controlling interests		48	63	132	-	-	-
Total comprehensive income attributable to:							
Equity holders of the parent		26,671	28,719	104,467	23,037	23,487	97,032
Non-controlling interests		49	16	81	-	-	-
Earnings per share attributable to equity holders of parent							
Basic and diluted	22	84 k	88 k	336 k	73 k	73 k	315 k

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Statements of financial position as at 31 March 2016

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
Assets							
Cash and balances with central banks	23	638,242	630,185	761,561	614,141	608,325	735,946
Treasury bills	24	441,882	354,028	377,928	399,182	314,430	330,900
Asset pledged as collateral	25	259,303	186,419	265,051	259,303	186,419	264,320
Due from other banks	26	367,158	547,479	272,194	364,838	507,250	266,894
Derivative assets	27	5,756	14,343	8,481	5,756	13,896	8,481
Loans and advances	28	1,928,526	1,902,329	1,989,313	1,781,702	1,753,303	1,849,225
Investment securities	29	208,638	186,621	213,141	145,598	87,123	150,724
Investments in subsidiaries	30	-	-	-	33,003	33,003	33,003
Investments in associates	31	578	338	530	90	90	90
Deferred tax assets	33	5,516	6,538	5,607	5,015	6,213	5,131
Other assets	34	43,838	36,182	22,774	43,064	34,095	21,673
Property and equipment	35	89,218	71,327	87,022	82,857	69,393	81,187
Intangible assets	36	3,424	2,214	3,240	3,066	1,913	2,753
Total assets		3,992,079	3,938,003	4,006,842	3,737,615	3,615,453	3,750,327
Liabilities							
Customers' deposits	37	2,563,932	2,682,575	2,557,884	2,348,809	2,417,236	2,333,017
Derivative liabilities	32	281	4,573	384	281	4,573	384
Current income tax	21	7,972	13,632	3,579	6,614	11,934	2,534
Deferred tax liabilities	33	35	30	19	-	-	-
Other liabilities	38	153,724	304,325	205,062	166,866	294,021	212,636
On-lending facilities	39	306,110	100,835	286,881	306,110	100,835	286,881
Borrowings	40	237,527	204,399	258,862	237,527	204,399	268,111
Debt securities issued	41	101,425	101,204	99,818	101,425	101,204	99,818
Total liabilities		3,371,006	3,411,573	3,412,489	3,167,632	3,134,202	3,203,381

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Statements of financial position as at 31 March 2016

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
Capital and reserves							
Share capital	42	15,698	15,698	15,698	15,698	15,698	15,698
Share premium		255,047	255,047	255,047	255,047	255,047	255,047
Retained earnings		226,640	156,070	200,115	183,288	118,461	160,408
Other reserves		123,046	99,047	122,900	115,950	92,045	115,793
Attributable to equity holder of the parent		620,431	525,862	593,760	569,983	481,251	546,946
Non-controlling interests		642	568	593	-	-	-
Total shareholders' equity		621,073	526,430	594,353	569,983	481,251	546,946
Total liabilities and equity		3,992,079	3,938,003	4,006,842	3,737,615	3,615,453	3,750,327

Statements of cash flows

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
Cash flows from operating activities							
Profit after tax for the period		26,573	27,680	105,663	22,880	23,062	98,784
Adjustments for non-cash items:							
Impairment							
Impairment loss on overdraft	16	2,400	2,238	(178)	2,400	2,503	(3,108)
Impairment loss on term loan		177	(376)	13,219	58	(651)	11,567
Impairment loss on on-lending		-	208	2,276	-	208	2,276
Impairment loss on leases		-	20	24	-	20	24
Impairment loss on other assets		-	-	332	-	-	332
Fair value changes in trading bond		206	-	(707)	206	-	(707)
Fair value changes in treasury bills		-	-	(878)	-	-	(878)
Depreciation of property and equipment		2,252	2,222	9,188	2,039	2,031	8,472
Amortisation of intangible assets		341	220	1,239	328	212	1,129
Dividend income		-	-	(545)	-	-	(4,505)
Net revaluation loss on debt securities issued		1,607	-	6,886	1,607	-	6,886
Interest and similar income		(84,177)	(81,421)	(348,179)	(76,847)	(72,786)	(317,419)
Interest and similar expense		26,020	38,790	123,597	23,763	36,632	114,936
share of (profit)/loss of associates	31	(48)	(36)	(228)	-	-	-
Profit on sale of property and equipment	19	(58)	(10)	(39)	(57)	(10)	(27)
Gain on disposal of subsidiary and equity securities		-	-	(1,615)	-	-	(1,615)
Tax expenses	21	5,548	5,448	19,953	4,196	4,345	16,436
Changes in operating assets and liabilities:							
Net (increase)/decrease in Loans and advances		69,310	(174,508)	(261,371)	76,008	(175,132)	(266,809)
Net (increase)/decrease in Other assets		(21,064)	(14,727)	(1,651)	(21,391)	(14,702)	(2,612)
Net (increase)/decrease in Treasury bills with maturity greater than 3 months		(64,047)	(58,631)	(216,861)	(68,461)	(61,016)	(194,127)
Net (increase)/decrease in asset pledged as collateral		5,748	(34,673)	(113,305)	5,017	(34,673)	(112,574)
Net (increase)/decrease in Debt securities		4,645	14,393	(16,768)	5,283	6,134	(60,533)
Net (increase)/decrease in Restricted balances (cash reserves)		(90,009)	(37,891)	104,593	(89,962)	(37,851)	104,631
Net (increase)/decrease in Customer deposits		4,009	145,264	18,654	13,753	151,974	65,836
Net (increase)/decrease in Other liabilities		(50,857)	14,977	(82,336)	(45,289)	21,805	(57,630)
Net (increase)/decrease in derivative assets		2,725	3,065	8,927	2,725	3,000	8,415
Net (increase)/decrease in derivative liabilities		(103)	(1,500)	(5,689)	(103)	(1,500)	(5,689)
		(158,802)	(149,248)	(635,799)	(141,847)	(146,395)	(588,509)
Interest received		73,185	81,421	335,254	65,855	72,786	304,494
Dividends received		-	-	545	-	-	4,505
Interest paid		(23,981)	(38,790)	(121,678)	(21,724)	(36,632)	(113,017)
Tax paid	21	(856)	(1,411)	(26,356)	-	-	(20,409)
VAT paid		(481)	(510)	(2,460)	(481)	(510)	(2,460)
Net cash flows(used in)/generated from operating activities		(110,935)	(108,538)	(450,494)	(98,197)	(110,751)	(415,396)

