





ZENITH BANK PLC

RC: 150224



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CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2020

THE BOARD:

Chairman: Jim Ovia, CON

Group Managing Director/CEO: Ebenezer Onyeagwu | **Deputy Managing Director:** Adaora Umeoji

Executive Directors: Ahmed Umar Shuaib | Temitope Fasoranti | Dennis Olisa | Henry Oroh

Non-Executives: Mr. Jeffrey Efeyini | Prof. Chukuka Enwemeka | Prof. Oyewusi Ibidapo-Obe | Mr. Gabriel Ukpeh | Engr. Mustafa Bello | Dr Al-Mujtaba Abubakar

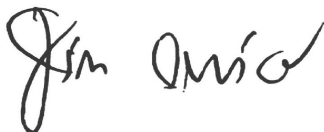
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Certification pursuant to section 60(2) of Investment and Securities Act No. 29 Of 2007

We the undersigned hereby certify the following with regards to our financial report for the period ended 31 March, 2020 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 statements 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 presented 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 deficiencies 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 involve 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 the 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 .



Jim Ovia, CON.

Chairman

FRC/2013/CIBN/00000002406



Ebenezer Onyeagwu

Group Managing Director/CEO

FRC/2013/ICAN/00000003788

Statements of profit or loss and other comprehensive income

In millions of Naira	Notes	Group			Bank		
		3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
Gross earnings		166,814	158,111	662,251	143,402	134,121	564,687
Interest and similar income	14	114,330	122,480	415,563	93,793	104,644	339,310
Interest and similar expense	15	(32,829)	(36,343)	(148,532)	(27,118)	(31,305)	(126,237)
Net interest income		81,501	86,137	267,031	66,675	73,339	213,073
Impairment charge	16	(3,951)	(2,096)	(24,032)	(3,290)	(2,205)	(23,393)
Net interest income after impairment charge		77,550	84,041	242,999	63,385	71,134	189,680
Net fee and commission income	17	15,439	21,315	100,106	13,108	17,280	83,641
Trading income	18	15,467	7,811	117,798	15,450	7,811	117,772
Other income	19	15,733	3,530	14,216	15,471	1,996	10,838
Depreciation of property and equipment	34	(6,271)	(4,750)	(21,436)	(5,601)	(4,147)	(18,887)
Amortisation of intangible assets	35	(788)	(749)	(3,078)	(705)	(690)	(2,795)
Personnel expenses		(18,155)	(18,289)	(77,858)	(14,295)	(13,941)	(62,038)
Operating expenses	20	(40,187)	(35,616)	(129,453)	(37,644)	(33,761)	(118,191)
Profit before tax		58,788	57,293	243,294	49,169	45,682	200,020
Income tax expense	21	(8,262)	(7,059)	(34,451)	(5,500)	(4,500)	(22,017)
Profit after tax		50,526	50,234	208,843	43,669	41,182	178,003
Other comprehensive income:							
Items that will never be reclassified to profit or loss							
Fair value movements on equity instruments		3,995	184	13,870	3,995	157	13,870
Fair value movements on debt securities		(1,921)	-	452	-	-	-
Items that are or may be reclassified to profit or loss							
Foreign currency translation differences		9,947	(6,785)	(8,498)	-	-	-
Other comprehensive income/loss for the period, net of tax		12,021	(6,601)	5,824	3,995	157	13,870
Total comprehensive income for the period		62,547	43,633	214,667	47,664	41,339	191,873

Statements of profit or loss and other comprehensive income

	Notes	Group			Bank		
		3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
In millions of Naira							
Profit attributable to:							
Equity holders of the parent		50,482	50,134	208,693	43,669	41,182	178,003
Non-controlling interests		44	100	150	-	-	-
Total comprehensive income attributable to:							
Equity holders of the parent		62,481	43,671	214,577	47,664	41,339	191,873
Non-controlling interests		66	(38)	90	-	-	-
Earnings per share attributable to equity holders of parent							
Basic and diluted	22	161 k	160 k	665 k	139 k	131 k	567 k

Statements of financial position as at 31 March, 2020

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
Assets							
Cash and balances with central banks	23	1,278,458	965,833	936,278	1,218,785	920,336	879,449
Treasury bills	24	787,691	810,086	991,393	640,831	635,842	822,449
Asset pledged as collateral	25	337,645	549,270	431,728	337,645	549,270	431,728
Due from other banks	26	1,008,256	823,738	707,103	753,430	515,093	482,070
Derivative assets	27	125,722	87,374	92,722	125,722	87,374	92,722
Loans and advances	28	2,580,784	1,792,276	2,305,565	2,473,092	1,725,377	2,239,472
Investment securities	29	595,675	542,188	591,097	185,257	147,155	189,358
Investments in subsidiaries	30	-	-	-	34,625	34,625	34,625
Deferred tax assets	32	13,850	11,171	11,885	13,344	10,918	11,223
Other assets	33	197,820	117,445	77,395	188,373	111,364	71,412
Property and equipment	34	186,764	162,810	185,216	166,296	143,159	165,456
Intangible assets	35	15,252	16,981	16,497	13,865	15,729	15,109
Total assets		7,127,917	5,879,172	6,346,879	6,151,265	4,896,242	5,435,073
Liabilities							
Customers' deposits	36	4,462,627	3,571,370	4,262,289	3,664,703	2,763,881	3,486,887
Derivative liabilities	31	38,302	9,258	14,762	38,302	9,258	14,762
Current income tax	21	16,307	16,364	9,711	13,751	12,176	6,627
Deferred tax liabilities	32	7	36	25	-	-	-
Other liabilities	37	968,972	307,335	363,764	962,688	267,913	386,061
On-lending facilities	38	387,179	404,995	392,871	387,179	404,995	392,871
Borrowings	39	286,366	421,322	322,479	294,259	432,535	329,778
Debt securities issued	40	42,215	367,604	39,092	42,215	367,604	39,092
Total liabilities		6,201,975	5,098,284	5,404,993	5,403,097	4,258,362	4,656,078

Statement of Financial Position as at 31 March, 2020


In millions of Naira	Note(s)	Group			Bank		
		31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
Capital and reserves							
Share capital	41	15,698	15,698	15,698	15,698	15,698	15,698
Share premium	42	255,047	255,047	255,047	255,047	255,047	255,047
Retained earnings		374,049	290,411	412,948	260,656	201,326	302,028
Other reserves		280,328	218,232	257,439	216,767	165,809	206,222
Attributable to equity holder of the parent		925,122	779,388	941,132	748,168	637,880	778,995
Non-controlling interests		820	1,500	754	-	-	-
Total shareholders' equity		925,942	780,888	941,886	748,168	637,880	778,995
Total liabilities and equity		7,127,917	5,879,172	6,346,879	6,151,265	4,896,242	5,435,073

The unaudited financial statements were approved by the Board of Directors for issue on 29 April, 2020 and signed on its behalf by:

Dr. Jim Ovia, CON (Chairman)
FRC/2013/CIBN/00000002406



Ebenezer Onyeagwu (Group Managing Director and Chief Executive)
FRC/2013/ICAN/00000003788



Mukhtar Adam, PhD (Chief Financial Officer)
FRC/2013/MULTI/00000003196



The accompanying notes are an integral part of these financial statements.

