

Awarded



Sustainable Bank  
of the Year Award,  
Middle East and Africa



**Access Bank Plc**  
Annual Report and Accounts 2011

# Sustainable banking for a sustainable future

**access** >>>

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# We are focused on delivering shareholder value and maintaining profitability while behaving in a socially and environmentally responsible manner.

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**Access Bank's Corporate Social Responsibility (CSR) Report** provides information on the economic, environmental and social performance that contributed to our sustainability in 2011. A summary of which can be found on page 28 of this report.



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Transaction Services

# Business and Financial Highlights

The impacts of the business merger with Intercontinental Bank are multidimensional and have resulted in geometrical growth across key performance indices as presented below:

## Increase in size and scale of operations

- Total assets and contingency increased by 151.24% from N804.8bn to N2.02.trn
- Total deposit increased by 300% from N379bn in to N1.2trn
- Number of branches increased by 300% from 103 branches to 310 post rationalisation including offshore branches
- Customer base grew by 500% from 1.2m to approximately 5.7m
- Number of ATMs increased by 870% from 165 to 1,600 spread across the country

## Other impacts

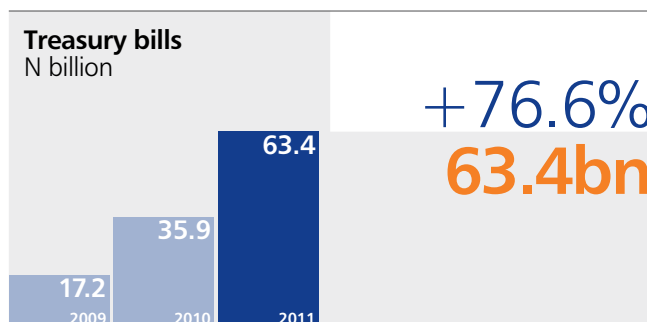
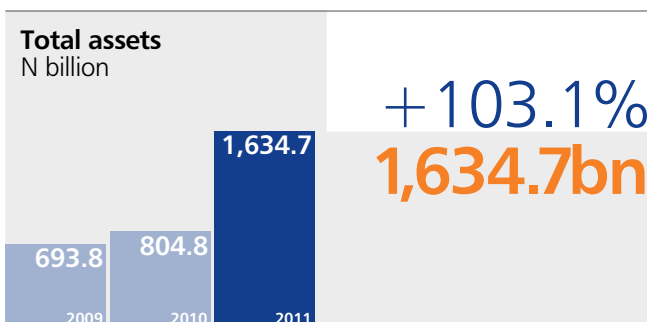
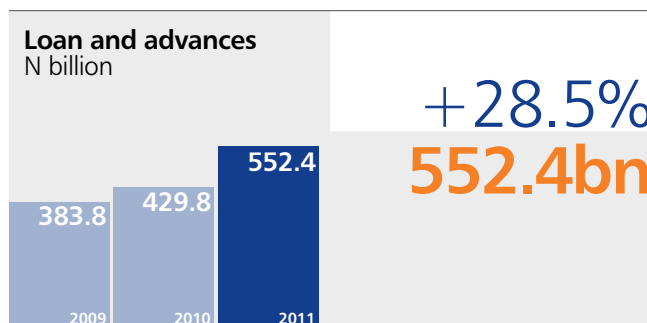
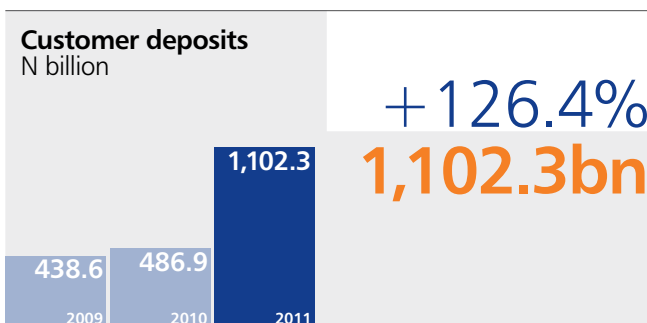
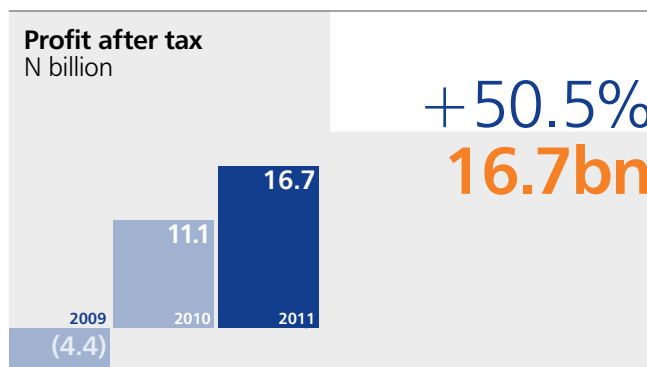
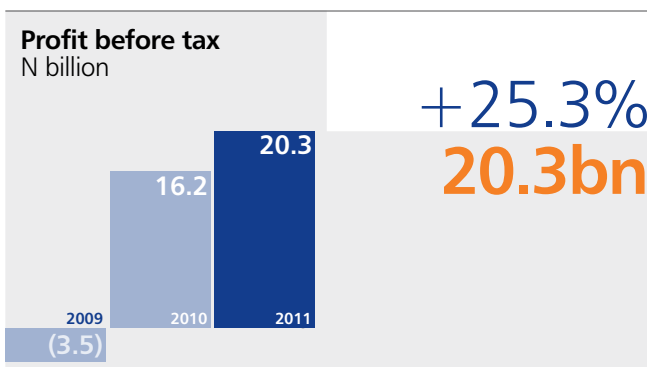
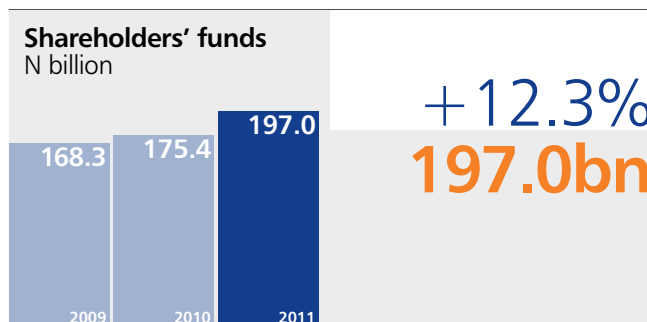
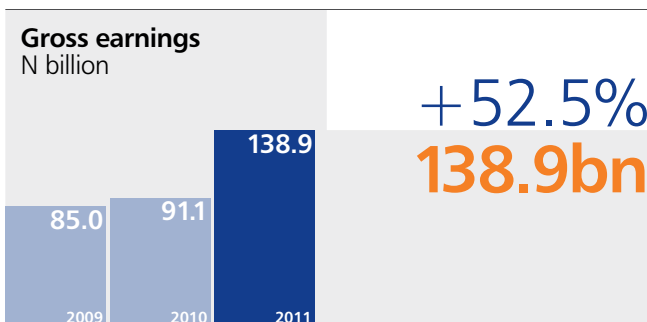
- A strategic shift in business model from a wholesale banking institution to a balanced financial services provider with a strong retail franchise thereby making the bank a more robust and sustainable financial institution (Built to Last)
- Diversified and stable deposit base through retail deposits
- Diversified and increased revenue sources leveraging available large retail customer base
- Potential increase in market penetration through cross-selling

## About us

- Access Bank Plc is a full service commercial bank with headquarters in Nigeria and operations across Sub-Saharan Africa and the United Kingdom.
- It was incorporated in February 1989 as a privately owned financial institution and commenced banking operations in May 1989.
- It was listed on the Nigerian Stock Exchange in 1998. The Bank's Over the Counter (OTC) Global Depository Receipts (GDRs) are traded on the London Stock Exchange.
- In deploying products and services, Access Bank adheres to responsible business practices and readily commits resources to social investments in fulfilment of its corporate social responsibility convictions.
- The Bank has more than 1,000,000 investors.
- The Bank's Shareholders' fund is in excess of US\$1.2 billion and its strategic intent is to rank among the top 3 Nigerian banks by 2012.
- The Bank demonstrates exemplary performance in its financial and non-financial disclosures. Its strengths include a highly diverse Board membership; competent, dynamic and responsible management; strong economic value and good ethical practices and transparent processes.
- The list of international organisations that are in partnership with Access Bank Plc includes the Netherlands Development Finance Company (FMO), the International Finance Corporation (IFC), Visa International, US EXIM and China EXIM Bank.
- The understanding and commitment of the Bank's employees, over 850,000 Shareholders, millions of customers and several partners across the world have been critical to Access Bank's progress and success.

For more about sustainable business practices visit [www.accessbankplc.com](http://www.accessbankplc.com).

# The strong profitability was led by Nigerian operations



## 1 Retail Banking

For further details please see page 14

The Retail Banking Division currently serves a customer base of over 1.5 million customers.

### Highlights

- The Division is supported by resilient e-banking channels which includes a World Class Contact Centre and an extensive branch network to serve the increasing customer base.
- This year we merged with Intercontinental Bank and now offer a wider network of about 310 branches and 1,600 ATMs, an expanded customer base of over 5 million customers and an increased sales force.

### Products offered

#### Personal accounts:

Savings, current, investment

#### Credit products:

Loans, advances, mortgages, asset finance, small business loans, credit cards

#### e-business:

Internet banking, mobile banking, merchant services, customised corporate solutions

Total assets  
N billion

**N36.4bn**  
+189%

2010: N12.61bn

Profit before tax  
N billion

**N1.3bn**  
-36%

2010: N1.9bn



## 2 Commercial Banking

For further details please see page 16

The Commercial Banking Division serves 3 distinct market segments: commercial banking, the public sector and wealth management.

### Highlights

- Our Commercial Banking customers include organisations with turnover of between N500 million and N13 billion.
- Our customers comprise high net worth and ultra-high net worth individuals with investable assets of between N200 million and N500 million.

### Target markets

Individuals

Trading

Manufacturing

Hospitality

Schools/Educational

Institutions

HNI/UHNI

Real Estate

Bureau de Change

Security & Armoury

Asset Management

Information Technology

Transportation

Partnerships/Professional

Total assets  
N billion

**N676.0bn**  
+192%

2010: N231.6bn

Profit before tax  
N billion

**N15.8bn**  
+54%

2010: N10.3bn





### 3 Institutional Banking

For further details please see page 18

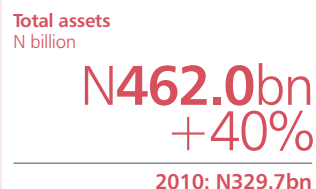
The Institutional Banking Division is responsible for developing and managing the Bank's relationship with top tier Multinational and Local Corporations.

#### Highlights

- We provide the highest quality of relationship management to our corporate clients while serving as the anchor for the Value Chain Model.
- We serve to optimise relationships, minimise credit default risk, ensure liquidity of assets and support increased cash flow for the corporates we serve.

#### Industry sectors covered

- Cement & Construction
- Upstream Oil & Gas
- Food & Beverages
- Downstream Oil & Gas
- Power
- Telecommunications
- Transportation &
- Household Utilities



### 4 Financial Markets

For further details please see page 20

The Financial Markets Division provides specialised financing and investment solutions, including trading in fixed income and currencies.

#### Highlights

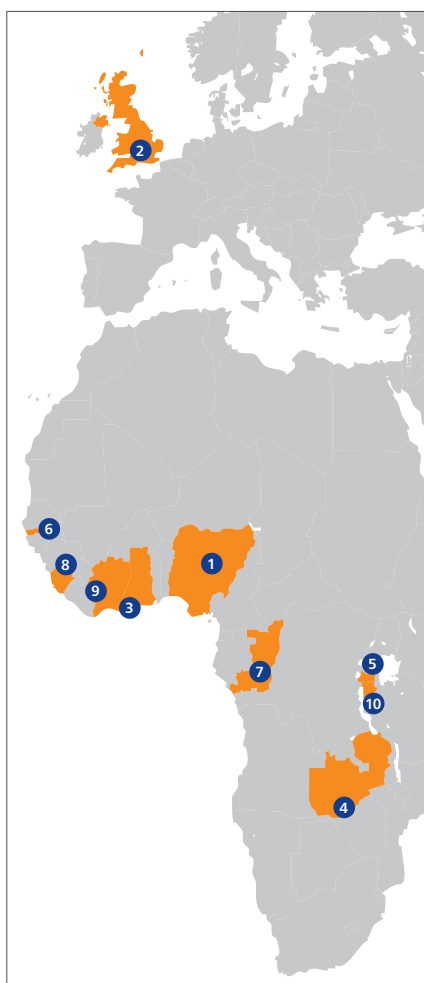
- Our Treasury Group works closely with corporate customers, pension funds and governments delivering tailored solutions to requirements.
- The Bank has added a relationship management group to the Division to provide specialist banking services exclusively to financial institutions.

#### Products offered

- Treasury & Asset Management
- Financial Advisory Services
- Permanent/Long- & Medium-Term Finance



# We are one of the largest banks in Nigeria and serve 5.7 million customers from 310 branches



## Nigeria

1

Number of branches	310
Number of employees	3,152
Customer accounts	5,700,000

## United Kingdom

2

Number of branches	1
Number of employees	76
Customer accounts	1,301

## The Gambia

6

Number of branches	6
Number of employees	135
Customer accounts	17,461

## Democratic Republic of the Congo

7

Number of branches	2
Number of employees	74
Customer accounts	3,114




The Bank is licensed to carry out international banking services and provides a comprehensive range of financial services. The key business segments of the Bank are: Institutional Banking, Commercial and Consumer Banking, Investment Banking and Private Banking. The key customer segments include: Telecommunications, Beverages, Manufacturing, Construction, Oil & Gas, Parastatals, High Net Worth Individuals and Middle Income Professionals.

We take pride in our ability to add value to clients, leveraging our unique value proposition to provide innovative and proactive solutions across entire economic value chains. In deploying products and services, the Bank adheres to responsible business practices and readily commits resources to social investments in fulfilment of its corporate social responsibility convictions.

We are located in all major commercial centres and cities across Nigeria, 8 other African countries and the United Kingdom.

For more about sustainable business practices visit [www.accessbankplc.com](http://www.accessbankplc.com).

### Ghana




<b>3</b>	
Number of branches	32
Number of employees	758
Customer accounts	179,270

### Zambia




<b>4</b>	
Number of branches	5
Number of employees	145
Customer accounts	9,042

### Rwanda



<b>5</b>	
Number of branches	7
Number of employees	152
Customer accounts	17,138

### Sierra Leone




<b>8</b>	
Number of branches	42
Number of employees	82
Customer accounts	9,400

### Côte d'Ivoire



<b>9</b>	
Number of branches	2
Number of employees	56
Customer accounts	7,801

### Burundi



<b>10</b>	
Number of branches	6
Number of employees	106
Customer accounts	3,788



**Mr Gbenga Oyebode, MFR**  
Chairman

## Emerging and developing markets continue to outperform the global economic growth benchmarks

**Distinguished Shareholders**, it is with great pleasure that I welcome you to the 23rd Annual General Meeting of your Bank. As you know, our shareholder base has been expanded pursuant to the Scheme of Merger dated 1 December, 2011. We have therefore grown from 425,581 to 850,639 Shareholders. Permit me therefore to specially welcome our new Shareholders who have joined our family pursuant to the aforementioned Scheme.

I will be presenting to you a brief review of the major developments that have taken place in the global economy as well as the summary of the Group's performance for the financial year ended 31 December, 2011.

The global economy in 2011 continued to reflect the negative overhang of the 2009 financial crisis. Fears of recession remain prevalent in the Eurozone with a rash of sovereign rating downgrades across the region. It is clear that the interventions by leading Euro countries have thus far not fully resolved their respective economic challenges. Emerging markets and developing markets, just as in 2010, continue to outperform the global economic growth benchmarks. The Nigerian economy grew by 7.9% and it is expected that this growth momentum will be sustained in 2012 on the back of high crude oil prices.

### **Growth opportunities**

As reported to you in my last year's statement, the Board and Management of your Bank took the opportunity of the Central Bank of Nigeria (CBN) Banking Sector Resolution Programme to pursue a business combination with an intervened bank towards achieving our growth aspirations. I am delighted to inform you that with your approval and fulfilment of all other necessary conditions, we finalised the legal merger of your Bank and Intercontinental Bank in January 2012. We have completed the integration of branches, customers, products, systems and people of the two banks thus cementing our position as a leader in the Nigerian banking industry and giving us a sustainable market leading platform to achieve our future aspirations.

### Financial performance

The Group recorded a profit before tax of N20.3 billion for the period ended 31 December, 2011. Total assets and contingents also grew by 96% from N1.04 trillion in 2010 to N2.04 trillion in 2011. Similarly, total deposits also grew by 126% from N486 billion in 2010 to N1.1 trillion in 2011.

### Dividend, issue and allotment of new shares

The Board of Directors is recommending a final dividend of 30 Kobo per ordinary share subject to appropriate withholding tax. This is in addition to the interim dividend of 20 Kobo per ordinary share paid at half year 2011. This brings the total dividend per ordinary share for 2011 financial year to 50 Kobo.

I am also delighted to inform you that your Company has completed the issue and allotment of new shares pursuant to the Scheme of Merger between Access Bank and Intercontinental Bank. Accordingly, the Bank has issued Intercontinental Bank's Shareholders 1 scheme share for every 4 ordinary shares of 50 Kobo each held by them in Intercontinental Bank on the terminal date of the scheme. Also, the proportion of the scheme shares allotted to Project Star Investment Limited (the Bank's Special Purpose Vehicle for the acquisition of Intercontinental Bank) in its capacity as a Shareholder of Intercontinental Bank has been specially distributed to Access Bank Shareholders on the basis of 4 scheme shares for every 25 ordinary shares held in Access Bank on the terminal date of the scheme.

### Board of Directors

We are pleased to announce the appointment of Mrs Kemi Ogunmefun as a Non-Executive Director during the period under review. Mrs Ogunmefun is an experienced banker and legal practitioner with seasoned boardroom experience gained on the Board of 2 banks and other financial institutions. Her appointment also strengthens the diversity of our Board, increasing the proportional representation of female Board members to 14.3%. We welcome her addition to the Board and look forward to her contributions over the coming years.

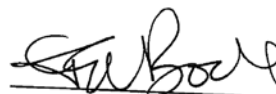
Year 2012 marks Dr Cosmas Maduka's final year of service as a member of your Board of Directors. He has served meritoriously and remains a pillar of support to your Bank in its quest for excellence. We will miss his contributions to the Board of Directors but remain confident that he will continue to support Access Bank as a significant shareholder and major customer.

### Corporate governance

In line with normal practice, our Annual Report contains detailed disclosures on issues of corporate governance. However, I would like to highlight the tremendous progress we have recorded in achieving compliance with the Securities & Exchange Commission's Code of Corporate Governance which came into effect in April 2011. This is in addition to our already high level of compliance with the CBN's Code of Corporate Governance.

### Conclusion

My sincere appreciation goes to our Shareholders, customers, employees and other Stakeholders for their continued support throughout the process of our business combination. With your continued trust and confidence in us, we look forward with great excitement to even better performance in the years ahead and increased returns for all Stakeholders old and new.



**Mr Gbenga Oyeboade, MFR**  
Chairman



**Mr Aigboje Aig-Imoukhuede, CON**  
Group Managing Director/Chief Executive Officer

## This year will see us leverage our culture of excellence, leadership and customer focus

Access Bank's journey of transformation has been remarkable in many respects, none more so than our emergence from a low industry ranking in 2002 to become one of Nigeria's "Big 4" Banks by 2011. The chevrons in our logo signpost our continuous progress and denote an organisation that is focused on moving forward, albeit with painstaking attention to detail and strong risk management. We continue to register spectacular success in our execution of both organic and inorganic growth opportunities. To the glory of the Almighty last year we marked yet another key chapter in our transformation story, by the successful acquisition of Intercontinental Bank; to us M & A success is not measured by the "size of the deal" but by our ability to enhance shareholder value and overcome the many risks that are associated with such transactions. In 2005 we received awards and commendation for the speed and efficiency with which we concluded the acquisitions of Capital Bank and Marina Bank. This time around, following the January 2012 completion of our legal merger with Intercontinental Bank, we set ourselves a 100-day target to complete the post merger integration exercise. You will be pleased to learn that this has been achieved ahead of target; I must express my thanks and appreciation to all our employees as well as our external consultants and advisers for this outstanding performance.

It is now on record that under Governor Sanusi Lamido Sanusi's leadership the Central Bank of Nigeria has successfully resolved what is arguably the worst banking crisis this nation has ever faced, without the loss of a single customer deposit and at no cost to Nigerian tax payers. We are proud of our Bank's decision to participate in the crisis resolution process and play the role of Safe Harbour for the rescue of a systematically important financial institution. Our intervention has preserved thousands of jobs, safeguarded the interests of hundreds of thousands of Shareholders and protected the savings of millions of Nigerian citizens. The Central Bank of Nigeria and all other institutions of Government whose actions and efforts have enabled Nigeria overcome this difficult moment in our history must be specially commended.

They say that the reward for success is even more hard work; year 2012 will see us leverage our culture of excellence, leadership, and customer focus to achieve market leading levels of operating efficiency as well as deliver outstanding customer service to millions of customers. We are further strengthening our vision, mission and values to reflect a Bank that is focused on creating a sustainable future. Sustainability gives us a noble purpose for being and will ensure that we maintain the necessary emotional connection with our customers, employees and host communities; sustainability we believe will lead us to our goal of being Africa's most respected Bank.

Finally thank you for your wonderful support, patience and valued patronage.

God bless.

**Mr Aigboje Aig-Imoukhuede, CON**  
Group Managing Director/Chief Executive Officer

## Our vision

To be the most respected Bank in Africa.

## Our mission

Setting standards for sustainable business practices that; unleash the talents of our employees, deliver superior value to our customers and provide innovative solutions for the markets and communities we serve.

## Our core values

### Excellence

- Surpassing ordinary standards to be the best in all that we do
- Setting the standard for what it means to be exceptional
- Never losing sight of our commitment to excellence, even when the going gets tough
- Remembering that excellence requires dedication and commitment
- Our approach is not that of excellence at all cost – it is excellence on all fronts so that we deliver outcomes that are economically, environmentally and socially responsible

### Leadership

- Leading by example, leading with guts
- Being first, being the best, sometimes being the only
- Courage to be the change we want to see
- Setting the standard
- Challenging the status quo
- Market making
- Self-awareness in being able to maintain a balanced assessment of externalities and costs incurred in the pursuit of leadership

### Passion for customers

- We live to serve our customers
- In addition to delivering excellent customer service, we will be focusing on:
  - Economic empowerment: enabling people to achieve more through provision of finance, lifting people up throughout the value chain
  - Financial education: helping people clearly understand how our products and services work
  - Financial inclusion: providing finance to those individuals and communities that traditionally have limited or no access to finance
  - Treating customers fairly: building long-term relationships based on trust, fairness and transparency

### Empowered employees

- Recruiting and retaining the right people and teams based on shared values and vision
- Developing our people to become world-class professionals
- Encouraging a sense of ownership at individual level whilst fostering team spirit and loyalty to a shared vision
- Promoting a sense of belonging and community
- Facilitating continuous learning by providing the training, tools and coaching to help our people grow
- Helping them take care of their health
- Pursuing a positive work/life balance for increased productivity and improved employee satisfaction
- Encouraging a diverse workforce; respect for and appreciation of differences in ethnicity, gender, age, national origin, disability, and religion

### Professionalism

- Putting our best foot forward in everything we do, especially in high pressure situations
- Consistently bringing the best of our knowledge and expertise to the table in all of our interactions with our Stakeholders
- Setting the highest standards in our work ethic, behaviours and activities in the way we treat our customers and – just as importantly – each other
- Putting our customers' needs ahead of our own
- Maintaining composure and clear thinking at all times
- Ensuring continuous learning; through continuous growth and career development

### Innovation

- Identifying new market needs and opportunities
- Creativity, invention, inspiration, exploration
- Pioneering new ways of doing things, new products and services, new approaches to clients/customers
- Being first, testing the waters, pushing boundaries
- Going from concept to market/reality
- Anticipating and responding quickly to market needs with the right technology, products and services to achieve customer objectives



# Reports of the External Consultant

## Report of the External Consultant on the Board Assessment of Access Bank Plc

In compliance with the Central Bank of Nigeria (CBN) guidelines on the 'Code of Corporate Governance for Banks in Nigeria, Post Consolidation' (the Code), we have conducted the Annual Board Performance Assessment for Access Bank Plc for the year ended 31st December 2011.

Our assessment focused on Access Bank's compliance with the basic principles that promote sound corporate ethics, accountability and transparency and standards set by the Code.

The composition of the Board of Directors is in compliance with the requirements of the Code. There is clear separation of roles between the position of the Chairman of the Board and the Managing Director/Chief Executive Officer. Board Committees are properly constituted and there is a documented term of reference of each subcommittee. The Chairman of the Board is not a member of any Board Committee.

Board members are knowledgeable in business and financial matters and understand their fiduciary responsibilities as Directors and roles in providing financial oversight and enhancing shareholder value. The Board oversees and is involved in monitoring financial and strategic performance of the Bank. There are appropriate audit structures, credit processes, Risk Management Framework and Succession Planning Policy in compliance with the Code.

Following our assessment, specific recommendations in respect of areas for further improvement of the Board's current good performance have been presented to the Board.

## Summary Report on Corporate Governance – Central Bank of Nigeria Code on Corporate Governance for Banks, Post Consolidation

We have reviewed the corporate governance arrangements at Access Bank Plc with regards to the Central Bank of Nigeria Code on Corporate Governance for Banks, Post Consolidation and find the Bank materially compliant with the requirements of the Code.

### Basis of review

We examined the Bank's Memorandum and Articles of Association, Board Terms of Reference, Board papers, minutes of Board meetings, Risk Management Framework and Succession Planning Policy. We also conducted interviews with principal officers of the Bank.

In line with the requirements of the Code of Corporate Governance for Banks, we examined the Bank's equity ownership structure, organisation arrangements and management composition. We reviewed the composition of the Board of Directors and obtained feedback from the Directors on the performance of the Board as well as assessment of individual board members. Each board member provided feedback on their understanding of the fiduciary duties of the Board and role in providing financial oversight and enhancing shareholder value.

We reviewed the bank's risk management and audit structures as well as compliance with due process, data integrity and disclosure requirements.

The review was conducted in January 2012.

### Summary of findings

Our conclusion from our review of available documentation and discussions with principal officers is that the Bank is compliant with the requirements of the CBN Code on Corporate Governance.

Feedback from Executive Directors as well as Non-Executive Directors, indicates that all Directors fully understand their fiduciary duties and role in providing financial oversight and enhancing shareholder value.

The details of our findings and recommendation in respect of identified gaps are contained in the report herewith attached.

## Summary Report on Corporate Governance – Securities and Exchange (sec) Code of Corporate Governance for Public Companies

The Securities and Exchange Commission (SEC) Code of Corporate Governance for Public Companies in Nigeria (the Code) defines minimum standards of corporate governance expected of public companies in Nigeria. The code applies to all public companies whose securities are listed on a recognised securities exchange in Nigeria.

The Board of Directors of Access Bank requested Accenture to conduct an assessment of compliance with the SEC's Code for the Bank's 2011 financial year which spanned the period from January – December, 2011.

Accenture, on behalf of Access Bank Plc's Board of Directors, has reviewed the corporate governance practices at Access Bank Plc and provided feedback to the Board on compliance with the Code for the financial year ended December 31, 2011.

The scope of the review encompassed the composition and activities of Board of Directors and Board Committees, the Board's relationship with shareholders and relationship with other stakeholders, risk management and audit practices, accountability and reporting, communication and code of ethics. Accenture also obtained feedback directly from individual Directors in respect of their satisfaction with performance, operations and effectiveness of oversight functions of the Access Bank Board.

The review was conducted in January 2012.

## Report summary and conclusions The Board of Directors

The Board of Directors of Access Bank consists of 14 members and is headed by a Chairman. The composition of the Board includes 6 executive and 8 non-executive Directors (2 are independent Directors). The responsibility of the Board and roles of Directors are articulated in the Board Charter, in accordance with the Bank's Articles and Memorandum of Association.

During the 12-month financial year under review, the Board operated in compliance with the Board Charter.



### Board committees

The Board has established four Board committees comprising executive and non-executive Directors to discharge its duties, with clearly articulated charters that operated during the year:

- Board Credit & Finance Committee
- Board Audit Committee
- Board Risk Management Committee
- Board Governance & Remuneration Committee

The Bank was in compliance with the SEC Code, except with regards to composition of the Governance and Remuneration Committee, where there is a conflict with the provisions of the Central Bank of Nigeria Code of Code on Corporate Governance for Banks, Post Consolidation. In this instance, the Bank deferred to the provisions of the CBN Code, based on the position of the CBN as its primary regulator.

### Relationship with Shareholders and Stakeholders

Access Bank complied with the requirements for reporting and disclosure of information to the Shareholders and Stakeholders during the year. The Board reports included the nature and extent of its social, ethical, safety, health and environmental policies and practices.

The outcome of every general meeting, including detailed voting results, was announced to Shareholders and adopted by the Board of Directors.

### Risk management and audit processes

Access Bank Plc has a documented Risk Management Framework approved by the Board of Directors. The Risk Management framework encompasses Market Risk, Operational Risk and Credit Risk functions all headed by senior management staff with direct reporting relationship to the Chief Risk Officer.

The Bank's internal auditing process is clearly and formally defined in an audit charter approved by the Board through the audit committee. Access Bank's internal audit unit reports at least once every quarter, at audit committee meetings, on the adequacy and effectiveness of management's governance, risk and control environment, deficiencies observed and management's mitigation plans. The Internal Auditor reports directly to the Board Audit Committee and also reports to the GMD/CEO on administrative issues. Internal Audit reports are prepared and presented to the Board Audit Committee on a quarterly basis.

### Accountability and reporting

Access Bank disclosed bank related information to the public through its financial statements, annual reports, and corporate governance reports. The Chairman's statement provides a readable summary of the Bank's performance and the 2011 draft annual report gives full disclosure of Director's interests.

### Communication

Access Bank has a well articulated communication policy. Company reports including biannual Investors Digests, annual reports and accounts were sent to shareholders in a timely and accurate manner, and conference calls were held with shareholders during the year to pass on information. Stakeholders have access to company information through the Bank's website and postal correspondence.

### Code of ethics

The Board of Directors have formulated and approved a code of ethics that is communicated to Directors, management and employees on their appointment into the bank. The Board monitors compliance with the Code of Ethics through reports by Compliance and Internal Control unit to the Board.

### Board performance appraisal

Feedback from individual Directors in respect of their satisfaction with performance, operations and effectiveness of oversight functions of the Access Bank Board indicate agreement that the Board operates an open culture, oversight of the financial performance of the Bank is appropriate and individual Directors possess the right mix of skills to enable the Board to perform optimally.

The details of our findings and recommendation in respect of identified gaps have been presented to the Board of Directors.

Yours sincerely,

Accenture



Toluleke Adenmosun  
Senior Executive, Financial Services  
Friday February 17, 2012



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# Business Review

## Retail Banking

Through our merger with Intercontinental Bank we now offer a wider network of about 310 branches and 1,600 ATMs

	Dec 2011	Dec 2010	Growth	Contribution
	Millions	Millions	%	%
Total assets	36,425	12,608	189	2
Total liabilities	85,256	35,409	141	6
Gross earnings	5,650	5,788	-2	4
Profit before tax	1,276	1,981	-36	6

The Retail Banking Division currently serves a customer base of over 1.5 million customers via an organisational model structured along sales and product management. The retail business optimises the value chain of the Bank's corporate and institutional clients by offering products and services tailored to meet the needs of all stakeholders in the chain, vendors, dealerships and employees. SMEs and churches are also a crucial part of the business focus.

Our retail business leverages on innovative e-banking channels and an expanding branch network to serve the increasing customer base.

### A Strategic Business Unit

In 2011 Retail Banking was completely decoupled from the Commercial Banking as a stand-alone Strategic Business Unit. For the year ending 31 December, 2011, total revenue and loans decreased by 22% and 36% respectively due to the reclassification of a significant portion of retail balance sheet to Commercial Banking Division. There was a 69% increase in deposit liability mobilisation as a result of the mass customer acquisition campaign tagged "Operation Just Cause".

Our Early Savers Product is tied to Nigeria's Financial Literacy Programme, which trains pre-school and primary school children in the basics of personal finance



A key highlight of 2011 was the “Operation Just Cause”, an aggressive customer acquisition campaign that resulted in an increased customer base from 500,000 to 1.2 million. The campaign was partly anchored on financial inclusion to extend banking services to the hitherto unbanked in society.

As part of this strategy, an account for infants, Early Savers account, was designed to provide a platform through which parents can start planning early for their children’s future. It caters for infants, children as well as expectant parents. It offers a Financial Literacy Programme to pre-school and primary school children teaching the basics of finance.

We also partnered with SMEs throughout the year to help create economic growth and enhance sustainability. Our SME support offering include the Gender Empowerment Programme and Mpower Biz. Both products offer SME toolkits consisting of free financial planning and budget trainings to account holders in lessons during seminars and self-study CDs.

### Intercontinental Bank

In July, we announced the merger with Intercontinental Bank that offers a wider network of about 310 branches and 1,600 ATMs, an expanded customer base of over 5 million customers and an increased sales force. This business combination has created one of Africa’s largest financial institutions.

### Prospects

- With the ongoing integration, we see major opportunities for driving our retail business, as the enlarged operation will allow us commoditise retail products and implement more efficient performance management system.
- The CBN’s drive towards a cashless economy will result in increased usage of our ATM, POS, Internet Banking, Mobile Banking channels and more opportunities for payroll and salary administration products for SMEs, larger corporations and government institutions.
- Our expanded network will provide economies of scale that will leverage ongoing technology enhancements and strengthen our capacity to serve more people much better across the nation.

## At a glance



**Gross earnings**  
N billion

**N5.65bn**  
-2%

2010: N5.79bn

**Total assets**  
N billion

**N36.4bn**  
+189%

2010: N12.61bn

**Profit before tax**  
N billion

**N1.3bn**  
-36%

2010: N1.9bn



# Business Review

## Commercial Banking

A 7-year Structured Trade Facility with Caverton Helicopters, which enabled them to acquire 6 new AW139 helicopters, illustrates our ongoing support and development of local businesses and our support in promoting government initiatives within the Oil & Gas sectors

	Dec 2011	Dec 2010	Growth	Contribution
	Millions	Millions	%	%
Total assets	676,058	231,625	192	41
Total liabilities	1,038,038	361,496	187	72
Gross earnings	74,518	55,591	34	54
Profit before tax	15,833	10,293	54	78

The Commercial Banking Division serves 3 distinct market segments: commercial banking, the public sector and wealth management. This Division manages structured and unstructured businesses that are not serviced by our Investment Banking Division and Institutional Banking. These businesses typically have a medium- to high-risk profile and turnover of between N500 million and N13 billion. From a corporate governance perspective, most of the businesses are largely unstructured and have key management and succession challenges.

Within our commercial banking segment, we maintain a special emphasis on SMEs. Public sector clients consist of federal ministries, departments and agencies, and other state and local government entities.

Our wealth management unit focuses exclusively on high net worth and ultra-high net worth individuals with investable assets in excess of N200 million. Each of these different business areas carries a different risk profile, with our public sector customers ranging from medium to high risk. However, our positioning is such that our risk is low.

This Division is organised mainly by geography into 8 groups: Lagos, Port Harcourt, Abuja, East, West, North, South and Wealth Management. There are also 2 mini functional groups: Public Sector Revenue Management and Gender Empowerment.

	Commercial Banking	Public Sector	Wealth Management
Turnover/Qualifying Criteria	N500 million to N13 billion and any other unstructured and structured businesses not banked by Investment Banking Division	Federal Ministries, Departments and Agencies State and Local Governments	Investable assets of N200 million and N500 million for high net worth and ultra-high net worth individuals, respectively
Risk Profile	Medium – High	Medium	Medium
Governance Structure	Largely unstructured/ weak to medium level corporate governance practice Key man risk/ succession challenges	Government institutions Subject to constitutional provisions	Individuals



## At a glance

# 2

### Gross earnings

N billion

**N74.52bn**  
+34%

2010: N55.59bn

### Total assets

N billion

**N676.0bn**  
+192%

2010: N231.6bn

### Profit before tax

N billion

**N15.8bn**  
+54%

2010: N10.3bn

## Performance highlights

During the year under review, the Commercial Banking Division operated against a background of complex challenges arising from changes in monetary policy, pressure on the sources, prices and security of food, lack of energy and infrastructure.

Transactions completed in 2011 underlined the Division's continuing commitment to supporting national development that is not just economically viable but also socially relevant and environmentally friendly. The Division played a significant role in funding projects that could demonstrate a positive impact on society, both for today's generation as well as for future generations. A particular focus was on supporting investments that contribute directly to future sustainable development, such as agriculture, power and infrastructure.

Environmental risk plays an important role in evaluating loans and the Division is actively transferring knowledge about this topic to its portfolio analysts, account officers and relationship managers.

### Reputation for sustainability

Thanks to initiatives such as these, we are increasingly seen by our customers as a Bank that supports sustainable development. The Bank has consolidated this reputation by hosting and partnering conferences on sustainable finance, such as the UN-sponsored Moving Frontiers in Sustainable Finance held in Lagos in September as part of Nigeria Sustainable Finance Week. This event provided insights into sustainable banking best practice. During the year, senior managers from Commercial Banking Division participated in similar conferences and seminars.

Also, in the last financial year, as the Bank's contribution to the development of sustainable banking practice in Nigeria, we hosted a Workshop on Agricultural Credit Skills and Value Chain Finance for Agriculture. Participants were drawn from across the banking industry and Officers of the Commercial Banking Division to learn new skills in Agric financing.

### Developments since integration

As a result of the merger with Intercontinental Bank, our commercial banking business saw immediate inorganic growth from its 2011 baseline key performance metrics. There was a 22% growth in loans and advances and a 64% increase in deposits (low cost and tenured funds). Revenue growth was 17% and the Bank naturally acquired an enlarged network of branches and other service outlets.

### Prospects

With regard to 2012 goals, this Division aims to grow gross revenue to N91 billion, increase the deposit base to N144 trillion, and achieve profit before tax of N39.8 billion. If these objectives are achieved, the Division's overall contribution to the Bank's total revenue, deposit base and profit before tax would be 51%, 60% and 53% respectively.

Our objective over the next 4 years is to ensure that this Division contributes significantly to the Bank's overall growth, has a reputation for a very strong service culture and applies robust risk management practices. We also intend to develop the skills of all staff and align the Divisions' reward with the Bank's core value.



# Business Review

## Institutional Banking

	Dec 2011	Dec 2010	Growth	Contribution
	Millions	Millions	%	%
Total assets	462,036	329,713	40	28
Total liabilities	132,187	174,339	-24	9
Gross earnings	40,295	17,753	127	29
Loss before tax	-1,979	-4,149	-52	-10

With a vision "to provide the highest quality of relationship management to the Bank's corporate clients while serving as the anchor for the Value Chain Model," the Institutional Banking Division is responsible for developing and managing the Bank's relationship with top tier Multinational and Local Corporations.

To ensure sustainability and capacity building, the Division is structured along key sectors of the Economy – Cement and Construction, Food & Beverages, Downstream Oil & Gas, Upstream Oil & Gas and Power, Telecommunications, Transportation and Household Utilities, with highly qualified sector specialists deployed to serve these corporates.

As the anchor of the Bank's Value Chain strategy, the Division also has a specialised group responsible for driving the Value Chain proposition along the different sectors. This serves to optimise relationships, minimise credit default risk, ensure liquidity of assets and support increased cash flow for the corporates we serve.

Institutional Banking Division leverages in-depth customer and sector knowledge, world class technology solutions and partners with the Investment Banking Division and the Global Payments Division to provide a full range of Investment Banking and structured trade services to its clients.

### Working with customers

Following the global financial crisis of 2008/2009, which had significantly impacted clients across all sectors with unprecedented losses in Oil & Gas Downstream, Capital Market and Real Estate specifically and to ensure sustainability of returns; a lot more emphasis is placed on the quality of clients being banked in the Institutional Banking Division and the inherent risks in transactions being consummated.

Post the crisis of 2008/2009 that affected customers of the Division, especially in the downstream Oil & Gas and Telecom Infrastructure providers, the Division took pragmatic provisioning decisions across these sectors which resulted in the Division's significantly reduced contribution to the Bank's profitability over the last 2 years. We then set out to work with the customers to restructure their businesses and rejuvenate them.

### At a glance

# 3

#### Gross earnings

N billion

**N40.3bn**  
**+127%**

2010: N17.8bn

#### Total assets

N billion

**N462.0bn**  
**+40%**

2010: N329.7bn

#### Loss before tax

N billion

**-N1.9bn**  
**-52%**

2010: -N4.2bn



In the last financial year our highly skilled teams have delivered customised services to clients like Overland Airways



We were however able to take advantage of the CBN'S initiative with Bank of Industry's (BOI) refinancing facility for Manufacturers and Infrastructure projects and also partner with Asset Management Company of Nigeria (AMCON) to restructure some of the affected clients' exposures that were showing signs of distress. Several business and major projects have therefore been given a new lease of life. The resulting effect is that existing jobs in these sectors have been saved and new ones created.

In the **Power** sector we have worked with some of our corporate clients to refinance their captive power schemes by advantage of the BOI Power and Airline Intervention Fund (PAIF), thereby eliminating their demand for power from the national grid and thus creating additional capacity for the nation.

In the **Oil & Gas** sector we supported the importation of over 20% of the Premium Motor Spirit (PMS) imports into the country, provided financial support for capacity building via storage facilities, as well as providing financial advisory services on refinery projects. We also supported the Nigerian Content Initiative by participating in the US\$150 Million facility for the acquisition of OML 42 by Neconde Nigeria Limited from Shell and its JV partners.

In the **Telecommunications** sector we have always led the way in our support for the operators by deploying our dealer finance scheme and cash management skills to accelerate the collection of their revenues. In addition we are major financiers of the roll out of the operator's network and infrastructure, and we participated in the award winning US\$650 Million Term Loan facility for Emerging Markets Telecommunication Services (Etisalat).

Our dealings in the **Food & Beverage** sector have seen us again deploying our value chain approach to businesses to enhance the manufacturers' cash cycle. We financed the acquisition of equipment and fixed assets, raw materials and other inputs. We also supported their suppliers and distributors with our distributors' and suppliers' finance schemes tailored to match the needs of each manufacturer. We are known for our competence in structuring large and complex financial transactions for this sector covering Project & Structured Finance, Capacity/Debt issues, Underwriting/Loan syndication, Investment Management and Financial Advisory services.



**Access Bank Cement and Construction Group**  
Our focus continues to be superior customer service via sector specialist relationship management teams

## Performance highlights

During the financial year, we financed the expansion of the Agbara factory of Golden Pasta Company, a subsidiary of Flour Mills with a N7 Billion facility and a 7.8 Mega Watt tri-generating power plant for Nestlé Nigeria Plc.

The Access Bank **Cement and Construction** group has over time acquired the expertise in supporting this all important area of the economy. We have supported the entire value chain in this sector; taking part in structuring finance for the acquisition of production capacity by the manufacturers with various forms of loans including syndication, funding the procurement of raw materials and consumables with our cutting edge trade finance capability, and crowning it with our distributors finance scheme that is second to none.

In line with our capacity building objective we participated in the financing of a Six Million Metric Tonne Cement Plant in Ibeshe, Ogun State and a 112.5 Mega Watt Captive Siemens Power Plant to power the plant and the surrounding community for Dangote Cement Plc.

### Key industries

Our **Transportation & Household Utilities** focus saw us supporting the following key sub-sectors of the economy – **Airlines & Automobiles, Personal Care and Metal Fabrication**. Our highly skilled Relationship team have deployed their expertise in delivering customised services to clients in this sector. The focus continues to be our Value Chain Model which includes financing importers and their distributors and also the end user to acquire automobiles and household utensils.

In the last financial year, we strategically worked with Overland Airways to restructure its balance sheet and funding structure and participated in re-financing a 52 Mega Watt power generating plant for WEMPCO with the PAIF scheme. We also worked with De-United Limited to source funding for establishing a Palm Oil factory (which is presently being constructed) under the Commercial Agricultural Credit Scheme (CACS).

### Prospects

In summary our focus continues to be superior customer service via sector specialist relationship management teams and the efficient use of value chain strategy to achieve the overarching objective of contributing to the development and growth of the real sectors of the economy. We have therefore repositioned the Division's business to contribute to the Bank's profitability at pre-2009 levels and even grow this going forward with the sustainable business initiatives we have implemented.

# Business Review

## Financial Markets

	Dec 2011	Dec 2010	Growth	Contribution
	Millions	Millions	%	%
Total assets	230,926	224,720	3	14
Total liabilities	156,155	51,596	203	11
Gross earnings	14,286	11,682	22	10
Profit before tax	5,217	8,217	-37	26

The Financial Markets Division provides specialised financing and investment solutions, including trading in fixed income and currencies. We conduct these activities through the Treasury Group, the Corporate Finance Group and the Financial Institutions Group.

### Treasury Group

We work closely with corporate customers, pension funds, and governments to deliver superior currency and fixed-income solutions tailored specifically to their requirements. Our teams focus on structuring risk management solutions to help mitigate interest rate and foreign exchange risks for the Bank and its customers; and also provide prime brokerage services to institutional clients. We facilitate client transactions and make markets in all the monetary zones across Africa. Operating at the cutting edge of financial services, the group is widely acknowledged as a market leader in the Treasury space.

Operating at the cutting edge of financial services, the Treasury Group is widely acknowledged as a market leader



## At a glance

# 4

**Gross earnings**  
N billion

**N14.3bn**  
**+22%**

**2010: N11.7bn**

**Total assets**  
N billion

**N230.9bn**  
**+3%**

**2010: N224.7bn**

**Profit before tax**  
N billion

**N5.2bn**  
**-37%**

**2010: N8.2bn**



Our Treasury teams facilitate client transactions and make markets in all the monetary zones across Africa



### **Corporate Finance Group**

Our Corporate Finance Group is engaged in a broad range of transactions that assist clients in raising capital to create, develop, grow or acquire other businesses, especially in key national industries.

The group's performance was highly boosted by the conclusion of the issuance of the Delta State Bond for which the Bank acted as Lead Issuing House. Our project finance/on-lending business also recorded significant success and earned us more recognition in the financial market space, as a result of the Bank playing lead roles in 2 major transactions, namely NECONDE Energy for which the Bank acted as Lead Arranger and Emerging Market Telecommunications Services ("Etisalat") for which the Bank was jointly awarded the African Telecoms Deal of the Year by Euromoney.

### **Financial Institutions Group**

In addition to operating the 2 specialist product groups covering treasury and corporate finance, the Bank added a relationship management group to the division to provide specialist banking services exclusively to financial institutions. With this arrangement, the Bank is better able to distribute its products across all spectrums of the financial markets.

Our teams assist clients in raising capital to create, develop, grow or acquire other businesses



# Business Review

## Transaction Services

The Transaction Services Division provides a clear example of how the Bank overall is broadening its network and customer base and engaging different categories of customer.

By the end of 2011, there was a fourfold increase in the number of the Bank's branch locations, and a sevenfold increase in the number of customers served by the Bank. The engagement model developed prior to the merger, tailors services to the Institutional and Public Sector, Corporate and Large Customers, and High Net Worth and Private Banking clients. Staying with the same model has ensured a quicker transmission of the Division's ethos: *Passion for Customers*. Through this, we can contribute to delivering the Access Bank promise of world-class service through exciting customer experiences.

As an active participant in the Cashlite Lagos programme, the Bank is actively partnering with the Central Bank of Nigeria (CBN) and other industry players to find sustainable ways of cutting the time it takes to complete payment transactions, significantly reducing the cost of banking, and ultimately improving the value created for each and every Bank client. The Transaction Services Division is contributing to this initiative as a pioneer participant in ensuring that the T+1 POS settlement process quickly becomes the norm for commercial transactions. T+1 POS ensures that merchants accepting Visa card payments for various transactions have their accounts credited within 24 hours. In addition, we are making increased use of NIBSS Faster Payment (NFP), a mechanism that enables the transfer of funds between Nigerian banking institutions in real time. During the year, we scaled up NIBSS across all service points across our network.

The Transaction Services Division is continuing its relentless work in improving the customer's experience while enhancing the Bank's ability to manage risks, deliver value, and enhance operational efficiency across the entire enterprise.

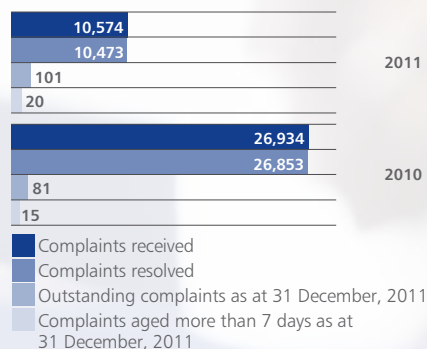


Our best-in-class Customer Contact Centre continues to improve the customer experience

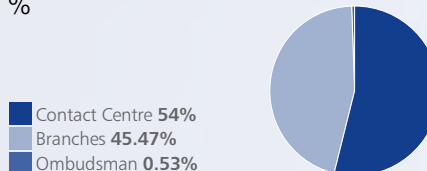
## At a glance

- Total complaints reduced by 61% mainly due to reduction in ATM related complaints in 2011.
- 99% of complaints received were resolved and 99.8% of these were resolved within agreed turnaround time in 2011.
- 67% of complaints received during the year relate to ATM/card issues while 12% relate to non receipt of mailed dividend warrants/share certificates.
- The Bank has continued to engage in intensive customer awareness on ATM Card/PIN related issues.

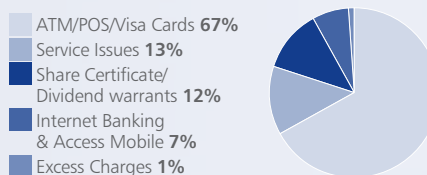
### Customer complaints resolution



### Customer utilisation of complaints channels %



### Nature of complaints %



## Branch Services

The Branch Services Group (Branch Services) is a part of the Transaction Service Division (TSD) charged with the responsibility for providing excellent customer service delivery through the Bank's branch network of over 300 branches and over 1,600 ATMs nationwide. We are at the core of the Bank's aim to transform every customer touch point into an unforgettable experience.

As part of our promise to deliver world-class service to our customers, the group continually creates exciting and innovative products that meet and exceed customer needs.

During the period under review, the group focused on delivering best-in-class service and on reducing operational risk. Branch Services recorded an improved performance with over 75% of branches achieving a satisfactory audit rating of their processes under a risk-based examination approach.

Branch Services is central to the successful implementation of the 21st century corporate and retail service delivery model recently commenced by the Bank. Our model is geared towards helping corporate and retail customers access the full benefits of the cashless and electronic payment policy introduced by the Central Bank of Nigeria (CBN). The Bank is fully prepared to partner with its customers in accessing the value inherent in the utilisation of electronic banking platforms to increase their market share and grow their businesses.

Products offered by the Branch Services include funds transfer, receipt and payment of cash, cheque and cash collection, draft issuance, and electronic payment channels. Our ability to process transactions effectively across all service points has won awards from the CBN, such as "Error Free Clearing Bank of the Year".

Through continuous on-the-job and external training, we have developed core competencies in handling service requests. This has resulted in efficient service delivery processes across our delivery channels.

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**We believe that investment in technology will enable Access Bank to set new benchmarks for relationship management in our industry**

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# Business Review

## Transaction Services

continued

Our call centre operators contribute to delivering world-class service to customers

The Branch Services Group also participated in the Bank's wider corporate social responsibility programme by supporting Nigeria's Mind the Gap Mentoring Project through funding, counselling and training.

Our strategy is to build on the gains made so far in service delivery and product innovation through our enlarged branch network. Our aim is to help our customers grow their businesses by working in partnership and making it increasingly more convenient for them to bank with us.

### Settlement Banking

As a settlement bank, Access Bank continues to play an active role in collaboration with the Central Bank of Nigeria (CBN) in all its initiatives towards reforming the National Payments System. The Bank was an active participant in the pilot run of the Electronic Cheque Presentment and Image Exchange (ECPIX) initiative. This is in preparation for the implementation of cheque truncation in the Nigerian financial settlement system led by Nigeria Inter-Bank Settlement System (NIBSS).

Similarly, the Bank continues to pursue every effort to enhance interoperability of systems and payment/settlement devices to benefit all Stakeholders in the business value chain.

We are also making major investments in transaction settlement infrastructure, and seeking collaboration with partners to develop platforms offering scale efficiency, cost optimisation and better service delivery capabilities.

### Report on customer complaints and feedback

Access Bank is fully committed to its core value of 'Passion for Customers'. The Bank prides itself on providing excellent customer service at all times. At the same time, given the number and complexity of financial transactions that take place every day, the Bank recognises that there will inevitably be occasions when mistakes and misunderstandings occur. In these situations, Access Bank encourages customers to bring their concerns to the attention of the Bank for prompt resolution. In addition, deliberate efforts are made to solicit customers' feedback on its products and services.

### Complaints channels

In order to facilitate responsive complaint and feedback process, the Bank has provided various channels for customers. These include:

- 24 hour contact centre with voice, SMS and email feedback;
- Contacts through the Bank's website;
- Customer service desks in each and every branch and toll-free telephone complaints hotlines in the banking halls of key branches;
- The Ombudsman desk.

### Complaints handling

We handle customer complaints with sensitivity and due regard for the needs and understanding of each complainant. Efforts are made to resolve customer complaints immediately. Where this cannot be done, complaints are referred to the appropriate persons for resolution. All complaints are logged and tracked for resolution and analysis to prevent future recurrence and feedback is provided to the customer.



Our ability to process transactions effectively across all service points has won awards, such as "Error Free Clearing Bank of the Year" from the CBN



### Resolve or refer command centre

In 2011, the 'resolve or refer' initiative was launched to further encourage timely service delivery and *First Time Resolution* (FTR) of customer issues. The 'Resolve or Refer Command Centre' which is run by senior management staff has the mandate to ensure that customer issues are resolved on the same day. The command centre provides support to all our departments and branches on issue resolution.

### Complaints tracking and reporting

We diligently track complaint information for continuous improvement of our processes and services. An independent review of the root cause of complaints made is carried out and lessons learnt are fed back to the relevant business units to avoid future repetition. Customer complaint metrics are analysed and reports presented to Executive Management and the Operational Risk Management committee.

Reports on customer complaints are also sent to the Central Bank as required.

### Solicited customer feedback

Deliberate efforts are made to solicit feedback from customers and staff on the services and products of the bank through:

- Questionnaires;
- Customer interviews;
- Customers forums; and
- Quest for excellence sessions (for staff).

The various feedback efforts are co-ordinated by our Innovation and Total Quality Management (ITQM) department. The feedback obtained is reviewed and lessons learnt are used for service improvement across the Bank.



# Business Review

## IT Services

A sophisticated IT architecture has been implemented to enable rapid integration of IT applications, from customer-facing applications through to operations management



Access Bank continues to build on its robust Information Technology (IT) platforms that enable it to provide effective support for the Access Bank Group's strategy for sustainable business growth.

In 2011, more industry benchmark automation projects were successfully implemented to achieve business optimisation and deliver competitive advantage for our business. Our strategic approach has continued to consider the environmental impacts of technology. We have focused on self service for our corporate and retail customers, reducing the need to travel to transact business or execute personal transactions. To bring about operational efficiency, we have invested in the propagation of high speed networks across our branches and technologies that enable Straight Through Processing from the front-end customer transaction to final settlement of transactions.

We have invested in the delivery of comprehensive world-class database technology that facilitates analytical processing. This delivers enhanced business and customer intelligence, enabling better insights into operational efficiency and customer behaviour. Our state-of-the-art Customer Relationship Management platforms allow us to manage customer relationships in a highly efficient manner. Our enterprise IT architecture is aligned to business strategy and is designed to enable sustainable business growth.

The Bank continues to develop its enterprise architecture and strategy for IT-enabled business transformation to enable sustainable business growth for 2012 and into the future. A sophisticated IT architecture has been implemented to enable rapid integration of IT applications, from customer-facing applications through to operations management. Based on service-oriented technologies, it allows us to achieve an integrated enterprise across Nigeria and all our subsidiaries. We operate with global best practice IT governance and controls such as COBIT (Control Objectives For Information and Related Technology) and ITIL (Information Technology Infrastructure Library).

The implementation of state of the art audio and video conferencing supports environmental sustainability by enabling meetings to be held interactively. This reduces travel within Nigeria and overseas and so reduces our corporate carbon footprint. Video and audio conferences also bring people together from multiple countries at no cost. This technology leverages our underlying investment in high speed communications and networking.

In 2011, Access Bank successfully achieved certification to PCIDSS (Payment Card Industry Data Security Standard). We were the first bank in West Africa to achieve this rigorous standard, in record time.

In 2011, the following customer-facing automation projects were successfully delivered:

- Access Trade is an online portal that enables our corporate customers to initiate their trade transactions from the comfort of their offices. Customers can track the progress of transactions from execution to completion, and are alerted about progress of transactions at various stages through email and SMS. The platform provides Straight Through Processing and is transforming trade finance in Nigeria. Access Trade provides convenience, independence, flexibility and speed.
- AccessFX is Africa's premier online real-time Foreign Exchange (FX) portal. It is an innovative product that provides customers online access to executable foreign exchange rates across a wide range of currency pairs in spot, swap and outright forward contracts. The service is delivered to customers via secure Internet and allows the Bank's customers to trade foreign currencies from the convenience of their homes and offices anywhere in the world. This product is the first and only one of its kind in Nigeria.
- Access Online is a new Internet banking service that customers can access from our corporate website. Access Online provides a variety of customer services online, including secure viewing of account statements, local and foreign currency transactions, interbank transfers and other sophisticated account management facilities. Access Online is compatible with other mobile transaction platforms.
- Customer Relationship Management has been enhanced thanks to our adoption of the latest Microsoft and Oracle technologies that give market-facing executives and staff a 360 degree view of all customer interactions. These solutions are seamlessly integrated into the Microsoft Windows working environment and our best-in-class Customer Contact Centre. We believe that the investment in Customer Relationship Management technologies will enable Access Bank to set new benchmarks for relationship management in our industry.

The Bank continues to invest in the right technologies to transform the way banking is undertaken in Nigeria and every country in which we operate.



We provide our employees with a sophisticated platform to acquire the skills and capabilities required for superior performance



Our employees have helped to transform our Bank into a world-class financial services provider

## Our values: excellence, leadership, passion for customers, empowered employees, professionalism and innovation

We believe our employees are the bedrock of our success. Our integrated human resource management system allows us to build an environment that fosters learning and creativity while maximising the potential of our people so that they can truly add value to the Bank. We believe our strong commitment to diversity and inclusiveness significantly reinforces our competitive edge.

### Career development

The Bank's approach to continuous learning and development is to create an environment where everyone can aspire to be the best they can be. We are dedicated to continuous growth and career development. This principle is applied at all levels and across all functions. Learning is a consistent and continuous element of the Access Bank experience. During their careers, employees can develop valuable skills, gain industry insight, learn from colleagues and contribute to a dynamic and sustainable working environment.

All fresh graduates joining the Bank attend a 4-month boot camp called the Entry Level Training Programme (ELTP) at our Banking School of Excellence. The ELTP is a rigorous programme that prepares trainees for the challenges ahead. Since the school's inception in 2003, 1,980 trainees from Nigeria and the other countries in which the Bank operates, have graduated from this programme. Our Banking School of Excellence has created empowered and highly skilled professionals who will never compromise on integrity or ethical standards.

In terms of capacity building and employee development, our overarching strategy is to use learning and development as a catalyst to transform our employees into world-class performers. The Bank conducts periodic tests for its employees to ensure continued and sustained competence at all levels. We provide our employees with a sophisticated platform to acquire the skills and capabilities required for superior performance. We employ the blended learning approach so that our employees have several ways in which they can acquire the knowledge and expertise needed to transform our Bank into a world-class financial services provider.

# We are creating an environment that fosters learning and creativity

## Diversity and inclusiveness

We believe diversity and inclusiveness are powerful drivers of competitive advantage. Our diverse workforce enables us develop a deeper understanding of our customers' needs and creatively address them. The Bank is determined to create an inclusive work environment as a means to motivating employees and helping them achieve their career aspirations.

By pursuing diversity, we gain access to the widest talent pools which, in turn, is conducive to achieving our business targets. Therefore, we strive in everything we do to create a culture that embraces differences and celebrates unique ideas, perspectives and experiences. The wide range of nationalities in our workforce of over 3,000 professionals, for example, illustrates one of many ways in which the Bank is implementing its commitment to diversity.

At Access Bank, we believe diversity and inclusion is more than a moral obligation or a societal goal; we see it as a business imperative that drives our ability to attract and develop the best talent, create an engaged workforce, and deliver world-class banking services. Diversity and inclusion are fundamental components of our long-term growth strategy.

## Our 2011 Diversity scorecard

1. In 2011, the Bank introduced the Access Female Network with the aim of fostering a supportive work environment for women. This initiative seeks to retain and nurture female employees and to help them achieve their full career potential.

The Access Female Network provides the opportunities, tools and mentors that can help our female employees to assume future leadership roles within the Bank.

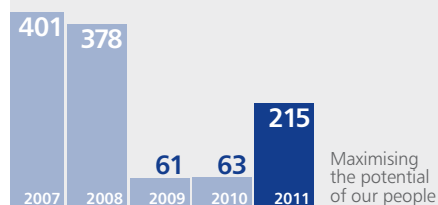
2. As at 31 December, 2011, our female workforce constituted:

- (a) 36% of our total employees
- (b) 30% of our Management positions
- (c) 23.5% of top Management positions
- (d) 14.3% of our Board positions

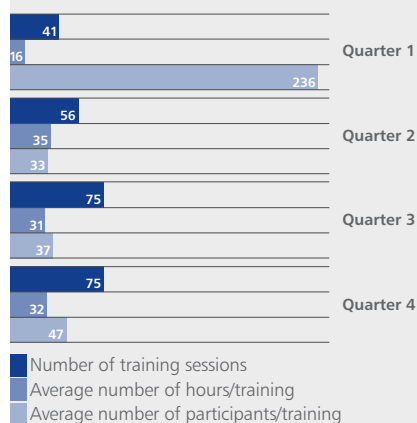
3. A total of 60% of entry level employees recruited for the period under review were female.

4. By the end of 2011, the number of employees with disabilities in the employment of the Bank was 5, which is a reduction from 7 as at 31 December, 2010.

Number of trainees  
2007 to 2011



Training sessions  
2011



## The Bank is mainstreaming sustainability into its operations for long-term business success

We intend to drive profitable, ethical economic growth that is also environmentally responsible and socially relevant. We aspire to win, and keep the enduring loyalty of our Stakeholders by anticipating, understanding and responding to their needs



# Sustainable banking for a sustainable future

The Bank is irrevocably committed to building a sustainable business. We remain focused on our main priorities to deliver Shareholder value and maintain profitability while performing in a socially and environmentally responsible manner.

The Access Bank approach to sustainability is predicated on best practices and expresses our commitment to creating sustainable value for our Shareholders. At the same time, we seek to maintain a high level of corporate governance alongside high standards of integrity in our methods and practices of doing business. Through this, we drive positive economic performance and growth, create value for our customers, employees, host communities and other Stakeholders, and strengthen the financial system.

Leadership is key to the success of our sustainability agenda and that is why it enjoys a high-level management focus. Our strategy is to mainstream sustainability into our operations for the long-term success of our business.

## Finding the right balance

A key goal of our strategy is to address the challenge of sustainability – balancing economic growth, social development, and environmental protection, so that future generations are not compromised by actions taken today. We address this challenge through a focus on improving the efficiency of our current operations and products.

To this end, the Bank has a well-designed and fully integrated sustainability strategy. This ensures the economic, social and environmental imperatives of all its activities are continually integrated into corporate structures and processes. The Bank also creates innovative and proactive solutions to societal and environmental challenges, and collaborates with both internal and external Stakeholders to improve performance.

The Bank's sustainability commitment is further demonstrated through its ethical behaviour and contribution to economic development, which improves the quality of life not just of our workforce and their families but also of the local community and society at large.

## A force for good

To us, sustainability is about being a responsible business that understands the issues that matter most to the Bank's Stakeholders and such issues are addressed through the Bank's business processes, people and activities. It is about creating a balance between economic profits and sustainable development. It is about safeguarding the long-term prospects of our business and the stability of the financial system. It is about seeking to be a force for good in whatever we do.

Furthermore, it helps ensure that we:

- Engage only in responsible lending, marketing and advertising to our customers while ensuring that our products and services are value-adding and accessible;
- Are an equal opportunity employer, engaging only in fair practices and promoting diversity while ensuring rewarding career opportunities, training and attractive working conditions for employees;
- Always consider the environmental and social issues that arise in financing projects. The Bank conducts an environmental and social impact assessment of potentially damaging projects, and the ability of the borrower to manage its impact, as part of our normal credit and risk procedures; and
- Positively contribute to the economic development of the countries in which we operate while also engaging in community development initiatives to make society a better place for individuals and business organisations.

The implementation of our sustainability strategy has assisted in the Bank's continuous process of acting responsibly towards Shareholders, investors and customers as well as towards our employees and society as a whole, while building long-term value.

The Bank is becoming more innovative, productive and competitive through the application of sustainability principles and practices. In turn, these result in enhanced employee relations; improved risk management; favourable relationships with the investment community and improved access to capital; stronger relationships with communities in general; and improved reputation and branding.

Our sustainability priorities resonate throughout our businesses, provide a platform for action, and give us a clear purpose and direction. Implementation is driven by actionable goals and robust performance measurement. Our goal as a responsible corporate citizen is to build a sustainable business.



# Corporate Social Responsibility

## continued

### Business principles, governance and ethics

The Bank manages safe, reliable, and ethical operations worldwide as well as corporate social responsibility issues through its globally deployed management systems. We recognise that responsible business operations are fundamental to our long-term success.

Our ethical business engagements have assisted in engendering good workplace management and marketplace responsibility, in securing community engagement and environmental stewardship and in sustaining financial performance. We do everything possible to ensure that every aspect of the Bank's business conforms to the highest standards of ethical behaviour. The Bank therefore, among other things, combats corruption and bribery in all the countries in which it operates, especially in geographical areas prone to corruption. In addition, we refrain from aggressive tax-avoidance procedures and pay our own fair share of taxes in line with the intent of relevant tax regulators.

Some of the standards we have adopted are ahead of the local legislation and we are committed to playing an active part, working with government, industry and concerned organisations to find longer-term solutions to ethical challenges. We expect our employees to integrate responsibility into their work-related activities and decision-making processes. Our management and control systems are therefore designed to support that goal. And we have zero tolerance to corruption. To this end, the Bank has developed and entrenched a policy addressing corruption and has a dedicated function to manage this.

### Occupational health and safety

The Bank protects the health and safety of its employees, customers, vendors and the public by implementing policies and initiatives that demonstrate our commitment to a safe, secure, and healthy work environment. We trained internationally certified first aid personnel as well as fire wardens and fire searchers. In the period under review, we experienced no workplace accidents, fatalities or occupational and safety incidents.

### Workplace policy and programme

We recognise that HIV/AIDS, TB and malaria together pose a serious threat to our operations and productivity. The Bank seeks to minimise the social and economic consequences of these diseases to our employees, their families and the broader community. The Bank therefore implements an HIV/AIDS, TB and malaria workplace policy and programme which encompasses prevention, care and support, while promoting a working environment that is free of stigmatisation and discrimination. This programme has also been extended beyond the workplace into the community by providing small and medium-sized enterprises (SMEs) with the relevant training and tools to combat HIV/AIDS, TB and malaria. These tools help companies address other health issues within their workplaces. The Bank has also trained over 500 peer educators to implement these workplace policies and programmes both within the Bank and in our operating communities.

### Environmental performance

Access Bank is committed to conducting business throughout the world in a manner that protects the environment. We integrate environmental improvement into our business plans and strategies, and address key environmental issues that are specific to the processes and activities of each business.

The Bank is acutely aware that the environment and the impact of business activity on it is a primary concern to a growing number of investors, consumers, activist groups, government regulators and other Stakeholders. We recognise growing global concerns about the issues of clean air and water, safe food and an intact ozone layer. While the issues of pollution, uncontrolled population growth and depletion of natural resources are a shared responsibility for the world at large, the Bank nevertheless firmly believes it must make its own distinct contribution to achieving a greener and safer environment. We recognise we have a part to play.

The Bank integrates environmental and social (E&S) risk management into its business operations and has clear policies for dealing with the issues related to managing E&S risks while protecting bio-diversity and ecosystems. The Bank's operating standards incorporate management system requirements based on the ISO 14001 standard. We see sound and responsible environmental management as an integral part of our goal to grow the value of our business for Shareholders and in the interest of all Stakeholders.

### Employment standards

Our workplace policies and practices are aimed at shaping corporate culture and guiding relationships among employees, and between the Bank and all members of staff. We are signatories to the United Nations Women's Empowerment Principles (WEPs) and the Bank is also represented on the WEP's Leadership Group. Access Bank is an equal opportunity employer and does not discriminate against any employee. The Bank employs people with physical disabilities and people with other disadvantages; they are all given equal opportunities for career growth within the Bank.

We recognise our people are central to the success of the Bank. Therefore, we seek to provide a safe, rewarding and challenging environment that helps our employees reach their potential. This in turn helps the Bank achieve its operational goals. We are committed to creating a work environment where people can make a difference both as individuals and as part of a team. Access Bank is an equal opportunity employer and we do not discriminate against any category of employee. To this end, the Bank has in its employment physically challenged, minority groups and ensures conducive working conditions.

The engaging, inclusive work environment of the Bank helps attract, engage and retain talented employees while enabling them to achieve their full potential. Other policies and initiatives include market-competitive salaries and professional training programmes with every employee at the Bank receiving over



# Over 90% of the Bank's employees volunteered for various community development initiatives

50 hours of training per annum. The Bank's activities in this regard span a wide variety of themes including: employee communication and representation; employability and skills development; diversity and equality; fair remuneration; work-life balance; health, safety and wellbeing; and responsible restructuring.