Statements of cash flows

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
Cash flows from investing activities							
Purchase of property and equipment	35	(4,604)	(2,035)	(25,019)	(3,728)	(1,907)	(20,196)
Proceeds from sale of property and equipment		76	23	96	76	39	95
Purchase of intangible assets	36	(675)	(234)	(2,221)	(641)	(224)	(1,981)
Proceeds from sale of equity securities		(142)	-	3,211	(157)	-	3,211
Net cash from/(used) in investing activities		(5,345)	(2,246)	(23,933)	(4,450)	(2,092)	(18,871)
Cash flows from financing activities							
Net inflow from on-lending facilities		19,229	32,491	218,537	19,229	32,491	218,537
Borrowings							
- inflow from long term borrowing		148	12,875	75,909	148	12,875	85,158
- repayment of long term borrowing		(21,483)	(6,559)	(15,113)	(30,732)	(6,559)	(15,113)
Inflow from debt securities issued		-	8,272	-	-	8,272	-
Dividends paid		-	(54,943)	(62,793)	-	(54,943)	(62,793)
Net cash from/(used) in financing activities		(2,106)	(7,864)	216,540	(11,355)	(7,864)	225,789
(Decrease)/Increase in cash and cash equivalent		(118,386)	(118,648)	(257,887)	(114,002)	(120,707)	(208,478)
Cash at the beginning of the		709,714	965,723	965,723	663,375	871,853	871,853
Effect of exchange rate movement on cash balances		(71)	(727)	1,878	-	-	-
Cash and cash equivalent at the end of the period/year	47	591,257	846,348	709,714	549,373	751,146	663,375

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Consolidated and separate statements of changes in equity

	Attributable to equity holders of the Bank								Non-controlling interest	Total equity	
	Share capital	Share premium	Foreign currency translation reserve	Revaluation reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings			Total
In millions of Naira											
Group											
At 01 January 2016	15,698	255,047	(1,701)	4,314	93,093	3,729	23,465	200,115	593,760	593	594,353
Profit for the period	-	-	-	-	-	-	-	26,525	26,525	48	26,573
Foreign currency translation differences	-	-	(11)	-	-	-	-	-	(11)	1	(10)
Fair value movements on equity instruments	-	-	-	157	-	-	-	-	157	-	157
Total comprehensive income for the period	-	-	(11)	157	-	-	-	26,525	26,671	49	26,720
At 31 March 2016	15,698	255,047	(1,712)	4,471	93,093	3,729	23,465	226,640	620,431	642	621,073
At 01 January 2015	15,698	255,047	(2,389)	6,066	78,267	3,729	12,272	183,396	552,086	552	552,638
Profit for the period	-	-	-	-	14,818	-	11,193	79,520	105,531	132	105,663
Foreign currency translation differences	-	-	688	-	-	-	-	-	688	(51)	637
Fair value movements on equity instruments	-	-	-	(1,752)	-	-	-	-	(1,752)	-	(1,752)
Total comprehensive income for the period	-	-	688	(1,752)	14,818	-	11,193	79,520	104,467	81	104,548
Transfer between reserves	-	-	-	-	8	-	-	(8)	-	-	-
Dividends	-	-	-	-	-	-	-	(62,793)	(62,793)	(40)	(62,833)
At 31 December 2015	15,698	255,047	(1,701)	4,314	93,093	3,729	23,465	200,115	593,760	593	594,353

Consolidated and separate statements of changes in equity

In millions of Naira	Share capital	Share premium	Revaluation reserve	Statutory reserve	SMEIS reserve	Credit risk reserve	Retained earnings	Total equity
Bank								
At 01 January 2016	15,698	255,047	4,314	86,400	3,729	21,350	160,408	546,946
Profit for the period	-	-	-	-	-	-	22,880	22,880
Fair value movement on equity instruments	-	-	157	-	-	-	-	157
Total comprehensive income for the period	-	-	157	-	-	-	22,880	23,037
At 31 March 2016	15,698	255,047	4,471	86,400	3,729	21,350	183,288	569,983
At 01 January 2015	15,698	255,047	6,066	71,582	3,729	10,243	150,342	512,707
Profit for the period	-	-	-	14,818	-	11,107	72,859	98,784
Fair value movement on equity instruments	-	-	(1,752)	-	-	-	-	(1,752)
Total comprehensive income for the period	-	-	(1,752)	14,818	-	11,107	72,859	97,032
Dividends	-	-	-	-	-	-	(62,793)	(62,793)
At 31 December 2015	15,698	255,047	4,314	86,400	3,729	21,350	160,408	546,946

Notes to the consolidated and separate interim financial statements

1. The Bank

Zenith Bank Plc (the "Bank") was incorporated in Nigeria under the Companies and Allied Matters Act as a private limited liability company on May 30, 1990. It was granted a banking licence in June 1990, to carry on the business of commercial banking and commenced business on June 16, 1990. The Bank was converted into a Public Limited Liability Company on May 20, 2004. The Bank's shares were listed on October 21, 2004 on the Nigerian Stock Exchange, and in August 2015, the bank was admitted into the Premium Board of the Nigerian Stock Exchange.

The principal activity of the Bank is the provision of banking and other financial services to corporate and individual customers. Such services include granting of loans and advances, corporate finance and money market activities.

The Bank has five subsidiary companies namely, Zenith Bank (Ghana) Limited, Zenith Pension Custodian Limited, Zenith Bank (UK) Limited, Zenith Bank (Sierra Leone) Limited and Zenith Bank (Gambia) Limited. The results of the bank's subsidiaries have been consolidated in these financial statements.

2. Condensed statement of accounting policies**Interim Financial Statements**

The Condensed Financial Statements of Zenith Bank PLC and its subsidiaries (together "The Group") for the third quarter ended 31 March 2016 are presented and have been prepared based on the provisions of IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

As a result, the Group applied the same accounting methods used for the Consolidated Financial Statements for the year ended 31 December 2015, prepared in accordance with the International Financial Reporting Standards (refer to Note "Basis of preparation" presented in the Statement of Accounting Policies (Notes 1 and 2 of the 2015 Financial Statements)).

Provisions for income taxes have been calculated on the basis of the estimated annual effective tax rate applied to the pre-tax profit. However, where a lower tax rate is applicable, the current rate is adjusted. The assessment of the annual effective tax rate takes into consideration any anticipated deferred tax assets not previously recognized.

