ACCESS BANK PLC
ANNUAL REPORT
AND ACCOUNTS 2013

SPEED | SERVICE | SECURITY

CONTENTS

We are making progress in our journey towards becoming the world's most respected African bank. The journey has been exciting and has elicited more commitment to delivering our brand promise – to serve our customers with Speed, Service and Security. Accordingly, we are transforming the Bank operationally and culturally, with a view to making banking with Access Bank as convenient as possible for every one of our customers.

Access Bank makes and delivers a simple and compelling promise to each and every customer.

Our principles, our processes and our products are directed towards delivering Speed, Service and Security to customers.

SPEED

Rapid response and quick access to advice, information and products are important to all customers.

Our ability to translate effective governance and leverage employees' competence to deliver swift and appropriate responses to customers is a significant competitive advantage.

SERVICE

Service matters to our customers, and expectations have risen dramatically.

Service is both a qualitative and quantitative measure: it is as much to do with how customers feel as how long they have to queue.

Our customers appreciate that we treat everyone with respect and consideration.

SECURITY

Security is fundamental to customers. They need to be able to trust us to manage their finances responsibly. 95% of customers say that security is the most important factor in choosing and banking with us.

SPEED SERVICE SECURITY

CUSTOMERS DESIRE SPEED

We pledge to develop products and invest in technology which deliver the benefits of speed.

CUSTOMERS DESERVE SERVICE

We commit to understanding and respecting our customers and providing world-class service.

CUSTOMERS DEMAND SECURITY

We undertake to earn complete customer confidence through stability and security.

1

OVERVIEW

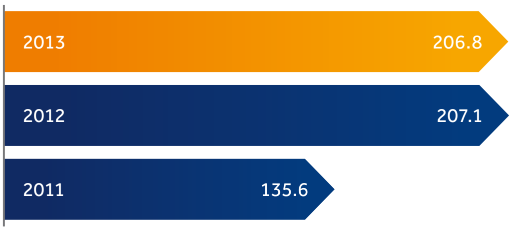
A brief review of Access Bank's financial and operational achievements in the past year.

BUSINESS AND FINANCIAL HIGHLIGHTS

In the evolution of its corporate strategy for 2013–2017, the Bank has identified and commenced cultivation of business areas that will guarantee steady earnings in conformity with its sustainable growth agenda. The Bank has embarked on aggressive re-activation of accounts within its retail customer base and focuses concurrently on financing the needs of its corporate and commercial customers.

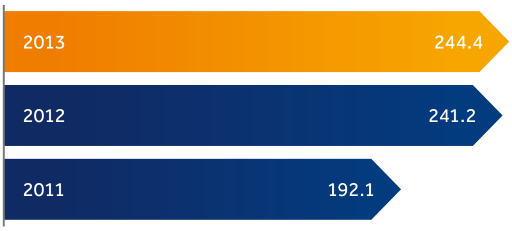
Gross Earnings
N'billion

-0.10%



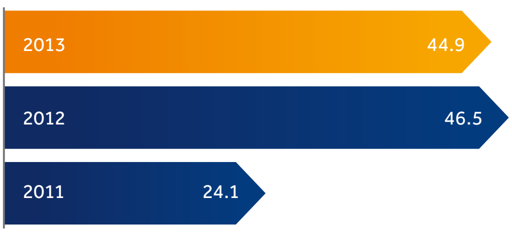
Shareholders' fund
N'billion

+1.33%



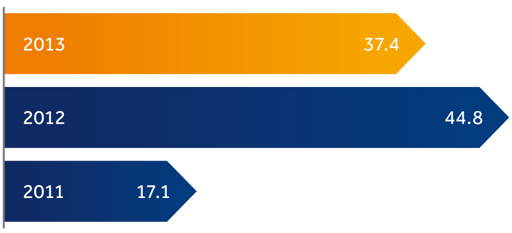
Profit before tax
N'billion

-3.31%



Profit after tax
N'billion

-16.37%

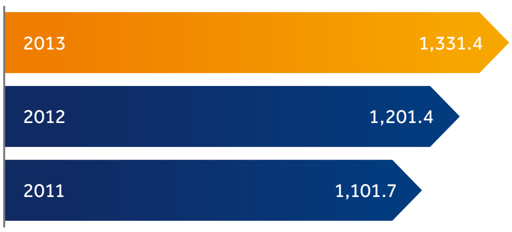


- Access Bank Plc is a full service commercial and retail bank with headquarters in Nigeria and operations across sub-Saharan Africa and the United Kingdom;
- It was incorporated in February 1989 as a privately-owned financial institution and commenced banking operations in May 1989;
- It was listed on the Nigerian Stock Exchange in 1998;
- The Bank demonstrates exemplary performance in its financial and non-financial disclosures; and
- 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.

To find out more visit www.accessbankplc.com

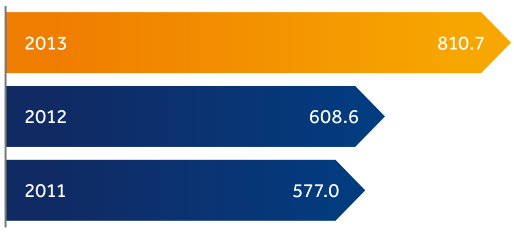
Total deposits
N'billion

+10.81%



Loans
N'billion

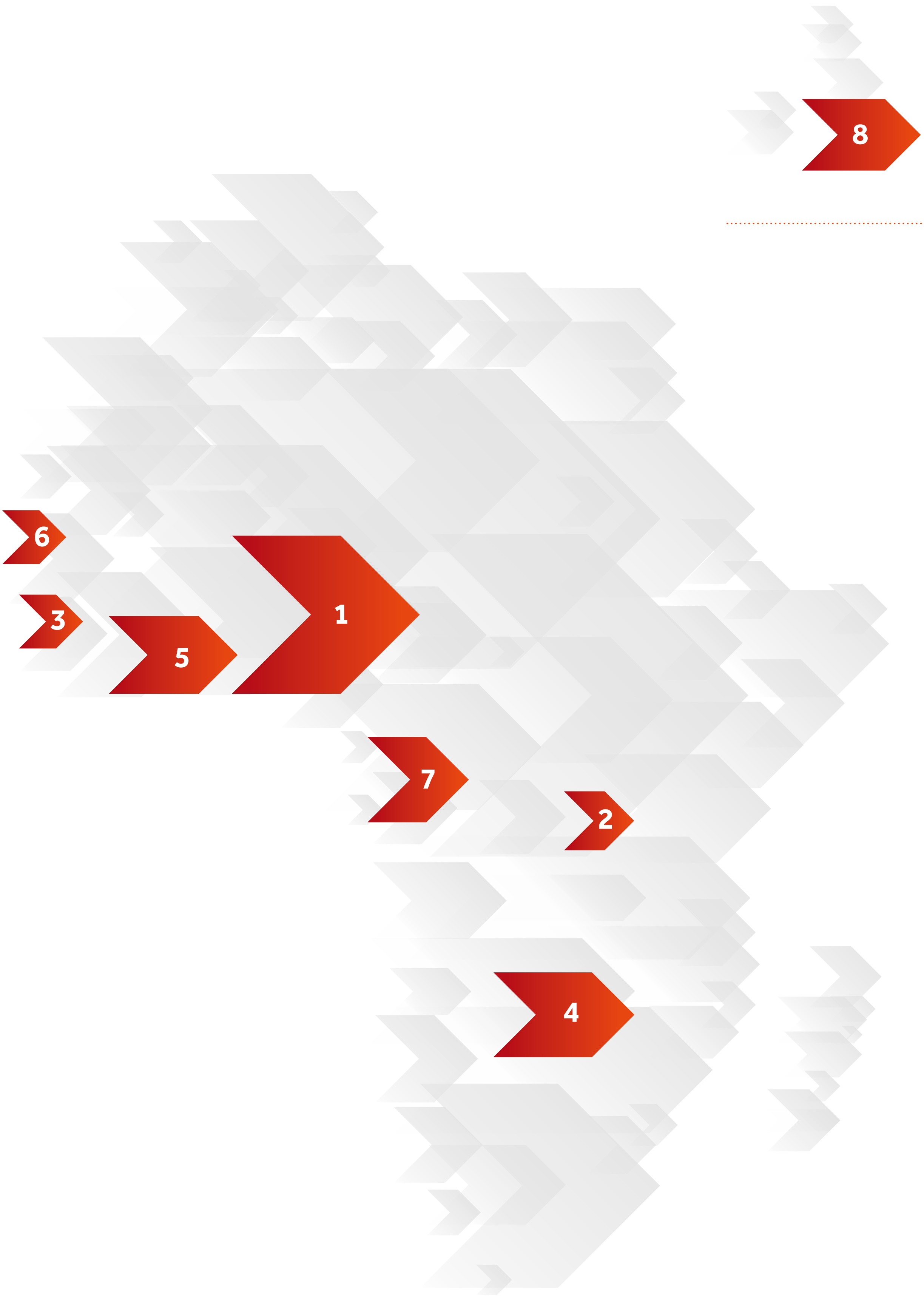
+33.21%



Total assets
N'billion

+5.16%

LOCATIONS AND OFFICES



We are one of the largest banks in Nigeria and serve over 6 million customers from 345 branches.

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, Financial 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, six other African countries and the United Kingdom.

For more about the Bank's sustainable business practices, visit www.accessbankplc.com

1. Nigeria

Number of branches	345
Total staff	11,670
Number of accounts	over 6,000,000

2. Rwanda

Number of branches	7
Total staff	159
Number of accounts	16,052

3. Sierra Leone

Number of branches	4
Total staff	86
Number of accounts	11,771

4. Zambia

Number of branches	5
Total staff	126
Number of accounts	16,193

5. Ghana

Number of branches	32
Total staff	757
Number of accounts	200,410

6. The Gambia

Number of branches	5
Total staff	133
Number of accounts	50,971

7. Democratic Rep. of Congo

Number of branches	2
Total staff	79
Number of accounts	48,070

8. United Kingdom

Number of branches	3
Total staff	83
Number of accounts	1,369

CHAIRMAN'S STATEMENT

"In 2013, we were able to make significant progress in our journey to transforming the Bank into a customer-focused and results-oriented institution."

GBENGA OYEBODE, MFR, CHAIRMAN

2013 was a turning point in the growth and development of Access Bank. Following a significant level of research into the Nigerian banking environment the Bank launched its mid-term strategy for 2013-2017 which will see us become the world's most respected African bank.

In the meantime, the Bank also successfully ushered in a new management team as our CEO of ten years, Aigboje Aig-Imoukhuede, retired in December 2013, handing over the baton to Herbert Wigwe, his Deputy.

Herbert has a deep understanding of the Bank's operations and has been an integral part of the team that has built the Bank from number 65 in 1992 to its current Top tier-1 position in Nigeria. This marks the beginning of a new chapter for Access Bank, which we believe will continue to grow.

Global environment

Overall global economic performance improved in 2013 as momentum picked up in the US, the Eurozone and Japan. We all saw calculated stimulus packages and lowered interest rates across board. The improvement in economic climate drove a gain in traction in markets, which in turn boosted job creation and developments in the housing sector.

Due to the slow recession recovery process, the IMF urged the Eurozone to shed financial disenfranchising and move closer to a banking union in order to gain further recovery. During the same period, and in an effort to boost investor confidence and consumption, Japanese Prime Minister Shinzo Abe implemented a three-part economic recovery stimulus dubbed 'Abenomics'.

Notwithstanding a relative slowdown from earlier in the decade, emerging markets, giant China recorded a growth of 7.6%. This growth was focused on inward consumption rather than exportation in order to drive a more sustainable growth path.

In the East, India's ageing infrastructure and difficult investment terrain has taken a toll on its economy. India, Brazil, Turkey, Indonesia and South Africa inadvertently also faced market volatility as investors' confidence weakened and funds were withdrawn from those economies. Nonetheless, the IMF anticipates emerging markets to remain strong on their growth trajectory, expanding as much as four times in 2014 in comparison with advanced countries.

Domestic environment

Nigeria's GDP grew by 7.67% in the fourth quarter of the year, with strong support from agriculture, services and trade. Inflation remained in single digits, amounting to 7.8% in 2013 and remaining well below the Central Bank of Nigeria's 10% ceiling due to lower food prices and monetary policy. On the other hand crude oil underperformed due to oil theft and production losses. Nigeria, according to the IMF, is adequately poised to react to systemic shocks with a well-managed exchange rate regime and stable banking system. Macroeconomic policies to stabilise the Naira were issued by the CBN in 2013, including increase in CRR which undoubtedly placed constraints on earnings from the banking sector.

Sharpening customer focus and strengthening brand collateral

In 2013, we were able to make significant progress in our journey to transforming the Bank into a customer-focused and results-oriented institution. Changes were implemented both at the operational and culture levels. A key aspect of the Bank's 2013-2017 corporate strategy implementation is our brand promise – to serve customers with Speed, Service and Security. To reinforce this customer promise, we executed over two hundred initiatives to transform customer experience and enhance sales force effectiveness. Customer segmentation was realigned to deliver quality service to our personal and business banking customers. A key example of delivery on the customer promise was the launch of our corporate internet banking platform, 'Primus', in the middle of the year which enhanced our infrastructure to ensure enhanced and streamlined processes and make banking for corporate and investment clients as convenient as possible.

Our operational evolution has strategically placed the Bank to consistently perform in alignment with our corporate strategic objectives and brand promise.