## Ethical supplier relations

Our operating standards for purchasing services and products, and for selection of suppliers, have contributed to building a sustainable business. Access Bank recognises that its dealings with suppliers often take place in cultures with different norms and values. We therefore expect our suppliers to have a natural respect for ethical standards in the context of their own particular culture. The Bank's procurement activities give due consideration to social impacts and human rights, environmental impacts and the need to combat bribery and corruption. Our relationship with suppliers is based on the principle of fair and honest dealings at all times and in all ways. We therefore pay attention to treating suppliers fairly, selecting vendors based on value, performance and price, providing justifiable and transparent selection decisions, and combating bribery and corruption.

## Gender Empowerment programme (GEM)

One of the key differentiators of the Bank is responsible banking that helps to develop innovative business solutions to social and environmental problems. Product responsibility relates to the impact the Bank's products and services have on people and society as a whole. Our products and services promote financial growth, identify new markets and promote sustainable development. We encourage entrepreneurship by supporting the health, growth and development of small businesses, particularly those owned by women.

Our Gender Empowerment (GEM) programme is a pioneering initiative in Nigeria that seeks to help women entrepreneurs set up in business. As an initiative for women who own a business, or aspire to own and run one, it provides women with financing, training, networking and advisory services. The Bank also offers innovative financial solutions to address a wide spectrum of issues such as sustainable livelihoods, public health and education. The business ventures supported by the Bank, in turn, lead to a greater number of jobs and greater financial independence for many members of the community.

## Investing in the community

We believe in adding value to the communities in which we operate by investing in economic, social and cultural development. Access Bank invests 1% of its PBT for corporate social investment. The Bank's social investment focuses on assisting progress in education, the arts, health, sports, the environment, enterprise development and social welfare.

In the period under review, we provided various types of support in the form of giving cash, or giving employee time or simply giving gifts, all of which are practices that align with acceptable

global standards. We collaborated with credible and impactful organisations to build strong and healthy communities where people can live and work, and where businesses can survive into the future. For instance, the Bank contributed to global efforts aimed at combating global health issues, especially HIV/AIDS, TB and malaria. We initiated, implemented and supported various health-related initiatives in partnership with local and international organisations such as: Friends of the Global Fund Africa (Friends Africa); Nigeria Business Coalition Against AIDS (NIBUCAA); Positive Action for Treatment Access (PATA); and Global Business Coalition on Health (GBCHealth). A notable example of our work is our SME Workplace Policy Programme that is training 2,000 SMEs across Nigeria, Ghana, Rwanda and Zambia to equip them with resources to combat pandemics.

## Employee volunteering

At Access Bank, we appreciate that volunteering provides staff with the opportunity to undertake new challenges beyond the scope of their current employment. The Bank therefore provides support to employees in this context by encouraging them to develop highly sought-after skills through voluntary activities. Our employee volunteering policy is a demonstration of the Bank's commitment both to its employees who volunteer for community development and to society as a whole. Our aim is to broaden our sustainability programme; our criterion is that such volunteering delivers a distinct and beneficial impact. In the period under review, over 90% of the Bank's employees volunteered for various community development initiatives.

# Managing Risk for a Sustainable Future

Access Bank Plc has a well-established risk governance structure and an experienced risk team. Our risk management framework provides essential tools to enable us to take timely and informed decisions to maximise opportunities and mitigate potential threats. Access Bank has taken pre-emptive action to reshape the portfolio, tighten underwriting standards and increase the frequency of risk monitoring and stress testing in case of adverse scenarios or downturns.

## The Group's approach to risk

Risk is an inherent part of Access Bank Plc and its subsidiary companies' ("the Bank" or "the Group") business activities. Access Bank's overall risk tolerance is established in the context of the Bank's earnings power, capital, and diversified business model. Effective risk management is critical to any Bank for achieving financial soundness.

In view of this, aligning risk management to the Bank's organisational structure and business strategy has become integral in our business. Access Bank's risk management framework and governance structure are intended to provide comprehensive controls and ongoing management of the major risks inherent in its business activities. It is also intended to create a culture of risk awareness and personal responsibility throughout the Bank.

The Group has taken pre-emptive action to reshape its credit portfolio, tighten underwriting standards and increase the frequency of risk monitoring and integrated stress testing. These actions will not immunise the Group from the effects of a cyclical downturn in its core markets, but should mitigate their impact.

Our position at the end of 2011 is marked by several key factors. The Group has low exposure to higher-risk asset classes, and has maintained vigilance and discipline in responding to the challenging environment. It also has a diversified portfolio across countries, products and customer segments; disciplined liquidity management; a well-established risk governance structure; and an experienced senior team.

Access Bank has been disciplined in its management of risk. The Group has increased its focus on the inter-relationships between risk types and, where appropriate, underwriting standards have been tightened. It has also conducted periodic reviews of risk exposure limits and risk control so as to position itself against any adverse scenarios. To mitigate against higher level of market volatility and economic uncertainty, the Group regularly subjects its exposures to a range of stress tests across a wide variety of products, currencies, portfolios and customer segments.

The Bank's risk management architecture is carefully crafted to balance corporate oversight with well-defined risk management functions which fall into one of three categories where risk must be managed: lines of business, governance and control and corporate audit. The Board of Directors and management of the Bank are committed to constantly establishing, implementing and sustaining tested practices in risk management to match those of leading international banks. We are convinced that the long-term sustainability of our Group depends critically on the proper governance and effective management of our business.

As such, risk management occupies a significant position of relevance and importance in the Bank.

The Board of Directors determines Access Bank's overall objectives in terms of risk by issuing risk policies. These policies define acceptable levels of risk for day-to-day operations as well as the willingness of Access Bank to assume risk, weighed against the expected rewards. The umbrella risk policy is detailed in the Enterprise Risk Management (ERM) Framework, which is a structured approach to identifying opportunities, assessing the risk inherent in these opportunities and actively managing these risks in a cost-effective manner. It is a top-level integrated approach to events identification and analysis for proper assessment, monitoring and identification of business opportunities. Specific policies are also in place for managing risks in the different core risk areas of credit, market and operational risks as well as for other key risks such as liquidity, strategic and reputational risk.

The evolving nature of risk management practices and the dynamic character of the banking industry necessitate regular review of the effectiveness of each enterprise risk management component. In light of this, the Bank's ERM Framework is subject to continuous review to ensure effective and cutting-edge risk management. The review is done in either or both of the following ways: via continuous self-evaluation and monitoring by the risk management and compliance functions in conjunction with internal audit; and through independent evaluation by external auditors, examiners and consultants.

The Chief Risk Officer has primary responsibility for risk management and the review of the ERM Framework and to provide robust challenge to the management teams based on quantitative and qualitative metrics. All amendments to the Bank's ERM Framework require Board approval. The risk management division is responsible for the enforcement of the Bank's risk policy by constantly monitoring risk, with the aim of identifying and quantifying significant risk exposures and acting upon such exposures as necessary.

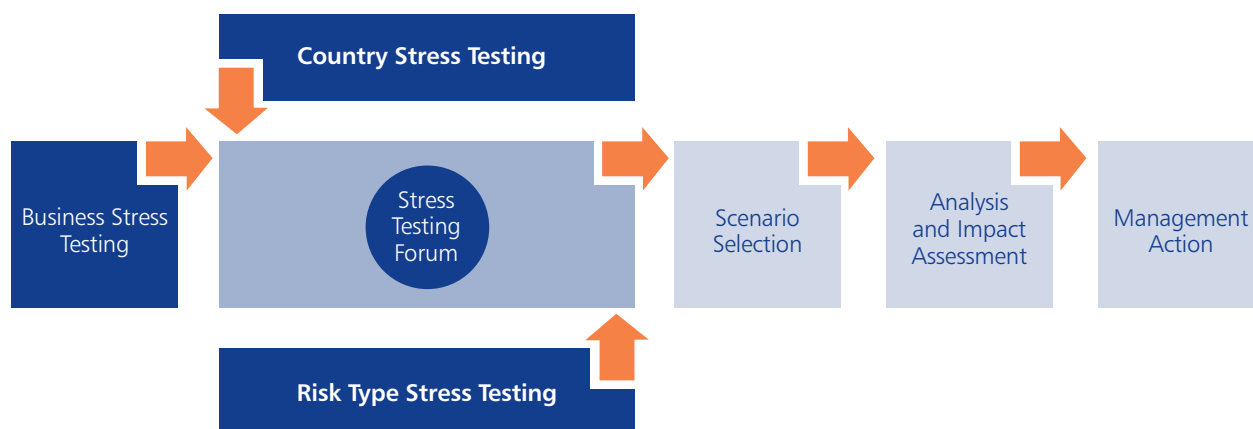
Overall, we view risk not only as a threat or uncertainty, but also as a potential opportunity to grow and develop the business, within the context of our clearly articulated and Board-driven risk appetite. Hence our approach to risk management is not limited to considering downside impacts or risk avoidance; it also encompasses taking risk knowingly for competitive advantage. Access Bank approaches risk, capital and value management robustly and we believe that our initiatives to date have positioned the Group at the leading edge of risk management.

## Risk and capital drive value

The pursuit of value requires us to balance risk assumed against capital required. Hence, we have embarked on a journey, which requires us to undertake analysis involving optimising the upside and minimising the downside on an ongoing and rigorous basis. We believe that this process will add value for our Shareholders, and provide security to our other capital providers and clients, as well as ensure overall sustainability in our business activities.

# Access Bank Plc has a well-established risk governance structure and an experienced risk team

## Stress testing framework



Every business activity in our Group requires us to put capital at risk, in exchange for the prospect of earning a return. In some activities, the level of return is quite predictable, whereas in other activities the level of return can vary over a very wide range, ranging from a loss to a profit. Accordingly, over the past year we have expended substantial energy on improving our risk and capital management framework, to focus on taking risks where we:

- Understand the nature of the risks we are taking, and what the range of outcomes could be under various scenarios, for taking these risks;
- Understand the capital required in order to assume these risks;
- Understand the range of returns that we can earn on the capital required to back these risks; and
- Attempt to optimise the risk-adjusted rate of return we can earn, by reducing the range of outcomes and capital required arising from these risks, and increasing the certainty of earning an acceptable return.

Our objective of balancing risk, return and capital has led us to enhance substantially our risk management methodologies, in order to be able to identify threats, uncertainties and opportunities and in turn develop mitigation and management strategies to achieve an optimal outcome.

Value is added for Shareholders if our process allows us to demonstrate sustainable risk-adjusted returns in excess of our cost of capital. The process provides security to our capital providers and clients by assuring them that we are not taking on incremental risks which adversely affect the outcomes we have contracted to deliver to them.

### Enterprise-wide stress testing

As a part of our core risk management practices, the Bank conducts enterprise-wide stress tests on a periodic basis to better understand earnings, capital and liquidity sensitivities to certain economic scenarios, including economic conditions that are more severe than anticipated. These enterprise-wide stress tests

provide an understanding of the potential impacts to our risk profile, capital and liquidity. They generate and consider pertinent and plausible scenarios that have the potential to adversely affect our business.

Stress testing and scenario analysis are used to assess the financial and management capability of Access Bank to continue operating effectively under extreme but plausible trading conditions. Such conditions may arise from economic, legal, political, environmental and social factors. Scenario(s) are carefully selected by a group drawn from senior line of business, risk and finance executives. Impacts to each line of business from each scenario are then analysed and determined, primarily leveraging the models and processes utilised in everyday management routines.

Impacts are assessed along with potential mitigating actions that may be taken in each scenario. Analysis from such stress scenarios is compiled for and reviewed through our Group ALCO, and the Enterprise Risk Management Committee and serves to inform and be incorporated, along with other core business processes, into decision making by management and the Board. The Bank would continue to invest in and improve stress testing capabilities as a core business process.

Our stress testing framework is designed to:

- Contribute to the setting and monitoring of risk appetite;
- Identify key risks to our strategy, financial position, and reputation;
- Examine the nature and dynamics of the risk profile and assess the impact of stresses on our profitability and business plans;
- Ensure effective governance, processes and systems are in place to co-ordinate and integrate stress testing;
- Inform senior management; and
- Ensure adherence to regulatory requirements.

# Managing Risk for a Sustainable Future continued

## Risk management and the merger process in 2011

The Bank recognised the significance of the risks inherent in the acquisition of Intercontinental Bank during the year. This necessitated a well-structured and proactive approach to the management of risk in the merger process. The bank leveraged its experience in mergers and acquisition and ensured measures were put in place to minimise exposures to credit, market and operational losses in all phases of the merger process. The measures adopted both during the pre-merger and integration phases have resulted in well-controlled integration process with minimal operational losses.

## Risk management philosophy, culture, appetite and objectives

### Risk management philosophy and culture

Risk management is at the core of the operating structure of the Group. We seek to limit adverse variations in earnings and capital by managing risk exposures within agreed levels of risk appetite. Our risk management approach includes minimising undue concentrations of exposure, limiting potential losses from stress events and the prudent management of liquidity.

In 2011, our risk management process continued to achieve desired results despite a tough economic environment. However, the Group's risk management is continuously evolving and improving, given that there can be no assurance that all market developments, in particular those of extreme nature, can be fully anticipated at all times. Hence, executive management has remained closely involved with important risk management initiatives, which have focused particularly on preserving appropriate levels of liquidity and capital, as well as managing the risk portfolios.

Risk management is integral to the Group's decision-making and management process. It is embedded in the role and purpose of all employees via the organisational culture, thus enhancing the quality of strategic, capital allocation and day-to-day business decisions.

Access Bank considers risk management philosophy and culture as the set of shared beliefs, values, attitudes and practices that characterise how the Bank considers risk in everything it does, from strategy development and implementation to its day-to-day activities. In this regard, the Bank's risk management philosophy is that a moderate and guarded risk attitude ensures sustainable growth in shareholder value and reputation.

The Bank believes that enterprise risk management provides the superior capabilities to identify and assess the full spectrum of risks and to enable staff at all levels to better understand and manage risks. This will ensure that:

- Risk acceptance is done in a responsible manner;
- The executive and the Board of the Bank have adequate risk management support;
- Uncertain outcomes are better anticipated;
- Accountability is strengthened; and
- Stewardship is enhanced.

The Bank identifies the following attributes as guiding principles for its risk culture.

#### (a) Management and staff:

- Consider all forms of risk in decision-making;
- Create and evaluate business unit and Bank-wide risk profile to consider what is best for their individual business units/department and what is best for the Bank as a whole;
- Adopt a portfolio view of risk in addition to understanding individual risk elements;
- Retain ownership and accountability for risk and risk management at the business unit or other point of influence level;
- Accept that enterprise risk management is mandatory, not optional;
- Strive to achieve best practices in enterprise risk management;
- Document and report all significant risks and enterprise risk management deficiencies;
- Adopt a holistic and integrated approach to risk management and bring all risks together under one or a limited number of oversight functions;
- Empower risk officers to perform their duties professionally and independently without undue interference;
- Ensure a clearly defined risk management governance structure;
- Ensure clear segregation of duties between market-facing business units and risk management/control functions;
- Strive to maintain a conservative balance between risk and profit considerations; and
- Continue to demonstrate appropriate standards of behaviour in development of strategy and pursuit of objectives.

(b) Risk officers work as allies and thought partners to other Stakeholders within and outside the Bank and are guided in the exercise of their powers by a deep sense of responsibility, professionalism and respect for other parties.

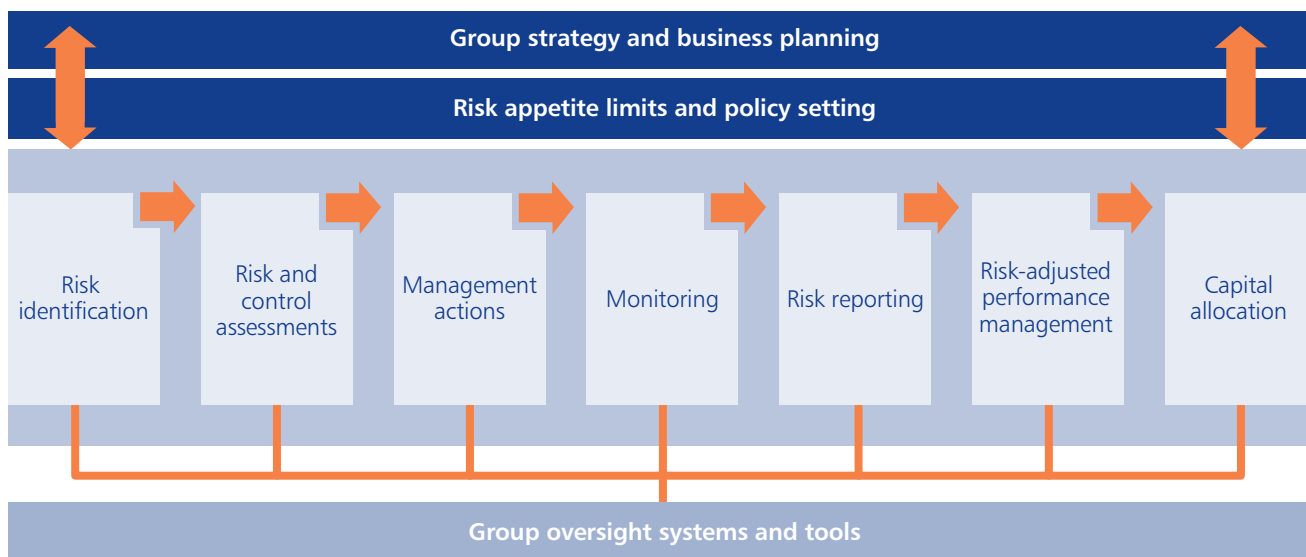
(c) Risk management is a shared responsibility. Therefore, the Bank aims to build a shared perspective on risks that is based on consensus.

(d) Risk management is governed by well-defined policies, which are clearly communicated across the Bank.

(e) Equal attention is paid to both quantifiable and non-quantifiable risks.

(f) The Bank avoids products and businesses it does not understand.

## Risk management process



### Group risk oversight approach

Our oversight starts with the strategy setting and business planning process. These plans help us articulate our appetite for risk, which is then set as risk appetite limits for each business unit to work within.

The Bank's risk management and compliance division provides a central oversight of risk management across the Bank to ensure that the full spectrum of risks facing the Bank are properly identified, measured, monitored and controlled in order to minimise adverse outcomes.

The division is complemented by the financial control and regulatory/reputation risk group in the management of strategic and reputational risks respectively.

The Chief Risk Officer co-ordinates the process of monitoring and reporting risks across the Bank. Internal audit has the responsibility of auditing the risk management and control function to ensure that all units charged with risk management perform their roles effectively on a continuous basis. Audit also tests the adequacy of internal control and makes appropriate recommendations where there are weaknesses.

### Strategy and business planning

Risk management is embedded in our business strategy and planning cycle. Testament to this is the inclusion of risk management as one of our strategic priorities. By setting the business and risk strategy, we are able to determine appropriate capital allocation and target setting for the Group and each of our businesses.

All business units are required to consider the risk implications of their annual plans. These plans include analysis of the impact of objectives on risk exposure. Throughout the year we monitored business performance regularly, focusing both on financial performance and risk exposure. The aim is to continue the

process of integrating risk management into the planning and management process and to facilitate informed decisions.

Through ongoing review, the links between risk appetite, risk management and strategic planning are embedded in the business so that key decisions are made in the context of the risk appetite for each business unit.

### Risk appetite

Risk appetite is an articulation and allocation of the risk capacity or quantum of risk Access Bank Group is willing to accept in pursuit of its strategy, duly set and monitored by the executive committee and the Board, and integrated into our strategy, business, risk and capital plans. Risk appetite reflects the Group's capacity to sustain potential losses arising from a range of potential outcomes under different stress scenarios.

The Bank defines its risk appetite in terms of both volatility of earnings and the maintenance of minimum regulatory capital requirements under stress scenarios. Our risk appetite can be expressed in terms of how much variability of return the Bank is prepared to accept in order to achieve a desired level of result. It is determined by considering the relationship between risk and return. We measure and express risk appetite qualitatively and in terms of quantitative risk metrics. The quantitative metrics include earnings at risk (or earnings volatility) and, related to this, the chance of regulatory insolvency, chance of experiencing a loss and economic capital adequacy. These comprise our Group-level risk appetite metrics. In addition, a large variety of risk limits, triggers, ratios, mandates, targets and guidelines are in place for all the financial risks (e.g. credit, market and asset and liability management risks).



# Managing Risk for a Sustainable Future continued

The Bank's risk profile is assessed through a "bottom-up" analytical approach covering all of the Group's major businesses, countries and products. The risk appetite is approved by the Board and forms the basis for establishing the risk parameters within which the businesses must operate, including policies, concentration limits and business mix.

In 2011, the risk appetite metrics were tracked against approved triggers and exceptions were reported to management for prompt corrective actions. Key issues were also escalated to the Enterprise Risk Management committee and the Board Risk Management committee.

## Risk management objectives

The broad risk management objectives of the Bank are:

- To identify and manage existing and new risks in a planned and co-ordinated manner with minimum disruption and cost;
- To protect against unforeseen losses and ensure stability of earnings;
- To maximise earnings potential and opportunities;
- To maximise share price and stakeholder protection;
- To enhance credit ratings and depositor, analyst, investor and regulator perception; and
- To develop a risk culture that encourages all staff to identify risks and associated opportunities and to respond to them with cost-effective actions.

## Scope of risks

The scope of risks that are directly managed by the Bank is as follows:

- Credit risk;
- Operational risk;
- Market and liquidity risk;
- Legal and compliance risk;
- Strategic risk;
- Reputational risk; and
- Capital risk.

These risks and the framework for their management are detailed in the enterprise risk management framework.

## Responsibilities and functions

The responsibilities of the Risk Management Division, the Financial Control and Strategy Group, Regulatory/Reputation Risk Group with respect to risk management are highlighted in the next column:

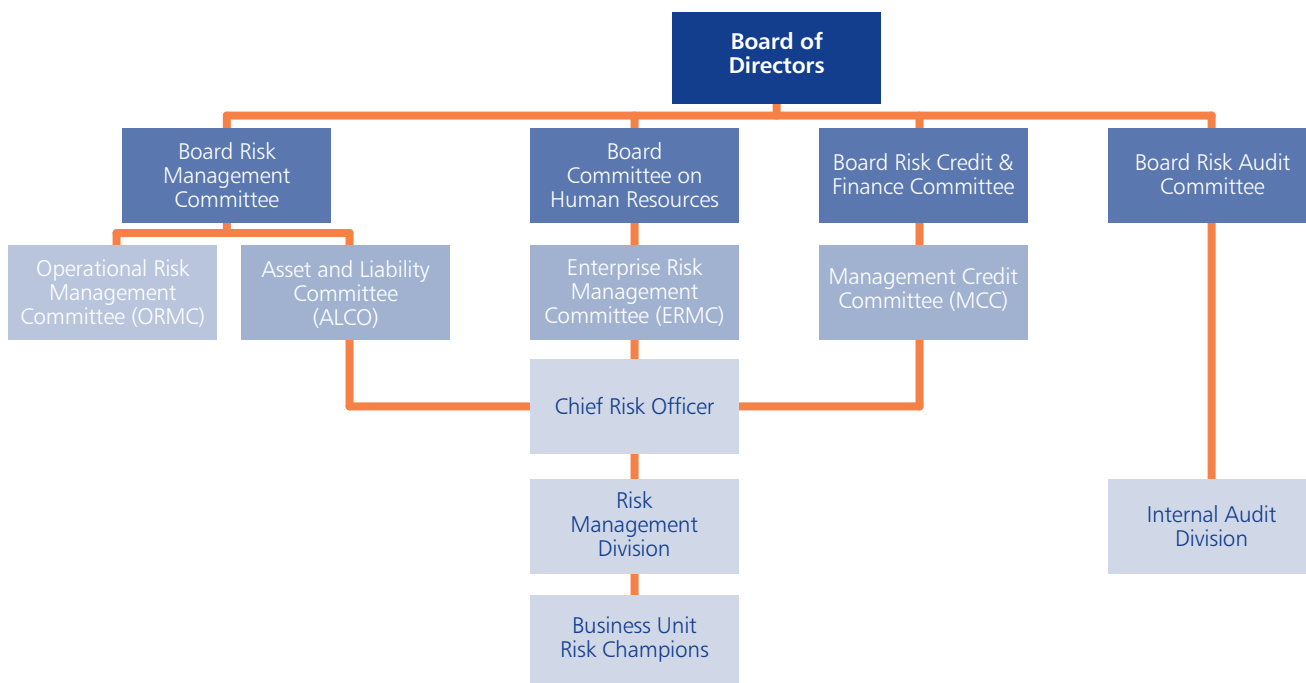
## Risk management division

- (a) Champion the implementation of the ERM Framework across the Bank and subsidiaries. Periodically receive risk reports from management highlighting key risk areas, control failures and remedial action steps taken by management;
- (b) Develop risk policies, principles, process and reporting standards that define the Bank's risk strategy and appetite in line with the Bank's overall business objectives;
- (c) Ensure that controls, skills and systems are in place to enable compliance with the Bank's policies and standards;
- (d) Facilitate the identification, measurement, assessment, monitoring and control of the level of risks in the Bank;
- (e) Collect, process, verify, monitor and distribute risk information across the Bank and other material risk issues to senior management, the Board and regulators;
- (f) Monitor compliance with Bank-wide risk policies and limits;
- (g) Provide senior management with practical, cost-effective recommendations for improvement of risk management;
- (h) Act as a key contact for senior management who may wish to request ad hoc reviews/investigations;
- (i) Ensure that laws, regulations and supervisory requirements are complied with including consequence management;
- (j) Champion the implementation of Basel II;
- (k) Promote risk awareness and provide education on risk; and
- (l) Provide assurance on compliance with internal and external policies with respect to risk management.

## Financial control and strategy

- (a) Prepare and monitor the implementation of the Bank's strategic plan;
- (b) Conduct strategic and operational review of the Bank's activities;
- (c) Conduct regular scanning of the Bank's operating environment;
- (d) Co-ordinate and monitor the Bank's rating exercises by external rating agencies;
- (e) Prepare business intelligence reports for the Bank's management;
- (f) Prepare periodic management reports on subsidiaries and associates;
- (g) Perform competitive analysis in comparison with industry peers; and
- (h) Conduct strategic/operational review of branches.

## Risk management governance structure



### Risk management governance framework

The framework details Access Bank's risk universe and governance structure comprising three distinct layers:

1. The enterprise-wide risk management and corporate governance committee forums;
2. The executive management committees; and
3. Risk management responsibilities per risk area.

### Risk management governance structure

Access Bank's risk management governance structure is depicted above.

### Roles of the Board of Directors

The Board of Directors' role as it relates to risk management is divided into 6 areas; general, credit, market, compliance, operational, and reputational risks.

Specific roles in these areas are further defined below:

#### General

- (a) Develop a formal enterprise-risk management framework;
- (b) Review and approve the establishment of a risk management function that would independently identify, measure, monitor and control risks inherent in all risk-taking units of the Bank;
- (c) Ratify the appointment of qualified officers to manage the risk management function;
- (d) Approve and periodically review the Bank's risk strategy and policies;

- (e) Approve the Bank's risk appetite and monitor the Bank's risk profile against this appetite;
- (f) Ensure that the management of the Bank has an effective ongoing process to identify risk, measure its potential impact and proactively manage these risks;
- (g) Ensure that the Bank maintains a sound system of risk management and internal control with respect to:
  - Efficiency and effectiveness of operations
  - Safeguarding of the Bank's assets (including information)
  - Compliance with applicable laws, regulations and supervisory requirements
  - Reliability of reporting
  - Behaving responsibly towards all stakeholders
- (h) Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken at least annually;
- (i) Ensure that management maintains an appropriate system of internal control and review its effectiveness;
- (j) Ensure risk strategy reflects the Bank's tolerance for risk;
- (k) Review and approve changes/amendments to the risk management framework;
- (l) Review and approve risk management procedures and control for new products and activities; and
- (m) Periodically receive risk reports from management highlighting key risk areas, control failures and remedial action steps taken by management.

# Managing Risk for a Sustainable Future

## continued

### Credit risk

- (a) Approve the Bank's overall risk tolerance in relation to credit risk based on the recommendation of the Chief Risk and Compliance Officer;
- (b) Ensure that the Bank's overall credit risk exposure is maintained at prudent levels and consistent with the available capital through quarterly review of various types of credit exposure;
- (c) Ensure that top management as well as individuals responsible for credit risk management possess the requisite expertise and knowledge to accomplish the risk management function;
- (d) Ensure that the Bank implements a sound methodology that facilitates the identification, measurement, monitoring and control of credit risk;
- (e) Ensure that detailed policies and procedures for credit risk exposure creation, management and recovery are in place; and
- (f) Appoint credit officers and delegate approval authorities to individuals and committees.

### Market risk

- (a) Define the Bank's overall risk appetite in relation to market risk;
- (b) Ensure that the Bank's overall market risk exposure is maintained at levels consistent with the available capital;
- (c) Ensure that top management as well as individuals responsible for market risk management possess sound expertise and knowledge to accomplish the risk management function;
- (d) Approve the Bank's strategic direction and tolerance level for liquidity risk;
- (e) Ensure that the Bank's senior management has the ability and required authority to manage liquidity risk;
- (f) Approve the Bank's liquidity risk management framework; and
- (g) Ensure that liquidity risk is identified, measured, monitored and controlled.

### Compliance risk

- (a) Approve the Bank's code of conduct and ethics;
- (b) Monitor the Bank's compliance with laws and regulations, its code of conduct and ethics and corporate governance practices;
- (c) Ensure new and changed legal and regulatory requirements are identified, monitored and reflected in Bank processes;
- (d) Approve the compliance structure, mechanisms and processes established by management to ensure compliance with current laws, regulations and supervisory requirements; and
- (e) Ensure the Bank has a compliance culture that contributes to the overall objective of risk management.

### Operational risk

- (a) Oversee the overall governance of the Bank's operational risk management process;
- (b) Set the Bank's operational risk strategy and direction in line with the Bank's corporate strategy;
- (c) Approve the Bank's operational risk management framework;
- (d) Periodically review the framework to ensure its relevance and effectiveness;
- (e) Ensure that senior management are performing their risk management responsibilities; and
- (f) Ensure that the Bank's operational risk management framework is subject to effective and comprehensive internal audit by operationally independent, appropriately trained and competent staff.

### Reputational risk

- (a) Set an appropriate tone and guidelines regarding the development and implementation of effective reputation risk management practices, including an explicit statement of a zero tolerance policy for all unethical behaviour;
- (b) Approve the Bank's framework for the identification, measurement, control and management of reputational risk;
- (c) Monitor the Bank's compliance with its reputational risk management policies and recommend sanctions for material breaches of internal policies;
- (d) Review all exception reports by external parties such as regulators and auditors; ensure that appropriate sanctions are applied to erring officers; demand from management appropriate explanations for all exceptional items; ensure that management puts in place effective and remedial actions and reports on progress to the Board on an ongoing basis;
- (e) Ensure that Board members do not compromise their fit and proper status with regulators. They shall ensure that only Board members who do not tarnish the Bank's image and reputation remain as members; and
- (f) Ensure that only fit and proper persons are appointed to senior management positions in the Bank.

### The Board and management committees

The Board carries out its oversight function through its standing committees each of which has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure and reporting lines to the Board.

In line with best practice, the Chairman of the Board does not sit on any of the Committees. The Board's 4 standing committees are: the Board Risk Management Committee, the Board Audit Committee, the Board Human Resources Committee and the Board Credit & Finance Committee.

The management committees are: The Executive Committee (EXCO), Enterprise Risk Management Committee (ERMC), Management Credit Committee (MCC), Group Asset & Liability Committee (Group ALCO), and Operational Risk Management Committee (ORMC).

The roles and membership of the committees are as follows:

Committee	Key objective	Membership
Board Risk Management Committee	The primary role of the Committee is to report to the Board and provide appropriate advice and recommendations on matters relevant to risk management.	3 Non-Executive Directors appointed by the Board of Directors The Group Managing Director The Group Deputy Managing Director Executive Directors as appointed.
Board Audit Committee	The Committee assists the Board in ensuring the independence of the internal audit function of the Bank.	2 Non-Executive Directors appointed by the Board of Directors The Group Managing Director The Group Deputy Managing Director Executive Directors as appointed.
Board Credit & Finance Committee	The Committee considers and approves loan applications above certain limits (as defined by the Board from time to time) which have been approved by the Management Credit Committee. It also acts as a catalyst for credit policy changes.	5 Non-Executive Directors appointed by the Board of Directors The Group Managing Director The Group Deputy Managing Director Executive Directors as appointed One of the Non-Executive Directors shall be Chairman of the Committee.
Board Human Resources Committee	The Committee advises the Board on its oversight responsibilities in relation to compensation, benefits and all other human resource matters affecting the Directors and employees of the Bank.	4 Non-Executive Directors appointed by the Board of Directors The Group Managing Director The Group Deputy Managing Director.
The Executive Committee (EXCO)	The Committee is primarily responsible for the implementation of strategies approved by the Board and ensuring the efficient deployment of the Bank's resources.	Group Managing Director (Chairman) Group Deputy Managing Director All the Executive Directors.
Enterprise Risk Management Committee (ERMC)	The Bank's Enterprise Risk Management Committee is responsible for managing all risks with the exception of credit, market and liquidity risks. The risks within the committee's purview include (but are not limited to) strategic, reputational, compliance and operational risks.	The Group Managing Director (Chairman) The Group Deputy Managing Director All Executive Directors Chief Risk Officer Chief Compliance Officer Chief Financial Officer All ERM Division Heads Head, Corporate Affairs Head, Legal Department Head, Information Technology.
Management Credit Committee (MCC)	The Committee is responsible for managing credit risks in the Bank. The membership of the committee is as follows:	Group Managing Director/Chief Executive Officer (Chairman) Group Deputy Managing Director (Vice Chairman) All Executive Directors Group Head, Credit Risk Management Team Leaders, Credit Risk Management Group Heads, Commercial Bank Group Heads, Institutional Bank Group Heads, Operations & IT Group Head, Compliance Group Head, Internal Audit Head of Legal (or his/her nominee as approved by the GMD/CEO) Other Group Heads.
Group Asset & Liability Committee (Group ALCO)	The Group ALCO is responsible for the optimum management of the Bank's balance sheet and taking relevant decisions, as well as recommending to the Board of Directors' prudent asset/liability management policies and procedures that enable the Bank to achieve its goals while operating in full compliance with all relevant laws and regulations.	Group Managing Director/Chief Executive Officer (Chairman) The Group Deputy Managing Director The Group Executive Directors Chief Risk Officer Country Managing Directors Country Treasury Heads The Group Treasurer Head, Financial Control – Domestic Head, Financial Control – International Head, Group Asset & Liability Management Head, Group Market Risk Head, Credit Risk.
Operational Risk Management Committee (ORMC)	The Committee is responsible for the effectiveness of the operational risk management function within the Bank. All decisions and deliberations of the committee are reported to the Board Risk Management Committee.	Group Managing Director/Chief Executive Officer (Chairman) Group Deputy Managing Director; All Division Heads/Executive Directors Chief Risk Officer Head, Operational Risk Management Group Chief Information Officer Head, Group Compliance and Internal Control Head, Group Internal Audit Head, Group HR Other Group Heads or persons to be designated by the committee from time to time.

# Managing Risk for a Sustainable Future

## continued

Without prejudice to the roles of these committees, the full Board shall retain ultimate responsibility for risk management.

### Specific roles of the Board and management committees

The Board's risk management oversight roles and responsibilities are delegated to the following committees:

#### Board Risk Management Committee

Specifically, the committee performs the following functions:

- (a) Oversee the establishment of a formal written policy on the Bank's overall risk management framework. The policy defines risks and risk limits that are acceptable and unacceptable to the Bank. It provides guidelines and standards to administer the acceptance and ongoing management of all risks;
- (b) Ensure that adequate policies are in place to manage and mitigate the adverse effects of both business and control risks in its operations;
- (c) Ensure compliance with established policy through periodic review of reports provided by management, internal and statutory auditors and the supervisory authorities;
- (d) Approve the appointment of qualified officers to manage the risk function;
- (e) Oversee the management of all risks except credit risk in the Bank;
- (f) Re-evaluate the risk management policy of the Bank on a periodic basis to accommodate major changes in internal or external factors;
- (g) Evaluate internal processes for identifying, assessing, monitoring and managing key risk areas, particularly:
  - Important judgements and accounting estimates
  - Business and operational risks in the areas of credit, market and operations
  - Specific risks relating to outsourcing
  - Consideration of environmental, community and social risks.
- (h) Evaluate the adequacy of the Bank's risk management systems and control environment with management and auditors (internal and external);
- (i) Evaluate the Bank's risk profile, the action plans in place to manage risks, and monitor progress against plan to achieve these actions;
- (j) Review the processes the Bank has in place for assessing and continuously improving internal controls, particularly those related to areas of significant risk; and
- (k) Approve the provision of risk management services by external providers.

#### Board Audit Committee

The committee performs the following functions:

- (a) Oversee the development of a procedure for the receipt, retention and treatment of complaints received by the Bank, regarding accounting, internal accounting controls, unethical activity/breach of the corporate governance code or audit matters, including a means for the Bank's stakeholders (employees, customers, suppliers, applicants and others) to submit such complaints in a confidential and anonymous manner;
- (b) Investigate any matter brought to its attention within the scope of its duties with the authority to retain counsel or other advisors, if in its judgement that is appropriate, at the expense of the Bank;
- (c) Submit meeting minutes and, as appropriate, discuss the matters deliberated upon at each Committee meeting with the Board of Directors;
- (d) Annually review and reassess its responsibilities, functions, pre-approval policy for audit and non-audit services, and charter, making changes as necessary, and conduct an annual performance evaluation of its activities;
- (e) Ensure that the Bank provides adequate funding, as determined by the committee, to the committee for payment and compensation for advisers engaged by the committee, and payment of ordinary administrative expenses incurred by the committee in carrying out its duties;
- (f) Review the proposed audit plan(s) and review the results of internal audits completed since the previous committee meeting as well as the focus of upcoming internal audit projects;
- (g) Approve the appointment and termination of the Chief Internal Auditor based on the recommendations of the Bank's executive management;
- (h) Evaluate the process the Bank has in place for monitoring and assessing the effectiveness of the internal audit function;
- (i) Monitor the progress of the internal audit programme and considers the implications of internal audit findings on the control environment;
- (j) Monitor the implementation of agreed action plans by management;
- (k) Review reports from the internal auditors detailing their key findings and agreed management actions;
- (l) Review the appropriateness of the qualification of the internal audit personnel and work resources; and
- (m) Review the internal audit reporting lines and independence.



### Board Credit Committee

The Board Credit Committee under delegated authority is responsible for the following:

- (a) Facilitate the effective management of credit risk by the Bank;
- (b) Approve credit risk management policies, underwriting guidelines and standard proposals on the recommendation of the Management Credit Committee;
- (c) Approve definition of risk and return preferences and target risk portfolio;
- (d) Approve the Bank's credit rating methodology and ensure its proper implementation;
- (e) Approve credit risk appetite and portfolio strategy;
- (f) Approve lending decisions and limit setting;
- (g) Approve new credit products and processes;
- (h) Approve assignment of credit approval authority on the recommendation of the Management Credit Committee;
- (i) Approve changes to credit policy guidelines on the recommendation of the Management Credit Committee;
- (j) Approve credit facility requests and proposals within limits defined by Access Bank Plc's credit policy and within the statutory requirements set by the regulatory/supervisory authorities;
- (k) Recommend credit facility requests above stipulated limit to the Board;
- (l) Review credit risk reports on a periodic basis;
- (m) Approve credit exceptions in line with Board approval; and
- (n) Make recommendations to the Board on credit policy and strategy where appropriate.

### Board Committee on Human Resources

The Board Committee on Human Resources has responsibility for the following:

- (a) Ensure the right calibre of executive management is attracted, retained, motivated and rewarded;
- (b) Make recommendations on the remuneration of the Chairman, Non-Executive Directors and Executive Directors to the Board for ratification;
- (c) Approve remuneration levels for senior management and other Bank personnel;
- (d) Review and approve remuneration policies and strategy; and
- (e) Monitor the Bank's people-risk universe.

### Specific roles of management committees

The following management committees are directly responsible for risk management oversight:

### Enterprise Risk Management Committee (ERMC)

The committee has the following responsibilities for all risks within its purview:

- (a) Formulating policies;
- (b) Monitoring implementation of risk policies;
- (c) Reviewing risk reports for presentation to the Board/Board committees; and
- (d) Implementing Board decisions across the Bank.

### Management Credit Committee (MCC)

The committee has the following responsibilities:

- Review credit policy recommendations for Board approval;
- Approve individual credit exposure in line with its approval limits;
- Agree on portfolio plan/strategy for the Bank;
- Review monthly credit risk reports and remedial action plan; and
- Co-ordinate the Bank's response to material events that may have an impact on the credit portfolio.

The committee is assisted by the credit risk management function, whose responsibilities are to:

- Establish and maintain effective credit risk management environment in the Bank;
- Review proposals in respect of credit policies and standards and endorse to the Board of Directors for approval;
- Define the Bank's risk and return preferences and target risk portfolio;
- Monitor on an ongoing basis the Bank's risk quality and performance, review periodic credit portfolio reports and assess portfolio performance;
- Define credit approval framework and assign credit approval limits in line with Bank policy;
- Review defined credit product programmes on recommendation of the head of the credit risk management and endorse to the Board of Directors for approval;
- Review credit policy changes initiated by management and endorse to the Board of Directors for approval;
- Ensure compliance with the Bank's credit policies and statutory requirements prescribed by the regulatory/supervisory authorities;
- Approve credit facility requests within limits defined by Access Bank's credit policy guideline (CPG), and within the statutory requirements set by the regulatory/supervisory authorities;
- Review and endorse credits approved by SBU heads;
- Review and recommend to the Board Credit Committee, credits beyond their approval; limits;
- Review periodic credit portfolio reports and assess portfolio performance; and
- Approve exceptions/write-offs, waivers and discounts on non-performing credit facilities within specified limit.

# Managing Risk for a Sustainable Future

## continued

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### Group Asset & Liability Committee (Group ALCO)

The purpose of the Group ALCO is to:

- Monitor and control all market, liquidity risk and interest rate risk across the Bank and its subsidiaries (hereinafter called the Group) in accordance with the risk appetite set by the Board of Directors;
- Review limit, guideline or trigger breaches and agree remedial actions in order to align exposures with agreed appetite;
- Approve Market Risk, Liquidity Risk and Banking Book Interest Rate Risk Policies for each of the banking subsidiaries;
- Review and note the impact of internal and external factors on the net interest margin; and
- Recommend to the Board, policies and guidelines under which the Bank will manage the matters listed below, and in so doing protect the Bank's capital base and reputation:
- Balance sheet growth:
  - Deposits, advances and investments;
  - Non-earning assets;
  - Foreign exchange activities and positions;
  - Market and liquidity management; and
  - Capital management.

### Responsibilities and authorities

- The ultimate responsibility for the proper management of the Bank's assets and liabilities lies with the Board of Directors;
- The Board of Directors will delegate that responsibility to Group ALCO and Country ALCO, through this mandate, will be responsible for the establishment of appropriate policies and limits across the Group;
- Group ALCO will be responsible for the implementation and monitoring of these Policies and for the development of appropriate procedures and guidelines for adoption at Country ALCOs and specific ratification by the subsidiaries' Board of Directors;
- Country ALCO will be responsible for providing the information input to Group ALCO to enable it to perform its function;
- Country ALCO will be responsible for proposing amendments to policies for approval and ratification by Group ALCO, such amendments having been first approved at the Country ALCO;
- Group ALCO will report to the Board of Directors through the Board Risk Management Committee detailing strategies, risk positions since the last report received. Any excesses during the period under review must be supported by details quoting the relevant authority for the excess i.e. Central Bank, ALCO etc;
- Group ALCO will delegate limits/authorities to line management to enable the smooth functioning of the Bank's day-to-day operations; and

- In the event of a vote, the majority will prevail with the Group ALCO chairman casting the deciding vote in the event of a tie.

### Other responsibilities include:

- Prudent management of market risk:
  - To ensure the levels of market risk assumed by the Bank are effectively and prudently managed in accordance with the Market Risk Policy;
  - To approve market risk limits and triggers in accordance with the risk appetite set by Group ALCO and the Group's Concentration Risk Policy;
  - To note compliance with all market risk limits and triggers, and ensure actions to address breaches are promptly executed and reported to authorised bodies;
  - To manage all forms of market risk by firstly using the Alco's mandate to set exposure levels and stop-loss limits, and secondly, if necessary, by hedging any form of market risk; and
  - To review and approve all policies and procedures relating to market risk management.
- Prudent management of liquidity risk:
  - To ensure the levels of tactical and strategic liquidity risk assumed by the Bank are effectively and prudently managed in accordance with the Liquidity Risk Policy;
  - To approve liquidity risk limits and guidelines in accordance with the risk appetite set by Group ALCO;
  - To note compliance with all liquidity risk guidelines and limits, and ensure actions to address breaches are promptly executed and reported to authorising bodies;
  - To ensure appropriate steps are taken where there is deterioration in liquidity;
  - To approve funding and liquidity management strategies based on forecast balance sheet growth;
  - To ensure the provision of standby funding facilities is kept within prudent levels;
  - To review and approve all policies, procedures and contingency plans relating to liquidity risk management; and
  - To approve liquidity stress scenarios and associated contingency plans.

- Prudent management of interest rate risk:
  - To ensure that the level of interest rate risk assumed by the Bank is effectively and prudently managed;
  - To note compliance with all guidelines and limits, and ensure actions to address breaches are promptly executed and reported to authorising bodies;
  - To approve limits and guidelines in accordance with the risk appetite set by Group ALCO and the Group market risk; and
  - To approve the subsidiaries' market risk and hedging strategies on a case-by-case basis, or explicitly delegate the approval of such strategies to the Country ALCO.
- Prudent margin management:
  - To review and note the impact of internal and external factors on the Bank's current and forecasted net interest margin;
  - To review and approve funds transfer pricing principles, methodologies and rates; and
  - To review and approve policies and procedures relating to margin management.
- General:
  - To monitor adherence to regulatory requirements; and
  - To delegate to the Group Asset & Liability Management team the responsibility of dealing with trigger, guideline or limit breaches across the Group on a day-to-day basis.

### Roles of senior management

The roles of senior management as it relates to risk management are as:

- (a) Implement risk strategy approved by the Board of Directors;
- (b) Develop policies and procedures for identifying, measuring and controlling risks identified in the Bank's risk universe;
- (c) Provide appropriate resources to evaluate and control all identified risks;
- (d) Review risk reports on a regular and timely basis;
- (e) Review periodic risk reports for operational and other risks separate from credit and market risks; and
- (f) Provide all reports required by the Board and its committees for the effective performance of risk management oversight functions.

### Operational Risk Management Committee (ORMC)

The committee has the following responsibilities:

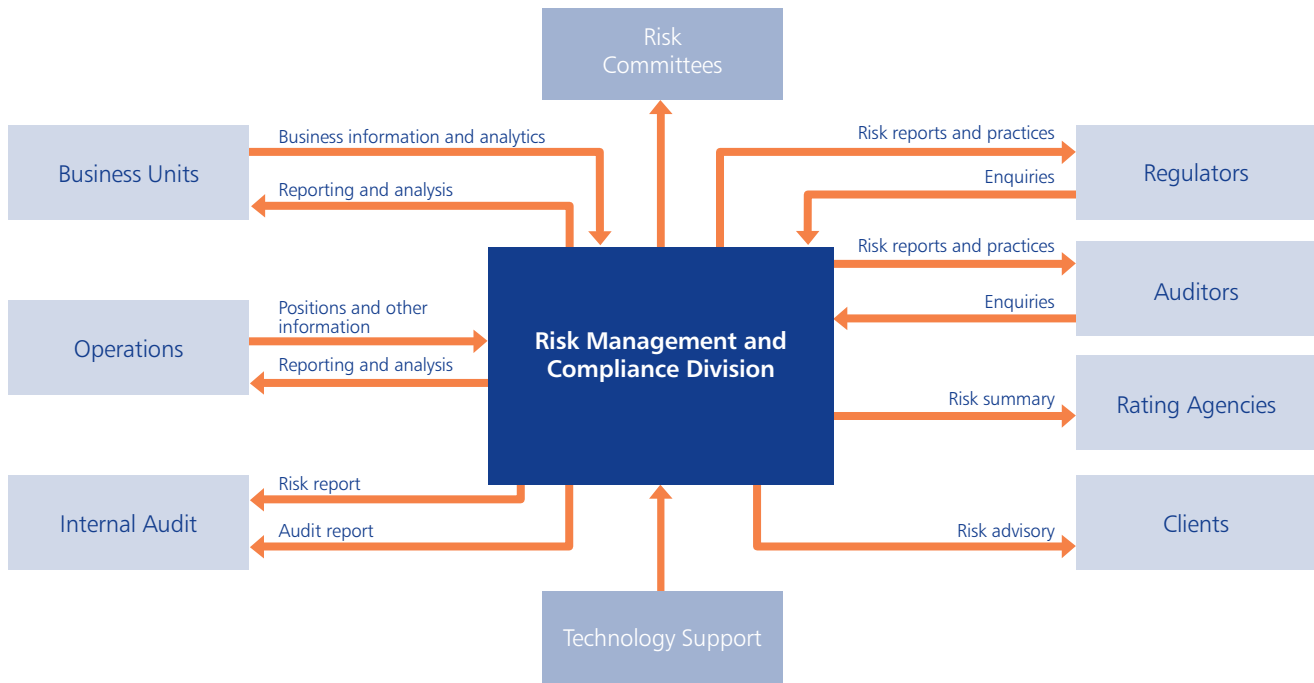
- Review and recommend the Operational Risk Management (ORM) framework and any amendments or enhancements to the Board of Directors (BOD) for approval;
- Oversee the implementation of the Operational Risk Management framework across the enterprise;
- Review methodologies and tools for identification, assessment, monitoring and control of operational risks and maintaining the loss event databases;
- Ensure operational risk exposures are within the risk tolerance limits set under the policy;
- Review the reports from the Group Operational Risk Management (ORM) unit, business lines and their respective risk profiles to concur on areas of highest priority and put in place the related mitigation strategies;
- Ensure adequate resources are allotted at various levels to manage operational risk across the enterprise;
- Ensure adequate communication to the functional departments and emphasise on, the importance of operational risk management and assure adequate participation;
- Co-ordinate an ongoing appropriate awareness and education programme on operational risk in the Bank from top to bottom through the implementation of an enterprise-wide operational risk approach; and
- Set guidelines for identifying operational risk in all new products and processes.

### Roles of risk champions in the business units

- Co-ordinate all risk management activities in the business unit, including compliance with risk policies and procedures;
- Provide on-the-job training on risk management to other staff;
- Liaise with risk management and compliance division to obtain new systems, approaches and methods for managing risks and advise staff within the unit appropriately;
- Co-ordinate the gathering of risk-related information, while ensuring the completeness and accuracy of the risk information gathered, analyse the information and periodically report to the Group head and the risk management department in the agreed format;
- In conjunction with other managers in the business unit, articulate risk management/optimisation strategies for managing risks, prepare a risk mitigation plan and communicate these to the risk management and compliance division; and
- Monitor and report on the effectiveness of risk mitigation plans in reducing risk incidence in the unit.

# Managing Risk for a Sustainable Future continued

## Risk Management and Compliance Division – relationship with other units



## Risk Management Division – relationship with other units

The relationships between Risk Management Division (RMD) and other units are highlighted below:

- RMD sets policies and defines limits for other units in the Bank;
- RMD performs Bank-wide risk monitoring and reporting;
- Other units provide relevant data to RMD for risk monitoring and reporting and identify potential risks in their line of business and RMD provides a framework for managing such risks;
- RMD and market-facing units collaborate in designing new products;
- RMD and internal audit co-ordinate activities to provide a holistic view of risks across the Bank;
- RMD makes recommendations with respect to capital allocation, pricing and reward/sanctions based on risk reports; and
- Information technology support group provides relevant user support to the RMD function in respect of the various risk management software.



## Key risks and uncertainties in 2011

Risk type	Definition	Features	Key developments in 2011	Risk mitigation
Credit risk	The risk of loss arising from the failure of a client or counterparty to fulfil its obligations to the Group.	<ul style="list-style-type: none"> <li>Potential risk to earnings and capital.</li> <li>Significant correlation between credit risk and the macroeconomic environment.</li> <li>Concentration risk – potential for large material losses.</li> </ul>	<ul style="list-style-type: none"> <li>Improved risk asset quality as evidenced in the reduction of NPL ratio.</li> <li>Significant growth of the Bank's risk asset portfolio as a result of the business combination with Intercontinental Bank Plc.</li> <li>Sale of risk assets to AMCON to improve the quality of risk assets.</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment in recovery functions.</li> <li>Creation of a stand-alone Credit Monitoring Unit to reduce incidence of default.</li> <li>Deployment of a credit risk management solution for end to end management of credit risk along its entire value chain.</li> <li>Increased training for credit risk management staff.</li> </ul>
Market risk	The risk that the value of an asset or liability may change as a result of a change in market risk factors.	<ul style="list-style-type: none"> <li>Potential for large material losses from complicated treasury products.</li> <li>Potential for losses due to volatilities and stress events.</li> </ul>	The market witnessed volatile interest rates, due to the increases in the MPR which led to cautioned position taking for the fixed income market. The FX market was characterised by the CBN managing the official exchange rate and the spread between official and parallel markets, which led to increased volatility in the interbank and parallel markets.	Market and associated risks were identified, modelled and mitigated using the Bank's various stress test policies. The Bank has also adopted the integrated stress test approach and the Basel International Liquidity Management Standards.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.	<ul style="list-style-type: none"> <li>Frequent small losses that can become surprisingly high.</li> <li>Infrequent material losses with high impact.</li> </ul>	The economic environment, rising level of external threats (e.g. fraud, security) coupled with massive expansion in branch network and number of personnel exposed the Bank to operational risks.	Diligent implementation of our enhanced policy standards and control frameworks across the expanded business and branch network. Material events are escalated to Divisional and Group Executives.  Additional resources were also allocated to the risk management functions.
Funding and liquidity risk	The risk of being unable to meet short-term obligations as they fall due.	<ul style="list-style-type: none"> <li>May disrupt the business model and disrupt the Group's activities.</li> <li>Significantly correlated with credit risk losses.</li> </ul>	Gradual creation of risk assets and re-opening of credit markets, increased market focus on building up liquidity reserves, and market-wide liquidity provided to the banking system as the Central Bank commenced liquidity tightening measures.	We have built up a significant liquidity reserve, remained consistently within our in-house/regulatory limits, and reduced our customer funding gap. In 2011 special programmes were launched to enhance deposit mobilisation, especially from retail customers.
Regulatory risk	The risks arising from changes in law, guidelines and other regulatory enforcement.	<ul style="list-style-type: none"> <li>Compliance with laws and regulations.</li> <li>Potential for fines and/or restrictions in business activities.</li> </ul>	Several circulars were issued by regulators during the year in line with the ongoing reforms in the banking industry.	We have a proactive engagement strategy with the CBN and other regulators, driven by a well-developed Regulatory Developments framework, which assigns senior executive responsibility for all material risks. New regulations and compliance plan are discussed in management and Board committee risk meetings.
Other risk (Reputation, Strategic etc.)	The risk of failure to comply with applicable financial services regulatory rules and regulations.  It is the risk that results from adverse business decisions, ineffective or inappropriate business plans, or failure to respond to changes in the competitive environment.	<ul style="list-style-type: none"> <li>Expose the Group to penalties and reputation damage.</li> <li>Failure to meet expectations of stakeholders.</li> </ul>	Though the expansion programme puts the Bank in public view during the year, there was no major negative publicity or reputational risk event during the year as the Bank complied with all regulations and adhered to its core value of ethics and professionalism.  In the financial services industry, strategic risk is high due to changing customer expectation and regulatory environments.	Close monitoring of all reputational risk event drivers, adherence to the principle of zero tolerance for regulatory breaches and active engagement of all stakeholders – customers, investors, regulators, staff, etc.  Strategic risk is managed in the context of our overall financial condition and assessed, managed and acted on by the executive management team. Significant strategic actions, such as material acquisitions or capital actions, are approved by the Board.

# Managing Risk for a Sustainable Future continued

## Credit risk management

Credit risk arises from the failure of an obligor of the Bank to repay principal or interest at the stipulated time or failure otherwise to perform as agreed. This risk is compounded if the assigned collateral only partly covers the claims made to the borrower, or if its valuation is exposed to frequent changes due to changing market conditions (i.e. market risk).

The Bank's risk management philosophy is that moderate and guarded risk attitude will ensure sustainable growth in shareholder value and reputation. Extension of credit in Access Bank is guided by its Credit Risk and Portfolio Management Plan, which sets out specific rules for risk origination and management of the loan portfolio. The Plan also sets out the roles and responsibilities of different individuals and committees involved in the credit process.

We recognise the fact that our main asset is our loan portfolio. Therefore, we actively safeguard and strive to continually improve the health of our loan portfolio. We scrutinise all applications and weed out potential problem loans during the loan application phase, as well as constantly monitor existing loan portfolio.

The goal of the Bank is to apply sophisticated but realistic credit models and systems to monitor and manage credit risk. Ultimately these credit models and systems are the foundation for the application of internal rating-based approach to calculation of capital requirements. The development, implementation and application of these models are guided by the Bank's Basel II strategy.

The pricing of each credit granted reflects the level of risks inherent in the credit. Subject to competitive forces, Access Bank implements a consistent pricing model for loans to its different target markets. The client's interest is safe guarded at all times, and collateral quality is never the sole reason for a positive credit decision.

Provisions for credit losses meet prudential guidelines set forth by the Central Bank of the countries where we operate, both for loans for which specific provisions exist as well as for the portfolio of performing loans. Access Bank's credit process requires rigorous proactive and periodic review of the quality of the loan portfolio. This helps us to identify and remediate credit issues proactively.

The Criticised Assets Committee performs a quarterly review of loans with emerging signs of weakness; the Management Credit Committee and the Board Credit Committee also perform reviews of the quality of our loan portfolio on a quarterly basis. These are in addition to daily reviews performed by our Credit Risk Management department.

## Principal credit policies

The following are the principal credit policies of the Bank:

- **Extension of credit:** Every extension of credit must be approved by at least 3 officers; one of whom must be from Independent Credit Risk Management. The final approving officer must have a credit limit for the total facilities extending to the obligor (or group of related obligors).
- **Special approvals:** Extension of credit to certain sectors may require unique approvals or prohibited altogether.
- **Credit analysis policy:** There are consistent standards of credit analysis across the Access Bank Group for approval of credit facilities.
- **Annual review of facilities:** All extension of credits must be reviewed at least once every 12 months.
- **Industry limits:** The Access Bank Group utilises industry limits to maintain a diversified portfolio of risk assets.
- **Problem recognition:** There are uniform and consistent standards for recognition of credit migration and remediation across the Access Bank Group.

## Responsibilities of business units and independent credit risk management

In Access Bank, Business units and independent credit risk management have a joint responsibility for the overall accuracy of risk ratings assigned to obligors and facilities. Business Relationship Managers will be responsible for deriving the ORR and FRR using approved methodologies as set out in this policy, however independent credit risk management may also perform this function.

Notwithstanding who derives the risk rating, Independent Credit Risk Management is responsible for reviewing and ensuring the correctness of the ORR and FRR assigned to a borrower and facilities. This review includes ensuring the ongoing consistency of the business' Risk Rating Process with Access Bank Risk Rating Policy; ongoing appropriate application of the Risk Rating Process and tools; review of judgmental and qualitative inputs into the Risk Rating Process; ensuring the timeliness and thoroughness of risk rating reviews; and ensuring that the documentation of the Risk Rating Process is complete and current.

Independent Credit Risk Management has the final authority if there is a question about a specific rating.

## Credit process

The Bank's credit process starts with portfolio planning and target market identification. Within identified target markets, credits are initiated by relationship managers. The proposed credits are subjected to review and approvals by applicable credit approval authorities. Further to appropriate approvals, loans are disbursed to beneficiaries.

Ongoing management of loans is undertaken by both relationship management teams and our Credit Risk Management Group. The process is applied at the Head Office and in the subsidiaries.

If a preliminary analysis of a loan request by the account manager indicates that it merits further scrutiny, it is then analysed in greater detail by the account manager, with further detailed review by Credit Risk Management. The concurrence of Credit Risk Management must be obtained for any credit extension. If the loan application passes the detailed analysis it is then submitted to the appropriate approval authority for the size of facilities.

The standard credit evaluation process is based both on quantitative figures from the Financial Statements and on an array of qualitative factors. Factual information on the borrower is collected as well as pertinent macroeconomic data, such as an outlook for the relevant sector, etc. These subjective factors are assessed by the analyst and all individuals involved in the credit approval process, relying not only on quantitative factors but also on extensive knowledge of the company in question and its management.

## Credit risk measurement

### Risk rating methodology

The credit rating of the counterparty plays a fundamental role in final credit decisions as well as in the terms offered for successful loan applications. Access Bank employs a robust credit rating system based on international best practices (including Basel II recommendations) in the determination of the Obligor and Facility risks and thus allows the Bank to maintain its asset quality at a desired level.

In Access Bank, the objective of the Risk Rating Policy is to ensure reliable and consistent Obligor Risk Ratings ("ORRs") and Facility Risk Ratings ("FRRs") throughout the Bank and to provide guidelines for risk rating for retail and non-retail exposures in the Bank.

The Risk rating policy incorporates credit risk rating models which estimate risk of obligor default and facility risks (covering both recovery as well as Exposure risk). These models are currently based on expert judgement for Retail and Non-Retail Exposures. Our long-term goal is to adopt the Internal Rating Based ("IRB") approach. The data required to facilitate the IRB approach are being gathered.

All Access Bank businesses that extend credit are subject to the Risk rating policy.

## Credit risk rating models in Access Bank Plc

The following are the credit risk rating models deployed by Access Bank.

### For Retail Exposures:

Obligor Risk Rating (ORR) Models have been developed for:

1. Personal Loans
2. Credit Cards
3. Auto Loans
4. Mortgage Loans

Facility Risk Rating (FRR) Models have been developed for:

1. Loss Given Default (LGD)
2. Exposure at Default (EAD)

### For Non-Retail Exposures:

Obligor Risk Rating (ORR) Models have been developed for:

1. Sovereign (Approach to rating Sovereign Exposures using External ratings)
2. Bank and NBFIs
3. Corporate
  - Manufacturing Sector
  - Trading Sector
  - Services Sector
  - Real Estate Sector
4. Small and Medium Enterprises (SME) Without Financials

Facility Risk Rating (FRR) Models have been developed for:

1. Loss Given Default (LGD)
2. Exposure at Default (EAD)

# Managing Risk for a Sustainable Future continued

## Risk Rating Process

In Access Bank, all businesses must have a documented and approved Risk Rating Process for deriving risk ratings for all obligors and facilities (including those covered under Credit Programmes). The Risk Rating Process is the end-to-end process for deriving ORRs and FRRs and includes models, guidelines, support adjustments, collateral adjustments, process controls, as well as any other defined processes that a business undertakes in order to arrive at ORRs and FRRs. Risk rating process of each business must be in compliance with the Bank's Risk Rating Policy and deviations must be explicitly approved.

Establishing the Risk Rating Process is the joint responsibility of the Business Manager and Independent Credit Risk Manager associated with each business. The process must be documented and must be approved by the Management Credit Committee.

The Risk Rating Process for each business must be reviewed and approved every 3 years, unless more frequent review is specified as a condition of the approvals. Interim material changes to the Risk Rating Process, as determined by the Independent Credit Risk Manager for the business, must be re-approved.

## Risk rating scale and external rating equivalent

Access Bank operates a 12-grade numeric risk rating scale. The risk rating scale runs from 1 to 8. Rating 1 represents the best obligors and facilities and rating 8 represents the worst obligors and facilities. The risk rating scale incorporates sub-grades and full grades reflective of realistic credit migration patterns.

The risk rating scale and the external rating equivalent is detailed below:

Access Bank Risk Rating	S&P long-term equivalent	Grade
1	AAA	Investment Grade
2+	AA	
2	A	
2-	BBB	Standard Grade
3+	BB+	
3	BB	
3-	BB-	
4	B	
5	B-	Non-Investment Grade
6	CCC	
7	C	
8	D	

## Credit Risk Control & Mitigation policy

### Authority limits on credit

The highest credit approval authority is the Board of Directors, supported by the Board Credit Committee and further by the Management Credit Committee. Individuals are also assigned credit approval authorities in line with the Bank's criteria for such delegation set out in its Credit Risk and Portfolio Management Plan. The principle of central management of risk and decision authority is maintained by the Bank. The maximum amount of credit that may be approved at each subsidiary is limited, with amounts above such limit being approved at Head Office.

This structure gives Access Bank the possibility to incorporate much needed local expertise, but at the same time manage risk on a global level. Local Credit Committees of the Bank's subsidiaries are thus able to grant credit, but the sum total of the exposure of the applicant and financially-related counterparties is limited, most commonly by the subsidiary's capital. All applications that would lead to exposures exceeding the set limit are referred to the appropriate approval authority in the Head Office.

The credit approval limits of the principal officers of the Group are shown in the table below:

Authority	Approval limit
Group Managing Director	N200,000,000
Group Deputy Managing Director	N150,000,000
Group Executive Director	N75,000,000
Managing Directors of Bank subsidiaries	N25,000,000

In addition, approval and exposure limits based on internal Obligor Risk Ratings have been approved by the Board for the relevant credit committees as shown in the table below:

Obligor Risk Rating	S&P equiv.	Exposure limit	Management Credit Committee (MCC) limit	Board Credit Committee (BCC) limit	Board of Directors limit
1	AAA	N25bn	N10bn	N20bn	Above N20bn
2+	AA	N25bn	N7.5bn	N20bn	Above N20bn
2	A	N15bn	N2bn	N10bn	N15bn
2-	BBB	N5bn	N1bn	N2bn	N5bn
3+	BB+	N1bn	N500m	N1bn	Above N1bn
3	BB	N500m	N500m	Above N500m	Above N1bn
3-	BB-	N100m	Above N100m		Above N500m
4	B				Above N500m
5	B-				Above N500m



## Collateral policies

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure or transferring it to counterparty, at facility level, by a safety net of tangible and realisable securities including approved third-party guarantees/insurance.

In Access Bank, strategies for risk reduction at the transaction level differ from that at the portfolio level. At transaction level, the most common technique used by the Bank is the collateralisation of the exposures, by first priority claims or obtaining a third-party guarantee. Other techniques include buying a credit derivative to offset credit risk at transaction level. At portfolio level, asset securitisation, credit derivatives etc. are used to mitigate risks in the portfolio.

However, primary consideration when approving credits is always the obligor's financial strength and debt-servicing capacity. The guidelines relating to risk mitigation as incorporated in the guidance note of BCBS on "Principles for the Management of Credit Risk" (September 2000, Paragraph 34) are taken into consideration while using a credit risk mitigation to control credit risk.

*"Bank can utilise transaction structure, collateral and guarantees to help mitigate risks (both identified and inherent) in individual credits but transactions should be entered into primarily on the strength of the borrower's repayment capacity. Collateral cannot be a substitute for a comprehensive assessment of the borrower or the counterparty, nor can it compensate for insufficient information. It should be recognised that any credit enforcement actions (e.g. foreclosure proceedings) can eliminate the profit margin on the transaction. In addition, Banks need to be mindful that the value of collateral may well be impaired by the same factors that have led to the diminished recoverability of the credit."*

The range of collaterals acceptable to the Bank includes:

- Cash/Deposit (domestic and foreign currency) with Bank including certificates of deposit or comparable instruments issued by the Bank;
- Certificates of Deposit from other banks;
- Commodities;
- Debt securities issued by sovereigns and public-sector enterprises;
- Debt securities issued by banks and corporations;
- Equities – Stocks/Share Certificates of quoted blue chip companies;
- Mortgage on Landed Property;
- Asset-backed securities;
- Charge on assets (Fixed and/or Floating) – premises/inventory/receivables/merchandise/plant/machinery etc;
- Negative Pledges;
- Lien on Asset being financed;
- Stock Hypothecation;
- Shipping Documents (for imports);
- Bankers Acceptance; and
- Life Assurance Policies.

## Master netting arrangements

It is the Group's policy that all credit exposures are adequately collateralised. Notwithstanding, our account opening documentation allows the Bank to net off customers' deposits against their exposure to the Bank. Generally transactions are allowed to run on a gross basis; however, in cases of unfavourable credit migration, the Bank may elect to invoke the netting agreement.

## Credit-related commitments

It is the Group's policy that all credit exposures are adequately collateralised. Credit risk mitigation is an activity of reducing credit risk in an exposure.

## Provisioning policy

Provisions for credit losses meet prudential guidelines set forth by the Central Bank of the countries where we operate both for loans for which specific provisions exist as well as for the portfolio of performing loans.