There were no changes to the accounting policies adopted by the group during the period in the preparation of its quarterly report.

3. Seasonality of operations

The impact of seasonality or cyclicity on operations is not regarded as significant to the condensed interim consolidated financial statements. The operations of the bank and its subsidiaries are expected to be even within the financial year. However, global and national events and occurrences may affect the group's operations depending on the extent of relationship these events and occurrences have with the operations.

4. Unusual items

There were no unusual transactions or occurrences within the reporting period.

5. Changes in Estimates

There were no changes to the accounting estimates applied by the group.

6. Dividends

The directors did not recommend the payment of any dividend for the Group's first quarter results to 31 March 2016 (31 March 2015: NIL).

Notes to the consolidated and separate interim financial statements

7. Significant events after the end of the interim period

There were no significant events that occurred after the first quarter that would necessitate a disclosure and/or adjustment to the quarterly return presented herein.

8. Business combinations

There was no business combination during the period.

9. Restructuring and reversals of restructuring provisions

No reversals of provision for restructuring were made in the Group's books in the current period as there were no restructuring during the period neither were there reversal of previous restructuring arrangements for the first quarter results to 31 March 2016 (31 March 2015: NIL).

10. Correction of prior period errors

No error has been noted in relation to the prior quarterly results. However, certain items reported in prior period returns have been restated to conform to current year presentation. This is to facilitate comparability.

11. Impairment loss of property, equipment, intangible or other assets, and reversal of such impairment loss

Within the period under review, none of the group's property, plant and equipment was impaired and there were no reversals of previous impairment charges in the current period.

12. Litigation settlements

There was litigation settlements of N1.5 million in the first quarter ended 31 March 2016 (31 March 2015: N2.1 million).

13. Segment

The group's operations are primarily organised on the basis of its geographic coverage which are: Nigeria, Rest of Africa and Europe.

Notes to the consolidated and separate interim financial statements

In millions of Naira

	Nigeria	Outside Nigeria		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			
In millions of Naira						
31 March 2016						
Revenue:						
Derived from other business segments	90,199	7,496	2,278	99,973	(538)	99,435
Share of profit of associates	-	-	-	-	48	48
Interest expense	(23,763)	(2,231)	(565)	(26,559)	539	(26,020)
Impairment charge for credit losses	(2,458)	-	(119)	(2,577)	-	(2,577)
Operating expenses	(35,712)	(2,147)	(906)	(38,765)	-	(38,765)
Profit before tax	28,266	3,118	688	32,072	(49)	32,121
Tax expense	(4,472)	(904)	(172)	(5,548)	-	(5,548)
Profit after tax	23,794	2,214	516	26,524	(49)	26,573

Notes to the consolidated and separate interim financial statements

In millions of Naira

	Nigeria	Outside Nigeria		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			
In millions of Naira						
31 March 2016						
Capital expenditure**	4,772	350	157	5,279	-	5,279
Identifiable assets	3,755,685	151,623	214,672	4,121,980	(129,902)	3,992,078
Identifiable liabilities	3,169,150	123,690	176,234	3,469,074	(98,068)	3,371,006

* Revenues are allocated based on the location of the operations.

** Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

Notes to the consolidated and separate interim financial statements

In millions of Naira

	Nigeria	Outside Nigeria Africa	Nigeria Banking Europe	Total reportable segments	Eliminations	Consolidated
In millions of Naira						
31 March 2015						
Revenue:						
Derived from external customers	103,516	-	1,985	105,501	(1,682)	103,819
Derived from other business segments	524	7,821	1,158	9,503	-	9,503
Total revenue*	104,040	7,821	3,143	115,004	(1,682)	113,322
Share of profit of associates	-	-	-	-	36	36
Interest expense	(36,632)	(2,353)	(1,486)	(40,471)	1,681	(38,790)
Impairment charge for credit losses	(2,080)	(10)	-	(2,090)	-	(2,090)
Operating expenses	(36,489)	(2,054)	(808)	(39,351)	1	(39,350)
Profit before tax	28,839	3,404	849	33,092	(36)	33,128
Tax expense	(4,818)	(434)	(196)	(5,448)	-	(5,448)
Profit after tax	24,021	2,970	653	27,644	(36)	27,680

Notes to the consolidated and separate interim financial statements

In millions of Naira

	Nigeria	Outside Nigeria Africa	Banking Europe	Total reportable segments	Eliminations	Consolidated
In millions of Naira						
31 March 2015						
Capital expenditure**	1,921	65	49	2,035	-	2,035
Identifiable assets	3,632,796	187,834	319,984	4,140,614	(202,611)	3,938,003
Identifiable liabilities	3,136,004	163,652	282,453	3,582,109	(170,536)	3,411,573

* Revenues are allocated based on the location of the operations.

** Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
14. Interest and similar income						
Inter-bank placement	156	1,026	6,232	165	842	8,478
Treasury bills	11,643	13,832	51,809	9,063	12,351	42,481
Government and other bonds	12,668	7,221	34,998	11,977	4,544	28,111
Loans and advances to customers	59,710	59,342	255,140	55,642	55,049	238,349
	84,177	81,421	348,179	76,847	72,786	317,419
15. Interest and similar expense						
Current accounts	685	1,211	4,638	648	1,176	4,491
Savings accounts	2,542	2,503	10,771	2,525	2,489	10,705
Borrowed funds	6,288	3,776	17,597	5,945	3,776	16,087
Time deposits	16,505	31,300	90,591	14,645	29,191	83,653
	26,020	38,790	123,597	23,763	36,632	114,936
16. Impairment charge						
Other financial assets	-	-	332	-	-	332
Overdrafts (See note 28)	2,400	2,238	(178)	2,400	2,503	(3,108)
Term loans (See note 28)	177	(376)	13,219	58	(651)	11,567
On-lending facilities (See note 28)	-	208	2,276	-	208	2,276
Advances under finance lease (See note 28)	-	20	24	-	20	24
	2,577	2,090	15,673	2,458	2,080	11,091

