



PEOPLE'S BANK

FINANCIAL STATEMENTS

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER

	BANK			GROUP		
	2010 (Rs. '000) (Audited)	2009 (Rs. '000) (Audited)	Change %	2010 (Rs. '000) (Audited)	2009 (Rs. '000) (Audited)	Change %
Gross Income	62,532,427	69,049,608	(9.4)	70,927,509	75,560,338	(6.1)
Interest Income	56,534,172	62,341,236	(9.3)	64,559,320	68,639,885	(5.9)
Interest Income on Loans and Advances	43,458,663	49,542,553	(12.3)	51,386,491	55,766,717	(7.9)
Interest Income on Other Interest Earning Assets	13,075,509	12,798,683	2.2	13,172,829	12,873,168	2.3
Less: Interest Expenses	30,635,722	38,414,583	(20.2)	33,929,178	41,491,263	(18.2)
Interest Expenses on Deposits	26,832,472	32,980,191	(18.6)	26,804,234	32,931,742	(18.6)
Interest Expenses on Other Interest Bearing Liabilities	3,803,250	5,434,392	(30.0)	7,124,944	8,559,521	(16.8)
Net Interest Income	25,898,450	23,926,653	8.2	30,630,142	27,148,622	12.8
Non Interest Income	4,939,321	5,332,338	(7.4)	5,265,258	5,516,774	(4.6)
Foreign Exchange Income	1,120,022	1,120,819	(0.1)	1,120,022	1,120,819	(0.1)
Other Income	3,819,299	4,211,519	(9.3)	4,145,236	4,395,955	(5.7)
Less: Non - Interest Expenses	17,670,032	16,879,327	4.7	19,332,417	18,254,953	5.9
Personnel Costs	8,723,660	8,620,113	1.2	9,263,423	9,032,357	2.6
Provision for Staff Retirement Benefits	1,355,129	1,838,624	(26.3)	1,355,129	1,838,624	(26.3)
Premises, Equipment and Establishment Expenses	2,906,666	3,598,401	(19.2)	3,034,236	3,687,125	(17.7)
Other Operating Expenses	4,684,577	2,822,189	66.0	5,679,629	3,696,847	53.6
Less: Provision for Bad and Doubtful Debts and Loans Written Off	(45,528)	716,379	(106.4)	316,599	645,367	(50.9)
Provisions - General	206,613	480,356	(57.0)	206,613	480,356	(57.0)
Provisions - Specific	806,793	1,612,057	(50.0)	1,212,917	1,568,690	(22.7)
Recoveries (-)	(1,058,934)	(1,376,034)	(23.0)	(1,102,931)	(1,403,679)	(21.4)
Loans Written Off	-	-	-	-	-	-
Other Provisions	-	3,180,083	-	-	3,180,083	-
Less: Provision for Decline in Value of Investments	807,299	(432,635)	(286.6)	807,299	(432,635)	(286.6)
Operating Profit on Ordinary Activities before Tax	12,405,968	8,915,837	39.1	15,439,085	11,017,628	40.1
Less: Value Added Tax on Financial Services	3,634,891	2,840,146	28.0	4,053,556	3,124,980	29.7
Operating Profit on Ordinary Activities before Corporate Tax	8,771,077	6,075,691	44.4	11,385,528	7,892,647	44.3
Share of Subsidiaries/Associate Companies' Profit	-	-	-	(15,228)	(1,523)	899.9
Operating Profit Before Corporate Tax	8,771,077	6,075,691	44.4	11,370,300	7,891,124	44.1
Less: Tax on Profits on Ordinary Activities	3,564,654	2,755,497	29.4	4,787,737	3,717,316	28.8
Operating Profit after Corporate Tax	5,206,423	3,320,194	56.8	6,582,563	4,173,808	57.7
Minority Interest	-	-	-	(3,118)	409	(862.3)
Operating Profit for the Period	5,206,423	3,320,194	56.8	6,579,445	4,174,217	57.6