# Managing Risk for a Sustainable Future

continued

## (a) Risk Assets Analysis by Performance

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Performing	576,448,028	380,175,823	493,568,616	357,114,093
Watchlist	–	47,441,364	–	47,441,364
	<b>576,448,028</b>	427,617,187	<b>493,568,616</b>	404,555,457
Non-performing:				
Substandard	10,105,820	11,608,245	6,594,363	8,217,681
Doubtful	25,770,164	8,113,821	11,779,372	6,002,447
Lost	23,308,639	17,951,073	4,023,453	17,008,026
	<b>59,184,623</b>	37,673,139	<b>22,397,188</b>	31,228,154
	<b>635,632,651</b>	465,290,326	<b>515,965,804</b>	435,783,611

## (b)(i) Summary of Performing but Past Due Loans

### Group

As at 31 December, 2011

	Retail	Corporate	Financial institution	Total
	N'000	N'000	N'000	N'000
Not yet due	12,052,551	430,547,698	25,652,842	468,253,091
Past due up to 30 days	13,068,274	48,971,565	33,872,506	95,912,345
Past due 30 – 60 days	526,163	7,058,406	78,044	7,662,613
Past due 60 – 90 days	171,971	4,267,050	180,957	4,619,979
	<b>25,818,959</b>	<b>490,844,719</b>	<b>59,784,349</b>	<b>576,448,028</b>

### Group

As at 31 December, 2010

	Retail	Corporate	Financial institution	Total
	N'000	N'000	N'000	N'000
Not yet due	4,334,410	299,361,909	12,868,766	316,565,085
Past due up to 30 days	3,136,538	48,336,826	7,027,821	58,501,185
Past due 30 – 60 days	1,108,125	30,317,378	773,072	32,198,575
Past due 60 – 90 days	458,185	18,707,531	1,186,626	20,352,342
	9,037,258	396,723,644	21,856,285	427,617,187

### Bank

As at 31 December, 2011

	Retail	Corporate	Financial institution	Total
	N'000	N'000	N'000	N'000
Not yet due	11,530,692	391,310,637	25,652,842	428,494,170
Past due up to 30 days	1,225,080	21,151,369	33,366,298	55,742,748
Past due 30 – 60 days	472,209	5,850,196	22,842	6,345,248
Past due 60 – 90 days	65,202	2,818,521	102,728	2,986,451
	<b>13,293,183</b>	<b>421,130,723</b>	<b>59,144,710</b>	<b>493,568,616</b>

**Bank**

As at 31 December, 2010

	Retail	Corporate	Financial institution	Total
	N'000	N'000	N'000	N'000
Not yet due	4,334,410	285,623,200	12,868,766	302,826,376
Past due up to 30 days	2,678,964	45,012,977	3,652,551	51,344,492
Past due 30 – 60 days	1,042,895	30,019,478	282,441	31,344,814
Past due 60 – 90 days	425,106	18,071,536	543,133	19,039,775
	8,481,375	378,727,191	17,346,891	404,555,457

## (b)(ii) Summary of Non-Performing Loans per Sector

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Sector</b>				
Agriculture	216,056	1,729,197	98,115	6,505
Capital Market	5,590,250	9,241,851	1,428,561	8,493,597
Construction	818,131	5,371,206	714,383	3,824,542
Education	486,266	48,453	64,602	44,000
Finance and Insurance	7,394,476	1,154,789	345,181	503,764
General	1,640,640	767,771	1,622,442	767,771
General Commerce	10,632,573	6,860,752	7,897,573	6,032,352
Information and Communication	2,931,186	2,593,452	2,583,541	2,450,523
Manufacturing	7,353,250	3,102,428	3,536,790	2,937,596
Oil and Gas	596,471	5,376,278	396,605	4,989,703
Real Estate Activities	3,830,873	859,100	1,641,702	857,892
Transportation and Storage	4,831,190	522,376	190,714	299,117
Others	12,863,261	45,485	1,876,980	20,792
	59,184,623	37,673,139	22,397,188	31,228,154

# Managing Risk for a Sustainable Future

continued

## Summary of Non-Performing Loans by Geography

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Geography</b>				
Abuja & North West	3,881,582	101,145	971,582	101,145
North Central	1,404,021	712,780	1,321,021	712,780
North East	211,820	18,244	206,820	18,244
South East	3,756,954	3,780,923	3,739,954	3,780,923
South South	1,188,387	419,160	515,387	419,160
South West	38,764,425	27,671,651	15,642,425	26,195,902
Rest of Africa	9,977,435	4,969,236	–	–
Europe	–	–	–	–
	<b>59,184,623</b>	<b>37,673,139</b>	<b>22,397,188</b>	<b>31,228,154</b>

## (c)(i) Summary of Risk Exposure by Geographical Sectors

### Group

As at 31 December, 2011

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Geography</b>					
Abuja & North West	–	14,952,452	1,157	508,519,392	523,473,001
North Central	–	23,471,566	379,598	–	23,851,163
North East	–	13,225,383	–	–	13,225,383
South East	–	44,575,958	396,884	–	44,972,842
South South	22,242,324	17,714,115	181,355	9,140,000	49,277,794
South West	43,819,138	451,208,717	1,724,233	14,352,890	511,104,978
Rest of Africa	11,567,343	56,617,374	149,295	27,529,468	95,863,480
Europe	50,678,641	5,637,679	–	3,660,004	59,976,324
Others	–	5,388,321	8,566	3,512,118	8,909,005
	<b>128,307,446</b>	<b>632,791,565</b>	<b>2,841,087</b>	<b>566,713,872</b>	<b>1,330,653,970</b>

### Group

As at 31 December, 2010

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Geography</b>					
Abuja & North West	–	1,444,122	–	100,686,861	102,130,983
North Central	205,706	20,743,775	547,483	–	21,496,964
North East	–	3,318,774	–	–	3,318,774
South East	122,233	35,267,472	535,060	–	35,924,765
South South	148,980	9,646,412	18,179	–	9,813,571
South West	346,043	388,461,791	2,204,230	40,660,869	431,672,933
Rest of Africa	9,201,758	22,046,730	175,479	–	31,423,967
Europe	89,482,429	6,597,888	–	2,030,870	98,111,187
Others	3,674,975	449,140	–	–	4,124,115
	<b>103,182,124</b>	<b>487,976,104</b>	<b>3,480,431</b>	<b>143,378,600</b>	<b>738,017,259</b>



**Bank**

As at 31 December, 2011

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Geography</b>					
Abuja & North West	–	8,521,452	1,157	133,593,392	142,116,001
North Central	–	8,918,566	379,598	–	9,298,163
North East	–	4,600,383	–	–	4,600,383
South East	–	40,516,959	396,884	–	40,913,843
South South	68,652,010	11,105,115	181,355	9,140,000	89,078,480
South West	–	431,752,433	1,360,233	12,781,873	445,894,539
Rest of Africa	–	8,231,670	–	1,595,735	9,827,405
Europe	–	–	–	–	–
Others	–	–	–	–	–
	<b>68,652,010</b>	<b>513,646,577</b>	<b>2,319,227</b>	<b>157,111,000</b>	<b>741,728,814</b>

**Bank**

As at 31 December, 2010

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Geography</b>					
Abuja & North West	–	1,444,122	–	100,686,861	102,130,983
North Central	205,706	19,970,498	547,483	–	20,723,687
North East	–	3,318,774	–	–	3,318,774
South East	122,233	35,267,472	535,061	–	35,924,766
South South	148,980	9,646,413	18,179	–	9,813,572
South West	100,356	388,822,110	2,036,407	15,674,706	406,633,579
Rest of Africa	1,966,466	–	–	–	1,966,466
Europe	69,633,739	–	–	–	69,633,739
Others	–	–	–	–	–
	<b>72,177,480</b>	<b>458,469,389</b>	<b>3,137,130</b>	<b>116,361,567</b>	<b>650,145,566</b>

# Managing Risk for a Sustainable Future

continued

## (c)(ii) Summary of Risk Exposure by Industry Sectors

### Group

As at 31 December, 2011

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Sector</b>					
Agriculture	–	9,434,913	–	–	9,434,913
Arts, entertainment and recreation	–	374,387	–	–	374,387
Capital Market	–	24,668,109	3,139	–	24,671,248
Construction	–	18,590,155	6,526	–	18,596,681
Education	–	1,803,825	48,249	–	1,852,073
Finance and insurance	125,014,358	37,636,166	21,415	8,743,137	171,415,076
General	–	17,186,615	115,630	–	17,302,245
General commerce	–	129,890,709	1,018,251	–	130,908,960
Government	–	20,216,417	285,100	535,036,613	555,538,130
Information and communication	–	64,112,143	268,291	–	64,380,434
Manufacturing	–	110,919,715	890,642	4,799,000	116,609,357
Oil and Gas	–	108,421,618	7,858	–	108,429,476
Power and Energy	–	1,124,899	–	–	1,124,899
Professional, technical and scientific activities	–	225,039	–	–	225,039
Real estate activities	–	35,444,818	1,465	–	35,446,283
Transportation and storage	–	20,413,063	156,284	–	20,569,347
Others	3,293,088	32,328,974	18,237	20,443,602	56,083,901
	128,307,446	632,791,565	2,841,087	569,022,352	1,332,962,450

### Group

As at 31 December, 2010

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Sector</b>					
Agriculture	–	3,962,299	–	–	3,962,299
Arts, entertainment and recreation	–	270,000	–	–	270,000
Capital Market	–	19,287,516	98	–	19,287,614
Construction	–	23,484,293	11,123	–	23,495,416
Education	–	239,858	11,507	–	251,365
Finance and insurance	103,182,124	19,856,459	42,136	41,691,739	164,772,458
General	–	18,433,552	172,089	–	18,605,641
General commerce	–	79,897,870	806,697	–	80,704,567
Government	–	13,395,708	509,166	100,686,861	114,591,735
Information and communication	–	69,450,897	501,509	–	69,952,406
Manufacturing	–	87,303,950	985,410	1,000,000	89,289,360
Oil and Gas	–	107,303,938	7,317	–	107,311,255
Power and Energy	–	538,571	–	–	538,571
Professional, technical and scientific activities	–	443,184	–	–	443,184
Real estate activities	–	33,026,429	2,527	–	33,028,956
Transportation and storage	–	8,579,855	315,408	–	8,895,263
Others	–	2,501,725	115,444	–	2,617,169
	103,182,124	487,976,104	3,480,431	143,378,600	738,017,259

**Bank**

As at 31 December, 2011

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Sector</b>					
Agriculture	–	9,099,023	–	–	9,099,023
Arts, entertainment and recreation	–	374,387	–	–	374,387
Capital market	–	14,164,109	3,139	–	14,167,248
Construction	–	18,590,155	6,526	–	18,596,681
Education	–	331,155	10,270	–	341,425
Finance and insurance	68,652,010	12,180,032	19,904	7,827,608	88,679,554
General	–	17,186,615	115,630	–	17,302,245
General commerce	–	120,057,703	566,508	–	120,624,211
Government	–	13,762,558	285,100	144,733,392	158,781,050
Information and communication	–	63,766,946	268,291	–	64,035,237
Manufacturing	–	99,387,606	886,210	–	100,273,816
Oil and gas	–	107,394,885	–	–	107,394,885
Power and energy	–	1,124,899	–	–	1,124,899
Professional, technical and scientific activities	–	225,039	–	–	225,039
Real estate activities	–	28,715,480	1,364	–	28,716,844
Transportation and storage	–	7,285,985	156,284	–	7,442,269
Others	–	–	–	4,550,000	4,550,000
	68,652,010	513,646,577	2,319,227	157,111,000	741,728,814

**Bank**

As at 31 December, 2010

	Due from banks	Loans and on-lending facilities	Advances under finance lease	Debt instruments	Total
	N'000	N'000	N'000	N'000	N'000
<b>Sector</b>					
Agriculture	–	3,547,702	–	–	3,547,702
Arts, entertainment and recreation	–	270,000	–	–	270,000
Capital Market	–	19,287,516	98	–	19,287,614
Construction	–	19,019,811	11,123	–	19,030,934
Education	–	239,561	11,507	–	251,068
Finance and insurance	72,177,480	11,201,204	42,136	2,000,000	85,420,820
General	–	12,995,228	172,089	–	13,167,317
General commerce	–	77,229,508	523,879	–	77,753,387
Government	–	17,791,498	509,166	113,361,567	131,662,231
Information and communication	–	68,304,866	501,509	–	68,806,375
Manufacturing	–	84,553,478	985,410	1,000,000	86,538,888
Oil and Gas	–	106,085,244	7,317	–	106,092,561
Power and Energy	–	391,361	–	–	391,361
Professional, technical and scientific activities	–	443,184	–	–	443,184
Real estate activities	–	30,320,052	2,527	–	30,322,579
Transportation and storage	–	6,603,440	254,925	–	6,858,365
Others	–	185,736	115,444	–	301,180
	72,177,480	458,469,389	3,137,130	116,361,567	650,145,566

# Managing Risk for a Sustainable Future

continued

(d) Summary of portfolio and Risk Rating of customers and counterparties with Risk Exposure

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Access Bank Rating</b>				
Best Quality Obligor	87,193,896	25,180,973	32,899,313	22,293,493
Good Quality Obligor	177,252,664	53,456,529	169,120,827	53,456,529
Acceptable Quality Obligor	238,459,694	321,018,078	226,474,030	306,790,941
Watchlist	69,806,670	47,441,364	65,074,446	47,441,364
Substandard	10,105,820	11,608,245	6,594,363	8,217,681
Doubtful	25,770,164	8,113,821	11,779,372	6,002,447
Lost	23,308,639	17,951,073	4,023,453	17,008,026
Unrated	3,735,104	6,290,414	–	–
	<b>635,632,651</b>	491,060,497	<b>515,965,804</b>	461,210,481

## External Risk Rating

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Description</b>				
Investment Grade	264,446,560	78,637,502	202,020,140	75,750,022
Standard Grade	238,459,694	321,018,078	226,474,030	306,790,941
Non Investment Grade	128,991,293	85,114,503	87,471,634	78,669,518
Unrated	3,735,104	6,290,414	–	–
	<b>635,632,651</b>	491,060,497	<b>515,965,804</b>	461,210,481



## Market risk management

### Definition

Access Bank's ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads. Market risk mainly arises from trading activities and equity investments. Access Bank is also exposed to market risk through non-traded interest rate risk in its banking book.

### Market risk policy, management and control

The Bank's ability to effectively identify, assess, monitor and manage market risks involved in its activities is critical to its soundness and profitability. Its strategy is to invest its own capital on a limited and carefully selected basis in transactions, underwritings and other activities that involve market risk. The Bank is exposed to market risk through adverse movements in equity prices, foreign exchange and interest rates.

Market risk is managed in line with principal risks and control policy requirements approved by the Board Risk Committee. The Board approves the risk appetite for trading and non-trading activities and risk limits are set within the context of the approved market risk appetite. Market risk monitors exposures against these limits.

The Bank's GMD/CEO is responsible for approving specific position limits, which are used for positions, which are sometimes specific medium-term investment cases and other times strategic (or have the potential of becoming strategic) in the medium term.

Each trading unit within the Bank adheres to the general rules set out by the Board of Directors. Moreover, each trading unit has its own set of working procedures and rules that further specify their targets, limits and scope in trading.

The position limits, or any changes to them, are proposed by the Bank's head of trading and then accepted by the Bank's Chief Risk Officer and reviewed by the Bank's CEO, who has a say in limit decisions. The size of each position limit is based on, among other factors, underlying liquidity, the Bank's risk appetite, as well as legal limitations on individual positions imposed by authorities in Nigeria.

All market risks are reported to the Risk Committee daily (through a dashboard) and quarterly with recommendations made concerning the risk profile including risk appetite, limits and utilisation. The head of each business, assisted by the business risk management team, is accountable for all market risks associated with its activities, which are reported to business risk governance and control committees. Oversight and support is provided to the business by the central market risk team.

Access Bank has a dedicated market risk team with the sole responsibility of implementing the market risk control framework. Daily market risk and stress testing reports are produced for trading portfolios covering all risk categories including interest rate, equity and foreign exchange credit spread risk.

Risk of losses arising from future potential adverse movements in market rates, prices and volatilities are measured using a VaR methodology. VaR, in general, is a quantitative measure of market risk that applies recent historic market conditions to estimate the potential future loss in market value that will not be exceeded in a set time period at a set statistical confidence level.

VaR provides a consistent measure that can be applied across trading businesses and products over time and can be set against actual daily trading profit and loss outcome. To assess their predictive power, VaR models are back tested against actual results.

Sensitivity measures are used in addition to VaR as risk management tools. For example, interest rate sensitivity is measured in terms of exposure to a one basis point increase in yields, whereas foreign exchange, commodity and equity sensitivities are measured in terms of the underlying values or amounts involved.

### Traded market risk measurement and control

The models employed in evaluating risks include position-based models, volatility-based models (based on the volatility of market variables and their related covariance) and scenario-based models (the frequency of a severe loss estimated by repeating random scenarios with certain statistical properties that have, in most cases, been estimated from historical data).

The measurement techniques used to measure and control traded market risk include daily value at risk, tail risk and stress testing.

### Daily value at risk (DVaR)

DVaR is an estimate of the potential loss that might arise from unfavourable market movements if current positions were to be held unchanged for one business day, measured to a confidence level of 99%. This is to guard against incidents of significant market movements, consequently improving management, transparency and control of the market risk profile. Daily losses exceeding the DVaR figure are likely to occur, on average, 5 times in every 100 business days.

Access Bank uses an internal DVaR model based on the historical simulation method. Two years of unweighted historical price and rate data is applied and updated daily. This internal model is also used for measuring value at risk over both a one-day and 10-day holding period at a 99% confidence level for regulatory backtesting and regulatory capital calculation purposes respectively. This model covers general market (position) risk across all approved interest rate, foreign exchange, commodity, equity and traded credit products.

# Managing Risk for a Sustainable Future

## continued

There are a number of considerations that should be taken into account when reviewing DVaR numbers. These are as follows:

- Historical simulation assumes that the past is a good representation of the future. This may not always be the case;
- The assumed time horizon will not fully capture the market risk of positions that cannot be closed out or hedged within this time horizon;
- DVaR does not indicate the potential loss beyond the selected percentile;
- Intra-day risk is not captured; and
- Prudent valuation practices are used in the DVaR calculation when there is difficulty obtaining rate/price information.

To complement DVaR, tail risk metrics, stress testing and other sensitivity measures are used.

### Backtesting

DVaR is an important market risk measurement and control tool and consequently the performance of the model is regularly assessed for continued suitability. The main approach employed is a technique known as backtesting, which counts the number of days when daily trading losses exceed the corresponding DVaR estimate.

The regulatory standard for backtesting is to measure daily losses against DVaR assuming a one-day holding period and a 99% level of confidence. The regulatory green zone of 4 or less exceptions over a 12-month period is consistent with a good working DVaR model. Backtesting reports are produced regularly.

### Tail risk metrics

Tail risk metrics highlight the risk beyond the percentile selected for DVaR. The 2 tail risk metrics chosen for daily focus, using the current portfolio and 2 years of price and rate history, are:

- The average of the worst 3 hypothetical losses from the historical simulation; and
- Expected shortfall (also referred to as expected tail loss), which is the average of all hypothetical losses from the historical simulation beyond the 95th DVaR percentile.

### Stress testing

Losses beyond the confidence interval are not captured by a VaR calculation, which therefore gives no indication of the size of unexpected losses in these situations. Market risk complements the VaR measurement by regular stress testing of market risk exposures to highlight the potential risk that may arise from extreme market events that are rare but plausible.

Stress testing is an integral part of the market risk management framework and considers both historical market events and forward-looking scenarios.

Stress testing provides an indication of the potential size of losses that could arise in extreme conditions. It helps to identify risk concentrations across business lines and assist senior management in capital planning decisions.

A consistent stress testing methodology is applied to trading and non-trading books. The stress testing methodology assumes that scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs. The Bank performs 2 main types of stress/scenario testing. Firstly, risk factor stress testing, where extended historical stress moves are applied to each of the main risk categories, which include interest rate, equity, foreign exchange, commodity and credit spread risk. Secondly, the trading book is subjected to multi-factor scenarios that simulate past periods of significant market disturbance and hypothetical extreme yet plausible events.

Stress scenarios are regularly updated to reflect changes in risk profile and economic events. Regular stress test scenarios are applied to interest rates, credit spreads, exchange rates, commodity prices and equity prices. Ad hoc scenarios are also prepared reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

### Risk limits

Risk limits are set and reviewed at least annually to control Access Bank's trading activities in line with the defined risk appetite of the Group. Criteria for setting risk limits include relevant market analysis, market liquidity and business strategy. Trading risk limits are set at an aggregate risk category and lower levels and are expressed in terms of DVaR. This is further supported by a comprehensive set of non-DVaR limits, including foreign exchange position limits, interest rate delta limits and option-based limits. Appropriate performance triggers are also used as part of the risk management process.

### Interest rate risk

Interest rate risk is the exposure of the Bank's financial condition to adverse movements in interest rates, yield curves and credit spreads. The Bank is exposed to interest rate risk through the interest-bearing assets and liabilities in its trading and banking books.

Access Bank's objective for management of interest rate risk in the banking book is to ensure a higher degree of interest rate mismatch margin stability and lower interest rate risk over an interest rate cycle. This is achieved by hedging material exposures with the external market.

The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. In the case of floating rated assets and liabilities, the Bank is also exposed to basis risk, which is the difference in re-pricing characteristics of the various floating rate indices, such as the savings rate and 90-day NBOR and different types of interest. Non-traded interest rate risk arises in the banking book from the provision of retail and wholesale (non-traded) banking products and services, as well as from certain structural exposures within the Group balance sheet, mainly due to re-pricing timing differences between assets, liabilities and equity. These risks impact both the earnings and the economic value of the Group. Overall non-trading interest rate risk positions are managed by Treasury, which uses investment securities, advances to banks and deposits from banks to manage the overall position arising from the Group's non-trading activities.

The principal tool used to measure and control market risk exposure within the Group's trading portfolios is the open position limits using the Earnings at Risk approach. Specified limits have been set for open positions limits, which are the expected maximum exposure the Group is to be exposed to. Risk management activities are aimed at optimising net interest income, given market interest rate levels consistent with the Bank's business strategies.

Interest-rate risk is monitored centrally with a Gap report. A limits framework is in place to ensure that retained risk remains within approved appetite. Interest rate risk also arises in each of the Africa subsidiary treasuries in the course of balance sheet management and facilitating customer activity. The risk is managed by local treasury functions, subject to modest risk limits and other controls.

### Foreign exchange risk

Foreign exchange risk is the exposure of the Bank's financial condition to adverse movements in exchange rates. The Bank is exposed to foreign exchange risk primarily through its assets, managing customers' deposits and through acting as an intermediary in foreign exchange transactions between central and commercial banks.

The Bank's foreign exchange risk is considered at a Group level since an effective overview of such risk is a critical element of the Bank's asset/liability risk management. The Board of Directors defines its risk tolerance levels and expectations for foreign exchange risk management and ensures that the risk is maintained at prudent levels.

Foreign exchange risk is quantified using the net balance of assets and liabilities in each currency, and their total sum. The assets and liabilities include current positions, forward positions, commitments, and the market value of derivatives in foreign currency.

Our net total currency balance is always within specified regulatory limits which is currently 1% of Shareholders' funds.

# Managing Risk for a Sustainable Future continued

## (a) Group's Exposure to Foreign Exchange Risk

Analysis of the Group's assets and liabilities at carrying amounts, categorised by currency as at 31 December, 2011 is as follows:

### Group

As at 31 December, 2011	Naira	Dollar	GBP	Euro	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>						
Cash and balances with Central Bank of Nigeria	123,529,177	973,966	433,516	484,570	13,780,745	139,201,974
Treasury bills	25,856,488	–	481,374	–	37,012,661	63,350,523
Due from other banks	31,537,161	61,218,065	15,694,336	9,658,782	10,199,102	128,307,446
Loans and advances to customers	364,189,081	151,793,976	3,645,354	648,484	32,124,709	552,401,605
On-lending facilities	26,325,971	1,557,003	–	–	–	27,882,974
Advances under finance lease	2,029,194	266,841	–	–	521,860	2,817,895
Insurance receivables	1,405,000	–	–	–	–	1,405,000
Investment securities	515,325,966	11,968,554	7,466,786	–	5,715,708	540,477,013
Investment in subsidiaries	–	–	–	–	–	–
Current tax asset	–	–	–	–	–	–
Trading properties	6,688,000	–	–	–	–	6,688,000
Investment properties	13,089,044	–	–	–	3,008,000	16,097,044
Investment in associates	2,812,805	–	–	–	–	2,812,805
Other assets	68,005,315	4,716,885	1,388,876	2,260,323	(0)	76,371,399
Deferred tax asset	5,193,000	–	220,220	–	642,869	6,056,088
Property and equipment	58,331,433	–	175,435	–	7,971,604	66,478,472
Equipment on lease	1,120,908	–	–	–	–	1,120,908
Intangible assets	1,875,699	–	148,959	–	1,252,950	3,277,608
<b>Total Assets (A)</b>	<b>1,247,314,242</b>	<b>232,495,290</b>	<b>29,654,855</b>	<b>13,052,159</b>	<b>112,230,209</b>	<b>1,634,746,754</b>
Customer deposits	850,371,767	155,790,120	18,459,384	3,448,993	74,257,783	1,102,328,047
Due to other banks	72,027,938	44,963,770	4,398,965	3,375,008	0	124,765,681
On-lending facilities	21,449,332	7,694,582	–	–	–	29,143,914
Debt securities in issue	–	–	–	–	–	–
Current income tax	8,925,898	–	–	–	821,106	9,747,004
Claims payable	450,000	–	–	–	–	450,000
Liabilities on investment contract	61,000	–	–	–	–	61,000
Liabilities on insurance contract	2,703,000	–	–	–	–	2,703,000
Other liabilities	136,579,010	19,157,893	1,694,410	4,289,952	433,829	162,155,094
Retirement benefit obligation	1,293,201	583,176	201	–	(0)	1,876,578
Deferred tax liability	775,614	–	–	–	150,613	926,227
Contingent settlement obligations	3,548,000	–	–	–	–	3,548,000
<b>Total Liabilities (B)</b>	<b>1,094,636,761</b>	<b>228,189,540</b>	<b>24,552,960</b>	<b>11,113,953</b>	<b>75,663,332</b>	<b>1,437,704,545</b>
Net on-balance sheet financial position (A) – (B)	152,677,481	4,305,750	5,101,895	1,938,206	36,566,877	197,042,209
Off-Balance Sheet	113,882,217	219,162,392	31,115,420	6,623,199	44,198,533	414,981,761



As at 31 December, 2010	Naira	Dollar	GBP	Euro	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Total Financial Assets (A)	613,925,505	92,093,645	61,537,230	6,765,050	30,502,342	804,823,772
Total Financial Liabilities (B)	459,761,643	149,233,270	10,193,890	7,134,548	3,129,964	629,453,315
Net on-balance sheet financial position (A) – (B)	154,163,862	(57,139,625)	51,343,340	(369,498)	27,372,378	175,370,457
Off-Balance Sheet	73,567,277	155,339,210	1,250,367	7,976,358	748,210	238,881,422

## Bank

As at 31 December, 2011	Naira	Dollar	GBP	Euro	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000

### Assets

Cash and balances with Central Bank of Nigeria	61,817,177	602,699	224,144	282,687	45,000	62,971,707
Treasury bills	8,550,418	–	–	–	–	8,550,418
Due from other banks	14,829,206	45,497,689	4,666,615	3,585,832	72,668	68,652,010
Loans and advances to customers	340,488,081	122,179,165	11,366	373,938	79,429	463,131,979
On-lending facilities	26,325,971	1,557,003	–	–	–	27,882,974
Advances under finance lease	2,029,194	266,841	–	–	–	2,296,035
Investment securities	150,122,257	7,842,119	–	–	–	157,964,376
Investment in subsidiaries	80,400,287	–	–	–	–	80,400,287
Investment properties	12,417,044	–	–	–	–	12,417,044
Other assets	36,847,394	4,089,717	404,103	2,218,315	–	43,559,528
Property and equipment	15,966,638	–	–	–	–	15,966,638
Equipment on lease	1,120,908	–	–	–	–	1,120,908
Intangible assets	1,052,699	–	–	–	–	1,052,699
<b>Total Assets (A)</b>	<b>751,967,274</b>	<b>182,035,233</b>	<b>5,306,228</b>	<b>6,460,772</b>	<b>197,097</b>	<b>945,966,603</b>

Customer deposits	396,979,767	117,063,268	4,988,042	1,994,236	1,574,353	522,599,666
Due to other banks	69,427,938	51,452,019	24,641	126,460	–	121,031,058
On-lending facilities	21,449,332	7,694,582	–	–	–	29,143,914
Current income tax	2,084,897	–	–	–	–	2,084,897
Other liabilities	57,045,154	17,898,043	1,220,494	4,249,144	3,081,586	83,494,421
Retirement benefit obligation	1,149,578	–	–	–	–	1,149,578
Deferred tax liability	626,614	–	–	–	–	626,614
<b>Total Liabilities (B)</b>	<b>548,763,281</b>	<b>194,107,911</b>	<b>6,233,176</b>	<b>6,369,840</b>	<b>4,655,939</b>	<b>760,130,148</b>

Net on-balance sheet financial position (A) – (B)	203,203,993	(12,072,678)	(926,949)	90,931	(4,458,843)	185,836,455
Off-Balance Sheet	29,400,656	193,805,333	115,740	4,296,627	4,199,636	231,817,992

As at 31 December, 2010	Naira	Dollar	GBP	Euro	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Total Financial Assets (A)	592,079,027	125,883,443	3,293,775	3,992,925	1,711,410	726,960,580
Total Financial Liabilities (B)	392,783,077	142,222,087	4,047,055	3,790,701	1,612,845	544,455,766
Net on-balance sheet financial position (A) – (B)	199,295,950	(16,338,644)	(753,280)	202,223	98,565	182,504,814
Off-Balance Sheet	63,386,134	123,320,551	679,198	6,413,354	652,693	194,451,931

# Managing Risk for a Sustainable Future continued

## Liquidity risk

Liquidity risk arises when the Bank is unable to meet expected or unexpected current or future cash flows and collateral needs without affecting its daily operations or its financial condition. The Bank is managed to preserve a high degree of liquidity so that it can meet the requirements of its customers at all times including periods of financial stress.

The Bank has developed a liquidity management framework based on a statistical model underpinned by conservative assumptions with regard to cash inflows and the liquidity of liabilities. In addition, liquidity stress tests assuming extreme withdrawal scenarios are performed. These stress tests specify additional liquidity requirements to be met by holdings of liquid assets.

The Bank's liquidity has consistently been materially above the minimum liquidity ratio and the requirements of its stress tests. Global funding and liquidity risk management activities are centralised within Corporate Treasury. We believe that a centralised approach to funding and liquidity risk management enhances our ability to monitor liquidity requirements, maximises access to funding sources, minimises borrowing costs and facilitates timely responses to liquidity events. We analyse and monitor our liquidity risk, maintain excess liquidity and access diverse funding sources including our stable deposit base.

The Board approves the Bank's liquidity policy and contingency funding plan, including establishing liquidity risk tolerance levels. The Group ALCO, in conjunction with the Board and its committees, monitors our liquidity position and reviews the impact of strategic decisions on our liquidity. Liquidity positions are measured by calculating the Bank's net liquidity gap and by comparing selected ratios with targets as specified in the liquidity risk management manual.

## Quantifications

Access Bank has adopted both qualitative and quantitative approaches to measuring liquidity risk. Specifically, the Bank adopted the following approaches:

- (a) Funding and Liquidity plan;
- (b) Gap Analysis; and
- (c) Ratio Analysis.

The Funding and Liquidity plan defines the Bank's sources and channels of utilisation of funds. The funding liquidity risk limit is quantified by calculating liquidity ratios and measuring/monitoring the cumulative gap between our assets and liabilities. The Liquidity Gap Analysis quantifies the daily and cumulative gap in a business as usual environment. The gap for any given tenor bucket represents the borrowings from, or placements to, the market required to replace maturing liabilities or assets. The Bank monitors the cumulative gap as a + or - 20% of the total risk assets and the gap as a + or - 20% of total deposit liabilities.

## Limit management and monitoring

Active management of liquidity through the framework of limits and control presented above is possible only with proper monitoring capabilities. The monitoring process focuses on funding portfolios, the forward balance sheet and general indicators; where relevant information and data are compared against limits that have been established. The Bank's Group Treasury is responsible for maintaining sufficient liquidity by maintaining sufficient high ratio of liquid assets and available funding for near-term liabilities. The secured liquidity measure is calculated and monitored by risk management. Increased withdrawals of short-term funds are monitored through measurements of the deposit base in the Bank. Liquidity risk is reported to the Board of Directors on a quarterly basis.

## Contingency funding plan

Access Bank has contingency funding plan which incorporate early warning indicators to monitor market conditions. The Bank monitors its liquidity position and funding strategies on an ongoing basis, but recognises that unexpected events, economic or market conditions, earnings problems or situations beyond its control could cause either a short- or long-term liquidity crisis. It reviews its contingency funding plan in the light of evolving market conditions and stress test results.

To monitor liquidity and funding, the Group Treasury prepares a liquidity worksheet twice a month that projects sources and uses of funds. The worksheet incorporates the impact of moderate risk and crisis situations. The worksheet is an integral component of the contingency funding plan. Although it is unlikely that a funding crisis of any significant degree could materialise, we consider it important to evaluate this risk and formulate contingency plans should one occur.

The contingency funding plan covers: the available sources of contingent funding to supplement cash flow shortages; the lead times to obtain such funding; the roles and responsibilities of those involved in the contingency plans; and the communication and escalation requirements when early warning indicators signal deteriorating market conditions. Both short-term and long-term funding crises are addressed in the contingency funding plan.

## (b)(i) Maturity Profile of Assets and Liabilities: On-balance Sheet

The maturity profile of the assets and liabilities on the Group's balance sheet is as follows:

As at 31 December, 2011	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>								
Cash and balances with Central Bank of Nigeria	137,434,029	167,471	111,647	–	–	1,488,826	139,201,974	139,201,974
Treasury bills	35,403,285	6,150,152	8,667,093	6,280,417	5,432,731	1,416,845	63,350,523	63,350,523
Due from other banks	100,501,116	16,669,166	2,157,851	5,526,876	3,452,437	–	128,307,446	128,307,446
Loans and advances to customers	153,178,416	113,080,882	95,464,935	39,045,053	138,024,352	64,854,014	603,647,651	552,401,605
On-lending facilities	40,000	3,200,000	800,000	207,667	8,146,308	16,749,938	29,143,913	27,882,974
Advances under finance lease	386,157	11,437	118,704	289,308	2,035,481	–	2,841,087	2,817,895
Insurance receivables	1,405,000	–	–	–	–	–	1,405,000	1,405,000
Investment securities	100,009	16,994,720	26,024,066	9,359,180	377,618,116	110,380,921	540,477,013	540,477,013
Trading properties	6,688,000	–	–	–	–	–	6,688,000	6,688,000
Investment property	3,680,000	–	–	12,417,044	–	–	16,097,044	16,097,044
Investment in associates	1,678,350	–	–	–	–	1,134,455	2,812,805	2,812,805
Other assets	69,591,962	550,576	4,197,887	1,020,616	27,808,754	(0)	103,169,793	76,371,399
Deferred tax assets	–	787,220	–	–	4,703,000	565,869	6,056,088	6,056,088
Property and equipment	7,601,204	34,437	1,252,245	951,434	24,013,836	32,625,316	66,478,472	66,478,472
Equipment on lease	–	–	–	–	1,120,908	–	1,120,908	1,120,908
Intangible assets	44,014	17	34,070	20,216	2,033,449	1,145,844	3,277,608	3,277,608
Total assets (expected dates) – (A)	517,731,542	157,646,077	138,828,498	75,117,811	594,389,370	230,362,026	1,714,075,325	1,634,746,754

# Managing Risk for a Sustainable Future

continued

(b)(i) Maturity Profile of Assets and Liabilities: On-balance Sheet continued

As at 31 December, 2011	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1– 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Liabilities</b>								
Customer deposits	939,011,942	123,146,392	18,362,269	15,164,298	4,090,690	2,552,457	1,102,328,047	1,102,328,047
Due to other banks	70,500,508	43,762,695	7,405,270	696,841	–	2,400,367	124,765,681	124,765,681
On-lending facilities	40,000	3,200,000	800,000	206,667	7,559,990	17,337,256	29,143,913	29,143,914
Debt securities in issue	–	–	–	–	–	–	–	–
Current income tax	–	113,753	–	9,633,251	–	–	9,747,004	9,747,004
Claims payable	450,000	–	–	–	–	–	450,000	450,000
Liabilities on investment contract	61,000	–	–	–	–	–	61,000	61,000
Liabilities on insurance contract	–	–	–	2,703,000	–	–	2,703,000	2,703,000
Other liabilities	83,658,754	6,395,207	4,992,570	7,803,399	59,015,385	289,781	162,155,095	162,155,094
Retirement benefit obligation	727,000	–	1,149,578	–	–	–	1,876,578	1,876,578
Deferred tax liability	–	9,066	–	633,268	274,000	9,893	926,227	926,227
Contingent settlement provisions	–	–	–	–	3,548,000	–	3,548,000	3,548,000
Total liabilities (expected dates) – (B)	1,094,449,204	176,627,113	32,709,686	36,840,724	74,488,065	22,589,754	1,437,704,546	1,437,704,545
<b>Gap</b>	<b>(576,717,662)</b>	<b>(18,981,036)</b>	<b>106,118,812</b>	<b>38,277,088</b>	<b>519,901,306</b>	<b>207,772,272</b>	<b>276,370,779</b>	<b>197,042,209</b>



## (b)(ii) Maturity Profile of Assets and Liabilities: On-balance Sheet

The maturity profile of the assets and liabilities on the Group's balance sheet is as follows:

<b>As at 31 December, 2010</b>	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>								
Cash and balances with Central Bank of Nigeria	16,235,110	8,989,421	170,762	–	–	–	25,395,293	25,395,293
Treasury bills	13,313,179	9,813,139	510,392	5,762,724	6,458,378	–	35,857,812	35,857,812
Due from other banks	88,188,260	8,763,335	249,243	549,063	5,432,224	–	103,182,124	103,182,124
Loans and advances to customers	112,764,852	84,720,425	50,337,019	36,127,911	150,916,596	30,423,523	465,290,326	429,782,319
On-lending facilities	906,000	64,938	87,672	150,177	5,274,762	16,202,229	22,685,778	22,685,778
Advances under finance lease	14,744	38,282	21,568	112,587	2,897,212	–	3,084,393	3,084,393
Insurance receivable	–	–	–	–	–	–	–	–
Investment securities	1,151,851	708,021	2,690,920	1,322,850	875,931	112,916,388	119,665,960	119,665,960
Investment property	–	–	–	–	12,943,078	–	12,943,078	12,943,078
Investment in associates	–	–	–	–	–	–	–	–
Other assets	6,966,998	5,590,881	1,061,868	9,961,505	539,776	–	24,121,028	23,287,133
Deferred tax assets	–	–	209,740	–	347,309	–	557,050	557,050
Property and equipment	4,093,029	–	–	31,305	11,974,880	9,290,862	25,390,076	23,711,257
Equipment on lease	–	–	–	–	1,561,045	–	1,561,045	1,561,045
Intangible assets	–	–	–	–	–	1,145,844	1,145,844	3,110,530
<b>Total assets (expected dates)</b>								
– (A)	243,634,023	118,688,443	55,339,184	54,018,121	199,221,191	169,978,846	840,879,807	804,823,772
<b>Liabilities</b>								
Customer deposits	361,949,520	94,250,745	14,273,365	14,730,097	1,710,866	11,253	486,925,846	486,925,846
Due to other banks	13,429,601	33,002,082	5,679,465	–	–	11,928,205	64,039,353	64,039,353
On-lending facilities	–	–	100,000	18,145,329	4,440,449	–	22,685,778	22,685,778
Debt securities in issue	–	–	–	–	–	–	–	–
Current income tax	–	2,238,159	–	1,254,326	–	–	3,492,485	3,492,485
Other liabilities	3,803,596	9,878,143	3,358,893	12,579,955	22,166,593	–	51,787,181	51,787,181
Retirement benefit obligation	102,727	–	–	–	–	–	102,727	102,727
Deferred tax liability	–	–	–	419,945	–	–	419,945	419,945
<b>Total liabilities (expected dates)</b>								
– (B)	379,285,444	139,369,129	23,411,723	47,129,652	28,317,908	11,939,458	629,453,315	629,453,315
<b>Gap</b>	(135,651,422)	(20,680,687)	31,927,460	6,888,468	170,903,283	158,039,388	211,426,492	175,370,457

# Managing Risk for a Sustainable Future

continued

## (b)(iii) Maturity Profile of Assets and Liabilities: On-balance Sheet

The maturity profile of the assets and liabilities on the Bank's balance sheet is as follows:

As at 31 December, 2011	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>								
Cash and balances with Central Bank of Nigeria	62,971,707	–	–	–	–	–	62,971,707	62,971,707
Treasury bills	1,590,884	2,136,374	2,196,549	2,626,611	–	–	8,550,418	8,550,418
Due from other banks	52,712,331	10,190,140	1,760,039	3,989,500	–	–	68,652,010	68,652,010
Loans and advances to customers	121,663,138	91,067,290	87,354,667	25,761,920	109,986,412	48,669,237	484,502,664	463,131,979
On-lending facilities	40,000	3,200,000	800,000	207,667	8,146,308	16,749,938	29,143,913	27,882,974
Advances under finance lease	5,737	5,594	121,090	161,490	2,025,316	–	2,319,227	2,296,035
Investment securities	1,938,493	400,000	–	–	85,714,481	69,911,402	157,964,376	157,964,376
Investment in subsidiaries	–	–	–	–	–	80,400,287	80,400,287	80,400,287
Investment properties	–	–	–	12,417,044	–	–	12,417,044	12,417,044
Other assets	12,895,801	32,789	3,880,156	498,396	26,940,962	–	44,248,104	43,559,528
Property and equipment	–	–	–	–	15,966,638	–	15,966,638	15,966,638
Equipment on lease	–	–	–	–	1,120,908	–	1,120,908	1,120,908
Intangible assets	–	–	–	–	1,052,699	–	1,052,699	1,052,699
Total assets (expected dates) – (A)	253,818,091	107,032,187	96,112,501	45,662,628	250,953,724	215,730,864	969,309,995	945,966,603
<b>Liabilities</b>								
Customer deposits	438,655,216	69,673,352	5,565,447	8,702,588	3,063	–	522,599,666	522,599,666
Due to other banks	86,945,892	26,679,896	7,405,270	–	–	–	121,031,058	121,031,058
On-lending facilities	40,000	3,200,000	800,000	206,667	7,559,990	17,337,256	29,143,913	29,143,914
Current income tax	2,084,897	–	–	–	–	–	2,084,897	2,084,897
Other liabilities	10,256,660	5,602,267	4,074,771	4,751,566	58,809,157	–	83,494,421	83,494,421
Retirement benefit obligation	–	–	1,149,578	–	–	–	1,149,578	1,149,578
Deferred tax liability	–	–	–	626,614	–	–	626,614	626,614
Total liabilities (expected dates) – (B)	537,982,665	105,155,515	18,995,066	14,287,435	66,372,210	17,337,256	760,130,147	760,130,148
<b>Gap</b>	<b>(284,164,574)</b>	<b>1,876,672</b>	<b>77,117,435</b>	<b>31,375,193</b>	<b>184,581,514</b>	<b>198,393,608</b>	<b>209,179,848</b>	<b>185,836,455</b>

## (b)(iv) Maturity Profile of Assets and Liabilities: On-balance Sheet

The maturity profile of the assets and liabilities on the Bank's balance sheet is as follows:

As at 31 December, 2010	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Assets</b>								
Cash and balances with Central Bank of Nigeria	10,274,161	7,374,230	–	–	–	–	17,648,392	17,648,392
Treasury bills	11,618,000	–	–	–	–	–	11,618,000	11,618,000
Due from other banks	72,177,480	–	–	–	–	–	72,177,480	72,177,480
Loans and advances to customers	110,287,957	76,322,737	46,522,176	32,334,795	141,374,717	28,941,229	435,783,611	403,178,957
On-lending facilities	–	–	–	21,121,329	1,564,449	–	22,685,778	22,685,778
Advances under finance lease	3,444	8,045	20,103	95,325	2,590,696	23,479	2,741,092	2,741,092
Investment securities	1,151,851	–	2,690,920	6,594,363	–	112,968,849	123,405,983	116,811,620
Investment in subsidiaries	–	–	–	11,779,372	–	24,261,123	36,040,495	24,261,123
Investment property	–	–	–	–	12,943,078	–	12,943,078	12,943,078
Other assets	10,429,434	3,857,601	174,412	8,439,029	–	–	22,900,476	22,172,504
Deferred tax assets	–	–	–	–	–	–	–	–
Property and equipment	4,087,845	–	–	–	5,782,804	9,290,862	19,161,511	18,208,192
Equipment on lease	–	–	–	–	1,561,045	–	1,561,045	1,561,045
Total assets (expected dates) – (A)	220,030,173	87,562,613	49,407,611	80,364,213	165,816,788	175,485,542	778,666,940	726,960,580
<b>Liabilities</b>								
Customer deposits	328,618,920	92,149,398	10,663,440	8,278,228	832,129	–	440,542,115	440,542,115
Due to other banks	231,394	16,189,432	5,335,593	–	12,986,519	–	34,742,938	34,742,938
On-lending facilities	–	–	100,000	18,145,329	4,440,449	–	22,685,778	22,685,778
Current income tax	2,959,976	–	–	–	–	–	2,959,976	2,959,976
Other liabilities	1,525,621	6,762,294	3,219,897	11,987,382	19,626,881	–	43,122,075	43,122,075
Retirement benefit obligation	47,687	–	–	–	–	–	47,687	47,687
Deferred tax liability	–	–	–	355,197	–	–	355,197	355,197
Total liabilities (expected dates) – (B)	333,383,598	115,101,124	19,318,930	38,766,136	37,885,978	–	544,455,766	544,455,766
<b>Gap</b>	(113,353,426)	(27,538,511)	30,088,680	41,598,077	127,930,810	175,485,542	234,211,174	182,504,814

# Managing Risk for a Sustainable Future

continued

## (c) Maturity Profile of Contingent Liabilities: Off-balance Sheet

Age analysis of contingent liabilities is presented below:

### Group

As at 31 December, 2011	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Performance bonds and financial guarantees	10,171,402	26,330,491	14,319,366	74,673,471	30,254,967	1,829	155,751,527	155,751,527
Contingent Letters of credits	32,683,851	117,728,748	60,410,133	21,835,016	1,543,633	7,926	234,209,308	234,209,308
Guaranteed CP/ Bankers acceptances	798,353	2,582,232	10,275	1,557,217	–	–	4,948,078	4,948,078
Guaranteed facilities	86,108	42,824	4,922,719	14,146,291	520,879	354,028	20,072,848	20,072,848
	<b>45,344,667</b>	<b>148,280,082</b>	<b>81,167,369</b>	<b>112,211,996</b>	<b>32,319,479</b>	<b>363,783</b>	<b>414,981,761</b>	<b>414,981,761</b>

### Group

As at 31 December, 2010	up to 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 5 years	over 5 years	Total	Carrying Value
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Performance bonds and financial guarantees	843,110	2,078,426	3,855,358	113,489,494	15,589,381	–	135,855,769	135,855,769
Contingent Letters of credits	14,438,167	51,035,358	31,730,624	4,078,413	845,673	–	102,128,235	102,128,235
Guaranteed CP/ Bankers acceptances	–	–	66,918	–	–	–	66,918	66,918
Guaranteed facilities	–	–	830,500	–	–	–	830,500	830,500
Other commitments	–	–	–	–	–	–	–	–
	<b>15,281,277</b>	<b>53,113,783</b>	<b>36,483,400</b>	<b>117,567,907</b>	<b>16,435,055</b>	<b>–</b>	<b>238,881,422</b>	<b>238,881,422</b>

<b>Bank</b>								
<b>As at 31 December, 2011</b>	<b>up to 1 month</b>	<b>1 – 3 months</b>	<b>3 – 6 months</b>	<b>6 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>	<b>Total</b>	<b>Carrying Value</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Performance bonds and financial guarantees	6,075,442	8,932,511	7,709,789	10,777,722	26,133,243	–	59,628,707	48,838,163
Contingent Letters of credits	22,608,109	107,573,315	24,541,582	14,725,778	94,872	–	169,543,656	169,543,656
Guaranteed CP/ Bankers' acceptances	–	–	–	–	–	–	–	–
Guaranteed facilities	–	–	–	–	–	–	–	13,436,172
Other commitments	2,645,628	–	–	–	–	–	2,645,628	–
	<b>31,329,179</b>	<b>116,505,826</b>	<b>32,251,371</b>	<b>25,503,500</b>	<b>26,228,115</b>	<b>–</b>	<b>231,817,991</b>	<b>231,817,991</b>

<b>Bank</b>								
<b>As at 31 December, 2010</b>	<b>up to 1 month</b>	<b>1 – 3 months</b>	<b>3 – 6 months</b>	<b>6 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>	<b>Total</b>	<b>Carrying Value</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Performance bonds and financial guarantees	2,248,885	11,528,403	31,598,809	65,117,044	15,384,262	–	125,877,403	125,877,403
Contingent Letters of credits	5,657,771	37,691,153	16,155,180	8,210,301	860,124	–	68,574,528	68,574,528
Guaranteed CP/ Bankers' acceptances	–	–	–	–	–	–	–	–
Guaranteed facilities	–	–	–	–	–	–	–	–
Other commitments	–	–	–	–	–	–	–	–
	<b>7,906,656</b>	<b>49,219,556</b>	<b>47,753,988</b>	<b>73,327,345</b>	<b>16,244,386</b>	<b>–</b>	<b>194,451,931</b>	<b>194,451,931</b>

### Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Our definition of operational risk excludes regulatory risks, strategic risks and potential losses related solely to judgements with regard to taking credit, market, interest rate, liquidity, or insurance risks.

It also includes the reputation and franchise risk associated with business practices or market conduct in which the Bank is involved. Operational risk is inherent in Access Bank's global business activities and, as with other risk types, is managed through an overall framework designed to balance strong corporate oversight with well-defined independent risk management.

This framework includes:

- Recognised ownership of the risk by the businesses;
- Oversight by independent risk management; and
- Independent review by Corporate Audit.

We seek to minimise exposure to operational risk, subject to cost trade-offs. Operational risk exposures are managed through

a consistent set of management processes that drive risk identification, assessment, control and monitoring.

The goal is to keep operational risk at appropriate levels relative to the characteristics of our businesses, the markets in which we operate, our capital and liquidity, and the competitive, economic and regulatory environment. Notwithstanding these controls, Access Bank incurs operational losses.

Our operational risk strategy seeks to minimise the impact that operational risk can have on Shareholders' value. The Bank's strategy is to:

- Reduce the likelihood of occurrence of expected events and related cost by managing the risk factors, and implementing loss prevention or reduction techniques to reduce variation to earnings;
- Minimise the impact of unexpected and catastrophic events and related costs through risk financing strategies that will support the Bank's long-term growth, cash flow management and balance sheet protection; and
- Eliminate bureaucracy, improve productivity, reduce capital requirements and improve overall performance through the institution of well-designed and implemented internal controls.



# Managing Risk for a Sustainable Future continued

In order to create and promote a culture that emphasises effective operational management and adherence to operating controls, there are 3 distinct levels of operational risk governance structure in Access Bank Plc.

**Level 1** refers to the oversight function carried out by the Board of Directors, Board risk committee and the executive management. Responsibilities at this level include ensuring effective management of operational risk and adherence to the approved operational risk policies.

**Level 2** refers to the management function carried out by operational risk management group. It has direct responsibility for formulating and implementing the Bank's operational risk management framework including methodologies, policies and procedures approved by the Board.

**Level 3** refers to the operational function carried out by all business units and support functions in the Bank. These units/functions are fully responsible and accountable for the management of operational risk in their units. They work in liaison with operational risk management to define and review controls to mitigate identified risks. Internal audit provides independent assessment and evaluation of the Bank's operational risk management framework. This periodic confirmation of the existence and utilisation of controls in compliance with approved policies and procedures, provide assurance as to the effectiveness of the Bank's operational risk management framework. Some of the tools being used to assess, measure and monitor operational risks in the Bank include; a loss database of operational risk events; an effective risk and control self-assessment process that helps to analyse business activities and identify operational risks that could affect the achievement of business objectives; and key risk indicators which are used to monitor operational risks on an ongoing basis.

## The Group's operational risk framework

The Group's current operational risk framework was implemented in 2007 to meet internal and regulatory requirements. There has been significant investment in the implementation of improved measurement and management approaches for operational risk to strengthen control, improve customer service, improve process efficiencies and minimise operating losses. The Group recognises the fact that it is neither cost-effective nor possible to attempt to eliminate all operational risks. Events of small significance are thus expected to occur and are accepted as inevitable with relevant budgeting for these losses being exercised where appropriate. Events of material significance are limited and the Group seeks to reduce the risk from these extreme events in a framework consistent with its agreed risk appetite. Processes are in place to monitor management and future mitigation of such events.

The role of the Independent Operational Risk department is to establish, implement and maintain the operational risk framework for the modelling and managing of the Group's operational risk, while reinforcing and enabling operational risk management culture throughout the Group. The aim is to integrate, based on international norms and best practices, all operational risk activities and to compile a reliable operational

risk profile contributing to the Group's risk-reward profile. The key advantage introduced by the current framework is the financial quantification and modelling of operational risks. This functionality has significantly improved the Group's operational risk measurement and management capabilities.

## Management and control responsibilities

The first line of governance for managing operational risk rests with business and operational risk management forms part of the day-to-day responsibilities of all business unit management. Business unit staff report any identified breakdowns in control and any risk events that may result in financial loss and/or reputation damage. Amongst others, business management are responsible to ensure that processes for identifying and addressing ineffective controls and the mitigating of risk events are implemented and executed. Operational Risk teams form the secondary line of governance by ensuring that processes to identify weaknesses are effective and identified weaknesses are acted upon. The Group operational risk profile is presented to the Board quarterly. Control effectiveness is monitored at the ERMC and at the Board; and the multi-layered system of defences ensures pro-active operational risk management.

## Measuring and managing operational risk

The Group recognises the significance of operational risk and is committed to enhancing the measurement and management thereof. Within the Group's operational risk framework, qualitative and quantitative methodologies and tools are applied (Group-wide) to identify and assess operational risks and to provide management information for determining appropriate mitigating measures.

## Risk event data collection and reporting

A standard process is used Group-wide for the recognition, capture, assessment, analysis and reporting of risk events. This process is used to help identify where process and control requirements are needed to reduce the recurrence of risk events. Risk events are loaded onto a central database and reported monthly to the ERMC. The Group also uses a database of external public risk events and is part of a consortium of international banks that share loss data information anonymously to assist in risk identification, assessment, modelling and benchmarking.

## Risk and control self assessments (RCSA)

In order to pro-actively identify and actively mitigate risks, the operational risk framework utilises RCSAs. RCSA is used at a granular level to identify relevant material risks and key controls mitigating these risks. The risks and controls are assessed on a quarterly basis and relevant action plans are put in place to treat, tolerate, terminate or transfer the risks, taking into account the relevant business risk appetites. The RCSA programme is extensive and covers the entire Group. The Internal Audit further tests the effectiveness of the RCSAs within the normal course of auditing and relevant metrics are monitored and actioned where relevant.

## Key risk indicators (KRIs)

A comprehensive set of KRIs are in place across the Group, with relevant and agreed thresholds set by the business. KRIs are monitored on a Group as well as business unit level, based

on significance. Threshold breaches are managed in accordance with an agreed process across the Group.

### Reporting

Business units are required to report on both a regular and an event-driven basis. The reports include a profile of the key risks to their business objectives, RCSA and KRI results, and operational risk events. Risk reports are presented to executive management and risk committees.

### Allocating capital to business units

An allocation methodology is applied for allocating capital to business units (for instance an allocation from, Access Bank to Commercial Banking Division, Retail Banking Division, Institutional Banking Group, etc.). For each business unit, the allocation takes into consideration not only the size of the business unit, but also measures of the business unit's control environment, namely open audit findings, RCAs, KIs and losses. This translates to a risk-sensitive allocation with the opportunity afforded to business to identify actions to positively impact on their respective allocated operational risk capital.

### Expected loss (EL) budgeting mitigation

Basel II, under the AMA for operational risk makes provision for mitigation of operational risk RC due to appropriate budgeting and managing for EL. A significant portion of the Group business already budgets for expected losses and while the Group has developed a methodology for the modelling of EL budgeting, the Group will not apply risk mitigation in the calculation of its operational risk exposure until such time as policies and procedures are compliant to regulatory minimum requirements.

### Insurance mitigation

Insurance policies are used as a way to mitigate operational risks. These policies are current and remain applicable in the Group operating environment. Insurance coverage is purchased at Group or cluster level to discharge statutory and regulatory duties, or to meet counterparty commitments and stakeholder expectations. The primary insurance policies managed by the Group are:

- Comprehensive crime and electronic crime;
- Directors' and officers' liability; and
- Professional indemnity.

In terms of the AMA, the Group may adjust its operational risk exposure result by no more than 20% to reflect the impact of operational risk mitigants. Globally, the use of insurance and other risk transfer mechanisms for operational risk is in a state of rapid development and pioneering work is being done across the industry. While the Group has developed a methodology for the modelling of insurance, the Group will not apply risk mitigation in the calculation of its operational risk exposure until such time as insurance policies are compliant to regulatory minimum requirements.

### Information security and continuity of business

Information security and the protection of confidential and sensitive customer data are a priority of Access Bank. The Bank has developed and implemented an Information Security Risk Management framework that is in line with best practice. The framework is reviewed and enhanced regularly to address

emerging threats to customers' information. The Operational risk management Group in conjunction with Information Technology continues to co-ordinate global preparedness and mitigate business continuity risks by reviewing and testing recovery procedures. Awareness campaigns are used to drive the business continuity culture in the Bank. A major development in our business continuity efforts in 2010 included an alliance with one of our strategic partners for the provision of disaster recovery centres across our branch network.

### Compliance risk management

Compliance risk is the risk of damage to Access Bank's integrity as a result of failure (or perceived failure) to comply with relevant laws, regulations, internal policies and procedures or ethical standards. In addition to reputational damage, failure to effectively manage compliance risk can expose financial institutions to fines, civil and criminal penalties, payment of damages, court orders and suspension or revocation of licenses. A failure (or perceived failure) can adversely impact customers, staff and shareholders of Access Bank.

The Bank believes that fully embedded compliance risk management preserves the trust its customers, shareholders and staff have in the Bank and is important for the way Access Bank does business. Managing compliance risk is fundamental to driving value. The pursuit of long-term business sustainability requires proper conduct of business activities in accordance with the high ethical standards of Access Bank's Business Principles. These principles not only reflect laws and regulations, but are also based on the Bank's core values: excellence, ethics, passion for customers, teamwork, trust and continuous learning.

Ongoing changes and the continuous introduction of new legislation, have placed greater emphasis on the formal and structured monitoring of compliance with legal, regulatory, supervisory and internal requirements. Although legislative changes place an administrative burden on the Bank, the development of a framework provide the Bank with an opportunity to commit more openly to a culture of compliance within the Bank, its subsidiaries and divisions. In ensuring compliance with laws and regulations, the Bank put in place a robust compliance risk management policy with set out guidelines to manage the Group's compliance risk made indispensable by the expansion of Access Bank activities in various jurisdictions, the evolving nature of the Global financial services industry, the introduction of new legislation, and the update of existing legislation; as well as the increasing complexities of the Bank's activities.

An efficient infrastructure has been put in place to enable management to track current and emerging compliance risk issues, to communicate these to internal and external stakeholders, and to drive continuous improvement. Access Bank understands that good compliance risk management involves understanding and delivering on the expectations of customers and other Stakeholders, thereby improving the quality of key relationships based on honesty, integrity and fairness.

Our compliance framework provides the platform for the compliance programmes that are consistently applied across

# Managing Risk for a Sustainable Future continued

the Bank to manage compliance risk. The framework has put in place a Group-wide reporting compliance framework encompassing both mandatory (regulatory) and non-mandatory (self regulatory) compliance. This framework includes a common approach to commitment and accountability, policies and procedures, controls and supervision, monitoring, regulatory change management, education and awareness and reporting.

We approach compliance risk management on an enterprise and line of business level. The Compliance and Internal Control function provides oversight of significant compliance risk issues. The function also develops and guides the strategies, policies and practices for assessing and managing compliance risks across the organisation. We re-established Compliance Resource Officers Meeting set up to develop, manage and integrate a compliance culture that meets global standards within the organisation. Through education and communication efforts, a culture of compliance is emphasised across the organisation.

We also mitigate compliance risk through a broad-based approach to process management and improvement. The lines of business are responsible for all the risks within the business line, including compliance risks. Compliance Risk officers, working in conjunction with senior line of business executives, have developed key tools to address and measure compliance risks and to ensure compliance with laws and regulations in each line of business.

## Compliance risk management framework



## Developments in 2011

### 1. Commendation

The Bank received a commendation letter from the National Drug Law Enforcement Agency (NDLEA) with regards to the high

level of compliance with the provisions of the Money Laundering Prohibition Act (MLPA) 2011 in the area of staff training and awareness drive in 2011.

### 2. Anti-money laundering

As part of the Bank's contribution in promoting anti-money laundering compliance, the Chief Compliance Officer of the Bank presented a paper at the ACAMS (Association of Certified Anti-Money Laundering Specialists) inaugural AML/CFT African conference in Johannesburg in November 2011.

### 3. Promoting business integrity

The Bank was appointed to Chair the Core group of Signatories to the Convention on Business Integrity (CBI) who, in partnership with Business Action Against Corruption (BAAC), has been working with a selected group of representatives of the regulatory bodies in Nigeria and other members of the business community since December 2010 towards identifying ways to stimulate the ethical and transparent conduct of businesses in Nigeria as a platform for sustainable growth and private sector development.

## Strategic risk management

Strategic risk is embedded in every line of business and is part of the other major risk categories (credit, market, liquidity, compliance and operational).

Strategic risk relates to the consequences that arise when the environment in which decisions that are hard to implement quickly and to reverse has an unattractive or adverse impact. Strategic risk ultimately has 2 elements: doing the right thing at the right time; and doing it well.

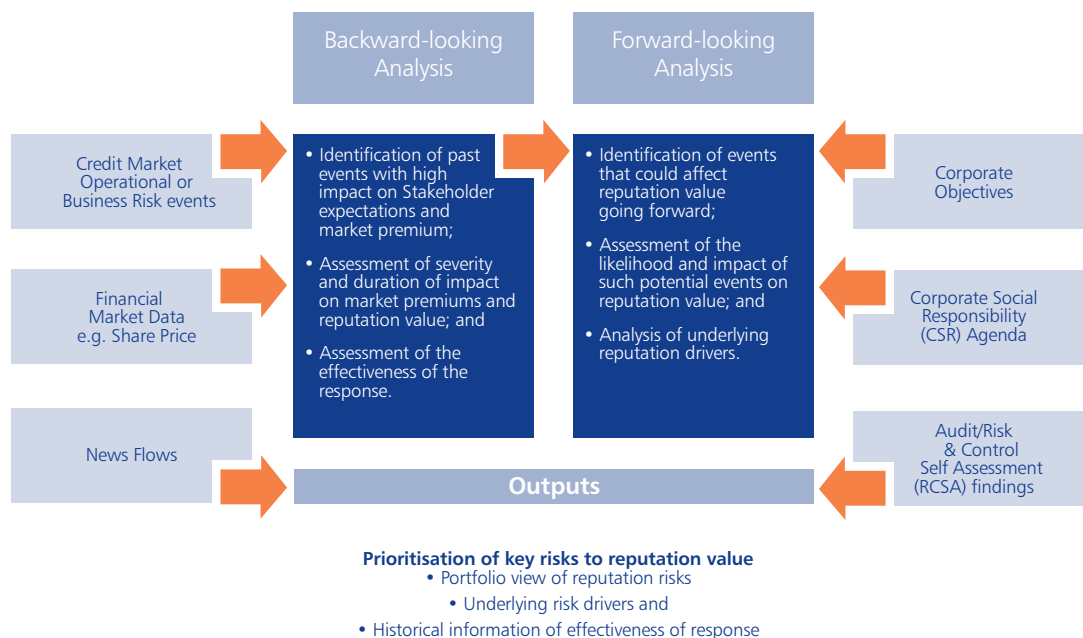
It is the risk that results from adverse business decisions, ineffective or inappropriate business plans, or failure to respond to changes in the competitive environment, business cycles, customer preferences, product obsolescence, regulatory environment, business strategy execution, and/or other inherent risks of the business including reputational risk.

The Bank's appetite for strategic risk is continually assessed within the context of the strategic plan, with strategic risks selectively and carefully taken to maintain relevance in the evolving marketplace.

Significant strategic actions, such as material acquisitions or capital actions, are reviewed and approved by the Board. Using a plan developed by management, executive management and the Board approve a strategic plan every 3 years. Annually, executive management develops a financial operating plan and the Board reviews and approves the plan. Executive management, with Board oversight, ensures that the plans are consistent with the Bank's strategic plan, core operating tenets and risk appetite.

The following are assessed in their reviews: forecasted earnings and returns on capital; the current risk profile and changes required to support the plan; current capital and liquidity requirements and changes required to support the plan; stress testing results; and other qualitative factors such as market growth rates and peer analysis. Executive management, with Board oversight, performs similar analyses throughout the year, and will

## Key drivers of reputational risk



define changes to the financial forecast or the risk, capital or liquidity positions as deemed appropriate to balance and optimise between achieving the targeted risk appetite and Shareholder returns and maintaining the targeted financial strength.

We use robust models to measure the capital requirements for credit, country, market, operational and strategic risks. The economic capital assigned to each line of business is based on its unique risk exposures. With oversight by the Board, executive management assesses the risk-adjusted returns of each business in approving strategic and financial operating plans. The businesses use economic capital to define business strategies, price products and transactions, and evaluate customer profitability.

### Reputational risk management

Reputation risk management is essentially concerned with protecting an organisation from potential threats to its reputation. Most importantly, reputational threat should be dealt with proactively and effects of reputational events should be minimised. The ultimate aim of reputation risk management is to avert the likelihood of any crisis and ultimately ensure the survival of the organisation. Nevertheless, managing reputational risk poses particular challenges for many organisations. Access Bank, in responding to the challenges posed by reputational risk, has put in place a framework to properly articulate, analyse and manage reputational risk factors.

The potential factors which affect the Bank's reputational risk profile include:

- A highly regulated financial services industry with high visibility and vulnerability to regulatory actions that

may adversely impact its reputation. (e.g. corporate governance crises);

- Consolidation activities ignited by the Central Bank of Nigeria (CBN), resulting in a fusion of different cultures;
- Keen competition and largely homogeneous products and services have led customers not to perceive significant differences between financial service providers; and
- Given the financing nature of products and services they provide, banks are not only exposed to their own reputation, but also to the reputation of their clients.

With banks operating and competing in a global environment, risks emerging from a host of different sources and locations is difficult to keep up with and to know how best to respond if they occur. The effects of the occurrence of a reputational risk event include but are not limited to the following:

- Loss of current or future customers;
- Loss of public confidence;
- Loss of employees leading to an increase in hiring costs, or staff downtime;
- Reduction in current or future business partners;
- Increased costs of capitalisation via credit or equity markets;
- Regulatory sanctions;
- Increased costs due to government regulations, fines, or other penalties; and
- Loss of banking licence.

# Managing Risk for a Sustainable Future continued

It is Group policy that, at all times, the protection of the Group's reputation should take priority over all other activities, including revenue generation. Reputational risk will arise from the failure to effectively mitigate one or more of country, credit, liquidity, market, regulatory and operational risk. It may also arise from the failure to comply with social, environmental and ethical standards. All employees are responsible for day-to-day identification and management of reputational risk.

## Risk identification process

In identifying reputational risk factors, the Bank makes use of the output of the operational risk identification process. At the end of the operational risk identification sessions, risk profiles shall be derived and analysed. In analysing the report, the Head of Operational Risk Management Unit identifies risk events with possible negative reputational impact on the Bank. These risk events are analysed and those with a risk score of 3 and above included in the reputational risk matrix report. The process relies both on backward-looking and forward-looking analyses and enables the Bank to isolate the key events that could affect the Bank's ability to meet Stakeholders' expectations.

The Bank shall identify a series of risk events with key drivers that have the greatest impact on its ability to meet Stakeholder expectations.

These drivers include the following:

- Quality of corporate governance;
- Management integrity;
- Staff competence/support;
- Corporate culture;
- Risk management and control environment;
- Financial soundness/business viability;
- Business practices;
- Customer satisfaction;
- Legal/regulatory compliance;
- Contagion risk/rumours;
- Crisis management;
- Transparency/accountability; and
- Product Innovation.

The forward-looking portion of the analysis considers the information on risk drivers from the backward-looking analysis of historical data, and seeks to identify potential future reputational issues. This analysis is performed against the background of the Bank's corporate objectives, its corporate social responsibility agenda and external factors. Access Bank seeks to leverage existing information from audit findings, risk and control self-assessments, environmental scanning and scenario planning processes to the greatest extent possible.

## Compilation of trigger events

In order to assist in the identification of key reputational risk events, triggers that would set off the risk drivers should be compiled through workshops with participants from relevant business units. The following table illustrates few trigger events for relevant risk drivers.

Risk drivers	Trigger events
Corporate governance and leadership	<ul style="list-style-type: none"> <li>• Corporate frauds and scandals</li> <li>• Association with dishonest and disreputable characters as directors, management</li> <li>• Association with politically exposed persons</li> <li>• Incidence of Shareholders conflict and Board instability</li> </ul>
Regulatory compliance	<ul style="list-style-type: none"> <li>• Non-compliance with laws and regulation</li> <li>• Non submission of regulatory returns</li> </ul>
Delivering customer promise	<ul style="list-style-type: none"> <li>• Security failure</li> <li>• Shortfall in quality of service/fair treatment</li> <li>• Bad behaviour by employees</li> </ul>
Workplace talent and culture	<ul style="list-style-type: none"> <li>• Unfair employment practices</li> <li>• Failure to address employee grievances</li> <li>• Uncompetitive remuneration</li> </ul>
Corporate social responsibility	<ul style="list-style-type: none"> <li>• Lack of community development initiatives</li> </ul>
Corporate culture	<ul style="list-style-type: none"> <li>• Lack of appropriate culture to support the achievement of business objectives</li> <li>• Ineffective risk management practices</li> <li>• Unethical behaviour on the part of staff and management</li> <li>• Lack of appropriate structure for employees to voice their concerns</li> </ul>
Risk management and control environment	<ul style="list-style-type: none"> <li>• Inadequate risk management and control environment</li> <li>• Continuous violations of existing policies and procedures</li> </ul>
Financial soundness and business viability	<ul style="list-style-type: none"> <li>• Consistent poor financial performance</li> <li>• Substantial losses from unsuccessful investment</li> </ul>
Crisis management	<ul style="list-style-type: none"> <li>• Inadequate response to a crisis or even a minor incident</li> </ul>

## Events data analysis

Events data analysis are conducted to assess the gap between performance of the bank and the expectation of Stakeholders. The nature of the gap and the reasons for the gap is analysed for ensuing corrective action. Sample of events data analysed is furnished below:

- Evaluating types of marketing efforts and implications for reputational risk;
- Analysis of number of accounts opened vs. closed;
- Calling effort analysis;
- Complaint log analysis; and
- Error resolution review.