Financial performance

2013 was a period of recalibration for the local banking sector. Regulatory policies unrolled in the year constrained profits and reduced our return on earnings in several areas. The CBN's monetary stability programmes issued several policies. In spite of the challenges, the Group recorded a profit before tax of N44bn and gross earnings of N207bn. Due to the various changes that have taken place during the year, the Bank is of the view that it is well positioned to deliver greater shareholder value for the next year. Accordingly a dividend of 35 kobo was declared. This is addition to the interim dividend of 25 kobo per ordinary share paid at half year 2013.

Board of Directors

The last quarter of the year witnessed the successful completion of the leadership transition that began with the appointment of Mr. Herbert Wigwe in April 2013 as the Group Managing Director/CEO Designate in preparation for the early voluntary retirement of the Group Managing Direct/CEO, Mr. Aigboje Aig-Imoukhuede in December 2013. Following several years of meritorious service and in line with their contracts of employment, Messrs Taukeme Koroye, Okey Nwuke and Obeahon Ohiwerei retired as Executive Directors effective December 31, 2013. The Board and Management of the Bank recognise the valuable contributions of the retired executives to the Bank during their tenure.

The Board in exercise of its powers under your Bank's Articles of Association appointed a new Executive Management team led by Mr. Herbert Wigwe to oversee the next phase of the Bank's growth and evolution. The new team comprises Mr. Obinna Nwosu as Group Deputy Managing Director; Mr. Victor Etuokwu (Executive Director, Personal Banking); Mrs. Ojinika Olaghere (Executive Director, Operations and IT); Mr. Roosevelt Ogbonna (Executive Director, Commercial Banking); Mr. Elias Igbinakenzua (Executive Director, Corporate and Investment Banking) and Mrs. Titi Osuntoki (Executive Director, Business Banking).

The Board also approved the appointment of Dr. Mrs Ajoritsedere Awosika MFR and Mr. Paul Usoro SAN as Independent Non-Executive Director and Non-Executive Directors respectively.

The new appointees to the Board are accomplished professionals whose appointment reflects a well governed selection process based on merit. All the appointments have received full regulatory approval.

Corporate governance and risk-management

Our governance and risk-management frameworks remain strong and robust. Over the years these policies have protected the Bank whilst allowing us to pursue opportunities that drive long-term growth and value. The Board of Directors is confident that the Bank has the appropriate capacity to protect and safeguard the interests of its depositors and shareholders at all times. This Annual Report contains our usual industry-leading levels of disclosure on issues of corporate governance and financial management.

Conclusion

The Bank has a strong workforce spanning operations in seven countries on the continent including the United Kingdom. Their dedication and commitment to the Bank's corporate vision has allowed us to make numerous achievements. I want to thank each and every one of our employees for their ongoing dedication. Together, the Board and management of your esteemed Bank will surpass its corporate targets for this year and beyond.

Mr Gbenga Oyebode, MFR,
Chairman

> "Our operational evolution has strategically placed the Bank to consistently perform in alignment with our corporate strategic objectives and brand promise."

GBENGA OYEBODE, MFR, CHAIRMAN

CHIEF EXECUTIVE'S REVIEW

This is the first year that I would have the privilege of reporting to you as Group Managing Director/ Chief Executive Officer. I am humbled and excited to be leading this Bank, which I have seen grow in breadth and depth into a strong and sustainable institution under the leadership of my predecessor and friend, Mr Aigboje Aig-Imoukhuede. We have undoubtedly accomplished a lot over our 12 years of consistent growth even as we navigated through an increasingly turbulent environment.

Today, having clearly attained the scale and standards of a strong and global franchise, we have clear understanding of how to become the world's most respected African bank, and are implementing our strategy to achieve that with undiminished vigour.

Performance review

The economic and regulatory challenges we faced in 2013 cannot be underestimated, nor can the impact on our businesses be ignored. Nonetheless, we continued to improve our execution skills to distinguish our Bank in the markets and ensure we are well equipped to survive in good and bad times. We now have an institution that is fit for purpose – it has the right scale and structure, having resolved the most pressing legacy issues that came with the acquisition of Intercontinental Bank. We can now in line with our corporate objectives pursue and entrench ourselves in the top three position in all markets we choose to serve.

We believe our customers will continue to benefit from the stability and efficiency of the prudent risk-management structure that we have in place. Key highlights of our achievements during 2013 include:

- Maintaining our six million customer base in the face of macro-economic pressure. Customer deposits increased by 10.8% to N1.3trn on the back of renewed customer engagement and upholding our brand promise of Speed, Service and Security;
- Surpassing our lending target and increasing loans by 33.2% for the 2013 financial year. This was bolstered by foreign exchange lending to support trade and foreign exchange income generating sectors as we sought to ease pressure from tighter lending in our local currency book;
- Trimming our cost of funding by 50 bps to 4.1% as we continue to replace high cost funds with lower cost deposits.

> "The investments we are making in people, processes and systems will bear fruit in the year ahead."

HERBERT WIGWE, CHIEF EXECUTIVE OFFICER

During the year we also made significant progress in transforming our organisation both operationally and culturally, and are now a more nimble, customer-focused and results-oriented Bank. Last year, we recalibrated our processes to enable us to perform optimally and favourably going into the future. In 2014 and beyond, our emphasis will be on operational excellence with the following strategic priorities:

- Enhancing the potential value in our customers and their value chains;
- Ensuring an effective operational core to support coherent and seamless cross-divisional collaboration; and
- Sustaining excellent IT systems and achieving superior multi-channel services to deliver only the best and efficient customer experience.

Refocused business structure

Over the next few years we will continue to align our bank systems, processes and resources to ensure that:

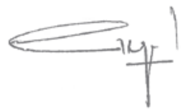
- We emerge as the undisputable leader in our corporate banking business whilst remaining deeply entrenched in the retail banking space, covering both small and medium enterprises and personal banking;
- We continue to pursue our strong sustainability ethos, using technology to support the advancement of women and certain economically disadvantaged segments of the economy. We will also continue to champion leadership in industry-defining initiatives in Environmental, Social and Governance issues; and
- We consistently invest in the infrastructure, structures, processes and people that will be required to provide the level of service second to none.

Engaging customers

Our customers are at the heart of our business. Responding to their needs with sensitivity and dynamism, and adapting creatively to our ever-changing landscape will enable us to reap sustainable rewards for our investors. Achieving this vision requires that we apply ourselves completely to our brand promise to customers: To serve them with speed in all aspects of their transaction processing; ensuring that they experience an enhanced level of customer satisfaction with respect to our service; all of this in an absolutely secure manner. This promise has become even more critical as we expand our base from being a wholesale commercial bank, to integrating a fast-growing retail banking business.

Looking ahead

The economic and political landscape remains challenging. Nevertheless, the investments we are making in people, processes and systems will bear fruit in the year ahead. I am truly honoured to lead this great Bank and excited about the future. By the special grace of The Almighty and with the continued support of our stakeholders I am confident that we will continue to create sustainable value for you, our shareholders.



Mr Herbert Wigwe
Group Managing Director/Chief Executive Officer

> "Having clearly attained the scale and standards of a strong and global franchise, we have clear understanding of how to become the world's most respected African bank."

HERBERT WIGWE, CHIEF EXECUTIVE OFFICER

2

BUSINESS REVIEW

An analysis of Access Bank's four business divisions and risk-management framework.

CORPORATE PHILOSOPHY

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 standards 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; and
- Our approach is not 'excellence at all costs' but '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;
- We must embody the change we want to see;
- Setting the standard;
- Challenging the status quo;
- Market making; and
- 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 focus 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; and
  - **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; and
- 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; and
- 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; and
- Anticipating and responding quickly to market needs with the right technology, products and services to achieve customer objectives.

REPORTS OF THE EXTERNAL CONSULTANT

Summary report on Corporate Governance

We have reviewed the corporate governance practices at Access Bank Plc. as required by the Securities and Exchange Commission Code of Corporate Governance for Public Companies in Nigeria and find the Bank materially compliant with the requirements of the Code.

Basis of Review

We reviewed 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.

The Bank's audit structures and credit processes were examined as well as the Directors' understanding of their fiduciary duties and roles in providing financial oversight and enhancing shareholder value.

The review was conducted in January 2014.

Summary of Findings

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

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

During the 2013 financial year, the Bank managed the succession process for five executive positions in line with the succession policy approved by the Board. An announcement was made in November 2013 of the candidates to assume the respective positions.

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

Yours sincerely,
Accenture

Toluleke Adenmosun
Managing Director, Financial Services
Thursday, 13 March 2014

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Summary report on Corporate Governance

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

Basis of Review

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 were reviewed for compliance. In addition, key principal officers of the Bank were interviewed in respect of the Board Practices.

The Bank's audit structures and credit processes were examined as well as the Directors' understanding of their fiduciary roles in providing financial oversight and enhancing shareholder value.

The review was conducted in January 2014.

Summary of Findings

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

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

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In alignment to our Corporate Philosophy and commitment, the Commercial Banking Division has continuously strived to set new bars with the intent of creating value for our customers and stakeholders alike.

In this vein, the Commercial Banking Division has developed and further segmented the market space with the clear intent of delivering an enjoyable business experience to our clients. These markets are:

1. General Commerce;
2. Manufacturing;
3. Contracting; and
4. Hospitality & Lifestyle i.e. schools, hospitals, restaurants, hotels etc.

Secondly, in ensuring that we are able to adapt and sustain our business strategy to these sub-markets, our relationship team internal structures are designed to provide speed and efficiency to our clients at all times. One critical development to the overall structure is the development of sector hubs.

Our sector hubs are located across the Nigerian business space in order to provide helicopter-view to the business environment in each locality and as it relates to the Nigerian and international market. These sector hubs are located as below:

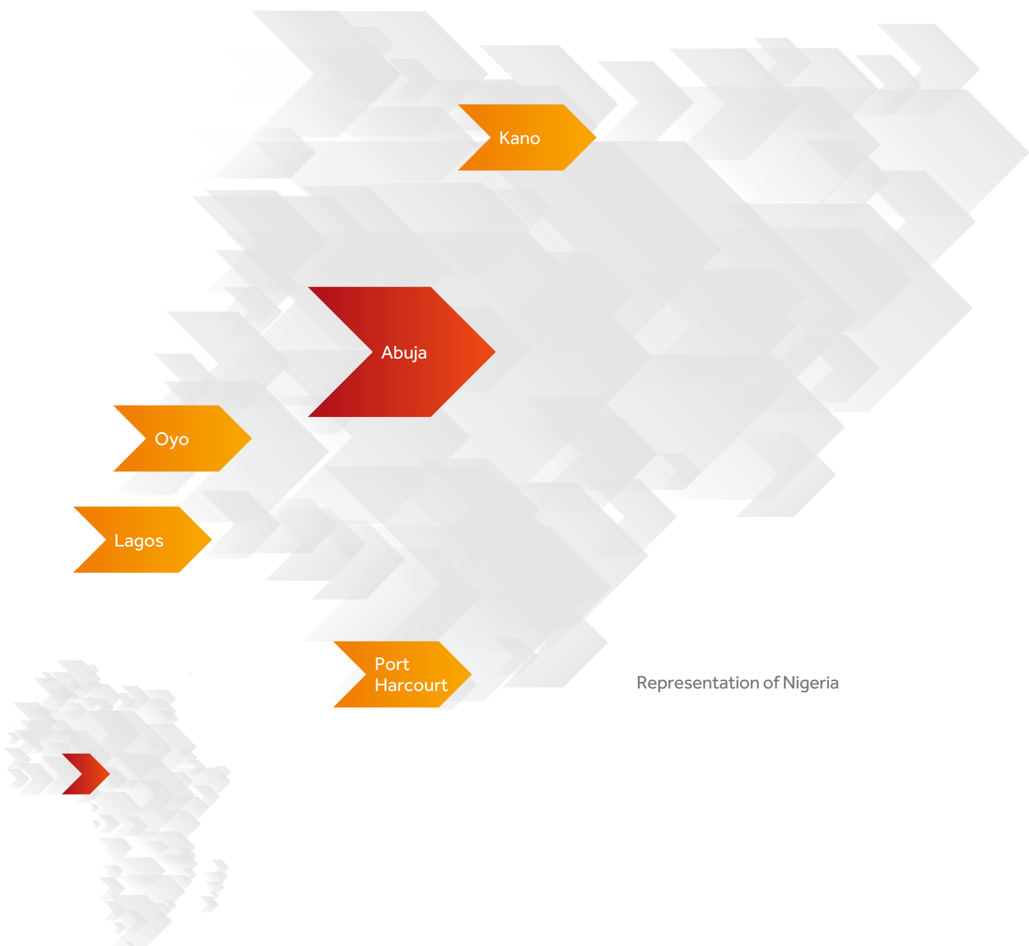
- Lagos
- Oyo
- Kano
- Port Harcourt
- Abuja

This division is organised mainly by geography into six main groups: Lagos, Port Harcourt, Abuja, East, West, North and South. The division made a number of strategic business decisions against a background of complex challenges arising during the year from changes in monetary policies, pressure on food sources, prices and security, lack of energy and infrastructure, and other issues.

This strategy has lead us in developing exceptional financial products and services to these market players that has seen many succeed in each of the sub-sectors that we play in. Not resting on this success, the Commercial Banking Division has further developed exceptional business partnership with international businesses playing in the Nigerian market space.

Our goal is simple, develop sustainable partnership with our clients by ensuring that we succeed as they also succeed in the Nigerian market.