Statements of cash flows

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
Cash flows from operating activities							
Profit after tax for the period/year		50,526	50,234	208,843	43,669	41,182	178,003
Adjustments for non-cash items:							
Impairment							
Impairment loss on loan and advances	16	3,493	1,287	27,754	2,886	1,396	27,148
Impairment loss on Investments	16	3	20	(27)	3	20	(27)
Impairment loss on Contingents	16	263	631	(2,473)	263	631	(2,473)
Impairment loss on placements		83	91	(789)	83	91	(789)
Impairment loss on assets pledged		6	6	(57)	6	6	(57)
Impairment loss on other assets	16	68	52	(341)	43	52	(354)
Impairment loss on treasury bills		35	9	(35)	6	9	(55)
Fair value changes in trading bond	18	181	(1,673)	(10,905)	181	(1,673)	(10,905)
Depreciation of property and equipment	34	6,271	4,750	21,436	5,601	4,147	18,887
Amortisation of intangible assets	35	788	749	3,078	705	690	2,795
Dividend income	19	-	-	(1,932)	-	-	(5,532)
Net revaluation loss on debt securities issued		3,123	63	5,949	3,123	63	5,949
Interest and similar income	14	(114,330)	(122,480)	(415,563)	(93,793)	(104,644)	(339,310)
Interest and similar expense	15	32,829	36,343	148,532	27,118	31,305	126,237
Profit on sale of property and equipment	19	(76)	(23)	(147)	(76)	(16)	(152)
Tax expense	21	8,262	7,059	34,451	5,500	4,500	22,017
Changes in operating assets and liabilities:							
Net (increase)/decrease in loans and advances		(279,391)	29,647	(492,717)	(236,506)	9,293	(513,382)
Net (increase)/decrease in other assets		(120,493)	(36,609)	3,863	(117,004)	(35,505)	(4,853)
Net (increase)/decrease in treasury bills with maturity greater than 3 months		(12,306)	(260,051)	194,352	(34,830)	(269,320)	183,300
Net decrease/(increase) in treasury bills (FVTPL)		204,276	181,296	(197,798)	204,745	(192,779)	(197,801)
Net decrease in asset pledged as collateral		94,077	43,659	161,321	94,077	43,659	161,321
Net (increase)/decrease in debt securities		(586)	24,686	1,513	8,093	9,654	(7,833)
Net increase in restricted balances (cash reserves)		(273,721)	(5,217)	(55,479)	(273,721)	(5,217)	(55,479)
Net decrease/(increase) in due from banks with maturity greater than three months		234,797	-	(223,413)	234,797	-	(223,413)
Net increase/(decrease) in customer deposits		197,225	(118,925)	564,135	176,756	310,716	664,555
Net increase in other liabilities		603,107	103,192	134,974	574,526	84,340	165,524
Net (increase)/decrease in derivative assets		(33,000)	1,452	(3,896)	(33,000)	1,452	(3,896)
Net increase/(decrease) in derivative liabilities		23,540	(11,547)	(2,233)	23,540	(11,547)	(2,233)
		629,050	(71,299)	102,396	616,791	(77,495)	187,192

Statement of Cash Flows

	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
In millions of Naira						
Interest received	109,320	118,537	407,104	87,761	100,870	335,518
Dividend income	-	-	1,932	-	-	5,532
Interest paid	(31,551)	(33,218)	(135,575)	(26,575)	(30,215)	(114,398)
Tax paid	21 (3,649)	(1,570)	(36,308)	(497)	-	(23,370)
VAT paid	(41)	(238)	(381)	(41)	(220)	(381)
Net cash flows(used in)/generated from operating activities	703,129	12,212	339,168	677,439	(7,060)	390,093
Cash flows from investing activities						
Purchase of property and equipment	34 (7,002)	(20,674)	(62,333)	(6,472)	(13,485)	(50,901)
Proceeds from sale of property and equipment	206	2,274	2,976	107	49	530
Purchase of intangible assets	35 (138)	(1,020)	(2,118)	(43)	(1,020)	(1,539)
Purchase of equity securities	-	-	(50)	-	-	(50)
Net cash from investing activities	(6,934)	(19,420)	(61,525)	(6,408)	(14,456)	(51,960)
Cash flows from financing activities						
Net inflow from on-lending facilities	(5,692)	239,761	(424)	(5,692)	239,761	(424)
Net movement in borrowings	(37,831)	(15,938)	(114,781)	(37,237)	(25,928)	(128,685)
Repayment and repurchase of debt securities issued	-	-	(340,358)	-	-	(340,358)
Inflow from debt securities issued	-	-	-	-	-	-
Dividends paid	(78,491)	(78,491)	(87,910)	(78,491)	(78,491)	(87,910)
Lease liability principal payment	(920)	-	(2,196)	(920)	-	(2,196)
Acquisition of additional interest in Zenith Bank Ghana	-	-	(622)	-	-	(622)
Net cash from financing activities	(122,934)	145,332	(546,291)	(122,340)	135,342	(560,195)
(Decrease)/Increase in cash and cash equivalent	573,261	138,124	(268,648)	548,691	113,826	(222,062)
Cash at the beginning of the period	670,715	947,038	947,038	388,853	610,915	610,915
Effect of exchange rate movement on cash balances	8,067	(6,279)	(7,675)	-	-	-
Cash and cash equivalent at the end of the period	46 1,252,043	1,078,883	670,715	937,544	724,741	388,853