### Approach to managing reputation events

The Bank's approach to managing reputation events, including any relevant strategy and policies, is approved by the Board or its delegated committee and subject to periodic review and update by senior management to ensure that it remains appropriate over time. In addition, the approach is well documented and communicated to all relevant personnel.

### Overall strategy/action plan

Each reputation event is different and a precise list of actions which may be taken to deal with the event cannot be clearly specified. Below are some guidelines used in developing overall strategy and the required action plan:

- Timely report and escalation of any reputational event to senior management by all staff to management in a bid to formulate an action plan to deal with the reputational events. This will also enable the Bank to communicate the right message to the right people at the right time;
- The Bank will seek to gain time for planning action in advance through early recognition of warning signs and emerging threats of reputational events;
- Although the detail of reputational events will vary from case to case, a proper action plan covering some key areas should be in place;

These include:

- clear and precise objectives to be achieved must be set
- the target audiences with whom the Bank will be communicating and their respective areas of interest or concern to be addressed must be defined
- Decide the key messages to get across to the target audiences. While the messages for different audiences may vary, they should not be contradictory or inconsistent;
- Individual actions to be undertaken are coherent and mutually supporting of the overall strategy;
- Specific actions to be undertaken will conform to the agreed strategy and objectives;
- All proposed actions must be timed and approved;
- Time schedule of events must be maintained from the start;
- Access Bank will consider how the facts of the situation will be presented to target audiences in a manner which will win their acceptance and understanding. However, in no case should false information or distorted perspectives be presented;
- In limiting damage to the Bank's reputation, emphasis should be placed on demonstrating to target audiences;
  - The care Access Bank has taken to guard against the recurrence of similar events
  - The actions taken by the Bank in response to the event and the effectiveness of those actions

Corporate Communications will be designated to handle all communication matters, including media relations and public announcements.

- Actions taken should cater for any possible impact on cross-border operations;
- All relevant parties within the Bank will be adequately briefed as the situation develops; and
- All actions taken should be based on a thorough knowledge of the facts of the situation, and be planned with a clear understanding of the likely consequences (including any follow-up action which may then be required).

The points mentioned above are not exhaustive and Access Bank tailors their strategy and action plan to suit their specific circumstances and needs.

### Process

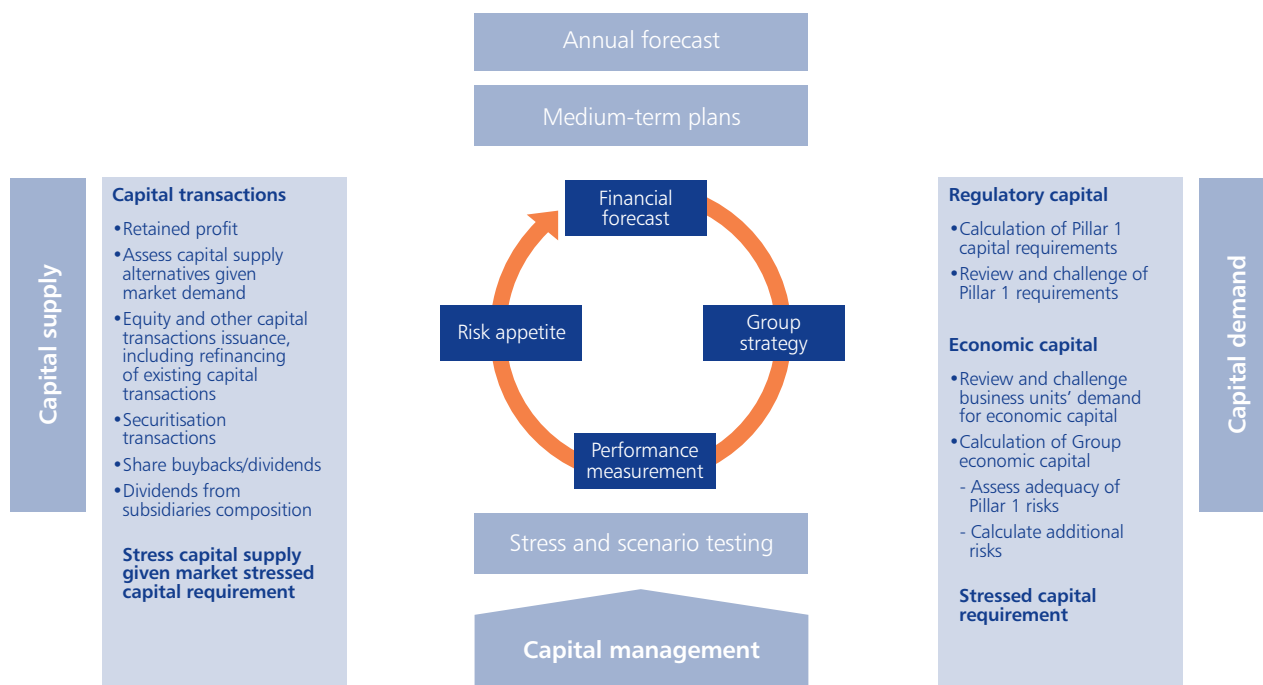
Access Bank has established a clear set of procedures for managing such reputational events (including pre-planning how certain situations may be handled).

These include:

- Reputational events to be captured are defined through pre-determined criteria, triggering conditions or hypothetical scenarios, etc. In determining what types of events to be included, the Bank will have regard to the results of their internal processes for identifying and assessing reputation risk, as well as their vulnerability to reputation risk;
- Specify the process for identifying reputation events, including the authority for deciding whether a reputation event has occurred and for invoking procedures for managing the event;
- The impact of such events based on established standards and criteria (with particular focus on the impact on the Bank's business and reputation) are measured;
- Appropriate response actions on how to deal with the event in question and to protect the Bank's reputation are established and prioritised;
- All Stakeholders that are affected by the event are notified of the situation;
- Agreed actions will be implemented and Stakeholders' reaction to actions taken are monitored;
- Reassess the situation and, in case of need, modifying agreed actions;
- Ongoing reporting to the Board and senior management of the progress and results of implementing agreed actions; and
- The post-event review will be done and the lesson learnt will be used to enhance the reputational risk management.

# Managing Risk for a Sustainable Future continued

## Capital management process



### Post-event reviews

After a reputation event, the post-event review will be conducted by Internal Audit and Risk Management Division to identify any lessons learnt, or problems and weaknesses revealed, from the event. Such reviews will be useful for providing feedback and recommendations for enhancing the Bank's reputation risk management process, and should at least be conducted on any major event affecting Access Bank. The Board and senior management will be promptly informed of the results of any such review conducted so that they can take appropriate actions to improve its approach to managing reputation risk.

### Capital risk management

Capital risk is the risk that the Bank's total capital base is not properly managed in a prudent manner.

### Capital management objectives:

The Group has a number of capital management objectives:

- To meet the capital ratios required by its regulators and the Group's Board;
- To maintain an adequate level of available capital resources as cover for the economic capital (EC) requirements calculated at a 99.95% confidence level;
- To generate sufficient capital to support asset growth;
- To maintain an investment grade credit rating; and
- To achieve a return above the cost of equity.

### Capital management strategy

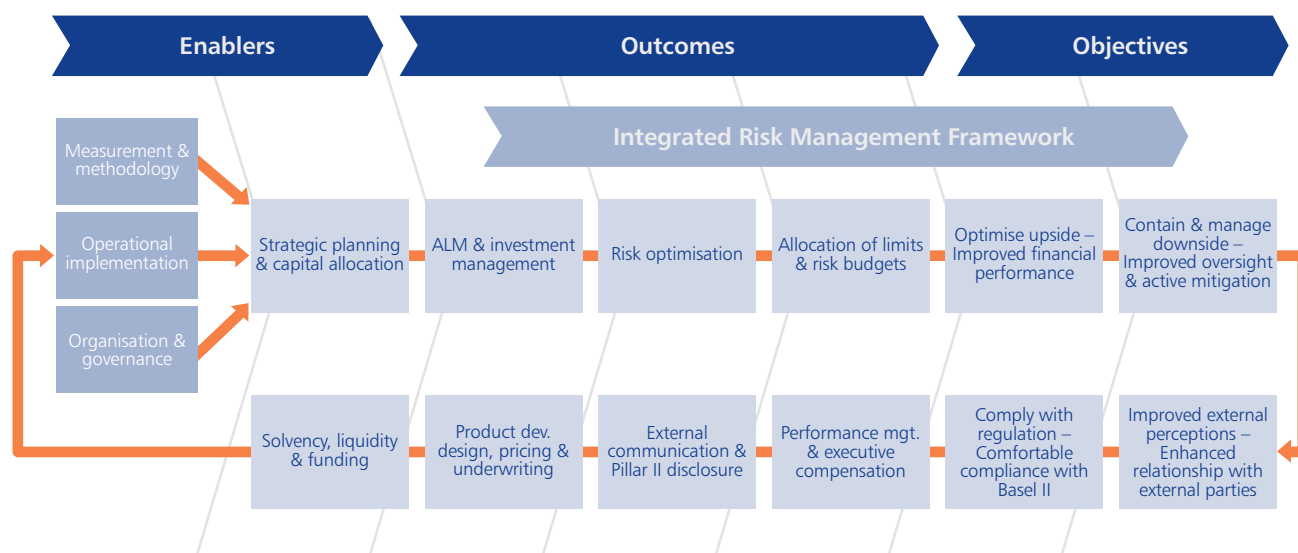
The Group's capital management strategy is focused on maximising shareholder value by optimising the level and mix of capital resources. Decisions on the allocation of capital resources are based on a number of factors including return on EC and on regulatory capital (RC), and are part of the internal capital adequacy assessment process (ICAAP).

### Importance of capital management

Capital is managed as a Board level priority in the Group which reflects the importance of capital planning. The Board is responsible for assessing and approving the Group's capital management policy, capital target levels and capital strategy.

A capital management framework provides effective capital planning, capital issuance, Basel II alignment, EC utilisation and economic profit (EP) performance measurement criteria. The diagram above illustrates the process the Group follows to ensure end-to-end integration of the Group's strategy, risk management and financial processes into the capital management process. The purpose is to ensure that capital consumption in the business divisions has an impact on performance measurement, which in turn translates into management performance assessment and product pricing requirements and achievement of the overall strategy within risk appetite.

## Practice focused on the future



### The ICAAP process in 2011

During the year, the Board approved the Bank's documentation of its Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP provides the Bank with an estimate of the amount of capital implicitly consumed by the range of business activities, processes and decisions that the Bank undertakes. It provides the Bank with a means of:

1. Measuring the risk and capital requirement attaching its core risks (Credit Risk, Market Risk and Operational Risk) – also called *Pillar 1 risks*, and
2. Identifying and measuring the risk and capital requirement of non-core risks such as Credit Concentration Risk, Liquidity Risk, Strategic Risk and Reputational Risk, among others – also called *Pillar 2 risks*.

By identifying and measuring the risk and hence the capital allocation to each activity, it provides a platform for optimising the use of capital, through identifying the risk levers that may be adjusted to achieve target risk appetite and limits.

The ICAAP was strengthened in 2011 in partnership with reputable international consultants. Sufficient awareness was created amongst key stakeholders – Board, Management and Staff on the implications of our risk practices on capital requirement.

### Our risk management framework is focused on the future

We believe effective risk management is more than just the collection and analysis of data. It also encompasses the insights delivered by information which facilitate appropriate actions. Access Bank benefits from having enhanced its Group risk management framework, which gives full Group-wide coverage of a variety of risks.

Our annual risk cycle is designed to give management relevant, up-to-date information from which trends can be observed and assessed. The governance structure supporting our risk cycle is designed to deliver the right information, at the right time, to the right people. In line with the industry's increasingly sophisticated management of risk, we continued to develop and embed our risk appetite framework during 2010 particularly our risk appetite assessment techniques.

Ultimately the success of our risk management framework will be determined by the extent to which it embeds in the corporate culture and leads to demonstrably better outcomes. We are committed to the continued development of our risk management framework.

Accountability for risk management, and transparency of risk issues are crucial to our success. Responsibilities for managing risk are allocated to all managers within the Group and risk management requirements have been embedded in our performance management programme.

Ultimately the success of risk management will be determined by the extent to which it embeds in the corporate culture and leads to demonstrably better outcomes.

# Board of Directors

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## **Gbenga Oyebo, MFR** **Chairman**

Mr Gbenga Oyebo is the Managing Partner of Aluko & Oyebo (Barristers, Solicitors and Trademark Agents) with decades of experience in project finance; corporate law; energy and natural resources law; telecommunications and aviation law. He is the Chairman, Okomu Oil Palm Plc and also serves on the Board of MTN Nigeria and Crusader Insurance Plc.

Mr Oyebo holds a Master of Law from University of Pennsylvania, Philadelphia (1982) and a Bachelor of Law degree from the University of Ife (1979).

He is a Barrister and Solicitor of the Supreme Court of Nigeria (admitted June 1980) and an Attorney-at-law of the Supreme Court of New York State (admitted November 1983). He is also a member of the Nigerian Bar Association and the American Bar Society of International Law.



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## **Dr Cosmas M. Maduka, D.BA** **Non-Executive Director**

Dr Cosmas Maduka D.BA (Honoris Causa UNN) is the current President/Chairman of the Board of Directors of Coscharis Group. He is an industrialist and philanthropist of great repute. He was a member of Electric Power Reform Implementation Committee in Nigeria; a Trustee Board Member of the Human Development Fund of the United Nations Development Program (UNDP).

As an astute businessman, Dr Cosmas has contributed immensely towards the socio-economic growth and development of Nigeria.



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## **Babatunde Folawiyo, D.BA** **Non-Executive Director**

Dr Babatunde Folawiyo, D.BA (Honoris Causa Crescent University) is the Managing Director of Yinka Folawiyo Group with business interests in the Power, Energy, Oil and Gas sectors of the Nigerian economy. He also serves as a Director on the board of MTN Nigeria Limited, Africa's leading telecommunications company.

Tunde holds a Master of Law degree from the University College London (1985); a Bachelor of Science degree in Economics from the prestigious London School of Economics.

He was called to the Bar of England and Wales (Honorable Society of the Inner Temple) in 1985. He started his law practice in Nigeria with the firm of Ogunsanya and Ogunsanya, a firm he resigned from in 1989 to become the Group Executive Director of Yinka Folawiyo Group.



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## **Oritsedere Samuel Otubu** **Non-Executive Director**

Mr Otubu is the Chairman of STACO Insurance Plc and Senforce Insurance Brokers Limited. He also serves on the Board of Food Emporium International – the franchisee of Barcelos food chain. He was a director at DAAR Communications Plc.

He holds Master's and Bachelor's degrees in Finance and Accounting respectively from the Houston Baptist University, United States of America.



**Mosunmola Belo-Olusoga**  
Non-Executive Director

Mrs Mosunmola Belo-Olusoga is the Principal Consultant/Programme Director of The KRC Limited. She served on the Board of Asset and Resource Management Company Limited and is the past Chairperson, Equipment and Leasing Association of Nigeria.

She had an illustrious banking career spanning nearly 3 decades. She retired from Guaranty Trust Bank Plc in 2006 as the Executive Director, Investment Banking and was at various times responsible for Risk Management, Corporate and Commercial Banking, Investment Banking, Transaction Service and Settlements (Local and Foreign Operations). She served as Acting Managing Director of Trust Bank of Africa Limited in 2003.

Mosunmola is a graduate of Economics from the University of Ibadan (1979). She qualified as a Chartered Accountant in 1983, winning the 1st place merit award and also the award of the Society of Women Accountants of Nigeria prize for best qualifying candidate. She is a fellow of both the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Bankers of Nigeria.



**Dr Mahmoud Isa-Dutse**  
Non-Executive Director

Dr Mahmoud Isa-Dutse is a Director of Northern Nigeria Flour Mills Plc. His professional banking experience spanned over 2 decades. He retired in 2002 as an Executive Director at United Bank for Africa Plc where he was at various times in charge of Credit Risk Management, Investment Banking and Corporate Banking.

Dr Mahmoud Isa-Dutse holds a PhD in Corporate Governance from the Manchester Business School, University of Manchester; an MBA from the Wharton Business School, University of Pennsylvania, USA; and a BSc in Economics from Ahmadu Bello University, Zaria.



**Emmanuel Ndubisi Chiejina**  
Non-Executive Director

Mr Emmanuel Chiejina is the Chairman and CEO of AshBard Energy Company Ltd and currently serves on the board of STACO Insurance Plc, F & C Securities Limited and Green Technologies Limited. He spent an active part of his career with Elf Petroleum Nigeria Limited (Total E&P) where he spent 27 years and retired as Deputy Managing Director in 2007.

Mr Emmanuel Chiejina is a graduate of Law from the University of Lagos (1975). He was variously educated at Cranfield Institute of Technology, European Institute of Business Administration (INSEAD), University of London and London Business School.



**Anthonia Olufeyikemi Ogunmefun**  
Non-Executive Director

Mrs Anthonia Olufeyikemi Ogunmefun is the Managing Partner of Kemi Ogunmefun Law Office, a Canadian based private legal practice specialising in immigration law, family law, real estate and corporate law. She served as the Chairperson of the Governance Committee of the Kinark Child and Family Services, a major Canadian child care trust.

Mrs Ogunmefun obtained her Bachelor of Law degree from the University of Lagos in 1974 and was called to the Nigerian Bar in 1975 and the Law Society of Upper Canada in 2004.



# Board of Directors



## **Aigboje Aig-Imoukhuede, CON** Group Managing Director/CEO

Mr Aigboje Aig-Imoukhuede's banking career spans 2 decades. He spent over 10 years at Guaranty Trust Bank Plc (GT Bank) and resigned in 2002 to lead a team as the Managing Director/Chief Executive Officer of Access Bank Plc with the mandate to transform the bank into a world-class financial services provider.

Aigboje's visionary leadership has seen the Bank rise to rank amongst the top 4 banks.

In October 2007, Aigboje was ranked amongst the top 10 Most Respected CEOs in the annual PricewaterhouseCoopers Most Respected Companies and CEO Survey. In 2012, he emerged the winner of the '2011 Ernst & Young West Africa Entrepreneur of The Year' award.

Aigboje is an alumnus of Harvard Business School's Executive Management Programme. He holds LLB and BL degrees from the University of Benin and the Nigeria Law School respectively. Aigboje is also an Honorary Fellow of the Chartered Institute of Bankers of Nigeria. Aigboje is the Chairman of The Access Bank (UK) Ltd and Intercontinental Wapic Insurance Plc.



## **Herbert Wigwe, FCA** Group Deputy Managing Director

Mr Herbert Wigwe started his professional career with Coopers and Lybrand Associates, an international firm of Chartered Accountants. He spent over 10 years at Guaranty Trust Bank where he managed several portfolios including financial institutions, corporates and multinationals. He left Guaranty Trust Bank as an Executive Director to co-lead the transformation of Access Bank Plc in March 2002 as Deputy Managing Director.

Herbert is an alumnus of Harvard Business School's Executive Management Programme. He holds a Master's degree in Banking and International Finance from the University College of North Wales; a Master's degree in Financial Economics from the University of London and a BSc degree in Accounting from the University of Nigeria, Nsukka. He is also a Fellow of the Institute of Chartered Accountants of Nigeria.

Herbert is the Chairman of Access Bank Ghana Ltd and Intercontinental Properties Limited. He also serves on the Board of Central Securities Clearing System Ltd (CSCS) and Intercontinental Homes, Savings and Loans Plc.



## **Taukeme Koroye** Executive Director, Subsidiaries

Mr Taukeme Edwin Koroye began his banking career with Nigeria International Bank Limited (now Citibank Nigeria) in 1987, having obtained 4 years professional accounting experience with Pricewaterhouse (now PricewaterhouseCoopers).

At NIB, his work experience spanned several departments including Corporate Finance, Corporate Banking, Internal Control, International Trade and Treasury Operations. He subsequently rose to the position of Vice President, Operations and Technology, prior to joining Access Bank Plc in 2002.

He is a graduate of Business Administration from the University of Lagos; a fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and an alumnus of Harvard Business School's Executive Management Programme.



## **Okey Nwuke** Executive Director, Institutional Banking

Mr Okey Nwuke began his banking career with Guaranty Trust Bank in 1991, where he worked in the Financial Control Unit and later rose to the position of Assistant General Manager, Commercial Banking Group East, before joining Access Bank Plc in 2002.

Okey holds a BSc degree in Accounting from the University of Nigeria and an MBA degree (Distinction) in International Banking & Finance from the University of Birmingham, United Kingdom.

He is an associate member of Chartered Institute of Taxation; an honorary member of the Chartered Institute of Bankers of Nigeria (CIBN) and also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN).

Okey has been exposed to several leadership and professional development programmes at renowned global institutions of excellence including Harvard, INSEAD and IMD.

Okey serves on the Board of Stanbic IBTC Pensions Managers Limited.



### **Obeahon Ohiwerei** Executive Director, Commercial Banking

Mr Obeahon Asekhame Ohiwerei began his professional banking career in 1991 with Guaranty Trust Bank Plc where his exceptional performance saw him rise to the position of a Manager within a short time.

He worked with various banks including Equatorial Trust Bank, Pacific Bank, Continental Trust Bank and Standard Chartered Trust Bank. While at Standard Trust Bank, he was appointed the pioneer MD/CEO of Standard Trust Bank, Ghana in 2004.

Obeahon holds a Master's degree in Business Administration and a Bachelor's degree in Mathematics. He has attended several professional development programmes within and outside the country including Accenture Training Programme (USA), Harvard Business School (USA), Manchester Business School (UK), Lagos Business School amongst others.

Obeahon serves on the Board of Access Bank's banking subsidiaries in The Gambia and Sierra Leone.



### **Ebenezer Olufowose** Executive Director, Financial Markets

Mr Ebenezer Olufowose's banking experience spans over 2 decades with successful track records in Corporate Finance, Project Finance and Investment Banking. He is a proven banker with an innate ability to originate and execute landmark transactions.

He began his professional career at NAL Merchant Bank in 1985 and thereafter moved to First City Merchant Bank Limited (FCMB) in 1980 initially as a Manager and subsequently as Head of the Bank's Corporate Finance business. He joined Guaranty Trust Bank (GTB) in 1995 and rose to become the Group Head, Investment Banking. He was consequently appointed a Director at Asset and Resource Management Company Ltd (Guaranty Trust Bank's Asset Management subsidiary) in 1997. He was appointed pioneer Managing Director/CEO of Guaranty Trust Bank's first subsidiary outside Nigeria – GTB Gambia in 2001.

Ebenezer holds a first class honours in Economics (1992) from the University of Lagos and an MA in International Economics from the University of Sussex, Brighton, England.



### **Victor Etuokwu** Executive Director, Transaction Services and Information Technology

Mr Victor Etuokwu has about 20 years' banking experience cutting across banking operations and information technology, internal control, general administration, retail banking, business acquisition and integration.

He joined Access Bank in July 2003 from Citibank Nigeria and was promoted to General Manager in February 2008. He has served the Bank in different capacities, leading several successful and critically important projects across the Bank. The latest of such projects was the acquisition of controlling equity interest in Intercontinental Bank Plc and the subsequent merger of both banks.

Mr Etuokwu holds a Bachelor of Science Degree and Masters of Business Administration degree from the University of Ibadan and University of Benin respectively. He is a Senior Honorary member of the Chartered Institute of Bankers of Nigeria.

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# Directors, Officers and Advisors

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<b>Mr Gbenga Oyebo</b> , MFR	Chairman
<b>Dr Cosmas Maduka</b>	Director
<b>Mr Oritsedere Otubu</b>	Director
<b>Dr Babatunde Folawiyi</b>	Director
<b>Dr Mahmoud Isa-Dutse</b>	Director
<b>Mr Emmanuel Chiejina</b>	Director
<b>Dr Adewunmi Desalu</b> (resigned 25 January, 2011)	Director
<b>Mrs Mosunmola Belo-Olusoga</b>	Director
<b>Mrs Anthonia Olufeyikemi</b> Ogunmefun (appointed 29 April, 2011)	Director
<b>Mr Aigboje Aig-Imoukhuede</b> , CON	Group Managing Director/Chief Executive Officer
<b>Mr Herbert Wigwe</b>	Group Deputy Managing Director
<b>Mr Taukeme Koroye</b>	Executive Director
<b>Mr Okey Nwuke</b>	Executive Director
<b>Mr Obeahon Ohiwerei</b>	Executive Director
<b>Mr Ebenezer Olufowose</b>	Executive Director
<b>Mr Victor Etuokwu</b> (appointed 26 January, 2012)	Executive Director
<b>Mr Sunday Ekwochi</b>	Company Secretary

## Corporate Head Office Access Bank Plc

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Plot 999c, Danmole Street  
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PMB 80150  
Victoria Island  
Lagos  
Nigeria  
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Fax: (+234) 1-2771185

## Independent Auditors KPMG Professional Services

22A, Gerrard Road  
Ikoyi, Lagos  
Nigeria  
Telephone: (+234) 1-2718955  
Website: [www.ng.kpmg.com](http://www.ng.kpmg.com)

## Registrars United Securities Limited

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Victoria Island, Lagos  
Nigeria  
Telephone: (+234) 1-2714566  
(+234) 1-2714567  
Fax: (+234) 1-2714568  
Email: [info@unitedsecuritieslimited.com](mailto:info@unitedsecuritieslimited.com)

# Management Team

## Executive Management

### Aigboje Aig-Imoukhuede

Group Managing Director/Chief Executive Officer

### Herbert Wigwe

Group Deputy Managing Director

### Taukeme Koroye

Executive Director, Subsidiaries

### Okey Nwuke

Executive Director, Institutional Banking Group

### Obeahon Ohiwerei

Executive Director, Commercial Banking Group

### Ebenezer Olufowose

Executive Director, Financial Markets

### Victor Etuokwu

Executive Director, Transaction Services and Information Technology

## Divisional Heads

### Obinna Nwosu

Divisional Head, Retail Banking

### Roosevelt Ogbonna

Divisional Head, Commercial Banking Lagos

## General Managers

### Adeyemi Odusanya

Group Head, Commercial Banking Group West

### Angela Jide-Jones

Group Head, Wealth Management

### Ashok Kumar

Senior Banking Advisor

### Banjo Adegbohungebe

Group Head, Global Trade & Payments

### Benjamin Oviolu

Managing Director, Access Bank (Côte d'Ivoire) Limited

### Bolaji Agbede

Head, Group HR

### Greg Jobome

Chief Risk Officer

### Innocent Ike

Super Regional Head, Federal Capital Territory, Abuja

### Kalu Agwu

Group Head, Branch Services Group

### Ojini Olaghere

Group Head, Enterprise Business Support

### Pattison Boleigha

Head, Group Compliance & Internal Control

### Segun Ogbonnewo

Group Head, Commercial Banking North

### Speedwell Ngoka

Group Head, Commercial Banking North

### Tunde Coker

Group Chief Information Officer

### Yomi Akapo

Managing Director, Access Bank (Ghana) Limited

## Deputy General Managers

### Aliyu Tijani

Group Head, Credit Risk Management – Domestic

### Arese Alonge

Group Head, Treasury Marketing Group

### Ayodeji Awodein

Group Head, Personal Care and Other Corporates

### Damos Solaru

Head, Subsidiaries Transactions Services

### Dapo Olagunju

Head, Group Treasury

### Hadiza Ambursa

Group Head, Corporate Finance Group

### Iyabo Soji-Okusanya

Group Head, Telecoms

### Jo Osojie

Head, Retail Credit Analysis and Loan Management

### Muhammed Adamu

Zonal Head, CBD, Kaduna

### Olufemi Ojo

Financial Control, Group Office

### Olumide Olatunji

Zonal Head, Commercial Banking Division

### Robert Asibor

Zonal Head, Commercial Banking Division

### Seyi Kumapayi

Chief Financial Officer

### Yinka Jimoh Abdurraheem

Internal Audit and Subsidiaries

### Yinka Tiamiyu

Head, Group Internal Audit

## Assistant General Managers

### Abdoulaye Kone

Head, Corporate Banking, Côte D'Ivoire

### Abubakar Bello

Regional Head, CBD North West 1

### Ayobami Adegoke

Regional Head, Branch Services Abuja

### Bode Olamide Ojeniyi

Group Head, Financial Institutions

### David Aluko

Managing Director, Intercontinental Bank (Ghana) Limited

### Fatai Oladipo

Group Head, Corporate Counsel

### Gboyega Oloyede

Head, Human Resources (Subsidiaries)

### Ifeanyi Emefiele

Head, IT Audit

### Jekwu Ozoemene

Managing Director, Access Bank Zambia Limited

### Joseph Onyekachi Egwuatu

Head, Central Processing and Head Office Controls

### Kameel Adebayo

Head, Financial Control (Group Office)

### Kathleen Erhimu

Zonal Head (Wealth Management/GEM, Lagos)

### Kola Ajimoko

Group Head, Operational Risk Management

### Lookman Martins

Regional Head, CBG Mainland 1

### Nixon Iwedi

Head, Commercial Banking Division, Port Harcourt

### Mohammed Usman

Regional Head, CCBG North West 2

### Nnamdi Nwankwo

Group Head, Oil & Gas

### Ola Isola

Head, Trade Product

### Oladapo Fajemirokun

Head, Dangote Global Relationship

### Tunde Balogun

Managing Director, Access Bank (Sierra Leone) Limited

# Directors' Report

## For the year ended 31 December, 2011

The Directors have pleasure in presenting their report on the affairs of Access Bank Plc (the "Bank") together with its subsidiaries (the "Group"), and the Group and Bank audited financial statements and auditor's report for the financial year ended 31 December, 2011.

### Legal form and principal activity

The Bank was incorporated as a private limited liability company on 8 February, 1989 and commenced business on 11 May, 1989. The Bank was converted to a public limited liability company on 24 March, 1998 and its shares were listed on the Nigerian Stock Exchange on 18 November, 1998. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February, 2001.

The principal activity of the Bank continues to be the provision of money market activities, retail banking, granting of loans and advances, equipment leasing, corporate finance and foreign exchange operations.

The Bank has the following international banking subsidiaries: Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank Zambia Limited, The Access Bank UK Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Access Bank Côte d'Ivoire and Access Bank (R.D. Congo).

During the year, Access Bank through its wholly owned subsidiary, Project Star Investment Limited, acquired a controlling interest in Intercontinental Bank Group. Pursuant to the acquisition, Access Bank acquired a further 4 banking subsidiaries, including Intercontinental

Bank, Intercontinental Homes and Mortgages Limited and its 2 international banking subsidiaries, Intercontinental Bank Ghana Limited and Intercontinental Bank (UK) Limited. In addition, as a result of the acquisition, Access Bank also acquired equity interest in 9 domestic non banking subsidiaries and 3 associate companies of Intercontinental Bank. Details of the subsidiaries, associate companies and related percentage holdings as at the date of acquisition are disclosed in note 20(h).

Access Bank Plc's other non-banking subsidiaries include Access Finance, B.V. (Netherlands), Access Investment and Securities Limited (ceased trading and currently undergoing a voluntary winding up process) and Access Homes and Mortgages Limited (currently undergoing a voluntary winding up process, following completion of the integration of its mortgage business into Access Bank's Retail Banking business, and transfer of its assets and liabilities to Access Bank, in March 2011).

The Bank, with the approval of its Shareholders in December 2011, increased its authorised share capital from N10,000,000,000 to N13,000,000,000. The authorised share capital is made up of 24 billion ordinary shares of 50 Kobo each and 2 billion preference shares of 50 Kobo each. The increase in share capital was carried out pursuant to the merger with Intercontinental Bank Plc which was concluded subsequent to the end of the reporting period.

The financial results of all the subsidiaries have been consolidated in these financial statements.

### Operating results

Highlights of the Group's operating results for the year are as follows:

	Group Dec-11 N'000	Group Dec-10 N'000	Bank Dec-11 N'000	Bank Dec-10 N'000
<b>Gross earnings</b>	<b>138,949,414</b>	91,142,064	<b>96,234,017</b>	79,065,123
Profit before taxation	<b>20,301,365</b>	16,168,870	<b>16,016,762</b>	17,668,584
Tax charge	<b>(3,593,110)</b>	(5,100,749)	<b>(2,356,314)</b>	(4,737,143)
Profit after taxation	<b>16,708,255</b>	11,068,121	<b>13,660,448</b>	12,931,441
Non-controlling interests	<b>(879,093)</b>	176,442	–	–
Profit attributable to equity holders of the Bank	<b>15,829,162</b>	11,244,563	<b>13,660,448</b>	12,931,441
<b>Appropriations:</b>				
Transfer to statutory reserve	<b>2,049,067</b>	1,939,716	<b>2,049,067</b>	1,939,716
Interim dividend paid	<b>3,577,650</b>	3,577,650	<b>3,577,650</b>	3,577,650
Transfer to general reserve	<b>10,202,445</b>	5,727,197	<b>8,033,731</b>	7,414,075
	<b>15,829,162</b>	11,244,563	<b>13,660,448</b>	12,931,441
Earnings per share – Basic (k)	<b>88</b>	63	<b>76</b>	72
Earnings per share – Adjusted (k)	<b>88</b>	63	<b>76</b>	72
Dividend (paid):				
– Final declared (December 2010)	<b>5,366,475</b>	–	<b>5,366,475</b>	–
– Interim (June 2011 & June 2010)	<b>3,577,650</b>	3,577,650	<b>3,577,650</b>	3,577,650
Proposed dividend (Dec 2011 & Dec 2010)	<b>6,866,476</b>	5,366,475	<b>6,866,476</b>	5,366,475



	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Shareholders' fund</b>	<b>197,042,209</b>	175,370,457	<b>185,836,455</b>	182,504,814
<b>Total non-performing loans and advances</b>	<b>59,184,623</b>	37,673,139	<b>22,397,188</b>	31,228,154
Total non-performing loans and advances to gross risk assets (%)	<b>9.30%</b>	8.10%	<b>4.34%</b>	7.17%

### Interim dividend

The Board of Directors proposed and paid an interim dividend of 20 Kobo each on the issued share capital of 17,888,252,000 ordinary shares of 50 Kobo each as at 30 June, 2011. Withholding tax was deducted at the time of payment.

### Proposed dividend

The Board of Directors recommended a final dividend of N6,866,476,000 for the year ended 31 December 2011. Withholding tax will be deducted at the time of payment.

Number of Ordinary Shares of 50 Kobo each held as at

	31 December, 2011		31 December, 2010	
	Direct	Indirect	Direct	Indirect
G. Oyebode – Chairman	65,021,987	63,450,898	65,021,987	63,356,888
A. I. Aig-Imoukhuede – Managing Director	23,458,468	520,762,512	23,458,468	514,958,528
H. O. Wigwe – Deputy Managing Director	23,458,466	520,762,512	23,458,466	514,958,528
C. M. Maduka	6,285,074	333,636,388	6,285,074	333,636,388
O. S. Otubu	15,690,593	13,921,795	15,690,593	19,421,795
T. E. Koroye – Executive Director	1,439,200	–	20,835,759	–
M. Isa-Dutse	2,636,994	–	2,547,835	–
E. Chiejina	5,853,630	–	5,853,630	–
O. Nwuke – Executive Director	5,907,440	–	5,907,440	–
T. Folawiyó	13,175,076	320,268,095	13,175,076	320,268,095
A. Desalu (retired 25 January, 2011)	4,000,000	175,000	4,353,658	502,059
O. Ohiwerei – Executive Director	10,038,540	–	8,029,340	–
E. Olufowose – Executive Director	4,157,000	–	3,157,000	–
M. Belo-Olusoga	1,615,057	–	615,057	–
A. O. Ogunmefun (appointed 28 April, 2011)	–	–	–	–

### Retirement of Directors

The Directors to retire every year shall be those who have been longest in office since their last election. In accordance with the provisions of section 259 of the Companies and Allied Matters Act of Nigeria, Mr Emmanuel Chiejina and Mr Oritsedere Samuel Otubu retire by rotation and being eligible offer themselves for re-election.

### Directors' interest in contracts

In accordance with the provisions of Section 277 (1) and (3) of the Companies and Allied Matters Act of Nigeria, the Board has received a declaration of interest from the under-listed Directors in respect of the companies (vendors to the Bank) set against their respective names.

Related Director	Interest in entity	Name of company	Services to the Bank
Mr Gbenga Oyebode	Partner	Aluko & Oyebode	Legal services
Dr Cosmas Maduka	Director	Coscharis Group Companies	Supply of cars, water, beverages and computer equipment
Mr Oritsedere Otubu	Director	Staco Insurance Plc	Underwriting services
Mr Oritsedere Otubu	Director	Senforce Insurance Brokers Limited	Insurance brokerage services
Mr Taukeme Koroye	Shareholder	Petrodata Management Services	Optix document management solution
Mrs Mosunmola Belo-Olusoga	Director	The KRC Limited	HR and Training services
Dr Tunde Folawiyó	Director	MTN Nigeria Limited	Mobile telephone services
Dr Tunde Folawiyó	Director	Classic Insurance Brokers Limited	Insurance brokerage services
Dr Tunde Folawiyó	Director	DTD Services Limited	Air Charter Services
Mr Aigboje Aig-Imoukhuede	Shareholder	Marina Securities Limited	Brokerage services and purchase of subsidiary
Mr Herbert Wigwe	Shareholder	Marina Securities Limited	Brokerage services and purchase of subsidiary

# Directors' Report

## continued

### Analysis of shareholding

The shareholding pattern of the Bank as at 31 December, 2011 was as stated below:

	31 December, 2011			
	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
<b>Domestic Shareholders</b>				
1 – 1,000	33,677	8	18,857,497	0.11
1,001 – 5,000	264,107	62	577,894,895	3.23
5,001 – 10,000	56,777	13	429,537,976	2.40
10,001 – 50,000	51,443	12	1,118,351,363	6.25
50,001 – 100,000	11,044	3	743,469,921	4.16
100,001 – 500,000	7,106	2	1,346,293,291	7.53
500,001 – 1,000,000	645	0	446,305,320	2.49
1,000,001 – 5,000,000	552	0	1,098,355,440	6.14
5,000,001 – 10,000,000	88	0	617,017,671	3.45
10,000,001 and above	132	0	11,196,658,473	62.59
	<b>425,571</b>	<b>100.00</b>	<b>17,592,741,847</b>	<b>98.35</b>
<b>Foreign Shareholders</b>				
500,001 – 1,000,000	3	0.00	2,024,000	0.01
1,000,001 – 5,000,000	3	0.00	5,821,356	0.03
5,000,001 – 10,000,000	–	–	–	–
10,000,001 and above	4	0.00	287,664,275	1.61
	<b>10</b>	<b>0.00</b>	<b>295,509,631</b>	<b>1.65</b>
<b>Total</b>	<b>425,581</b>	<b>100.00</b>	<b>17,888,251,478</b>	<b>100.00</b>

The shareholding pattern of the Bank as at 31 December, 2010 is as stated below:

	31 December, 2010			
	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
<b>Domestic Shareholders</b>				
1 – 1,000	32,179	7.42	18,252,983	0.10
1,001 – 5,000	267,325	61.66	586,371,477	3.28
5,001 – 10,000	58,558	13.51	442,883,090	2.48
10,001 – 50,000	54,301	12.53	1,180,841,232	6.60
50,001 – 100,000	11,772	2.72	790,436,167	4.42
100,001 – 500,000	7,879	1.82	1,468,995,171	8.21
500,001 – 1,000,000	706	0.16	486,106,950	2.72
1,000,001 – 5,000,000	570	0.13	1,163,405,213	6.50
5,000,001 – 10,000,000	87	0.02	616,408,329	3.45
10,000,001 and above	126	0.03	6,581,444,418	36.79
	<b>433,503</b>	<b>100.00</b>	<b>13,335,145,030</b>	<b>74.55</b>
<b>Foreign Shareholders</b>				
500,001 – 1,000,000	4	0.00	2,587,200	0.01
1,000,001 – 5,000,000	9	0.00	2,587,239	0.02
5,000,001 – 10,000,000	–	0.00	0.0	–
10,000,001 and above	3	0.00	4,547,932,009	25.42
	<b>16</b>	<b>0.00</b>	<b>4,553,106,448</b>	<b>25.45</b>
<b>Total</b>	<b>433,519</b>	<b>100.00</b>	<b>17,888,251,478</b>	<b>100.00</b>

## Substantial interest in shares

According to the register of members at 31 December, 2011, no individual Shareholder held up to 5% of the issued share capital of the Bank except the following:

	31 December, 2011		31 December, 2010	
	Number of shares held	% of shareholding	Number of shares held	% of shareholding
Stanbic Nominees Nigeria Limited	3,475,777,401	19.43	2,461,077,236	13.76
Access Bank Staff Investment Trust Scheme	832,375,863	4.65	1,030,910,287	5.76

As at 31 December, 2011, the holding of Access Bank Staff Investment Trust Scheme was below 5%.

Stanbic Nominees held the 3,475,777,401 unit of shares in its capacity as custodian for various investors. Stanbic Nominees does not exercise any right over the underlying shares. All the rights resides with the various investors on behalf of whom Stanbic Nominees carry out the custodian services.

## Property and equipment

Information relating to changes in property and equipment is given in Note 25 to the financial statements. In the Directors'

opinion, the net realisable value of the Group's property and equipment is not less than the carrying value in the financial statements.

## Donations and charitable gifts

The Bank identifies with the aspirations of the community and the environment in which it operates. The Bank made contributions to charitable and non-charitable organisations amounting to N182,970,000 (December 2010: N103,831,000) during the period, as listed below:

Beneficiary	Purpose	N'000
Gift from Africa	Bank donation	52,000
A. Aruera Reachout Foundation	Support for women for change development initiative	30,000
Discovery Channel	Discovery Channel Global Education Partnership	15,650
National Agency for the Control of AIDS	Support towards National Agency for the Control of AIDS	14,500
Commonwealth Business Council	Support of Power Summit	11,799
Kendra Johnson Foundation	Support for Kendra Johnson Foundation	500
Institute for Certified Accountants of Nigeria	Support of the 41st Annual Accountants Conference	250
National Drug Law Enforcement Agency	2011 NDLEA Programme against Drug Trafficking	250
Nigerian Stock Exchange	Support of the 10th Annual National Essay Competition	12,000
River State	Support of Investors Forum	10,000
Africa International Film Festival	Support of event	5,000
Association of Nigerian Licensed Customs Agents	Support for biometric data capture	3,000
Unity Schools Students Association	Support for Unity Schools Students Association	2,000
Lagos State Sports Endowment Fund (LSSEF)	Support for LSSEF corporate run	2,000
French Community	Support for 2011 French week	700
Benue State University	Financial Support	10,000
Centre for Criminal Justice Reform & Citizen Awareness	Sponsorship of Event	5,000
The United Nations Environment Programme Finance Initiative (UNEPFI)	Support for Nigeria Sustainable Finance Week	8,321
		<b>182,970</b>

# Directors' Report continued

## Compliance with Central Bank of Nigeria's Regulation on the Scope of Banking Activities

In compliance with the Regulation on the Scope of Banking Activities and Ancillary Matters No. 3, 2010 ("the Regulations"), the Bank has applied to the Central Bank of Nigeria for a Commercial Banking Licence with International Authorisation.

In line with its adoption of the Commercial Banking model, the Bank is currently in the process of divestment from its non-banking subsidiaries namely United Securities Limited, Access Homes and Mortgages Limited and Access Investments & Securities Limited. The details of divestment are presented below:

### Divestment from non-banking subsidiaries

**United Securities Limited**, a wholly owned subsidiary of Access Bank Plc, is a Securities and Exchange Commission licensed provider of securities register and data administration services. The Company was acquired by the Bank in 2008 and has an authorised share capital of N50 million.

**Marina Securities Limited** emerged as the preferred bidder for the acquisition of the Bank's stake in United Securities Limited after a competitive bid. A Share Purchase Agreement has been executed with Marina Securities Limited and the conditions precedent to acquisition met.

**Access Investment and Securities Limited**, a wholly owned subsidiary of Access Bank Plc, is the investment management subsidiary of the Bank. The Company commenced operations in 2008 and has an authorised share capital N500 million.

The Board of Directors has resolved that the Company undergo members' voluntary winding up, and necessary steps are being taken in that regard.

**Access Homes and Mortgages Limited**, a wholly owned subsidiary of Access Bank Plc, was incorporated in 2008 and licensed by CBN to carry on mortgage banking business in January 2009 with an authorised share capital of N1 billion. The business of Access Homes and Mortgages Limited has been integrated into Access Bank.

### Post balance sheet events

Subsequent to the end of the reporting period, Access Bank completed its acquisition of Intercontinental Bank via a scheme of merger and the 2 banks merged into a single entity. The Bank obtained a court sanction of the scheme of merger on 23 January, 2012. The effects of the court sanction of the scheme of merger are as follows:

- All assets, liabilities and undertakings, including real properties and intellectual property rights of Intercontinental Bank are transferred to Access Bank.
- The intercontinental Bank Shareholders will be allotted 1 scheme share for every 4 shares previously held by them in Intercontinental Bank;
- All legal proceedings, claims and litigation pending or contemplated by or against Intercontinental Bank will be continued after the scheme by or against Access Bank.

- The entire share capital of Intercontinental Bank will be cancelled and Intercontinental Bank be dissolved without being wound up.

Pursuant to the court sanctioned Scheme of Merger between Access Bank Plc and Intercontinental Bank, the proportion of the Scheme shares allotted to Project Star Investments Limited in its capacity as a shareholder of Intercontinental Bank was distributed and allotted to the Access Bank Shareholders pro rata in the proportion of their shareholding in Access Bank.

## Human resources

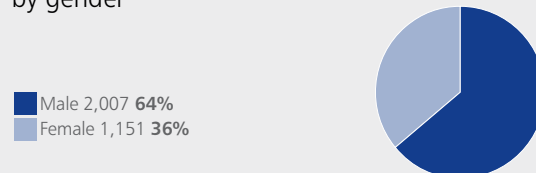
### (i) Diversity in employment

The Group operates a non-discriminatory policy in the consideration of applications for employment. The Bank's policy is that the most qualified and experienced persons are recruited for appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion, gender or physical condition.

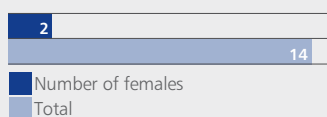
We believe diversity and inclusiveness are powerful drivers of competitive advantage in developing an understanding of our customers' needs and creatively addressing them.

Subsequent to year end, the Bank completed the merger process with Intercontinental Bank Plc via a court sanction of the scheme of merger on 23 January, 2012. As such, the combined staff analysis of the single entity has been provided below:

#### (a) Composition of employees by gender



#### (b) Board composition by gender



#### (c) Executive Management (Executive to CEO) composition by gender

Total number of women in Executive Management position:	NIL
Total number of persons in Executive Management position:	6

**(d) Senior Management (AGM to GM) composition****(e) Employment of disabled persons**

In the event of any employee becoming disabled in the course of employment, the Group will endeavour to arrange appropriate training to ensure the continuous employment of such a person without subjecting the employee to any disadvantage in career development. As at 31 December, 2011, the Bank had 5 staff with physical disability (December 2010: 7).

**(ii) Health, safety and welfare of employees**

The Bank maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, the Bank retains top-class hospitals where medical facilities are provided for its employees and their immediate families at its expense.

Fire prevention and fire-fighting equipment are installed in strategic locations within the Bank's premises.

The Bank operates both a Group Personal Accident and the Workmen's Compensation Insurance covers for the benefit of its employees. It also operates a contributory pension plan in line with the Pension Reform Act 2004 for its employees.

**(iii) Employee involvement and training**

The Bank encourages participation of employees in arriving at decisions in respect of matters affecting their wellbeing. Towards this end, the Bank provides opportunities where employees deliberate on issues affecting the Group and employee interests, with a view to making inputs to decisions thereon. The Bank places a high premium on the development of its manpower. Consequently, the Bank sponsors its employees for various training courses, both locally and overseas.

**(iv) Statement of commitment to maintain positive work environment**

The Group shall strive to maintain a positive work environment that is consistent with best practice to ensure that business is conducted in a positive and professional manner and to ensure that equal opportunity is given to all qualified members of the Group's operating environment. Fire prevention and fire-fighting equipment are installed in strategic locations within the Bank's premises.

**Audit Committee**

Pursuant to Section 359(3) of the Companies and Allied Matters Act of Nigeria, the Bank has an Audit Committee comprising 3 Directors and 3 Shareholders as follows:

1	Mr Oluwatoyin Eleoramo	(Shareholder)	Chairman
2	Mr Alashi Steven Ola	(Shareholder)	Member
3	Mr Idaere Gogo Ogan	(Shareholder)	Member
4	Mr Oritsedere Otubu	(Director)	Member
5	Dr Cosmas Maduka	(Director)	Member
6	Mrs Mosunmola Belo-Olusoga	(Director)	Member

The functions of the Audit Committee are as provided in Section 359(6) of the Companies and Allied Matters Act of Nigeria.

**Auditors**

KPMG Professional Services have indicated their willingness to continue in office as auditors in accordance with Section 357(2) of the Companies and Allied Matters Act of Nigeria.

The Plaza  
Plot 999c, Danmole Street  
Off Adeola Odeku/Idejo Street  
PMB 80150  
Victoria Island  
Lagos

BY ORDER OF THE BOARD

Sunday Ekwochi  
Company Secretary  
30 January, 2012

30 January, 2012



# Directors' Responsibilities and Statutory Audit Committee Report

## Statement of Directors' responsibilities in relation to the financial statements for the year ended 31 December, 2011

The Directors accept responsibility for the preparation of the annual financial statements set out on pages 100 to 173 that give a true and fair view in accordance with Statements of Accounting Standards applicable in Nigeria 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.

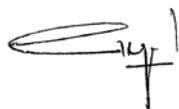
The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act of Nigeria and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement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

The Directors have made assessment of the Company'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:



Mr Aigboje Aig-Imoukhuede  
30 January, 2012



Mr Herbert Wigwe  
30 January, 2012

## Report of the statutory Audit Committee

To the members of **Access Bank Plc:**

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the period ended 31 December, 2011 as follows:

- We have exercised our statutory functions under section 359(6) of the Companies and Allied Matters Act of Nigeria and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Bank and Group are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the period ended 31 December, 2011 were satisfactory and reinforce the Group's internal control systems.
- We are satisfied that the Bank has complied with the provisions of Central Bank of Nigeria Circular BSD/1/2004 dated 18 February, 2004 on "Disclosure of insider related credits in the financial statements of banks". We hereby confirm that an aggregate amount of N90,005,622,784 (December 2010: N58,866,046,399) was outstanding as at 31 December, 2011 of which N860,000 for the Group and nil for the Bank (December 2010: N47,204,787) was non-performing (see note 49).
- We have deliberated on the findings of the external auditors who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses thereon and with the effectiveness of the Bank's system of accounting and internal control.



Mr Oluwatoyin Eleoramo  
Chairman, Audit Committee  
30 January, 2012

Members of the Audit Committee are:

1	Mr Oluwatoyin Eleoramo	(Shareholder)	Chairman
2	Mr Alashi Steven Ola	(Shareholder)	Member
3	Mr Idaere Gogo Ogan	(Shareholder)	Member
4	Mr Oritsedere Otubu	(Director)	Member
5	Dr Cosmas Maduka	(Director)	Member
6	Mrs Mosunmola Belo-Olusoga	(Director)	Member

In attendance:  
Mr Sunday Ekwochi – Secretary

# Corporate Governance

## For the year ended 31 December, 2011

### Introduction

Our corporate governance report provides us with the opportunity to explain to our Stakeholders how our Company has been governed during the year. It reports on how the Board has functioned and the workings of our systems and structures of governance.

Access Bank Plc ('Access Bank' or 'the Bank') is committed to implementing best practice standards of corporate governance. The Bank and its subsidiaries function under a governance framework that permits the Board to discharge its role of providing oversight and strategic counsel in balance with its responsibility to ensure conformance with regulatory requirements and acceptable risk.

The Bank remains mindful of its obligations under the relevant codes of corporate governance such as the Central Bank of Nigeria's (CBN) Code of Corporate Governance for Banks in Nigeria Post Consolidation (the CBN Code), the Securities and Exchange Commission's Code of Corporate Governance (the SEC Code) and the Post Listing Requirements of the Nigeria Stock Exchange. These codes, in addition to the Bank's Principles of Corporate Governance collectively provide the basis for promoting sound corporate governance in the Bank. Our core values of excellence, ethics, passion for customers, teamwork, trust and continuous learning are the bedrock upon which we build our corporate behaviour.

Our Board agenda in 2011 was driven largely by the need to provide strategic governance oversight regarding our business combination with Intercontinental Bank Plc; the de-risking of our subsidiaries portfolio and the need to fully understand and position our Bank vis-à-vis the strategic challenges and opportunities presented by the changes in the regulatory milieu.

### Performance evaluation

The Bank's performance on corporate governance is continuously being monitored and reported. We carry out monthly internal reviews of compliance with the CBN Code and submit our report to the CBN. In addition, ongoing reviews of the Bank's compliance with the SEC Code are carried out by the Risk Audit Unit and reported to the Board through the Risk Management Committee.

The Board has also established a system of independent annual evaluation of its own performance, that of its committees and individual directors. The evaluation is carried out annually by an independent consulting firm approved by the Board. In 2011, Accenture Limited was re-engaged to facilitate the Board performance evaluation. The Board is comfortable that Accenture Limited provides an impartial and objective evaluation notwithstanding its position as one of the Bank's strategy consultants.

The result of the Board performance evaluation is presented by the independent consultant and discussed by the Board during the Board meeting while the individual Director's assessment is communicated and discussed by the Chairman. The cumulative results of the performance of the Board and individual Directors are considered by the Governance & Remuneration Committee as a guide in deciding eligibility for re-election.

The Board performance evaluation for the financial year ended 31 December, 2011 considered 8 key areas, namely: strategic management, provision of financial oversight, decision making and delegation of authority, accountability and reporting, Board performance evaluation, succession planning, Board culture and effectiveness, operations of Board committees and the Bank's Code of Ethics. During the evaluation exercise, survey responses were received from all 14 Directors indicating 100% participation.

The result of the evaluation which was presented to the Board in January 2012 confirmed that the Board continues to operate at a very high level of effectiveness and efficiency.

### Appointment, retirement and re-election of Directors

In accordance with its Articles of Association, one third of all Non-Executive Directors (rounded down) are offered for re-election every year (depending on their tenure on the Board) together with Directors appointed by the Board since the last Annual General Meeting. In keeping with the requirement, Messrs Oritsedere Otubu and Emmanuel Chiejina will retire at this AGM and being eligible for re-election, will be standing for re-election.

We subscribe to the recommendation in the SEC Code that Boards should consider the benefits of diversity including gender when making board appointments. At the same time, we believe that diversity is much more than the issue of gender; it is about ensuring there is an appropriate range of skills, experience and background on the Board. As reported during the last AGM, Dr Adewunmi Desalu resigned his appointment as a Non-Executive Director in January 2011. The Board, pursuant to the powers vested by the Articles of Association, has appointed Mrs Anthonia Olufeyikemi Ogunmefun as a Non-Executive Director, subject to all regulatory and Shareholders' approvals. She brings on board her robust experience in financial services and the legal profession in Nigeria and Canada and her corporate board experience as head of the Governance Committee of Kinark Child and Family Services, a major Canadian child care trust. As required by the Articles of Association, Mrs Ogunmefun's appointment will be tabled before the Shareholders at this AGM for approval. The Board also in January 2012 appointed Mr Victor Etuokwu as an Executive Director in charge of the Transaction Services and Information Technology Services Division subject to regulatory and Shareholders' approvals. Mr Etuokwu brings on board 2 decades of success in the financial services industry which culminated in his appointment as the Managing Director of Intercontinental Bank Plc. In addition, he was the Project Director for the transaction that resulted in our acquisition of a 75% interest in Intercontinental Plc and to the subsequent merger of both institutions.

Following the receipt of all regulatory approvals, Mrs Ogunmefun and Mr Etuokwu will be standing for election as Directors at the AGM.

The biographical details of the candidates for election and re-election are provided on pages 179 to 180 of this Annual Report.

### Shareholders' meeting

Shareholders' meetings are duly convened and held in line with the Bank's Articles of Association and existing statutory and regulatory regimes in an open manner, for the purpose of deliberating on issues affecting the Bank's strategic direction. This occurs through a fair and transparent process and also serves as a medium for promoting interaction between the Board, Management and Shareholders. Attendance at the Annual General Meeting is open to Shareholders or their proxies, while proceedings at such meetings are usually monitored by members of the press, representatives of the Nigerian Stock Exchange, CBN and the Securities and Exchange Commission. The Board ensures that Shareholders are provided with adequate notice of meetings. An Extraordinary General Meeting may also be convened at the request of the Board or Shareholders holding not less than 10% of the Bank's paid-up capital.

In the 2011 financial year, the Bank held two Extraordinary General Meetings, on 26 September and 30 December. A Court Ordered meeting was also held on 30 December, 2011. These meetings were held to obtain requisite Shareholders' approvals for the merger with Intercontinental Bank, the increase in the Bank's authorised share capital and amendment to the Memorandum and Articles of Association.

### Investors' Communication and Rights Protection

The Bank has a robust Investors Communication and Disclosure Policy. As provided in the policy, the Board and Management ensure that communication with the investing public about the Bank and its subsidiaries is timely, factual, broadly disseminated, accurate and in accordance with all applicable legal and regulatory requirements. The Bank also has an Investor Relations Unit that deals with enquiries from Shareholders. This is in addition to Investors Conference calls that are regularly held to provide local, international investors and the analysts community with up-to-date information about the Bank. The Bank's reports and other communication to Shareholders and other Stakeholders are in plain, readable and understandable format while its website [www.accessbankplc.com](http://www.accessbankplc.com) is also regularly updated with both financial and non-financial information as they occur. The details of the Investors' Communication and Disclosure Policy are available at the Investor portal on the website.

The Board ensures that Shareholders' statutory and general right are protected at all times particularly their right to vote at general meetings. The Board also ensures that all Shareholders are treated equally regardless of the amount of their shareholding and social conditions.

### The Board: composition and role

The primary obligation of the Board of Directors is to advance the prosperity of the Bank by collectively directing the Bank's affairs, while meeting the appropriate interests of Shareholders and Stakeholders.

In the 2011 financial year, the Board was comprised of 14 members made up of 8 Non-Executive Directors and 6 Executive Directors, the full details of which are set out below:

S/N	Name	Designation
1	Mr Gbenga Oyeboode	Chairman
2	Dr Cosmas Maduka	Non-Executive Director
3	Mr Oritsedere Samuel Otubu	Non-Executive Director
4	Dr Babatunde Folawiyi	Non-Executive Director
5	Mr Emmanuel Chiejina	Non-Executive Director
6	Dr Mahmoud Isa-Dutse	Non-Executive Director
7	Mrs Mosun Belo-Olusoga	Non-Executive Director
8	Mrs Anthonia Olufeyikemi Ogunmefun	Non-Executive Director
9	Mr Aigboje Aig-Imoukhuede	Group Managing Director/ Chief Executive Officer
10	Mr Herbert Wigwe	Deputy Group Managing Director
11	Mr Taukeme Edwin Koroye	Executive Director
12	Mr Okey Nwuke	Executive Director
13	Mr Obeahon Ohiwerei	Executive Director
14	Mr Ebenezer Olufowose	Executive Director

In line with best practice, there is separation of powers between the Chairman and Group Managing Director. The Board is able to reach impartial decisions as its Non-Executive Directors are a blend of independent and non-independent directors with no shadow or alternate Directors, which ensures that independent thought is brought to bear on decisions of the Board.

The effectiveness of the Board derives from the diverse range of skills and competencies of the Executive and Non-Executive Directors who have exceptional degrees of banking, financial and broader entrepreneurial experience.

The Board is responsible for ensuring the creation and delivery of sustainable value to the Bank's Stakeholders through its management of the Bank's business. The Board is accountable to the Shareholders and is responsible for the management of the Bank's relationship with its various Stakeholders. The Board ensures that the activities of the Bank are at all times executed within the relevant regulatory framework. The Bank's Principles of Corporate Governance are a set of principles which have been adopted by the Board as a definitive statement of corporate governance and define the matters that have been reserved for the Board. A sample of matters reserved for the Board include but are not limited to:

- Defining the Bank's business strategy and objectives;
- Formulating risk policies;
- Approval of quarterly, half yearly and full year financial statements;
- Approval of significant changes in accounting policies and practices;
- Appointment or removal of Directors and Company Secretary;
- Approval of major acquisitions, divestments of operating companies, disposal of capital assets or capital expenditure;
- Terms of reference and membership of Board Committee;
- Setting of annual Board objectives and goals;
- Approval of allotment of shares;
- Remuneration of Auditors and recommendation for appointment or removal of Auditors;

- Succession planning for key positions;
- Approval of the Group strategy, medium-term and short-term plans;
- Approval of the framework for determining the policy and specific remuneration of Executive Directors;
- Monitoring delivery of the strategy and performance against plan;
- Review and monitoring of the performance of the Group Managing Director and the executive team;
- Ensuring the maintenance of ethical standards and compliance with relevant laws;
- Ensuring effective communication with shareholders; and
- Ensuring the integrity of financial reports.

### Appointment process, induction and training of Board members

Our Board appointment philosophy ensures alignment with all necessary legislation and regulation. The Governance & Remuneration Committee is responsible for both succession planning for Executive and Non-Executive Directors and recommends new appointments to the Board. When making Board appointment recommendations, the Committee considers the existing range of skills, experience, background and diversity on the Board in the context of the strategic direction of the Bank before putting together the specification for the type of candidate sought. The Board also considers length of tenure, recognising that continued tenure brings company specific knowledge and understanding while new faces bring fresh perspectives and ideas. We are comfortable that our Board includes sufficient diversity to optimise its performance.

The Board ensures the regular training and education of Directors on issues pertaining to their oversight functions. Regarding new Directors, there is a personalised induction programme which includes one-on-one meetings with each Executive Director and senior executives responsible for the Bank's key business areas. Such sessions focus on the challenges, opportunities and risks facing the business areas. The induction programme covers Group overview, review of businesses and review of the Group's enterprise functions. The Company Secretary provides the Director with an overview of the Board processes and policies. We believe that a robust induction and continuing professional development will improve Directors' performance. We ensure that Directors have appropriate knowledge of the Bank and access to its operations. It is therefore mandatory for all Directors to participate in periodic, relevant continuing professional development in order to update their knowledge and skill and keep them informed of new developments in the Bank's businesses and operating environment. During the period under review directors attended the training courses as shown below:

S/N	Training	Location	Time/Date	Duration
1	Credit Risk Master Class for Non-Executive Directors	Lagos, Nigeria	29 July, 2011	1 day
2	5th Annual Banking and Finance Conference	Abuja, Nigeria	27-28 September, 2011	2 days
3	Achieving Outstanding Performance	INSEAD France	12-16 September, 2011	5 days
4	2011 CBN/FITC Mandatory Continuing Education Programme for Bank Directors	Lagos, Nigeria	11-13 October, 2011	3 days
5	High Performing Board	London Business School, London	19-23 October, 2011	6 days

### Delegation of authority

The ultimate responsibility for the Bank's operations rests with the Board. The Board retains effective control through a well-developed committee governance structure that provides in-depth focus on Board responsibilities. The Board also delegates authority to the Group Managing Director to manage the affairs of the Group within parameters established by the Board from time to time.

The Board meets quarterly and emergency meetings are convened as may be required by circumstances. The Annual Calendar of Board and Committee meetings are approved in advance at the first meeting of the Board in each financial year and all Directors are expected to attend each meeting. Material decisions may be taken between meetings through written resolutions as provided for by the Bank's Articles of Association. The Annual Calendar of Board activities include a Board Retreat at an offsite location, to consider strategic matters and review the opportunities and challenges facing the institution. All Directors are provided with Notices, Agenda and meeting papers in advance of each meeting and where a Director is unable to attend a meeting he/she is still provided with the relevant papers for the meeting while such Director reserves the right to discuss with the Chairman matters he/she may wish to raise at the meeting. The Directors are also provided with monthly updates on developments in the regulatory and business environment. The Board met 8 times in the 2011 financial year.

# Corporate Governance

## continued

### Board committees

The Board carries out its oversight function through its 4 standing committees each of which has a charter that clearly defines its purpose, composition, structure, frequency of meetings, duties, tenure and reporting lines to the Board. In line with best practice, the Chairman of the Board does not sit on any of the committees. The standing committees are the Board Risk Management Committee, the Board Audit Committee, the Board Governance & Remuneration Committee and the Board Credit & Finance Committee. The composition and responsibilities of the committees are set out below:

S/N	Name	Board Audit Committee	Board Risk Management Committee	Board Credit & Finance Committee	Board Governance & Remuneration Committee
1	Mr Gbenga Oyebo <sup>1</sup>	–	–	–	–
2	Dr Cosmas Maduka <sup>1</sup>	–	–	C	–
3	Mr Oritsedere Otubu <sup>1</sup>	C	–	M	M
4	Dr Tunde Folawiyo <sup>1</sup>	–	M	M	M
5	Dr Mahmoud Isa-Dutse <sup>2</sup>	M	C	M	–
6	Mr Emmanuel Chiejina <sup>2</sup>	–	M	M	C
7	Mrs Mosunmola Belo-Olusoga <sup>1</sup>	M	M	M	M
8	Mrs Kemi Ogunmefun <sup>1</sup>	–	M	M	M
9	Mr Aigboje Aig-Imoukhuede <sup>3</sup>	–	M	M	M
10	Mr Herbert Wigwe <sup>3</sup>	–	M	M	M
11	Mr Taukeme Koroye <sup>3</sup>	M	–	–	–
12	Mr Okey Nwuke <sup>3</sup>	–	–	M	–
13	Mr Obeahon Ohiwerei <sup>3</sup>	–	–	M	–
14	Mr Ebenezer Olufowose <sup>3</sup>	–	M	M	–

#### Keys

- C Chairman of Committee
- M Member
- Not a member
- 1 Non-Executive
- 2 Independent Non-Executive
- 3 Executive

### Board Credit & Finance Committee

The Committee considers and approves loan applications above certain limits (as defined by the Board from time to time) which have been recommended by the Management Credit Committee. It also reviews and approves all loans to senior management and Executive Directors. It acts as a catalyst for credit policy changes. The Committee oversees the administration and effectiveness of, and compliance with, the Bank's credit policies through the review of processes and reports on the recommendation of the Management Credit Committee and any other means as it deems appropriate.

Dr Cosmas Maduka chairs the Committee. Dr Maduka is the President/Chairman of the Board of Directors of Coscharis Group of Companies, one of Nigeria's largest and highly successful local conglomerates. He has served as a Board member of the Human Development Fund of the United Nations Development Programme. An astute businessman, Dr Maduka has contributed immensely towards the socio-economic growth and development of the nation.

During the year under review, the Committee engaged in strategic discussions and approved key initiatives including the standard operating procedure for risk based pricing, policy on Directors and insider-related facilities. Policy on object and real estate financing. In order to manage and monitor compliance

with decisions made during meetings, the Committee set action points, and assigned responsibilities and timelines, all of which were reviewed at the subsequent meetings.

### Board Governance & Remuneration Committee

The Committee advises the Board on its oversight responsibilities in relation to compensation, benefits and all other human resource matters affecting the Bank. Specifically, the Committee is responsible for determining and executing the processes for Board appointments, recommending appropriate remuneration for Directors (both Executive and Non-Executive) and approving remuneration for all other staff. The Committee is responsible for reviewing and recommending the Bank's organisational structure to the Board for approval. The Committee is also responsible for reviewing the performance and effectiveness of the Boards of the Bank's subsidiaries on an annual basis. It ensures that the Bank's human resources are maximised to support the long-term success of the enterprise and to protect the welfare of all employees. The Board has defined a process to monitor the performance of the subsidiaries' Boards with implementation of this process scheduled to commence in 2012. The Committee met six times during the 2011 financial year.



The Committee is chaired by Mr Emmanuel Chiejina. He is a Graduate of Law from the University of Lagos and was called to the Nigerian Bar in 1976. He spent 27 years with Elf Petroleum Nigeria Limited where he was executive director of Corporate Development and Services with responsibility for Human Resources. He retired as Deputy Managing Director in 2007 and has since been active in business.

Key issues considered by the Committee during the period include review of the Committee Charter promotion and appointment of top management staff, approval of the human resources integration plan for Intercontinental Bank Plc, and review and approval of human resources actions in respect of the Côte d'Ivoire subsidiary.

### **Board Risk Management Committee**

The Committee assists the Board in fulfilling its oversight responsibility relating to establishment of policies, standards and guidelines for risk management, and compliance with legal and regulatory requirements. In addition, it oversees the establishment of a formal written policy on the overall risk management system. It also ensures compliance with established policies through periodic reviews of reports provided by Management and ensures the appointment of qualified officers to manage the risk function. The Committee evaluates the Bank's risk policies on a periodic basis to accommodate major changes in the internal or external environment. It met 5 times during the 2011 financial year.

The Committee is chaired by Dr Mahmoud Isa-Dutse. He has more than 20 years' working experience in the Nigerian banking industry, having retired as an Executive Director, United Bank for Africa Plc in 2002. He holds a doctorate degree in corporate governance from Manchester Business School. He also has Master of Business and Bachelor of Science degrees (Economics) from Wharton Business School and Ahmadu Bello University, Zaria respectively.

The key issues that occupied the attention of the Committee during the period were the review of the Committee's Charter; merger with Intercontinental Bank Plc; discussion on Internal Capital Adequacy Assessment Plan; review and recommendation of risk management policies to the Board for approval and the review and approval of management action on Access Bank Côte d'Ivoire in the wake of the political instability in that country.

### **Board Audit Committee**

The Committee assists the Board in fulfilling its oversight responsibility relating to the integrity of the Bank's financial statements and the financial reporting process; the independence and performance of the Bank's internal and external auditors; and the Bank's system of internal control and mechanism for receiving complaints regarding the Bank's accounting and operating procedures. The Bank's Chief Internal Auditor and Chief Compliance Officer have access to the Committee and make quarterly presentations to the Committee. Mr Oritsedere Otubu chairs the Board Audit Committee. He holds a Bachelor's degree and a Master's degree in Finance and Accounting respectively from Houston Baptist University, United States of America. He has several years of professional experience in the financial services industry. Other members of the Committee have relevant backgrounds in financial management and accounting as required by the CBN Code. The Committee met six times during the 2011 financial year.