BALANCE SHEET

AS AT 31ST DECEMBER

	BANK			GROUP		
	2010 (Rs. '000) (Audited)	2009 (Rs. '000) (Audited)	Change %	2010 (Rs. '000) (Audited)	2009 (Rs. '000) (Audited)	Change %
On Balance Sheet Assets						
Cash in Hand	8,997,198	8,975,708	0.2	9,655,762	9,029,551	6.9
Balance with Central Bank of Sri Lanka	26,739,341	22,717,034	17.7	26,739,341	22,717,034	17.7
Due from Banks and Other Financial Institutions	37,359,730	41,356,867	(9.7)	39,192,664	42,358,707	(7.5)
Investments - Trading Account	21,135,365	16,589,321	27.4	21,193,431	16,589,321	27.8
Government Securities	20,657,313	16,165,819	27.8	20,657,313	16,165,819	27.8
Other Securities	478,052	423,502	12.9	536,118	423,502	26.6
Investments - Held to Maturity (Net of provisions made for decline in investment value)	73,843,720	77,365,891	(4.6)	73,943,730	77,416,666	(4.5)
(Excluding Investments in Associates and Subsidiaries)						
Government Securities	73,558,723	77,255,242	(4.8)	73,558,723	77,255,242	(4.8)
Other Securities	1,309,758	172,758	658.1	1,409,768	223,533	530.7
Less: Provision for decline in Value of Investment	1,024,761	62,109	1,549.9	1,024,761	62,109	1,549.9
Investments in Associates and Subsidiaries	1,675,450	1,775,450	(5.6)	248,830	122,516	103.1
Loans and Advances						
Performing Loans and Advances	352,903,312	278,838,879	26.6	409,911,371	312,599,693	31.1
Bills of Exchange	1,939,514	8,051,308	(75.9)	1,939,514	8,051,308	(75.9)
Overdrafts	77,126,863	67,644,102	14.0	76,037,105	66,724,431	14.0
Lease Rentals Receivable	780,720	2,023,946	(61.4)	59,105,693	36,072,866	63.9
Other Loans	273,056,215	201,119,523	35.8	272,829,059	201,751,088	35.2
Non Performing Loans and Advances	18,738,403	20,040,178	(6.5)	19,885,305	21,187,080	(6.1)
Bills of Exchange	1,863,146	1,803,351	3.3	1,863,146	1,803,351	3.3
Overdrafts	2,837,561	3,511,040	(19.2)	2,837,561	3,511,040	(19.2)
Lease Rentals Receivable	5,152	6,377	(19.2)	1,152,054	1,153,279	(0.1)
Other Loans	14,032,544	14,719,410	(4.7)	14,032,544	14,719,410	(4.7)
Add:						
Interest Receivables on NP Advances	33,587,191	32,875,680	2.2	33,624,225	32,912,714	2.2
Total Gross Loans and Advances	405,228,906	331,754,737	22.1	463,420,901	366,699,487	26.4
Less:						
Interest in Suspense	34,110,123	33,836,258	0.8	48,716,849	43,027,418	13.2
Specific Loan Loss Provisions	11,372,482	11,954,959	(4.9)	12,205,249	12,787,726	(4.6)
General Loan Loss Provisions	2,409,880	2,203,267	9.4	3,898,416	3,691,803	5.6
Net Loans and Advances	357,336,421	283,760,253	25.9	398,600,385	307,192,540	29.8
Other Assets	12,143,895	15,766,326	(23.0)	16,133,052	16,472,213	(2.1)
Intangible Assets	196,636	149,211	31.8	559,204	512,935	9.0
Prepayment Leases	326,517	359,356	(9.1)	326,517	359,356	(9.1)
Property, Plant & Equipment (Net of Accumulated Depreciation)	7,861,555	7,430,060	5.8	9,223,575	8,190,308	12.6
Total on Balance Sheet Assets	547,615,829	476,245,478	15.0	595,816,475	500,961,147	18.9
On Balance Sheet Liabilities						
Total Deposits	462,140,255	396,157,559	16.7	463,727,842	396,227,797	17.0
Demand Deposits	40,617,338	37,352,131	8.7	39,057,966	36,740,452	6.3
Savings Deposits	203,003,880	174,735,372	16.2	203,402,247	174,864,164	16.3
Time Deposits	215,107,187	181,258,786	18.7	217,837,534	181,786,413	19.8
Margin Deposits	3,167,656	2,508,618	26.3	3,167,656	2,508,618	26.3
Other Deposits	244,194	302,652	(19.3)	262,439	328,150	(20.0)
Total Borrowings	44,132,046	41,884,174	5.4	76,085,300	58,138,645	30.9
Borrowings from CBSL	2,733,822	1,165,615	134.5	2,758,941	1,190,734	131.7
Borrowings from Banks and Financial Institutions in Sri Lanka	4,628,935	4,884,511	(5.2)	35,499,844	20,868,333	70.1
Securities sold under Repurchase Agreements	29,314,406	30,343,906	(3.4)	29,201,102	30,343,906	(3.8)
Subordinated Term Debts	5,000,000	5,000,000	-	6,170,530	5,245,530	-
Other Borrowings	2,454,883	490,142	400.9	2,454,883	490,142	400.9
Deferred Liabilities	223,712	164,014	(8.3)	285,687	433,739	-
Current Taxation	1,527,448	1,665,457	1.0	2,133,133	2,094,559	1.8
Other Liabilities	18,754,060	18,574,082	-	26,984,418	21,954,458	22.9
Total on Balance Sheet Liabilities	526,777,521	458,445,286	14.9	569,216,380	478,849,198	18.9
Minority Interest	-	-	-	83,225	6,217	1,238.7
Equity Capital and Reserves	20,838,308	17,800,192	17.1	26,516,871	22,105,733	20.0
Share Capital/Assigned Capital	7,201,998	7,201,998	-	7,201,998	7,201,998	-
Statutory Reserve Fund	49,998	49,998	-	49,998	49,998	-
Total Other Reserves	13,586,312	10,548,196	28.8	19,264,875	14,853,737	29.7
Total On Balance Sheet Liabilities, Equity Capital and Reserves	547,615,829	476,245,478	15.0	595,816,475	500,961,147	18.9
Off-Balance Sheet Items and Contra Accounts	131,750,729	100,867,201	30.6	131,750,729	100,867,201	30.6
Contingencies	105,312,721	90,080,711	16.9	105,312,721	90,080,711	16.9
Commitment and Contra Accounts	26,438,008	10,786,490	145.1	26,438,008	10,786,490	145.1
Memorandum Information						
Number of Employees	8,399	8,863		9,435	9,327	
Number of Branches	329	329		357	361	