Statements of changes in equity

	Attributable to equity holders of the Bank								Total	Non-controlling interest	Total equity
	Share capital	Share premium	Foreign currency translation reserve	Revaluation reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings			
In millions of Naira											
Group											
Balance at 1 January, 2020	15,698	255,047	30,076	24,180	197,395	3,729	2,059	412,948	941,132	754	941,886
Profit for the period	-	-	-	-	-	-	-	50,482	50,482	44	50,526
Foreign currency translation differences	-	-	9,925	-	-	-	-	-	9,925	22	9,947
Fair value movements on equity instruments	-	-	-	3,995	-	-	-	-	3,995	-	3,995
Fair value movements on debt securities	-	-	-	(1,921)	-	-	-	-	(1,921)	-	(1,921)
Total comprehensive income for the period	-	-	9,925	2,074	-	-	-	50,482	62,481	66	62,547
Transfer between reserves	-	-	-	-	10,684	-	206	(10,890)	-	-	-
Dividends	-	-	-	-	-	-	-	(78,491)	(78,491)	-	(78,491)
Transactions with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March, 2020	15,698	255,047	40,001	26,254	208,079	3,729	2,265	374,049	925,122	820	925,942
Balance at 1 January, 2019	15,698	255,047	38,514	9,858	167,520	3,729	1,610	322,232	814,208	1,538	815,746
Profit for the period	-	-	-	-	-	-	-	50,134	50,134	100	50,234
Foreign currency translation differences	-	-	(6,647)	-	-	-	-	-	(6,647)	(138)	(6,785)
Fair value movements on equity instruments	-	-	-	184	-	-	-	-	184	-	184
Total comprehensive income for the period	-	-	(6,647)	184	-	-	-	50,134	43,671	(38)	43,633
Transfer between reserves	-	-	-	-	3,024	-	440	(3,464)	-	-	-
Dividends	-	-	-	-	-	-	-	(78,491)	(78,491)	-	(78,491)
Cost of transfer from income to stated capital	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March, 2019	15,698	255,047	31,867	10,042	170,544	3,729	2,050	290,411	779,388	1,500	780,888

Consolidated and separate statements of changes in equity

In millions of Naira	Share capital	Share premium	Revaluation reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total equity
Bank								
Balance at 1 January, 2020	15,698	255,047	23,728	178,765	3,729	-	302,028	778,995
Profit for the period	-	-	-	-	-	-	43,669	43,669
Fair value movement on equity instruments	-	-	3,995	-	-	-	-	3,995
Total comprehensive income for the period	-	-	3,995	-	-	-	43,669	47,664
Transfer between reserves	-	-	-	6,550	-	-	(6,550)	-
Dividends	-	-	-	-	-	-	(78,491)	(78,491)
Balance at 31 March, 2020	15,698	255,047	27,723	185,315	3,729	-	260,656	748,168
Balance as at 1 January, 2019	15,698	255,047	9,858	152,065	3,729	-	238,635	675,032
Profit for the period	-	-	-	-	-	-	41,182	41,182
Fair value movement on equity instruments	-	-	157	-	-	-	-	157
Total comprehensive income for the period	-	-	157	-	-	-	41,182	41,339
Transfer between reserves	-	-	-	-	-	-	(4,623)	(4,623)
Dividends	-	-	-	-	-	-	(78,491)	(78,491)
Balance at 31 March, 2019	15,698	255,047	10,015	152,065	3,729	-	196,703	633,257

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 six subsidiary companies namely, Zenith Bank (Ghana) Limited, Zenith Pensions Custodian Limited, Zenith Bank (UK) Limited, Zenith Bank (Sierra Leone) Limited, Zenith Bank (Gambia) Limited and Zenith Nominees Limited. The results of the bank's subsidiaries have been consolidated in these 3 months period 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 period ended 31 March, 2020 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 2019, 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 December 31, 2019 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 period. 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. Changes in estimates

Critical accounting estimates and judgements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5. Dividends

The directors did not recommend the payment of any dividend for the Group's results to 31 March, 2020

(31 March, 2019: NIL).

6. 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.

7. Business combinations

There was no business combination during the period.

Notes to the Consolidated And Separate Interim Financial Statements

8. Restructuring and reversals of restructuring provisions

Loans and advances to customers of N476 billion (31 December, 2019: N452 billion) which are neither past due nor impaired have been renegotiated.

9. Correction of prior period errors

No error has been noted in relation to the prior period results.

10. 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.

11. Litigation settlements

There was no litigation settlement in the period 31 March, 2020 (31 March, 2019: Nil).

12. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Zenith Bank Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Bank's securities. The Policy is periodically reviewed by the Board and updated. The Bank has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

Notes to the Consolidated And Separate Interim Financial Statements
13. Segment

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

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			segments
In millions of Naira						
31 March, 2020						
Revenue:						
Derived from external customers	145,552	16,481	4,781	166,814	-	166,814
Derived from other business segments	340	15	-	355	(355)	-
Total revenue*	145,892	16,496	4,781	167,169	(355)	166,814
Interest expense	(27,118)	(4,950)	(1,116)	(33,184)	355	(32,829)
Impairment charge for credit losses	(3,290)	(110)	(551)	(3,951)	-	(3,951)
Operating expenses	(63,790)	(4,703)	(2,753)	(71,246)	-	(71,246)
Profit before tax	51,694	6,733	361	58,788	-	58,788
Tax expense	(6,052)	(2,098)	(112)	(8,262)	-	(8,262)
Profit after tax	45,642	4,635	249	50,526	-	50,526
In millions of Naira						
31 March, 2020						
Capital expenditure**	6,567	464	109	7,140	-	7,140
Identifiable assets	6,180,054	457,016	663,470	7,300,540	(172,623)	7,127,917
Identifiable liabilities	5,406,311	367,309	566,355	6,339,975	(138,000)	6,201,975

* 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

	Nigeria	Outside Nigeria Banking		Total	Eliminations	Consolidated
		Africa	Europe	reportable		segments
				segments		
In millions of Naira						
31 March, 2019						
Revenue:						
Derived from other business segments	137,159	15,955	5,634	158,748	(637)	158,111
Interest expense	(31,316)	(4,655)	(1,009)	(36,980)	637	(36,343)
Impairment charge for credit losses	(1,875)	(165)	(56)	(2,096)	-	(2,096)
Operating expenses	(56,081)	(5,290)	(1,008)	(62,379)	-	(62,379)
Profit before tax	47,887	5,845	3,561	57,293	-	57,293
Tax expense	(5,070)	(1,497)	(492)	(7,059)	-	(7,059)
Profit after tax	42,817	4,348	3,069	50,234	-	50,234