Our success is not hinged on us alone but the collaboration with our clients across Nigeria and beyond. Our partnership cuts across the Trading, Manufacturing, Power, Oil & Gas and Agricultural sectors etc., ensuring that it has an effect (social, environmental, economical) to the overall Nigerian space and the common man.



Representation of Nigeria

DIVISIONAL OVERVIEW

BUSINESS BANKING

The Business Banking Division is a hybrid of Commercial and Personal Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The division delivers commercial banking products and services to SME customers with annual turnover of less than N1billion.

The business Banking Division is a hybrid of Commercial and Personal Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The Division delivers full bouquet of commercial banking products and services to SME customers with annual turnover of N1billion

The Business Banking Division, created as a different and distinct strategic Division, caters for businesses with annual financial turnover of N1billion and specifically focuses on 11 key market segments with two overlapping targets (Women in Business and Oriental Business).

The Division is a creation of the Bank's 5 year strategic plan, leveraging the business combination with the former Intercontinental Bank, (ICB). The exercise resulted in expanded customer base, evidenced by increase in the Bank's customer to 6 million from 1.5million. It was formed to fully optimise the opportunities created by the Bank's expanded customer base and address the financial needs of a key and fast growing segment of the Nigerian economy.

In specific terms, most of the customers in this segment are SMEs, requiring special focus and services. Serving this segment provides us with the huge opportunity of achieving our intent of becoming the catalyst for economic development and growth across Africa considering its criticality to the economy. We appreciate the fact that SMEs are the future and engine room of the economy, and as a Bank we are well positioned to providing the necessary support through deliberate focus and commitment of resources towards their growth.

We deploy a consultative approach in our engagements with operators in target key market segments by appointing sector champions with the responsibility of growing the Bank's relationship with each sector. They dig deep to understand the sectors, their peculiarities thus enabling the Bank to evolve sector-specific products and tailor-made solutions for our identified market segments.

Our regular Breakfast Meeting for SMEs has proven to be a veritable platform of engagement and endeared us to our target market. We have become their trusted financial adviser as a result of the quality of insights gained from these interactions.

More importantly, our employees' commitment to meeting the needs of the operators in our market segments and the dedication to serve has bolstered our customers' trust in our capacity and competency as a partner.

Our market segments

Hospitality, Education, Professional Association, Religious Bodies, Contractors, Traders and Distributors, Oil and Gas, Importers and Exporters, Travel Agencies, Real Estate Firms, Professional Firms, Oriental Businesses and Women in Business (GEM).

DIVISIONAL OVERVIEW

PERSONAL BANKING

The Personal Banking Division is the retail arm of the Bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. The private banking segment focuses on offering bespoke services to High Networth Individuals and Ultra-High Networth Individuals by handling their wealth portfolio needs both locally and abroad. The division provides financial solutions across various channels (ATM, mobile banking, etc.) and platforms.

The Personal Banking Division serves a customer base of more than five million through an organisational model structured around Product Sales & Management.

The Personal Banking Division sustained its profitability potentials in 2013 reorganisation in the division leading to the re-segmentation of the Division into six strategic business groups: Personal Banking, Inclusive Banking, Private Banking, Franchise, Personal Loans, and Product Development & Business Analysis.

The Inclusive Banking segment of the Division is made up of Customer Engagement, Women Banking and Other Inclusion teams. The Customer Engagement was created to enable the Bank to adequately serve over 4.5million customers who are not being served efficiently due to increasing cost of getting one salesperson in front of one customer. One of the key objectives of this team is to drive customer reactivation and increase transactions on accounts.

Having identified the Women segment as a competitive advantage, the Bank also created the Women Banking team to promote women inclusion. Students and minors below 18 years of age make up the Other Inclusions team. This team provides adequate engagement for this age group as they have the potential to define the family's affinity to a particular bank.

In a similar vein, the Private Banking group was re-classified into High Networth Individual and Ultra-High Networth Individuals to provide exclusive experience with a superior wealth management brand focusing on security, trust and convenience.

The objective of this group is to grow sustainable low-cost deposit by banking and growing accounts in the value chain (made up of Officers and Support Staff) and affluent professionals who are staff of Manager level and above (but below Executive Management Levels) in organisations with which we bank. Part of the key strategies of this group is to drive product-led acquisitions, adapt and deploy cluster approach to sales, marketing and acquisition, drive deposit retention by focusing on account opening along the value chain.

The Franchise Group is made up of International Money Transfer, Utilities & Government Revenue Collections and Developmental banking teams. Their focus is to create alliances with reputable service delivery organisations towards providing unique options for the benefit of the customer.

On the other hand, the Product Development and Personal Loan groups were re-aligned to provide better management of the Bank's products and to research into new and innovative products that will ensure the Bank remains competitive in the retail space.

The following products were developed with the 2013 Financial Year:

Current/Savings:

Instant Savings – For the UnderBanked and Unbanked

Every Day Banking – For employees in our value chain

Loan products:

Payday Loans

Home Loans

Naira Credit Card

School Fees Advance

Prospects

Looking ahead, there are exciting opportunities for our Personal Banking Division. The recently segmented division will deliver beneficial changes to how our retail business will be run going forward, and more impact of this realignment will be felt in the coming year.

To further support our customers who are employees of corporate clients, the Personal Banking Division will be expanded to operate out of key branches across all the 36 states including FCT. Greater emphasis will be paid on our value chain customers with the aim of acquiring payroll mandates and providing consumer loans through salary loan schemes.

With the introduction of Cashless Policy, efforts are being made to ensure that a greater number of our retail clients are enrolled on the Mobile and Online Banking platforms. With the acquisition of Mobile Money Licence in 2013 and the re-engineering of the existing Mobile Banking platform, the Bank is ready to be a major player in the mobile financial market in the years ahead.

Gross earnings

N35.9bn

+41.9%

2012: N25.3bn

DIVISIONAL OVERVIEW

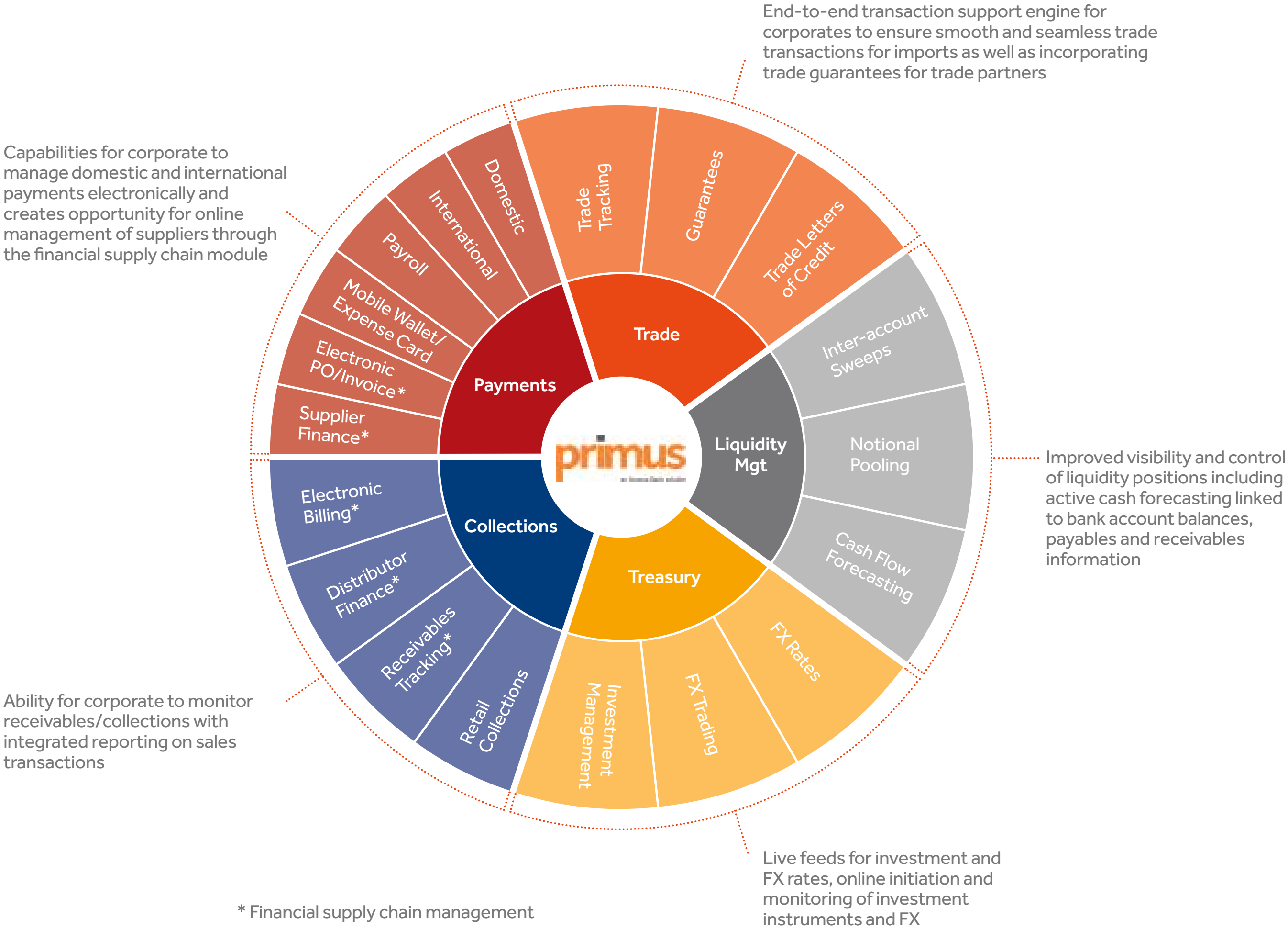
CORPORATE AND INVESTMENT BANKING

The Corporate and Investment Banking Division (CIB) is a fusion of the Bank's financial markets and institutional banking divisions. The division offers bespoke financial services and investment solutions to multinationals, large domestic corporates and institutional clients. The realignment is consistent with the Bank's vision of providing highest quality of service to its customers. Similarly, it is borne out the Bank's strategy to sustain its leadership position in the corporate investment segments of the market.

As a specialist division, leveraging the expertise of its employees, the Corporate and Investment Banking Division (CIB) focuses on customers in key sectors with minimum annual turnover of N10billion and provides innovative finance solutions that meet the short, medium and long-term financing needs of our clients..

Access Bank is driven by its commitment to service excellence and has consequently, overhauled its operations and improved its processes to facilitate delivery of innovative service.The Bank revolutionised the banking landscape with the introduction of its corporate internet banking solution, *Primus*.

Balance Reporting and Account Management



* Financial supply chain management

Primus is an intelligent banking solution with a variety of features optimised to address traditional payment and cash management requirements of large corporate and other categories of business. The banking solution is designed to help businesses forecast cash flow, optimise trade services, manage investment and support their internal reporting and reconciliation processes. Primus is a valid testament to the robustness of the bank's Information Technology infrastructure and the effectiveness of the platform in supporting the Bank's businesses and general operations.

As a premier brand amongst key corporates in the economy, we provide top-of-the-range financial solutions through our Strategic Business Units (SBUs) peopled by some of the brightest, most experienced and knowledgeable professionals in the industry.

Treasury Group

Operating at the cutting edge of the financial services, our Treasury Group is a widely acknowledged market leader. We take pride in delivery of first-rate products and services to clients across our target spectrum to meet their funding, foreign exchange, investment and liquidity and risk management needs.

We work closely with our clients and through our relationship managers to offer financial solutions ranging from spot and forward FX, currency swap, outright purchase and sales of fixed income instruments via our prime brokerage services, repurchase agreements, liquidity and yield enhancement products.

In addition to our market leadership position, we are the pioneer primary dealer and market leader in both Nigerian federal and state government debt instruments. We are one of the leading trading houses in the secondary market, accounting for more than 21% of all the secondary market trades.

Also, a further attestation to our expertise and defining role is the adoption of the Access Bank Bond Index for the evaluation of the performance of Nigerian Bond Markets. In foreign exchange, Access Bank accounted for more than a quarter of the currency forwards traded by the Central Bank of Nigeria (CBN) and over 10% of spot traded.

CORPORATE & INVESTMENT BANKING CONTINUED

The Group has further expanded the success of its FX trading solution and developed a wider customer base which has helped the Bank raise its profile in the wider African banking industry.

The Project and Structured Finance Group

The Project and Structured Finance Group continues to provide a full range of tailored financing solutions and seamless services to clients across a wide spectrum of sectors in the Nigerian economy.

The Group's clients base cuts across a diverse range of sectors such the Oil & Gas upstream and downstream, Cement, Manufacturing, Power, Telecoms, and Infrastructure sectors. In the period under review, the Bank participated actively in the following transactions below among others:

- US$3.3 billion Syndicated Medium Term Facility for the purpose of providing financing for Dangote Fertilizer Plant and Crude Oil Refinery projects. The Bank also acted as the "Coordinating Bank" for the N50 billion CBN Special Refinancing/ Restructuring Intervention Fund Facility for supporting the Dangote Fertilizer project.
- US$800 million project finance syndicated facility for Indorama Eleme Petrochemicals to fund a US$1.2 billion green field fertilizer project
- US$180 million term facility for First Hydrocarbon Nigeria Limited for the purpose of support the operations of the company

The Group secured a US$50 million facility from the International Finance Corporation (IFC) for the purpose of supporting SMEs businesses in Nigeria with a particular focus on women entrepreneurs (25% of the facility is being earmarked for women in businesses). Also, it has continued to distinguish itself as a leader in the Nigerian financial markets by strategically incorporating Environmental, Social and Governance (ESG) considerations into its business operations.