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
17. Fees and commission income						
Credit related fees	2,930	4,241	17,466	2,198	3,698	15,103
Commission on turnover	-	6,724	14,051	-	6,453	12,967
Current Account Maintenance	5,406	-	-	5,146	-	-
Income from financial guarantee contracts issued	846	788	2,257	791	682	1,907
Fees on electronic products	1,704	579	3,261	1,598	500	2,870
Foreign currency transaction fees and commissions	351	386	1,290	290	281	974
Asset based fees	1,360	1,296	5,239	-	-	-
Auction fees income	57	537	989	57	537	989
Corporate finance fees	1,804	1,170	8,282	1,778	1,117	8,132
Foreign withdrawal charges	621	1,010	5,365	621	1,010	5,365
Commission on agency and collection services	589	488	2,704	383	321	2,006
	15,668	17,219	60,904	12,862	14,599	50,313
18. Trading (loss)/income						
Foreign exchange trading (loss)/income	(2,299)	4,825	(1,962)	(2,299)	4,825	(2,228)
Treasury bill trading income	612	503	19,218	612	503	19,218
Bond trading (loss)/income	(206)	95	894	(206)	95	894
	(1,893)	5,423	18,150	(1,893)	5,423	17,884
19. Other income						
Income on cash handling	85	50	289	86	50	289
Gain on disposal of equity securities	-	-	1,615	-	-	1,615
Dividend Income from equity instruments	-	-	545	-	-	4,505
Gain on disposal of property and equipment	58	10	39	57	10	27
Foreign currency revaluation gain	1,340	9,199	2,814	632	9,526	4,601
	1,483	9,259	5,302	775	9,586	11,037

Dividend income from equity investments represents dividends received on equity instruments held for strategic purposes and for which the Group has elected to present fair value gains and losses in other comprehensive income.

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
20. Operating expenses						
Directors' emolument	122	125	1,145	60	108	461
Auditors' remuneration	143	118	546	105	105	447
Deposit insurance premium	2,400	2,314	9,358	2,400	2,314	9,358
AMCON	4,688	4,500	17,119	4,688	4,500	17,119
Advertisement	1,006	1,163	3,325	970	1,134	3,198
Bank charges	345	471	1,644	323	452	1,529
Donations	968	105	970	967	104	923
Telephone and postages	351	846	1,690	304	786	1,493
Corporate promotions	360	185	1,868	339	145	1,782
Provision for claims	-	-	9,766	-	-	9,766
Fines and penalties	-	-	60	-	-	60
Information technology	1,289	814	3,989	1,199	741	3,676
Fraud and forgery	7	-	201	7	-	201
Professional fees	454	386	2,455	402	349	2,199
Insurances	319	323	1,387	298	306	1,313
Operating lease	693	672	2,722	508	508	2,045
Expenses on electronic products	551	876	2,112	528	834	1,969
Printing and stationery	350	371	1,345	275	299	1,045
Fuel and maintenance	2,574	2,667	10,360	1,987	2,290	8,813
Security and cash handling	708	2,656	10,190	672	2,615	10,022
Licenses, registrations and subscriptions	395	833	1,334	305	787	1,222
Training and development	958	676	2,698	919	636	2,521
Travel and hotel expenses	341	299	1,807	237	196	1,442
Other expenses	265	1,050	1,837	24	672	773
	19,287	21,450	89,928	17,517	19,881	83,377

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
21. Taxation						
Major components of the tax expense						
Current						
Corporate tax	4,938	4,948	7,135	3,586	3,845	3,564
Excess dividend tax	-	-	11,620	-	-	11,445
Information technology tax	275	280	1,223	275	280	1,141
Education tax	219	100	592	219	100	529
Effect of tax rates in foreign jurisdictions	9	-	110	-	-	-
Prior year under provision	-	-	(1,550)	-	-	(1,445)
Total income tax expense	5,441	5,328	19,130	4,080	4,225	15,234
Deferred tax expense (see note 33)	107	120	823	116	120	1,202
Total tax expense	5,548	5,448	19,953	4,196	4,345	16,436
b The movement in the current income tax payable balance is as follows:						
At start of the period	3,579	10,042	10,042	2,534	7,709	7,709
Tax paid	(856)	(1,411)	(26,356)	-	-	(20,409)
Tax effect of translation	(192)	(327)	763	-	-	-
Income tax charge	5,441	5,328	19,130	4,080	4,225	15,234
At the end of the period	7,972	13,632	3,579	6,614	11,934	2,534
Applicable tax rate	30 %	30 %	30 %	30 %	30 %	30 %

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15	3 Months 31-Mar-16	3 Months 31-Mar-15	12 Months 31-Dec-15
22. Earnings per share						
Profit attributable to shareholders of the Bank (N'million)	26,525	27,617	105,531	22,880	23,062	98,784
Number of shares in issue at end of the period (millions)	31,396	31,396	31,396	31,396	31,396	31,396
Weighted average number of ordinary shares in issue (millions)	31,396	31,396	31,396	31,396	31,396	31,396
Basic earnings per share	84 k	88 k	336 k	73 k	73 k	315 k

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
23. Cash and balances with central banks						
Cash	82,372	33,661	41,649	77,182	29,201	35,544
Operating accounts with Central Banks	62,307	50,487	316,358	43,553	33,197	296,958
Mandatory reserve deposits with central bank	493,563	546,037	403,554	493,406	545,927	403,444
	638,242	630,185	761,561	614,141	608,325	735,946

Mandatory reserve deposits with central banks represents a percentage of customers' deposits (prescribed from time to time by the central bank) which are not available for daily use. For the purposes of the Statement of cashflow, this balance is excluded from cash and cash equivalents.

24. Treasury bills

Treasury bills (FVTPL)	56,132	34,553	53,698	56,132	34,553	53,698
Treasury bills (Amortized cost)	385,750	319,475	324,230	343,050	279,877	277,202
	441,882	354,028	377,928	399,182	314,430	330,900
Treasury bills less than 3 months maturity	79,420	214,721	79,513	63,800	181,498	63,979

25. Assets pledged as collateral

Treasury bills pledged as collateral	-	-	611	-	-	-
Bonds pledged as collateral	97,202	91,556	104,701	97,202	91,556	104,581
Treasury bills under repurchase agreement	51,000	94,863	48,638	51,000	94,863	48,638
Bonds under repurchase agreement	111,101	-	111,101	111,101	-	111,101
	259,303	186,419	265,051	259,303	186,419	264,320

The total financial assets recognised in the statement of financial position that has been pledged as collateral for liabilities as at 31 March, 2016 and 31 March, 2015 as shown above. Financial assets are pledged as collateral as part of sales and repurchases, borrowing transaction and collection agency transactions under terms that are usual for such activities.