	Nigeria	Outside Nigeria Banking		Total	Eliminations	Consolidated
		Africa	Europe	reportable		segments
				segments		
In millions of Naira						
31 March, 2019						
Capital expenditure**	161,245	17,467	1,079	179,791	-	179,791
Identifiable assets	4,923,559	431,210	656,014	6,010,783	(131,611)	5,879,172
Identifiable liabilities	4,263,088	360,816	572,609	5,196,513	(98,229)	5,098,284

* 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-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
14. Interest and similar income						
Loans and advances to customers	67,540	58,300	232,946	64,272	54,677	220,210
Treasury bills	15,305	42,406	81,108	8,559	35,467	52,127
Government and other bonds	20,434	16,654	68,497	11,597	11,209	41,947
Commercial Papers	29	-	367	29	-	367
Placement with banks and discount houses	8,888	4,894	26,897	7,202	3,065	18,911
Income on promissory notes	2,134	226	5,748	2,134	226	5,748
	114,330	122,480	415,563	93,793	104,644	339,310
15. Interest and similar expense						
Current accounts	2,237	3,007	11,624	1,714	2,722	10,387
Savings accounts	5,586	4,566	21,625	5,531	4,521	21,394
Time deposits	14,043	10,805	47,334	10,714	7,817	35,041
Borrowed funds	10,963	17,965	67,949	9,159	16,245	59,415
	32,829	36,343	148,532	27,118	31,305	126,237
16. Impairment charge						
Other non-financial assets	68	-	(377)	43	-	(377)
Loans and advances (See note 28)	3,493	1,287	27,754	2,886	1,396	27,148
Impairment Charge on Investments securities	3	20	(27)	3	20	(27)
Off balance sheet	263	631	(2,473)	263	631	(2,473)
Impairment on placement	83	91	(789)	83	91	(789)
Treasury bills	35	9	(35)	6	9	(55)
Other financial assets	-	52	36	-	52	23
Asset Pledged as Collateral	6	6	(57)	6	6	(57)
	3,951	2,096	24,032	3,290	2,205	23,393

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
17. Net income on Fee and commission						
Credit related fees	3,899	3,537	21,879	3,634	2,413	20,046
Current account maintenance	5,729	5,238	21,674	5,180	4,735	19,623
Income from financial guarantee contracts issued	1,812	933	3,202	1,618	893	2,921
Fees on electronic products	5,442	8,738	42,511	5,072	8,443	41,162
Foreign currency transaction fees and commission	205	779	3,725	234	356	1,233
Asset based fees	782	1,741	7,849	-	-	-
Auction fees income	131	764	2,381	131	763	2,381
Corporate finance fees	113	163	536	20	98	278
Foreign withdrawal charges	1,719	1,324	6,021	1,719	1,324	6,021
Commission on agency and collection services	1,452	1,073	4,896	1,080	645	3,102
	21,284	24,290	114,674	18,688	19,670	96,767
Fees and commission expense	(5,845)	(2,975)	(14,568)	(5,580)	(2,390)	(13,126)
	15,439	21,315	100,106	13,108	17,280	83,641

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
18. Trading income						
Derivatives (loss)/income	830	(6,087)	(7,427)	830	(6,087)	(7,427)
Treasury bill trading income	14,818	12,225	114,320	14,801	12,225	114,294
Bond trading (loss)/income	(181)	1,673	10,905	(181)	1,673	10,905
	15,467	7,811	117,798	15,450	7,811	117,772
19. Other operating income						
Income on cash handling	87	166	597	53	120	400
Gain on disposal of equity investment	891	-	-	891	-	-
Dividend Income from equity instruments	-	-	1,932	-	-	5,532
Gain on disposal of property and equipment	76	23	147	76	16	152
Foreign currency revaluation gain	14,679	3,341	11,540	14,451	1,860	4,754
	15,733	3,530	14,216	15,471	1,996	10,838

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-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
20. Operating expenses						
Directors' emolument	205	183	2,448	55	48	1,512
Auditors' remuneration	179	173	892	105	105	590
Deposit insurance premium	3,505	3,090	12,898	3,505	3,090	12,898
Professional fees	1,298	812	4,377	1,055	605	3,427
Training and development	274	247	2,439	207	191	2,136
Information technology	3,222	2,836	9,846	3,058	2,668	9,071
Operating lease	693	677	1,313	546	563	859
Advertisement	1,871	1,819	7,908	1,796	1,717	7,433
Outsourcing services	2,670	2,613	11,762	2,670	2,613	11,762
Bank charges	1,047	955	4,563	905	817	3,968
Fuel and maintenance	2,383	2,202	14,429	1,930	2,109	11,822
Insurances	497	503	1,977	455	469	1,836
Licenses, registrations and subscriptions	941	837	3,449	753	747	2,883
Travel and hotel expenses	628	532	2,751	449	490	2,340
Printing and stationery	612	611	2,402	454	433	1,642
Security and cash handling	1,014	1,169	3,824	903	1,086	3,419
Fraud and forgery	27	15	268	27	15	268
Fines and penalties	-	4	21	-	4	21
Donations	855	239	2,751	824	236	2,729
AMCON	15,459	14,327	28,654	15,459	14,327	28,654
Telephone and postages	1,593	706	3,609	1,500	609	3,195
Corporate promotions	901	722	5,847	883	699	5,687
Other expenses	313	344	1,025	105	120	39
	40,187	35,616	129,453	37,644	33,761	118,191

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
21. Taxation						
Major components of the tax expense						
Minimum tax	-	962	-	-	962	-
Current						
Corporate tax	2,624	622	12,770	-	-	-
Dividend tax	11,774	3,086	22,105	11,774	1,365	22,053
Prior period over provision	(4,647)	-	-	(4,647)	-	-
Information technology tax	492	584	1,980	492	452	1,980
Education tax	-	84	-	-	-	-
Effect of tax rates in foreign jurisdictions	-	-	-	-	-	-
Police trust fund levy	2	-	10	2	-	10
Total income tax expense	10,245	5,338	36,865	7,621	2,779	24,043
Deferred tax expense	(1,983)	1,721	(2,414)	(2,121)	1,721	(2,026)
Total tax expense	8,262	7,059	34,451	5,500	4,500	22,017
b The movement in the current income tax payable balance is as follows:						
At start of the period	9,711	9,154	9,154	6,627	5,954	5,954
Tax paid	(3,649)	(1,570)	(36,308)	(497)	-	(23,370)
Minimum tax charge	-	962	-	-	962	-
Income tax charge	10,245	7,818	36,865	7,621	5,260	24,043
At the end of the period	16,307	16,364	9,711	13,751	12,176	6,627