In 2012 Access Bank alongside the apex bank championed the formulation of the Nigerian Sustainable Banking Principles (NSBP). Access Bank is the current Chair of the Nigerian Sustainable Banking Principles (NSBP) Steering Committee. This underlines the importance the Bank attaches to environmental and social issues.

Financial Institutions Group

The Financial Institutions Group provides a wide range of products and services to Bank and non-bank financial institutions as well as non-governmental organisations (NGOs) and development finance businesses. We offer a broad spectrum of services to our financial institutions customers including clearing, fund management, cash management, trade and project finance as well as treasury services.

As a one-stop shop comprising four specialised relationship-management teams, The Group manages relationships for financial institutions locally and within Africa, including leading international banks, development banks, investment banks and insurance companies.

Our primary objective is to institutionalise partnerships with organisations in our target markets through our experienced and dedicated relationship management teams. This approach allows us to provide tailor-made solutions in support of our customers' developmental goals while allowing them to benefit from the Bank's expertise and global perspective.

In a move to drive our sustainability strategy, our Development Banking Group was re-engineered to provide complete banking services to development and multilateral organisations, NGOs, donor agencies as well as grants/funds recipients.

Participated in

US800m

project for Indorama Eleme Petrochemicals to help fund a green field fertilizer project

Cement & Logistics

Cement & Flour team participated in the $3.3billion Dangote Fertilizer and Oil Refinery syndicated facility in year 2013 in which the Bank contributed the $350million. The team also participated in the N50billion CBN Special Refinancing & Restructuring Intervention Fund (SRRIF) on-lending facility for Dangote Fertilizer. The Bank contributed the sum of N10billion to the Fund.

Food and Beverage

The Bank continues to play an active role in the Food & Beverages sector. Our Food & Beverages Group financed the 2.8MW Power Project for Golden Pasta, a division of Flour Mills of Nigeria Plc. It also partnered with UPDC Metro City Limited in the financing its Apo Metro City Project in Abuja, a joint venture project with African Alliance Associates (ACA).

Oil & Gas

In continuation of its financial intermediation role, Access Bank has established itself as a market leader through provision of innovative funding solution to players in the upstream and downstream segments of the energy sector in Nigeria. This is predicated on Access Bank's resolve to support Nigeria's fast growing indigenous upstream sector because of its attendant impact on the economic development, the inherent potential of wealth creation and effect on nation's GDP growth.

Access Bank actively participated in several local contractor financing schemes, designed to provide funding and guarantees to indigenous contractors towards execution of contracts with the IOCs and Independent Oil Companies. Also, the Bank has been at the forefront of funding arrangements for indigenous Oil and Gas companies and provides best-in-class service by demonstrating a deep knowledge of sector.

In the downstream sector, the Bank continues to play a significant role in facilitating importation of petroleum products into Nigeria. Following the reform of the downstream oil and gas sector, our business has been refocused and this has gained us the confidence of market leaders as the go-to bank for tailor-made solutions. Our team of highly resourceful professionals has consistently harnessed our transatlantic spread to offer ingenious products with a view to ever increasing the profitability of our customers' businesses.

Telecommunications sector

Our strong understanding of the ecosystem in the telecommunications sector helps to maintain our position as the dominant player in this sector. We pride ourselves in the strength of our collaborations with mobile operators and their value chain. We have built strong partnerships with the trade partners of the mobile operators via our dealer finance scheme and cash management competence which ensure we remain the premier Revenue Collection Bank for the network operators. Our financial commitment to the sector was increased to over US$700million in 2013 and by this; we remain a major financier for players in the sector.

Some of our latest initiatives and collaborations include the launching of our corporate internet solution, "**Primus**" - the most innovative and robust electronic business solution in our landscape today. Primus is configured to provide tailor-made products and services, addressing the peculiar needs of the Original Equipment Manufacturers (OEMs). This has elevated our relationship with this group of clients and ensured that our collaboration is mutually beneficial.

In 2014, we believe that one of the challenges that presents opportunities for growth in the sector is the increasing consumers' yearn for connectivity and speed. The recently approved Nigerian National Broadband plan for the period (2013 – 2018), coupled with demand for high bandwidth applications and services such as video, gaming etc, putting operators in the sector under pressure to increase the availability and improve the quality of broadband connectivity.

We will seek opportunities for strong collaborations in the area of broadband infrastructure rollout. Overall, we will build on the successes of the past and leverage our e-payment platforms to break into new relationships. Similarly, our strategic approach to relationship management (Customer Engagement Framework) will be explored to deliver increased market share.

Participated in

N50bn

CBN Special Refinancing & Restructuring Intervention Fund for Dangote Fertilizer

Commitment of

US700m

to the telecommunications sector in 2013

DIVISIONAL OVERVIEW

TRANSACTION SERVICES AND SETTLEMENT BANKING

Transaction Services and Settlement Banking is responsible for ensuring the Bank's Channels and Payment systems are operational and optimised to provide customers with an experience that underscores Speed, Service and Security in all their banking transactions.

It embodies Domestic settlement and Centralised processing which includes a wide array of back office functions designed to ensure that our customers enjoy seamless Domestic currency payment solutions second to none in the African financial market.

2013 witnessed substantial investment in Information Technology (IT) infrastructure and Process re-engineering initiatives aimed at ensuring Access Bank customers have access to the best settlement services in the Nigerian banking industry. The Bank also maintained its position as one of the leading banks in Clearing and Settlement Services in Nigeria while ensuring zero tolerance for regulatory sanction.

The goal in 2013 was to ensure that the Bank retains its top position in the Customer Experience space by leveraging on its brand to surmount post-integration challenges and defining new industry standards for service.

In 2014 however, we will focus on leveraging investments in IT to provide world-class Payment and Settlement services that are accessible and convenient for our customers, at the desired speed and efficiency they expect in their financial transactions. We are devoted to ensuring that our customers enjoy their experiences at every interaction with the Bank, whether through our branches or electronic channels.

We will draw on innovation to deliver stable and resilient systems driven by professionalism, while ensuring continuous metrification, monitoring, analysis and evaluation of results to relentlessly define new industry standards in our Transaction Banking offerings.

This will be achieved with the deployment of world-class settlement applications and consolidation on function-specific training of employees.

We will keep the Bank's promise of Speed, Service and Security and ensure our Transaction Banking offerings and Settlement services are consistently ranked top three in Nigeria's financial industry.

DIVISIONAL OVERVIEW

RETAIL OPERATIONS GROUP

Retail Operations Group under the Transaction Banking Division of the Bank is responsible for the management of branches and for ensuring delivery of excellent service across over 300 branches and 1,200 ATMs nationwide. The Group is at the core of the transformation of every touch point to consistently provide an enjoyable service experience for our esteemed customers.

Living by the bank's vision of being "The World's Most Respected African Bank", the Group continually innovates and align its operations with global practices which guarantee our customers an enjoyable experience at every one of our service points.

The 2013 financial year witnessed a consolidation on the Bank's post-integration successes. The Group was at the forefront of this consolidation by the delivery of excellent services across the branch network. Our focus on product and service alignment to guarantee a world class offering across all branches led to significant improvements in Service Standards in the Bank. This is an attestation of our commitment to the promise of **Speed, Service and Security**.

The product offering of the Group includes cash payments and receipts, electronic funds transfer, ATM services, cash management, collection services, draft issuance.

In line with the Bank's core values of developing empowered employees, the Group consistently engaged its entire workforce through regular training – both local and foreign and ensuring that on-the-job training remains entrenched.

As part of the corporate belief to give back to the society, the Group renovated two hospitals (North and South West) as part of its corporate social responsibility.

In 2014, **Operational Excellence, Collaboration and Teamwork** will be at the centre of our strategy to "Take the Lead" in Retail Banking as we set new bench marks in our industry.

DIVISIONAL OVERVIEW

IT SERVICES

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

The efficiency of the Bank's Information systems such as credit analysis, reporting, accounting, customer service, risk-management, payment systems and other Information and Communication Systems are critical to the Group's operations.

Due to the Bank's high reliance on IT to service its customers, significant attention is being paid to ensure minimal disruption of service which could result in inability of the Group's customers to make or receive payments, properly manage liquidity as well as vulnerability to cybercrime. Therefore, the Bank has upgraded its Core Banking Application Database from Oracle 9i to 11g to support the planned growth in business.

Furthermore, there was a provision of fibre links to replace existing branches' links in order to ensure improved users' turnaround time.

The IT infrastructure transformation programme is making good progress towards transforming our customer service experience through improved customer service delivery providing Speed, Service and Security. To serve our customers better, the Bank implemented Cash Deposits on ATMs to enable Access Bank customers to make cash via ATMs. Teller and Internet Banking Interfaces were implemented on e-bills Pay to enable customers to initiate payment of bills from branches and Internet Banking portal respectively. In addition, Zero Downtime Monitoring was also implemented to monitor and ensure maximum uptime of all ATMs.

The Business Process Management Implementation currently ongoing is a critical element for automating and improving processing efficiency within the Transaction Banking Division and the Bank as a whole. This platform will aid process performance monitoring to facilitate continuous improvements and reduce overall cost of transaction processing, and eliminate leakages related to inefficient processes in Access Bank.

Following the CBN's directive to roll out Cashless Policy to other states in Nigeria, it is imperative to offer new avenues of carrying out transactions to capitalise on the increasing volume of transactions. In view of this, Access Bank launched its Mobile Money App, a service that allows payments and transfer of money using mobile phones. The initiative aims at reducing the cost associated with traditional banking as well as providing a convenient, secure and affordable way of sending money in line with our corporate promise of Speed, Service and Security.

OUR PEOPLE, CULTURE AND DIVERSITY

Our Values: leadership, excellence, empowered employees, passion for customers, professionalism and innovation.

Our employees are the bedrock of our success. We operate an integrated human resource management system that allows us to build an environment that fosters learning and creativity as well as maximising the potential of our people. We are committed to being a diversity leader in the financial industry and we believe our strong commitment to diversity and inclusiveness significantly reinforces our competitive advantage.

Diversity and inclusiveness

Over the years, diversity and inclusion has contributed immensely to the growth and innovation at the Bank. Our operation across Africa and the UK has helped us meet the needs of our clients around the world and has built strong relationships in the communities we serve.

Our 2013 Diversity Scorecard

1. Awards

Access Bank was awarded the Overall Winner in the Banking and Investments Services category at the Nigerian Risk Awards ceremony. This was organised by Conrad Clark Nigeria in collaboration with Business Day and the UK Institute of Risk-Management.

2. Women Network

Since 2011, the Bank has been working on the Access Female Network that aims at fostering a supportive work environment for women. The initiative seeks to retain and nurture female employees and to help them achieve their full career potential. It offers programmes and opportunities to help women receive mentoring and develop competencies that will help them demonstrate executive readiness and have a positive impact on their respective communities. The theme for 2013 was 'Championing Change, Making a Difference'.

As at 31st December, 2013, females constituted:

- 40% of our total workforce;
- 30% of our Management positions;
- 20% of our top Management positions; and
- 33% of our Board positions.

3. Recruitment

A total of 62.4% of entry level recruited for the period under review were females. Women constituted 42% of total new hires in 2013.

4. Employees with disabilities

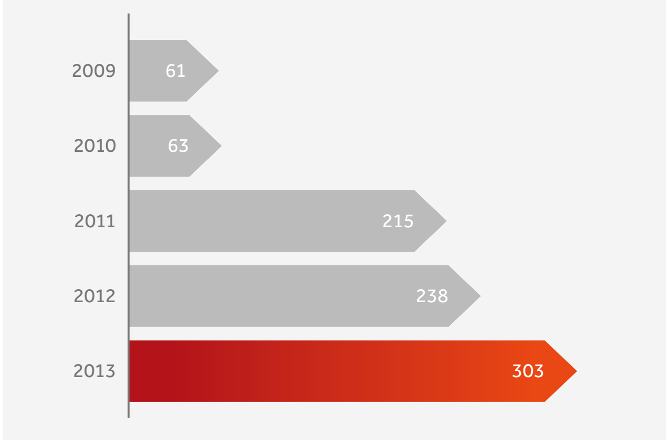
By the end of 2013, there were eight employees with disabilities.

5. Career development

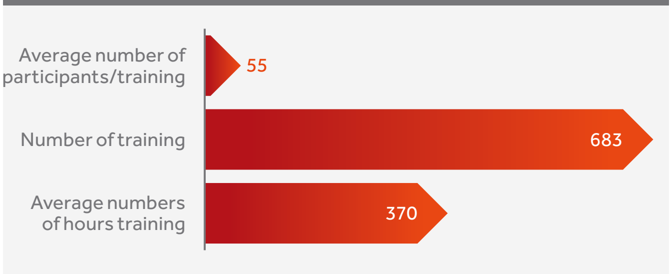
Our mission statement is 'Setting standards for sustainable business practices, that unleash the talents of our employees, deliver superior values to our customers and providing innovative solutions for the markets and communities we serve'. Also, one of the core values of Access Bank is 'Empowered Employees'. This is a pointer to the fact that we maintain an environment that allows employees to aspire to be the best they can be. Employees are trained adequately across all levels and functions to acquire the skills they need to become world-class professionals and contribute to a dynamic and sustainable working environment.