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
26. Due from other banks						
Current balances with banks within Nigeria	16,823	3,393	15,244	-	-	-
Current balances with banks outside Nigeria	273,985	311,214	172,106	320,183	362,255	228,317
Placements with banks and discount houses	76,350	232,872	77,843	44,655	144,995	31,576
Due from other banks under repurchase agreement	-	-	7,001	-	-	7,001
	367,158	547,479	272,194	364,838	507,250	266,894
27. Derivative assets						
Forward contracts (fair value)	5,756	13,896	8,481	5,756	13,896	8,481
Swap contracts (fair value)	-	447	-	-	-	-
	5,756	14,343	8,481	5,756	13,896	8,481
Non-hedging derivative assets and liabilities						
The Group enters into currency forward contracts with counterparties. On initial recognition, the Group estimates the fair value of derivatives transacted with the counterparties using valuation techniques. In many cases, all significant inputs into the valuation techniques are wholly observable-e.g with reference to similar transactions in the wholesale dealer market.						
28. Loans and advances to customers						
Overdrafts	509,656	635,175	507,512	477,062	591,406	473,203
Term loans	1,153,200	1,184,183	1,226,277	1,032,443	1,075,906	1,113,622
On-lending facilities	301,453	100,778	287,937	301,453	100,778	287,937
Advances under finance lease	9,145	12,707	10,530	8,860	12,599	10,179
Gross loans and advances to customers	1,973,454	1,932,843	2,032,256	1,819,818	1,780,689	1,884,941
Less: Allowances for impairment	(44,928)	(30,514)	(42,943)	(38,116)	(27,386)	(35,716)
Specific allowances for impairment	(22,282)	(9,952)	(22,390)	(16,116)	(7,479)	(16,116)
Collective allowance for impairment	(22,646)	(20,562)	(20,553)	(22,000)	(19,907)	(19,600)
Net loans and advances to customers	1,928,526	1,902,329	1,989,313	1,781,702	1,753,303	1,849,225

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
Overdrafts						
Gross Overdrafts	509,656	635,175	507,512	477,062	591,406	473,203
Less: Allowances for impairment	(20,745)	(22,052)	(18,880)	(15,712)	(18,924)	(13,312)
Specific allowances for impairment	(9,860)	(7,259)	(10,088)	(5,473)	(4,786)	(5,474)
Collective allowance for impairment	(10,885)	(14,793)	(8,792)	(10,239)	(14,138)	(7,838)
Net Overdrafts	488,911	613,123	488,632	461,350	572,482	459,891
Term loans						
Gross Term loans	1,153,200	1,184,183	1,226,277	1,032,443	1,075,906	1,113,622
Less: Allowances for impairment	(21,430)	(7,781)	(21,310)	(19,651)	(7,781)	(19,651)
Specific allowances for impairment	(12,421)	(2,693)	(12,302)	(10,643)	(2,693)	(10,642)
Collective allowance for impairment	(9,008)	(5,088)	(9,008)	(9,008)	(5,088)	(9,009)
Net Term loans	1,131,771	1,176,402	1,204,967	1,012,792	1,068,125	1,093,971
On-lending facilities						
Gross On-lending facilities	301,453	100,778	287,937	301,453	100,778	287,937
Less: Allowances for impairment	(2,673)	(605)	(2,673)	(2,673)	(605)	(2,673)
Collective allowance for impairment	(2,673)	(605)	(2,673)	(2,673)	(605)	(2,673)
Net On-lending facilities	298,780	100,173	285,264	298,780	100,173	285,264
Advances under finance lease						
Gross Advances under finance lease	9,145	12,707	10,530	8,860	12,599	10,179
Less: Allowances for impairment - collective	(80)	(76)	(80)	(80)	(76)	(80)
Net Advances under finance lease	9,065	12,631	10,450	8,780	12,523	10,099

Notes to the consolidated and separate interim financial statements

In millions of Naira

Reconciliation of impairment allowance on loans and advances to customers

Group	Overdrafts	Term loans	On-lending facilities	Advances under finance lease	Total
Balance at 1 January 2016	18,880	21,310	2,673	80	42,943
Specific impairment	10,088	12,302	-	-	22,390
Collective impairment	8,792	9,008	2,673	80	20,553
Additional impairment for the period	2,400	177	-	-	2,577
Specific impairment	-	177	-	-	177
Collective impairment	2,400	-	-	-	2,400
Amounts recovered during the year impairment no longer required	355	-	-	-	355
Foreign currency translation and other adjustments	(51)	(57)	-	-	(108)
Write-offs	(839)	-	-	-	(839)
Balance at 31 March 2016	20,745	21,430	2,673	80	44,928
Specific impairment	9,860	2,693	-	-	12,553
Collective impairment	10,885	9,008	2,673	80	22,646
Balance at 01 January 2015	19,943	8,432	397	56	28,828
Specific impairment	7,372	2,693	-	-	10,065
Collective impairment	12,571	5,739	397	56	18,763
Additional impairment for the period	2,238	(376)	208	20	2,090
Specific impairment	1,409	191	-	-	1,600
Collective impairment	829	(567)	208	20	490
Foreign currency translation and other adjustments	(129)	(275)	-	-	(404)
Balance at 31 March 2015	22,052	7,781	605	76	30,514
Specific impairment	7,259	2,693	-	-	9,952
Collective impairment	14,793	5,088	605	76	20,562

Notes to the consolidated and separate interim financial statements

In millions of Naira

Bank

	Overdrafts	Term loans	On-lending facilities	Advances under finance lease	Total
Balance at 01 January 2016	13,312	19,651	2,673	80	35,716
Specific impairment	5,474	10,642	-	-	16,116
Collective impairment	7,838	9,009	2,673	80	19,600
Additional impairment for the period	2,400	58	-	-	2,458
Specific impairment	1,178	-	-	-	1,178
Collective impairment	1,222	58	-	-	1,280
Amounts recovered during the year impairment no longer required	17	-	-	-	17
Write-offs	(17)	(58)	-	-	(75)
Balance at 31 March 2016	15,712	19,651	2,673	80	38,116
Specific impairment	5,473	10,643	-	-	16,116
Collective impairment	10,239	9,008	2,673	80	22,000
Balance at 1 January 2015	16,446	8,432	397	56	25,331
Specific impairment	4,787	2,693	-	-	7,480
Collective impairment	11,659	5,739	397	56	17,851
Additional impairment for the period	2,503	(651)	208	20	2,080
Specific impairment	568	-	-	-	568
Collective impairment	1,935	(651)	208	20	1,512
Amounts recovered during the year impairment no longer required	(25)	-	-	-	(25)
Balance at 31 March 2015	18,924	7,781	605	76	27,386
Specific impairment	4,786	2,693	-	-	7,479
Collective impairment	14,138	5,088	605	76	19,907