Notes to the Consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19	3 Months 31-Mar-20	3 Months 31-Mar-19	12 Months 31-Dec-19
22. Earnings per share						
Profit attributable to shareholders of the Bank (N'million)	50,482	50,134	208,693	43,669	41,182	165,480
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	161 k	160 k	665 k	139 k	131 k	527 k

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
23. Cash and balances with central banks						
Cash	62,024	70,755	55,255	41,199	57,567	39,417
Operating accounts with central banks	181,763	184,390	120,073	142,915	152,081	79,082
Mandatory reserve deposits with central bank	953,982	629,999	680,261	953,982	629,999	680,261
Cash requirement special intervention reserve	80,689	80,689	80,689	80,689	80,689	80,689
	1,278,458	965,833	936,278	1,218,785	920,336	879,449

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)	503,835	59,797	708,111	503,369	59,801	708,114
Treasury bills (Amortized cost)	284,454	750,370	283,845	137,485	576,122	114,352
Treasury bill (Amortized cost) impairment allowance	(598)	(81)	(563)	(23)	(81)	(17)
	787,691	810,086	991,393	640,831	635,842	822,449
Treasury bills less than 3 months maturity	-	-	11,697	-	-	11,697

25. Assets pledged as collateral

Treasury bills pledged as collateral	-	5,545	-	-	5,545	-
Bonds pledged as collateral	128,995	-	105,135	128,995	-	105,135
Treasury bills under repurchase agreement	109,600	305,225	198,611	109,600	305,225	198,611
Bonds under repurchase agreement	99,125	238,632	128,051	99,125	238,632	128,051
Assets pledged impairment allowance	(75)	(132)	(69)	(75)	(132)	(69)
	337,645	549,270	431,728	337,645	549,270	431,728

The total financial assets recognised in the statement of financial position that has been pledged as collateral for liabilities as at 31 March, 2020 and 31 December, 2019 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-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
26. Due from other banks						
Current balances with banks within Nigeria	8,876	15,330	8,155	-	-	-
Current balances with banks outside Nigeria	368,599	305,736	171,410	341,351	319,001	154,654
Placements with banks and discount houses	631,006	503,727	527,680	412,304	197,114	327,558
Placement Impairment allowance	(225)	(1,055)	(142)	(225)	(1,022)	(142)
	1,008,256	823,738	707,103	753,430	515,093	482,070
27. Derivative assets						
Forward contracts (fair value)	111,414	87,374	91,204	111,414	87,374	91,204
Futures contracts (fair value)	14,308	-	1,518	14,308	-	1,518
	125,722	87,374	92,722	125,722	87,374	92,722

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.

Notes to the Consolidated And Separate Interim Financial Statements

In Millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
28. Loans and advances to customers						
Overdrafts	250,173	273,269	212,548	234,549	246,221	194,020
Term loans	1,988,755	1,258,450	1,760,501	1,890,546	1,208,222	1,707,326
On-lending facilities	487,693	403,665	483,024	487,693	403,665	483,024
Advances under finance lease	13,264	3,048	6,286	13,030	3,038	6,281
Gross loans and advances to customers	2,739,885	1,938,432	2,462,359	2,625,818	1,861,146	2,390,651
Less: Allowances for impairment	(159,101)	(146,156)	(156,794)	(152,726)	(135,769)	(151,179)
Net loans and advances to customers	2,580,784	1,792,276	2,305,565	2,473,092	1,725,377	2,239,472

Notes to the Consolidated And Separate Interim Financial Statements

28. Loans and advances to customers (continued)

GROUP

In Millions of Naira				31 March, 2020				31 December 2019
	12 Month ECL	Lifetime ECL Not Credit- impaired	Lifetime ECL Credit-Impaired	Total	12 Month ECL	Lifetime ECL Not Credit- impaired	Lifetime ECL Credit- Impaired	Total
Loans and advances to customer's at amortised cost								
Balance at 1 January	30,428	15,806	110,559	156,793	15,965	36,040	141,403	193,408
Transfer to 12-month ECL	-	-	-	-	5,235	(4,855)	(380)	-
Transfer to lifetime ECL not credit-impaired	-	-	-	-	(7,486)	7,564	(78)	-
Transfer to lifetime ECL credit-impaired	-	-	-	-	(2,078)	(36,022)	38,100	-
Net remeasurement of loss allowance	75	1,006	2,010	3,091	5,380	12,658	(4,455)	13,583
New financial assets originated or purchased	402	-	-	402	12,605	698	868	14,171
Write-offs and recoveries	-	-	(1,861)	(1,861)	-	-	(60,971)	(60,971)
Foreign exchange and other movements	676	-	-	676	807	(277)	(3,928)	(3,398)
Closing balance	31,581	16,812	110,708	159,101	30,428	15,806	110,559	156,793
Gross amount	2,351,805	201,126	186,954	2,739,885	2,113,588	180,754	168,017	2,462,359

Notes to the Consolidated And Separate Interim Financial Statements

28. Loans and advances to customers (continued)

BANK

In Millions of Naira	31 March, 2020				31 December 2019			
	12 Month ECL	Lifetime ECL Not Credit-impaired	Lifetime ECL Credit-Impaired	Total	12 Month ECL	Lifetime ECL Not Credit-impaired	Lifetime ECL Credit-Impaired	Total
Loans and Advances to Customer's at Amortised Cost								
Balance at 1 January	27,143	14,276	109,760	151,179	14,092	34,233	136,673	184,998
Transfer to 12-month ECL	-	-	-	-	5,236	(4,856)	(380)	-
Transfer to lifetime ECL not credit-impaired	-	-	-	-	(7,486)	7,564	(78)	-
Transfer to lifetime ECL credit-impaired	-	-	-	-	(2,078)	(36,021)	38,099	-
Net remeasurement of loss allowance	45	920	1,668	2,633	4,774	12,658	(4,455)	12,977
New financial assets originated or purchased	253	-	-	253	12,605	-	-	14,171
Write-offs	-	-	(1,339)	(1,339)	-	-	(60,967)	(60,967)
Closing Balance	27,441	15,196	110,089	152,726	27,143	14,276	109,760	151,179
Gross Amount	2,254,864	193,371	177,583	2,625,818	2,052,919	176,053	161,679	2,390,651

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
29. Investment securities						
(a) Analysis of investments						
Debt securities measured at amortised cost	347,130	486,471	234,857	97,101	90,857	113,959
Debt securities FVPL	19,681	6,967	12,257	18,115	6,967	12,257
Debt Securities FVOCI	158,836	-	280,854	-	-	-
Commercial papers measured at amortised cost	2,907	-	-	2,907	-	-
Equity securities	67,675	49,917	63,680	67,675	49,917	63,680
Impairment allowance (Debt securities measured at amortised cost only)	(554)	(1,167)	(551)	(541)	(586)	(538)
	595,675	542,188	591,097	185,257	147,155	189,358