All entry level candidates attend a four-month training programme in the Access Banking Training School of Excellence where they are prepared for the challenges ahead. The Banking School of Excellence began in 2003 and 2,521 trainees from Nigeria and the other countries in which the Bank operates, have graduated from this programme.

Number of trainees 2009-2013



Training sessions 2013



SUSTAINABILITY REPORT

Access Bank has clearly articulated our willingness to take responsibility and our desire to be the best. We are willing to challenge the status quo and to embody the change we want to see. We have gone beyond simply being an initiator in our industry. We are now seen as an agent of change and as a leader, and we have at all times vigorously pursued our business goals, set higher targets and ensured strict adherence to regulatory requirements. We ensured that our employees fully understand our revised Corporate Philosophy by organising a series of facilitated workshops for all our Strategic Business Units. This successfully 'internalised' the initiative in line with the Bank's sustainability agenda. Our employees now have a clear picture of what the future holds and the responsibility that we are to shoulder.

As a bank, we will continue to integrate sustainability policies in all that we do as part of our commitment to becoming the most respected African financial institution. We will continue to adopt best practices and lead the way in sustainability across the continent, while also being conscious of our responsibility to our stakeholders and communities.

We aim to be the world's most respected African bank and have set out a strategy and developed the capabilities for achieving this. We seek to provide industry leadership in sustainability and are not afraid to take bold decisions to accomplish our objectives.

We are focused on creating a responsible financial organisation that will be the pride of Africa. We consistently challenge the status quo and look for continuous improvement in our standards and services.

Stakeholder engagements

Our stakeholders include rating agencies, governments, parastatals, not-for-profit organisations, employees, local communities, regulators, analysts, shareholders, investors, customers, suppliers, media, development finance institutions (DFIs) and multilateral agencies. We categorise stakeholders based on their interaction with our business activities. The categories are not mutually exclusive; some groups potentially have interests that cut across a number of areas.

We commit adequate resources to ensuring that we understand the views and needs of all our stakeholders, and also that we are able to respond positively and in a timely manner to their feedback. We adopt a number of mechanisms to engage stakeholders, including opinion surveys, focus group discussions on particular issues, regular dialogue with media representatives and NGOs and staff, consultations with consumer groups and involvement in industry-wide discussions.

Addressing key investor concerns

The Bank makes every effort to understand and respond to its investors' concerns.

Financial Sustainability: The Bank has long considered financial sustainability as a core function of its business. We have taken proactive steps to leverage business models that embrace sustainable development. We also ensure that our products and services meet the social and environmental needs of our stakeholders.

We demonstrate our continued dedication to financial sustainability through our strategic partnerships with the United Nations Environment Programme Finance Initiative (UNEPFI), International Finance Corporation (IFC) and the Dutch Development Bank (FMO). Our aim in maintaining these partnerships is to encourage the wider Nigerian financial industry to focus on incorporating environmental and social risk analysis generally. We believe this approach should apply to overall risk-management, agricultural finance, environmental finance, emerging business opportunities in global carbon trading and carbon credit offset investments in Africa.

Credit Rating: The Bank's credit rating has improved during the year under review from 'adequate' to 'moderate', reflecting improved market position and business stability after the merger. Access Bank is now one of the top five banks operating in Nigeria and had total assets of (NGN) 1.634 trillion ($10 billion) as of 31 December, 2012.

Corporate Governance: The Bank maintains best practices and aims to provide its stakeholders with superior assurance regarding the quality of current corporate governance structures and functions. The Bank has through the years maintained robust financial and non-financial disclosures. Its strengths include highly diverse Board membership, competent, dynamic, responsible management, strong economic value as well as good ethical practice and transparency.

Environmental and social performance

Our continued commitment to environmental issues in Nigeria is evident in our adherence to all stipulated environmental requirements in the conduct of our operations. To this end, the Bank was not exposed to any non-monetary sanctions for non-compliance with environmental laws and regulations.

The Bank participated in the survey conducted by the Financial Integrity Working Group of the Alliance for Financial Inclusion (AFI FINTWG – of which the Central Bank of Nigeria is a member). The survey questions focused on the impact of Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) requirements in the design and offering of financial products and services to people of low income. The result of the project should help reduce the size of Nigeria's non-banked population.

Our environmental and social impact

To further strengthen our E&S impact, we reviewed our Environmental and Social Risk-Management (ESRM) system and expanded our lending considerations and policies. We have also commenced a similar review of our Credit Policy Framework to ensure that E&S issues are addressed in all our lending decisions.

Corporate governance

The Bank has a multi-faceted approach to governance that combines adherence to relevant local codes while adopting international best practice, especially on issues where local codes are either absent or not sufficiently detailed.

This approach is underpinned by the necessity for ensuring compliance with both regulatory and ethical standards across our operations in Africa as well as in the United Kingdom and China. The Board of Directors has the overall responsibility for charting the corporate strategies that drive the attainment of the Bank's goals and objectives.

One such strategy facilitates the identification and adoption of best practice standards, even in instances where this would result in the application of stricter provisions than required by our operating environment. This process of adoption has five pillars, namely:

- Identify, Evaluate, Prevent;
- Detect; and
- Respond.

Sector-specific policies

Access Bank has expanded its internal sector-specific policies in line with the implementation of the Nigerian Sustainable Banking Principles (NSBPs) and the sector-specific guidelines, and in accordance with the Equator Principles. We have thus developed more robust specific guidelines in different sectors that are deemed to have a high-risk impact. To this end, we have expanded and developed guidance policy on our focus areas, which include the Oil & Gas, Cement, Power and Agriculture sectors of the economy.

Nigeria Sustainable Banking Principles

We initiated and led the discussion on developing environmental and social (E&S) risk standards and principles for Nigerian banking in order to create a level playing field for our industry. This process culminated in the development of the Nigeria Sustainable Banking Principles and three sector-specific guidelines covering Oil & Gas, Agriculture and Power. The Central Bank of Nigeria (CBN), has since released a guideline directing all banks, discount houses and development finance institutions to adopt the principles and sector-specific guidelines.

ISO 26000 Nigeria Adoption Process

The Bank participated in the ISO 26000 Guidance Standard on Social Responsibility Nigeria Adoption Process (ISO 26000: NAP) as Technical Partner in 2012. This required us to work with other technical partners to negotiate appropriate standards and systems that hold the banking industry accountable to best practices and sustainable development in Nigeria, thereby promoting social responsibility practices in the country. The ISO 26000: NAP was organised by Standards Organisation of Nigeria (SON) in conjunction with Thistle Praxis Consulting (TPC).

Public-private partnership

The Bank's Corporate Philosophy is highly influenced by the principle of sustainability. The Bank has determined that it must be a force for good in the communities in which it operates and within the financial system generally. We recognise that in all our jurisdictions, the goal of adding value can only be achieved in partnership with other stakeholders in both the public and private sectors and from within society as a whole.

To this end, the Bank partners with public sector organisations and agencies in a manner that follows international best practice regarding public-private partnerships. The Bank follows the principle of engaging in a joint effort with the public sector to create the conditions for sustainable development and the reduction of poverty. The Bank expressly does not make monetary or non-monetary donations to political parties.

Regulatory compliance

Access Bank adheres strictly to all regulatory requirements and standards as stipulated by the financial regulators and other governing bodies, in line with the Banks and Other Financial Institutions Act of Nigeria. We always take pride in setting the pace in compliance matters and this is acclaimed industry-wide.

We continually take new measures to enhance our service delivery so that we align with current trends and developments in compliance. This ensures that our products and service offerings conform to regulatory standards and international best practices and ultimately meet the satisfaction of customers and other stakeholders at all times.

Ethics and whistle-blowing

The Bank deployed a more robust whistle-blower system in 2012 to enable staff to report unethical activities affecting the Bank so that measures can be taken to address them. The system was outsourced to the KPMG Ethics Line. This has enhanced awareness of the existence of a whistle-blowing channel and increased the confidence of staff and other stakeholders with regards to reporting any suspicious activities or misconduct that could damage the Bank's operations or reputation. This has deterred workplace misdemeanours and strengthened staff integrity and discipline.

To instil the highest ethical and legal standards, and to comply with applicable international laws, Access Bank has appointed an Anti-Bribery Compliance Officer. This initiative ensures compliance with the UK Bribery Act. As an ethical organisation, Access Bank has demonstrated zero tolerance for bribery and corruption. This is clearly expressed in the Bank's various policies such as its Code of Ethics and Compliance Manual, which clearly defines the nature and characteristics of corruption. The Bank strictly adheres to these guidelines that provide for dismissal of staff and blacklisting of vendors. About 1,100 staff across the Bank and its subsidiaries have received training in ethics and Access Bank's whistle-blower system.

Human rights

In line with our core values of empowered employees and professionalism, we ensure the Bank adheres to all stipulated human rights laws. Access Bank has an updated Human Rights Policy which clearly highlights our non-tolerance for discrimination or harassment of any kind. The Bank strives to provide a safe and healthy working environment for every member of staff.

The Bank also acts in a non-discriminatory manner. We abide by all the provisions of the UN Human Rights Charter and international labour laws and ensure that all our staff are treated fairly and in accordance with the highest applicable standards. The Bank received no report of any grievance related to human rights during the year under review.

Anti-discrimination and recruitment

We do not discriminate against people in any form regardless of race, belief, gender, or social status. As an equal-opportunity employer, the Bank ensures that there is no discrimination against a qualified individual with HIV/AIDS with regards to recruitment, professional advancement, training, compensation, discharge or other terms, conditions or privileges of employment.

We give all our staff equal treatment. Our recruitment process is merit-driven and does not discriminate against women or any other group. We constantly engage our workforce and also ensure that we provide the best working environment, conditions of service, social protection, capacity building and community investment initiatives for the development and comfort of our people. We pay male and female employees the same remuneration without any form of discrimination. We respect and support our staff regardless of their gender.

SUSTAINABILITY REPORT
CONTINUED

Female empowerment and diversity

Access Bank is committed to promoting diversity in the financial sector and has shown leadership on the continent, particularly on gender issues. This is reflected through our many contributions to the sustainability and economic empowerment of women, both within the Bank and in the communities in which we operate. To take inclusive banking further and in line with our corporate strategy, Access Bank launched a Women Banking Division in 2013. Through this division, the Bank will be playing a catalyst role to profitably and sustainably serve women across all the Bank's business segments as individuals and businesses/organisations owned and run by women through products and services specifically tailored to women.

Employee volunteering

Through our Employee Volunteering Scheme (EVS), our employees were able to help the local communities we serve. Our EVS allows our employees to volunteer during work hours and to participate in a range of activities, including mentoring disadvantaged youths, joining environmental initiatives and offering their skills to local non-profit organisations.

Examples of our EVS projects include the Women and girl-child Empowerment Initiative. In this case, the Bank's employees renovated, refurbished and upgraded the Oduduwa Senior Secondary Home Economics laboratory; purchased books, sewing machine, relevant cooking utensils and appliances to facilitate the effective performance of the three arms (i.e. Clothing and textile, Home Management and Food and Nutrition) of the laboratory; partnered with Mrs Abiola Akiyode-Afolabi (PhD Law, Executive Director, Women Advocates Research and Documentation Centre (WARDC), Mrs Asikia Ige (PhD Law) and Dr Cordelia Nwagbara (Medical Doctor) to deliver Empowerment Lecture Series in support of the Millennium Development Goals (MDGs); designed a Mentoring Programme to provide opportunities for career grooming, growth and development of the students; and awarded a Scholarship sum of N100,000 to the best graduating student who gained admission to a university. The recipient of the award Dosunmu Oluwaseyi is currently a Petroleum Engineering student at the University of Lagos.

RISK-MANAGEMENT

Responsible Risk-Management – A Key Business Driver.

Access Bank recognises the role of responsible risk-management practices in achieving her strategic vision of being the most respected Bank in Africa. The Bank 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.

Our approach to risk-management

Risk is an inherent part of the business activities of Access Bank Plc and its subsidiary companies (the 'Bank' or the 'Group'). 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 an integral part of 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.

Access Bank maintains a disciplined approach 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-management framework

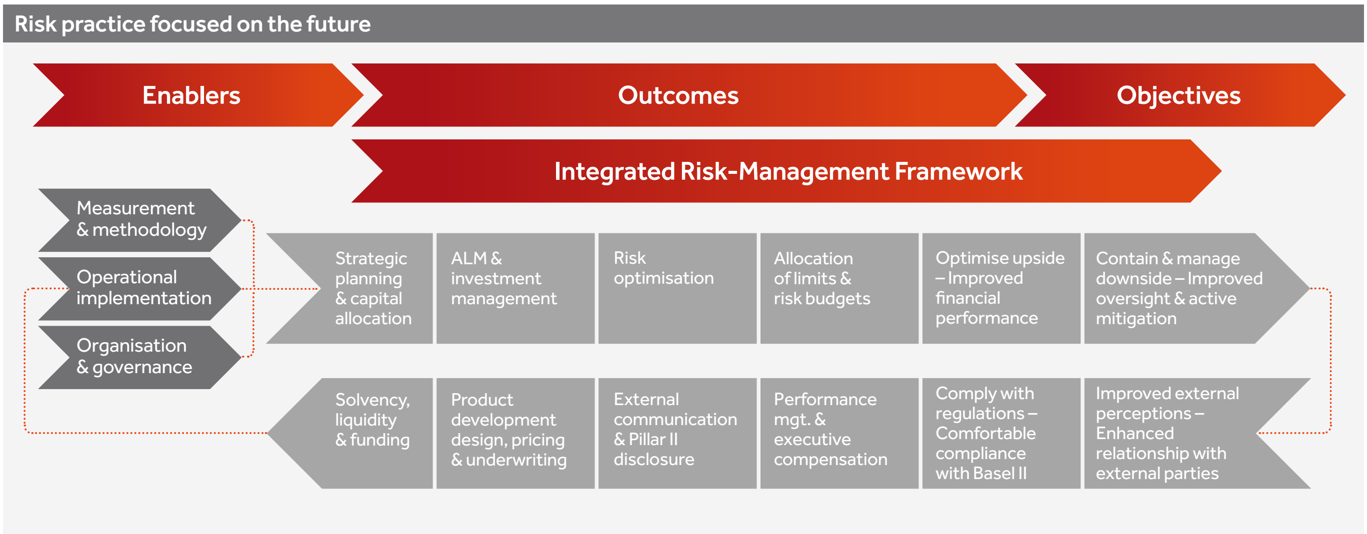
We believe effective risk-management is more than just the collection and analysis of data. It also encompasses the insights delivered by information which facilitate appropriate actions. Access Bank benefits from having enhanced its Group risk-management framework, which gives full Group-wide coverage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

Ultimately the success of our risk-management framework is 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.