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
(c) Advances under finance leases						
Gross investment	10,292	14,978	11,653	9,967	14,824	11,267
Less: Unearned income	(1,147)	(2,271)	(1,123)	(1,107)	(2,225)	(1,088)
Net Investment	9,145	12,707	10,530	8,860	12,599	10,179
The net investment may be analysed as follows:						
No later than 1 year	1,356	1,903	1,561	1,142	1,885	1,478
Later than 1 year and no later than 5 years	7,789	10,804	8,969	7,718	10,714	8,701
	9,145	12,707	10,530	8,860	12,599	10,179
(d) The nature of security in respect of loans and advances is as follows:						
Secured against real estate	143,639	238,094	147,919	131,129	237,522	135,822
Secured by shares of quoted companies	7,251	5,492	7,467	7,209	5,339	7,467
Cash collateral, lien over fixed and floating assets,	922,521	1,166,346	950,009	887,708	1,007,216	919,475
Unsecured	900,042	532,911	926,861	793,772	530,612	822,177
	1,973,453	1,942,843	2,032,256	1,819,818	1,780,689	1,884,941
29. Investment securities						
(a) Analysis of investments						
Debt securities	197,799	172,151	202,444	135,426	73,335	140,709
Equity securities	10,839	14,470	10,697	10,172	13,788	10,015
	208,638	186,621	213,141	145,598	87,123	150,724

Notes to the consolidated and separate interim financial statements

In millions of Naira

30. Interests in subsidiaries including consolidated structured entities

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Name of company	Effective	Effective	Nominal share	Nominal share
	holding 2016	holding 2015	capital held 2016	capital held 2015
Zenith Bank (Ghana) Limited	98.07 %	98.07 %	6,444	6,444
Zenith Bank (UK) Limited	100.00 %	100.00 %	21,482	13,307
Zenith Bank (Sierra Leone) Limited	99.99 %	99.99 %	2,059	2,058
Zenith Bank (Gambia) Limited	99.96 %	99.96 %	1,038	1,038
Zenith Pensions Custodian Limited	99.00 %	99.00 %	1,980	1,980

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
31. Investments in associates						
The Group's investments under the Small and Medium Enterprises Equity Investment Scheme ("SMEEIS") complies with the Policy Guidelines for 2001 Fiscal Year (Monetary Policy Circular No. 35). The Group generally holds 20 percent or more of the voting power of the investee and is therefore presumed to have significant influence over the investee. In instances where the Group holds less than 20 percent of the voting power of the investee, the Group concluded that it has significant influence due to the Group's representation on the board of the relevant investee, with such board generally limited to a small number of board members.						
Balance at beginning of the period	1,312	1,312	1,312	1,312	1,312	1,312
Share of profit brought forward	440	212	212	-	-	-
Share of profit for the period	48	36	228	-	-	-
Diminution in investment	(1,222)	(1,222)	(1,222)	(1,222)	(1,222)	(1,222)
Balance at end of the period	578	338	530	90	90	90

The financial statements used in applying the equity method may be as of a date or for a period that is different from the Group due to practical difficulties preventing the associate from producing coterminous figures in time for the Group's reporting period.

There were no published price quotations for any associates of the Group. Furthermore, there are no significant restrictions on the ability of associates to transfer funds to the Group in the form of cash dividends or repayment of loans and advances.

32. Derivative liabilities

Derivative liabilities	281	4,573	384	281	4,573	384
	281	4,573	384	281	4,573	384

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
33. Deferred tax						
Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2015: 30%).						
Deferred tax assets						
At the start of the period	5,607	6,449	6,449	5,131	6,333	6,333
Charge for the period	(132)	(150)	(724)	(116)	(120)	(1,202)
Foreign exchange differences	41	239	(118)	-	-	-
At the close of the period	5,516	6,538	5,607	5,015	6,213	5,131
Deferred tax liabilities						
At the start of the period	19	-	-	-	-	-
Charge for the period	16	30	19	-	-	-
At the close of the period	35	30	19	-	-	-
34. Other assets						
Prepayments	22,771	33,496	12,710	21,171	32,545	11,534
Deposits for shares	-	-	-	650	650	650
Electronic card related receivables	21,449	2,735	10,446	20,848	504	9,118
Intercompany receivables	-	-	-	777	445	753
Receivables	4,588	4,588	4,588	4,588	4,588	4,588
Less: Specific impairment	(4,970)	(4,637)	(4,970)	(4,970)	(4,637)	(4,970)
	43,838	36,182	22,774	43,064	33,445	21,673

Notes to the consolidated and separate interim financial statements

In millions of Naira

35. Property and equipment

Group	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer Equipment	Leasehold improvements	Work in progress	Total
Cost								
At start of the period	22,297	30,117	43,659	14,858	23,865	14,745	24,282	173,823
Additions	3	607	557	469	1,413	210	1,345	4,604
Disposals	-	-	(54)	(321)	(2)	(1)	-	(378)
Reclassification	1,092	184	539	-	32	48	(1,895)	-
Foreign exchange movements	1	(1)	(19)	(5)	(17)	(4)	(19)	(64)
At the end of the period	23,393	30,907	44,682	15,001	25,291	14,998	23,713	177,985
Accumulated Depreciation								
At start of the period	1,709	4,034	34,483	11,660	22,269	12,646	-	86,801
Charge for the period	57	152	949	431	485	178	-	2,252
Disposals	-	-	(52)	(306)	(2)	-	-	(360)
Reclassification	-	(1)	3	(1)	(2)	1	-	-
Foreign exchange movements	-	(4)	23	17	(2)	40	-	74
At the end of the period	1,766	4,181	35,406	11,801	22,748	12,865	-	88,767
Net Book Amount At 31 March 2016	21,627	26,726	9,276	3,200	2,543	2,133	23,713	89,218
At 31 December 2015	20,588	26,083	9,176	3,198	1,596	2,099	24,282	87,022