During the year, the Committee continued its review of the Internal Auditor's report on the Bank's subsidiaries and branches, the report of the Disciplinary Committee Proceedings and report on Financial Control and Strategy. Other key activities undertaken by the Committee include review of the Committee Charter and the commissioning of Akintola Williams Deloitte to carry out a quality assessment of the Bank's internal audit function to confirm the degree of compliance with the Institute of Internal Audit Standards for the Professional Practice of Internal Auditing.

# Corporate Governance

## continued

### Attendance at Board and Board committee meetings

For the period ended 31 December, 2011, the Board Governance & Remuneration Committee and the Board Audit Committee held 6 meetings respectively, while the Board Risk Management Committee held 5 meetings and the Board Credit & Finance Committee held 4 quarterly meetings. Directors' attendances at these meetings are as shown below:

Names of Directors	Board of Directors	Board Risk Management Committee	Board Credit & Finance Committee	Board Governance & Remuneration Committee	Board Audit Committee
Number of meetings held	8	5	4	6	6
Attendance:					
1 Mr Gbenga Oyebode	8	–	–	–	–
2 Dr Cosmas Maduka	7	–	4	–	–
3 Dr Mahmoud Isa-Dutse	8	5	4	–	6
4 Mrs Kemi Ogunmefun*	5*	3*	2*	–	–
5 Mr Oritsedere Otubu	7	–	3	6	6
6 Mr Emmanuel Chiejina	7	–	3	5	–
7 Dr Tunde Folawiyó	7	4	4	5	–
8 Mrs Mosunmola Belo-Olusoga	8	5	4	6	6
9 Mr Aigboje Aig-Imoukhuede	8	5	4	6	–
10 Mr Herbert Wigwe	8	5	4	6	–
11 Mr Taukeme Koroye	7	–	–	–	5
12 Mr Okey Nwuke	6	–	4	–	–
13 Mr Obeahon Ohiwerei	8	–	4	–	–
14 Mr Ebenezer Olufowose	8	5	4	–	–

\* Appointed a Director of the Bank by a resolution of the Board passed on 28 April, 2011, and thereafter appointed as a member of both the BRMC and BCFC on 29 June, 2011.

### Executive Committee

The Executive Committee (EXCO) is made up of the Group Managing Director as Chairman, the Group Deputy Managing Director and all the Executive Directors as members. It is primarily responsible for the implementation of strategies approved by the Board and for ensuring the efficient deployment of the Bank's resources.

### Management committees

These are standing committees made up of senior management staff of the Bank. The committees are also risk driven and are set up to identify, analyse and make recommendations on risks pertaining to the Bank's day-to-day activities. They ensure that risk limits set by the Board and the regulatory bodies are complied with and also provide input to the various Board committees in addition to ensuring the effective implementation of risk policies. These committees meet as frequently as risk issues occur and take actions and decisions within the confines of their respective powers.

The management committees include: the Management Credit Committee, the Group Asset & Liability Committee, the Enterprise Risk Management Committee, the Criticised Assets Committee and the IT Steering Committee.

### Statutory Audit Committee

In compliance with Section 359 of the Companies and Allied Matters Act 2004, the Bank constituted a Standing Shareholders' Audit Committee made up of 3 Non-Executive Directors and 3 Shareholders. The composition of the Committee is as set out below:

1	Mr Oluwatoyin Eleoramo	(Shareholder)	Chairman
2	Mr Idaere Gogo Ogan	(Shareholder)	Member
3	Mr Alashi Stephen Ola	(Shareholder)	Member
4	Dr Cosmas Maduka	(Director)	Member
5	Mr Oritsedere Otubu	(Director)	Member
6	Mrs Mosunmola Belo-Olusoga	(Director)	Member

The Committee met twice during the financial year.

### Succession planning

Access Bank has a Succession Planning Policy which was approved by the Board at its 112th meeting held on 16 November, 2007. Succession planning is aligned to the Bank's performance management process. The policy identifies key positions, including Country Managing Director positions for all Access Bank operating entities in respect of which there will be formal succession planning. The Bank's policy provides that potential candidates for the other positions shall be identified at the beginning of each financial year by Head Group Human Resources, based on performance and competencies.

### Code of ethics

Access Bank has a Code of Conduct which specifies expected behaviour of its employees and Directors. The Code requires that each employee shall read the Code and sign an affirmation that he or she has understood the content. In addition, there is an annual re-affirmation exercise. The Bank also has a Compliance Manual which provides guidelines for addressing violations/breaches and ensuring enforcement of discipline with respect to staff conduct. The Bank has a Disciplinary Guide which provides sample offences/violations and prescribes disciplinary measures to be adopted in various cases. The Head of Human Resources is responsible for the design and implementation of the Code of Conduct while the Chief Compliance Officer is responsible for monitoring and ensuring compliance.

The Chief Compliance Officer issues at the commencement of each financial year, an Ethics & Compliance message to all staff within the Group. The Ethics & Compliance message reiterates the Bank's policy of full compliance with all applicable laws, regulations, corporate ethical standards and policies in the conduct of the Bank's business. The message admonishes employees to safeguard the franchise and advance its growth in a sustainable manner while ensuring compliance with relevant policies, laws and regulations.

### Dealing in Company securities

The Bank implements a Non-Dealing Period Policy, the purpose of which is to ensure that Directors, members of the Audit Committee, employees and all other insiders do not abuse, or place themselves under the suspicion of abusing, price sensitive information in relation to the Company's securities. In line with the policy, affected persons are prohibited from trading in the company's securities during the closed period. The Bank has also put in place mechanisms for monitoring compliance with the policy.

### Remuneration statement

The Report on Directors' remuneration is as set out in page 122 in this Annual Report. The Group has established clear policy guidelines for the determination and administration of compensation. In line with the policy guidelines, the Bank seeks to attract and retain the best talent in countries that it operates. To achieve this, the Group seeks to position itself among the best companies in its industry, in terms of performance and employee rewards, in every market in which it operates. This principle will act as a general guide for the determination of compensation in each country. The objective of the policy is to ensure that salary structure including short- and long-term incentives motivate sustained high performance and are linked to corporate performance. It is also designed to ensure that Stakeholders are able to make reasonable assessment of the Bank's reward practices. It is the Group's policy to fully comply with all local tax policies in the countries of operation.

Operating within the guidelines set by the principle above; compensation for country staff will be approved by the Board of Director of each subsidiary, based on the conditions in the local economic environment as well as the requirements of local labour laws. Each subsidiary is required to conduct annual compensation surveys or obtain compensation statistics in their local markets to arrive at specific compensation structures for the local market. Compensation will be determined annually at the end of the financial year. All structural changes to compensation must be approved by the Group Office.

Total compensation provided to employees will typically include guaranteed and variable portions. The specific proportion of each will be defined at the country level. Guaranteed pay will include base pay and other guaranteed portions while variable pay may be both performance-based and discretionary.

The Bank has put in place a performance bonus scheme which seeks to attract and retain high performing employees. Awards to individuals are based on the job level, business unit performance and individual performance. Other determinants of the size of individual award amount include pay levels for each skill set which may be influenced by a relative lack of skill in a particular area.

The Bank fully complies with the Pension Reform Act on the provision of retirement benefits to all employees at all levels. Based on the approval of Shareholders, the Bank is currently in the process of establishing an Employee Performance Share Plan which will award the Bank's shares to its employees, subject to such terms and conditions as the Board of Directors may determine from time to time.

The Bank's long-term incentive programme rewards executive officers for loyal service to the Bank for a period in excess of 10 years. This is to ensure that executives share in the Bank's success and focus on the Bank's long-term success. The justification for a long-term incentive plan for senior and executive management is very compelling given recent industry development. The stability, loyalty and commitment of senior and executive management needs to be cemented by the time-tested human resource management tool of long-term retirement benefit. The Bank in addition to statutory pension arrangements put in place a long-term incentive plan for senior and executive management.

### Whistle-blowing procedure

The Bank has a whistle-blowing policy which provides the procedure for reporting suspected breaches of the Bank's internal policies, laws and regulations. There is a special email address and telephone hotline designated for whistle-blowing.

The Bank's website also provides a channel for lodging whistle-blower reports. Individuals interested in whistle-blowing may click on the Customer Service link on the Bank's website, scroll down to the whistle-blower column and then register, anonymously or otherwise, any allegations they want the Bank to investigate.

# Corporate Governance

## continued

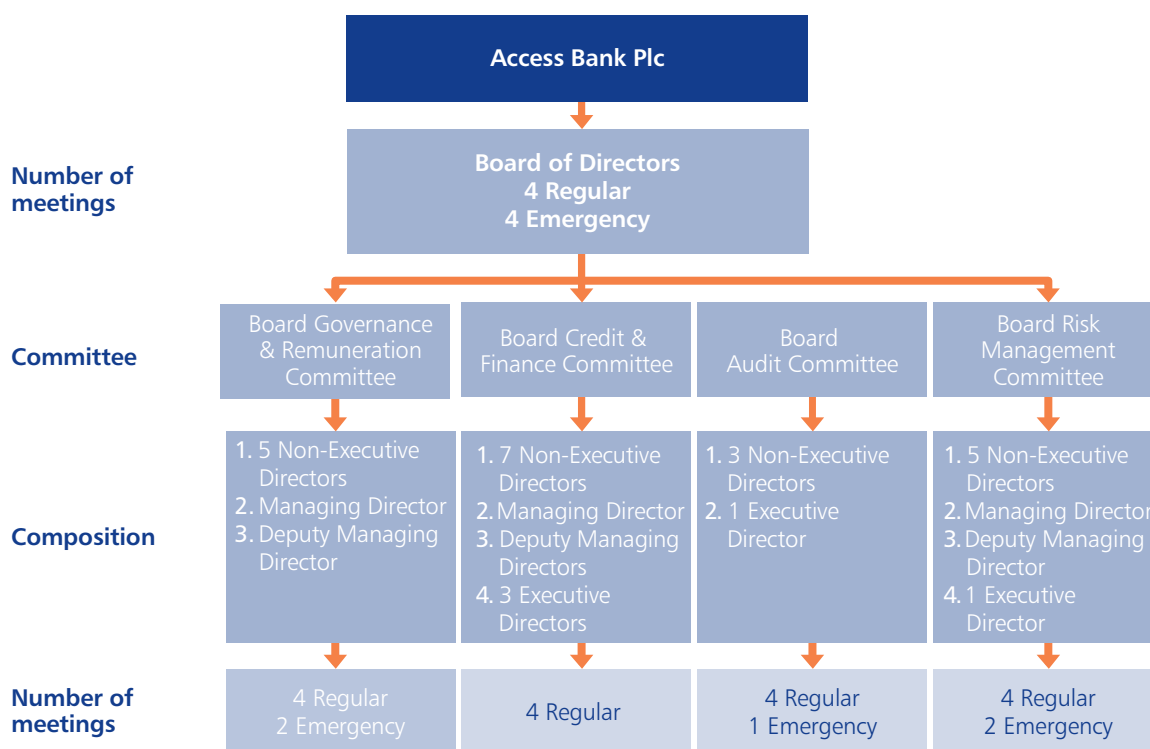
The Bank's Chief Compliance Officer (CCO) is responsible for monitoring and reporting on whistle-blowing.

### The Company Secretary

The Company Secretary has the primary duty of assisting the Board and Management in developing and implementing good corporate governance standards. The Company Secretary ensures there is timely and appropriate information dissemination within and to the Board, and is responsible for designing and implementing the induction programme for new Directors and also the Directors' annual training curriculum.

### Statement of Compliance

The Bank has public limited liability and therefore subject to the jurisdiction of the SEC Code as well as the CBN Code. We have complied with the relevant provisions of the SEC Code except that in the case of any conflict between the provisions of the 2 codes regarding any matter, the Bank will defer to the provisions of the CBN Code as its primary regulator.



# Independent Auditor's Report

To the Members of Access Bank Plc

## Report on the Financial Statements

We have audited the accompanying financial statements of Access Bank Plc ("the Bank") and its subsidiary companies (together "the Group"), which comprise the balance sheets as at 31 December, 2011, and the profit and loss accounts, statements of cash flows and value added statements for the year then ended, the statement of accounting policies, notes to the financial statements and the 5 year financial summaries, as set out on pages 32 to 77 and 84 to 176.

## Directors' responsibility for the financial statements

The Directors are responsible for the preparation of these financial statements that give a true and fair view in accordance with Statements of Accounting Standards applicable in Nigeria 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 circulars, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the interim financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion, these financial statements give a true and fair view of the financial position of Access Bank Plc ("the Bank") and its subsidiaries (together "the Group") as at 31 December, 2011, and of the Group's and Bank's financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars.

## Report on Other Legal and Regulatory Requirements

### Compliance with the requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the Bank, so far as appears from our examination of those books and the Bank's balance sheet and profit and loss account are in agreement with the books of accounts.

### Compliance with Section 27 (2) of the Banks and Other Financial Institutions Act of Nigeria and Central Bank of Nigeria circular BSD/1/2004

- i. The Bank did not pay any penalties in respect of contravention of the provisions of a Central Bank of Nigeria's Circular during the year ended 31 December, 2011.
- ii. Related party transactions and balances are disclosed in note 49 of the financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

Lagos, Nigeria  
29 February, 2012



KPMG  
22A, Gerrard Road  
Ikoyi, Lagos



# Statement of Significant Accounting Policies

A summary of the principal accounting policies, applied consistently (with the exception of Note d(i),l,r(ii),u,v,w) throughout the current year and preceding annual financial years is set out below.

## (a) Basis of preparation

- (i) These financial statements are the consolidated financial statements of Access Bank Plc and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared under the historical cost convention modified by the revaluation of certain investment securities, and comply with the Statements of Financial Reporting Council of Nigeria (FRCN), the requirements of the Companies and Allied Matters Act of Nigeria, the Banks and Other Financial Institutions Act of Nigeria, and Relevant Central Bank of Nigeria guidelines and circulars.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

## (b) Basis of consolidation

### (i) Subsidiaries

Subsidiary undertakings, which are those companies in which the Bank, directly or indirectly, has an interest of more than half of the voting rights or otherwise has power to exercise control over their operations, have been consolidated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Bank. Separate disclosure is made for non-controlling interest.

The consolidated financial statements combine the financial statements of Access Bank Plc ("the Bank") and its subsidiaries ("the Group") wherein there is majority shareholding and/or control of the Board of Directors and management. The consolidated subsidiaries are Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank (Zambia) Limited, The Access Bank (UK) Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Access Bank Côte d' Ivoire, Access Bank (R.D. Congo), Access Investment and Securities Limited, Access Finance B.V. and Intercontinental Bank.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated in preparing the interim Group financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

On disposal of a subsidiary, the Bank derecognises the assets (including any goodwill) and liabilities of the subsidiaries at their carrying amounts at the date of disposal and also derecognises the carrying amount of any non-controlling interests in the former subsidiary at the date of sale but recognises the fair value of the consideration received from the sale, while any resulting difference is recognised as a gain or loss in profit or loss attributable to the Bank. The subsidiary's portion of general reserve of the Group is adjusted for in the opening general reserve.

### (ii) Associates

Associates are those entities in which the Bank has significant influence, but not control, over the financial and operating policies. Investments in associates are accounted for using the equity method of accounting and are recognised at cost less impairment in the Bank's separate financial statements.

The Group's share of the associates' post acquisition profits or losses is recognised in the profit and loss accounts. Its share of post acquisition reserves is recognised in reserves. The cumulative post acquisition investments are adjusted against the carrying amount of the investments.

When the Group's share of losses equals or exceeds its interest in an associate including any other unsecured receivables, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate. Distributions received from an associate are applied to reduce the carrying amount of the investment. Adjustments are also made to the carrying amount of the investment for changes in the Bank's proportionate interest in the associate arising from changes in equity that have not been recognised in the associate's profit and loss account. Such changes include those arising from the revaluation of properties, plant and equipment and from foreign exchange translation differences. The Bank's share of those reserves is recognised directly in the equity of the Bank.

**(iii) Special purpose entities**

The financial statements of special purpose entities are included in the Group's financial statements where the substance of the relationship is that the Group controls the special purpose entity. The Group established Access Finance B.V., Netherlands as a special purpose entity to raise its Eurobond Guaranteed Notes. Accordingly the financial statements of Access Finance B.V. have been consolidated.

**(c) Business combination****(i) Accounting for business combinations**

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill from business combination as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognised amount of the identifiable net assets, at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

**(ii) Common control transactions**

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same person or parties both before and after the combination, and that control is not transitory.

The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling Shareholders' consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group equity.

**(d) Intangible assets****(i) Software**

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is 5 years. This is reassessed annually.

This new policy, which is in line with the requirements of SAS 31 and effective for annual periods beginning on or after 1 January, 2011, has been applied by the entity retrospectively.

**(ii) Goodwill on consolidation**

Goodwill represents the excess of the purchase consideration over the fair value of the Group's share of the separable net assets of subsidiaries acquired, at the date of the acquisition.

Goodwill is measured at cost, less accumulated impairment losses. Goodwill is tested for impairment annually or more frequently, if events or circumstances indicate that it might have been impaired. Impairment losses are recognised in the profit and loss account in the year in which they arise.

**(e) Segment reporting**

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Segment information is presented in respect of the Group's business and geographical segments. The Group's primary format for segment reporting is based on business segments. The business segments are determined by management based on the Bank's internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

# Statement of Significant Accounting Policies

## continued

### (f) Foreign currency translation

#### (i) Reporting currency

The consolidated financial statements are presented in Nigerian Naira, which is the Bank's reporting currency.

#### (ii) Transactions and balances

Transactions denominated in foreign currencies are translated into Naira at the rates of exchange ruling at the date of the transaction (or, where appropriate, the rate of exchange in related forward exchange contracts). Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the profit and loss account.

#### (iii) Group companies

The results and financial position of all Group entities that have a currency different from the reporting currency are translated into the reporting currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the balance sheet date except for share capital and pre-acquisition reserves, which are translated at their historical rates;
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions, in which case income and expenses are translated at the rates prevailing at the dates of the transactions); and
- all exchange differences arising on consolidation are recognised as translation reserves in Shareholders' funds.

When a foreign operation is sold, such exchange differences are recognised in the profit and loss account as part of the gain or loss on sale. Goodwill and other adjustments arising on the acquisition of a foreign entity are treated as assets of the foreign entity and translated at the closing rate.

### (g) Income recognition

Credits to the profit and loss account are recognised as follows:

**Interest** – recognised on an accrual basis except for interest on non-performing credit facilities, which is recognised on a cash basis.

**Non-credit-related fees** – recognised when the successful outcome of the assignment can be determined and the assignment is considered substantially completed.

**Credit-related fees** – spread systematically over the tenor of the credit facility where they constitute at least 10% of the projected average annual yield of the facility, otherwise credited to the profit and loss account at the time of occurrence.

**Income from advances under finance leases** – recognised on a basis that provides a constant yield on the outstanding principal over the lease term.

**Commissions and fees** – charged to customers for services rendered – recognised at the time the service or transaction is effected.

**Investment income** – recognised on an accrual basis and credited to the profit and loss account.

**Dividend income** – recognised when the right to receive the dividend is established.

**Financial advisory services, issuing house and registrar fees** – recognised over the time the service is provided.

### (h) Loans and advances

Loans and advances are stated net of provision for bad and doubtful loans. Classification and provisioning is made in accordance with the Prudential Guidelines for Deposit Money Banks in Nigeria issued by the Central Bank of Nigeria for each account in accordance with the terms of the related facilities as follows:

#### Non-specialised loans

Interest and/or principal outstanding for:	Classification	Provision
Less than 90 days	Performing	0%
90 days but less than 180 days	Substandard	10%
180 days but less than 360 days	Doubtful	50%
Over 360 days	Lost	100%

#### Specialised loans

Loans are treated as specialised loans in accordance with the criteria specified in the Prudential Guidelines for Deposit Money Banks in Nigeria. The classifications and provisioning for specialised loans take into consideration the cash flows and gestation periods of the different loan types. Specialised loans as defined by the Prudential Guidelines for Deposit Money Banks in Nigeria comprise:

- (i) Project Finance;
- (ii) Object Finance;
- (iii) Income Producing Real Estate;
- (iv) Commercial Real Estate;
- (v) Mortgage Loan;
- (vi) SME Loan;
- (vii) Agricultural Finance (including farm and non-farm credits); and
- (viii) Margin Loan.

## Project finance

Classification	% of repayment on outstanding obligation to amount due	Days past due for aggregate instalments	% of provision on total outstanding balance	Interest in suspense
Performing	> 75%	< 180 days	0%	0%
Watchlist	60% – 75%	> 180 days	0%	100%
Substandard	< 60%	180 days – 2 years	25%	100%
Doubtful	< 60%	2 – 3 years	50%	100%
Very Doubtful	< 60%	3 – 4 years	75%	100%
Lost	< 60%	> 4 years	100%	100%

## Object financing, income producing real estate and commercial real estate

Classification	% of repayment on outstanding obligation to amount due	Days past due for aggregate instalments	% of provision on total outstanding balance	Interest in suspense
Performing	> 75%	< 180 days	0%	0%
Watchlist	Between 60% and 75%	> 180 days	0%	100%
Substandard	< 60%	180 days – 1 year	25%	100%
Doubtful	< 60%	1 – 2 years	50%	100%
Very doubtful	< 60%	2 – 3 years	75%	100%
Lost	< 60%	> 3 years	100%	100%

## Mortgage loans

Classification	Days past due for mark-up/interest for short-term facilities	% of provision on total outstanding balance	Interest in suspense
Performing	< 90 days	0%	0%
Watchlist	>= 90 days	0%	100%
Substandard	> 180 days	10%	100%
Doubtful	> 1 year	50%	100%
Lost	> 2 years	100%	100%
		100%	100%

The un-provided balance of mortgage loans classified as doubtful should not exceed 50% of the estimated net realisable value of the related securities.

## SME financing – Short-term loans

Classification	Days past due for mark-up/interest or principal	% of provision on total outstanding balance	Interest in suspense
Performing	< 90 days	0%	0%
Watchlist	90 days	0%	100%
Substandard	90 days – 1 year	25%	100%
Doubtful	1 – 1.5 years	50%	100%
Very doubtful	1.5 – 2 years	75%	100%
Lost	> 2 years	100%	100%

# Statement of Significant Accounting Policies

## continued

### SME financing – Long-term loans

Classification	Days past due for mark-up/interest or principal	% of provision on total outstanding balance	Interest in suspense
Performing	< 90 days	0%	0%
Watchlist	90 days	0%	100%
Substandard	90 days to 1 year	25%	100%
Doubtful	1 to 2 years	50%	100%
Very doubtful	2 to 3 years	75%	100%
Lost	> 3 years	100%	100%

### Agricultural financing – Short-term loans

Classification	Days past due for mark-up/interest or principal	% of provision on total outstanding balance	Interest in suspense
Performing	< 90 days	0%	0%
Watchlist	90 days	0%	100%
Substandard	90 days to 1 year	25%	100%
Doubtful	1 to 1.5 years	50%	100%
Very doubtful	1.5 year to 2 years	75%	100%
Lost	> 2 years	100%	100%

### Agricultural financing – Long-term loans

Classification	Days past due for aggregate instalments	% of provision on total outstanding balance	Interest in suspense
Performing	< 90 days	0%	0%
Watchlist	90 days	0%	100%
Substandard	90 days to 1 year	25%	100%
Doubtful	1 to 2 years	50%	100%
Very doubtful	2 to 3 years	75%	100%
Lost	> 3 years	100%	100%

Unrealised mark-up/interest in respect of non-performing loans and advances are credited into interest in suspense account until they are realised in cash. Future interests charged on the accounts are credited to the same account until such facilities becomes performing.

#### Margin financing

All margin facilities are assessed for impairment by marking the underlying securities to market. The excess of loan amounts above the market value of the underlying securities is provisioned and charged to profit loss account to accommodate actual and expected losses on the facility amounts and is reported in specific provisions for margin loans.

#### Haircut adjustments

The Bank holds collateral against loans and advances to customers in the form of executed and registered mortgage interests over property, and other qualifying securities. No provision is recognised on loans and advances to customers to the extent of haircut adjustments determined based on the weighted value of qualified collateral held against loans

and advances to customers classified as lost for a maximum period of 1 year as prescribed by the prudential guidelines.

The weighted value of qualified collateral is adjusted to take account of any possible future fluctuations in the value of the collateral, occasioned by market movement.

The following haircut adjustments are applicable on all loan types classified as lost:

Description of collateral	Haircut adjustments weightings
Cash	0%
Treasury bills and government securities e.g. bonds	0%
Quoted equities and other traded securities	20%
Bank guarantees and receivables of blue chip companies	20%
Residential legal mortgage	50%
Commercial legal mortgage	50%

**General provision**

A minimum of 1% general allowance is made on all loans and advances, which have not been specifically provided for.

**Write-off**

Bad debts are written off against the related provision for bad and doubtful debts when it is determined that they are uncollectible. Subsequent recoveries on bad debts written off are credited to the profit and loss account. A facility is written off only when full provision has been made on such a facility for at least one year.

**(i) Other assets**

Prepayments, receivables and other sundry debit balances are classified as other assets and are stated at cost net of allowances for amounts doubtful of recovery.

Allowances for doubtful accounts are made in line with the provisions of the CBN Prudential Guidelines for receivables whose collection has been identified by management as doubtful. When a receivable is deemed not collectible, it is written off against the related allowance and subsequent recoveries are credited to the profit and loss account.

**(j) Investment securities**

The Group classifies its investments into the following categories: short-term investments, long-term investments, investments in subsidiaries and investment in associates. Investment securities (short-term and long-term investments) are initially recognised at cost and classified upon initial recognition.

**(i) Short-term investments**

Short-term investments are investments that management intends to hold for not more than one year. Debt and equity securities intended to be held for a period not exceeding one year and investments held for trading are classified as short-term investment. Investments held for trading are those investments that the Group acquires principally for the purpose of selling in the near term, or holds as part of a portfolio that is managed together for short-term profit taking.

Short-term investments in treasury bills and other marketable securities are stated at net realisable value. The gain/loss on revaluation is credited/charged to profit and loss account during the year. Original cost is disclosed.

Investments held-for-trading and marketable securities are stated at net realisable value. The gain/loss on revaluation is credited/charged to profit and loss account during the year.

Treasury bills are presented net of unearned discount. Unearned discount is deferred and amortised as earned. Investments in treasury bills held for trading are carried at net realisable value. Gains or losses resulting from market valuation are recognised in the profit and loss account.

**(ii) Long-term investments**

Long-term investments are investment securities other than short-term investments. Long-term investments may include debt and equity securities.

Long-term investment in marketable securities are carried at the lower of cost and net realisable value. Any discount or premium arising on bonds is included in the original cost of investment and is amortised over the period of purchase to maturity. Market value of long term investments is disclosed.

Interest earned whilst holding investment securities is reported as interest income. Dividends receivable are included separately in dividend income when a dividend is declared.

**(iii) Investments in subsidiaries**

Investments in subsidiaries are carried in the Bank's balance sheet at cost less provisions for impairment losses. Where, in the opinion of the Directors, there has been impairment in the value of an investment, the loss is recognised as an expense in the year in which the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

**(iv) Investments in associates**

Investments in associates are carried in the Bank's balance sheet at cost less impairment.

On disposal of an investment in associates, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

**(k) Investment property**

An investment property is an investment in land or buildings held primarily for generating income or capital appreciation and not occupied substantially for use in the operations of the Group. An occupation of more than 15% of the property is considered substantial.

Investment properties are carried in the balance sheet at their market value and revalued yearly on a systematic basis at least once in every 3 years. Investment properties are not subject to periodic charge for depreciation.

When there has been a decline in value of an investment property, the carrying amount of the property is written down to recognise the loss. Such a reduction is charged to the profit and loss account. Reductions in carrying amount are reversed when there is an increase, following a revaluation in accordance with the Group's policy, in the value of the investment property, or if the reasons for the reduction no longer exist.

An increase in carrying amount arising from the revaluation of investment property is credited to equity as revaluation surplus. To the extent that a decrease in carrying amount offsets a previous increase, for the same property that has been credited to revaluation surplus and not subsequently reversed or utilised, it is charged against that revaluation surplus rather than the profit and loss account.



# Statement of Significant Accounting Policies

## continued

An increase on revaluation which is directly related to a previous decrease in carrying amount for the same property that was charged to the profit and loss account, is credited to profit and loss account to the extent that it offsets the previously recorded decrease.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit and loss account.

Investment properties are disclosed separately from the property and equipment used for the purposes of the business.

### (l) Trading properties

Trading properties are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of trading properties is determined on the basis of specific identification of their individual cost.

### (m) Property and equipment

All property and equipment are initially recorded at cost. They are subsequently stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial year in which they are incurred.

Construction cost in respect of offices is carried at cost as capital work in progress. On completion of construction, the related amounts are transferred to the appropriate category of property and equipment.

Depreciation is calculated on a straight line basis to write down the cost of property and equipment to their residual values over their estimated useful lives as follows:

Leasehold improvements	Over the lease year
Land and buildings	2%
Furniture, fixtures and equipment	20%
Computer hardware	33.33%
Motor vehicles	25%

Capital work in progress, which represents property and equipment under construction, is not depreciated.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater

than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell or the value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. Gains and losses are included in the profit and loss account for the year.

### (n) Leases

The Group classifies a lease as a finance lease if the following conditions are met:

- (a) The lease is non-cancellable; and
- (b) Any of the following is applicable:
  - i. the lease term covers substantially (80% or more) the estimated useful life of the asset, or
  - ii. the net present value of the lease at its inception using the minimum lease payments and implicit interest rate is equal to or greater than the fair value of the leased asset, or
  - iii. the lease has a purchase option which is likely to be exercised.

A lease that does not qualify as a finance lease as specified above is classified as an operating lease.

A Group company can be a lessor or a lessee in either a finance lease or an operating lease.

#### (i) Where a Group Company is the lessor

When assets are held subject to a finance lease, the transactions are recognised in the books of the Group at the net investments in the lease. Net investment in the lease is the gross investment in the lease discounted at the interest rate implicit in the lease. The gross investment is the sum of the minimum lease payments plus any residual value payable on the lease. The discount on lease is defined as the difference between the gross investment and the present value of the asset under the lease.

The discount is recognised as unearned in the books of the Group and amortised to income over the life of the lease on a basis that reflects a constant rate of return on the Group's net investment in the lease.

Finance leases are treated as risk assets and the net investment in the lease are subject to the provisioning policy listed in note (g) above.

When assets are held subject to an operating lease, the assets are recognised as property and equipment based on the nature of the asset and the Group's normal depreciation policy for that class of asset applies. Lease income is recognised on a straight line over the lease term. All indirect costs associated with the operating lease are charged as incurred to the profit and loss account.

**(ii) Where a Group Company is the lessee**

When the assets leased are subject to operating lease, the total payments made under operating leases are charged to profit and loss on a systematic basis in line with the time pattern of the Group's benefit.

When the assets are subject to a finance lease, the Group accounts for it by recording the lease as an acquisition of an asset and the incurrence of a liability.

At the beginning of the lease term, the Group records the initial asset and liability at amounts equal to the fair value of the leased asset less the present value of any un-guaranteed or partially guaranteed residual value which would accrue to the lessor at the end of the term of the lease. The discount factor to apply in calculating the present value of the un-guaranteed residual value accruing to the lessor is the interest rate implicit in the lease.

Where the Group cannot determine the fair value of the leased asset at the inception of the lease or is unable to make a reasonable estimate of the residual value of the lease without which the interest rate implicit in the lease could not be computed, the initial asset and liability are recorded at amounts equal to the present value.

The leased asset is depreciated or the rights under the leased asset are amortised in a manner consistent with the Group's own assets.

The minimum lease payment in respect of each accounting year is allocated between finance charge and the reduction of the outstanding lease liability. The finance charge is determined by applying the rate implicit in the lease to the outstanding liability at the beginning of the year.

**(o) Cash and cash equivalents**

Cash and cash equivalents comprise cash and balances with CBN, balances due from other banks and treasury bills.

**(i) Cash and balance with CBN**

Cash comprises cash on hand, demand deposits denominated in Naira and foreign currencies and cash balances with the Central Bank of Nigeria (CBN). Cash equivalents are short-term, highly liquid instruments which are:

- Readily convertible into cash, whether in local or foreign currency; and
- So near to their maturity dates as to present insignificant risk of changes in value as a result of changes in interest rates.

**(ii) Due from other banks**

Due from other banks represents cash held in other banks in Nigeria and banks outside Nigeria.

**(p) Provisions**

A provision is recognised where, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(q) Off-balance sheet transactions/contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Group has a present obligation as a result of past events which is not recognised because it is not probable that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated.

Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to crystallise.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are never recognised, rather they are disclosed in the financial statements when they arise.

Transactions to which there are no direct balance sheet risks to the Group are reported and accounted for as off balance sheet transactions and comprise:

**Acceptances**

Acceptances are undertakings by the Bank to pay bills of exchange drawn on customers. The Bank expects most acceptances to be settled simultaneously with the reimbursement from customers.

Acceptances, which meet the conditions, set out in Central Bank of Nigeria (CBN) Guidelines on the treatment of bankers acceptances and commercial papers are accounted for and disclosed as contingent liabilities. The income and expense relating to these acceptances are recognised and reported net in the financial statements.

**Guarantees and performance bonds**

The Bank provides financial guarantees and bonds to third parties on the request of customers in form of bid and performance bonds or advance payment guarantees. These agreements have fixed limits and generally do not extend beyond the year stated in each contract.

The amounts reflected in the financial statements for bonds and guarantees represent the maximum accounting loss that would be recognised at the balance sheet dates if counterparties failed completely to perform as contracted.

**Commitments**

Commitments to extend credit or deliver on sales or purchases of foreign exchange in future are recognised as off balance sheet engagements.

**Letters of credit**

The Bank provides letters of credit to guarantee the performance of customers to third parties. Confirmed letters of credit for which the customer has not provided cash cover are reported off-balance sheet.

# Statement of Significant Accounting Policies

## continued

### (r) Retirement benefits obligation

#### (i) Pension costs

The Bank operates a funded, defined contribution pension scheme for employees. Employees and the Bank contribute 7.5% each of the qualifying staff salary in line with provisions of the Pension Reform Act 2004. Obligations in respect of the Bank's contributions to the scheme are recognised as an expense in the profit and loss account on an annual basis.

The Group also operates a funded, defined contribution benefit scheme for its subsidiary entities.

#### (ii) Long-term incentive plan (LTIP)

During the year, the Bank introduced a non-contributory, funded lump sum defined benefit long-term incentive plan for top executive management of the Bank from General Manager and above based on the number of years spent in these positions.

Depending on their grade, executive staff of the Bank upon retirement are entitled to certain benefits based on their length of stay on that grade. The terminal benefits are determined by an independent actuarial valuation every year using the "projected unit credit method". The past service cost of this newly introduced plan is deferred and recognised in profit or loss on a straight-line basis over 3 years.

### (s) Deferred taxation

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred taxation is provided fully on timing differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal. Currently enacted tax rates are used to determine deferred income tax.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unutilised tax losses and deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (t) Current taxation

Income tax expenses/credits are recognised in the profit and loss account. Current income tax is the expected tax payable on the taxable income for the year, using statutory tax rates at the balance sheet date, and any adjustment to tax payable in respect of previous years.

### (u) Underwriting results

The Group conducts life assurance and non-life insurance business through its insurance subsidiary. The Group offers a full range of insurance underwriting services.

#### (i) Underwriting profits for non-life insurance business

The underwriting profits for non-life insurance business are determined on an annual basis of accounting whereby the incurred costs of claims, commission and related expenses are charged against the earned proportion of premiums, net of reinsurance, as follows:

- Premiums written relates to risks assumed during the period, and include estimates of premium due but not yet received, less an allowance for cancellations;
- Unearned premiums represent the proportion of the premiums written in periods up to the accounting date which relate to the unexpired terms of policies in force at the balance sheet date, and are calculated on the basis of time apportionment;
- Claims paid represent all payments made during the period, whether arising from events during that or earlier periods. Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurring prior to the balance sheet date, but not settled at that date. Outstanding claims are computed on the basis of the best information available at the time the records for the period are closed, and include provisions for claims incurred but not reported (IBNR);
- Provisions for unexpired risks are the estimated amounts required over and above provisions for unearned premiums to meet future claims and related expenses on businesses in force at the end of the accounting period; and
- Expenses are allocated to the relevant revenue accounts as incurred in the management of each class of business.

#### (ii) Underwriting profits for life assurance business

The underwriting profits for life assurance business are determined on a fund basis. The incurred costs of claims, commission and related expenses are charged against the earned proportion of premiums, net of reinsurance, as follows:

- Premiums written relate to risks assumed during the period, and include estimates of premiums due but not yet received, less an allowance for estimated lapses;
- Claims arising on maturity are recognised when the claim becomes due for payment. Death claims are accounted for on notification. Surrenders are accounted for on payment;
- Expenses and commissions are allocated to the life fund as incurred in the management of the life business; and
- The life assurance contracts (accounted for in the life fund) are assessed at least once every three periods by qualified consulting actuaries in accordance with Section 29 of the Insurance Act. Any resulting actuarial loss is made up by additional provisions charged to the Group's profit and loss account.

Actuarial surpluses are allocated between the Shareholders and the policy holders. Any balance remaining is retained in the life fund and attributable to "with profit" policyholders at the date of actuarial valuation.

In accordance with Section 22 (1) of the Insurance Act 2003, an additional reserve (contingency reserves) of not less than 25% of the net written premium for every period between each valuation date is maintained.

The adoption of this new policy is as a result of the acquisition of Intercontinental Bank which has an insurance subsidiary.

**(v) Deferred acquisition costs**

Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. Deferred acquisition costs represent a proportion of commission and other acquisition costs, which are incurred during a financial period and are deferred to the extent that they are recoverable out of future revenue margins. They are calculated by applying to the acquisition expenses the ratio of unearned premium to written premium.

The adoption of this new policy is as a result of the acquisition of Intercontinental Bank which has an insurance subsidiary.

**(w) Outstanding claims and provisions**

Full provision is made for the estimated cost of all claims notified but not settled at the date of the balance sheet, less reinsurance recoveries, using the best information available at that time.

In non-life insurance business, a provision is also made for the cost of claims incurred but not reported (IBNR) until after the balance sheet date on the basis of 10% of claims notified but not settled in compliance with the provisions of Section 20 (1) (b) of the Insurance Act, 2003.

Similarly, provisions are made for "unallocated claims expenses" being the estimated administrative expenses that will be incurred after the balance sheet date in settling all claims outstanding as at that date, including IBNR. Differences between the provisions for outstanding claims at a balance sheet date and the subsequent settlement are included in the revenue account of the following period.

The adoption of this new policy is as a result of the acquisition of Intercontinental Bank which has an insurance subsidiary.

**(x) Debt securities**

Debt securities are recorded at face value less direct issue costs. Repayments are deducted from the face value while direct issue costs are amortised over the tenor of the underlying instrument. Interest costs are recognised in the profit and loss account over the duration of the instrument.

**(y) Ordinary share capital  
Share issue costs**

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**(z) Dividends**

Dividends on ordinary shares are appropriated from retained earnings and recognised as a liability in the year in which they are declared. Dividends that are proposed but not yet declared are disclosed in the notes to the financial statements.

**(aa) Sale of loans or securities**

A sale of loans or securities without recourse to the Group is accounted for as a disposal and the assets excluded from the balance sheet.

Profits or losses on sale of loans or securities without recourse to the Group are recognised by the Group when the transaction is completed.

The Group regards a sale of loans or securities as without recourse, if it satisfies all the following conditions. Any sale not satisfying these conditions will be regarded as with recourse.

- control over the economic benefits of the asset must be passed on to the buyer;
- the seller can reasonably estimate any outstanding cost; and
- there must not be any repurchase obligations.

A sale or transfer of loans or securities with recourse where there is an obligation to, or an assumption of, repurchase is not treated as a sale, and the asset remains on the Group's balance sheet, with any related cash received recognised as a liability.

Profit arising from sale or transfer of loan or securities with recourse to the seller is amortised over the remaining life. However, losses are recognised as soon as they can be reasonably estimated.

**(ab) Derivative financial instruments**

A derivative is a financial instrument whose value changes in response to the change in an underlying variable. It requires little or no initial net investment relative to other types of contracts that have similar responses to changes in market conditions and that are settled at a future date.

The Group engages in interest rate and cross currency swap transactions with counterparties. The swaps are initially recognised in the balance sheet at fair value, with a corresponding debit or credit as applicable in the profit and loss account. Any changes in fair value are recognised immediately in the profit and loss account.

The Group enters into sales or purchase of securities under agreements to deliver such securities at a future date (forward contracts) at a fixed price. Securities sold under a forward contract agreement are accounted for as payable or receivable on execution of the contracts. Fees earned on the transaction are accounted for as fee income in the profit and loss account.

**(ac) Earnings per share**

The Group presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted number of ordinary shares outstanding during the year.

Adjusted earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted number of ordinary shares adjusted for any bonus shares issued.

**(ad) Offsetting**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

# Consolidated Profit and Loss Account

## For the year ended 31 December, 2011

	Notes	Group Dec-11 N'000	Group Dec-10 N'000	Bank Dec-11 N'000	Bank Dec-10 N'000
<b>Gross Earnings</b>		<b>138,949,414</b>	91,142,064	<b>96,234,017</b>	79,065,123
Interest and similar income	3	97,617,048	65,787,157	75,771,209	59,388,433
Interest and similar expense	4	(37,039,355)	(21,620,722)	(27,444,864)	(19,538,807)
<b>Net interest income</b>		<b>60,577,693</b>	44,166,435	<b>48,326,345</b>	39,849,626
Net fee and commission income	5	23,017,181	14,435,635	15,234,905	11,180,546
Foreign exchange income	6	7,661,296	3,369,743	3,321,655	1,990,505
Income from investment	7(a)	3,678,014	6,776,285	1,752,590	6,416,458
Other income	7(b)	6,318,875	773,244	153,658	89,181
Underwriting profit	8	657,000	–	–	–
<b>Operating income</b>		<b>101,910,059</b>	69,521,342	<b>68,789,153</b>	59,526,316
Operating expenses	9	(74,191,166)	(48,644,315)	(38,964,674)	(38,797,403)
Loan loss expenses	10(a)	(9,170,616)	(4,524,369)	(13,673,445)	(2,917,513)
Write back/(allowance) for other assets and investments	10(b)	1,763,088	(183,788)	(134,272)	(142,816)
Group's share of associate's loss	23	(10,000)	–	–	–
<b>Profit before taxation</b>		<b>20,301,365</b>	16,168,870	<b>16,016,762</b>	17,668,584
Taxation	11	(3,593,110)	(5,100,749)	(2,356,314)	(4,737,143)
<b>Profit on ordinary activities after taxation</b>		<b>16,708,255</b>	11,068,121	<b>13,660,448</b>	12,931,441
Non-controlling interest	40	(879,093)	176,442	–	–
<b>Profit attributable to equity holders</b>		<b>15,829,162</b>	11,244,563	<b>13,660,448</b>	12,931,441
<b>Appropriated as follows:</b>					
Transfer to statutory reserve	39(b)	2,049,067	1,939,716	2,049,067	1,939,716
Interim dividend paid		3,577,650	3,577,650	3,577,650	3,577,650
Transfer to general reserve	39(d)	10,202,445	5,727,197	8,033,731	7,414,075
		15,829,162	11,244,563	13,660,448	12,931,441
Earnings per share – Basic (K)	41	88	63	76	72
Earnings per share – Adjusted (K)	41	88	63	76	72
Dividend declared – (Final) – December 2010		5,366,475	–	5,366,475	–
Interim dividend (June 2011 & June 2010)		3,577,650	3,577,650	3,577,650	3,577,650
Proposed dividend (Dec 2011 & Dec 2010)		6,866,476	5,366,475	6,866,476	5,366,475

The statement of accounting policies on pages 84 to 93 and notes on pages 97 to 160 form an integral part of these financial statements.

# Consolidated Balance Sheet

## As at 31 December, 2011

	Notes	Group Dec-11 N'000	Group Dec-10 N'000	Bank Dec-11 N'000	Bank Dec-10 N'000
<b>Assets</b>					
Cash and balances with Central Bank of Nigeria	12	139,201,974	25,395,293	62,971,707	17,648,392
Treasury bills	13	63,350,523	35,857,812	8,550,418	11,618,000
Due from other banks	14	128,307,446	103,182,124	68,652,010	72,177,480
Loans and advances to customers	15	552,401,605	429,782,319	463,131,979	403,178,957
On-lending facilities	16	27,882,974	22,685,778	27,882,974	22,685,778
Advances under finance lease	17	2,817,895	3,084,393	2,296,035	2,741,092
Insurance receivables	18	1,405,000	–	–	–
Investment securities	19	540,477,013	119,665,960	157,964,376	116,811,620
Investment in subsidiaries	20	–	–	80,400,287	24,261,123
Trading properties	21	6,688,000	–	–	–
Investment properties	22	16,097,044	12,943,078	12,417,044	12,943,078
Investment in associates	23	2,812,805	–	–	–
Other assets	24	76,371,399	23,287,133	43,559,528	22,172,504
Deferred tax assets	11(c)(i)	6,056,088	557,050	–	–
Property and equipment	25	66,478,472	23,711,257	15,966,638	18,208,192
Equipment on lease	26	1,120,908	1,561,045	1,120,908	1,561,045
Intangible assets	27	3,277,608	3,110,530	1,052,699	953,319
<b>Total Assets</b>		<b>1,634,746,754</b>	<b>804,823,772</b>	<b>945,966,603</b>	<b>726,960,580</b>
<b>Liabilities</b>					
Customer deposits	28	1,102,328,047	486,925,846	522,599,666	440,542,115
Due to other banks	29	124,765,681	64,039,353	121,031,058	34,742,938
On-lending facilities	30	29,143,914	22,685,778	29,143,914	22,685,778
Current income tax	11(b)	9,747,004	3,492,485	2,084,897	2,959,976
Claims payable	31	450,000	–	–	–
Liabilities on investment contracts	32	61,000	–	–	–
Liabilities on insurance contracts	33	2,703,000	–	–	–
Other liabilities	34	162,155,094	51,787,181	83,494,421	43,122,075
Retirement benefit obligation	35	1,876,578	102,727	1,149,578	47,687
Deferred taxation	11(c)(ii)	926,227	419,945	626,614	355,197
Contingent settlement provisions	36	3,548,000	–	–	–
<b>Total Liabilities</b>		<b>1,437,704,545</b>	<b>629,453,315</b>	<b>760,130,148</b>	<b>544,455,766</b>
<b>Net Assets</b>		<b>197,042,209</b>	<b>175,370,457</b>	<b>185,836,455</b>	<b>182,504,814</b>
<b>Capital and Reserves</b>					
Share capital	37(b)	8,944,126	8,944,126	8,944,126	8,944,126
Capital reserve	38	3,489,080	3,489,080	3,489,080	3,489,080
Share premium		146,160,837	146,160,837	146,160,837	146,160,837
Other reserves	39	15,393,325	16,077,082	27,242,412	23,910,771
Equity attributable to equity holders of the parent		173,987,368	174,671,125	185,836,455	182,504,814
Non-controlling interest	40	23,054,841	699,332	–	–
<b>Total Equity</b>		<b>197,042,209</b>	<b>175,370,457</b>	<b>185,836,455</b>	<b>182,504,814</b>
Acceptances, bonds, guarantees and other obligations for the account of customers	42	414,981,761	238,881,422	231,817,991	194,451,931
<b>Total Assets and Contingent</b>		<b>2,049,728,515</b>	<b>1,043,705,194</b>	<b>1,177,784,594</b>	<b>921,412,511</b>

The statement of accounting policies on pages 84 to 95 and notes on pages 97 to 160 were approved by the Board of Directors on 30 January, 2012 and signed on its behalf by:



Mr Aigboje Aig-Imoukhuede



Mr Herbert Wigwe

Directors



# Statement of Cash Flows

## For the year ended 31 December, 2011

	Notes	Group Dec-11 N'000	Group Dec-10 N'000	Bank Dec-11 N'000	Bank Dec-10 N'000
<b>Operating activities:</b>					
Net cash flow from operating activities					
before changes in operating assets	43	35,167,054	26,341,562	34,524,446	24,982,637
Changes in operating assets	44	115,960,307	48,486,160	81,582,053	17,565,678
Income tax paid	11(b)	(4,579,351)	(7,056,504)	(2,984,248)	(6,820,328)
<b>Net cash inflow from operating activities</b>		<b>146,548,010</b>	<b>67,771,217</b>	<b>113,122,251</b>	<b>35,727,987</b>
<b>Investing activities:</b>					
Purchase of property and equipment	25	(4,315,138)	(4,390,231)	(2,019,175)	(3,375,639)
Proceeds from sale of property and equipment		1,554,624	1,686,480	855,746	725,105
Purchase of equipment on lease	26	(218,075)	(152,000)	(218,075)	(152,000)
Proceeds from sales of equipment on lease		193,682	45,331	193,682	45,331
Purchase of intangible assets		(484,227)	–	(349,222)	–
Proceeds from sale of investment properties		853,718	240,845	573,718	240,845
Purchase of investment properties	22	(1,163,815)	(107,832)	(29,815)	(107,832)
Purchase of trading properties	21	(1,135,000)	–	–	–
Proceeds from sale of trading properties		2,276,000	–	–	–
Purchase of long-term investment		(100,131,724)	(98,629,130)	(39,922,488)	(96,980,286)
Proceeds from disposal of long-term investments		22,427,111	28,453,034	–	26,627,498
Dividend income received		889,352	199,489	292,352	199,440
Acquisition of subsidiary, net of cash and cash equivalents acquired	20(h)(iv)	35,353,000	–	(54,675,325)	(1,083,097)
Proceed on sale of investment		–	–	25,568	–
<b>Net cash outflow from investing activities</b>		<b>(43,900,493)</b>	<b>(72,654,014)</b>	<b>(95,273,034)</b>	<b>(73,860,635)</b>
<b>Financing activities:</b>					
Dividend paid during the year		(8,944,117)	(3,577,650)	(8,944,117)	(3,577,650)
Interest paid on borrowings		(104,220)	(186,525)	–	(172,508)
Repayment of borrowings		–	(2,604,277)	–	(2,604,277)
Deposit for shares by minority		–	140,856	–	–
<b>Net cash outflow from financing activities</b>		<b>(9,048,337)</b>	<b>(6,227,596)</b>	<b>(8,944,117)</b>	<b>(6,354,435)</b>
Net increase/(decrease) in cash and cash equivalents		93,599,180	(11,110,392)	8,905,100	(44,487,083)
Cash and cash equivalents, beginning of year		160,869,198	171,981,991	97,877,841	142,364,924
Effect of exchange rate fluctuations on foreign cash held		(7,249)	(2,401)	–	–
<b>Cash and cash equivalent, end of year</b>	45	<b>254,461,129</b>	<b>160,869,198</b>	<b>106,782,941</b>	<b>97,877,841</b>

The statement of accounting policies on pages 84 to 95 and notes on pages 97 to 160 form an integral part of these financial statements.

## 1 General information

The Bank was incorporated as a private limited liability company on 8 February, 1989 and commenced business on 11 May, 1989. The Bank was converted to a public limited liability company on 24 March, 1998 and its shares were listed on the Nigerian Stock Exchange on 18 November, 1998. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February, 2001.

The principal activity of the Bank continues to be the provision of money market activities, retail banking, granting of loans and advances, equipment leasing, corporate finance and foreign exchange operations.

The Bank has the following international banking subsidiaries: Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank Zambia Limited, The Access Bank UK Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Access Bank Côte d'Ivoire and Access Bank (R.D. Congo).

During the year, Access Bank through its wholly owned subsidiary, Project Star Investment Limited, acquired a controlling interest in Intercontinental Bank Group. Pursuant to the acquisition, Access Bank acquired a further four banking subsidiaries, including Intercontinental Bank, Intercontinental Homes and Mortgages Limited and its two international banking subsidiaries, Intercontinental Bank Ghana Limited and Intercontinental Bank (UK) Limited. In addition, as a result of the acquisition, Access Bank also acquired equity interest in nine domestic non-banking subsidiaries and three associate companies of Intercontinental Bank. Details of the subsidiaries, associate companies and related percentage holdings as at the date of acquisition are disclosed in note 20(h).

Access Bank Plc's other non-banking subsidiaries include Access Finance, B.V. (Netherlands), Access Investment and Securities Limited (ceased trading and currently undergoing a voluntary winding up process) and Access Homes and Mortgages Limited (currently undergoing a voluntary winding up process, following completion of the integration of its mortgage business into Access Bank's Retail Banking business, and transfer of its assets and liabilities to Access Bank, in March 2011).

## 2 Segmental analysis

### (a) Business segment

The Group operates the following main business segments:

**Institutional banking** – The institutional banking division provides bespoke comprehensive banking products and a full range of services to multinationals, large domestic corporates and other institutional clients.

**Commercial banking** – The commercial banking division has presence in all major cities in the country. It provides commercial banking products and services to the non-institutional clients, medium and small corporate segments of the Nigerian market.

**Financial markets** – The financial markets division provides innovative finance solutions to meet the short, medium and long-term financing needs for the bank's clients as well as relationship banking services to the Bank's financial institutions customers. The Group is also responsible for formulation and implementation of financial market products for the Bank's customers.

**Retail banking** – The retail banking division provides financial products and services to individuals. These include private banking services, private customer current accounts, savings accounts deposits, investment savings products, custody, credit and debit cards and customer loans.

Retail banking also includes loans, deposits and other transactions and balances with retail and public sector customers.

(b) Funds are ordinarily allocated between segments, resulting in inter-segment revenues disclosed in operating income. Interest charged on these funds is based on the Group's cost of capital. There are no other material items of income or expense between the business segments.

(c) Internal charges and notional pricing adjustments have been reflected in the performance of each segment. Revenue sharing agreements are used to allocate external customer revenues to segments on a reasonable basis.

# Notes to the Group Financial Statements

## continued

(b)(i) The business segment result for 31 December, 2011 is as follows:

	<b>Institutional Banking</b>	<b>Commercial Banking</b>	<b>Financial Markets</b>	<b>Retail Banking</b>	<b>Unallocated segments</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Gross earnings:</b>						
Derived from external customers	45,739,642	69,149,932	14,229,744	5,630,829	2,176,812	136,926,959
Derived from other segments	(5,444,811)	5,368,426	56,854	19,531	–	–
	<b>40,294,831</b>	<b>74,518,358</b>	<b>14,286,598</b>	<b>5,650,360</b>	<b>2,176,812</b>	<b>136,926,959</b>
Interest and similar expenses	(13,704,561)	(20,889,031)	(156,757)	(1,884,697)	(404,309)	(37,039,355)
	<b>26,590,270</b>	<b>53,629,327</b>	<b>14,129,841</b>	<b>3,765,663</b>	<b>1,772,503</b>	<b>99,887,604</b>
(Loss)/profit on ordinary activities before taxation	(1,979,085)	15,833,075	5,217,825	1,275,933	(46,383)	20,301,365
Income tax expense						(3,593,110)
<b>Profit after tax</b>						<b>16,708,255</b>
<b>Other segment information</b>						
Depreciation	(117,481)	(3,984,216)	(1,420,580)	(234,165)	(224,637)	(5,981,078)
Share of associate's loss					–	(10,000)
<b>Assets and Liabilities:</b>						
Tangible segment assets	462,036,436	676,058,388	230,926,177	36,424,643	229,301,111	1,634,746,755
Intangible segment assets	–	–	–	–	–	–
<b>Total assets</b>	<b>462,036,436</b>	<b>676,058,388</b>	<b>230,926,177</b>	<b>36,424,643</b>	<b>229,301,111</b>	<b>1,634,746,755</b>
Segment liabilities	132,187,398	1,038,038,515	156,155,009	85,256,202	26,067,422	1,437,704,546
Unallocated segment liabilities	–	–	–	–	–	–
<b>Total liabilities</b>	<b>132,187,398</b>	<b>1,038,038,515</b>	<b>156,155,009</b>	<b>85,256,202</b>	<b>26,067,422</b>	<b>1,437,704,546</b>
<b>Net assets</b>	<b>329,849,038</b>	<b>(361,980,127)</b>	<b>74,771,167</b>	<b>(48,831,559)</b>	<b>203,233,689</b>	<b>197,042,209</b>

(b)(ii) The business segment result – Group for 31 December, 2010 is as follows:

	Institutional Banking	Commercial Banking	Financial Markets	Retail Banking	Unallocated segments	Total
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Gross earnings:</b>						
Derived from external customers	23,112,512	50,653,411	11,739,149	5,308,332	328,660	91,142,064
Derived from other segments	(5,359,986)	4,937,687	(57,473)	479,772	–	–
	<b>17,752,526</b>	<b>55,591,098</b>	<b>11,681,676</b>	<b>5,788,104</b>	<b>328,660</b>	<b>91,142,064</b>
Interest and similar expenses	(12,414,797)	(7,279,098)	(1,183,690)	(655,399)	(87,738)	(21,620,722)
Fees and commission expenses	–	–	–	–	–	–
	<b>5,337,729</b>	<b>48,312,000</b>	<b>10,497,986</b>	<b>5,132,705</b>	<b>240,922</b>	<b>69,521,342</b>
(Loss)/profit on ordinary activities before taxation	(4,149,172)	10,292,681	8,217,424	1,981,467	(173,530)	16,168,870
Income tax expense	–	–	–	–	–	(5,100,749)
<b>Profit after tax</b>						<b>11,068,121</b>
<b>Other segment information</b>						
Depreciation	(637,829)	(1,649,121)	(181,498)	(637,168)	27,784	(3,077,832)
Share of associate's loss	–	–	–	–	–	–
<b>Total cost</b>	<b>(637,829)</b>	<b>(1,649,121)</b>	<b>(181,498)</b>	<b>(637,168)</b>	<b>27,784</b>	<b>(3,077,832)</b>
<b>Assets and Liabilities:</b>						
Tangible segment assets	329,713,240	231,625,398	224,719,553	12,607,718	6,157,862	804,823,771
Intangible segment assets	–	–	–	–	–	–
Unallocated segment assets	–	–	–	–	–	–
<b>Total assets</b>	<b>329,713,240</b>	<b>231,625,398</b>	<b>224,719,553</b>	<b>12,607,718</b>	<b>6,157,862</b>	<b>804,823,771</b>
Segment liabilities	174,339,498	361,495,960	51,595,603	35,409,323	6,612,930	629,453,314
Unallocated segment liabilities	–	–	–	–	–	–
<b>Total liabilities</b>	<b>174,339,498</b>	<b>361,495,960</b>	<b>51,595,603</b>	<b>35,409,323</b>	<b>6,612,930</b>	<b>629,453,314</b>
<b>Net assets</b>	<b>155,373,742</b>	<b>(129,870,562)</b>	<b>173,123,950</b>	<b>(22,801,605)</b>	<b>(455,068)</b>	<b>175,370,457</b>

# Notes to the Group Financial Statements

## continued

### (b) By geographical segments

The Group's business is organised along 3 main geographical areas.

- (i) Nigeria
- (ii) Rest of Africa
- (iii) Europe

(a) Segment report by geographical location:

	Nigeria		Europe	
	Dec-11 N'000	Dec-10 N'000	Dec-11 N'000	Dec-10 N'000
External revenue	125,783,289	79,069,399	2,544,099	1,487,491
Revenues from other segments	–	–	–	–
	<b>125,783,289</b>	<b>79,069,399</b>	<b>2,544,099</b>	<b>1,487,491</b>
Interest expenses	(34,191,674)	(19,272,649)	(128,660)	(28,842)
Fee and commission expenses	–	–	–	–
<b>Operating income</b>	<b>91,591,615</b>	<b>59,796,750</b>	<b>2,415,440</b>	<b>1,458,649</b>
Profit before tax	19,999,427	17,695,551	318,263	(187,383)
Income tax expense	–	–	–	–
<b>Profit after tax</b>	<b>19,999,427</b>	<b>17,695,551</b>	<b>318,263</b>	<b>(187,383)</b>
<b>Other segment information</b>				
Depreciation	5,363,774	4,304,038	84,017	77,149
	<b>Dec-11</b>	<b>Dec-10</b>	<b>Dec-11</b>	<b>Dec-10</b>
<b>Assets and liabilities:</b>				
Segment assets	1,468,941,873	664,448,397	89,786,411	68,075,438
Unallocated assets	–	–	–	–
<b>Total assets</b>	<b>1,468,941,873</b>	<b>664,448,397</b>	<b>89,786,411</b>	<b>68,075,438</b>
Segment liabilities	1,271,467,526	506,313,843	84,002,489	62,865,199
Unallocated liabilities	–	–	–	–
<b>Total liabilities</b>	<b>1,271,467,526</b>	<b>506,313,843</b>	<b>84,002,489</b>	<b>62,865,199</b>
<b>Net assets</b>	<b>197,474,347</b>	<b>158,134,554</b>	<b>5,783,922</b>	<b>5,210,239</b>

Rest of Africa		Total	
Dec-11 N'000	Dec-10 N'000	Dec-11 N'000	Dec-10 N'000
10,622,025	10,585,174	138,949,414	91,142,064
-	-	-	-
<b>10,622,025</b>	<b>10,585,174</b>	<b>138,949,414</b>	<b>91,142,064</b>
(2,576,674)	(2,319,231)	(36,897,008)	(21,620,722)
(142,347)	-	(142,347)	-
<b>7,903,004</b>	<b>8,265,943</b>	<b>101,910,059</b>	<b>69,521,342</b>
(16,325)	(1,339,298)	20,301,365	16,168,870
-	-	(3,593,110)	(5,100,749)
<b>(16,325)</b>	<b>(1,339,298)</b>	<b>16,708,255</b>	<b>11,068,121</b>
533,286	1,066,880	5,981,078	5,448,067
Dec-11	Dec-10	Dec-11	Dec-10
76,018,471	72,299,937	1,634,746,754	804,823,772
-	-	-	-
<b>76,018,471</b>	<b>72,299,937</b>	<b>1,634,746,754</b>	<b>804,823,772</b>
82,234,532	60,274,273	1,437,704,545	629,453,315
-	-	-	-
<b>82,234,532</b>	<b>60,274,273</b>	<b>1,437,704,545</b>	<b>629,453,315</b>
<b>(6,216,061)</b>	<b>12,025,664</b>	<b>197,042,209</b>	<b>175,370,457</b>



# Notes to the Group Financial Statements

## continued

### 3 Interest and similar income

Interest and similar income comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
(a) <b>Source:</b>				
Placement	3,545,927	1,609,688	1,114,496	1,485,891
Treasury bills and investment securities	23,800,072	7,337,625	11,570,847	4,925,906
Loans and advances	69,790,392	56,140,652	62,660,516	52,412,711
Advances under finance leases	480,657	699,192	425,350	563,925
	<b>97,617,048</b>	65,787,157	<b>75,771,209</b>	59,388,433
(b) <b>Geographical location:</b>				
Earned in Nigeria	69,565,824	54,357,397	69,565,824	54,357,397
Earned outside Nigeria	28,051,224	11,429,760	6,205,385	5,031,036
	<b>97,617,048</b>	65,787,157	<b>75,771,209</b>	59,388,433

### 4 Interest and similar expense

Interest and similar expense comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
(a) <b>Sources:</b>				
Current account	1,074,841	962,598	775,097	879,797
Savings accounts	122,359	111,719	38,059	41,112
Time deposits	23,283,932	16,030,106	17,322,691	14,294,944
Inter-bank takings	9,647,208	2,826,620	6,907,311	2,808,317
Borrowed funds	104,220	186,525	–	172,508
Securities dealing	2,574,398	1,503,154	2,401,706	1,342,129
Other interest expense	232,397	–	–	–
	<b>37,039,355</b>	21,620,722	<b>27,444,864</b>	19,538,807
(b) <b>Geographical location:</b>				
Paid in Nigeria	24,937,834	17,215,790	24,937,834	17,215,790
Paid outside Nigeria	12,101,521	4,404,932	2,507,030	2,323,017
	<b>37,039,355</b>	21,620,722	<b>27,444,864</b>	19,538,807

### 5 Net fees and commission income

Fees and commission income comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Credit related fees	1,055,288	1,035,942	493,279	355,350
Commission on turnover	3,993,619	2,443,433	2,731,767	2,276,090
Remittance fees	523,271	293,582	296,935	181,708
Letters of credit commission and fees	2,671,216	2,171,186	1,699,211	1,043,849
Facility management fees	4,278,407	4,767,211	4,020,997	4,215,262
Handling commission	1,496,946	725,412	983,946	725,412
Other fees and commission	8,998,434	2,998,869	5,008,770	2,382,875
	<b>23,017,181</b>	14,435,635	<b>15,234,905</b>	11,180,546

## 6 Foreign exchange income

Foreign exchange income comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Foreign currency trading	4,771,440	3,035,497	3,099,823	1,886,858
Exchange gain/(loss)	2,889,856	334,246	221,832	103,647
	<b>7,661,296</b>	3,369,743	<b>3,321,655</b>	1,990,505

## 7(a) Income from investments

Income from investments comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Dividend income	889,352	199,489	292,352	199,440
Profit on sale of securities	1,014,471	5,253,833	753,017	4,906,492
Profit on sale of subsidiary (see note 20 (f))	557,801	–	442,801	–
Mark to market gain/(loss) on investment securities	(355,069)	371,186	(355,069)	371,186
Rental income	620,459	951,777	619,489	939,340
Profit on disposal of trading properties	951,000	–	–	–
	<b>3,678,014</b>	6,776,285	<b>1,752,590</b>	6,416,458

## 7(b) Other income

Other income comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
(Loss)/gain on disposal of property, plant and equipment	482,058	127,552	146,369	88,214
Gain on bargain purchase (see note 20(h)(ii))	299,272	–	–	–
Other income	5,537,545	645,692	7,289	967
	<b>6,318,875</b>	773,244	<b>153,658</b>	89,181

## 8 Underwriting profit

Underwriting profit comprises of underwriting profit on general insurance and life businesses as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Gross premium	1,169,000	–	–	–
Outward insurance premium	(586,000)	–	–	–
Increase in unexpired risks	684,000	–	–	–
Commission received	317,000	–	–	–
Claims incurred	(601,000)	–	–	–
Underwriting expenses	(326,000)	–	–	–
	<b>657,000</b>	–	–	–

# Notes to the Group Financial Statements

## continued

### 9 Operating expenses

#### (a) Analysis of operating expenses

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Staff salaries and allowances	20,990,931	15,616,036	11,730,519	11,542,019
Other staff costs	1,099,780	–	1,068,780	–
Directors emoluments	321,520	531,626	244,218	261,663
Depreciation on property & equipment and equipment on lease	5,981,078	5,448,067	3,912,874	4,266,172
Amortisation of intangible assets	622,308	–	343,110	–
AMCON surcharge (see note a(i) below)	2,713,068	–	2,184,068	–
Administrative and general expenses	8,016,933	10,662,738	7,344,593	9,916,743
Repairs & maintenance	2,914,264	1,333,241	1,426,237	1,122,132
Auditors' remuneration	408,461	278,664	200,000	144,000
Insurance	714,423	688,362	494,990	487,436
Professional fees	4,028,640	1,763,195	443,114	420,847
Contract services	1,738,565	2,330,450	1,724,141	1,156,971
Deposit insurance premium	3,826,658	1,538,743	2,105,297	2,317,098
Rent & rates	1,992,319	1,224,286	910,563	815,613
Travelling	1,398,037	394,752	1,228,752	817,838
IT levy	173,651	–	160,585	–
Derivative loss	–	724,499	–	724,499
Loss on valuation of short-term investments	5,221,000	–	–	–
Loss on disposal of investment properties	193,674	84,041	193,674	84,041
Other operating expenses	11,835,856	6,025,615	3,249,159	4,720,331
	<b>74,191,166</b>	<b>48,644,315</b>	<b>38,964,674</b>	<b>38,797,403</b>

- (a) (i) This represents the Group's contribution to AMCON's sinking fund for the year ended 31 December, 2011. Effective 1 January, 2011, the Bank is required to contribute 0.3% of its total assets as at the preceding year end (31 December, 2010) to AMCON's sinking fund in line with existing guidelines.