RISK-MANAGEMENT
CONTINUED



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.

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 spectrum, 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. It generates and considers pertinent and plausible scenarios that have the potential to adversely affect our business.

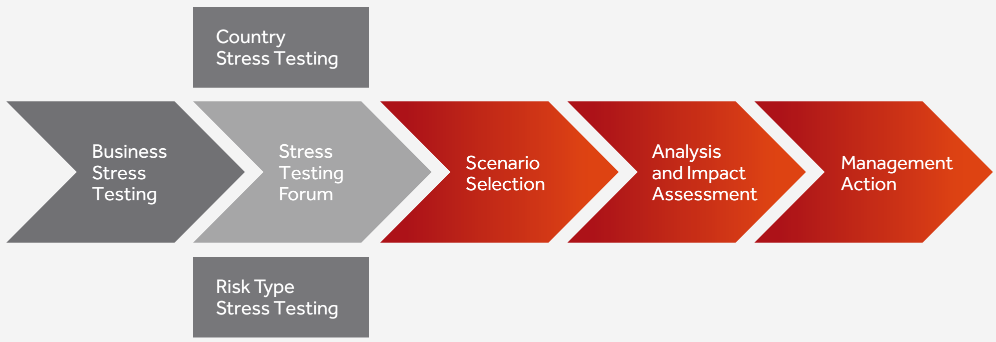
Stress testing and scenario analysis are used to assess the financial and management capability of Access Bank to continue operating effectively under extreme but plausible trading conditions. Such conditions may arise from economic, legal, political, environmental and social factors. Scenario(s) are 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 coordinate and integrate stress testing;
- Inform senior management; and
- Ensure adherence to regulatory requirements.

Stress Testing framework



Risk-management philosophy, culture, appetite and objectives

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 our moderate risk appetite. Our risk-management approach includes minimising undue concentrations of exposure, limiting potential losses from stress events and the prudent management of liquidity.

Our risk-management process has continued to achieve desired results as evidenced by improved risk ratios and independent risk ratings. In line with the Group's core value of excellence, 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 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;

RISK-MANAGEMENT
CONTINUED

Risk-management process

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

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

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 coordinates 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), liquidity and economic capital adequacy. 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).

The Bank's risk profile is assessed through a 'bottom-up' analytical approach covering all of the Group's major businesses 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 2013, 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 coordinated 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 below:

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) Coordinate 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 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.

Roles of the Board of Directors

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

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;

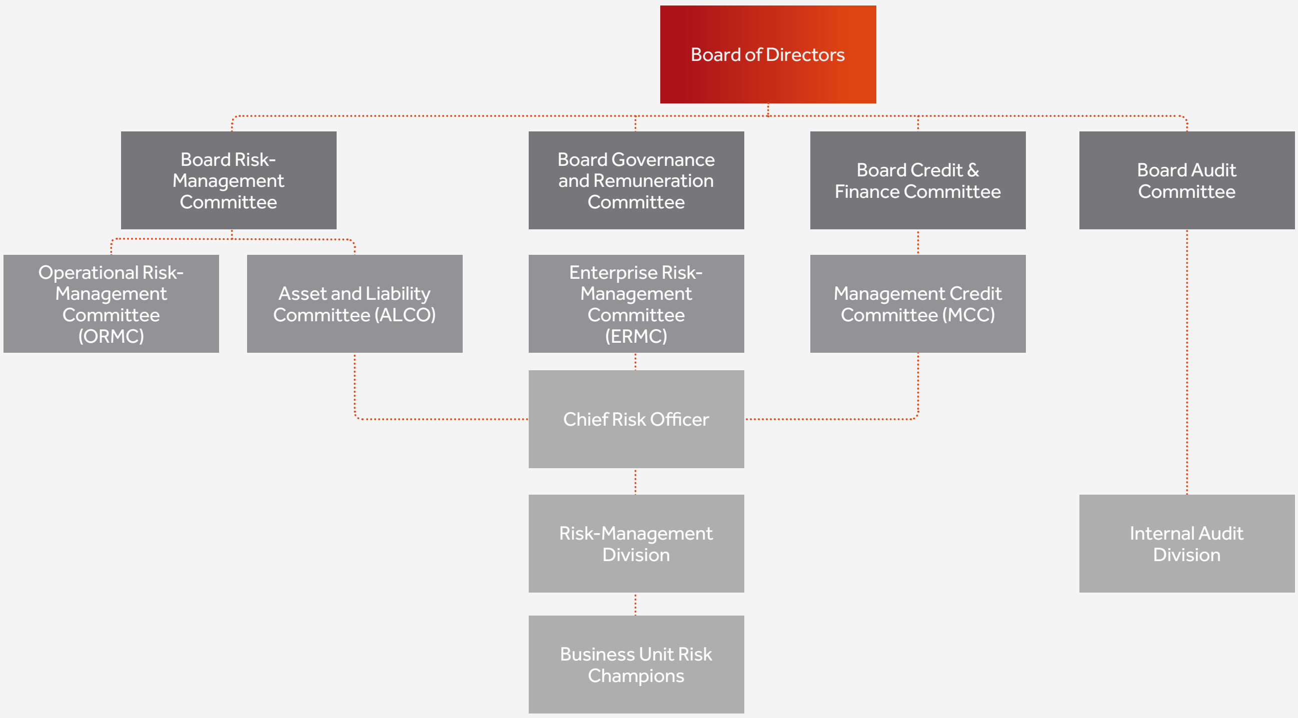
g) Ensure that the Bank maintains a sound system of risk-management and internal control with respect to:

- 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; and
- Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken at least annually.

RISK-MANAGEMENT
CONTINUED

Risk-management governance structure

Access Bank's Risk-Management governance structure is depicted below.



h) Ensure that management maintains an appropriate system of internal control and review its effectiveness;

i) Ensure risk strategy reflects the Bank's tolerance for risk;

j) Review and approve changes/amendments to the risk-management framework;

k) Review and approve risk-management procedures and control for new products and activities; and

l) Periodically receive risk reports from management highlighting key risk areas, control failures and remedial action steps taken by management.

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 is 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.

Strategic risk

a) Oversee the strategic risk-management process;

b) Ensure that the Bank has in place an appropriate strategic risk-management framework which suits its own circumstances and needs;

c) Ensure that the strategic goals and objectives are set in line with its corporate mission and values, culture, business direction and risk tolerance;

d) Approve the strategic plan (including strategies contained therein) and any subsequent changes, and review the plan (at least annually) to ensure its appropriateness;

e) Ensure the organisation's structure, culture, infrastructure, financial means, managerial resources and capabilities, as well as systems and controls are appropriate and adequate to support the implementation of its strategies;

f) Review high-level reports periodically submitted to the Board on the overall strategic risk profile, and ensure that any material risks and strategic implications identified from those reports are properly addressed; and

g) Ensure that senior management is competent in implementing strategic decisions approved by the Board, and supervising such performance on a continuing basis.

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 four 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).

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; and
- 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;

RISK-MANAGEMENT CONTINUED

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.	At least eight members, one of whom must be an Independent Director
Board Audit Committee	The Committee assists the Board in ensuring the independence of the internal audit function of the Bank.	At least four non-executive members, one of who is an Independent Director
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.	At least ten members, one of whom must be an Independent Director
Board Governance and Remuneration 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.	Eight members, one of who shall be an Independent Director as defined by the Central Bank of Nigeria's Code of Corporate Governance
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 as 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)	This 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.	The 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 (GMD) – Chairman Group Deputy Managing Director; All Division Heads/Executive Directors Chief Risk Officer Head, Group Operational Risk-Management 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

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

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 consider 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 and Finance 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 Governance and Remuneration Committee

The Board Human Resources Committee 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:

a) Review credit policy recommendations for Board approval;

b) Approve individual credit exposure in line with its approval limits;

c) Agree on portfolio plan/strategy for the Bank;

d) Review monthly credit risk reports and remedial action plan; and

RISK-MANAGEMENT CONTINUED

e) Coordinate 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.

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;
- 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; and
- 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 Group ALCO, through this mandate, shall 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, 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 and 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;
- Coordinate 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

- Coordinate 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;
- Coordinate 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.

Risk-Management Division – relationship with other units

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

- RMD sets risk policies and defines risk 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 coordinate 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.

RISK-MANAGEMENT CONTINUED

Risk-Management and Compliance Division – relationship with other units

Key developments in 2013

Establishment of Risk Analytics and Reporting Unit

The Group's Enterprise Risk-Management framework was strengthened in 2013 by establishing a dedicated Risk Analytics and Reporting function to support enhanced risk modelling, integrated risk data management and reporting. This is expected to further improve the Group's focus on integrated approach to risk-management while aligning all business decisions with the approved risk appetite.

Automated risk reporting

The quality of risk reporting was also enhanced in 2013 by implementing an automated risk reporting system. This has led to easy and timely access to risk reports, provided early warning signals, better limit monitoring and better decision making.

Strengthening the Anti-Fraud Function

In other to ensure our capability to respond to emerging fraud threats, the Anti-Fraud Unit was strengthened in 2013 through strategic collaboration with world-class reputable partners. New automated monitoring processes were developed and the quality of the anti-fraud team was enhanced through training and skill development activities provided by local and foreign partners.

Promoting sustainability principles

The Bank is one of the Champions of the Nigerian Sustainable Banking Principles (NSBP) which is in line with the United Nations principles on Human Rights, Environments, Labour and Corruption etc. As the Chair of the NSBP Steering Committee, the Bank supported industry efforts to ensure proper entrenchment of sustainability best practices in the industry during the year. For example, a sustainability conference was organised for industry operators. The Bank also partnered with other international banks with global best practices through staff exchange during the year.

Seamless implementation of succession plan

There were major changes in the leadership of the group in 2013 with the retirement of the Group Managing Director and some of the Executive Directors. The change of baton was seamlessly executed with no negative impact on the business. The implementation of the succession plan has become a model for the industry.

Overall Winner of 2013 Nigerian Risk-Management award

Access Bank emerged as the Overall Winner in the Banking & Investment category at the 2013 Nigerian Risk-Management award. The award was meant to recognise organisations and individuals who have achieved measurable results through the effective implementation of enterprise risk-management principles. Particular emphasis was also placed on those who have developed creative and innovative solutions in overcoming the challenges facing businesses and organisations in Nigeria. This is a further testimony to the Bank's full commitment to the implementation of best practices in risk-management.

Compliance

In 2013, the Bank engaged the services of Ernst & Young to strengthen its compliance function. The Bank also received commendation letters from the National Drug Law Enforcement Agency (NDLEA) and Independent Corrupt Practices Commission (ICPC) with regards to the high level of compliance with the provisions of the Money Laundering Prohibition Act (MLPA) 2012 (Amended) and collaboration with the law enforcement agencies.

Strengthening the Credit Risk-Management function

Our Credit Risk-Management function was enhanced during the year by optimising the Credit processing and collateral management automated platform, creation of dedicated Credit Risk-Management teams for Retail Banking and Business Banking to support the Bank's strategy of growing the retail end of the market.