Notes to the consolidated and separate interim financial statements

In millions of Naira

35.(b) Property and equipment

Bank	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer Equipment	Leasehold improvements	Work in progress	Total
Cost								
At start of the period	22,297	29,853	42,243	13,868	22,894	12,967	20,366	164,488
Additions	3	607	444	415	1,117	103	1,039	3,728
Disposals	-	-	(51)	(321)	(2)	(1)	-	(375)
Reclassification	1,093	184	539	-	32	48	(1,896)	-
At the end of the period	23,393	30,644	43,175	13,962	24,041	13,117	19,509	167,841
Accumulated depreciation								
At start of the period	1,709	4,014	33,416	10,988	21,519	11,655	-	83,301
Charge for the period	57	147	931	410	325	169	-	2,039
Disposals	-	-	(48)	(305)	(3)	-	-	(356)
Reclassification	-	(2)	3	-	(2)	1	-	-
At the end of the period	1,766	4,159	34,302	11,093	21,839	11,825	-	84,984
Net Book Amount At 31 March 2016	21,627	26,485	8,873	2,869	2,202	1,292	19,509	82,857
At 31 December 2015	20,588	25,839	8,827	2,880	1,375	1,312	20,366	81,187

Notes to the consolidated and separate interim financial statements

In millions of Naira

36. Intangible assets

Computer software

	Group 31-Mar-16	Group 31-Mar-15	Group 31-Dec-15	Bank 31-Mar-16	Bank 31-Mar-15	Bank 31-Dec-15
Cost						
At start of the period	8,761	6,142	6,142	7,236	5,255	5,255
Exchange difference	(45)	47	179	-	-	-
Reclassification	-	-	219	-	-	-
Additions	675	234	2,221	641	224	1,981
At end of the period	9,391	6,423	8,761	7,877	5,479	7,236
Accumulated depreciation						
At start of the period	5,521	3,940	3,940	4,483	3,354	3,354
Exchange difference	105	49	123	-	-	-
Reclassification	-	-	219	-	-	-
Charge for the period	341	220	1,239	328	212	1,129
At the end of the period	5,967	4,209	5,521	4,811	3,566	4,483
Carrying amount at period end	3,424	2,214	3,240	3,066	1,913	2,753

Zenith Bank Plc

Consolidated and separate interim financial statements for the period ended 31 March 2016

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
37. Deposits						
Demand	1,318,626	1,316,754	1,282,559	1,198,867	1,131,085	1,153,442
Savings	274,715	230,176	246,113	249,860	211,687	222,035
Term	534,756	503,407	556,375	504,856	475,998	521,219
Domiciliary	435,834	632,238	472,837	398,434	598,466	436,321
	2,563,931	2,682,575	2,557,884	2,352,017	2,417,236	2,333,017
38. Other liabilities						
Settlement payables	16,774	1,788	21,232	16,765	1,776	21,282
Electronic card related payables	530	3,570	1,449	432	3,500	1,392
Due to banks for clean letters of credit	30,827	85,205	53,016	51,271	84,960	66,673
Managers' cheques	12,591	11,428	12,016	11,978	10,994	11,663
Tax collections	2,063	6,537	1,803	1,975	6,468	1,673
Sales and other collections	12,143	11,451	19,895	12,143	11,301	19,895
Deferred income on financial guarantee contracts	472	399	441	472	349	441
Unclaimed dividend	3,208	-	-	3,208	-	-
Provision for claims	9,766	-	9,766	9,766	-	9,766
Customer deposits for letters of credit	52,565	149,819	71,927	52,484	149,420	71,913
Customer's foreign transactions payables	5,796	10,403	4,332	3,142	8,197	2,276
Other payables	6,989	23,725	9,185	3,230	17,056	5,662
	153,724	304,325	205,062	166,866	294,021	212,636

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
39. On-lending facilities						
This comprises:						
Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme Loan	38,866	31,123	33,482	38,866	31,123	33,482
Bank of Industry (BOI) Intervention Loan	56,708	56,480	58,755	56,708	56,480	58,755
Central Bank of Nigeria (CBN) / Bank of Industry(BOI) - Power & Aviation intervention Funds	10,837	12,725	11,798	10,837	12,725	11,798
CBN MSMEDF Deposit	1,445	507	1,561	1,445	507	1,561
FGN SSB Intervention Fund	128,793	-	111,194	128,793	-	111,194
Excess Crude Loan Facility Deposit	69,461	-	70,091	69,461	-	70,091
	306,110	100,835	286,881	306,110	100,835	286,881
40. Borrowings						
Long term borrowing comprise:						
Due to ADB	24,772	24,817	25,013	24,772	24,817	25,013
Due to KEXIM	7,835	7,090	9,996	7,835	7,090	9,996
Due to EIB	4,766	5,436	5,491	4,766	5,436	5,491
Due to PROPARCO	13,906	15,219	13,758	13,906	15,219	13,758
Due to CITIBANK	7,463	17,559	9,958	7,463	17,559	9,958
Due to ABSA bank	39,060	19,861	40,097	39,060	19,861	40,097
Due to J P Morgan Chase bank	14,554	30,096	14,941	14,554	30,096	14,941
Due to Standard Bank	48,670	14,669	49,962	48,670	14,669	49,962
Due to First Rand bank	6,574	9,954	7,740	6,574	9,954	7,740
Due to Commerzbank	50,325	59,698	59,259	50,325	59,698	59,259
Due to IFC	17,014	-	20,034	17,014	-	20,034
Due to British Arab Bank	2,588	-	2,613	2,588	-	2,613
Due to Zenith Bank (UK)	-	-	-	-	-	9,249
	237,527	204,399	258,862	237,527	204,399	268,111

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-16	31-Mar-15	31-Dec-15	31-Mar-16	31-Mar-15	31-Dec-15
41. Debt securities issued						
Due to euro bond holders	101,425	101,204	99,818	101,425	101,204	99,818
	101,425	101,204	99,818	101,425	101,204	99,818
42. Share capital						
Authorised						
40,000,000,000 Ordinary shares of 50k each (March 2015:40,000,000,000)	20,000	20,000	20,000	20,000	20,000	20,000
.						
Issued						
31,396,493,786 ordinary shares of 50k each (2015:31,396,493,786)	15,698	15,698	15,698	15,698	15,698	15,698
Issued						
Ordinary	15,698	15,698	15,698	15,698	15,698	15,698
Share premium	255,047	255,047	255,047	255,047	255,047	255,047
	270,745	270,745	270,745	270,745	270,745	270,745
43. Share premium						
Share premium	255,047	255,047	255,047	255,047	255,047	255,047

The nature and purpose of the reserves in equity are as follows:

Share premium: Premiums from the issue of shares are reported in share premium.