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	holding	capital held	capital held
	31-Mar-20	31-Dec-19	31-Mar-20	31-Dec-19
Zenith Bank (Ghana) Limited	99.42 %	99.42 %	7,066	7,066
Zenith Bank (UK) Limited	100.00 %	100.00 %	21,482	21,482
Zenith Bank (Sierra Leone) Limited	99.99 %	99.99 %	2,059	2,059
Zenith Bank (Gambia) Limited	99.96 %	99.96 %	1,038	1,038
Zenith Pensions Custodian Limited	99.00 %	99.00 %	1,980	1,980
Zenith Nominees	99.00 %	99.00 %	1,000	1,000
			34,625	34,625

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
31. Derivative liabilities						
Forward Contract	24,545	9,258	13,622	24,545	9,258	13,622
Futures Contract	13,757	-	1,140	13,757	-	1,140
	38,302	9,258	14,762	38,302	9,258	14,762
32. Deferred tax						
Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2019: 30%).						
Deferred tax assets						
Movement in deferred tax asset						
At the start of the period	11,885	9,513	9,513	11,223	9,197	9,197
Charge for the period	1,965	1,658	2,372	2,121	1,721	2,026
At the close of the period	13,850	11,171	11,885	13,344	10,918	11,223
Deferred tax liabilities						
At the start of the period	25	67	67	-	-	-
Charge for the period	(18)	(31)	(42)	-	-	-
At the close of the period	7	36	25	-	-	-

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
33. Other assets						
Prepayments and other non-financial asset	27,206	32,738	13,814	22,996	30,593	10,342
Deposits for shares	-	-	-	720	-	720
Electronic card related receivables	149,325	71,116	42,019	143,111	67,071	38,555
Intercompany receivables	-	-	-	253	92	210
AGSMEIS Receivables	22,096	13,822	22,096	22,096	13,822	22,096
Receivables	221	1,151	426	143	1,095	392
Less: allowance for impairment	(1,028)	(1,382)	(960)	(946)	(1,309)	(903)
	197,820	117,445	77,395	188,373	111,364	71,412

Notes to the Consolidated And Separate Interim Financial Statements

34. Property and equipment

Group

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
Cost										
At start of the period	34,668	60,740	94,296	23,387	37,098	12,600	25,016	18,138	17,201	323,144
Additions	348	597	1,428	1,254	315	-	344	-	2,716	7,002
Disposals	-	-	(893)	(86)	(7)	-	(1,458)	-	-	(2,444)
Reclass from WIP	1	366	319	47	5	-	202	-	(940)	-
Reclassification	-	(35)	49	-	-	-	(14)	-	-	-
Foreign exchange movements	-	471	199	71	29	-	96	171	26	1,063
At the end of the period	35,017	62,139	95,398	24,673	37,440	12,600	24,186	18,309	19,003	328,765
Accumulated Depreciation										
At start of the period	-	7,646	60,898	17,212	29,253	2,730	18,740	1,449	-	137,928
Charge for the period	-	303	2,923	870	1,019	315	550	291	-	6,271
Disposals	-	-	(887)	(66)	(8)	-	(1,353)	-	-	(2,314)
Reclassification	-	20	59	-	-	-	(27)	(52)	-	-
Foreign exchange movements	-	24	11	23	11	-	37	10	-	116
At the end of the period	-	7,993	63,004	18,039	30,275	3,045	17,947	1,698	-	142,001
Net book amount at 31 March, 2020	35,017	54,146	32,394	6,634	7,165	9,555	6,239	16,611	19,003	186,764
At 31 December, 2019	34,668	53,094	33,398	6,175	7,845	9,870	6,276	16,689	17,201	185,216

Notes to the Consolidated And Separate Interim Financial Statements

34. Property and equipment (continued)

35.(b) Property and equipment

Bank

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
Cost										
At start of the period	34,668	51,667	90,399	21,191	34,410	12,600	20,033	11,650	16,691	293,309
Additions	348	597	1,428	1,097	207	-	144	-	2,651	6,472
Disposals	-	-	(341)	(86)	(7)	-	(1)	-	-	(435)
Reclass from WIP	1	366	319	47	5	-	202	-	(940)	-
Reclassification	-	(35)	49	-	-	-	(14)	-	-	-
At the end of the period	35,017	52,595	91,854	22,249	34,615	12,600	20,364	11,650	18,402	299,346

Accumulated depreciation

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
At start of the period	-	7,187	58,128	15,802	26,907	2,730	15,911	1,188	-	127,853
Charge for the period	-	256	2,765	726	798	315	450	291	-	5,601
Disposals	-	-	(329)	(66)	(8)	-	(1)	-	-	(404)
Reclassification	-	20	7	-	-	-	(27)	-	-	-
At the end of the period	-	7,463	60,571	16,462	27,697	3,045	16,333	1,479	-	133,050
Net book amount at 31 March, 2020	35,017	45,132	31,283	5,787	6,918	9,555	4,031	10,171	18,402	166,296
At 31 December, 2019	34,668	44,480	32,271	5,389	7,503	9,870	4,122	10,462	16,691	165,456

Notes to the Consolidated And Separate Interim Financial Statements

35. Intangible assets

Computer software

	Group 31-Mar-20	Group 31-Mar-19	Group 31-Dec-19	Bank 31-Mar-20	Bank 31-Mar-19	Bank 31-Dec-19
Cost						
At start of the period/year	32,472	28,905	28,905	27,381	24,876	24,876
Exchange difference	262	58	867	-	-	-
WIP (disposal)/addition	(582)	-	582	(582)	-	966
Additions	138	1,020	2,118	43	1,020	1,539
At end of the period/year	32,290	29,983	32,472	26,842	25,896	27,381
Accumulated amortization						
At start of the period/year	15,975	12,227	12,227	12,272	9,477	9,477
Exchange difference	275	26	670	-	-	-
Reclassification from PPE	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Charge for the period/year	788	749	3,078	705	690	2,795
At the end of the period/year	17,038	13,002	15,975	12,977	10,167	12,272
Carrying amount at end of the period/year	15,252	16,981	16,497	13,865	15,729	15,109