#### (b) Staff and Executive Directors' costs

- i. Employee costs, including those of Executive Directors, during the year amounted to:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Wages and salaries	20,505,332	15,199,755	11,433,865	11,245,365
Pension costs	485,599	416,281	296,654	296,654
	<b>20,990,931</b>	<b>15,616,036</b>	<b>11,730,519</b>	<b>11,542,019</b>
Other retirement benefit cost	1,099,780	–	1,068,780	–
	<b>22,090,711</b>	<b>15,616,036</b>	<b>12,799,299</b>	<b>11,542,019</b>

- ii. The average number of persons in employment during the year comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Managerial	1,594	207	316	147
Other staff	4,384	1,547	941	1,170
	<b>5,978</b>	<b>1,754</b>	<b>1,257</b>	<b>1,317</b>

iii. Employees, other than Directors, earning more than N900,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions and certain benefits) in the following ranges:

	<b>Group Dec-11</b>	Group Dec-10	<b>Bank Dec-11</b>	Bank Dec-10
	<b>Number</b>	Number	<b>Number</b>	Number
Below N900,000	<b>151</b>	31	–	–
N900,001 – N910,000	<b>7</b>	9	<b>7</b>	–
N910,001 – N1,000,000	<b>25</b>	–	–	–
N1,200,001 – N1,440,000	<b>79</b>	25	–	–
N1,490,001 – N1,500,000	<b>17</b>	34	–	34
N1,540,001 – N1,550,000	–	–	–	–
N1,650,001 – N1,660,000	<b>20</b>	12	–	–
N1,990,001 – N2,010,000	<b>428</b>	66	<b>143</b>	–
N2,340,001 – N2,370,000	<b>24</b>	8	–	–
N2,370,001 – N2,380,000	–	–	–	–
N2,610,001 – N2,620,000	<b>16</b>	22	–	–
N2,990,001 – N3,000,000	<b>944</b>	1	<b>245</b>	–
N3,100,001 – N3,300,000	<b>44</b>	5	–	–
N3,490,001 – N3,500,000	<b>8</b>	8	–	–
N3,501,001 – N3,910,000	<b>119</b>	685	–	631
N3,910,001 – N3,920,000	<b>7</b>	–	–	–
N3,980,001 – N3,990,000	<b>17</b>	–	–	–
N4,100,001 – N4,310,000	<b>2</b>	6	–	–
N4,310,001 – N4,320,000	<b>28</b>	5	–	–
N4,700,001 – N4,740,000	<b>14</b>	–	–	–
N4,740,001 – N4,750,000	<b>344</b>	–	<b>337</b>	–
N4,930,001 – N4,940,000	<b>986</b>	170	–	150
N5,430,001 – N5,440,000	–	–	–	–
N4,941,001 – N5,529,000	–	5	–	–
N5,530,001 – N5,740,000	<b>9</b>	126	–	109
N6,100,001 – N6,750,000	<b>1,013</b>	–	<b>118</b>	–
N6,900,001 – N7,200,000	<b>635</b>	201	<b>91</b>	107
N7,431,001 – N7,489,000	<b>8</b>	7	–	–
N7,900,001 – N8,750,000	<b>1</b>	1	–	–
N8,750,001 – N8,760,000	–	–	–	–
N9,180,001 – N9,190,000	<b>256</b>	93	–	84
N9,350,001 – N10,810,000	<b>217</b>	–	<b>84</b>	–
N10,810,001 – N10,820,000	–	61	–	60
N11,000,001 – N11,350,000	<b>71</b>	2	<b>71</b>	–
N11,350,001 – N11,360,000	–	16	–	–
N11,950,001 – N12,160,000	<b>1</b>	1	–	–
N12,620,001 – N12,630,000	<b>94</b>	–	–	–
N13,261,001 – N14,949,000	<b>61</b>	53	<b>61</b>	53
N15,101,001 – N17,949,000	<b>97</b>	38	<b>46</b>	38
N18,101,001 – N21,940,000	<b>29</b>	19	–	19
N22,101,001 – N26,250,000	<b>33</b>	16	<b>19</b>	16
N26,251,001 – N30,260,000	<b>12</b>	15	<b>11</b>	15
N30,261,001 – N45,329,000	<b>21</b>	1	<b>16</b>	1
Above N45,329,000	<b>140</b>	–	<b>8</b>	–
	<b>5,978</b>	1,754	<b>1,257</b>	1,317

# Notes to the Group Financial Statements

## continued

(c) Directors' remuneration:

Remuneration paid to Directors of the Bank (excluding pension contributions and other benefits) was as follows:

	Bank Dec-11	Bank Dec-10
	<b>N'000</b>	N'000
Fees as Directors	<b>7,350</b>	7,900
Other emoluments:		
Executive Directors	<b>145,100</b>	152,400
Other Directors	<b>91,768</b>	101,363
	<b>244,218</b>	261,663

The Directors' remuneration shown above includes:

	Bank Dec-11	Bank Dec-10
	<b>N'000</b>	N'000
Chairman	<b>9,974</b>	9,370
Highest paid Director	<b>36,250</b>	38,650

The emoluments of all other Directors fell within the following ranges:

	Bank Dec-11	Bank Dec-10
	<b>Number</b>	Number
N1,000,000 – N9,000,000	<b>2</b>	–
N9,000,001 – N13,000,000	<b>1</b>	2
N13,000,001 – N20,000,000	<b>9</b>	5
N20,000,001 – N37,000,000	<b>1</b>	5
	<b>13</b>	12

## 10 Diminution in value of assets

(a) Loan loss expenses comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Loans and advances:</b>				
– Specific (see note 15(f))	15,296,870	12,639,028	14,031,069	9,696,254
– General (see note 15(h))	5,019,907	20,964	5,204,281	–
– Margin facilities (see note 15(f))	–	(1,350,004)	–	(1,350,004)
– No longer required (see note 15(f))	(12,430,292)	(6,785,619)	(6,846,036)	(5,428,737)
<b>On-lending facilities:</b>				
– General (see note 16(b))	986,647	–	986,647	–
– General (see note 16(c))	274,292	–	274,292	–
<b>Advances under finance leases:</b>				
– Specific (see note 17(b))	–	–	–	–
– General (see note 17(c))	23,192	–	23,192	–
	<b>9,170,616</b>	4,524,369	<b>13,673,445</b>	2,917,513

(b) Allowance for other assets comprise:

– Allowance on other assets (see note 24(d))	89,953	649,436	89,953	558,242
– Allowance on other assets no longer required (see note 24(d))	(2,325,488)	(1,061,608)	(100,488)	(969,506)
Impairment charge/reversal on SME investment (see note 20(b)(xii))	–	(26,175)	–	(26,175)
Reversal of impairment loss on investment property (see note 22(b))	(211,543)	315,698	(211,543)	315,698
Insurance receivables (see note 18(b))	746,000	–	–	–
Impairment loss on investment in subsidiary (see note 20(b)(i))	–	–	356,350	264,557
Impairment loss on long-term investment (see note 19(b)(xvii))	(443,000)	–	–	–
Impairment charge on goodwill (see note 27(c)(ii))	380,990	306,437	–	–
	<b>(1,763,088)</b>	183,788	<b>134,272</b>	142,816

## 11 Taxation

(a) Current income tax charge

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Current income tax	3,015,649	3,136,242	2,041,066	2,640,306
Education tax	879,831	351,374	43,831	287,098
Prior year under provision	101,000	116,274	–	116,274
Income tax charge	<b>3,996,480</b>	3,603,890	<b>2,084,897</b>	3,043,678
Deferred tax charge	<b>(403,370)</b>	1,496,859	<b>271,417</b>	1,693,465
Charge for the period	<b>3,593,110</b>	5,100,749	<b>2,356,314</b>	4,737,143

The Bank's current income tax charge has been computed at the current company income tax rate of 30% (December 2010: minimum tax rule). Education tax for the period has been charged at 2% (December 2010: Nil) of assessable profit.

Group current income tax charge includes statutory corporate income tax of subsidiary companies.



# Notes to the Group Financial Statements

## continued

(b) Current income tax payable

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	3,492,485	6,982,030	2,959,976	6,736,626
Acquired from business combination	6,846,001	–	24,272	–
Charge for the year (see note (a) above)	3,996,480	3,603,890	2,084,897	3,043,678
Payments during the year	(4,579,351)	(7,056,504)	(2,984,248)	(6,820,328)
Translation difference	(8,611)	(36,931)	–	–
Balance, end of year	9,747,004	3,492,485	2,084,897	2,959,976

(c)(i) The movement on the deferred tax assets account during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	557,050	1,739,551	–	1,338,268
Acquired from business combination	5,754,000	–	–	–
Reversal during the year (see note (c)(ii) below)	–	(1,338,268)	–	(1,338,268)
Charge for the year	(638,582)	202,898	–	–
Translation difference	383,620	(47,131)	–	–
Balance, end of year	6,056,088	557,050	–	–

(c)(ii) The movement on the deferred tax liabilities account during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	419,945	37,999	355,197	–
Acquired from business combination	246,000	–	–	–
Reversal during the year (see note (c)(i) above)	–	(1,338,268)	–	(1,338,268)
Charge for the year	505,378	1,699,757	271,417	1,693,465
Translation difference	(245,096)	20,457	–	–
Deferred taxation liabilities	926,227	419,945	626,614	355,197
Deferred taxation assets (see note (c)(i) above)	(6,056,088)	(557,050)	–	–
Net deferred taxation	(5,129,861)	(137,105)	626,614	355,197

## 12 Cash and balances with Central Bank of Nigeria

(a) Cash and balances with Central Bank of Nigeria comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Cash balances	27,236,923	13,472,896	8,190,841	5,725,995
Operating account with Central Bank of Nigeria	21,566,237	8,356,366	7,389,672	8,356,366
	48,803,160	21,829,262	15,580,513	14,082,361
Mandatory reserve deposits with Central Bank of Nigeria (see note (b) below)	75,793,814	3,566,031	33,391,194	3,566,031
Statutory deposit with NAICOM (see note (c) below)	605,000	–	–	–
Placement with Central Bank of Nigeria	14,000,000	–	14,000,000	–
	139,201,974	25,395,293	62,971,707	17,648,392

(b) The mandatory reserve deposit is not available for use in the Group's day to day operations.

(c) Statutory deposit represents the mandatory deposit required by the National Insurance Commission (NAICOM) to be made by its insurance subsidiary, i.e. Intercontinental Wapic Insurance Plc.

### 13 Treasury bills

These comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Treasury bills (see note (a) below)	<b>63,350,523</b>	35,857,812	<b>8,550,418</b>	11,618,000

- (a) Included in treasury bills held in the Bank is N5.991 billion (December 2010: N6.691 billion) pledged by the Bank to third parties as collateral.
- (b) The cost of treasury bills held by the Bank as at 31 December, 2011 was N8.380 billion (December 2010: N11.539 billion).
- (c) The analysis of treasury bills by management intention is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Held-for-trading	<b>3,500,560</b>	1,874,939	<b>3,500,560</b>	1,874,939
Available-for-sale	<b>4,949,858</b>	9,743,061	<b>4,949,858</b>	9,743,061
Held-to-maturity	<b>54,900,105</b>	24,239,812	<b>100,000</b>	–
	<b>63,350,523</b>	35,857,812	<b>8,550,418</b>	11,618,000

### 14 Due from other banks

(a) Due from bank comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balances with banks in Nigeria				
– Clearing settlement account	<b>2,265,127</b>	678,708	<b>1,679,453</b>	577,275
– Placements with banks and discount houses in Nigeria (see note (b) below)	<b>10,212,228</b>	73,499	<b>3,042,228</b>	–
– Current accounts with other banks in Nigeria	<b>907,020</b>	81,768	–	–
Balances with banks outside Nigeria:				
– Balances held with other central banks	<b>2,458,196</b>	601,697	–	–
– Balances held with other banks outside Nigeria (see note (c) below)	<b>32,495,440</b>	26,389,257	<b>45,213,761</b>	44,782,198
– Placements with foreign banks	<b>79,969,435</b>	75,357,195	<b>18,716,568</b>	26,818,007
	<b>128,307,446</b>	103,182,124	<b>68,652,010</b>	72,177,480

- (b) Included in placements is an amount of N3,148,000,000 (31 December, 2010: N5,441,257,000) representing unclaimed dividend held in the account of the Registrars to the Bank. The corresponding liability is included in other liabilities (see note 34).
- (c) Included in balances held with banks outside Nigeria is the naira equivalent of foreign currencies held on behalf of customers in various foreign accounts amounting to N14,883,179,000 (31 December, 2010: N25,999,292,000) to cover letters of credit transactions. The corresponding liability for this amount is included in other liabilities (see note 34).

# Notes to the Group Financial Statements

## continued

### 15 Loans and advances

(a) The classification of loans and advances is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Overdraft	166,631,972	131,960,535	120,191,223	123,358,430
Term loan	317,031,150	256,625,961	281,138,522	246,111,795
Others	119,984,529	76,703,830	83,172,919	66,313,386
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611
Allowances:				
– specific allowance (see note (f) below)	(34,496,994)	(28,989,387)	(8,239,714)	(26,212,611)
– interest in suspense (see note (g) below)	(10,810,076)	(6,455,966)	(7,916,444)	(6,392,043)
– general allowance (see note (h) below)	(5,938,976)	(62,654)	(5,214,527)	–
	<b>(51,246,046)</b>	(35,508,007)	<b>(21,370,685)</b>	(32,604,654)
	<b>552,401,605</b>	429,782,319	<b>463,131,979</b>	403,178,957

(b) The loans and advances are analysed as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Specialised loans (see note (c) below)	106,669,329	108,802,418	106,669,329	108,802,418
Non-specialised loans	496,978,322	356,487,908	377,833,335	326,981,193
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611
Provisions				
Specialised:				
Specific allowance	(4,764,243)	(12,955,868)	(4,764,243)	(12,955,868)
Interest in suspense	(4,453,205)	(2,295,759)	(4,453,205)	(2,295,759)
General allowance	(991,657)	–	(991,657)	–
	<b>(10,209,105)</b>	(15,251,627)	<b>(10,209,105)</b>	(15,251,627)
Non-specialised:				
Specific allowance	(29,732,751)	(16,033,519)	(3,475,471)	(13,256,743)
Interest in suspense	(6,356,871)	(4,160,207)	(3,463,239)	(4,096,284)
General allowance	(4,947,319)	(62,654)	(4,222,870)	–
	<b>(41,036,941)</b>	(20,256,380)	<b>(11,161,580)</b>	(17,353,027)
	<b>(51,246,046)</b>	(35,508,007)	<b>(21,370,685)</b>	(32,604,654)
	<b>552,401,605</b>	429,782,319	<b>463,131,979</b>	403,178,957

(c) Specialised loans comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Project finance	38,848,214	53,360,501	38,848,214	53,360,501
Object finance	5,456,401	6,886,247	5,456,401	6,886,247
Agriculture finance	17,067,421	3,547,702	17,067,421	3,547,702
Real Estate finance	44,215,019	36,439,750	44,215,019	36,439,750
Mortgage finance	1,082,274	402,948	1,082,274	402,948
	<b>106,669,329</b>	100,637,148	<b>106,669,329</b>	100,637,148
Margin loans	–	8,165,270	–	8,165,270
	<b>106,669,329</b>	108,802,418	<b>106,669,329</b>	108,802,418

(d)(i) Classification of specialised loans and advances other than margin loans as at 31 December, 2011 are as follows:

	Project finance	Object finance	SME loans	Agriculture finance	Real Estate finance	Mortgage finance	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Performing	4,939,686	5,456,401	–	16,954,612	36,543,549	1,075,912	64,970,160
Watchlist	33,908,529	–	–	–	287,041	–	34,195,570
<b>Other classification</b>							
Substandard	–	–	–	12,323	2,147,266	6,362	2,165,951
Doubtful	–	–	–	92,858	3,626,079	–	3,718,937
Very doubtful	–	–	–	–	–	–	–
Lost	–	–	–	7,627	1,611,084	–	1,618,711
<b>(a)</b>	–	–	–	112,808	7,384,429	6,362	7,503,599
<b>(b)</b>	38,848,215	5,456,401	–	17,067,420	44,215,019	1,082,274	106,669,329
<b>Percentage NPL to total loans (a/b)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.66%</b>	<b>16.70%</b>	<b>0.59%</b>	<b>7.03%</b>

(d)(ii) Classification of other specialised loans and advances as at 31 December, 2010 are as follows:

	Project finance	Object finance	SME loans	Agriculture finance	Real Estate finance	Mortgage finance	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Performing	11,633,530	6,068,230	–	3,541,197	32,837,880	300,393	54,381,230
Watchlist	41,726,971	818,017	–	–	1,264,673	–	43,809,661
<b>Other classification</b>							
Substandard	–	–	–	–	1,339,843	–	1,339,843
Doubtful	–	–	–	5,653	97,337	102,555	205,545
Very doubtful	–	–	–	–	–	–	–
Lost	–	–	–	852	900,017	–	900,869
<b>(a)</b>	–	–	–	6,505	2,337,197	102,555	2,446,257
<b>(b)</b>	53,360,501	6,886,247	–	3,547,702	36,439,750	402,948	100,637,148
<b>Percentage NPL to total loans (a/b)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.18%</b>	<b>6.41%</b>	<b>25.45%</b>	<b>2.43%</b>

(e) Allowances for specialised loans are as follows:

	Group Dec-11	Group Dec-11	Group Dec-10	Group Dec-10	Bank Dec-11	Bank Dec-11	Bank Dec-10	Bank Dec-10
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
	Balance	Allowance	Balance	Allowance	Balance	Allowance	Balance	Allowance
Project finance	38,848,214	6,908,724	53,360,501	7,238,809	38,848,214	6,908,724	53,360,501	7,238,809
Object finance	5,456,401	–	6,886,247	182,769	5,456,401	–	6,886,247	182,769
SME loans	–	–	–	–	–	–	–	–
Agriculture finance	17,067,421	55,296	3,547,702	3,988	17,067,421	55,296	3,547,702	3,988
Real Estate finance	44,215,019	2,252,786	36,439,750	1,237,359	44,215,019	2,252,786	36,439,750	1,237,359
Mortgage finance	1,082,274	642	402,948	70,034	1,082,274	642	402,948	70,034
	106,669,329	9,217,448	100,637,148	8,732,959	106,669,329	9,217,448	100,637,148	8,732,959
Margin loans	–	–	8,165,270	6,518,668	–	–	8,165,270	6,518,668
General allowance	–	991,657	–	–	–	991,657	–	–
	106,669,329	10,209,105	108,802,418	15,251,627	106,669,329	10,209,105	108,802,418	15,251,627

# Notes to the Group Financial Statements

## continued

(f) The movement on specific allowance for bad and doubtful loans during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	28,989,387	25,908,623	26,212,611	21,354,890
Prior year under-provision	(117,672)	–	–	–
	<b>28,871,715</b>	25,908,623	<b>26,212,611</b>	21,354,890
Acquired from business combination	60,734,000	–	–	–
Reclassification from underwriting commitment	–	3,256,198	–	3,256,198
Allowance during the year (see note 10(a) above)	15,296,870	12,639,028	14,031,069	9,696,254
Allowance/(write back) for margin facilities (see note 10(a) above)	–	(1,350,004)	–	(1,350,004)
Allowance no longer required (see note 10(a) above)	(12,430,292)	(6,785,619)	(6,846,036)	(5,428,737)
Allowance written-off during the year	(58,142,968)	(4,383,007)	(25,157,930)	(1,315,990)
Translation difference	167,669	(295,832)	–	–
<b>Balance, end of year</b>	<b>34,496,994</b>	28,989,387	<b>8,239,714</b>	26,212,611

(g) The movement in the interest-in-suspense account during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	6,455,966	3,631,468	6,392,043	3,623,902
Acquired from business combination	5,613,000	–	–	–
Suspended during the year	28,829,009	4,070,590	8,507,104	4,009,616
Recovered during the year	(25,812,328)	(207,784)	(2,584,328)	(203,167)
Written-off during the year	(4,398,375)	(1,038,308)	(4,398,375)	(1,038,308)
Translation difference	122,804	–	–	–
<b>Balance, end of year</b>	<b>10,810,076</b>	6,455,966	<b>7,916,444</b>	6,392,043

(h) The movement on the general allowance for performing loans during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	62,654	45,655	–	–
Acquired from business combination	801,246	–	10,246	–
Allowance during the year (see note 10(a))	5,063,273	32,585	5,204,281	–
Allowance written back (see note 10(a))	(43,366)	(11,621)	–	–
Translation difference	55,169	(3,965)	–	–
<b>Balance, end of year</b>	<b>5,938,976</b>	62,654	<b>5,214,527</b>	–

(i)(i) The analysis of loan and advances by security is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Secured against real estate	179,934,130	105,049,675	162,283,018	96,474,275
Secured by shares of quoted companies	30,344,000	12,005,488	–	12,005,488
Otherwise secured	373,244,700	336,927,338	322,219,646	327,303,848
Unsecured	20,124,821	11,307,825	–	–
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611

(i)(ii) Included in loans and advances otherwise secured is a total loan amount of N9,529,849,357 (December 2010: N14,806,697,000) secured by cash held in various deposit accounts on behalf of customers.

(j) The maturity profile of loans and advances is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under one month	214,839,194	112,764,852	157,987,869	110,287,957
1 – 3 months	115,023,145	84,720,425	91,067,290	76,322,737
3 – 6 months	96,752,459	50,337,019	87,354,667	46,522,176
6 – 12 months	43,065,742	36,127,911	25,761,920	32,334,795
Over 12 months	133,967,111	181,340,119	122,330,918	170,315,946
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611

(k) The gross value of loans and advances by borrower is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Insider related loans (see note (i) below)	105,794,138	65,955,735	90,005,623	58,866,046
Other loans	497,853,513	399,334,591	394,497,041	376,917,565
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611

(i) The non-performing insider related loans as at the balance sheet date for the Group was N860,000 (December 2010: nil) and nil (December 2010: N47,204,787) was for the Bank.

(l) The gross value of loans and advances by sector is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Agriculture	2,211,839	3,780,784	1,840,963	3,547,702
Arts, entertainment and recreation	638,299	270,000	–	270,000
Capital market	24,668,109	19,287,516	14,164,109	19,287,516
Construction	20,520,115	20,050,437	16,988,370	19,019,811
Education	879,044	239,875	331,155	239,561
Finance and insurance	37,320,764	17,598,898	12,180,032	11,201,204
General	22,349,725	13,395,708	17,036,615	12,995,228
General commerce	123,850,757	56,288,917	118,106,502	54,619,802
Government	20,424,152	19,092,466	13,762,558	17,971,498
Information and communication	63,099,067	69,450,897	61,561,106	68,304,866
Manufacturing	96,302,824	85,394,186	84,296,669	84,553,478
Oil and gas	119,336,089	106,298,109	103,317,947	106,009,169
Power and energy	2,255,023	538,571	1,124,899	391,361
Professional, technical and scientific activities	238,952	443,184	225,039	443,184
Real estate activities	31,509,903	33,026,044	27,962,393	30,320,052
Transportation and storage	20,827,400	7,065,810	7,285,985	6,603,440
Others	17,215,589	13,068,924	4,318,322	5,739
	<b>603,647,651</b>	465,290,326	<b>484,502,664</b>	435,783,611



# Notes to the Group Financial Statements

## continued

(m) The analysis of loans and advances by performance is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Non-performing:				
Substandard	10,031,570	11,608,245	6,520,113	8,217,681
Doubtful	24,129,711	8,113,821	10,138,919	6,002,447
Lost	23,308,639	17,951,073	4,023,453	17,008,026
	57,469,920	37,673,139	20,682,485	31,228,154
Performing	546,177,731	427,617,187	463,820,179	404,555,457
	603,647,651	465,290,326	484,502,664	435,783,611

## 16 On-lending facilities

(a) This represents disbursement to customers in respect of on-lending facilities received from European Investment Bank, African Development Bank, Nigeria Export Import Bank and Bank of Industry (see note 30).

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Gross loans	29,143,913	22,685,778	29,143,913	22,685,778
Specific allowance (see note (b) below)	(986,647)	–	(986,647)	–
General allowance (see note (c) below)	(274,292)	–	(274,292)	–
	27,882,974	22,685,778	27,882,974	22,685,778

(b) The movement on the general allowance for on-lending facilities during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	–	–
Allowance during the year (see note 10(a))	986,647	–	986,647	–
<b>Balance, end of year</b>	<b>986,647</b>	–	<b>986,647</b>	–

(c) The movement on the general allowance for on-lending facilities during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	51,435	–	51,435
Allowance during the year (see note 10(a))	274,292	–	274,292	–
	–	(51,435)	–	(51,435)
<b>Balance, end of year</b>	<b>274,292</b>	–	<b>274,292</b>	–

(d) The maturity profile of on-lending facilities is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under 1 month	40,000	–	40,000	–
1 – 3 months	3,200,000	970,938	3,200,000	970,938
3 – 6 months	800,000	87,672	800,000	87,672
6 – 12 months	207,667	150,177	207,667	150,177
Over 1 year	8,146,308	21,476,991	8,146,308	21,476,991
Over 5 years	16,749,938	–	16,749,938	–
	29,143,913	22,685,778	29,143,913	22,685,778

(e) The analysis of on-lending facilities by performance is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Non-performing:				
Substandard	74,250	–	74,250	–
Doubtful	1,640,453	–	1,640,453	–
	<b>1,714,703</b>	–	<b>1,714,703</b>	–
Performing	27,429,210	22,685,778	27,429,210	22,685,778
	<b>29,143,913</b>	22,685,778	<b>29,143,913</b>	22,685,778

## 17 Advances under finance lease

(a) Advances under finance leases comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Gross investment in finance leases	3,398,206	3,480,431	2,764,346	3,137,130
Unearned income	(557,119)	(396,038)	(445,119)	(396,038)
Net investment in finance leases	2,841,087	3,084,393	2,319,227	2,741,092
Specific allowance	–	–	–	–
General allowance (see note (c) below)	(23,192)	–	(23,192)	–
	<b>2,817,895</b>	3,084,393	<b>2,296,035</b>	2,741,092

(b) The movement on specific allowance for advances under finance lease during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of the year	–	–	–	–
Acquired from business combination	–	–	–	–
Allowance no longer required	–	–	–	–
Charge for the year	–	–	–	–
<b>Balance, end of year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

(c) The movement on the general allowance for advances under finance lease during the period is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of the year	–	37,586	–	37,586
Acquired from business combination	–	–	–	–
Allowance during the year (see note 10(a))	23,192	–	23,192	–
Allowances no longer required	–	(37,586)	–	(37,586)
<b>Balance, end of year</b>	<b>23,192</b>	<b>–</b>	<b>23,192</b>	<b>–</b>

# Notes to the Group Financial Statements

## continued

(d) The maturity profile of the net investment in advances under finance lease is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under 1 month	24,811	14,744	5,737	3,444
1 – 3 months	49,491	38,282	5,594	8,045
3 – 6 months	189,400	21,568	121,090	20,103
6 – 12 months	301,802	112,587	161,490	95,325
Over 12 months	2,275,583	2,897,212	2,025,316	2,614,175
	<b>2,841,087</b>	3,084,393	<b>2,319,227</b>	2,741,092

(e) The analysis of advances under finance leases by performance is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Performing</b>	<b>2,841,087</b>	3,084,393	<b>2,319,227</b>	2,741,092

## 18 Insurance receivables

(a) Insurance receivables comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Due from agents and brokers	2,615,000			
Due from reinsurers	–			
	<b>2,615,000</b>	–	–	–
Provision for doubtful receivables (see note (b) below)	(1,210,000)	–	–	–
	<b>1,405,000</b>	–	–	–

(b) Movement in provision for insurance receivables comprises:

Balance, beginning of year	–		–	
Acquired from business combination	1,336,000			
Additional provision/(write back)	746,000			
Write-off during the year	(872,000)	–	–	–
<b>Balance, end of year</b>	<b>1,210,000</b>			

## 19 Investment securities

Investment securities comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Short-term investment securities (see note (a) below)	7,311,562	1,803,057	2,286,974	1,056,706
Long-term investment securities (see note (b) below)	533,165,451	117,862,903	155,677,402	115,754,914
	<b>540,477,013</b>	119,665,960	<b>157,964,376</b>	116,811,620

(a) The analysis of investment securities by management intention is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Held-for-trading	7,311,562	1,056,706	2,286,974	1,056,706
Available-for-sale	35,794,634	9,454,252	11,992,763	9,377,133
Held-to-maturity	497,370,817	109,155,002	143,684,639	106,377,781
	<b>540,477,013</b>	119,665,960	<b>157,964,376</b>	116,811,620

(b) Short-term investment securities

Short-term investment securities comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Trading securities (note (b)(i) below)	2,430,984	1,773,988	2,286,974	1,056,706
Stabilisation securities	29,578	29,069	–	–
Debt Securities	1,020,000	–	–	–
Listed equity securities	3,831,000	–	–	–
	<b>7,311,562</b>	1,803,057	<b>2,286,974</b>	1,056,706

(b)(i) Trading securities comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Trading FGN Bonds (see note (b)(ii) below)	2,286,974	1,056,706	2,286,974	1,056,706
Other trading bonds	82,068	–	–	–
Banker's acceptances	61,942	717,282	–	–
	<b>2,430,984</b>	1,773,988	<b>2,286,974</b>	1,056,706

(b)(ii) Trading FGN bonds comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
12.99% 3rd FGN Bond Series 13 (2011)	–	106,244	–	106,244
9.45% 5th FGN Bond Series 1 (2013)	–	38,595	–	38,595
10.50% 5th FGN Bond Series 4 (2013)	–	3,671	–	3,671
10.75% 4th FGN Bond Series 3 (2014)	11,882	14,580	11,882	14,580
9.20% 4th FGN Bond Series 6 (2014)	–	53,475	–	53,475
9.85% 4th FGN Bond Series 8 (2017)	240,400	240,400	240,400	240,400
9.35% 4th FGN Bond Series 9 (2017)	1,642	438,038	1,642	438,038
10.70% 5th FGN Bond Series 2 (2018)	1,193,250	21,058	1,193,250	21,058
12.49% 6th FGN Bond Series 3 (2029)	–	94,680	–	94,680
7.00% 6th FGN Bond Series 4 (2019)	504,640	45,965	504,640	45,965
10.00% 7th FGN Bond Series 3 (2030)	152,420	–	152,420	–
10.50% 8th FGN Bond Series 5 (2014)	182,740	–	182,740	–
	<b>2,286,974</b>	1,056,706	<b>2,286,974</b>	1,056,706

(b)(iii) The original cost of trading FGN bonds as at 31 December, 2011 was N2,309,644,119 (December 2010: N1,069,469,000).

# Notes to the Group Financial Statements

## continued

### (c)(i) Long-term investment securities

Long-term investment securities comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Quoted:</b>				
A-X Mutual funds	<b>77,000</b>	–	–	–
Federal Government Bonds (see note (c) (iii) below)	<b>157,980,146</b>	100,686,861	<b>79,436,146</b>	100,686,861
AMCON Bonds (see note (c) (xviii) below)	<b>305,642,854</b>	2,690,920	<b>43,319,854</b>	2,690,920
Other bonds (see note (c)(vi) below)	<b>36,259,787</b>	5,030,870	<b>23,517,608</b>	3,000,000
	<b>499,959,787</b>	108,408,651	<b>146,273,608</b>	106,377,781
<b>Other equity investments:</b>				
Africa Finance Corporation (see note (c)(vii) below)	<b>19,076,940</b>	8,425,000	<b>8,425,000</b>	8,425,000
Valucard Nigeria Plc (see note (c)(viii) below)	<b>368,257</b>	368,257	<b>368,257</b>	368,257
Central Securities Clearing System Limited (see note (c)(ix) below)	<b>576,798</b>	175,000	<b>175,000</b>	175,000
IBTC Pension Managers (see note (c)(x) below)	<b>141,177</b>	141,177	<b>141,177</b>	141,177
Credit Reference Company (see note (c) (xi) below)	<b>87,772</b>	61,111	<b>87,772</b>	61,111
Nigerian Interbank Settlement System (see note (c) (xii) below)	<b>133,849</b>	46,588	<b>46,588</b>	46,588
Consolidated Discount Limited (see note (c) (xiii) below)	<b>10,000</b>	10,000	<b>10,000</b>	10,000
MTN Nigeria Communication Limited	<b>11,500,672</b>	–	–	–
African Export-Import Bank	<b>20,000</b>	–	–	–
Fidson Health Care Nig. Plc	<b>81,909</b>	–	–	–
Juli Pharmacy	<b>17,512</b>	–	–	–
E-tranzact Limited	<b>1,044,200</b>	–	–	–
Small & Medium Scale Investments (see note (c) (xiv) below)	<b>3,162,441</b>	268,441	<b>268,441</b>	268,441
Other equity investments	<b>29,578</b>	77,119	–	–
	<b>36,251,105</b>	9,572,693	<b>9,522,235</b>	9,495,574
Gross value of long-term investments	<b>536,210,892</b>	117,981,344	<b>155,795,843</b>	115,873,355
Diminution in the value of investments (see note (c) (xvii) below)	<b>(3,045,441)</b>	(118,441)	<b>(118,441)</b>	(118,441)
Carrying value	<b>533,165,451</b>	117,862,903	<b>155,677,402</b>	115,754,914

### (c)(ii) The movement in investment securities – long-term during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	<b>117,981,344</b>	47,660,632	<b>115,873,355</b>	45,375,951
Addition during the year	<b>418,277,089</b>	98,629,130	<b>39,922,488</b>	96,980,286
Disposal during the year	<b>(47,541)</b>	(28,426,859)	–	(26,601,323)
<b>Balance, end of year</b>	<b>536,210,892</b>	117,862,903	<b>155,795,843</b>	115,754,914

(c)(iii) Long-term investment in Federal Government Bonds comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
7.95% 4th FGN Bond Series 7 (2010)	–	9,076,616	–	9,076,616
7.00% 4th FGN Bond Series 12 (2010)	–	830,386	–	830,386
12.99% 3rd FGN Bond Series 13 (2011)	–	4,370,913	–	4,370,913
10.50% 5th FGN Bond Series 3 (2011)	–	521,481	–	521,481
Federal Mortgage Bank of Nigeria Bond (2012)	<b>5,021,979</b>	2,076,928	<b>2,021,979</b>	2,076,928
9.23% 4th FGN Bond Series 5 (2012)	<b>50,979</b>	373,994	<b>50,979</b>	373,994
9.50% 4th FGN Bond Series 10 (2012)	<b>5,010,427</b>	213,545	<b>205,427</b>	213,545
9.25% 4th FGN Bond Series 11 (2014)	<b>2,059,000</b>	–	–	–
9.50% 4th FGN Bond Series 2 (2012)	<b>453,000</b>	–	–	–
10.75% 4th FGN Bond Series 3 (2014)	<b>953,000</b>	–	–	–
9.23% 4th FGN Bond Series 5 (2012)	<b>1,951,000</b>	–	–	–
9.85% 4th FGN Bond Series 8 (2017)	<b>3,594,000</b>	–	–	–
9.92% 6th FGN Bond Series 1 (2012)	<b>8,019,754</b>	423,092	<b>401,754</b>	423,092
10.50% 6th FGN Bond Series 2 (2012)	<b>6,037,000</b>	1,623,851	–	1,623,851
10.98% 3rd FGN Bond Series 15 (2013)	<b>500,000</b>	1,500,000	<b>500,000</b>	1,500,000
11.99% 3rd FGN Bond Series 16 (2013)	–	1,036,240	–	1,036,240
9.45% 5th FGN Bond Series 1 (2013)	<b>3,753,886</b>	3,505,848	<b>209,886</b>	3,505,848
10.50% 5th FGN Bond Series 4 (2013)	<b>3,364,440</b>	2,857,913	<b>667,440</b>	2,857,913
5.50% 7th FGN Bond Series 1 (2013)	<b>7,006,117</b>	544,587	<b>547,117</b>	544,587
9.20% 4th FGN Series 6 (2014)	<b>2,500,761</b>	959,224	<b>163,761</b>	959,224
4.00% 7th FGN Bond Series 2 (2015)	<b>6,740,590</b>	183,844	<b>187,590</b>	183,844
9.35% 4th FGN Bond Series 9 (2017)	<b>4,244,759</b>	582,059	<b>569,759</b>	582,059
10.70% 5th FGN Bond Series 2 (2018)	<b>1,710,884</b>	916,009	<b>886,884</b>	916,009
7.00% 6th FGN Series 4 (2019)	<b>5,320,469</b>	1,365,949	<b>1,358,469</b>	1,365,949
15.00% 5th FGN Bond Series 5 (2028)	<b>6,189,442</b>	10,612,314	<b>4,244,442</b>	10,612,314
12.49% 6th FGN Bond Series 3 (2029)	<b>38,047,187</b>	35,641,945	<b>35,010,187</b>	35,641,945
8.50% 6th FGN Bond Series 5 (2029)	<b>30,227,216</b>	21,470,123	<b>22,168,216</b>	21,470,123
10.00% 7th FGN Bond Series 3 (2030)	<b>3,208,000</b>	–	–	–
10.50% 8th FGN Bond Series 1 (2014)	<b>1,774,000</b>	–	–	–
Local Contractor Bonds (see 19(c) (xix) below)	<b>10,242,256</b>	–	<b>10,242,256</b>	–
	<b>157,980,146</b>	100,686,861	<b>79,436,146</b>	100,686,861

(c)(iv) The market value of long-term FGN Bonds is N54,625,755,510 (December 2010: N91,284,208,000).

(c)(v) Included in long-term FGN bond is an amount of N34,120,000,000 (December 2010: 34,120,000,000) pledged as collateral by the Bank for various transactions.



# Notes to the Group Financial Statements

## continued

(c)(vi) Other bonds comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Corporate bonds (see note (vi)(i) below)	4,800,000	3,000,000	4,550,000	3,000,000
Eurobonds (see note (vi)(ii) below)	8,201,688	–	7,827,608	–
State Government bonds (see note (vi)(iii) below)	11,175,000	–	11,140,000	–
Others	12,083,099	2,030,870	–	–
	<b>36,259,787</b>	5,030,870	<b>23,517,608</b>	3,000,000

(vi)(i) The details of the corporate bonds are as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
UBA Plc Corporate Bond 13%, 2017	1,000,000	1,000,000	1,000,000	1,000,000
Flourmill Nigeria Plc Corporate Bond 12%, 2015	2,000,000	2,000,000	2,000,000	2,000,000
Dana Group Corporate Bond 14%, 2018	750,000	–	750,000	–
Tower Aluminium Group Medium Term Note 15%, 2018	300,000	–	300,000	–
Lafarge Cement WAPCO Corporate Bond 11.5%, 2014	500,000	–	500,000	–
Others	250,000	–	–	–
	<b>4,800,000</b>	3,000,000	<b>4,550,000</b>	3,000,000

(vi)(ii) The details of the eurobonds are as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
GTB Plc Eurobond 8.5%, 2012	5,667,500	–	5,667,500	–
GTB Plc Eurobond 7.5%, 2016	237,234	–	237,234	–
Afren Plc Eurobond 11.5%, 2016	166,362	–	166,362	–
Standard Bank Credit Linked Note 9%, 2012	160,777	–	160,777	–
Republic of Zambia Sovereign Bond 6.25%, 2012	1,595,735	–	1,595,735	–
Others	374,080	–	–	–
	<b>8,201,688</b>	–	<b>7,827,608</b>	–

(vi)(iii) The details of the State Government Bonds are as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Edo State Govt. Bond 14%, 2017	1,000,000	–	1,000,000	–
Delta State Govt. Bond 14%, 2018	8,140,000	–	8,140,000	–
Ekiti State Govt. Bond 14.5%, 2018	2,000,000	–	2,000,000	–
Others	35,000	–	–	–
	<b>11,175,000</b>	–	<b>11,140,000</b>	–

(c)(vii) This represents the Group's investment in 111,250,000 (December 2010: 61,250,000) ordinary shares of US\$1 each in Africa Finance Corporation, representing 10.19% equity interest (December 2010: 5.6%).

(c)(viii) This represents the Bank's investment in 368,256,737 (December 2010: 368,256,737) units of Valucard Nigeria Plc representing 10% equity interest.

(c)(ix) This represents the Group's investment in 162,500,000 (December 2010: 50,000,000) ordinary shares of N1 each in Central Securities Clearing System, representing 7.25% equity interest.

(c)(x) This represents the Bank's investment in 75,000,000 (December 2010: 75,000,000) ordinary shares of N1 each in IBTC Pension Managers, representing 15% equity interest.

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- (c)(xi) This represents the Bank's investment in 125,181,682 (December 2010: 107,407,407) units of Credit Reference Company representing 7.9% equity interest.
  - (c)(xii) This represents the Group's investment in 105,166,582 (December 2010: 52,583,291) ordinary shares of N1 each in Nigerian Inter-Bank Settlement System Plc, representing 13.43% equity interest.
  - (c)(xiii) This represents the Bank's investment in 10,000,000 (December 2010: 10,000,000) ordinary shares of N1 each in Consolidated Discount Limited, representing 5% equity interest.

# Notes to the Group Financial Statements

## continued

### (c)(xiv) Investment in SMEEIS

The details of the investments are as shown below:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Tinapa Business Resort	350,000	150,000	150,000	150,000
Virtual Africa Solutions Limited	310,000	–	–	–
Oil Palm Industries Limited	250,000	–	–	–
Shonga Farms	200,000	–	–	–
Gideon Unique Limited	162,000	–	–	–
Green Palm Nigeria Limited	140,000	–	–	–
EBN Crown Limited	139,000	–	–	–
Kwara Football Academy	106,000	–	–	–
Frezone Plant Fabrication Int'l Limited	100,000	–	–	–
Oriental Classic Nigeria Limited	100,000	–	–	–
Otuku Nigeria Limited	92,000	–	–	–
Ipman Microfinance Bank	86,000	–	–	–
Cards Technology Limited	79,000	–	–	–
Vital Gases Limited	79,000	–	–	–
Credit Reference Company	70,000	–	–	–
Sahel Engineering Limited	68,000	–	–	–
Gajons Beach Resorts Limited	54,000	–	–	–
Passion Inv. Nigeria Limited	47,000	–	–	–
Ebtok International Limited	45,000	–	–	–
Babcock University	43,000	–	–	–
Klusters Nigeria Limited	40,000	–	–	–
Best Food Global Nig Limited	40,000	–	–	–
Radmed Diagnostics	37,100	37,100	37,100	37,100
Oasis Plastics Limited	35,000	–	–	–
Delina Bakery and Confectionery Limited	34,000	–	–	–
Bemm F and B	34,000	–	–	–
BTEBN Education Services Limited	33,000	–	–	–
Caronc Farms Limited	32,000	–	–	–
Masdeladel Industries	30,600	30,600	30,600	30,600
Moreson Nigeria Limited	30,000	–	–	–
Debis Computer Limited	27,000	–	–	–
Infinity woodwork	24,000	–	–	–
Vectis Nigeria Limited	24,000	–	–	–
Midland Sugar Limited	21,991	21,991	21,991	21,991
Aluform Int'l Limited	17,000	–	–	–
Millennium Harvest Limited	16,000	–	–	–
Lio & Co Industries Limited	16,000	–	–	–
Hull Gen & boilers Limited	15,000	–	–	–
Channel House Limited	15,000	15,000	15,000	15,000
First SMI Consortium Company	13,750	13,750	13,750	13,750
Monumental Kaolin&Allied products Limited	13,000	–	–	–
Loyi Palm Products Limited	13,000	–	–	–
Baochemical Industries Limited	12,000	–	–	–
Posna Nig Limited	12,000	–	–	–
Oakridge Wineries Limited	10,000	–	–	–
GuineaBoard	8,000	–	–	–
Others	39,000	–	–	–
Gross value (see note (c) (xv) below)	<b>3,162,441</b>	268,441	<b>268,441</b>	268,441

(c)(xv) The Bank makes investments under the Small and Medium Enterprises Equity Investment Scheme (SMEEIS) based on the Policy Guidelines for 2001 Fiscal Year (Monetary Policy Circular No. 35). A total of N3,162,441 for the Group (31 December, 2010: N268,441,000) and N268,441,000 for the Bank (December 2010: N268,441,000) have been invested so far under the scheme. Due to the effective percentage holding of the Bank in these companies, some of them qualify as associates. However, they are not accounted for using the equity method as the directors are of the view that the Bank does not exercise significant influence.

(c)(xvi) The movement in investment in SMEEIS during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	268,441	294,616	268,441	294,616
Acquired through business combination	2,894,000	–	–	–
Disposal during the year	–	(26,175)	–	(26,175)
<b>Balance, end of year</b>	<b>3,162,441</b>	268,441	<b>268,441</b>	268,441

(c)(xvii) The movement in provision for the diminution in the value of unquoted investments is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	118,441	144,616	118,441	144,616
Acquired through business combination	3,370,000	–	–	–
(Writeback)/additional provision	(443,000)	(26,175)	–	(26,175)
Provision no longer required	–	–	–	–
<b>Balance, end of year</b>	<b>3,045,441</b>	118,441	<b>118,441</b>	118,441

(c)(xviii) The analysis of AMCON Consideration bonds is provided below:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
AMCON Consideration Bond Tranche II, 2013 (zero coupon, 10.125% yield)	343,713,988	3,618,988	3,618,988	3,618,988
AMCON Consideration Bond Tranche II, 2013 (zero coupon, 11.08% yield)	15,160,923	–	15,160,923	–
AMCON Consideration Bond, 2014 (zero coupon, 13% yield)	37,385,052	–	37,385,052	–
AMCON Consideration Bond (see note (b)(xviii)(i) below)	396,259,963	3,618,988	56,164,963	3,618,988
AMCON Series 1 Bond Tranche II, 2013 (zero coupon, 11.08% yield) (see note (xviii)(ii) below)	1,000,000	–	1,000,000	–
Gross value	397,259,963	3,618,988	57,164,963	3,618,988
Unearned income	(91,617,109)	(928,068)	(13,845,109)	(928,068)
<b>Balance, end of year</b>	<b>305,642,854</b>	2,690,920	<b>43,319,854</b>	2,690,920

(xviii)(i) AMCON Consideration Bonds represent Consideration Bonds issued by the Asset Management Corporation of Nigeria (AMCON) and fully guaranteed by the Federal Government of Nigeria. The Consideration Bonds were issued to banks in exchange for non-performing loans. Based on the terms of the transactions, AMCON reserves the right to re-evaluate the valuation of the sale. Any changes to the transaction consideration is prospectively adjusted.

# Notes to the Group Financial Statements

## continued

(xviii)(ii) The movement in the investment in AMCON bond during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	3,618,988	–	3,618,988	–
Addition during the year	393,640,975	3,618,988	53,545,975	3,618,988
<b>Balance, end of year</b>	<b>397,259,963</b>	3,618,988	<b>57,164,963</b>	3,618,988

(c)(ix) The analysis of Local Contractor bonds is provided below:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Gross Amount	15,867,978	–	15,867,978	–
Unearned income	(5,625,722)	–	(5,625,722)	–
<b>Balance, end of year</b>	<b>10,242,256</b>	–	<b>10,242,256</b>	–

(ix)(i) Local Contractor bonds are debt securities issued by the Federal Government of Nigeria to securitise local contractor's debts.

## 20 Investment in subsidiaries

Investment in subsidiaries comprise:

(a) Equity investment in subsidiaries

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Access Bank, UK (see note (d) below)	–	–	7,458,100	7,458,100
Access Bank, Ghana (see note (d) below)	–	–	7,427,000	7,427,000
Access Bank, Côte d'Ivoire (see note (d) below)	–	–	5,438,520	1,890,000
Access Bank Rwanda (see note (d) below)	–	–	1,578,825	1,578,825
Access Homes & Mortgages (see note (c) and (d) below)	–	–	–	1,000,000
Access Bank, Congo (see note (d) below)	–	–	2,779,650	1,818,450
Access Bank, Zambia (see note (d) below)	–	–	1,819,425	617,925
FinBank, Burundi (see note (d) below)	–	–	1,141,874	526,274
Access Investment and Securities (see note (d) and (g) below)	–	–	500,000	500,000
Access Bank, Sierra Leone (see note (d) below)	–	–	1,019,952	709,351
Access Bank, Gambia (see note (d) below)	–	–	1,853,756	892,556
United Securities Limited (see note (d) and (f) below)	–	–	–	107,199
Intercontinental Bank (see note (d) and (h) below)	–	–	50,000,000	–
Access Bank Finance B.V. (see note (d) and (i) below)	–	–	4,092	–
	–	–	81,021,194	24,525,680
Less: Provision for diminution (see note (b)(ii) below)	–	–	(620,907)	(264,557)
<b>Total investment in subsidiaries</b>	<b>–</b>	<b>–</b>	<b>80,400,287</b>	24,261,123

(b)(i) The movement in the provision for diminution in the value of investment in subsidiaries is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of the year	–	–	264,557	–
Additional provision	–	–	356,350	264,557
Provision no longer required	–	–	–	–
<b>Balance, end of year</b>	<b>–</b>	<b>–</b>	<b>620,907</b>	264,557

(b)(ii) The movement in investment in subsidiaries during them year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	24,525,680	23,299,346
Addition during the year	–	–	54,813,467	1,083,097
Transfer from deposit for investments	–	–	2,789,246	671,639
Transfer to deposit for investment	–	–	–	(528,402)
Subsidiary merged into Bank	–	–	(1,107,199)	–
<b>Balance, end of year</b>	<b>–</b>	<b>–</b>	<b>81,021,194</b>	<b>24,525,680</b>

(b)(iii) This represents the provision for diminution on the Bank's investment in Access Investment and Securities Limited (AIS), a fully owned subsidiary, and subscription for investment of N650 million warehoused in other assets. AIS has ceased trading and is currently undergoing a voluntary winding up process. The valuation was carried out by management and no significant additional exposure is expected to result.

(b)(iv) All valuations of other unquoted investments were carried out by management and the carrying values are not below costs except as impaired (see note (b)(iii) above).

(c)(i) This represents the Bank's investment in Access Homes and Mortgages, a fully owned subsidiary whose operation was integrated with the Bank's operations during the period in line with the Bank's compliance plan in response to the Central Bank of Nigeria (CBN) Regulation on the scope of banking activities and ancillary matters.

Access Homes and Mortgages (the subsidiary) engaged in mortgage banking business. The Board of Directors of Access Bank Plc ('the Bank') passed a resolution dated 28 October, 2010 to transfer all the assets and liabilities of the subsidiary company to the Bank. The effective date of transfer was 28 February, 2011. The details of the recognised value of the assets and liabilities transferred to the Bank are as follows:

	Feb-11
	N'000
Cash and bank balances	138,142
Loans and advances	1,053,140
Other assets	122
Property and equipment	72,769
<b>Total assets</b>	<b>1,264,173</b>
Deposits and other accounts	205,114
Other liabilities	12,251
Tax payable	24,272
<b>Total liabilities</b>	<b>241,637</b>
<b>Net assets</b>	<b>1,022,536</b>

(c)(ii) The excess of the net assets over the cost of the investment is as shown below:

	Feb-11
	N'000
Net assets acquired (see note (c)(i) above)	1,022,536
Less: cost of investment	(1,000,000)
<b>Transfer to general reserve</b>	<b>22,536</b>



# Notes to the Group Financial Statements

## continued

(d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at 31 December, 2011, are as follows:

### Condensed profit and loss

	Group balances	Elimination entries	Access Bank Plc	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Zambia
	N'000	N'000	N'000	N'000	N'000	N'000
Operating income	101,910,059	192,941	68,789,153	463,469	577,893	1,194,375
Operating expenses	(74,201,166)	(76,997)	(38,964,674)	(466,249)	(341,703)	(1,568,347)
Provision expense	(7,407,528)	(24,641)	(13,807,717)	(202,875)	(169,578)	12,513
Profit before tax	20,301,365	91,303	16,016,762	(205,655)	66,612	(361,459)
Taxation	(3,593,110)	1	(2,356,314)	(11,693)	(19,984)	138,747
<b>Profit for the year</b>	<b>16,708,255</b>	<b>91,304</b>	<b>13,660,448</b>	<b>(217,348)</b>	<b>46,628</b>	<b>(222,712)</b>

### Condensed financial position

#### Assets

Cash and balances with Central Bank of Nigeria	139,201,974	604,998	62,971,707	583,247	1,488,826	1,264,634
Treasury bills	63,350,523	(1)	8,550,418	783,802	1,416,845	3,162,779
Due from other banks	128,307,446	(85,221,122)	68,652,010	188,487	–	218,797
Loans and advances to customers	552,401,605	(15,570,963)	463,131,979	2,596,453	504,177	2,887,951
On-lending facilities	27,882,974	–	27,882,974	–	–	–
Advances under finance lease	2,817,895	(1)	2,296,035	–	–	–
Insurance receivables	1,405,000	–	–	–	–	–
Investment securities	540,477,013	1	157,964,376	–	–	1,045,869
Investment in subsidiaries	–	(80,400,287)	80,400,287	–	–	–
Investment property	16,097,044	–	12,417,044	–	–	–
Trading property	6,688,000	–	–	–	–	–
Investment in associates	2,812,805	26,000	–	–	–	–
Other assets	76,371,399	(4,796,108)	43,559,528	569,392	131,923	523,622
Deferred tax assets	6,056,088	(2)	–	–	–	565,870
Property and equipment	66,478,472	106,276	15,966,638	719,512	248,559	713,203
Equipment on lease	1,120,908	–	1,120,908	–	–	–
Intangible Assets	3,277,608	1,050,721	1,052,699	–	–	28,093
	<b>1,634,746,754</b>	<b>184,200,488</b>	<b>945,966,603</b>	<b>5,440,893</b>	<b>3,790,330</b>	<b>10,410,818</b>

#### Financed by:

Customer deposits	1,102,328,047	(28,163,268)	522,599,666	3,912,869	2,552,460	10,309,838
Due to other banks	124,765,681	(72,658,498)	121,031,058	1,681	6,439	1,301
On-lending facilities	29,143,914	(200,721)	29,143,914	–	200,721	–
Claims payable	450,000	–	–	–	–	–
Current income tax	9,747,004	63,538	2,084,897	1	20,477	–
Other liabilities	162,155,094	(4,800,043)	83,494,421	471,153	289,781	280,398
Liabilities on Investment contract	61,000	–	–	–	–	–
Liabilities on Insurance contract	2,703,000	–	–	–	–	–
Retirement benefit obligation	1,876,578	–	1,149,578	–	–	–
Deferred taxation	926,227	6,654	626,614	–	9,893	–
Contingent settlement provisions	3,548,000	–	–	–	–	–
Equity and reserves	197,042,209	(78,448,146)	185,836,455	1,055,189	710,557	(180,718)
	<b>1,634,746,754</b>	<b>(184,200,484)</b>	<b>945,966,603</b>	<b>5,440,893</b>	<b>3,790,328</b>	<b>10,410,819</b>
<b>Cash and cash equivalents</b>	<b>254,461,129</b>	<b>(127,623,745)</b>	<b>106,782,941</b>	<b>1,555,536</b>	<b>2,905,671</b>	<b>4,646,210</b>

## 31 December, 2011

The Access Bank UK	Access Bank Rwanda	FinBank Burundi	Access Bank Côte d'Ivoire	Access Bank (R.D. Congo)	Access Investment and Securities	Access Bank Ghana	Intercontinental Bank (3 months)
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
2,415,440	1,352,933	619,101	382,735	998,456	–	2,564,563	22,359,000
(2,096,926)	(1,079,836)	(588,327)	(1,440,503)	(1,004,343)	–	(1,136,261)	(25,437,000)
–	(30,162)	27,310	(26,657)	(103,624)	–	(231,097)	7,149,000
318,514	242,935	58,084	(1,084,425)	(109,511)	–	1,197,205	4,071,000
–	(86,003)	(20,330)	–	–	–	(332,534)	(905,000)
318,514	156,932	37,754	(1,084,425)	(109,511)	–	864,671	3,166,000

## 31 December, 2011

1	1,082,093	185,274	195,258	539,713	–	1,926,223	68,360,000
–	2,177,458	650,404	–	986,169	–	14,982,649	30,640,000
56,596,921	7,395,054	1,510,496	4,739,512	746,847	400,516	1,926,928	71,153,000
23,136,678	3,207,322	2,295,569	3,213,658	2,157,215	–	7,551,566	57,290,000
–	–	–	–	–	–	–	–
–	8,566	–	–	–	–	149,295	364,000
–	–	–	–	–	–	–	1,405,000
8,743,137	616,115	–	141,223	–	–	–	371,966,292
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	3,680,000
–	–	–	–	–	–	–	6,688,000
–	–	–	–	–	–	–	2,786,805
887,814	151,230	165,567	234,980	435,050	181,343	758,058	33,569,000
220,220	–	–	–	–	–	–	5,270,000
88,435	105,427	226,979	1,828,381	1,055,374	31,304	789,589	44,598,795
–	–	–	–	–	–	–	–
112,959	31,657	–	39,014	–	–	63,465	899,000
89,786,165	14,774,922	5,034,289	10,392,026	5,920,368	613,163	28,147,773	698,669,892
23,692,800	12,322,743	3,537,328	7,972,961	3,430,299	–	16,701,351	523,459,000
59,938,362	30,485	–	2,824,264	–	–	639,589	12,951,000
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	450,000
–	75,170	19,338	–	–	–	38,583	7,445,000
371,329	609,696	285,675	1,433,429	434,739	84,050	827,467	78,372,999
–	–	–	–	–	–	–	61,000
–	–	–	–	–	–	–	2,703,000
–	–	–	–	–	–	–	727,000
–	–	–	–	–	–	9,066	274,000
–	–	–	–	–	–	–	3,548,000
5,783,674	1,736,828	1,191,947	(1,838,628)	2,055,328	529,113	9,931,717	68,678,893
89,786,165	14,774,922	5,034,288	10,392,026	5,920,366	613,163	28,147,773	698,669,892
56,596,922	10,654,605	2,346,174	4,934,770	2,272,729	400,516	18,835,800	170,153,000

# Notes to the Group Financial Statements

## continued

(ii) The condensed financial data of the consolidated entities as at 31 December, 2010 are as follows:

### Condensed profit and loss

	Group balances	Elimination entries	Access Bank Plc	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Zambia
	N'000	N'000	N'000	N'000	N'000	N'000
Operating income	69,521,342	(148,485)	59,526,316	436,794	316,801	1,481,288
Operating expenses	(48,644,314)	53,255	(38,797,403)	(504,928)	(327,119)	(1,283,243)
Provision expense	(4,708,158)	(41,882)	(3,060,329)	(42,740)	(59,796)	(193,746)
Profit before tax	16,168,870	(137,112)	17,668,584	(110,874)	(70,114)	4,299
Taxation	(5,100,749)	–	(4,737,143)	(12,602)	11,390	–
Profit for the year	11,068,121	(137,112)	12,931,441	(123,476)	(58,724)	4,299

### Condensed financial position

#### Assets

Cash and balance with CBN	25,395,293	–	17,648,392	372,839	179,382	4,055,851
Treasury bills	35,857,812	–	11,618,000	255,622	947,277	2,648,002
Due from other banks	103,182,125	(41,504,361)	72,177,480	687,101	892,989	(649,874)
Loans and advances to customers	429,782,318	(1,372,658)	403,178,957	2,644,420	504,335	3,835,395
On-lending facilities	22,685,778	–	22,685,778	–	–	–
Advances under finance lease	3,084,393	–	2,741,092	–	–	114,997
Investment securities	119,665,960	–	116,811,620	–	–	617,398
Investment in subsidiaries	–	(24,261,123)	24,261,123	–	–	–
Investment property	12,943,078	–	12,943,078	–	–	–
Other assets	23,287,133	(4,938,160)	22,172,504	670,188	94,716	702,533
Deferred tax asset	557,050	–	–	–	–	347,310
Property and equipment	25,390,076	–	19,161,511	788,321	282,789	931,587
Equipment on lease	1,561,045	–	1,561,045	–	–	–
Goodwill	1,431,711	1,431,711	–	–	–	–
	804,823,772	(70,644,591)	726,960,580	5,418,491	2,901,488	12,603,199

#### Financed by:

Customer deposits	486,925,846	(17,660,813)	440,542,115	4,299,081	2,080,042	11,038,325
Due to other banks	64,039,353	(25,824,405)	34,742,938	45,614	304,092	190,210
On-lending facilities	22,685,778	–	22,685,778	–	–	–
Current income tax	3,492,485	–	2,959,976	8,655	(2,809)	–
Other liabilities	51,787,181	(787,344)	43,122,075	298,044	145,282	330,950
Retirement benefit obligation	102,727	–	47,687	–	–	48,520
Deferred taxation	419,945	–	355,197	–	9,862	–
Equity and reserves	175,370,457	(26,372,029)	182,504,814	767,097	365,019	995,194
	804,823,772	(70,644,591)	726,960,580	5,418,491	2,901,488	12,603,199
Cash and cash equivalents	160,869,198	(41,504,360)	97,877,841	1,315,562	2,019,641	6,053,980

## 31 December, 2010

The Access Bank UK	Access Bank Rwanda	FinBank Burundi	Access Bank Côte d'Ivoire	United Securities Limited	Access Bank (R.D. Congo)	Access Investment and Securities	Access Homes and Mortgage	Access Bank Ghana
N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
1,448,555	1,357,187	533,220	1,164,461	318,975	590,114	(71,401)	164,749	2,402,768
(1,646,032)	(1,220,556)	(519,941)	(1,767,467)	(159,753)	(1,050,005)	(277,419)	(111,532)	(1,032,171)
–	133,746	(109,941)	(1,183,784)	(4,819)	(67,846)	–	(7,757)	(69,264)
(197,477)	270,377	(96,662)	(1,786,790)	154,403	(527,737)	(348,820)	45,460	1,301,333
207,269	(82,407)	–	–	(56,733)	–	–	(28,643)	(401,880)
9,792	187,970	(96,662)	(1,786,790)	97,670	(527,737)	(348,820)	16,817	899,453

## 31 December, 2010

–	2,281,496	244,636	246,702	–	214,344	–	45	151,606
3,536,564	544,360	178,707	–	–	765,327	–	–	15,363,953
52,628,509	4,661,185	1,986,252	2,756,468	5,681,467	1,444,716	392,251	330,046	1,697,896
7,808,045	4,418,830	1,555,186	3,931,459	–	780,585	–	1,014,352	1,483,412
–	–	–	–	–	–	–	–	–
–	60,481	–	–	–	–	–	–	167,823
2,030,870	77,119	–	128,953	–	–	–	–	–
–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–
1,619,176	111,518	296,198	239,052	382,110	687,060	181,343	15,503	1,053,392
209,740	–	–	–	–	–	–	–	–
242,534	149,134	192,358	2,063,961	29,944	736,336	31,304	74,038	706,259
–	–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–
68,075,438	12,304,123	4,453,337	9,366,595	6,093,521	4,628,368	604,898	1,433,984	20,624,341
10,143,734	10,051,696	3,617,777	9,811,324	–	3,192,092	–	226,365	9,584,108
51,735,993	45,060	–	1,520,450	–	–	–	162,500	1,116,901
–	–	–	–	–	–	–	–	–
–	99,969	–	–	63,743	–	–	24,271	338,680
985,472	610,834	234,578	748,484	5,555,423	51,188	75,785	15,895	400,515
–	6,520	–	–	–	–	–	–	–
–	–	–	–	6,654	–	–	–	48,232
5,210,239	1,490,044	600,982	(2,713,663)	467,701	1,385,088	529,113	1,004,953	9,135,905
68,075,438	12,304,123	4,453,337	9,366,595	6,093,521	4,628,368	604,898	1,433,984	20,624,341
56,165,073	7,487,041	2,409,595	3,003,170	5,681,467	2,424,388	392,251	330,091	17,213,458

# Notes to the Group Financial Statements

## continued

(e) Principal subsidiary undertakings:

Details of consolidated subsidiaries as at 31 December, 2011 are shown below:

Country of incorporation	Company name	Nature of business	Percentage of equity capital held %		Year end consolidated
			Dec-11	Dec-10	
United Kingdom	The Access Bank UK	Banking	<b>100</b>	100	31-Dec-11
Ghana	Access Bank Ghana	Banking	<b>95</b>	95	31-Dec-11
Côte d'Ivoire	Access Bank, Côte d'Ivoire	Banking	<b>94</b>	88	31-Dec-11
Rwanda	Access Bank Rwanda	Banking	<b>75</b>	75	31-Dec-11
Nigeria	Access Homes and Mortgage (see note (c) above)	Mortgage services	–	100	–
Congo	Access Bank (R.D.Congo)	Banking	<b>100</b>	100	31-Dec-11
Zambia	Access Bank Zambia	Banking	<b>100</b>	100	31-Dec-11
Burundi	FinBank Burundi	Banking	<b>87</b>	75	31-Dec-11
Nigeria	Access Investment and Securities (see note (g) below)	Investment management and securities dealing	<b>100</b>	100	31-Dec-11
Sierra Leone	Access Bank, Sierra Leone	Banking	<b>98</b>	98	31-Dec-11
Gambia	Access Bank, Gambia	Banking	<b>87</b>	77	31-Dec-11
Nigeria	United Securities Limited (see note (f) below)	Registrar services	–	100	–
Nigeria	Project Star Investment Limited	Investment vehicle to acquire Intercontinental Bank Group	<b>100</b>	–	31-Dec-11
Nigeria	Intercontinental Bank Group (see note (h) below)	Banking	<b>75</b>	–	31-Dec-11
Netherlands	Access Finance B.V. (see note (i) below)	Special purpose vehicle	<b>100</b>	–	31-Dec-11

- (f) This represents the Bank's investment in United Securities Limited, a wholly owned subsidiary, which was disposed during the period in line with the Bank's compliance plan as a result of the Central Bank of Nigeria (CBN) Regulation on the scope of banking activities and ancillary matters.

United Securities Limited is a Securities and Exchange Commission licensed provider of securities register and data administration services. The Board of Directors of Access Bank Plc ('the Bank') passed a resolution dated 28 October, 2010 to sell the company as a going concern to an acceptable core investor.

An analysis of the profit on disposal is shown below:

	N'000
Purchase price	<b>550,000</b>
Cost of investment	<b>(107,199)</b>
Profit on disposal of subsidiary per Bank (see note 7(a))	<b>442,801</b>
Less: prior year reserve of subsidiary	<b>(417,701)</b>
Profit on disposal of subsidiary per Group (see note 7(a))	<b>25,100</b>

- (g) This represents the Bank's investment in Access Investment and Securities Limited, a wholly owned subsidiary of Access Bank Plc. In compliance with Section 6(1) of the Central Bank of Nigeria Regulation on the scope of banking activities and ancillary matters (issued on 7 September, 2010), which requires banks to divest from all non-banking businesses, the Board of Directors resolved that the company would undergo a members' voluntary winding up. Pursuant to approval from the Nigerian SEC, all assets under management have been returned to beneficiaries. The company has ceased trading and is currently undergoing members' voluntary winding up pursuant to a shareholders' resolution. Access Bank currently expects the winding up process to be completed by the first quarter of 2012.

- (h) During the year, pursuant to the Transaction Implementation Agreement (TIA) executed on 6 July, 2011, Access Bank Plc through Project Star Investments Limited ('the Investor Group'), acquired a controlling interest representing 75% shareholding in Intercontinental Bank and its subsidiaries ('together the Intercontinental Group') effective 14 October, 2011, by the injection of an investment amount of N50 billion in Intercontinental Bank in consideration for the issuance of investor shares (15 billion shares representing 75% of the ordinary share capital of Intercontinental Bank). The approval of the shareholders of both banks, court sanction of the Federal High Court of Nigeria and the approvals of the Central Bank of Nigeria and the Securities & Exchange Commission have been obtained for this business combination.

In the period to 31 December, 2011, Intercontinental Bank contributed gross earnings of N29.25 billion and profit before taxation of N3.02 billion. If the acquisition had occurred on 1 January, 2011, the consolidated revenue would have been N181.89 billion and consolidated loss before tax for the year would have been N62.61 billion.

The subsidiaries and related percentage holding as at the date of acquisition of Intercontinental Bank Group by Access Bank Plc is shown below:

S/N	Subsidiary	Principal activity	Percentage holding (%)
1	Intercontinental Wapic Insurance Plc	Insurance	58%
2	Intercontinental Capital Markets Limited	Financial services	63%
3	Intercontinental Homes and Savings Limited	Financial services	52%
4	Intercontinental Properties Limited	Real estate	100%
5	Intercontinental Finance and Investment Limited	Financial services	100%
6	Intercontinental Registrars Limited	Secretarial services	100%
7	Intercontinental Trustees Limited	Trusteeship	100%
8	Intercontinental Bank Ghana Limited	Banking	90%
9	Intercontinental Securities Limited	Asset Management	51%
10	Intercontinental Bank (UK) Plc	Banking	100%
11	Intercontinental Bureau de Change Limited	Bureau de change	100%
12	Flexmore Technologies Limited	IT services	100%

In addition, following completion of the Acquisition, Access Bank, through its subsidiary Intercontinental Bank, has an interest in 3 associates, including an approximately 47 per cent interest in Associated Discount House Limited, one of the largest discount houses in Nigeria. The other 2 associates are Blue Microfinance Limited (a micro finance bank) and Magnate Technology Limited (specialising in the provision of security and communications solutions and local area and wireless area networking solutions).

- (h)(ii) The gain on bargain purchase, which arose on the acquisition of the assets and liabilities of Intercontinental Bank through business combination, represents the excess of acquirer's (Access Bank) interest in the net fair value of acquiree's (Intercontinental Bank) identifiable assets, liabilities and contingent liabilities over cost. This was computed as follows:

	Effective date of acquisition 14 October, 2011
	<b>N'000</b>
Purchase consideration	<b>50,000,000</b>
75% share of adjusted net assets attributable to Access Bank as at 14 October 2011 (See note (h)(iii) below)	<b>50,299,272</b>
<b>Gain on bargain purchase</b>	<b>(299,272)</b>



# Notes to the Group Financial Statements

## continued

(h)(iii) The net assets acquired include:

	Recognised values on acquisition
	N'000
Cash and balances with central banks (see note (h)(iv) below)	32,855,000
Due from other banks (see note (h)(iv) below)	35,742,000
Treasury bills (see note (h)(iv) below)	16,756,000
Short-term investments	4,850,000
Loans and advances	99,491,000
Insurance receivables	754,000
Investment in associates	3,258,000
Financial accommodation amount	448,349,510
Long-term investments	34,203,000
Other assets	291,226,000
Receivable from Access Bank	50,000,000
Trading property	6,878,000
Investment property	2,826,000
Property, plant and equipment	47,064,000
Deferred tax assets	4,731,000
<b>Total assets</b>	<b>1,078,983,510</b>
Customer deposits	(579,202,141)
Due to other banks	(309,361,000)
Current income tax	(6,846,000)
Claims payable	(358,000)
Liabilities on investment contracts	(733,000)
Liabilities on insurance contracts	(2,922,000)
Other liabilities	(73,799,423)
Borrowings	(27,898,000)
Deferred tax liabilities	(246,000)
Retirement benefit obligations	(712,000)
Contingent settlement provisions	(3,548,250)
<b>Total liabilities</b>	<b>(1,005,625,814)</b>
Non-controlling interest	(23,058,424)
<b>Net identifiable assets and liabilities</b> (see note (h)(ii) above)	<b>50,299,272</b>
Gain on bargain purchase	(299,272)
Consideration paid, satisfied in cash	50,000,000
Cash and cash equivalents acquired (see note (h)(iv) below)	(85,353,000)
<b>Net cash inflow</b>	<b>(35,353,000)</b>

(h)(iv) Cash and cash equivalents acquired include cash and balances with central banks, amounts due from other banks and treasury bills as follows:

	<b>Recognised values on acquisition</b>
	<b>N'000</b>
Cash and balances with central banks (see note (h)(iii) above)	<b>32,855,000</b>
Treasury bills (see note (h)(iii) above)	<b>16,756,000</b>
Due from other banks (see note (h)(iii) above)	<b>35,742,000</b>
Cash and cash equivalents acquired (see note (h)(iii) above)	<b>85,353,000</b>

(h)(v) The Bank incurred acquisition related costs of N2,216,030,455 relating to external legal fees and due diligence costs. These amounts have been included in other operating expenses in the consolidated profit and loss account.