Below is a summary of key risks and developments in 2013

Risk Type	Definition	Features	Key developments in 2013	Risk mitigation
Credit risk	The risk of loss arising from the failure of a client or counterparty to fulfil its obligations to the Group.	Potential risk to earnings and capital. Significant correlation between credit risk and the macroeconomic environment. Potential for large material losses due to concentration risk.	Structural realignment of the credit risk function to support the Bank's new five-year strategy of growing the retail end of the market. Dedicated risk-management teams were created for Retail Banking and Business Banking during the year.	Optimisation of the new automated credit processing and collateral management platform. Intensified training for credit risk-management staff. Strengthening of Credit risk monitoring unit. Establishment of a dedicated Risk Analytics and Reporting Unit.
Market risk	The risk of losses in On and Off-balance sheet positions arising from adverse movements in market prices and rates.	Potential for large material losses from complicated treasury products. Potential for losses due to volatilities and stress events.	Policy review of foreign exchange market operations and reintroduction of retail Dutch auction system leading to pressure on Bank's liquidity. Release of regulatory guidelines for calculation of Market Risk Capital Charge. Introduction of 50% Cash Reserve Ratio on public sector deposits leading to a spike in interest rates. The US Federal Reserve commenced a tapering of its quantitative easing (QE) leading to a reduction in portfolio and FDI flows into emerging markets. The CBN was able to maintain the +-3% band set for the Naira-Dollar exchange rate.	The use of limits and management action triggers for strict adherence to the Bank's internal policies and risk appetite. Assets and liabilities were repriced in line with market realities. Limiting transactions to approved counterparties. Significant investments are approved by the Board and all others by the relevant management committee.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people, or systems, or from external events.	Frequent small losses that can become surprisingly high. Infrequent material losses with high impact.	The rising level of external threats e.g. electronic fraud attempts and physical security exposed the Bank to operational risks.	Diligent implementation of our enhanced policy standards and control frameworks. Material events are escalated to Divisional and Group Executives. Bank-wide training of staff on key operational risk issues. Strengthening of risk measurement and reporting process through automation. Establishment of a dedicated Anti-Fraud unit to facilitate proactive fraud prevention and monitoring.
Funding and liquidity risk	The risk of being unable to meet short-term obligations as they fall due.	May disrupt the business model and disrupt the Group's activities. Significantly correlated with credit risk losses.	Focus was geared towards consolidating balance sheet growth through deposit mobilisation utilising the Bank's Value Chain Model and the enhanced customer base.	Significant liquidity reserve. Bank's liquidity ratio consistently above regulatory limits.
Regulatory risk	The risks arising from changes in law, guidelines and other regulatory enforcement.	Compliance with laws and regulations. Potential for fines and/or restrictions in business activities.	Several circulars were issued by regulators during the year in line with the ongoing reforms in the banking industry.	Proactive engagement strategy with the CBN and other regulators, driven by a well-developed Regulatory Risk framework. New regulations and compliance plan are discussed in management and Board committee risk meetings.
Other risks (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.	Expose the Group to penalties and reputation damage. Failure to meet expectations of stakeholders.	There was no major negative publicity or reputational risk event during the year.	Close monitoring of all reputational risk event drivers. Adherence to the principle of zero tolerance for regulatory breaches. Active engagement with all stakeholders – customers, investors, regulators, staff, etc. All significant strategic actions are approved by the Board.

RISK-MANAGEMENT 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 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:

Credit Risk-Management Policy: The core objective is to enable maximisation of returns on a risk-adjusted basis from banking book credit risk exposures that are brought under the ambit of Credit Risk-Management Policy by putting in place robust credit risk-management systems consisting of risk identification, risk-measurement, setting of exposure and risk limits, risk-monitoring and control and reporting of credit risk in the banking book.

Credit Risk-Mitigant Management Policy: The objective is to aid effective credit portfolio management through mitigation of credit risks by using credit risk-mitigation techniques.

Credit Risk-Rating Policy: The objective of this policy is to ensure reliable and consistent Obligor Risk-Ratings (ORRs) and Facility Risk-Ratings (FRRs) throughout Access Bank and to provide guidelines for risk-rating for retail and non-retail exposures in the banking book covering credit and investment books of the Bank.

Country and Cross-Border Risk-Management Policy: The objective of this policy is to establish a consistent framework for the identification, measurement and management of country risk across Access Bank.

Internal Capital Adequacy Assessment Process (ICAAP) Policy: The objectives of the policy are identification of material risks, measurement of material risks, monitoring and control of material risks and reporting of material risks.

Enterprise-wide Risk-Management Policy: The core objective is to provide a reasonable degree of assurance to the Board of Directors that the risks threatening the Bank's achievement of its vision are identified, measured, monitored and controlled through an effective integrated risk-management system covering credit, market, operational, interest rate, liquidity and other material risks.

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 judgemental 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; and
4. Mortgage Loans.

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

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

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 three 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	External Rating Equivalent	Grade
1	AAA	Investment Grade
2+	AA	Investment Grade
2	A	Investment Grade
2-	BBB	Investment Grade
3+	BB+	Standard Grade
3	BB	Standard Grade
3-	BB-	Standard Grade
4	B	Non-Investment Grade
5	B-	Non-Investment Grade
6	CCC	Non-Investment Grade
7	C	Non-Investment Grade
8	D	Non-Investment Grade

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 the 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 credits, 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.

RISK-MANAGEMENT
CONTINUED

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:

Access Bank Risk-Rating	External Rating Equivalent	Board Credit Committee Approval Limit	Management Credit Committee Approval Limit
1	AAA	N25Bn	N10Bn
2+	AA	N25Bn	N7.5Bn
2	A	N15Bn	N2Bn
2-	BBB	N5Bn	N1Bn
3+	BB+	N1Bn	N0.5Bn
3	BB	N1Bn	N0.5Bn
3-	BB¬-	N0.5Bn	N0.1Bn
4	B	N0.5Bn	N0.1Bn
5	B-	N0.5Bn	N0.1Bn

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, the primary consideration when approving credits is always the obligor's financial strength and debt-servicing capacity. The guidelines relating to risk-mitigant as incorporated in the guidance note of BCBS on 'Principles for the Management of Credit Risk' (September 2000, Paragraph 34) are be taken into consideration while using a credit risk-mitigant 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 it can compensate for the 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 the 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 any 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
A loan or loan portfolio is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the loan or loan portfolio that can be reliably estimated.

Market risk-management
Definition
Access Bank is faced with the risk of decline in its earnings and capital arising from adverse changes in market variables; such as interest rate and foreign exchange rate. Market risk is the risk that the value of on/off-balance sheet positions will be adversely affected by movements in equity prices, interest rates, currency exchange rates and commodity prices. Access Bank is exposed to market risk through the positions created in its trading and banking books.

Market risk policy, management and control
Over the years, the Nigerian financial market has witnessed a dramatic expansion in the array of financial services and products. This tremendous growth in scale and scope has also generated new risks with global consequences, especially market risk, necessitating an assessment of exposures to the volatility of the underlying risk drivers.

These developments have prompted a comprehensive and dynamic Market Risk Policy, ALM Policy, Liquidity Policy, Stress Testing Policy, etc. to ensure that risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank. These policies have been benchmarked with industry and international best practices, and CBN regulations.

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. Limits are set based on the approved risk appetite, underlying liquidity as well as legal limitations on individual positions imposed by the regulatory authorities in Nigeria. The specific limits are proposed by the Group Head, Market Risk-Management and the Bank's Chief Risk Officer and approved by the Bank's Executive Management, relevant management committees, and ultimately by the Board.

The Bank runs a state-of-the-art integrated and straight through processing treasury system for enabling better measuring, monitoring and managing interest rate and foreign exchange risks in the Bank. Liquidity, Exchange Rate, and Interest Rate risks are managed through various metrics viz. Liquidity Gap Analysis, Dynamic Cash Flow Analysis, Liquidity Ratios, Value at Risk (VaR), Earnings at Risk (EaR) and Sensitivity Analysis. The primary aim of these processes is risk forecasting and impact mitigation through management action and portfolio rebalancing.

The risk reporting mechanism in the Bank comprises disclosures and reporting to the various management committees viz. Enterprise Risk-Management Committee, Asset Liability Committee and the Board Risk-Management Committee. The Risk Committees receive a daily/weekly risk dashboard and monthly/quarterly reports which are presented at the committee meetings. Depending on the market conditions and risk outlook, recommendations are made to the risk-management committees in respect of the market risk profile, risk appetite appraisal; as well as review of limits against actual position.

The Bank regularly conducts stress testing to monitor its vulnerability towards unfavourable shocks. It monitors and controls its risk, using various internal and regulatory risk limits for trading book and banking book which are set according to a number of criteria including economic scenario, business strategy, management experience, peer analysis and the Bank's risk appetite.

In line with the CBN circular on new capital adequacy framework, Access Bank has adopted the standardised duration approach for market risk and has obtained the Board approval for the policy on Internal Capital Adequacy Assessment Process (ICAAP). This policy defines and sets processes to review and improve the techniques used for identification, measurement and assessment of all material risks and resultant capital requirements.

Also, the Bank has put in place a detailed plan for the full implementation for the Basel II & III frameworks and have also put in place a road map for the migration to more advanced capital computation method which factors in the actual loss experience of the Bank .

Non-trading portfolio

The principal objective of market risk-management of non-trading portfolios is to optimise net interest income. Due to the size of the Bank's holdings in rate-sensitive assets and liabilities, a major area of market risk exposures in the Bank is the interest rate on the banking book. This risk arises from the mismatch between the future yield on assets and their funding cost, as a result of interest rate changes. The Bank uses a variety of tools to track and manage this risk:

- Re-pricing gap analysis (which allows the Bank to maintain a positive or negative gap depending upon the forecast of interest rate position). The size of the gap is then adjusted to either hedge net interest income against changing interest rates or to speculatively increase net interest income;
- Liquidity gap analysis;
- Earnings-at-Risk (EAR) using various interest rate forecasts; and
- Sensitivity analysis.

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.

Re-pricing and Liquidity Gap Analysis

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 NIBOR 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.

Earnings-at-Risk (EAR) approach

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.

Sensitivity Analysis and Stress Testing

Sensitivity analysis and stress testing are risk measurement techniques that help us ensure that the risks the Bank takes remain within our risk appetite and that our level of capital remains adequate. Sensitivity analysis involves varying a single factor (e.g. a model input or specific assumption) to assess the impact on various risk measures.

Stress testing generally involves consideration of the simultaneous movements in a number of risk factors. It is used to measure the level of potential unexpected losses for Credit, Market (both trading and non-trading), Operational and Liquidity Risks.

Under potential adverse conditions, stress testing plays an important role in supporting overall capital management and adequacy assessment processes. Our enterprise-wide stress testing programme utilises stress scenarios featuring a range of severities based on unlikely but possible adverse market and

RISK-MANAGEMENT CONTINUED

economic events. These common stress scenarios are evaluated across the organisation, and results are integrated to develop an enterprise-wide view of the impacts on our financial results and capital requirements. This programme uses macro-economic projections and applies them as stress impacts on the organisation viz-a-viz the various risk types.

Trading portfolio

The measurement/control techniques used to measure and control traded market risk (interest rate and foreign exchange risk) include daily valuation of positions, limit monitoring, gap analysis, sensitivity analysis, Value-at-Risk, tail risk, stress testing, etc.

Limits

Specific limits and triggers (regulatory and in-house) have been set across the various market risk areas to prevent undue exposure and the market risk-management group ensure that these limits and triggers are adhered to by the Bank. The following limits currently exist;

Fixed income and FX Open Position Limits (OPL): The Bank, in keeping with the prudency concept, sets its policy limit for Open Position at a level lower than the maximum OPL approved by the regulatory authority. In setting the internal OPL, the following considerations are imperative:

- The Regulatory OPL;
- The Bank's tolerance and appetite for FX risk;
- The size and depth of the FX market in Nigeria;
- The degree of volatility of traded currencies; and
- The Bank's desired positioning in the relevant FX market with requirements for international business support.

Interbank placement and takings Limit: In line with Bank's drive to be a top liquidity provider in the financial market, stringent controls have been set to ensure that any takings from interbank are preceded by proper authority, to reduce the risks that come with huge interbank borrowing.

Management Action Trigger (MAT): This establishes decision points to confirm the Board of Directors' tolerance for accepting trading risk losses on a cumulative basis. MAT therefore, takes into account actual cumulative profit/loss as well as potential losses and the loss tolerance is defined as a percentage of Gross Earnings.

Stop Loss Limit: This limit sets a maximum tolerable unrealised profit/loss to date which will trigger the closing of a position in order to avoid any further loss based on existing exposures. Positions are liquidated uniformly when stop loss limits are breached.

Dealer Limits: This limit sets a maximum tolerable unrealised profit/loss to date based on existing exposures for a specific dealer. Positions are liquidated uniformly when the dealer stop limit is breached independent of the global stop loss limit.

Value-at-Risk Limit: The normal VaR of the portfolio will be the Naira loss that will be exceeded 1% of the time over a one-day horizon. The time period may be changed depending on the volume of position held and current market realities. At a maximum of 99% confidence level, and a holding period of one day, the Bank maintains a VaR limit of 0.25% of Gross earnings.

These 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, stop loss limits and Management Action Triggers. Appropriate performance triggers are also used as part of the risk-management process.

Mark-to-Market (MTM)

The marking-to-market technique establishes historical profit/loss by revaluing money market exposures to prevailing market prices. When no market prices are available for a specific contract period, mark-to-model is used to derive the relevant market prices; it is the Bank's policy to revalue all exposures categorised under the securities trading portfolio on a daily basis. As a general guide, marking to market is performed independently of the trading unit i.e. prices/rates are obtained from external sources.

Value-at-Risk (VaR)

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 backtested against actual results.

Access Bank uses an internal VaR 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. This model covers general market (position) risk across all approved interest rate and foreign exchange products.

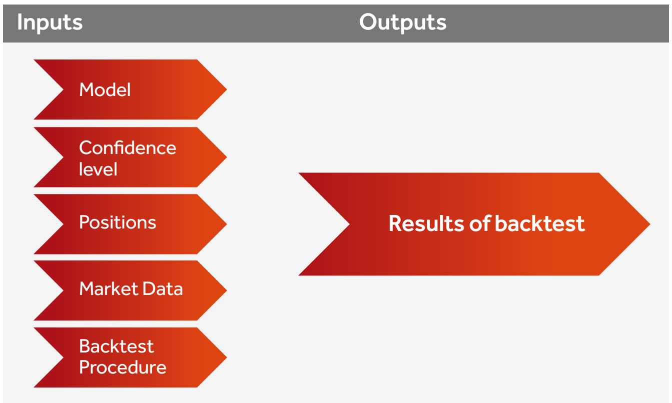
There are a number of considerations that should be taken into account when reviewing VaR numbers. These are as follows:

- 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;
- VaR does not indicate the potential loss beyond the selected percentile;
- Intra-day risk is not captured; and
- Prudent valuation practices are used in the VaR calculation when there is difficulty obtaining rate/price information.