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
36. Deposits						
Demand	1,944,150	1,746,132	1,985,020	1,361,745	1,137,884	1,422,508
Savings	764,329	519,463	614,297	732,940	469,088	588,454
Term	523,063	456,070	495,714	418,580	379,462	379,627
Domiciliary	1,231,085	849,705	1,167,258	1,151,438	777,447	1,096,298
	4,462,627	3,571,370	4,262,289	3,664,703	2,763,881	3,486,887
37. Other liabilities						
Settlement payables	17,274	63,670	99,225	17,257	63,454	99,269
Electronic card related payables	3,181	2,888	13,065	2,987	2,704	12,951
AMCON payable	7,634	9,542	7,634	7,634	9,542	7,634
Due to banks for clean letters of credit	101,532	21,452	20,259	117,398	49,275	63,309
Managers' cheques	18,571	18,132	13,777	17,493	17,046	13,095
Customer's foreign transactions payables	318,719	10,779	16,088	308,893	4,062	6,007
Off balance sheet ECL allowance	5,801	8,642	5,538	5,801	8,642	5,538
Tax collections	2,386	2,332	2,018	2,114	2,110	1,832
Sales and other collections	256,009	29,329	80,243	256,004	29,329	80,243
Deferred income on financial guarantee contracts	1,728	1,271	4,626	1,630	1,270	4,513
Unclaimed dividend	16,907	9,653	25,588	16,907	9,653	25,588
Lease liability	21,972	19,897	22,194	15,908	14,487	16,297
Customer deposits for letters of credit	24,809	41,834	22,315	61,706	41,711	46,354
Other payables	172,449	67,914	31,194	130,956	14,628	3,431
	968,972	307,335	363,764	962,688	267,913	386,061

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
38. On-lending facilities						
This comprises:						
Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme Loan	39,444	49,776	40,666	39,444	49,776	40,666
Bank of Industry (BOI) Intervention Loan	38,777	43,440	39,827	38,777	43,440	39,827
Central Bank of Nigeria (CBN) / Bank of Industry(BOI) - Power & Aviation intervention Funds	13,600	15,938	14,590	13,600	15,938	14,590
CBN MSMEDF Deposit	1,140	1,517	1,353	1,140	1,517	1,353
FGN SSB Intervention Fund	135,121	138,924	135,869	135,121	138,924	135,869
Excess Crude Loan Facility Deposit	82,168	87,056	83,302	82,168	87,056	83,302
Non-Oil Export Stimulation Facility	19,085	21,894	21,139	19,085	21,894	21,139
Real Sector Support Facility	43,726	44,447	43,689	43,726	44,447	43,689
Paddy Aggregation Scheme (Phase 2) Fund	2,503	2,003	2,500	2,503	2,003	2,500
Creative Industry Financing Initiative	224	-	74	224	-	74
Maize Aggregation Scheme	4,026	-	4,006	4,026	-	4,006
Accelerated Agricultural Development Scheme	7,365	-	5,856	7,365	-	5,856
	387,179	404,995	392,871	387,179	404,995	392,871

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
39. Borrowings						
Long term borrowing comprise:						
Due to ADB	12,401	23,324	17,681	12,401	23,324	17,681
Due to KEXIM	14,248	6,158	22,877	14,248	6,158	22,877
Due to PROPARCO	6,319	11,159	5,884	6,319	11,159	5,884
Due to Societe Generale	-	27,248	55,433	-	27,248	55,433
Due to AFC	62,000	-	-	62,000	-	-
Due to First Abu Dhabi Bank	-	36,442	-	-	36,442	-
Due to ABSA bank	87,245	63,678	82,352	87,245	63,678	82,352
Due to J P Morgan Chase bank	38,892	145,405	36,534	38,892	145,405	36,534
Due to Standard Bank London	-	36,858	-	-	36,858	-
Due to IFC	16,397	21,529	18,813	16,397	21,529	18,813
Due to Standard Bank South Africa	29,254	49,521	27,635	29,254	49,521	27,635
Due to Goldman Sach	-	-	36,950	-	-	36,950
Due to Mashreq	19,610	-	18,320	19,610	-	18,320
Due to Zenith Bank Ghana	-	-	-	7,893	11,213	7,299
	286,366	421,322	322,479	294,259	432,535	329,778
40. Debt securities issued						
Due to Euro bond holders	42,215	367,604	39,092	42,215	367,604	39,092
	42,215	367,604	39,092	42,215	367,604	39,092

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
41. Share capital						
Authorised						
40,000,000,000 Ordinary shares of 50k each (September 2019:40,000,000,000)	20,000	20,000	20,000	20,000	20,000	20,000
.						
Issued						
31,396,493,786 ordinary shares of 50k each (September 2019:31,396,493,786)	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

Notes to the consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-20	31-Mar-19	31-Dec-19	31-Mar-20	31-Mar-19	31-Dec-19
42. 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 which have not been reclassified to the other reserves noted below.

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 which the Bank has elected to present through the Other Comprehensive Income.

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 impairment 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.

43. 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 8% and 10% 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 N936 million and N673 million respectively (2019: N3.92 billion and N2.94 billion).

Notes to the Consolidated And Separate Interim Financial Statements

44. Related party transactions

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, 2020 are shown below.

Entity	Effective holding %	Nominal share capital held
Zenith Bank (Ghana) Limited	99.42 %	7,066
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
Zenith Nomi nees Limited	99.00 %	1,000
	-	34,625

Notes to the Consolidated And Separate Interim Financial Statements

44. Related party transactions (continued)

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

Salaries and other short-term benefits
Retirement benefit cost
Allowances

At end of of the period

Group 31-Mar-20	Group 31-Mar-19	Group 31-Dec-19
504	493	1,226
17	15	919
84	95	405
605	603	2,550

Loans and advances

At start of the period
Granted during the period
Repayment during the period

At end of of the period

1,764	1,180	1,180
204	795	1,010
(140)	(401)	(426)
1,828	1,574	1,764

Notes to the Consolidated And Separate Interim Financial Statements

44. Related party transactions (continued)

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. Interest earned on loans to directors for the Group and the Bank is N16 million respectively. The mortgage loans are secured by the underlying assets. All other loans are unsecured.