(i) This represents the cost of the Bank's 100% holding of the equity of Access Finance B.V., Netherlands. Access Finance B.V. was incorporated in December 2011. As at the end of the reporting period, it was yet to commence operations. An obligation exists between the Bank and Access Finance B.V., for which Access Finance B.V. is expected to lend the Bank the sum of \$300 million as a share premium loan. The loan agreement between both parties however permits that the obligation of Access Finance B.V. to grant the loan be set-off against the obligation of the Bank to repay the loan such that each party's obligation either as a borrower or lender is discharged. In view of this, no loan payable has been recognised in the Bank's financial statements.

# Notes to the Group Financial Statements

## continued

### 21 Trading properties

(a) This represents the cost of real estate properties held by the Bank's subsidiaries which are designated for resale to customers. The movement on the trading properties account during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	–	–
Acquired through business combination	6,878,000	–	–	–
Additions and capital improvements	1,135,000	–	–	–
Disposal of trading property	(1,325,000)	–	–	–
<b>Balance, end of year</b>	<b>6,688,000</b>	–	–	–

(b) The profit on disposal of trading properties during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Proceeds from disposal	2,276,000	–	–	–
Less: cost of trading property (see note (a) above)	(1,325,000)	–	–	–
<b>Profit on disposal</b>	<b>951,000</b>	–	–	–

### 22 Investment properties

(a) The movement on this account was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	13,258,776	1,404,000	13,258,776	1,404,000
Acquired from business combination	2,826,000	–	–	–
Addition during the year	1,163,815	12,107,832	29,815	12,107,832
Transfer from property and equipment (see note 25)	–	71,830	–	71,830
Disposal during the year	(1,047,392)	(324,886)	(767,392)	(324,886)
	16,201,199	13,258,776	12,521,199	13,258,776
Impairment loss during the year (see note (b) below)	(104,155)	(315,698)	(104,155)	(315,698)
<b>Balance, end of year</b>	<b>16,097,044</b>	12,943,078	<b>12,417,044</b>	12,943,078

These investment properties have been valued by reputable estate surveyors and valuers using the comparative method of valuation to arrive at the open market value. As at 31 December, 2011, the Directors are of the opinion that there were no material fluctuations in the value of the Bank's investment properties since its last valuation within the past 3 years.

(b) The movement on impairment loss on investment properties during the period is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	315,698	–	315,698	–
Allowance during the year (see note 10(b))	–	315,698	–	315,698
Allowance no longer required (see note 10(b))	(211,543)	–	(211,543)	–
<b>Balance, end of year</b>	<b>104,155</b>	315,698	<b>104,155</b>	315,698

## 23 Investment in associates

The movement on this account was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	300,155	–	145,000
Acquired through business combination	<b>3,257,805</b>			
Reversal of share of impairment	<b>(429,000)</b>	332,027	–	–
Share of result for the year	<b>(10,000)</b>	–	–	–
Exchange difference	<b>(6,000)</b>	–	–	–
Reversal of fixed asset revaluation reserve	–	(487,182)	–	–
Disposal during the year	–	(145,000)	–	(145,000)
<b>Balance, end of year</b>	<b>2,812,805</b>	–	–	–

The Group's interests in its associates, which are unlisted are as follows:

Entity	Nature of business	Cost N'million	% interest held
Associated Discount House Limited	Discount house	1,406	47
Blue Intercontinental Microfinance Bank Limited	Microfinance bank	1,285	35
Subsidiary company's investment in associate:			
Magnate Technology and Services Limited	Information technology	208	40
		2,899	

The key financial highlights of the associates are as follows:

	Associated Discount House Limited	Blue Intercontinental Microfinance Bank Limited	Magnate Technology and Services Limited
	N'million	N'million	N'million
Total assets	78,727	897	193
Total liabilities	72,579	1,290	83
Gross earnings	7,789	397	277
Profit/(loss) before tax	(537)	(239)	21

All associates are incorporated in Nigeria except Magnate Technology and Services Limited, which was incorporated in Ghana.

## 24 Other assets

(a) Other assets comprise receivables and prepayments arising from:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
FGN Bonds on repurchase agreement (see note 34)	<b>24,580,030</b>	5,700,000	<b>24,580,030</b>	5,700,000
Treasury bills on open buy back (see note 34)	<b>1,500,000</b>	–	<b>1,500,000</b>	–
Receivable from AMCON (see note (f) below)	<b>25,810,000</b>	–	–	–
Prepayments (see note (c) below)	<b>8,186,583</b>	4,203,989	<b>2,826,086</b>	2,562,634
Interest receivable	<b>4,683,719</b>	2,000,676	<b>1,936,860</b>	1,550,316
Prepaid interest and discounts	<b>2,165,441</b>	1,031,268	<b>2,149,248</b>	705,375
Subscription for investment	<b>34,951</b>	520,042	<b>1,396,520</b>	4,665,815
Derivative assets (see note (d) below)	<b>9,909</b>	1,110,803	–	416,230
Other receivables	<b>36,199,160</b>	9,554,250	<b>9,859,359</b>	7,300,106
	<b>103,169,793</b>	24,121,028	<b>44,248,103</b>	22,900,476
Allowance on other assets (see note (e) below)	<b>(26,798,394)</b>	(833,895)	<b>(688,575)</b>	(727,972)
	<b>76,371,399</b>	23,287,133	<b>43,559,528</b>	22,172,504

(b) Included in FGN Bonds under repurchase agreement is an amount of N4,080,030,000 which represents unamortised premium as at 31 December, 2011.

# Notes to the Group Financial Statements

## continued

(c) The maturity profile of prepayments is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under one year	1,286,987	1,939,888	498,396	816,199
Over one year	6,899,596	2,264,101	2,327,690	1,746,435
	<b>8,186,583</b>	4,203,989	<b>2,826,086</b>	2,562,634

(d) The fair value of derivative instrument held for risk management is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Forward exchange contract assets (see note (a) above)	9,909	1,110,802	–	416,230
Forward exchange contract liabilities (see note 34 below)	(9,413)	(725,007)	–	–
	<b>496</b>	385,795	–	416,230

The Group uses derivatives not designated in a qualifying hedge relationship, to manage its exposure to foreign currency and interest rate risks. The instruments used include forward contracts and cross currency linked forward contracts.

(e) The movement on the allowance on other assets during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	833,895	2,515,320	727,972	2,274,149
Acquired through business combination	27,609,000	–	–	–
Allowance during the year (see note 10(b))	89,953	649,436	89,953	558,242
Allowance no longer required (see note 10(b))	(2,325,488)	(1,061,608)	(100,488)	(969,506)
Allowance written off	660,184	(1,269,253)	(28,862)	(1,134,913)
Translation difference	(69,150)	–	–	–
<b>Balance, end of year</b>	<b>26,798,394</b>	833,895	<b>688,575</b>	727,972

(f) Amount represents bonds expected to be issued by AMCON in line with the Transaction Implementation Agreement (TIA) executed on 6 July, 2011 and entered with the Bank in connection with the acquisition of Intercontinental Bank.

## 25 Property and equipment

### (a) Group

The movement on these accounts during the year is as follows:

	Construction Work in Progress	Freehold, Leasehold Land and Improvements	Furniture, Fittings and Equipment	Computer Hardware	Motor Vehicles	Total
<b>COST/VALUATION:</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Beginning of year	4,255,380	16,039,031	8,379,411	6,078,176	4,961,456	39,713,454
Acquired from business combination	6,755,000	33,880,420	14,385,566	21,411,384	5,957,594	82,389,964
Additions	502,754	341,804	1,087,490	803,934	1,579,156	4,315,138
Disposals	(627,722)	(1,087,818)	(116,980)	(3,350,992)	(572,179)	(5,755,691)
Reversals	(6,607)	–	–	–	–	(6,607)
Write off	(42,615)	(54,622)	(21,884)	(1,748,726)	(47,986)	(1,915,833)
Transfers	(2,159,962)	2,333,155	(83,143)	(56,050)	(34,000)	–
Transfer (to)/from other assets	(82,389)	–	–	16,043	–	(66,346)
Translation difference	(3,556)	45,855	(469,991)	33,089	(175,100)	(569,703)
<b>End of year</b>	<b>8,590,283</b>	<b>51,497,825</b>	<b>23,160,469</b>	<b>23,186,858</b>	<b>11,668,941</b>	<b>118,104,376</b>
<b>ACCUMULATED DEPRECIATION:</b>						
Beginning of year	–	2,993,082	5,105,051	4,525,143	3,378,921	16,002,197
Acquired from business combination	–	3,706,659	9,298,017	16,871,687	5,376,314	35,252,677
Charge for the year	–	1,343,419	2,030,040	836,620	1,213,305	5,423,384
Disposals	–	(23,205)	(108,652)	(3,903,658)	(632,101)	(4,667,616)
Reversals	–	–	–	–	–	–
Translation difference	–	(213,350)	(18,281)	(72,486)	(80,621)	(384,738)
End of year	–	7,806,605	16,306,175	18,257,306	9,255,818	51,625,904
<b>NET BOOK VALUE:</b>						
<b>End of year</b>	<b>8,590,283</b>	<b>43,691,220</b>	<b>6,854,294</b>	<b>4,929,552</b>	<b>2,413,123</b>	<b>66,478,472</b>
<b>Beginning of year</b>	<b>4,255,380</b>	<b>13,045,949</b>	<b>3,274,360</b>	<b>1,553,033</b>	<b>1,582,535</b>	<b>23,711,257</b>

(i) No leased asset is included in the above property and equipment accounts.

(ii) Authorised and contracted capital commitments as at the balance sheet date amounted to N854,485,784 (December 2010: N24,535,178).



# Notes to the Group Financial Statements

## continued

(b) Bank

The movement on these accounts during the year is as follows:

	Construction Work in Progress	Freehold, Leasehold Land and Improvements	Furniture, Fittings and Equipment	Computer Hardware	Motor Vehicles	Total
	N'000	N'000	N'000	N'000	N'000	N'000
<b>COST:</b>						
Beginning of year	4,087,845	11,431,244	7,251,142	4,641,425	3,963,790	31,375,446
Acquired from business combination (see note 20(c)(i))	–	55,625	26,566	7,384	11,594	101,169
Additions	302,754	91,825	327,139	491,485	805,972	2,019,175
Disposals	(627,722)	(219,795)	(95,953)	(37,920)	(578,542)	(1,559,932)
Reversals	(6,607)	–	–	–	–	(6,607)
Transfers	(1,230,378)	558,443	26,675	645,260	–	–
Transfer (to)/from other assets	(82,389)	–	–	16,043	–	(66,346)
Write off	–	(27,968)	(1,972)	–	–	(29,940)
<b>End of year</b>	<b>2,443,503</b>	<b>11,889,374</b>	<b>7,533,597</b>	<b>5,763,677</b>	<b>4,202,814</b>	<b>31,832,965</b>
<b>ACCUMULATED DEPRECIATION:</b>						
Beginning of year	–	2,140,382	4,550,211	3,609,400	2,867,261	13,167,254
Acquired from business combination (see note 20(c)(i))	–	10,659	9,017	2,687	5,314	27,677
Charge for the year	–	728,810	1,086,136	880,547	659,687	3,355,180
Disposals	–	(12,205)	(89,411)	(36,848)	(545,320)	(683,784)
Reversals	–	–	–	–	–	–
<b>End of year</b>	<b>–</b>	<b>2,867,646</b>	<b>5,555,953</b>	<b>4,455,786</b>	<b>2,986,942</b>	<b>15,866,327</b>
<b>NET BOOK VALUE:</b>						
<b>End of year</b>	<b>2,443,503</b>	<b>9,021,728</b>	<b>1,977,644</b>	<b>1,307,891</b>	<b>1,215,872</b>	<b>15,966,638</b>
<b>Beginning of year</b>	<b>4,087,845</b>	<b>9,290,862</b>	<b>2,700,931</b>	<b>1,032,025</b>	<b>1,096,529</b>	<b>18,208,192</b>

(i) No leased asset is included in the above property and equipment accounts.

(ii) Authorised and contracted capital commitments as at the balance sheet date amounted to N854,485,784 (December 2010: N24,535,178).

(iii) The cost and accumulated depreciation of purchased software were reclassified to intangible asset during the year in compliance with the requirement of SAS 31 (intangible assets) issued during the year.

## 26 Equipment on Lease (Group and Bank):

Equipment on lease represents property and equipment leased to customers under operating lease arrangements. The movement on this account during the year is as follows:

	Motor Vehicle	Equipment	Total
	N'000	N'000	N'000
<b>COST:</b>			
Beginning of year	190,548	5,495,231	5,685,779
Additions	10,916	207,159	218,075
Disposals	–	(147,100)	(147,100)
<b>End of year</b>	<b>201,464</b>	<b>5,555,290</b>	<b>5,756,754</b>
<b>ACCUMULATED DEPRECIATION:</b>			
Beginning of year	188,896	3,935,838	4,124,734
Charge for the year	1,621	556,073	557,694
Disposal	–	(46,582)	(46,582)
<b>End of year</b>	<b>190,517</b>	<b>4,445,329</b>	<b>4,635,846</b>
<b>NET BOOK VALUE:</b>			
<b>End of year</b>	<b>10,947</b>	<b>1,109,961</b>	<b>1,120,908</b>
<b>Beginning of year</b>	<b>1,652</b>	<b>1,559,393</b>	<b>1,561,045</b>

## 27 Intangible assets

(a) Intangible assets comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Purchased software (see (b) below)	2,226,887	1,678,819	1,052,699	953,319
Goodwill (see (c) below)	1,050,721	1,431,711	–	–
	<b>3,277,608</b>	3,110,530	<b>1,052,699</b>	953,319

# Notes to the Group Financial Statements

## continued

- (b) The Bank adopted the new accounting standard – Statement of Accounting Standards 31: On Intangible Assets, which became operative for financial statements covering periods beginning on or after 1 January, 2011. As a result, the carrying amount of the cost of its acquired software cost, which does not form part of a related hardware and previously classified as property and equipment, was reclassified to intangible assets. The movement on purchased software account during the year was as follows:

	Group Dec-11	Group Dec-10
	N'000	N'000
<b>COST:</b>		
Balance, beginning of year	2,972,013	1,991,166
Acquired through business combination	3,306,000	–
Additions	484,227	349,222
Transfer (to)/from other assets	1,757,268	93,268
Disposals	(9,327)	–
Translation difference	(192,858)	–
	<b>8,317,323</b>	2,433,656
<b>AMORTISATION AND IMPAIRMENT LOSSES:</b>		
Balance, beginning of year	1,293,194	1,037,847
Acquired through business combination	2,480,000	–
Amortisation for the year	622,308	343,110
Disposals	(9,327)	–
Translation difference	181,261	–
	<b>6,090,436</b>	1,380,957
<b>NET BOOK VALUE:</b>		
<b>End of year</b>	<b>2,226,887</b>	1,052,699
<b>Beginning of year</b>	<b>1,678,819</b>	953,319

- (c)(i) The movement on goodwill during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	1,738,148	1,738,148	–	–
Additions during the year	–	–	–	–
Balance, end of year	1,738,148	1,738,148	–	–
Impairment	(687,427)	(306,437)	–	–
<b>Carrying value</b>	<b>1,050,721</b>	1,431,711	–	–

- (c)(ii) The movement in the provision for diminution in the value of goodwill is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of the year	306,437	–	–	–
Additional provision	380,990	306,437	–	–
Provision no longer required	–	–	–	–
<b>Balance, end of year</b>	<b>687,427</b>	306,437	–	–

The purchased goodwill arising from the Bank's investment in Access Bank, Côte d'Ivoire was fully impaired as at 31 December, 2011 based on Directors' assessment of the future cash flows and recurring operating losses.

(c)(iii) Goodwill is attributable to the following subsidiaries:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Access Bank Rwanda	681,007	681,007	–	–
Finbank Burundi	369,714	369,714	–	–
Access Bank, Côte d'Ivoire	–	687,427	–	–
	<b>1,050,721</b>	1,738,148	–	–

The purchased goodwill arising from the Bank's investment in Access Bank, Côte d'Ivoire was fully impaired as at 31 December, 2011 based on Directors' assessment of the future cash flows and recurring operating losses.

## 28 Customer deposits

(a) Deposits and other accounts comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Demand:				
– Current	407,775,798	166,582,337	179,671,405	150,191,179
– Domiciliary	120,287,954	67,747,277	98,549,541	66,324,840
Savings	145,372,061	15,308,599	19,854,566	13,325,442
Term and call	428,892,234	237,287,633	224,524,154	210,700,654
	<b>1,102,328,047</b>	486,925,846	<b>522,599,666</b>	440,542,115

(b) The maturity profile of deposits and other accounts is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under 1 month	938,537,778	361,949,520	438,655,216	328,618,920
1 – 3 months	124,835,858	94,250,745	69,673,352	92,149,398
3 – 6 months	19,588,949	14,273,365	5,565,447	10,663,440
6 – 12 months	15,361,605	14,730,097	8,702,588	8,278,228
Over 12 months	4,003,857	1,722,119	3,063	832,129
	<b>1,102,328,047</b>	486,925,846	<b>522,599,666</b>	440,542,115

# Notes to the Group Financial Statements

## continued

### 29 Due to banks

(a) Balances due to banks comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Foreign borrowing (see note (b) below)	<b>60,891,306</b>	19,786,001	<b>57,312,963</b>	20,996,158
Inter-bank takings	<b>24,908,908</b>	20,793,054	<b>52,138,568</b>	760,262
Current account balances of banks	<b>20,323,940</b>	10,473,780	–	–
Due to multilateral agencies (see note (c) below)	<b>18,641,527</b>	12,986,518	<b>11,579,527</b>	12,986,518
	<b>124,765,681</b>	64,039,353	<b>121,031,058</b>	34,742,938

(b) Foreign borrowing represents trade related loans from foreign correspondent banks in respect of letters of credit negotiated on behalf of customers. The corresponding receivables from these customers are included in loans and advances.

(c) Due to multilateral agencies represents outstanding obligation in respect of on-lending facilities not yet disbursed as at year end (see note 30) and it includes:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
European Investment Bank	<b>421,291</b>	477,140	<b>421,291</b>	477,140
African Development Bank	<b>3,345,164</b>	4,142,759	<b>3,345,164</b>	4,142,759
Belgian Investment Company	<b>478,740</b>	456,150	<b>478,740</b>	456,150
Finnish Fund for Industrial Cooperation	<b>797,900</b>	760,250	<b>797,900</b>	760,250
International Finance Corporation	<b>1,496,063</b>	1,710,563	<b>1,496,063</b>	1,710,563
Netherlands Development Finance Company (FMO)	–	3,485,285	–	3,485,285
Due to Bank of Industry	<b>1,899,036</b>	954,371	<b>1,899,036</b>	954,371
Due to Central Bank of Nigeria under the Commercial Agriculture Credit Scheme	<b>3,141,333</b>	1,000,000	<b>3,141,333</b>	1,000,000
Others	<b>7,062,000</b>	–	–	–
	<b>18,641,527</b>	12,986,518	<b>11,579,527</b>	12,986,518

(d) The maturity profile of due to banks is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under 1 month	<b>13,429,601</b>	13,429,601	<b>231,394</b>	231,394
1 – 3 months	<b>93,728,410</b>	33,002,082	<b>102,477,552</b>	16,189,432
3 – 6 months	<b>5,679,465</b>	5,679,465	<b>5,335,593</b>	5,335,593
Over 12 months	<b>11,928,205</b>	11,928,205	<b>12,986,519</b>	12,986,519
	<b>124,765,681</b>	64,039,353	<b>121,031,058</b>	34,742,938

### 30 On-lending facilities

- (a) On-lending facilities represent obligations to foreign multilateral agencies in respect of the Bank's role as an intermediary (see note 16) in respect of facilities disbursed to customers.

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
European Investment Bank (see note (b))	511,088	1,045,708	511,088	1,045,708
Due to African Development Bank (see note (c))	644,336	418,741	644,336	418,741
Due to Nigeria Export Import Bank	–	100,000	–	100,000
Due to Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see note (d))	7,184,667	2,976,000	7,184,667	2,976,000
Due to Bank of Industry – Intervention Fund for SMEs (see note (e))	17,353,823	18,145,329	17,353,823	18,145,329
Due to Bank of Industry – Power and Airline Intervention Fund (see note (f))	3,450,000	–	3,450,000	–
	<b>29,143,914</b>	22,685,778	<b>29,143,914</b>	22,685,778

- (b) The amount of N511,088,000 (USD3,202,707) represents outstanding balance in the on-lending facility granted to the Bank by EIB (European Investment Bank) in September 2005 for a period of 9 years. Principal and interest are repayable quarterly and semi annually based on the terms of the facilities with the obligor. Interest is reset every 90 days at 2.2 per cent – 2.9 per cent above LIBOR. The Bank provided negative pledge as a security for this facility. The undisbursed balance is included in due to other banks (see note 29(c)).
- (c) The amount of N644,336,000 (USD 4,037,699) represents the outstanding balance in the on-lending facility granted to the Bank by ADB (Africa Development Bank) in May 2007 for a period of 7 years. The principal amount is repayable semi annually from 2012 while interest is paid semi annually at 3% above 6 months LIBOR. The undisbursed balance is included in due to banks (see note 29(c)).
- (d) The amount of N7,184,667,000 represents the outstanding balance in the on-lending facility granted to the Bank by Central Bank of Nigeria in collaboration with the Federal Government of Nigeria (FGN) in respect of Commercial Agriculture Credit Scheme (CACS) established by both CBN and the FGN for promoting commercial agricultural enterprises in Nigeria. The facility is for a maximum period of 7 years at a 0% interest rate to the Bank. The principal amount is repayable at the expiration of the loan. The Bank did not provide security for this facility. The undisbursed balance is included in due to other banks (see note 29(c)).
- (e) The amount of N17,353,823,000 represents an intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria for the purpose of refinancing / or restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and manufacturing companies. The total facility is secured by Nigerian Government Securities worth N22,660,000,000 and has a 15 year tenor. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. The undisbursed balance is included in due to other banks (see note 29(c)).
- (f) The amount of N3,450,000,000 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria, to be applied to eligible power and airline projects. The total facility has a maximum tenor of 15 years. A management fee of 1 per cent deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers within the power and aviation sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. The undisbursed balance is included in due to other banks (see note 29(c)).



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(g) The maturity profile of amounts due to foreign multilateral agencies stated above for on-lending is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Under 1 month	40,000	–	40,000	–
1 – 3 months	3,200,000	–	3,200,000	–
3 – 6 months	800,000	100,000	800,000	100,000
6 – 12 months	206,667	18,145,329	206,667	18,145,329
1 – 5 years	7,559,990	4,440,449	7,559,990	4,440,449
Over 5 years	17,337,257	–	17,337,257	–
	<b>29,143,914</b>	22,685,778	<b>29,143,914</b>	22,685,778

### 31 Claims payable

(a) Claims payable comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	–	–
Acquired from business combination	358,000	–	–	–
Additions/(payments) during the year	92,000	–	–	–
<b>Balance, end of year</b>	<b>450,000</b>	–	–	–

### 32 Liabilities on investment contracts

(a) Liabilities on investment contracts comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Deposit administration funds (see note (b) below)	61,000	–	–	–
Other managed funds	–	–	–	–
	<b>61,000</b>	–	–	–

(b) Deposit administration funds arose from investment contracts of the insurance subsidiary of the Group. Holders of such contracts are guaranteed their funds plus interest for the tenor of the contract. These contracts have additional benefits – life assurance cover and death benefits.

### 33 Liabilities on insurance contracts

(a) Liabilities on insurance contracts comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Life assurance contracts	1,032,000	–	–	–
Non-life insurance contracts	1,671,000	–	–	–
	<b>2,703,000</b>	–	–	–

### 34 Other liabilities

Other liabilities comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
FGN Bonds on repurchase agreement (see note 24(a))	20,500,000	5,700,000	20,500,000	5,700,000
Treasury bills on open buy back (see note 24(a))	1,500,000	–	1,500,000	–
Foreign currency denominated liabilities (see note 14(c))	18,536,179	25,609,806	14,883,179	25,609,806
Interest payable	3,079,514	1,139,969	465,557	777,944
Accrued expenses	5,916,697	1,220,380	2,790,130	650,876
Managers' cheques	3,669,203	3,400,913	3,250,510	3,351,461
Unearned income	1,244,370	67,932	–	–
Borrowings	–	80,921	–	–
Derivative liability (see note 24(c) above)	9,413	725,007	–	–
Unclaimed dividend (see note 14(b))	3,148,000	5,428,751	–	–
Due to customers	697,799	936,889	–	–
Collections	37,417,417	4,535,706	37,417,417	4,535,706
Others	66,436,502	2,940,907	2,687,628	2,496,282
	<b>162,155,094</b>	51,787,181	<b>83,494,421</b>	43,122,075

### 35 Retirement benefit obligation

The retirement benefit obligation comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Long-term incentive plan (see note (a) below)	1,068,780	–	1,068,780	–
Defined contribution scheme (see note (b) below)	80,798	102,727	80,798	47,687
Other defined benefit plans (See note (c) below)	727,000	–	–	–
	<b>1,876,578</b>	102,727	<b>1,149,578</b>	47,687

#### (a) Long-term incentive plan

The movement in this account is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	–	–
Charge for the year (See note (9)(a) above):	–	–	–	–
– Current service cost	333,770	–	333,770	–
– Past service cost	735,010	–	735,010	–
<b>Balance, end of year</b>	<b>1,068,780</b>	–	<b>1,068,780</b>	–

This represents the Bank's obligations to its top executive management under long-term incentive plan (LTIP) to reward Directors and other senior executives for the part they play in achieving the Bank's long-term growth objectives. This scheme was introduced during the period and liabilities comprising current service cost of N334,000,000 for the year ending and a past service cost of N2,205,030,000 arose thereon as a result of an actuarial valuation as at 31 December, 2010. The Directors have decided to defer and charge this cost in a systematic and consistent manner to the profit and loss account over an average period of three years in line with the provisions of Nigeria Statement of Accounting Standards number 8 on Accounting for Employees' Retirement Benefits. A total of liability of N1,068,780,000 comprising an estimate of the current and the past service cost due for the year has been charged to the profit and loss account. The outstanding balance in respect of the past service cost as at year end was N1,470,020,000 (31 December, 2010: nil).

- (b) The represents the unremitted portion of the Bank's employee's benefit under the Nigeria Pension Reform Act 2004. This amount was remitted subsequently.

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(c) Other benefit plan comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Defined benefit liability (See note (c)(i) below)	7,752,000	–	–	–
Fair value of planned assets (See note (c)(ii) below)	(7,025,000)	–	–	–
	<b>727,000</b>	–	–	–

(c)(i) The movement in defined benefit liability is shown below:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance beginning of the year	–	–	–	–
Acquired from business combination	7,721,000	–	–	–
Charge to the profit and loss account	31,000	–	–	–
	<b>7,752,000</b>	–	–	–

(c)(ii) Planned assets represent assets backing up the Bank's contribution under the defined benefit scheme. The movement in the planned assets is as shown below:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of the year	–	–	–	–
Acquired from business combination	7,009,000	–	–	–
Addition during the year	16,000	–	–	–
Plan assets no longer required	–	–	–	–
<b>Balance, end of year</b>	<b>7,025,000</b>	–	–	–

(c)(iii) The defined benefit liability of Intercontinental Bank as at the end of the year represents the balance as actuarially determined by Messrs HR Nigeria Limited as at the date of the most recent audited annual financial statements for only qualified staff of the Bank. The Bank ensures that adequate provisions are made to meet its obligations under the scheme.

### 36 Contingent settlement provisions

The Transaction Implementation Agreement executed on 6 July, 2011, provides that the deferred tax assets recognised from the acquisition of Intercontinental Bank shall accrue for the benefit of both AMCON and Access Bank in the ratio 75% and 25% respectively. The value of N3,548,000,000 represents contingent settlement provisions in respect of a liability to AMCON of an amount equivalent to 75% of deferred tax assets in the event of Access Group's realisation of the deferred tax asset from future taxable profits.

### 37 Share capital

(a) Authorised:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Ordinary shares:</b>				
24,000,000,000 Ordinary shares of 50 Kobo each	12,000,000	9,000,000	12,000,000	9,000,000
<b>Preference shares:</b>				
2,000,000,000 Preference shares of 50 Kobo each	1,000,000	1,000,000	1,000,000	1,000,000
	<b>13,000,000</b>	10,000,000	<b>13,000,000</b>	10,000,000
<b>Issued and fully-paid:</b>				
17,888,251,478 (December 2010: 17,888,251,478)				
Ordinary shares of 50 Kobo each	8,944,126	8,944,126	8,944,126	8,944,126

(a)(i) Ordinary shareholding:

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.

(a)(ii) Preference shareholding:

Preference shares do not carry the right to vote. Preference shareholders have priority over ordinary shareholders with regard to the residual assets of the Bank and participate only to the extent of the face value of the shares plus any accrued dividends. No preference shares were in issue as at the end of the reporting year.

(b) The movement on this account during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	8,944,126	8,131,024	8,944,126	8,131,024
Issue of shares	-	-	-	-
Transfer from bonus issue reserve	-	813,102	-	813,102
<b>Balance, end of year</b>	<b>8,944,126</b>	8,944,126	<b>8,944,126</b>	8,944,126

### 38 Capital reserve

This balance represents the surplus nominal value of the reconstructed shares of the Bank which was transferred from the share capital account to the capital reserve account after the share capital reconstruction in October 2006. The Shareholders approved the reconstruction of 13,956,321,723 ordinary shares of 50 Kobo each of the Bank in issue to 6,978,160,860 ordinary shares of 50 Kobo each by the creation of 1 ordinary share for 2 ordinary shares previously held.

# Notes to the Group Financial Statements

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### 39 Other reserves

(a) Other reserves comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Statutory reserve (see (b) below)	18,355,877	16,306,810	18,355,877	16,306,810
Small and Medium industries reserve (see note (c) below)	826,568	826,568	826,568	826,568
Fixed assets revaluation reserve (see (f) below)	67,236	51,727	–	–
General reserve (see (d) below)	(4,507,742)	(1,140,641)	8,059,967	6,777,393
Bonus reserves (see (g) below)	–	–	–	–
Foreign currency translation reserve (see (e) below)	65,386	32,618	–	–
Contingency reserve (see (h) below)	586,000	–	–	–
	<b>15,393,325</b>	16,077,082	<b>27,242,412</b>	23,910,771

(b) The movement on the statutory reserve is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	16,306,810	14,367,094	16,306,810	14,367,094
Transfer from profit and loss account	2,049,067	1,939,716	2,049,067	1,939,716
<b>Balance, end of year</b>	<b>18,355,877</b>	16,306,810	<b>18,355,877</b>	16,306,810

In accordance with existing legislation, the Bank transferred 15% of its profit after tax to the statutory reserve account.

(c)(i) The movement on the small and medium industries reserve is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	826,568	800,393	826,568	800,393
Transfer from general reserve	–	26,175	–	26,175
<b>Balance, end of year</b>	<b>826,568</b>	826,568	<b>826,568</b>	826,568

(ii) The SMEEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July, 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contributions shall thereafter reduce to 5% cent of profit after tax.

However, this is no longer mandatory. The small and medium scale industries equity investment scheme reserves are non-distributable.

(d) The movement on general reserve during the year is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	(1,140,641)	(7,482,217)	6,777,393	(610,507)
Adjustment to opening balance	(1,053,714)	308,527	(1,407,226)	–
Opening balance, restated	(2,194,355)	(7,173,690)	5,370,167	(610,507)
Reversal of share of prior year losses in associate	–	332,027	–	–
Acquired from business combination	(6,563,365)	–	22,536	–
Transfer to/(from) SME reserve	–	(26,175)	–	(26,175)
Transfer from profit and loss account	10,202,445	5,727,197	8,033,731	7,414,075
Transfer to contingency reserve	(586,000)	–	–	–
Dividend paid	(5,366,467)	–	(5,366,467)	–
<b>Balance, end of year</b>	<b>(4,507,742)</b>	<b>(1,140,641)</b>	<b>8,059,967</b>	<b>6,777,393</b>

(e) The movement on the foreign currency translation reserve during the year was as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	32,618	669,535	–	–
Acquired through business combination	140,999	–	–	–
Translation loss during the year	(108,232)	(636,917)	–	–
<b>Balance, end of year</b>	<b>65,386</b>	<b>32,618</b>	<b>–</b>	<b>–</b>

(f) Revaluation reserve represents surplus on revaluation of the property and equipment of a subsidiary company recognised directly in reserves.

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Subsidiary companies	67,236	51,727	–	–
<b>Balance, end of year</b>	<b>67,236</b>	<b>51,727</b>	<b>–</b>	<b>–</b>

(g) Bonus issue reserve comprise:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	813,102	–	813,102
Transfer from share premium account	–	–	–	–
Transfer to share capital account	–	(813,102)	–	(813,102)
<b>Balance, end of year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>



# Notes to the Group Financial Statements

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(h) The movement on the contingency reserve is as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Balance, beginning of year	–	–	–	–
Transfer from retained earnings	<b>586,000</b>	–	–	–
<b>Balance, end of year</b>	<b>586,000</b>	–	–	–

As required by insurance regulations, a contingency reserve is maintained for both the non-life insurance and life insurance contracts underwritten by the Group. The appropriation to contingency reserve for non-life underwriting contracts is calculated in accordance with section 21(2) and 22(1)(b) of the Insurance Act 2003. The reserve is calculated at the higher of 3% of gross premium and 20 per cent of net profits of the business for the period. The appropriation of contingency reserve for life underwriting contracts is calculated at the higher of 1% of the gross premium and 10 per cent of net profits of the business for the period. The appropriations are charged to the life fund.

The contingency reserve for the Group, is the post acquisition portion of the Group's holding in the contingency reserve of Intercontinental WAPIC Insurance Limited as at year end.

#### 40 Non-controlling interest

The movement in non-controlling interest during the year is shown below:

	Group Dec-11	Group Dec-10
	N'000	N'000
Balance, beginning of year	<b>699,332</b>	858,291
Capital contributed by minorities during the year	<b>21,313,522</b>	140,856
Share of profit/(loss) for the year	<b>879,093</b>	(176,442)
Transfer to reserves	<b>(36,675)</b>	(16,876)
Dilution in non-controlling interest	<b>189,766</b>	–
Translation reserve	<b>9,803</b>	(106,497)
	<b>23,054,841</b>	699,332

#### 41 Earnings per share

Earnings per share have been calculated as follows:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Profit attributable to equity holders	<b>15,829,162</b>	11,244,563	<b>13,660,448</b>	12,931,441
Number of ordinary shares of 50 Kobo	<b>17,888,252</b>	17,888,252	<b>17,888,252</b>	17,888,252
Earnings per share – Basic (Kobo)	<b>88</b>	63	<b>76</b>	72

## 42 Acceptances, bonds, guarantees and other obligations

These comprise:

(a) Amount for the account of customers:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Guaranteed BAs/CPs	4,948,078	66,918	–	–
Transaction-related bonds and guarantees (see note (b) below)	155,751,527	135,855,769	48,838,163	125,877,403
Letters of credit	234,209,308	102,128,235	169,543,656	68,574,528
Guaranteed facilities	20,072,848	830,500	13,436,172	–
	<b>414,981,761</b>	238,881,422	<b>231,817,991</b>	194,451,931

(b) Included in transaction related bonds are cash collateralised bonds and guarantees amounting to N843,348,007 (December 2010: N1,505,603,804).

## 43 Net cash flows from operating activities before changes in operating assets:

This comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Profit after taxation	16,708,255	11,068,121	13,660,448	12,931,441
Add: tax charge for the year	3,593,110	5,100,749	2,356,314	4,737,143
	<b>20,301,365</b>	16,168,870	<b>16,016,762</b>	17,668,584
Adjustments to reconcile profit after taxation to net cash flow from operations:				
Depreciation – Property and equipment (see note 9(a))	5,423,384	4,787,554	3,355,180	3,605,659
– Equipment on lease (see note (9))	557,694	660,513	557,694	660,513
Amortisation – Intangible assets (see note (27))	622,308		343,110	–
Profit on disposal of property and equipment	(482,058)	(127,552)	(146,369)	(142,500)
Property and equipment written off	1,922,440	18,657	29,940	18,657
Loss on disposal of equipment on lease	–	54,286	–	54,286
Loss on disposal of investment properties	193,674	84,041	193,674	84,041
Profit on sale of investment	(115,000)	315,698	(442,801)	315,698
Reversal of impairment loss on investment property	(211,543)	–	(211,543)	264,557
Impairment loss on investment in subsidiary	–	–	356,350	–
Profit on sale of trading properties	(951,000)	–	–	–
Provision for risk assets (see note 10)	9,170,616	4,524,369	13,673,445	2,917,513
Provision no longer required for other assets	(2,235,535)	(412,172)	(10,535)	(411,264)
Impairment reversal on SME investment	–	(26,175)	–	(26,175)
Impairment charge on goodwill	380,990	306,437	–	–
Allowance on insurance receivables	746,000	–	–	–
Reversal of allowance on long-term investments	(443,000)	–	–	–
Share of associates loss	10,000	–	–	–
Interest on borrowings	104,220	186,525	–	172,508
Dividend income	(889,352)	(199,489)	(292,352)	(199,440)
Retirement benefit obligation	1,061,851	–	1,101,891	–
<b>Net cash flow from operating activities</b>	<b>35,167,054</b>	26,341,562	<b>34,524,446</b>	24,982,637

# Notes to the Group Financial Statements

## continued

### 44 Changes in operating assets:

This comprises:

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
<b>Decrease/(increase) in operating assets:</b>				
Cash reserve balance	(72,832,783)	(570,240)	(29,825,163)	(570,240)
Investment securities – short-term	(658,505)	25,009,672	(1,230,268)	25,716,012
Loans and advances	114,144,589	(61,944,500)	(71,289,197)	(57,124,801)
On-lending facilities	(6,458,135)	(19,553,815)	(6,458,135)	(19,553,815)
Advances under finance leases	243,306	1,165,580	445,057	1,032,929
Insurance receivables	(1,397,000)	–	–	–
Other assets	281,023,822	(5,347,838)	(25,019,031)	(7,992,208)
<b>Increase/(decrease) in operating liabilities:</b>				
Deposits and other accounts	36,200,060	48,366,849	81,852,437	34,706,024
Due to banks	(276,532,672)	20,822,512	86,288,120	(4,282,745)
On-lending facilities	6,458,136	19,553,815	6,458,136	19,553,814
Other liabilities	36,568,490	20,984,125	40,360,097	26,080,708
Claims payable	92,000	–	–	–
Liabilities on investment contracts	(672,000)	–	–	–
Liabilities on insurance contracts	(219,000)	–	–	–
	<b>115,960,307</b>	<b>48,486,160</b>	<b>81,582,053</b>	<b>17,565,678</b>

### 45 Cash and cash equivalents

For the purpose of reporting of cash flows, cash and cash equivalents include cash, treasury bills and other eligible bills, operating account with other banks and amounts due from other banks.

	Group Dec-11	Group Dec-10	Bank Dec-11	Bank Dec-10
	N'000	N'000	N'000	N'000
Cash and balances with central banks (less restricted balances) (see note 12(a))	62,803,160	21,829,262	29,580,513	14,082,361
Treasury bills (see note 13)	63,350,523	35,857,812	8,550,418	11,618,000
Due from other banks (see note 14)	128,307,446	103,182,124	68,652,010	72,177,480
	<b>254,461,129</b>	<b>160,869,198</b>	<b>106,782,941</b>	<b>97,877,841</b>

### 46 Contraventions of the Banks and other Financial Institutions Act of Nigeria and CBN Circulars

The Bank did not pay any penalties in respect of contravention of the provisions of the Banks and Other Financial Institutions Act of Nigeria and Central Bank Circulars during the year ended 31 December, 2011 (December 2010: N94 million).

### 47 Claims and litigation

The Bank, in its ordinary course of business, is presently involved in 171 cases as a defendant (31 December, 2010: 174) and 95 cases as a plaintiff (31 December, 2010: 55). The total amount claimed in the 171 cases against the Bank is estimated at N34,495,605,294.84 (31 December, 2010: N29,131,136,389) while the total amount claimed in the 95 cases instituted by the Bank is N30,555,665,378.43 (31 December, 2010: N7,768,823,071). The Directors having sought the advice of professional legal counsel are of the opinion that based on the advice received, no significant liability will crystallise from these cases. No provisions are therefore deemed necessary for these claims.

In the normal course of business, the Group is a party to financial instruments with off-balance sheet risks. These instruments are issued to meet the credit and other financial requirements of customers. The total off-balance sheet assets for the Group was N414,981,761,000 (31 December, 2010: N238,881,422,000) and N231,817,991,000 (2010: N194,451,931,000) was for the Bank.

#### 48 Prior year corresponding balances

This is the first set of financial statements after the implementation of the Statement of Accounting Standards number 31: On Intangible Assets, which became effective for annual periods beginning on or after 1 January, 2011. The implementation of the accounting policy resulted to a reclassification of computer software from property and equipment (Note 25). The impact of this is shown below:

	Group Dec-10	Bank Dec-10
	N'000	N'000
<b>Cost</b>		
Opening balance as previously stated	42,685,467	33,366,611
Reclassification to intangible assets	(2,972,013)	(1,991,166)
Balance as restated	39,713,454	31,375,445
<b>Accumulated depreciation</b>		
Opening balance as previously stated	17,295,391	14,205,100
Reclassification to intangible assets	(1,293,194)	(1,037,847)
Balance as restated	16,002,197	13,167,253
<b>Net book value</b>		
Balance as previously stated	25,390,076	19,161,511
Balance as restated	23,711,257	18,208,192

#### 49 Related party transactions

##### (a) Related party deposit

As at year ended 31 December, 2011, the Bank had various deposits from Directors and their related companies and subsidiaries totalling N30,318,977,686 (31 December, 2010: N6,986,519,320).

##### (b) Risk assets outstanding as at 31 December, 2011

###### Direct credit assets

As at the year ended 31 December, 2011, the Bank had various credit facilities outstanding from companies whose Directors are also Directors of Access Bank Plc at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of N90,005,622,784 (December 2010: N58,866,046,399) was outstanding on these various facilities at the end of the year, of which nil (December 2010: N47,204,787) were non-performing. Details of related party credits are presented on the next page.

# Notes to the Group Financial Statements

## continued

<b>Name of the Borrower</b>	<b>Relationship to Reporting Institution</b>	<b>Name of the Directors</b>	<b>Facility Type</b>
Integrated Wireless Technologies	Chairman	Mr Gbenga Oyebode	Overdraft
Aluko and Oyebode	Chairman	Mr Gbenga Oyebode	Term Loan Overdraft
Asset Management Group Limited	Chairman	Mr Gbenga Oyebode	On Lending Term Loan
MTN Communications	Chairman	Mr Gbenga Oyebode	Term Loan
Staff Investment Trust Scheme	Staff	Mr Tek Koroye Mr Herbert Wigwe	Term Loan
Yinka Folawiyo & Sons Limited	Director	Mr Tunde Folawiyo	Term Loan
F Energy Limited	Director	Mr Tunde Folawiyo	Time Loan
Enyo Trading	Director		Overdraft
DTD Services Limited	Director	Mr Tunde Folawiyo	Term Loan
			Auto Loan
Decoll Prime Links Limited	Director	Mr Dere Otubu	Time Loan Overdraft
Standard Trust Assurance Plc	Director	Mr Dere Otubu	Overdraft Finance Lease Time Loan
SIC Property and Investment Company	Director	Mr Dere Otubu	Time Loan Overdraft
Aries Exploration and Production Co. Limited	Director	Mr Tunde Folawiyo	Time Loan
Marina Securities	Director Director	Mr Aigboje Aig-Imoukhede Mr Herbert Wigwe	Time Loan Overdraft
Gobowen Exploration and Production Co. Limited	Director	Mr Tunde Folawiyo	Time Loan
Neconde Energy Limited	Director	Mr Tunde Folawiyo	Term Loan
Coscharis Motors Limited	Director	Dr Cosmas Maduka	Overdraft Usance Term Loan
Coscharis Technologies Limited	Director	Dr Cosmas Maduka	Overdraft Usance
CG Biostadt	Director	Dr Cosmas Maduka	Overdraft
Swiss Biostadt Limited	Director	Dr Cosmas Maduka	Overdraft
Blatech Limited	Director	Mr Dere Otubu	Overdraft
Nomiworld Limited	Director	Mr Aigboje Aig-Imoukhede	Overdraft
Pamcon Global	Director	Mr Aigboje Aig-Imoukhede	Time Loan
Timbuktu Media	Director	Mr Gbenga Oyebode	On Lending Overdraft

Outstanding Credit	Status	Nature of security
3,548,015	Performing	Debenture
4,583,333	Performing	Personal Guarantee
11,789,264	Performing	Personal Guarantee
753,087,049	Performing	Domiciliation
1,879,982,956	Performing	Domiciliation
16,486,720,000	Performing	Negative Pledge
7,334,111,729	Performing	Lien on Shares
166,679,522	Performing	Legal Mortgage Cash Backed Lien On shares
3,000,000,000	Performing	All Assets Debenture Lien on Deposits
7,407,464,971	Performing	All Assets Debenture Lien on Deposits
1,608,439,838	Performing	Legal Mortgage Corporate guarantee Personal guarantee Insurance
9,310,489	Performing	Vehicle financed
12,485,390	Performing	Legal Mortgage
–	Performing	Legal Mortgage
451,284,993	Performing	Lien on deposit
6,884,422	Performing	Vehicle financed
–	Performing	Debenture
1,875,000,000	Performing	Shares, cash and guarantee
1,085,449,122	Performing	
–	Performing	Debenture
900,000,000	Performing	
2,002,312,858	Performing	
–	Performing	Debenture
6,444,385,528	Performing	Debenture
1,405,179,756	Performing	Negative Pledge
21,846,988,146	Performing	Negative Pledge
1,275,000,000	Performing	Negative Pledge
309,148,868	Performing	Corporate Guarantee
400,379,869	Performing	Corporate Guarantee
694,109,087	Performing	Corporate Guarantee
27,646,916	Performing	
190,761,360	Performing	Corporate Guarantee
92,480,932	Performing	Personal Guarantee
4,947,795	Performing	Legal Mortgage
500,000,000	Performing	Corporate Guarantee
225,000,000	Performing	Personal Guarantee
20,910,576		
<b>90,005,622,784</b>		

# Notes to the Group Financial Statements

## continued

### Off balance sheet engagements

Included in off balance sheet engagements is an amount of N12.8billion (December 2010: N1.39 billion) representing Bonds and Guarantees to companies in which certain Directors and Shareholders have interests. The balances as at 31 December, 2011 are as follows:

<b>Name of Company/Individual</b>	<b>Relationship to Reporting Institution</b>	<b>Name of the Director</b>	<b>Facility Type</b>
Coscharis Motors Limited	Director	Dr Cosmas Maduka	Clean Line LC Bid Bond Unconfirmed Operative LC
Coscharis Technologies Limited	Director	Dr Cosmas Maduka	Clean Line LC

- (c) During the year, the Bank acquired Intercontinental Bank Plc (ICB) and the loan balance of N4.554 billion outstanding in respect of United Alliance Company of Nigeria Limited, where certain Directors of the Bank have interests are included in the balance of loans and advances in the consolidated financial statements. The loan was classified as performing.

### 50 Events after the balance sheet date

Subsequent to the end of the reporting period, Access Bank completed its acquisition of Intercontinental Bank via a scheme of merger and the two banks merged into a single entity. The Bank obtained a court sanction of the scheme of merger on 23 January, 2012. The effects of the court sanction of the scheme of merger are as follows:

- All assets, liabilities and undertakings, including real properties and intellectual property rights of Intercontinental Bank be transferred to Access Bank as provided in the scheme;
- The Intercontinental Bank shareholders will be allotted 1 scheme share for every 4 shares previously held by them in Intercontinental Bank;
- All legal proceedings, claims and litigation pending or contemplated by or against Intercontinental Bank will be continued after the scheme by or against Access Bank;
- The entire share capital of Intercontinental Bank will be cancelled and Intercontinental Bank be dissolved without being wound up.

Pursuant to the court sanctioned Scheme of Merger between Access Bank Plc and Intercontinental Bank, the proportion of the Scheme shares allotted to Project Star Investments limited in its capacity as a shareholder of Intercontinental Bank was distributed and allotted to the Access Bank shareholders pro rata in the proportion of their shareholding in Access Bank.



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<b>Outstanding Credit</b>	<b>Non-Performing</b>	<b>Nature of security</b>
12,112,429,626.98	Performing	Negative pledge
15,224,520.29		
391,808,871.60		
285,405,453.29	Performing	Corporate Guarantee of Coscharis Motors
<b>12,804,868,472.16</b>		

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# Value Added Statement

For the year ended 31 December, 2011

	Group Dec-11		Group Dec-10		Bank Dec-11		Bank Dec-10	
	N'000	%	N'000	%	N'000	%	N'000	%
Gross earnings	<b>138,949,414</b>		91,142,064		<b>96,234,017</b>		79,065,123	
Interest expense								
– Local	<b>(24,833,614)</b>		(17,029,266)		<b>(24,937,834)</b>		(17,043,282)	
– Foreign	<b>(12,101,521)</b>		(4,404,932)		<b>(2,507,030)</b>		(2,323,017)	
	<b>102,014,279</b>		69,707,866		<b>68,789,153</b>		59,698,824	
Group's share of associate's loss	<b>(10,000)</b>		–		–		–	
Loan loss expense:	<b>(9,170,616)</b>		(4,524,369)		<b>(13,673,445)</b>		(2,917,513)	
Allowance on other assets	<b>1,763,088</b>		(183,788)		<b>(134,272)</b>		(142,816)	
Allowance no longer required								
Bought-in-materials and services								
– Local	<b>(44,553,568)</b>		(27,580,211)		<b>(22,252,501)</b>		(22,989,212)	
– Foreign	<b>(1,565,809)</b>		–		–		–	
<b>Value added</b>	<b>48,477,374</b>		37,419,498		<b>32,728,935</b>		33,649,283	
<b>Distribution of Value Added</b>		%		%		%		%
To Employees:								
Employment costs	<b>22,090,711</b>	46	15,616,036	42	<b>12,799,299</b>	39	11,542,019	34
<b>To government</b>								
Government as taxes	<b>3,593,110</b>	7	5,100,749	14	<b>2,356,314</b>	7	4,737,143	14
<b>To providers of finance</b>								
Interest on borrowings	<b>104,220</b>	–	186,525	–	–	–	172,508	–
Dividend to shareholders	<b>8,944,117</b>	18	3,577,650	10	–	–	3,577,650	11
<b>Retained in business:</b>								
– For replacement of property and equipment	<b>5,423,384</b>	11	4,787,554	13	<b>3,355,180</b>	10	3,605,659	11
– For replacement of equipment on lease	<b>557,694</b>	1	660,513	2	<b>557,694</b>	2	660,513	2
– To pay proposed dividend	<b>3,577,650</b>	7	5,366,476	14	<b>3,577,650</b>	11	5,366,476	16
– To augment reserve	<b>4,186,488</b>	9	2,123,995	6	<b>10,082,798</b>	31	3,987,315	12
	<b>48,477,374</b>	100	37,419,498	100	<b>32,728,935</b>	100	33,649,283	100

# Five-year Financial Summary

## For the year ended 31 December, 2011

Group	31-Dec-11 12 months	31-Dec-10 12 months	31-Dec-09 9 months	31-Mar-09 12 months	31-Mar-08 12 months
	N'000	N'000	N'000	N'000	N'000
<b>ASSETS:</b>					
Cash and balances with Central Bank of Nigeria	139,201,974	25,395,293	64,592,701	50,244,054	34,818,118
Treasury bills	63,350,523	35,857,812	17,207,973	12,781,254	102,499,255
Due from other banks	128,307,446	103,182,124	93,177,107	102,784,916	550,887,906
Loans and advances to customers	552,401,605	429,782,319	383,778,168	418,194,487	245,836,040
On-lending facilities	27,882,974	22,685,778	3,131,963	5,092,026	5,096,061
Advances under finance lease	2,817,895	3,084,393	4,249,973	3,725,766	2,497,683
Insurance receivables	1,405,000	–	–	–	–
Investment securities	540,477,013	119,665,960	75,057,381	72,286,917	59,471,422
Investment in subsidiaries	–	–	–	–	4,034,589
Trading properties	6,688,000	–	–	–	–
Investment properties	16,097,044	12,943,078	1,404,000	–	–
Investment in associates	2,812,805	–	300,155	650,547	145,000
Other assets	76,371,399	23,287,133	17,292,653	17,846,304	13,188,296
Deferred tax asset	6,056,088	557,050	1,739,551	–	–
Property and equipment	66,478,472	25,390,076	27,944,990	23,390,109	14,107,593
Equipment on lease	1,120,908	1,561,045	2,169,175	1,591,555	1,363,474
Intangible assets	3,277,608	1,431,711	1,738,148	1,738,148	–
	<b>1,634,746,754</b>	<b>804,823,772</b>	<b>693,783,938</b>	<b>710,326,082</b>	<b>1,033,945,437</b>
<b>LIABILITIES:</b>					
Customer deposits	1,102,328,047	486,925,846	438,558,997	430,096,946	353,746,401
Due to other banks	124,765,681	64,039,353	43,216,841	30,183,025	69,402,840
On-lending facilities	29,143,914	22,685,778	3,131,964	5,143,461	5,147,536
Debt securities in issue	–	–	2,604,277	8,961,189	11,947,500
Current income tax	9,747,004	3,492,485	6,982,029	6,586,353	2,659,923
Claims payable	450,000	–	–	–	–
Liabilities on investment contracts	61,000	–	–	–	–
Liabilities on insurance contracts	2,703,000	–	–	–	–
Other liabilities	162,155,094	51,889,908	30,905,783	44,156,931	415,851,544
Retirement benefit obligation	1,876,578	–	–	–	–
Deferred taxation	926,227	419,945	37,999	10,053	624,523
Contingent settlement provisions	3,548,000	–	–	–	–
Borrowings	–	–	–	–	2,704,505
	<b>1,437,704,545</b>	<b>629,453,315</b>	<b>525,437,890</b>	<b>525,137,958</b>	<b>862,084,772</b>
<b>NET ASSETS:</b>					
<b>CAPITAL AND RESERVES:</b>					
Share capital	8,944,126	8,944,126	8,131,024	8,107,130	8,071,252
Capital reserve	3,489,080	3,489,080	3,489,080	3,489,080	3,489,080
Share premium	146,160,837	146,160,837	146,160,837	146,446,833	146,047,149
Other reserves	15,393,325	16,077,082	9,706,816	26,116,548	14,197,047
Non-controlling interest	23,054,841	699,332	858,291	1,028,533	56,137
	<b>197,042,209</b>	<b>175,370,457</b>	<b>168,346,048</b>	<b>185,188,124</b>	<b>171,860,665</b>
Commitments and contingents	414,981,761	238,881,422	138,055,511	142,633,973	155,725,829
Gross earnings	138,949,414	91,142,064	84,980,554	89,552,702	57,627,098
(Loss)/profit before taxation	20,301,365	16,168,870	(3,481,565)	26,185,429	19,042,106
(Loss)/profit after taxation	16,708,255	11,068,121	(4,402,166)	20,814,216	16,056,464
Non-controlling interest	(879,093)	176,442	207,584	–	–
Profit attributable to equity holders	15,829,162	11,244,563	(4,194,583)	20,814,216	16,056,464
Dividend paid	8,944,117	3,577,650	11,349,982	10,492,625	2,791,263
Earnings/(loss) per share – Basic	88K	63K	(26)K	141K	173K
– Adjusted	88K	63K	(23)K	128K	99K
Number of ordinary shares of 50 Kobo	17,888,252	17,888,252	16,262,047	16,214,258	16,142,502

\*Declared dividend represents the dividend declared and paid during the year.

# Five-year Financial Summary

## For the year ended 31 December, 2011

Bank	31-Dec-11 12 months	31-Dec-10 12 months	31-Dec-09 9 months	31-Mar-09 12 months	31-Mar-08 12 months
	N'000	N'000	N'000	N'000	N'000
<b>ASSETS:</b>					
Cash and balances with Central Bank of Nigeria	62,971,707	17,648,392	58,242,924	47,208,865	34,742,542
Treasury bills	8,550,418	11,618,000	10,926,086	11,480,869	101,488,368
Due from other banks	68,652,010	72,177,480	76,191,705	88,114,393	551,067,355
Loans and advances to customers	463,131,979	403,178,957	360,387,649	391,688,687	244,595,621
On-lending facilities	27,882,974	22,685,778	3,131,963	5,092,026	5,096,061
Advances under finance lease	2,296,035	2,741,092	3,774,020	3,725,766	2,497,683
Investment securities	157,964,376	116,811,620	72,732,689	71,449,604	59,456,866
Investment in subsidiaries	80,400,287	24,261,123	23,299,346	20,390,610	4,749,375
Investment properties	12,417,044	12,943,078	1,404,000	–	–
Investment in associates	–	–	145,000	145,000	145,000
Other assets	43,559,528	22,172,504	13,677,803	15,841,206	13,275,063
Deferred tax asset	–	–	1,338,268	4,346	–
Property and equipment	15,966,638	19,161,511	20,154,091	18,132,114	13,364,613
Equipment on lease	1,120,908	1,561,045	2,169,175	1,591,555	1,363,474
Intangible assets	1,052,699	–	–	–	–
	<b>945,966,603</b>	726,960,580	647,574,719	674,865,041	1,031,842,021
<b>LIABILITIES:</b>					
Customer deposits	522,599,666	440,542,115	405,836,092	405,657,055	351,789,279
Due to other banks	121,031,058	34,742,938	39,025,683	30,511,299	71,952,549
On-lending facilities	29,143,914	22,685,778	3,131,964	5,143,461	5,147,536
Debt securities in issue	–	–	2,604,277	8,961,189	11,947,500
Current income tax	2,084,897	2,959,976	6,736,626	6,471,362	2,659,923
Other liabilities	83,494,421	43,169,762	17,089,054	33,289,918	415,725,624
Retirement benefit obligation	1,149,578	–	–	–	–
Deferred taxation	626,614	355,197	–	–	617,584
	<b>760,130,148</b>	544,455,766	474,423,696	490,034,284	859,839,995
<b>NET ASSETS:</b>	<b>185,836,455</b>	182,504,814	173,151,023	184,830,757	172,002,026
<b>CAPITAL AND RESERVES:</b>					
Share capital	8,944,126	8,944,126	8,131,024	8,107,130	8,071,252
Capital reserve	3,489,080	3,489,080	3,489,080	3,489,080	3,489,080
Share premium	146,160,837	146,160,837	146,160,837	146,446,833	146,047,149
Other reserves	27,242,412	23,910,771	15,370,082	26,787,714	14,394,545
	<b>185,836,455</b>	182,504,814	173,151,023	184,830,757	172,002,026
Commitments and contingents	231,817,991	194,451,931	125,636,911	134,224,075	155,169,565
Gross earnings	96,234,017	79,065,123	75,847,752	84,643,020	57,627,098
(Loss)/profit before taxation	16,016,762	17,668,584	41,723	28,105,815	19,042,106
(Loss)/profit after taxation	13,660,448	12,931,441	(880,752)	22,885,794	16,056,464
Dividend paid	8,944,117	3,577,650	11,349,982	10,492,625	2,791,263
Earnings/(loss) per share – Basic	76K	72K	(5)K	141K	173K
– Adjusted	76K	72K	(5)K	141K	99K
Number of ordinary shares of 50 Kobo	17,888,252	17,888,252	16,262,047	16,214,258	16,142,502

\*Declared dividend represents the dividend declared and paid during the year.

# Shareholders' Information

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 23rd Annual General Meeting of members of ACCESS BANK PLC will be held at Lantana Hall, Eko Hotel, Adetokunbo Ademola Street, Victoria Island, Lagos on the 27 April, 2012 at 10:00 a.m. You will be asked to consider and, if thought fit, to pass the resolutions below:

### A. ORDINARY BUSINESS

To consider and if thought fit pass the following as Ordinary Resolutions:

1. To receive the Audited Financial Statement for the year ended 31 December, 2011 and the Reports of the Directors, Auditor and Audit Committee thereon.
2. To declare a final dividend of 30 Kobo per ordinary share for the year ended 31 December, 2011.
3. To re-elect Mr Emmanuel Chiejina as a Non-Executive Director.
4. To re-elect Mr Oritsedere Samuel Otubu as a Non-Executive Director.
5. To elect Mrs Anthonia Olufeyikemi Ogunmefun, who was appointed a Non-Executive Director by the Board since the last Annual General Meeting.
6. To elect Mr Victor Etuokwu, who was appointed an Executive Director by the Board since the last Annual General Meeting.
7. To re-appoint KPMG Professional Services as the Auditors to the Company from the end of the Annual General Meeting until the end of the next year's Annual General Meeting.
8. To authorise the Directors to fix the remuneration of the Auditor.
9. To elect/re-elect members of the Audit Committee.

### B. SPECIAL BUSINESS

To consider and if thought fit pass the following resolution as Ordinary Resolution:

10. That the Directors' fee for the financial year ending 31 December, 2012 be and is hereby fixed at N41,500,000.00 (forty one million five hundred thousand Naira only).

### Proxy

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead. A Proxy need not also be a member. A proxy form is attached to the Notice and it is valid for the purpose of the meeting. All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at the office of the Registrars, United Securities Limited, No. 10, Amodu Ojikutu Street, Victoria Island, Lagos, not later than 48 hours prior to the time of the meeting.

Dated this 25th day of March 2012



### Sunday Ekwochi

Company Secretary  
Plot 999c, Danmole Street  
Victoria Island  
Lagos

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# Shareholders' Information

## Notice of Annual General Meeting continued

### NOTES

#### **Dividend**

If approved, dividend will be payable on 27 April, 2012 to Shareholders whose names appear on the Register of Members as at 12 April, 2012. Shareholders who have completed the e-dividend mandate form will receive a direct credit of dividend into their bank accounts immediately after the Annual General Meeting. Shareholders who have not signed on to the e-dividend payment option are advised to complete the e-dividend mandate form available on the Bank's website at: [www.accessbankplc.com/pages/downloadcentre.asp](http://www.accessbankplc.com/pages/downloadcentre.asp) or from [www.unitedsecuritieslimited.com/download-forms/mandate-for-e-dividend-payment-008.aspx](http://www.unitedsecuritieslimited.com/download-forms/mandate-for-e-dividend-payment-008.aspx). The duly completed form should be returned to United Securities Limited, Plot 10, Amodu Ojikutu Street, Victoria Island Lagos, P.M.B 12753, Marina, Lagos or to the nearest Access Bank branch.

#### **Closure of Register of Members**

The Register of Members and Transfer Books of the Bank will be closed on 13 April, 2012 to enable the Registrar prepare for the payment of dividend.

#### **Audit Committee**

In accordance with S.359(5) of the Companies and Allied Matters Act, 2004, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the AGM.

# Explanatory Notes to the Notice of Annual General Meeting

The Notes below provide explanation to the proposed resolutions.

Resolutions 1-10 are being proposed as ordinary resolutions. This means that for each of the resolutions to be passed a simple majority of votes in favour of the resolution is required. Please note that if you abstain from voting you will not be counted in the calculation of the proportion of votes 'for' or 'against' a resolution.

## Resolution 1: Annual Report

The directors are required under the Companies and Allied Matters Act 2004 to lay for each financial year copies of the Company's annual report and accounts to Shareholders at a General Meeting.

## Resolution 2: Declaration of Final Dividend

The General Meeting has power to approve or decrease the final dividend recommended by the Directors but cannot increase the amount. If the 30 Kobo final dividend per ordinary share recommended by Directors is approved, the final dividend net of withholding tax will be payable on 27 April, 2012 to those shareholders registered on the Company's register of shareholders as at 12 April, 2012.

## Resolutions 3-6: Election and Re-election of Directors

Your Company's Articles of Association require one third of all Non-Executive Directors (rounded down) to stand for re-election every year (depending on their tenure on the Board) together with Directors appointed by the Board since the last Annual General Meeting ('AGM'). In keeping with the requirement, Messrs Oritsedere Otubu and Emmanuel Chiejina will retire at this AGM and being eligible for re-election will submit themselves for re-election at this AGM. It hereby confirmed that following a formal evaluation, their performance continues to be effective and demonstrate commitment to the role of Non-Executive Director.

The Board pursuant to the powers vested on it by the Articles of Association has appointed Mrs Anthonia Olufeyikemi Ogunmefun as a Non-Executive Director subject to all regulatory and Shareholders' approvals. She brings on board her robust experience in financial and legal service industries in Nigeria and Canada and her corporate board experience as then Chairperson of the Governance Committee of Kinark Child and Family Services, a major Canadian children care trust. As required by the Articles of Association, Mrs Ogunmefun's appointment would be tabled before the Shareholders at this AGM for approval.

The Board in January 2012 appointed Mr Victor Etuokwu as an Executive Director in charge of Transaction Service and Information Technology Division subject to regulatory and Shareholders' approvals. Mr Etuokwu brings on board two decades successful career in the financial service industry which culminated in his appointment as the Managing Director of Intercontinental Bank Plc representing the interest of Access Bank Plc.

The Board considers all the Directors submitting themselves for election and re-election as highly experienced and having a good understanding of the financial services industry. Given their experience and background the Board believes that they will continue to make valuable contributions to the Bank.

The biographical details of each Director standing for election or re-election are set out below. The Board recommends that these directors should be elected or re-elected to maintain the appropriate balance of skills, knowledge and experience on the Board.

### Mr Emmanuel Chiejina – Non-Executive Director

He was appointed to the Board on 2 June, 2005 and chairs the Governance & Remuneration Committee. He is also a member of the Risk Management Committee and the Credit & Finance Committee. Mr Chiejina is the Chairman and CEO of AshBard Energy Company Limited and currently serves on the Board of Staco Insurance Plc, F & C Group and Green Technologies Limited. He spent 27 years of his working career with Elf Petroleum Nigeria Limited and retired as Deputy Managing Director in 2007. He has a strong background in corporate planning and human resources.

Mr Chiejina is a graduate of Law from the University of Lagos (1975) and was called to Nigerian Bar in 1976. He has also undertaken programmes at Cranfield Institute of Technology [Managing People and Employment Relations, 1991], European Institute of Business Administration (INSEAD) [Advanced Management Programme, 1995], University of London [International Public Relations Business School] and London Business School [Maximising Board Effectiveness, 2002]. Mr Chiejina is aged 62 at the date of this AGM.

### Mr Oritsedere Samuel Otubu – Non-Executive Director

Appointed to the Board on 20 May, 2004. He is the Chairman of the Audit Committee and also sits on the Governance & Remuneration Committee and Credit & Finance Committee. He is the Executive Chairman of Senforce Insurance Brokers. He also serves as Chairman of Staco Insurance Plc. He has a high level experience in financial services, marketing and corporate strategy.

Mr Otubu obtained a Bachelor's and a Master's degree in Accounting and Finance from the Houston Baptist University, USA in 1983 and 1985 respectively. He is aged 48 at the date of this AGM.



# Explanatory Notes to the Notice of Annual General Meeting continued

## **Mrs Anthonia Olufeyikemi Ogunmefun – Non-Executive Director**

Appointed to the Board in 28 April, 2011. Mrs Ogunmefun is a seasoned banker and a legal practitioner with dual jurisdiction practice licences. She was admitted to the Nigerian and the Canadian Bar. She currently serves on the Governance & Remuneration Committee, Risk Management Committee and Credit & Finance Committee. Mrs. Ogunmefun has more than 25 years of banking experience at senior management levels in several Nigerian banks. Her experience includes Board membership of Kinark Child and Family Services, a Canadian Charity where she served as the Chairperson of the Governance Committee. She had held senior management positions in some leading financial institutions in Nigeria and Canada. Mrs. Ogunmefun is the managing Partner of Kemi Ogunmefun Law Office, a law firm based in Ontario Canada and director of LOC Nominees Limited

She obtained her Bachelor of Law Degree (LL.B) from the University of Lagos in 1974 and was called to the Nigerian Bar in 1975 and Law Society of Upper Canada in 2004. She is aged 61 years at the date of this AGM.

## **Mr Victor Etuokwu – Executive Director**

Appointed to the Board on 26 January, 2012. Mr Etuokwu is a seasoned banker with about 20 years' experience cutting across banking operations, information technology, internal control, general administration, retail banking and business acquisition and integration. Mr Etuokwu joined Access Bank Plc in July 2003 from Citibank Nigeria Limited and was promoted to General Manager in February 2008. He has served the Bank in different capacities leading several successful and critically important projects across the Bank. The latest of such projects was the acquisition of controlling equity interest in Intercontinental Bank Plc and the subsequent merger of both banks. Following the success of the acquisition, Mr Etuokwu was appointed as the Managing Director of Intercontinental Bank Plc, a role which he has performed creditably.

Mr Etuokwu holds a Bachelor of Science Degree and a Master of Business Administration Degree from University of Ibadan and University of Benin respectively. He is a Senior Honorary Member of the Chartered Institute of Bankers of Nigeria. He has attended several generic and function-specific training programmes in the course of his career. He is 45 years old at the date of this AGM.

The interests of the Directors standing for election or re-election in the ordinary shares of the Bank as at 31 December, 2011 are as shown below:

S/N	Names	Direct holding	Indirect holding
1	Mr Emmanuel Chiejina	5,853,630	NIL
2	Mr Oritsedere Samuel Otubu	15,690,593	13,921,795
3	Mr Victor Etuokwu	44,523	NIL

## **Resolutions 7 and 8: Re-Appointment of Auditors and Approval of Auditors Remuneration**

The Companies and Allied Matters Act 2004 provides that every company shall at each AGM appoint an auditor to audit the financial statements of the company and to hold office from the conclusion of that AGM to the conclusion of the next AGM. The Audit Committee has recommended the re-appointment of the auditors who have also indicated their willingness to act as the Bank's auditor for the next one year. You will be required to re-appoint KPMG Professional Services as auditors and also authorise the Board to fix their remuneration.

## **Resolution 9: Election/Re-election of Members of Audit Committee**

In accordance with S.359(5) of the Companies and Allied Matters Act, 2004, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Members will be required to vote at the AGM to elect or re-elect members of the Bank's Shareholders Audit Committee.