STATEMENT OF CHANGES IN EQUITY AND RESERVES - BANK

FOR THE YEAR ENDED 31ST DECEMBER 2010

	Equity Capital		Reserves						Total	
	Ordinary Shares	Capital Pending Allotment	Permanent Reserve	Revaluation Reserve	Capital Reserve	Special Risk Reserve	General Reserve	Building Reserve		Income Statement
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	
Balance as at 01.01.2010	49,998	7,152,000	49,998	5,630,460	5,663	822,449	313,500	1,000	3,775,124	17,800,192
Issue of Shares/ Increase of assigned capital	-	-	-	-	-	-	-	-	-	-
Bonus Issue	-	-	-	-	-	-	-	-	-	-
Rights Issue	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of property	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	-	-	5,206,423	5,206,423
Transfer to Special Risk Reserve during the period	-	-	-	-	-	431,358	-	-	(431,358)	-
Transfer to General Reserve	-	-	-	-	-	-	625,000	-	(625,000)	-
Dividend Paid to GOSL	-	-	-	-	-	-	-	-	(18,307)	(18,307)
Profit transfer to Head office	-	-	-	-	-	-	-	-	-	-
Special Levy to Treasury	-	-	-	-	-	-	-	-	(2,150,000)	(2,150,000)
Balance as at 31.12.2010	49,998	7,152,000	49,998	5,630,460	5,663	1,253,807	938,500	1,000	5,756,882	20,838,308

STATEMENT OF CHANGES IN EQUITY AND RESERVES - GROUP

FOR THE YEAR ENDED 31ST DECEMBER 2010

	Equity Capital		Reserves						Total
	Ordinary Shares	Capital Pending Allotment	Permanent Reserve	Revaluation Reserve					