Group 31 March, 2020 In millions of Naira Name of company / Individual	Loans	Deposits	Interest received	Interest paid	Transaction with Zenith Bank
Zenith General Insurance Company	-	807	-	-	369
Zenith Trustee Limited	-	1	-	-	-
Directors Deposits	1,759	1,236	16	5	-
Cyberspace Network	-	2	-	-	348
Quantum Fund Management	-	15	-	-	-
Ovation Ltd	-	2,354	-	-	-
At end of of the period	1,759	4,415	16	5	717

Group 31 March 2019 In millions of Naira Name of company / Individual	Loans	Deposits	Interest received	Interest paid
Barrit Digital Photo Lab & Studio	-	52	-	5
Zenith General Insurance Co. Ltd	-	-	470	-
Directors and relatives	-	-	1,199	-
Cyberspace Limited	-	-	24	-
Doris Stephens Ltd	170	-	-	3
Quantum Fund Management	-	-	34	-
Ovation Ltd	-	-	3,322	-
At end of of the period	222	5,049	8	13

Loans granted to related parties are secured by real estate and other assets of the respective borrowers.

Notes to the Consolidated And Separate Interim Financial Statements

45. Acceptances and guarantees

(a) Legal proceedings

The Bank is presently involved in 247 litigation suits in its ordinary course of business. The total amount claimed in the cases against the bank is estimated at N7 billion (31 December 2019 N27 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 N6.1 billion (31 December 2019: N5.5 billion) in respect of authorized and contracted capital projects.

Notes to the Consolidated And Separate Interim Financial Statements

45. Acceptances and guarantees (continued)

(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-20	Group 31-Mar-19	Group 31-Dec-19	Bank 31-Mar-20	Bank 31-Mar-19	Bank 31-Dec-19
Performance bonds and guarantees	401,794	330,133	363,922	330,127	316,312	261,495
Usance	76,202	130,366	79,318	75,550	130,366	79,318
Letters of credit	466,502	368,372	545,174	405,519	337,172	413,656
	944,498	828,871	988,414	811,196	783,850	754,469
Assets under custody (See Note (below))	5,160,219	3,692,739	5,174,795	5,160,219	3,692,739	5,174,795

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 N5,160 billion (December 2019: N 5,174 billion) represents the full amount of the bank's guarantee for the assets held by its subsidiary, Zenith Pensions Custodian Limited and Zenith Nominees Limited under both companies custodial business as required by the National Pensions Commission.

Notes to the Consolidated And Separate Interim Financial Statements

46. 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.

In millions of Naira	Group 31-Mar-20	Group 31-Mar-19	Group 31-Dec-19	Bank 31-Mar-20	Bank 31-Mar-19	Bank 31-Dec-19
Cash and balances with central banks (less restricted balances)	243,787	255,145	175,328	184,114	209,648	118,499
Treasury bills(maturing within three months)	-	-	11,697	-	-	11,697
Due from other banks	1,008,256	823,738	483,690	753,430	515,093	258,657
	1,252,043	1,078,883	670,715	937,544	724,741	388,853

Notes to the Consolidated And Separate Interim Financial Statements

47. Material Disclosures on the Impact of COVID 19

Introduction

- Coronavirus (COVID-19) pandemic and the slump in the price of crude oil remain the biggest risk to the global economic growth and stability in 2020, has weighed on global financial markets and is expected to impact local and global businesses significantly.
- The International Monetary Fund (IMF) projected a negative growth of 3.4 per cent this year for the Nigerian economy as the Nigerian oil-dependent economy has been significantly challenged by these factors.
- The pandemic has presented social and economic implications for the bank and the economy and various steps are being taken to respond to them.

These are discussed below:

Trend and Impact of COVID-19 on Financial Conditions of Zenith Bank

- Lower economic activities and revision of rate of interest on government intervention loans has resulted in the immediate reduction of traditional income stream.
- Expected low cash flows is engendering the possible restructuring of loans and critical review of performance of customers by sector and segments.
- Key sectors that will be affected in the books of the bank are Oil and Gas; Hospitality, Travel and Aviation; Leisure and Entertainment; Construction and; some aspects of manufacturing.
- Key sectors that would benefit from the events are Healthcare and Pharmaceutical Companies and Fast-Moving Consumer Goods Companies and; Agriculture.
- It is also creating opportunities for growth in both volume and Income from E-channels and other online service offerings.

Outlook and expectation of Future Impact of the Pandemic

- The impact will greatly influence our present and future business models, with significant emphasis on digital banking services, digital payment channels and virtual meetings, especially in the 2020 financial year and beyond.
- The bank will continue to assess the business disruption capabilities and abilities to work from home for its employees amid the pandemic. The resilience factors across operations; lending and lending customers; Trade finance; and key financial indicators (mainly with increased buffers) is been reviewed and fine-tuned.

Others include:

- Declining monthly FAAC allocation to tiers of government may negatively impact the bank's liquidity position and asset quality in that sector.
- Possible decline in Capital Adequacy Ratio from increased Risk Weighted Asset arising from foreign currency translation.
- Expected higher yield from FGN Bonds as government increases borrowings to meet infrastructural project financing.
- Impaired capacity to repay loans and possible higher-than-expected NPLs in the affected sectors of the economy.
- Increased cybersecurity and socio-political issues.

Zenith Bank Current Actions and Response to The Uncertainties

- Implementation on more robust Business Continuity Plan and Resilience activities. The bank has also developed a strategic crisis-action plan to guide the organization's response across all Covid-19 scenarios - short, medium and long term.
- Continue all strategic activities and meetings through a secured online tool, with special focus on continuous review of the Impacts of Covid-19 while leveraging emerging opportunities while developing processes for the health and safety of our employees and customers.
- Several stress tests and scenarios have been developed to assess the possible impacts of Covid-19 on our liquidity, capital adequacy and earning capacity. Systems and strategies are being put in place to respond to expected impact on our balance sheet and trading activities and monitoring all assets and liabilities classes to reveal current performance and ensure appropriate actions to meet the bank's financial obligations and preserve shareholders' funds.
- Building and enhancing virtual operating models & processes and promoting innovation and creativity in digital service delivery using data analysis and technology to drive business.
- We will further strengthen our risk management practices at this time and regularly assess the performance of Business Continuity Plan (BCP).

Notes to the Consolidated And Separate Interim Financial Statements

Conclusion

There are uncertainties as to the full impact of COVID 19 and oil price slump at the moment as the assumptions are still being reviewed to ascertain and quantify their financial impact. This will be updated as the issues become clearer. A post balance sheet review will show that there was no significant impact on the financial performance of the bank in Q1 2020 because the lockdown was implemented in the last week of March 2020.

Zenith Bank expects a moderate impact on the bank's financial position and earning capacity in the short to medium term. With sound corporate governance, the bank remains resilient to shocks and other adverse impacts of the coronavirus pandemic. We also expect moderate recovery of economic activities starting before the last quarter of 2020.