## **Resolution 10: Approval of Directors' fees**

Your Company is required by law to seek the approval of the annual fees payable to the Non-Executive Directors. Shareholders will therefore be required to approve annual fees of N41,500,000.00 (forty one million five hundred thousand Naira) for the Non-Executive Directors for the 2012 financial year. The commitments and responsibilities of the Non-Executive Directors have expanded considerably as regulatory requirements for banks and other financial institutions, particularly for organisations of your Bank's size and complexity, have grown and the expectations of Non-Executive Directors have correspondingly increased. Non-Executive Directors' fees are regularly reviewed and assessed against other large comparable international companies. The approval of Shareholders is being sought for the annual fees for each Non-Executive Director and the Chairman to be increased to N5,000,000.00 and N6,500,000.00 respectively with effect from 1 January, 2012. The current annual fees of N550,000.00 and N750,000.00 for each Non-Executive Director and Chairman respectively were approved by Shareholders in 2011. Having considered comprehensive data it is clear that the current Non-Executive Directors' fees is below the level now being paid in comparable and indeed smaller companies.

# Capital Formation History

<b>Timeline</b>	<b>Number of Shares</b>	<b>Amount</b>
11/05/1998 Public Issue for Cash	1,200,000,000	600,000,000
21/09/2001 Bonus	300,000,000	150,000,000
23/09/2001 Public Issue for Cash	1,200,000,000	600,000,000
31/03/2003 Bonus	300,000,000	150,000,000
30/08/2004 Bonus	1,000,000,000	500,000,000
31/08/2005 Bonus	1,158,746,000	579,373,000
31/09/2005 Public Issue for Cash	4,111,214,000	2,055,607,000
31/11/2005 Private Placement	499,358,000	249,679,000
31/12/2005 Share Exchange Capital and Marina	4,187,003,722	2,093,501,861
31/10/2006 Share Reconstruction	(6,978,160,860)	(3,489,080,430)
31/07/2007 Public Issue for Cash	9,164,340,987	4,582,170,494
31/12/2008 IFC Loan Conversion to Equity	71,756,590	35,878,295
31/06/2009 Bond Conversion	47,788,360	23,894,180
31/06/2010 Bonus	1,626,204,679	813,102,000
<b>End of year</b>	<b>17,888,251,478</b>	<b>8,944,125,739</b>



# E-dividend Mandate Form

Following the passing into law by the National Assembly and the official launch of the E-dividend payment system, all registrars have been mandated to effect payment of dividend on behalf of their client companies electronically.

The E-dividend payment system ensures that your dividend is credited directly into the bank account of your choice within 24 hours of the payment date.

In order to prepare for this new payment procedure, we require you to kindly complete the E-dividend form below.

**PLEASE NOTE THAT THE SECTION FOR YOUR BANK ACCOUNT DETAILS HAS TO BE COMPLETED BY YOUR BANK.**

Kindly return the duly completed form to the Registrar, United Securities Limited at the address stated below.

DATE DD/MM/YYYY

SURNAME/NAME OF COMPANY

PHONE NUMBER

OTHER NAMES (FOR INDIVIDUAL SHAREHOLDER)

POSTAL ADDRESS

CITY

STATE

EMAIL ADDRESS 1

EMAIL ADDRESS 2

THIS SECTION TO BE COMPLETED BY YOUR BANK

BANK NAME

BRANCH ADDRESS

BANK ACCOUNT NUMBER

BRANCH SORT CODE

**I / We hereby request that from now, all dividend warrant(s) due to me / us from my / our holdings in all the companies indicated above be mandated to my / our Bank named above.**

BRANCH CODE

SHAREHOLDER'S SIGNATURE OR THUMBPRINT

SHAREHOLDER'S SIGNATURE OR THUMBPRINT

AUTHORISED SIGNATURE & BANKER'S STAMP

INCORPORATION NUMBER WITH COMPANY SEAL

The completed form should be returned by post, or hand delivered to the office of the Registrar, United Securities Limited, 10, Amodu Ojikutu Street, Victoria Island, PMB 12753, Lagos. T: 01-730 0898, 01-2714566 – F: 01-2714568 E: info@unitedsecuritieslimited.com

or to the nearest Access Bank Plc branch closest to the Shareholder, c/o Investor Relations Unit. E: investorrelations@accessbankplc.com. Scanned copies of the form are not acceptable as only originals will be processed.





# Shareholder Information Update Form



I/We wish to request that my/our details as (a) Shareholder(s) of Access Bank Plc be amended to reflect the following information:

DATE DD/MM/YYYY

SURNAME/NAME OF COMPANY

PHONE NUMBER

OTHER NAMES (FOR INDIVIDUAL SHAREHOLDER)

PRESENT POSTAL ADDRESS

CITY

STATE

EMAIL ADDRESS 1

EMAIL ADDRESS 2

SHAREHOLDER'S SIGNATURE OR THUMBPRINT

SHAREHOLDER'S SIGNATURE OR THUMBPRINT

AUTHORISED SIGNATURE & BANKER'S STAMP

INCORPORATION NUMBER WITH COMPANY SEAL

The completed form should be returned by post, or hand delivered to the office of the Registrar, United Securities Limited, 10, Amodu Ojikutu Street, Victoria Island, PMB 12753, Lagos. T: 01-730 0898, 01-714566 – 7 F: 01-2714568 E: info@unitedsecuritieslimited.com

or to the nearest Access Bank Plc branch closest to the Shareholder, c/o Investor Relations Unit. E: investorrelations@accessbankplc.com. Scanned copies of the form are not acceptable as only originals will be processed.





# Proxy Form

23rd Annual General Meeting to be held at Lantana Hall, Eko Hotel, Adetokunbo Ademola Street, Victoria Island, Lagos on 27th day of April, 2012 at 10:00 a.m.

I/We

(Name of Shareholder in block letters)

Being a member(s) of the above named Company hereby appoints Mr Gbenga Oyebode or failing him Mr Aigboje Aig-Imoukhuede as my or our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on 27th day of April, 2012 and at any adjournment thereof.

Unless otherwise instructed, the proxy will vote or abstain from voting as he/she thinks fit.

.....  
SIGNATURE OF SHAREHOLDER

DATE DD/MM/YYYY

ORDINARY RESOLUTIONS	FOR	AGAINST
<b>1</b> To receive the Audited Financial Statement for the year ended 31 December, 2011 and the Reports of the Directors, Auditor and Audit Committee thereon.	<input type="checkbox"/>	<input type="checkbox"/>
<b>2</b> To declare a final dividend of 30 Kobo per ordinary share for the year ended 31 December, 2011.	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b> To re-elect Mr Emmanuel Chiejina as a Non-Executive Director.	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> To re-elect Mr Oritsedere Samuel Otubu as a Non-Executive Director.	<input type="checkbox"/>	<input type="checkbox"/>
<b>5</b> To elect Mrs Anthonia Olufeyikemi Ogunmefun, who was appointed a Non-Executive Director by the Board since the last Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>
<b>6</b> To elect Mr Victor Etuokwu, who was appointed an Executive Director by the Board since the last Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>
<b>7</b> To re-appoint KPMG Professional Services as the Auditors to the Company from the end of the Annual General Meeting until the end of the next year's Annual General Meeting.	<input type="checkbox"/>	<input type="checkbox"/>
<b>8</b> To authorise the Directors to fix the remuneration of the Auditors.	<input type="checkbox"/>	<input type="checkbox"/>
<b>9</b> To elect/re-elect members of the Audit Committee.	<input type="checkbox"/>	<input type="checkbox"/>
ORDINARY RESOLUTION	FOR	AGAINST
<b>10</b> That the Directors' fee for the financial year ending 31 December, 2012 be and is hereby fixed at N41,500,000.00 (forty one million five hundred thousand Naira only).	<input type="checkbox"/>	<input type="checkbox"/>

- IMPORTANT:**
- Before posting the above proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank should produce this card to secure admission to the meeting.
  - A member of the Bank is entitled to attend and vote at the Annual General Meeting of the Bank. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case, the above card may be used to appoint a proxy.
  - In line with best practice, the name of two Directors of the Bank have been entered on the proxy form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked\*) the name of any person, whether a member of the Bank or not will attend and vote on your behalf instead of one of the Directors named.
  - This proxy, when completed must be deposited at the office of United Securities Limited, 10, Amodu Ojikutu Street, Victoria Island, Lagos, not less than 48 hours before the time fixed for the meeting.
  - It is a requirement of the law under the Stamp Duties Act, Cap 58, Laws of the Federation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of Shareholders must bear a stamp duty.
  - If proxy form is executed by a company, it should be sealed under its common seal or the hand and seal of its attorney.

.....  
SIGNATURE OF PERSON ATTENDING

**BEFORE POSTING THE ABOVE FORM PLEASE TEAR OFF THIS PART AND RETAIN IT FOR ADMISSION TO THE MEETING**

**Access Bank Plc RC 125384**

23RD ANNUAL GENERAL MEETING TO BE HELD AT THE LANTANA HALL, EKO HOTEL, ADEMOLA ADETOKUNBO STREET, VICTORIA ISLAND, LAGOS ON 27TH DAY OF APRIL, 2012 AT 10:00 A.M.

Name and Address of Shareholder .....

Number of Shares Held .....



# Corporate Information

## Corporate Directory

### HEAD OFFICE ADDRESS

The Plaza  
Plot 999c, Danmole Street  
Off Adeola Odeku/Idejo Street  
PMB 80150  
Victoria Island  
Lagos  
Nigeria  
(+234) 1-2771191, 2773300-99  
(+234) 1-2771185

### BRANCH DISTRIBUTION

#### Abia

Aba Branch  
69, Azikwiwe Road  
Aba  
Abia State

Umuhia Branch  
Plot 6  
Trading/Residential Area  
Umuhia  
Abia State

Azikwe Road Branch  
9, Factory Road  
Aba  
Abia State

Umuhia Branch  
2, Library Way  
Umuhia  
Abia State

Faulks Road Branch,  
132, Faulks Road  
Aba  
Abia State

Duke House Branch  
Duke House  
45, Azikwe Road  
Abia State

Umudike Branch  
University of Agriculture  
Umudike Main Campus  
Abia State

#### Abuja

Aminu Kano Branch  
Plot 1195  
Aminu Kano Crescent  
Wuse li (Opp. Amal Court)  
Abuja

Adetokunbo Ademola Branch, Plot 833  
Adetokunbo Ademola Crescent  
Wuse 2  
Abuja

Herbert Macaulay Branch  
Plot 247  
Herbert Macaulay Way  
Abuja

Asokoro Branch  
Plot 87  
Yakubu Gowon Crescent  
Asokoro  
Abuja

Garki Branch  
Ahmadu Bello Way  
Garki li  
Abuja

Kubwa Branch  
Plot 59  
Gado Nasko Road  
Kubwa  
Abuja

Bank Of Industry (BoI) Branch, Plot 256  
Herbert Macaulay Way  
Behind Unity Bank Head Office  
Abuja

Cadastral Branch  
Plot 207  
Cadastral Zone  
Federal Capital Territory  
Abuja

Wuse Branch  
Plot 2401  
Cadastrals Zone A7  
Federal Capital Territory  
Abuja

National Assembly Branch  
National Assembly Complex  
Federal Capital Territory  
Abuja

Dei Dei Branch  
Zone B2.582  
Dei Dei Building Material Intl Market  
Federal Capital Territory  
Abuja

Doula Street Branch  
Plot 2357  
Douala Street  
Federal Capital Territory  
Abuja

Abuja NNPC Towers Branch  
Block B  
NNPC Towers Hm Way  
CBD Federal Capital Territory  
Abuja

Tofa House Branch,  
Tofa House  
Plot 770  
Central Business District  
Federal Capital Territory  
Abuja

Maitama Branch  
Plot 619  
Gana Street  
Cadastral Zone A05  
Federal Capital Territory  
Abuja

Gwagwalada Branch  
356, Special Hospital Road  
Gwagwalada  
Federal Capital Territory  
Abuja

Federal Secretariat Branch  
Federal Secretariat Complex  
Federal Capital Territory  
Abuja

Utako Branch  
Plot 903  
Obafemi Awolowo Way  
Federal Capital Territory  
Abuja

Ladoke Akintola Blvd. Branch  
Along Akintola Boulevard  
Garki  
Federal Capital Territory  
Abuja

Fed. Min. of Justice Branch  
Federal Ministry of Justice Complex  
Federal Capital Territory  
Abuja

Federal Mortgage Bank Branch, Federal  
Mortgage Bank Building  
Central Business Area  
Federal Capital Territory  
Abuja

Jos Street Branch  
6, Jos Street  
Opposite Sharon Ultimate Hotel  
Federal Capital Territory  
Abuja

# Corporate Information

## Corporate Directory continued

Garki Area 11 Branch  
Plot 599  
Cadastral Zone A3  
Gwarjo Close  
Off Gimbiya Street  
Federal Capital Territory  
Abuja

Enugu House Branch  
Plot 81  
Ralph Shodeinde Str.  
Opp. Fed. Min. of Finance  
Central Federal Capital Territory  
Abuja

Karu Branch  
Plot Number 312  
Nyanya Sports Centre Layout  
Federal Capital Territory  
Abuja

Nasda Branch  
Obasanjo Space Village  
Airport Road  
Federal Capital Territory  
Abuja

Durumi Branch  
Plot 1037  
Shafa Shopping Centre  
By Old Federal Secretariat  
Federal Capital Territory, Abuja

### **Adamawa**

Yola Branch 30  
Abubakar Atiku Way  
Adamawa State

### **Akwa Ibom**

Oron Branch  
Along Oron Road  
Etiema Street  
Akwa Ibom State

Ikot Ekpene Branch  
1, Abak Road  
Akwa Ibom State

Wellington Bassey Branch  
21, Wellington Bassey Way  
Akwa Ibom State

Aka Road Branch  
32, Aka Road  
Akwa Ibom State

Eket Branch  
Along Grace Bill Road  
Akwa Ibom State

### **Anambra**

New Market Road Branch  
30, Nnewi Road  
Anambra State

Edo Ezemewi Rd Branch  
15, Edo Ezemewi Road  
Anambra State

Bridge Head Branch  
48, Port Harcourt Road  
Bridge Head  
Onitsha  
Anambra State

Ekwulobia Main Branch  
Uga Road  
Ekwulobia  
Aguata Lga  
Anambra State

New Market Road Branch  
14, New Market Road  
Onitsha  
Anambra State

Umunze Branch  
Umunze Ogbunka Road  
Orumba North Local Govt.  
Anambra State

Awka 2 Branch  
Km 41  
Enugu-Onitsha Expressway  
Regina Caeli Junction  
Awka  
Anambra State

Ihiala Branch  
Ihiala  
Anambra State

Up Iweka Branch  
Up Iweka  
Onitsha  
Anambra State

Ogidi Branch  
Building Material Market  
Anambra State

Unizik Branch  
Bank Plaza  
Nnamdi Azikiwe University  
Awka  
Anambra State

Stock Exchange Branch  
Nigeria Stock Exchange Complex  
Onitsha  
Anambra State

### **Bauchi**

Bauchi Branch  
5, Bank Road  
Bauchi State

### **Bayelsa**

Yenagoa Major Axis Branch  
Km 6  
Mbiama/Yenagoa Road  
Bayelsa State

Mbiama Yenagoa Road Branch  
Mbiama/Yenogoa Road  
Onopa  
Yenogoa  
Bayelsa State

### **Benue**

Makurdi Branch  
83, Old Otukpo Road  
Benue State

Gboko Branch  
Benue Cement Factory  
Km 72  
Makurdi-Gboko Road  
Benue State

Oturkpo Branch  
19, Federal Road  
Oturkpo  
Benue State

Gboko Main Branch  
5/7, J.S. Tarka Way  
Gboko  
Benue State

Makurdi 2 Branch  
Adjacent To Living Faith Church  
Benue State

Zaki Ibiam Branch  
Y- Junction  
Katsina Ala Road  
Zakibiam  
Benue State

### **Borno**

Maiduguri Branch  
Sir Kashim Ibrahim Way  
Maiduguri  
Borno State

Bama Branch  
Along Bama-Mubi Road  
Bama  
Borno State

**Cross River**

Calabar Road Branch  
10, Calabar Road  
Pmb 1270  
Cross River State

Ogoja Branch  
Hospital Road  
Ogoja  
Cross River State

**Delta**

Nnebisi Road Branch  
417B, Nnebisi Road  
Asaba  
Delta State

Agbor Branch  
126, Old Asaba Road  
Delta State

Deco Road Branch  
Robson Shopping Complex  
Deco Road  
Delta State

Effurun Branch  
80, Effurun-Sapele Road  
Effurun  
Delta State

Sapele Branch  
Warri Road  
Sapele  
Delta State

**Ebonyi**

Abakaliki Branch  
44, Ogoja Road  
Abakaliki  
Ebonyi State

Abakaliki Branch  
41, Ogoja Road  
Abakaliki  
Ebonyi State

**Edo**

Benin Branch  
45, Akpakpava Street  
Benin  
Edo State

Mission Road Branch  
135, Akpapava Road  
Benin  
Edo State

Textile Mill Road Branch  
74, Edo Textile Mill Road  
Benin  
Edo State

Uniben Branch  
Ransome Kuti Road  
University Of Benin  
Edo State

Okada Branch  
New Site  
Igbinedion University Campus  
Okada  
Edo State

Auchi Branch  
Beside Federal Polytechnic Auchi  
Iyekhei/Polytechnic Road  
Edo State

Ekpoma Branch  
6, Akhere Lane  
Edo State

Sapele Road Branch  
164, Sapele Road  
Opposite NPDC  
Sapele  
Edo State

Urelu Branch  
170, Urelu Lagos Road  
Edo State

**Ekiti**

Ijero Ekiti Branch  
Ijero Ekiti  
Ijero Computer Centre  
Market Square  
Ekiti State

Ado Ekiti Branch  
144, Secretariat/Iyin Road  
Ekiti State

**Anambra**

Awka Branch  
222, Zik Avenue  
Awka  
Enugu State

**Enugu**

Okpara Avenue Branch  
5, Okpara Avenue  
Enugu  
Enugu State

Enugu Road Branch  
12, Enugu Road  
Enugu  
Enugu State

Kenyatta Branch  
16, Kenyatta Street  
Uwani  
Enugu State

Esut Branch  
Enugu State University  
Enugu  
Enugu State

Agbani Road Branch  
Agbani Road  
Enugu  
Enugu State

UNN Nsukka Branch  
University Of Nigeria  
Nsukka  
Enugu State

Abakaliki Road Branch  
Abakaliki Road  
Enugu  
Enugu State

Abakpa Nike Branch  
Abakpa Nike  
Enugu  
Enugu State

Ogui Road Branch  
67, Ogui Road  
By Nnamdi Azikiwe Stadium  
Enugu  
Enugu State

UNN Enugu Campus Branch  
University Of Nigeria  
Enugu Campus  
Enugu State

**Gombe**

Ashaka Branch  
Ashaka Cement Factory  
Gombe State

Gombe Branch  
24, New Market Road  
Gombe State

Dukku Branch  
Dukku Local Government Secretariat  
Gombe State

Yamaltu Deba Branch  
Deba Gra  
Yamaltu Deba Lga  
Gombe State

Kumo Branch  
Emir Palace Road  
Kumo  
Akko Lga  
Gombe State

# Corporate Information

## Corporate Directory continued

### Imo

Wetheral Road Branch  
117, Wetheral Road  
Close To Dan Anyiam Stadium  
Owerri  
Imo State

Nekede Branch  
Federal Polytechnic  
Nekede  
Imo State

Orlu Branch  
4A, Bank Road  
Orlu  
Imo State

Bank Road Branch  
Bank Road  
Owerri  
Imo State

Mbaise Branch  
Eke-Ahiara Junction  
Mbaise  
Imo State

### Jigawa

Dutse Branch  
Plot 10/11  
Sani Abacha Way  
Dutse  
Jigawa State

### Kaduna

Kaduna Branch  
16/20, Bida Road  
Kaduna State

Ali Akilu Road Branch  
26D, Ali Akilu Road  
Kaduna  
Kaduna State

Kachia Road Kaduna Branch  
314, Kachia Road  
Kaduna  
Kaduna State

Ahmadu Bello Way Branch  
A2, Ahmadu Bello Way  
Kaduna  
Kaduna State

NNPC Refinery Kaduna Branch, NNPC  
Kaduna  
Kaduna State

Gumi Main Market, Branch  
Gumi Main Market  
Kaduna  
Kaduna State

Kafanchan Branch  
Kafanchan  
Kaduna State

Ungwan Rimi Branch  
Along Kwato Road  
Ungwan Rimi  
Gra  
Kaduna  
Kaduna State

### Kano

Kano Branch  
12B, Post Office Road  
Kano State

Murtala Mohammed Way  
Kano Branch  
146, Murtala Mohammed Way  
Kano  
Kano State

Bello Road, Kano Branch  
24, Bello Road  
Kano  
Kano State

3B Bank Road Branch  
3B Bank Road  
Kano  
Kano State

Katin Kwari Branch  
Ibrahim Taiwo Road  
By Aib  
Kano  
Kano State

Bayero University Branch  
Main Campus  
Bayero University  
Kano  
Kano State

Aminu Kano Teaching Hospital Branch,  
Aminu Kano Teaching Hospital  
Kano  
Kano State

Bichi Branch  
Along Katsina Road  
By Bichi Junction  
Kano  
Kano State

Kazaure Branch  
Along Kano-Duara Road  
Kano  
Kano State

France Road Branch  
17/18, France Road  
Kano  
Kano State

### Katsina

Katsina Branch  
106, Ibb Way  
Katsina  
Katsina State

Katsina Branch  
Ibb Way  
Opp. NUM International Bank  
Katsina  
Katsina State

Funtua Branch  
Zaria Road  
Katsina  
Katsina State

Malumfashi Branch  
Along Funtua Road  
Near Total Filling Station  
Katsina State

Daura Branch  
Along Kano Road  
Besides Nitel Office  
Katsina State

### Kebbi

Birnin Kebbi Branch  
1, Jos Road  
G.R.A.  
Birnin Kebbi

### Kogi

Obajana Branch  
Opposite Dangote Cement Factory  
Kogi State

Okene Branch  
Along Kogi Road  
Kogi State

Lokoja Branch  
82, Lokoja Kabba Road  
Lokoja  
Kogi State

### Kwara

Ilorin Branch  
Stadium Shopping Complex  
Taiwo Road  
Ilorin  
Kwara State

Folawiyo Street Branch  
24, Wahab Folawiyo  
Unity Road  
Ilorin  
Kwara State

Reservation Road Branch  
29A, Reservation Road  
Gra Ilorin  
Kwara State

### Lagos

Burma Road Apapa Branch  
4, Burma Road  
Apapa  
Lagos State

Idumota Branch  
6, Obun Eko Street  
Idumota  
Lagos State

Broad Street Branch  
134/136, Broad Street  
Lagos  
Lagos State

Ikorodu Branch  
7, Ayangburen Road  
Ikorodu  
Lagos State

Allen Branch  
84, Allen Avenue  
Ikeja  
Lagos State

Victoria Island Branch  
Plot 1665  
Oyin Jolayemi Street  
Victoria Island

Onikan Branch  
30, King George V Road  
Onikan  
Lagos State

Commercial Road Branch  
8/10, Commercial Road  
Opposite Eleganza Plaza  
Apapa  
Lagos State

Old Ojo Branch  
153, Old Ojo Road  
Kuje-Amuwo  
Agboju  
Lagos State

Palm Avenue Branch  
4, Palm Avenue  
Mushin  
Lagos State

Simbiat Abiola Branch  
20, Simbiat Abiola Road  
Ikeja  
Lagos State

Adetokunbo Ademola Branch, 30A,  
Adetokunbo Ademola  
Victoria Island  
Lagos State

Aspamda Branch  
Zone B  
R4, Mercy Café  
Aspamda Plaza  
Trade Fair Complex  
Lagos State

Maryland Branch  
6, Mobolaji Bank Anthony Way  
Ikeja  
Lagos State

Ogunlana Drive Branch  
150, Ogunlana Drive  
Surulere  
Lagos State

Ligali Ayorinde Branch  
Plot 15  
Ligali Ayorinde Street  
Victoria Island  
Lagos State

Point Road Branch,  
Ib, Point Road  
Apapa  
Lagos State

Ogba Branch  
40A/40B, Ogba Ijaiye Road  
Ogba  
Lagos State

Idi-Araba Branch  
College Of Medicine  
Ishaga Road  
Idi-Araba  
Lagos State

Agbara Branch  
Bank Road  
Agbara Industrial Estate  
Agbara  
Lagos State

Adeyemo Alakija Branch  
Commerce House  
1, Idowu Taylor Street  
Victoria Island  
Lagos State

Lekki Chevron Branch  
Beside Chevron Roundabout  
Along Lekki-Epe Expressway  
Lagos State

Marina Bol Branch  
Bank of Industry Building  
23B, Broad Street  
Marina  
Lagos State

Awolowo Road Branch  
58, Awolowo Road  
Ikoyi  
Lagos State

Alausa Branch  
183, Obafemi Awolowo Road  
Alausa  
Ikeja  
Lagos State

Creek Road Branch,  
39, Creek Road  
Apapa  
Lagos State

Idejo Branch  
Plot 161E  
Idejo Street  
Off Adeola Odeku  
Victoria Island  
Lagos State

Agudosi Branch  
4, Agudosi Street  
Off Ojo Road  
Alaba International Market  
Lagos State

Toyin Branch  
54, Toyin Street  
Ikeja  
Lagos State

Matori Branch  
125, Ladipo Street  
Mushin  
Lagos State

Alfred Rewane Road Branch  
1, Kingsway Road  
Ikoyi  
Lagos State

Adeniran Ogunsanya Branch,  
71, Adeniran Ogunsanya Street  
Surulere  
Lagos State



# Corporate Information

## Corporate Directory continued

Maza Maza Branch,  
17, Sikiru Otunba Street  
Old Ojo Road  
Lagos-Badagry Expressway  
Lagos State

Adeola Hopewell Branch  
Plot 1697  
Adeola Hopewell  
Victoria Island  
Lagos State

Marina Branch  
48, Marina Street  
Lagos State

Issa Williams Branch  
27/29, Issa Williams Street  
Lagos Island  
Lagos State

Ikorodu Branch  
32, Lagos Road  
Ikorodu  
Lagos State

Atiku Abubakar Hall Branch  
ICC, Lagos International TFC  
Lagos-Badagry Expressway  
Lagos State

Tejuosho Branch  
31, Tejuosho Street  
Yaba  
Lagos State

Dopemu Branch  
92, Lagos-Abeokuta Expressway  
Dopemu  
Lagos State

Festac Branch  
4th Avenue  
Festac  
Lagos State

Oba Akran Branch  
23-25, Oba Akran Avenue  
Ikeja  
Lagos State

Awolowo Road Branch  
87, Awolowo Road  
Lagos State

Moloney Branch  
34, Moloney Street  
Lagos Island  
Lagos State

Isolo Branch  
113, Okota Road  
Okota  
Lagos State

Ilupeju Branch  
11, Town Planning Way  
Ilupeju  
Lagos State

Adeniyi Jones Branch  
65, Adeniyi Jones  
Ikeja  
Lagos State

Gbagada Branch  
Plot 286  
Oshodi-Apapa Expressway  
Gbagada Phase I  
Lagos State

Lekki 1 Branch  
Plot 7, Blk 2  
Oniru Private Estate  
By Maroko Bus Stop  
Lagos State

Ajose Adeogun Branch  
287, Ajose Adeogun Street  
Victoria Island  
Lagos State

Ikorodu Road Branch  
38/40, Ikorodu Road  
Jibowu  
Lagos State

Nahco Branch  
Nahco Complex 1  
Murtala Mohammed International Airport  
Ikeja  
Lagos State

Wharf Road Branch  
13-15, Wharf Road  
Apapa  
Lagos State

Opebi Branch  
23, Opebi Road  
Ikeja  
Lagos State

Ketu Branch  
533, Ikorodu Road  
Ketu  
Lagos State

Orile Coker Branch,  
3, Alhaji Owokoniran Street  
Orile Coker  
Lagos State

Alaba Branch  
44/45, Alaba International Market Road  
Lagos State

Agege Branch  
653, Abeokuta Express Road  
Abule Taylor  
Abule-Egba  
Lagos State

Obafemi Awolowo Way Branch  
77, Obafemi Awolowo Way  
Lagos State

Kosoko Branch  
52/54, Kosoko Street  
Lagos Island  
Lagos State

Ojota Branch  
1A, Ogudu Road  
Ojota  
Lagos State

Adetokunboh Ademola Branch, Plot  
1408A, Adetokunbo Ademola Street  
Victoria Island  
Lagos State

Nnamdi Azikwe Branch  
68, Nnamdi Azikwe Street  
Idumota  
Lagos State

Egbeda Branch  
35, Akowonjo Road  
Egbeda  
Lagos State

Ojuelegba Branch  
78, Ojuelegba Road  
Tejuosho  
Lagos State

Oyingbo Branch  
7, Coates Street  
Lagos State

Ikotun Branch  
4, Ikotun Junction  
Ikotun  
Lagos State

Shomolu Branch  
47, Market/Odunlami Street  
Shomolu  
Lagos State

Old Alaba Motor Park Branch  
Old Alaba Motor Park  
Off Ojo Igbede  
Alaba International Market  
Lagos State

Oroyinyin Branch  
3, Oroyinyin Street  
Idumota  
Lagos State

Olodi-Apapa Branch Plot 24 Opposite Ibru Jetty Apapa Lagos State	Muri Okunola Branch 211, Muri Okunola Street Victoria Island Lagos State	Satellite Town Branch Opposite Tantalizers Old Ojo Road Abule Ado Satellite Town Lagos State
Iddo Branch Iddo Shopping Complex Iddo Lagos State	Saka Tinubu Branch 44A, Saka Tinubu Street Off Adeola Odeku Street Lagos State	Lasu Branch Lagos State University Ojo Lagos State
Allen Branch 13, Allen Avenue Ikeja Lagos State	Lawanson Branch 87, Itire/Lawanson Road Surulere Lagos State	Alagbado Branch Daniel Farm Km32, Lagos-Abeokuta Expressway Agege Lagos State
Adeola Odeku Branch 44, Adeola Odeku Street Victoria Island Lagos State	Iju Branch 134, Water Works Road Iju-Ishaga Lagos State	Odogunyan Branch Opposite 2nd Gate Lagos Polytechnic Lagos State
Trade Fair Branch Opposite Zone F Block 1 Aspanda Lagos State	Oshodi Branch Olorunsogo Oshodi Lagos State	Ayobo Branch Along Ayobo/Ipaja Road Opposite Deeper Life Bible Church Ayobo Lagos State
Bode Thomas Branch 42, Bode Thomas Street Surulere Lagos State	Ojodu Berger Branch Plot 101 Isheri Road Ojodu Lagos State	Ejigbo Branch Along Ejigbo/Ikotun Road Opposite NNPC Junction Ejigbo Lagos State
Ijeshatedo Branch Ijeshatedo Surulere Lagos State	Ajao Estate Branch, Airport Road Ajao Estate Lagos State	Idimu Branch 71, Egbeda/Idimu Road Idimu Lagos State
Mushin Branch 279, Agege Motor Road Mushin Lagos State	Broad Street II Branch 32, Broad Street Lagos Island Lagos State	Daleko Branch Daleko Market Complex Daleko Lagos State
Unilag Branch University of Lagos Akoka, Lagos State	Ifako-Gbagada Branch 6, Diya Street Ifako-Gbagada Lagos State	Adeniji Adele Branch Oba Adeniji Adele Plaza Adeniji Adele Road Lagos Island Lagos State
Oregun Branch 51, Kudirat Abiola Way Oregun Lagos State	St. Finbarrs Branch 67, St. Finbarrs Road Chemist Bus Stop Yaba Lagos State	Adeola Odeku Branch 11A, Adeola Odeku Street Victoria Island Lagos State
Ire Akari Branch 1, Godwin Omonua Street Ire Akari Estate Lagos State	Aguda Branch 5, Enitan Street Surulere Lagos State	Ilupeju Branch 25A, Ilupeju By-Pass Ilupeju Lagos State
Sabo Yaba Branch 290, Herbert Macaulay Way Sabo-Yaba Lagos State	Ikota Branch Suite E 79-81 and 116-118 VGC Ikota Shopping Complex Lagos State	

# Corporate Information

## Corporate Directory continued

### **Nasarawa**

Lafia Branch  
Jos Road  
Lafia  
Nasarawa State  
  
Mararaba Branch  
Plot 3316  
Abuja Keffi Expressway  
Mararaba  
Nasarawa State

### **Niger**

Suleja Branch  
NNPC/PPMC Depot  
Suleja  
Niger State  
  
Minna Branch  
2, Old Airway Road  
Off Boso Road  
Minna  
Niger State  
  
Suleja Branch  
Suleman Barau Road  
Opposite Gamco Motors  
Niger State  
  
Bida Branch  
Along BCC Road  
Niger State

### **Ogun**

Oke Ilewo Branch  
1, Lilubu Street  
Oke Ilewo  
Ibara  
Ogun State  
  
Rccg Camp Branch,  
Redemption Camp  
Km 46/85  
Lagos-Ibadan Expressway  
Mowe  
Ogun State  
  
Fajuyi Road Branch  
1-5, Fajuyi Road  
Sapon  
Ogun State  
  
Otta Branch  
145, Lagos-Abeokuta Expressway  
Sango Otta  
Ogun State  
  
Ijebu-Ode Branch  
19, Ibadan Road  
Ijebu Ode  
Ogun State

Sagamu Branch  
71, Akarigbo Road  
Sagamu  
Ogun State  
  
Covenant Branch  
Opposite Covenant University  
Otta  
Ogun State  
  
Ilaro Branch  
Ona Ola Quarters  
Opposite Fire Station  
Ilaro  
Ogun State

### **Ondo**

Ado Owo Road Branch  
11, Ado Owo Road  
Ondo State  
  
Oba Adesida Road Branch  
126, Oba Adesida Road  
Akure  
Ondo State  
  
Ondo Branch  
Yaba Ondo  
Ondo State  
  
Adekunle Ajasin University Campus Branch  
Adekunle Ajasin University Campus  
Ondo State

### **Osun**

Oshogbo Branch  
2, Obafemi Awolowo Road  
Igbonna  
Osun State  
  
Ile Ife Branch  
26, Aderemi Road  
Ile Ife  
Osun State  
  
Oau Branch  
Obafemi Awolowo University Campus  
Ile Ife  
Osun State  
  
Ilesha Branch  
107A, Orinkiran Street  
Oshogbo Road  
Osun State  
  
**Oyo**  
Dugbe Market Branch  
1, Jimoh Odutola Street  
Dugbe Market  
Ibadan  
Oyo State

Iwo Road Branch  
37, Iwo Road  
Ibadan  
Oyo State  
  
New Court Branch  
34, New Court Road  
Dugbe  
Oyo State  
  
Bodija Branch  
Plot 6  
University Crescent Uii Second Road  
Ibadan  
Oyo State  
  
Ogbomoso Branch,  
Apake Area  
Ogbomoso  
Oyo State  
  
Iwo Road Branch  
4, Iwo Road  
Ibadan  
Oyo State  
  
Ekotedo Branch  
50, Adekunle Fajuyi Road  
Ekotedo  
Iya-Olobe  
Oyo State  
  
UCH Ibadan Branch,  
Beside Blood Bank  
UCH  
Ibadan  
Oyo State  
  
Challenge Branch  
Challenge Roundabout  
Ibadan  
Oyo State  
  
Oyo Branch  
Beside Conoil Filling Station  
Ilorin-Ogbomosho Expressway  
Oyo State  
  
Ojoo Branch  
Old Ibadan-Oyo Road  
Besides Olona Filling Station  
Oyo State  
  
Ring Road Branch  
Opposite Mobil Filling Station  
Ring Road  
Ibadan  
Oyo State

Bodija Branch Plot 32 Bodija Ui Road Bodija Ibadan Oyo State	Rumuokoro Branch 679, Ikwerre Road Rumuokoro Port Harcourt Rivers State	Rsust Branch River State University Science and Technology Port Harcourt Rivers State
<b>Plateau</b> Bank Road Branch 37, Beach Road Plateau State	Eleme Branch PPMC Depot Eleme Rivers State	<b>Sokoto</b> Sokoto Branch Opposite Afribank Plc Maiduguri Road Sokoto Sokoto State
Jos 2 Branch 1, Murtala Mohammed Way Jos Plateau State	Olu Obasanjo Branch 2 Plot 9 Olu Obasanjo Road Port Harcourt Rivers State	Sokoto Branch 20, Abdullahi Fodio Road Sokoto Sokoto State
Bukuru Branch Bukuru-Jos Road Bukuru Jos South Local Plateau State	Trans Amadi Branch 41, Trans Amadi Industrial Layout Port Harcourt Rivers State	Usman Danfodio University Branch Main Campus Usman Danfodio University Sokoto Sokoto State
<b>Rivers</b> Agip Road Branch No 1, Agip Road Mile 4 Rumueme Port Harcourt Rivers State	Rumukurishi Branch Plot 382, Port Harcourt-Aba Expressway Port Harcourt Rivers State	<b>Taraba</b> Jalingo Branch 57B, Hammaruwa Way Jalingo Taraba State
Bank Road Branch 10A, Bank Road Rivers State Judiciary Port Harcourt Rivers State	Uniport Branch University of Port Harcourt Port Harcourt Rivers State	Jalingo Branch 240, Hammaruwa Way Jalingo Taraba State
Bonny Cash Centre, 64, Hospital Road Bonny Island Rivers State	Ikokwu Branch Ikokwu Rivers State	<b>Yobe</b> Damaturu Branch 12B, Maiduguri Road Along Potiskum Damaturu Road Damaturu Yobe State
Trans Amadi Branch Plot 10 Trans Amadi Industrial Layout Near Erijoy Hotel Port Harcourt Rivers State	Obigbo Branch Obigbo Rivers State	Biu Branch I, Damaturu Road Biu Yobe State
Olu Obasanjo Branch 329, Olu Obasanjo Road Port Harcourt Rivers State	Woji Branch Woji Rivers State	<b>Zamfara</b> Gusau Branch Canteen Road Beside Fbn Gusau Zamfara State
Azikiwe Road Branch 12, Azikiwe Road Port Harcourt Rivers State	Garrison Branch 82/88, Aba Road Beside MTN Building Port Harcourt Rivers State	Talata Mafara Branch Sokoto Road Opposite LGA Office Zamfara State
	Eastern Bulkcement Branch By Eastern Bulkcement Company Ltd Wofe Road Rivers State	
	Azikiwe Road Branch 5, Azikiwe Road Near Government House Port Harcourt Rivers State	

# Corporate Information

## Corporate Directory continued

### ATM LOCATIONS

Access Bank Plc, 15 Azikiwe Road Aba, Abia, Branch	Access Bank Plc, Federal Mortgage Bank Building Central Business Area Federal Capital Territory, Abuja, Branch	Access Bank Plc, 62 New Market Road, Anambra, Branch
Access Bank Plc, 2, Library Way Umuahia Abia, Branch	Access Bank Plc, 6 Jos Street opposite Sharon Ultimate Hotel Federal Capital Territory, Abuja, Branch	Access Bank Plc, Umunze Ogbunka Road Orumba North Local Govt Anambra State, Anambra, Branch
Access Bank Plc, 132, Faulks Road Aba Abia State, Abia, Branch	Access Bank Plc, Plot 599, Cadastral Zone A3 Gwarjo Close off Gimbiya Street, Abuja, Branch	Access Bank Plc, 1 Ajaekwe Street Odoagba, Anambra, Branch
Access Bank Plc, Duke House 45 Azikwe Road Abia State, Abia, Branch	Access Bank Plc, Plot 81 Ralph Shodeinde Str Opp Fed Min of Finance Central Federal Capital Territory, Abuja, Branch	Access Bank Plc, Ihiala Branch Anambra State, Anambra, Branch
Access Bank Plc, 69 Azikwiwe Road Aba, Abia, Branch	Access Bank Plc, Plot Number 312, Nyanya Sports Centre Layout, Abuja, Branch	Access Bank Plc, Up Iweka Onitsha (Electronic Mkt Branch), Anambra, Branch
Access Bank Plc, Plot 6 Trading/Residential Area Umuahia, Abia, Branch	Access Bank Plc, Obasanjo Space Village Airport Road Federal Capital Territory, Abuja, Branch	Access Bank Plc, Building Material Market, Anambra, Branch
Access Bank Plc, Plot 207 Cadastral Zone Federal Capital Territory Abuja, Abuja, Branch	Access Bank Plc, Plot 1037, Shafa Shopping Centre by Old Federal Secretariat, Federal Capital Territory, Abuja, Branch	Access Bank Plc, Nnamdi Azikiwe University Awka Anambra State, Anambra, Branch
Access Bank Plc, Plot 2401 Cadastrals Zone A7, Abuja, Branch	Access Bank Plc, 13/15 Atiku Abubakar (Mubi) Road, Adamawa, Branch	Access Bank Plc, Nigeria Stock Exchange Complex Onitsha Anambra State, Anambra, Branch
Access Bank Plc, National Assembly White House Basement Abuja, Abuja, Branch	Access Bank Plc, Along Oron Road Etiema Street, Akwa Ibom State, Akwa Ibom, Branch	Access Bank Plc, University of Agriculture Umudike Main Campus Abia State, Anambra, Branch
Access Bank Plc, Zone B2.582, Dei Dei Building Material Intl Market Federal Capital Territory, Abuja, Branch	Access Bank Plc, 1 Abak Road, Akwa Ibom, Branch	Access Bank Plc, 1 Ajaekwe Street Odoagba, Anambra, Branch
Access Bank Plc, Erisco Bonpet Plaza Wuse Market, Abuja, Branch	Access Bank Plc, PPMC Depot, Akwa Ibom, Branch	Access Bank Plc, 24 Muritala Mohammed Way Bauchi, Bauchi, Branch
Access Bank Plc, Block B NNPC Towers Hm Way CBD Federal Capital Territory, Abuja, Branch	Access Bank Plc, 45 Muritala Mohammed Way, Akwa Ibom, Branch	Access Bank Plc, along Kano-Duara Rd, Bauchi, Branch
Access Bank Plc, Tofa House Plot 770 Central Business District Federal Capital Territory, Abuja, Branch	Access Bank Plc, 32, Aka Road opposite Gulf Bank Akwa Ibom State, Akwa Ibom, Branch	Access Bank Plc, Plot 3, Onopa Commercial Layout Onopa, Bayelsa, Branch
Access Bank Plc, Plot 619, Gana Street Cadastral Zone A05 Cadastral Zone A0 Federal Capital Territory, Abuja, Branch	Access Bank Plc, along Grace Bill Road Akwa Ibom State, Akwa Ibom, Branch	Access Bank Plc, Km 6, Mbiama/Yenagoa Road, Bayelsa, Branch
Access Bank Plc, 356, Special Hospital Road Gwagwalada Federal Capital Territory, Abuja, Branch	Access Bank Plc, 30 Nnewi Road Anambra State Onitsha 1, Anambra, Branch	Access Bank Plc, 5 Ogiri Oko Road G.R.A, Benue, Branch
Access Bank Plc, Federal Secretariat Complex, Abuja, Branch	Access Bank Plc, Block 015 Zone 1 Edo Ezemewi Road, Nnewi, Anambra, Branch	Access Bank Plc, Benue Cement Factory Km 72, Makurdi -Gboko Road, Benue, Branch
Access Bank Plc, Plot 903 Obafemi Awolowo Way Federal Capital Territory,, Abuja, Branch	Access Bank Plc, 222 Zik Avenue, Anambra, Branch	Access Bank Plc, 19, Federal Road Oturkpo Benue State, Benue, Branch
Access Bank Plc, along Akintola Boulevard Garki Federal Capital Territory, Abuja, Branch	Access Bank Plc, 48 Port Harcourt Road Bridge Head Anambra State, Anambra, Branch	Access Bank Plc, 5/7 J.S. Tarka Way NUM Intl Bank, Katsina State, Benue, Branch
Access Bank Plc, Federal Ministry of Justice Complex Federal Capital Territory Abuja, Abuja, Branch	Access Bank Plc, Uga Road, Ekwulobia Ekwulobia Aguata Lga, Anambra, Branch	Access Bank Plc, Y- Junction Katsina Ala Road Zaki Ibiyam Benue State, Benue, Branch

Access Bank Plc, Hospital Road Ogoja Cross River State, Cross, Branch	Access Bank Plc, Plot 5, Commercial Block A Along New Iyin Road, Ekiti, Branch	Access Bank Plc, Ashaka Cement Factory, Gombe, Branch
Access Bank Plc, 45 Muritala Mohammed Way, Cross River, Branch	Access Bank Plc, 5 Okpara Avenue, Enugu State Enugu 1, Enugu, Branch	Access Bank Plc, 18 Wetheral Road, Imo, Branch
Offsite, Unicem Factory, Calabar, Cross River, Offsite	Access Bank Plc, 12 Enugu Road, Enugu, Branch	Access Bank Plc, Federal Polytechnic Nekede Imo State, Imo, Branch
Access Bank Plc, 16/18 Bogobiri Road, Cross Rivers, Branch	Access Bank Plc, 42 Kenyatta Street Enugu State, Enugu, Branch	Access Bank Plc, Eke-Ahiara Junction Mbaise, Imo, Branch
Access Bank Plc, 304 Nnebis Road, Delta, Branch	Access Bank Plc, Enugu State University Agbani Town Enugu State, Enugu, Branch	Access Bank Plc, Plot 10/11 Sani Abacha Way Dutse, Jigawa, Branch
Access Bank Plc, 126, Old Asaba Road Asaba Road, Delta State, Delta, Branch	Access Bank Plc, Agbani Road Agbani Main Town Enugu, Enugu, Branch	Access Bank Plc, 26D Ali Akilu Road Kaduna State, Kaduna, Branch
Access Bank Plc, Robson Shopping Complex Deco Road Delta State, Delta, Branch	Access Bank Plc, University of Nigeria Nsukka Enugu State, Enugu, Branch	Access Bank Plc, 16, River Road, Zaria, Kaduna, Branch
Access Bank Plc, I Damaturu Road Biu Yobe/Borno, Delta, Branch	Access Bank Plc, Abakpa Nike Enugu Enugu State, Enugu, Branch	Access Bank Plc, 314 Kachia Road Kaduna Kaduna State, Kaduna, Branch
Access Bank Plc, Warri Road Sapele Delta State, Delta, Branch	Access Bank Plc, 67 Ogui Road by Nnamdi Azikiwe Stadium, Enugu, Branch	Access Bank Plc, A2 Ahmadu Bello Way Kaduna State, Kaduna, Branch
Access Bank Plc, 44 Ogoja Road, Ebonyi, Branch	Access Bank Plc, University of Nigeria Enugu Campus, Enugu, Branch	Access Bank Plc, NNPC Kaduna Kaduna State, Kaduna, Branch
Access Bank Plc, 41 Ogoja Road, Ebonyi, Branch	Access Bank Plc, Plot 1195 Aminu Kano Crescent Wuse li (opp. Amal Court), Fct, Branch	Access Bank Plc, Gumi Main Market, Kaduna, Branch
Access Bank Plc, 135 Akpapava Road, Edo, Branch	Access Bank Plc, Plot 833 Adetokunbo Ademola Crsnt. Wuse 2, Fct, Branch	Offsite, Kafanchan, Kaduna, Offsite
Access Bank Plc, 74 Edo Textile Mill Road, Edo, Branch	Access Bank Plc, Plot 247 Herbert Macaulay Way, Fct, Branch	Access Bank Plc, 7, Kwato Road Ungwan Rimi Gra Kaduna State, Kaduna, Branch
Access Bank Plc, Alumni Centre University of Benin Ugbowo Benin City, Edo, Branch	Access Bank Plc, National Assembly White House Basement Abuja, Fct, Branch	Access Bank Plc, 16/20 Bida Road, Kaduna, Branch
Access Bank Plc, 23 Airport Road Benin Edo, Edo, Branch	Access Bank Plc, Ahmadu Bello Way Garki li Abuja, Fct, Branch	Access Bank Plc, 146 Murtala Mohmd Way Kano State, Kano, Branch
Offsite, 3, Oroyinyin Street Idumota Lagos, Edo, Offsite	Access Bank Plc, Plot 87 Yakubu Gowon Crescent Asokoro, Fct, Branch	Offsite, 26D Ali Akilu Road Kaduna State, Kano, Offsite
Access Bank Plc, New Site Igbinedion University Campus Edo State, Edo, Branch	Access Bank Plc, Plot 59, Gado Nasko Road Kubwa, Fct, Branch	Access Bank Plc, 24 Bello Road Kano Kano State, Kano, Branch
Access Bank Plc, beside Fed Poly Auchi I Iyekhei /Polytechnic Road, Edo, Branch	Access Bank Plc, Erisco Bonpet Plaza Wuse Market, Fct, Branch	Access Bank Plc, 3B Bank Road Kano State, Kano, Branch
Access Bank Plc, 6 Akhere Lane Edo State, Edo, Branch	Access Bank Plc, Plot 256 Herbert Macaulay Way behind Unity Bank Head Office Abuja Nigeria, Fct, Branch	Access Bank Plc, Ibrahim Taiwo Road by Aib Kano State, Kano, Branch
Access Bank Plc, 45 Akpakpava Street, Edo, Branch	Access Bank Plc, 8 New Market Road, Gombe, Branch	Access Bank Plc, Main Campus Bayero University Kano State, Kano, Branch
Access Bank Plc, 164 Sapele Road, opposite NPDC, Sapele Road, Edo, Branch	Access Bank Plc, Dukku Local Government Secretariat, Gombe State, Gombe, Branch	Access Bank Plc, Aminu Kano Teaching Hospital Kano State, Kano, Branch
Access Bank Plc, 170 Uselu Lagos Road, Edo, Branch	Access Bank Plc, Deba Gra, Yamaltu Deba Lga, Gombe, Branch	Access Bank Plc, Zaria Road, Katsina State, Kano, Branch
		Access Bank Plc, Kafanchan, Kano, Branch
		Access Bank Plc, along Katsina Road by Bichi Junction Kano State, Kano, Branch



# Corporate Information

## Corporate Directory continued

Access Bank Plc, 17/18 France Road Kano Kano State, Kano, Branch	Access Bank Plc, 17 Sikiru Otunba St Old Ojo Road Lagos Badagry Expressway, Lagos, Branch	Access Bank Plc, 3, Alhaji Owokoniran Street Orile Coker Lagos State, Lagos, Branch
Access Bank Plc, 12B Post Office Road, Kano, Branch	Access Bank Plc, Plot 1697 Adeola Hopewell Victoria Island, Lagos, Branch	Access Bank Plc, Shop A65 Alaba Intl Market Ojo, Lagos, Branch
Offsite, 13/15 Atiku Abubakar (Mubi) Road, Katsina, Offsite	Access Bank Plc, 48, Marina Street, Lagos State, Lagos, Branch	Access Bank Plc, 653 Abeokuta Express Road Abule Taylor Abule-Egba Lagos State, Lagos, Branch
Access Bank Plc, Ibb Way opp. NUM Intl Bank, Katsina, Branch	Access Bank Plc, 16 Apongbon Street, Apongbon, Lagos, Branch	Access Bank Plc, 77 Obafemi Awolowo Way (Man House), Lagos State, Lagos, Branch
Access Bank Plc, along Funtua Road near Total Filling Station Katsina, Katsina, Branch	Access Bank Plc, 32 Lagos Road, Lagos, Branch	Access Bank Plc, 52/54 Kosoko Street Lagos State, Lagos, Branch
Access Bank Plc, along Kano Road besides Nitel Office Katsina State, Katsina, Branch	Access Bank Plc, Conia House opposite Kano Plaza Trade Fair Complex, Lagos, Branch	Access Bank Plc, 1A Ogudu Road, Lagos State, Lagos, Branch
Access Bank Plc, 106 Ibb Way, Katsina, Branch	Access Bank Plc, Teju Osho Street, Yaba, Lagos, Branch	Access Bank Plc, Plot 1408A Adetokunbo Ademola Street Victoria Island, Lagos, Branch
Access Bank Plc, 1 Jos Road G.R.A, Kebbi, Branch	Access Bank Plc, 92 Lagos/Abeokuta Expressway, Lagos, Branch	Access Bank Plc, 68 Nnamdi Azikwe Road Street Idumota Lagos State, Lagos, Branch
Access Bank Plc, Obajana Cement Factory, Kogi, Branch	Access Bank Plc, Plot 650A 32 Road 3rd Avenue Festac Town, Lagos, Branch	Access Bank Plc, 35 Akowonjo Road Lagos State, Lagos, Branch
Access Bank Plc, along Kogi Road, Kogi, Branch	Access Bank Plc, 23-25 Oba Akran Avenue, Lagos, Branch	Access Bank Plc, 78 Ojuelegba Road Tejuosho Lagos State, Lagos, Branch
Access Bank Plc, 82 Lokoja Kabba Road Lokoja, Kogi, Branch	Access Bank Plc, 87, Awolowo Road, Lagos, Branch	Access Bank Plc, Iddo Shopping Complex Iddo, Lagos, Lagos, Branch
Access Bank Plc, 24 Wahab Folawiyo Unity Road, Kwara, Branch	Access Bank Plc, 34, Moloney Street, Lagos, Branch	Access Bank Plc, 4 Ikotun Junction Ikotun Lagos State, Lagos, Branch
Access Bank Plc, 29A Reservation Road Gra Ilorin, Kwara, Branch	Access Bank Plc, 113, Okota Road, Lagos, Branch	Access Bank Plc, 47, Mkt/Odunlami Street Lagos State, Lagos, Branch
Access Bank Plc, Stadium Shopping Complex Taiwo Road Ilorin, Kwara, Branch	Access Bank Plc, 11, Town Planning Way Ilupeju Lagos State, Lagos, Branch	Access Bank Plc, Old Alaba Motor Park Off Ojo Igbede Lagos State, Lagos, Branch
Access Bank Plc, 183, Obafemi Awolowo Road Lagos State, Lagos, Branch	Access Bank Plc, Plot 286, Oshodi Apapa Expressway Gbagada Phase I Lagos State, Lagos, Branch	Access Bank Plc, 3, Oroyinyin Street Idumota Lagos, Lagos, Branch
Access Bank Plc, 24A Creek Road Apapa, Lagos, Branch	Access Bank Plc, Plot 7, Blk 2, Oniru Private Estate by Maroko Bus Stop Lagos State, Lagos, Branch	Access Bank Plc, 8 Apapa Express Way Ibafof Coconut, Lagos, Branch
Access Bank Plc, Plot 1617, Damole/Idejo Street Victoria Island, Lagos, Branch	Access Bank Plc, 287, Ajose Adeogun Street Victoria Island, Lagos, Branch	Access Bank Plc, Muritala Mohamed Way Oyingbo Ebute-Metta, Lagos, Branch
Access Bank Plc, 4 Agudosi St, off Ojo Road Alaba Intl Market Lagos State, Lagos, Branch	Access Bank Plc, 38/40 Ikorodu Road Jibowu Lagos State, Lagos, Branch	Access Bank Plc, 13, Allen Avenue Ikeja Lagos, Lagos, Branch
Access Bank Plc, 54 Toyin Street Lagos State, Lagos, Branch	Offsite, Nahco Complex 1 Murtala Mohammed International Airport Road, Ikeja Lagos State, Lagos, Offsite	Access Bank Plc, 44, Adeola Odeku Street, Lagos, Branch
Access Bank Plc, 125 Ladipo Street Lagos State, Lagos, Branch	Access Bank Plc, 13-15 Wharf Road Apapa Lagos State, Lagos, Branch	Access Bank Plc, Opposite Zone F Block 1, Lagos State, Lagos, Branch
Access Bank Plc, 1, Kingsway Road Ikoyi, Lagos State, Lagos, Branch	Access Bank Plc, 23, Opebi Road, Lagos, Branch	Access Bank Plc, Ijeshatedo Surulere Lagos State, Lagos, Branch
Access Bank Plc, 71 Adeniran Ogunsanya Street Surulere, Lagos State, Lagos, Branch	Access Bank Plc, 533, Ikorodu Road Ketu, Lagos, Branch	



Access Bank Plc, 279, Agege Motor Road Mushin Lagos State, Lagos, Branch	Access Bank Plc, along Ejigbo/Ikotun Road Opp NNPC Junction Lagos State, Lagos, Branch	Access Bank Plc, 153 Old Ojo Road Kuje-Amuwo Agboju, Lagos, Branch
Access Bank Plc, University of Lagos Akoka Lagos State, Lagos, Branch	Access Bank Plc, 71 Egbeda/Idimu Road Idimu Lagos State, Lagos, Branch	Access Bank Plc, 171 Abeokuta Expressway Iyana Ipaja Ipaja, Lagos, Branch
Access Bank Plc, 51, Kudirat Abiola Way Oregun Road Lagos State, Lagos, Branch	Access Bank Plc, Daleko Market Complex Daleko Market, Lagos, Branch	Access Bank Plc, 4 Palm Avenue Mushin, Lagos, Branch
Access Bank Plc, 1 Godwin Omonua Street Ire Akari Estate Lagos State, Lagos, Branch	Access Bank Plc, Oba Adeniji Adele Plaza Adeniji Adele Road Lagos State, Lagos, Branch	Access Bank Plc, 20 Simbiat Abiola Road Ikeja, Lagos, Branch
Access Bank Plc, 290, Herbert Macaulay Way Sabo Lagos State, Lagos, Branch	Access Bank Plc, 4 Burma Road Apapa, Lagos, Branch	Access Bank Plc, 30A Adetokunbo Ademola Victoria Island, Lagos, Branch
Access Bank Plc, 211 Muri Okunola Street Victoria Island Lagos State, Lagos, Branch	Access Bank Plc, 6 Obun Eko Street Idumota, Lagos, Branch	Access Bank Plc, Zone B R4 Mercy Cafe Aspamda Plaza Trade Fair Complex, Lagos, Branch
Access Bank Plc, 44A Saka Tinubu Street off Adeola Odeku Street Victoria Island Lagos, Lagos, Branch	Access Bank Plc, 134/136 Broad Street, Lagos, Branch	Access Bank Plc, 6 Mobolaji Bank-Anthony Way Ikeja, Lagos, Branch
Access Bank Plc, 87 Itire / Lawanson Road Surulere, Lagos, Branch	Access Bank Plc, Plot 1/3 Enitan Street Surulere, Lagos, Branch	Access Bank Plc, 150 Ogunlana Drive Surulere, Lagos, Branch
Access Bank Plc, 134 Water Works Road Iju-Ishaga, Lagos, Branch	Offsite, Bagco Factory, Iganmu, Surulere, Lagos, Offsite	Access Bank Plc, Plot 650A 32 Road 3rd Avenue Festac Town, Lagos, Branch
Access Bank Plc, Olorunsogo Oshodi, Lagos, Branch	Access Bank Plc, 7 Ayangburen Road Ikorodu, Lagos, Branch	Access Bank Plc, Plot 15 Ligali Ayorinde, Lagos, Branch
Access Bank Plc, Plot 101, Isheri Road Lagos State, Lagos, Branch	Access Bank Plc, 84 Allen Avenue Ikeja, Lagos, Branch	Access Bank Plc, 25A Ilupeju Bye-Pass Ilupeju, Lagos, Branch
Access Bank Plc, 18 Osolo Way Ajao, Lagos, Branch	Offsite, Newco Factory Oba Akran, Lagos, Offsite	Access Bank Plc, I Point Road, Apapa, Lagos, Lagos, Branch
Access Bank Plc, 32, Broad Street, Lagos, Branch	Offsite, Unico Factory, Oba Akran, Lagos, Offsite	Access Bank Plc, 40A/40B Ogba Ijaiye Road Ogba, Lagos, Branch
Access Bank Plc, 6 Diya Street, Lagos, Branch	Access Bank Plc, Plot 1665 Oyin Jolayemi Street, Victoria Island, Lagos, Branch	Access Bank Plc, 18 Osolo Way Ajao, Lagos, Branch
Access Bank Plc, 67 St Finbarrs Road Chemist Bus Stop, Lagos, Branch	Offsite, Oko Awo Street, Karim Kotun Street, Victoria Island, Lagos, Offsite	Access Bank Plc, College of Medicine Ishaga Road Idi-Araba, Lagos, Branch
Access Bank Plc, Plot 1/3 Enitan Street Surulere, Lagos, Branch	Offsite, Oladele Olashore Street, Off Oyin Jolayemi, Victoria Island, Lagos, Offsite	Access Bank Plc, Commerce House 1 Idowu Taylor Street, Lagos, Branch
Access Bank Plc, Ikota Shopping Complex Lekki, Lagos, Branch	Access Bank Plc, 30 King George V Road Onikan, Lagos, Branch	Access Bank Plc, Idowu Taylor, Street, Victoria Island, Lagos, Offsite
Access Bank Plc, opposite Tantalizers Old Ojo Road Abule Ado Lagos State, Lagos, Branch	Access Bank Plc, Plot 1617, Damole/Idejo Street Victoria Island, Lagos, Branch	Access Bank Plc, beside Chevron Round About along Lekki -Epe Expressway, Lagos, Branch
Access Bank Plc, Lagos State University Ojo Lagos State, Lagos, Branch	Access Bank Plc, 8/10 Commercial Road, Lagos, Branch	Access Bank Plc, Bank of Industry Building Broad Street, Marina, Lagos, Branch
Access Bank Plc, Daniel Farm Km32 Lagos Abeokuta Agege Lagos State, Lagos, Branch	Access Bank Plc, 53 Adeniyi Jones Street Ikeja, Lagos, Branch	Access Bank Plc, 11A, Adeola Odeku Street Victoria Island, Lagos, Branch
Access Bank Plc, opp. 2nd Gate Lagos Polytechnic Lagos State, Lagos, Branch	Offsite, Dangote Adstart Factory, Oba Akran, Lagos, Offsite	Access Bank Plc, 58 Awolowo Road Ikoyi, Lagos, Branch
	Offsite, Dangote Agrosack Factory, Oba Akaran, Lagos, Offsite	Access Bank Plc, 32 Jos Road, Nasarawa, Branch
	Access Bank Plc, Kirikiri Lighter Terminal 2 Tincan Island, Lagos, Branch	

# Corporate Information

## Corporate Directory continued

Access Bank Plc, Plot 3316, Abuja Keffi Expressway Mararaba Nasarawa State, Nasarawa, Branch	Access Bank Plc, 107A, Orinkiran Street Oshogbo Road, Osun, Branch	Access Bank Plc, Ikowku Rivers State, Rivers, Branch
Access Bank Plc, 2 Old Airway Road off Boso Road, Niger, Branch	Access Bank Plc, 34 New Court Road Dugbe, Oyo, Branch	Access Bank Plc, Obigbo, Rivers State, Rivers, Branch
Access Bank Plc, Suleman Barau Road Opposite Gamco Motors, Niger, Branch	Access Bank Plc, Plot 6 University Crescent, Oyo, Branch	Access Bank Plc, Woji, Rivers State, Rivers, Branch
Access Bank Plc, Along BCC Road Niger State, Niger, Branch	Access Bank Plc, Apake Area, Ogbomoso Oyo State, Oyo, Branch	Access Bank Plc, 82/88 Aba Road beside Mtn Building Opp.Tarpaulin House Rivers State, Rivers, Branch
Access Bank Plc, Nikon Building 1 Bank Road Minna, Niger, Branch	Access Bank Plc, 4, Iwo Road Ibadan Oyo State, Oyo, Branch	Access Bank Plc, by Eastern Bulkcement Coy Ltd Wofe Road Rivers State, Rivers, Branch
Access Bank Plc, NNPC Suleja Depot, Niger, Branch	Access Bank Plc, 50 Adekunle Fajuyi Road Eko Tedo Iya-Olobe, Oyo, Branch	Access Bank Plc, 5, Azikiwe Road near Government House Rivers State, Rivers, Branch
Access Bank Plc, Redemption Camp Km 46/85 Lagos/Ibadan Express Way Ogun State, Ogun, Branch	Access Bank Plc, beside Blood Bank UCH Ibadan, Oyo State Oyo State, Oyo, Branch	Access Bank Plc, River State University of Science and Technology Rivers State, Rivers, Branch
Access Bank Plc, 14 Lalubu Street Oke – Ilewo Abeokuta, Ogun, Branch	Access Bank Plc, Challenge Roundabout Ibadan Oyo State, Oyo, Branch	Access Bank Plc, Plot 10 Trans Amadi Industrial Layout near Erijoy Hotel, Rivers, Branch
Access Bank Plc, 145, Lagos-Abeokuta Express Way Ogun State, Ogun, Branch	Access Bank Plc, Old Ibadan/Oyo Road besides Olona Filling Station Oyo State, Oyo, Branch	Access Bank Plc, 329A Olu Obasanjo Road Port-Harcourt, Rivers, Branch
Access Bank Plc, 19, Ibadan Road Ogun State, Ogun, Branch	Access Bank Plc, opposite Mobil Filling Station Ring Road Oyo State, Oyo, Branch	Access Bank Plc, 12 Azikiwe Road, Rivers, Branch
Access Bank Plc, 71, Akarigbo Rd Sagamu Ogun State, Ogun, Branch	Access Bank Plc, 1 Jimoh Odutola Street Dugbe Market, Oyo, Branch	Access Bank Plc, 64 Hospital Road, Rivers, Branch
Access Bank Plc, opposite Covenant University Otta Ogun State, Ogun, Branch	Access Bank Plc, 37 Iwo Road, Oyo, Branch	Access Bank Plc, No 1 Agip Road beside Kilimanjaro Mile 4 Rumueme, Rivers, Branch
Access Bank Plc, Ona Ola Quarters opposite Fire Station Ogun State, Ogun, Branch	Access Bank Plc, Plot 32 Bodija Ui Road Bodija, Oyo, Branch	Access Bank Plc, Bank Road opposite High Court, Rivers, Branch
Access Bank Plc, Wempco Factory, Ibafo, Ogun, Offsite	Access Bank Plc, 37, Beach Road, Jos, Plateau, Branch	Access Bank Plc, 679 Ikwerre Road Rumuokoro Round About, Rivers, Branch
Access Bank Plc, Bank Road Agbara Industrial Estate, Ogun, Branch	Access Bank Plc, 28A Rwang Pam Road, Plateau, Branch	Access Bank Plc, 20 Abdullahi Fodio Road, Sokoto, Branch
Access Bank Plc, 11 Ado Owo Road, Ondo State, Ondo, Branch	Access Bank Plc, Yelwa Junction Bukuru, Plateau, Branch	Access Bank Plc, Main Campus Usman Danfodio University, Sokoto, Branch
Access Bank Plc, Plot 5, Commercial Block A along New Iyin Road, Ondo, Branch	Access Bank Plc, PPMC Depot, Rivers, Branch	Access Bank Plc, opp. Afribank Plc Maiduguri Road Sokoto, Sokoto, Branch
Access Bank Plc, No 17 Oyemekun Road Akure, Ondo, Branch	Access Bank Plc, Plot 9 Olu Obasanjo Road PHC Rivers State, Rivers, Branch	Access Bank Plc, 57B Hammaruwa Way Jalingo, Taraba, Branch
Access Bank Plc, Yaba Ondo, Ondo, Branch	Access Bank Plc, Plot 446/447 Trans Amadi Industrial Layout Port Harcourt, Rivers, Branch	Access Bank Plc, 12B Maiduguri Road along Potiskum Damaturu Road, Yobe, Branch
Access Bank Plc, Adekunle Ajasin University Campus, Ondo, Branch	Access Bank Plc, Plot 382, Port Harcourt-Aba Expres Port Harcourt Rivers State, Rivers, Branch	Access Bank Plc, 10 Sani Abacha Way, Zamfara, Branch
Access Bank Plc, Plot 2 Aiyedun Layout Gbongan, Osun, Branch	Access Bank Plc, University of Port-Harcourt Port-Harcourt Rivers State, Rivers, Branch	
Access Bank Plc, 26 Aderemi Road Osun State Ile Ife, Osun, Branch		
Access Bank Plc, Obafemi Awolowo University Campus Osun State, Osun, Branch		

## SUBSIDIARIES ADDRESSES

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Alagomeji, Yaba, Lagos  
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### WAPIC INSURANCE PLC

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### INTERCONTINENTAL LIFE ASSURANCE COMPANY LIMITED

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Alagomeji, Yaba, Lagos  
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01-4615153  
F: 01-4630754  
W: www.intercontinentallifeng.com

### INTERCONTINENTAL HOMES SAVINGS & LOANS LIMITED

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W: www.intercontinentalthomes.com

# Corporate Information

## Corporate Directory continued

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#### Bank of Beirut

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Ikoyi, Lagos

#### Bank of China

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P. R. China  
100818

#### BNP PARIBAS Paris

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Paris Cedex 01 France

#### Byblos Bank, London

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Berkeley Square  
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#### CitiBank London

Citigroup Center, Canada Square  
Canary Wharf  
London E14 5LB, UK

#### CitiBank New York

111, Wall Street  
19th Floor/Zone 1  
New York NY 10043 USA

#### CommerzBank AG

Corporate Banking Structured Export  
and Trade Finance Kaiserplatz 60311  
Frankfurt am Main  
Germany

#### Credit Suisse AG

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P.O. Box 100  
CH-8070 Zurich

#### Danske Bank

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DK-1092 Copenhagen K  
Denmark

#### Deutsche Bank

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#### FBN UK

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London EC2M 7DT, UK

#### Handelssbanken Int. (Svenska)

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#### HSBC Bank

Johannesburg Branch  
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85, Mauder Street  
Sandound, Sandton, 2196. S.A.

#### IFC

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Washington DC 20433 USA

#### ING

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Brussels, Belgium

#### J.P. Morgan

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#### KBC Bank Belgium

KBC Bank NV  
Havenlan 12  
1080 Brussel Belgium

#### Mashreq Bank

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#### Nordea Bank

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Stockholm  
Sweden

#### Standard Bank of South Africa

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Johannesburg 2001, S.A.

#### Standard Chartered Bank, London

22, Billiter Street  
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#### Sumitomo Mitsui Banking Corporation Europe Limited

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London EC4V 4EH, UK

#### The Access Bank UK Limited

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London EC3V 3ND, UK

#### UBS

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Zurich

#### Union Bank UK

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#### United Bank for Africa

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New York 10022-5911, USA

#### WESTLB AG, Germany

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Dusseldorf Germany

#### Zenith Bank (UK) Limited

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