Retained earnings: Retained earnings comprise the undistributed profits from previous years which have not been reclassified to the other reserves noted below.

Notes to the consolidated and separate interim financial statements

Statutory reserve: Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by section 16(1) of the Bank and Other Financial Institutions Act of 1991 (amended), 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 share capital.

SMIEIS reserve: The SMIEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of their profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax for the first 5 years and shall thereafter reduce to 5% of profit after tax. The small and medium scale industries equity investment scheme reserves are non-distributable.

Revaluation reserve: Comprises fair value movements on equity instruments.

Foreign Currency Translation reserve: Comprises exchange differences resulting from the translation to Naira of the results and financial position of entities within the group that have a functional currency other than Naira.

Statutory Reserve for Credit Risk: the CBN requires the bank to create a reserve for the difference between impaired charge determined in line with the principles of IFRS and provisions for loan losses determined in line with the prudential guidelines issued by the CBN, where the latter is greater. This reserve is not available for distribution to shareholders.

44. Pension contribution

In accordance with the provisions of the Pensions Reform Act 2014, the bank and its subsidiaries commenced a contributory pension scheme in January 2005. For entities operating in Nigeria, the contribution by employees and the employing entities are 2.5% and 15.5% respectively of the employees' basic salary, housing and transport allowances. Entities operating outside Nigeria contribute in line with the relevant pension laws in their jurisdictions. The contribution by the group and the bank during the period were N868 million and N756 million respectively (2015: N818 million and N762 million).

Notes to the consolidated and separate interim financial statements

In millions of Naira

45. Related party transactions

Zenith Bank (UK) Limited is a wholly owned subsidiary of the Bank.

Parent:

Zenith Bank Plc (incorporated in Nigeria) is the ultimate parent company of the Group.

Subsidiaries:

Transactions between Zenith Bank Plc and its subsidiaries, which are eliminated on consolidation are not separately disclosed in the consolidated financial statements. The Group's effective interests and investments in subsidiaries as at 31 March 2016 are shown below.

Entity	Effective holding %	Norminal share capital held
Zenith Bank (Ghana) Limited	98.07 %	6,444
Zenith Bank (UK) Limited	100.00 %	21,482
Zenith Bank (Sierra Leone) Limited	99.99 %	2,059
Zenith Bank (The Gambia) Limited	99.96 %	1,038
Domestic / non-banking subsidiaries:		
Zenith Pension Custodians Limited	99.00 %	1,980
	-	33,003

Key management personnel

Key management personnel is defined as the Group's executive and non-executive directors, including their family members and any entity over which they exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group.

Key management compensation

In millions of Naira

	Group 31-Mar-16	Group 31-Mar-15	Group 31-Dec-15
Salaries and other short-term benefits	116	122	1,114
Retirement benefit cost	6	3	31
	122	125	1,145

Notes to the consolidated and separate interim financial statements

In millions of Naira

Loans and advances

At start of the period	559	787	787
Granted during the period	-	-	6
Repayment during the period	(14)	(15)	(234)
At end of of the period	545	772	559

Interest earned

Loans to key management personnel include mortgage loans and other personal loans which are given under terms that are no more favourable than those given to other staff. No impairment has been recognised in respect of loans granted to key management (2015: Nil). The mortgage loans are secured by the underlying assets. All other loans are unsecured.

Group

31 March 2016

In millions of Naira

Name of company / Individual

	Loans	Deposits	Interest received	Interest paid
Visafone Communications Ltd	-	1,032	-	-
Quantum Fund Management	-	70	-	1
At end of of the period	-	1,102	-	1

Group

31 March 2015

In millions of Naira

Name of company / Individual

	Loans	Deposits	Interest received	Interest paid
Visafone Communications Ltd	-	214	-	-
Quantum Fund Management	11,750	62	590	-
At end of of the period	11,750	276	590	-

Loans granted to related parties are secured by real estate and other assets of the respective borrowers. No impairment has been recognised of loans granted to related parties (2015:Nil)

Notes to the consolidated and separate interim financial statements

In millions of Naira

46. Acceptances and guarantees

(a) Legal proceedings

The Bank is presently involved in 120 litigation suits in its ordinary course of business. The total amount claimed in the cases against the bank is estimated at N11.2 billion. The actions are being contested and the Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the bank and are not aware of any other pending or threatened claims and litigations.

(b) Capital commitments

At the reporting date, the bank had capital commitments amounting to N2.86 billion (2015: N3.82 billion) in respect of authorized and contracted capital projects.

(c) Confirmed credits and other obligations on behalf of customers

In the normal course of business the group is a party to financial instruments with off-balance sheet risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

In millions of Naira	Group 31-Mar-16	Group 31-Mar-15	Group 31-Dec-15	Bank 31-Mar-16	Bank 31-Mar-15	Bank 31-Dec-15
Performance bonds and guarantees	599,965	643,781	668,171	560,892	616,979	655,760
Usance	101,583	124,709	146,918	101,583	124,709	146,918
Letters of credit	176,423	192,493	168,308	151,399	149,424	134,748
Pension Funds (See Note (below))	2,047,789	1,793,940	1,674,120	2,047,789	1,793,940	1,674,120
	2,925,760	2,754,923	2,657,517	2,861,663	2,685,052	2,611,546

Letters of credit are agreements to lend to customers in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity dates, but are cancellable by the Group (as lender) subject to notice requirements. These letters of credit are provided at market-related interest rates and cannot be settled net in cash.

The amount of N 2,047.79 billion (2015: N 1,674.12 billion) represents the full amount of the bank's guarantee for the assets held by its subsidiary, Zenith Pensions Custodian Limited under the latter's custodial business as required by the National Pensions Commission.

47. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash and non-restricted balances with central banks, treasury bills and other eligible bills, operating account balances with other banks, amounts due from other banks and short-term government securities.

Notes to the consolidated and separate interim financial statements

In millions of Naira

47. Cash and cash equivalents (continued)

Cash and balances with central banks (less restricted balances)	144,679	84,148	358,007	120,735	62,398	332,502
Treasury bills(maturing within three months)	79,420	214,721	79,513	63,800	181,498	63,979
Due from other banks	367,158	547,479	272,194	364,838	507,250	266,894
	591,257	846,348	709,714	549,373	751,146	663,375