To complement VaR, stress testing and other sensitivity measures are used.

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

Stress testing
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.

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.

The Bank performs two 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.

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.

RISK-MANAGEMENT
CONTINUED

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 that project 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.

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 and 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.

In order to create and promote a culture that emphasises effective operational management and adherence to operating controls, there are three 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, provides 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 reports 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 for ensuring 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 proactive 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 proactively 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-

RISK-MANAGEMENT CONTINUED

Management framework that is in line with best practice. The framework is reviewed and enhanced regularly to address emerging threats to customers' information.

The Bank mitigates business continuity risks by reviewing and testing recovery procedures. The Bank's business continuity plan has been reviewed in view of recent enlarged operations. Regular Bank-wide awareness campaigns are also used to drive information security and business continuity culture in the Bank.

Compliance risk-management

Compliance risk is the risk of loss resulting from 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/criminal penalties, and payment of damages, court orders and suspension or revocation of licences. 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 of leadership, excellence and professionalism

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 provides 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 has put in place a robust Compliance Risk-Management policy with set out guidelines to manage the Group's compliance risk in view of 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 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, reporting, education and awareness.

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 the 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.

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 two 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

Key drivers of reputational risk

plan developed by management, executive management and the Board approve a strategic plan every three 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 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:

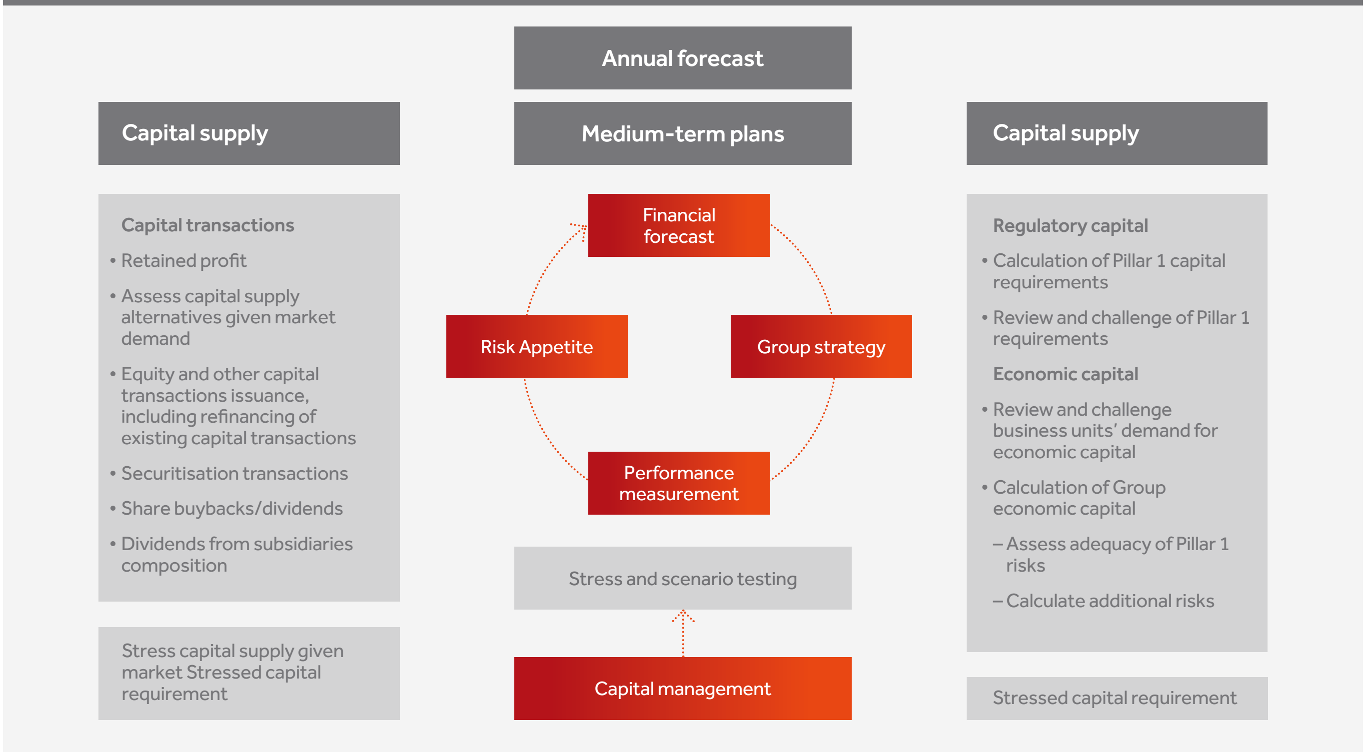
- A highly regulated financial services industry with high visibility and vulnerability to regulatory actions that may adversely impact its reputation (e.g. corporate governance crises);
- Consolidation activities ignited resulting in a fusion of different cultures;
- Keen competition and largely homogeneous 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;

RISK-MANAGEMENT
CONTINUED

Risk-Management and Compliance Division – relationship with other units



- Increased costs due to government regulations, fines, or other penalties; and
- Loss of banking licence.

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.

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 are derived and analysed and risk events identified with possible negative reputational Impact on the Bank.

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 in mitigating reputational risk issues

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. Following table illustrates few trigger events for relevant risk drivers.

Risk drivers	Trigger events
Corporate governance and leadership	– Corporate frauds and scandals; – Association with dishonest and disreputable characters as directors, management – Association with politically exposed persons – Incidence of shareholders conflict and Board instability.
Regulatory compliance	– Non-compliance with laws and regulation; – Non-submission of regulatory returns
Delivering customer promise	– Security failure – Shortfall in quality of service/fair treatment; – Bad behaviour by employees
Workplace talent and culture	– Unfair employment practices – Not addressing employee grievances – Uncompetitive remuneration
Corporate social responsibility	– Lack of community development initiatives
Corporate culture	– Lack of appropriate culture to support the achievement of business objective. – Ineffective risk-management practices. – Unethical behaviours on the part of staff and management. – Lack of appropriate structure for employees to voice their concerns
Risk-management and control environment	– Inadequate risk-management and control environment – Continuous violations of existing policies and procedures
Financial soundness and business viability	– Consistent poor financial performance – Substantial losses from unsuccessful investment
Crisis management	– Inadequate response to a crisis or even a minor incident

Events data analysis

Events data analysis is 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.

Post-reputation 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 economic capital (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 following diagram 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.

3

GOVERNANCE

Access Bank's Directors, their functions; implementing the best standards of corporate governance.

THE BOARD

1

1. Gbenga Oyebode, MFR
Chairman

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

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

He was called to Nigerian and New York Bars in 1980 and 1983 respectively. He is also a member of the Nigerian Bar Association and the American Bar Association and Council Member of the International Bar Association Section on Energy and Natural Resources Law.

2

2. Oritsedere Samuel Otubu
Non-Executive Director

Mr Otubu is the Chairman of STACO Insurance Plc. He also serves on the Board of Eko Electricity Distributions Coy. Ltd) and Food Emporium International Ltd – the franchisee of Barcelos food chain. He was a Director at DAAR Communications Plc.

He holds Masters and Bachelors degrees in Accounting and Finance respectively from the Houston Baptist University, USA.

3

3. Tunde Folawiyo
Non-Executive Director

Dr Folawiyo is the Group Managing Director of Yinka Folawiyo Group with business interests in Power, Energy, Oil and Gas sectors. He also serves as a Director on the Board of MTN Nigeria Limited.

He holds a Master of Law degree from the University College London and a Bachelor of Science degree in Economics from the London School of Economics.

He was called to the Bar of England and Wales in 1985. He started his law practice in Nigeria with the firm of Ogunsanya and Ogunsanya and in 1989 became the Group Executive Director of Yinka Folawiyo Group.

4

5

6

4. Emmanuel Ndubisi Chiejina
Non-Executive Director
Mr Chiejina is the Chairman and CEO of AshBard Energy Company Limited and a non-Executive Director of STACO Insurance Plc. He retired as Deputy Managing Director of Elf Petroleum (Total E&P) in 2007.

Mr Emmanuel Chiejina bagged his law degree from the University of Lagos in 1975 and was called to Nigerian Bar in 1976. He attended Professional Development Programmes at Columbia University, Cranfield Institute of Technology, European Institute of Business Administration (INSEAD), University of London, London Business School and Harvard Business School.

5. Mahmoud Isa-Dutse
Non-Executive Director
Dr Isa-Dutse is a Director of Northern Nigeria Flour Mills Plc. His professional banking experience spans more than two 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. He is a Senior Independent Director on the Board of Emerging Africa Infrastructure Fund.

Dr 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; and a BSc in Economics from Ahmadu Bello University, Zaria.

6. Mosun Belo-Olusoga, FCA
Non-Executive Director
Mrs 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 Equipment and Leasing Association of Nigeria.

She had an illustrious banking career spanning nearly three decades. She retired from Guaranty Trust Bank Plc in 2006 as Executive Director, Investment Banking and was at various times responsible for Risk-Management, Corporate and Commercial Banking, Investment Banking, Transaction Service and Settlements.

Mrs Belo-Olusoga is a graduate of Economics from University of Ibadan (1979). She qualified as a Chartered Accountant in 1983. She is a fellow of the Institute of Chartered Accountants of Nigeria and the Chartered Institute of Bankers of Nigeria.

THE BOARD CONTINUED

7

8

9

7. Anthonia Olufeyikemi Ogunmefun
Non-Executive Director
Mrs 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 childcare trust.

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

8. Ernest Ndukwe, OFR
Independent Non-Executive Director
Dr Ndukwe is an Electrical/Electronics Engineer, with over three decades' experience in the Telecommunications Industry. He was the Managing Director of General Telecoms between 1989 and 2000 and Executive Vice Chairman Nigerian Communications Commission between 2000 and 2010.

He is a graduate of the University of Ife and an alumnus of Lagos Business School. He is a fellow of the Nigerian Society of Engineers (NSE), Nigerian Institute of Management (FNIM) and Nigerian Academy of Engineering (NAE). He is also on the faculty of the Lagos Business School where he heads the Centre for Infrastructure Policy, Regulation and Advancement (CIPRA).

9. Ajoritsedere Awosika, MFR
Independent Non-Executive Director
Dr Awosika is an accomplished administrator with over three decades' experience in public sector governance.

Dr Awosika was at various times the Permanent Secretary in Federal Ministry of Internal Affairs, Federal Ministry of Science & Technology and Federal Ministry of Power.

She is a fellow of the Pharmaceutical Society of Nigeria and the West African Postgraduate College of Pharmacy.

She holds a doctorate degree in pharmaceutical technology, University of Bradford, United Kingdom.

10

10. Paul Usoro, SAN
Non-Executive Director

Mr Usoro is a Senior Advocate of Nigeria, a Fellow of the Chartered Institute of Arbitrators, and the Founder and Senior Partner of the Law firm of Paul Usoro and Co. He has over 30 years' experience and is acknowledged as a highly experienced litigator and a communications law expert.

He is currently a Director of Airtel Network Limited Nigeria Bulk Electricity Traders Plc, Marina Securities Limited, Premium Pension Limited and PZ Cussons Nigeria Plc. Mr Usoro also previously represented Access Bank as a Non-Executive Director on the Board of Intercontinental Bank plc

He holds a Bachelors of Law degree from University of Ife (1981) and was called to Nigerian Bar in 1982.

11

11. Herbert Wigwe, FCA
Group Managing Director/CEO

Mr Wigwe started his professional career with Coopers and Lybrand Associates, an international firm of chartered accountants. He spent more than 10 years at Guaranty Trust Bank where he managed portfolios cutting across financial institutions, local 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.

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

12

12. Obinna Nwosu
Group Deputy Managing Director

Mr Nwosu was appointed Group Deputy Managing Director/Chief Operating Officer in October 2013. He has over two decades of banking experience cutting across several aspects of banking garnered from Guaranty Trust Bank and Access Bank.

He was the Bank's Divisional Head, Retail Banking till December 2012 when he took a study leave for a programme at Columbia University, New York. He joined Access Bank in 2002 from Guaranty Trust Bank as a Senior Manager. He is a director of Central Securities Clearing Systems Plc and the Bank's banking subsidiaries. He holds a Masters degree in Business Administration and Second Class Upper degree in Accountancy from University of Nigeria, Nsukka. Obinna has attended several Executive Management and Leadership Development Programmes in leading institutions.

THE BOARD
CONTINUED

13

13. Victor Etuokwu
Executive Director

Mr Etuokwu's appointment as Executive Director was renewed in October 2013 following the expiration of his initial term. He oversees the Personal Banking Division and has over two decades of banking experience cutting across operations, information technology and business development. He joined the Bank in July 2003 from Citibank Nigeria and was promoted to General Manager in February 2008.

He became an Executive Director of Access Bank in January 2012.

He holds a Bachelor of Science degree and Masters of Business Administration from the University of Ibadan and University of Benin respectively. Victor is a Senior Honorary member of the Chartered Institute of Bankers of Nigeria and a director of E-Tranzact Plc and Unified Payments Systems Plc.

14

14. Ojinika Olaghere, FCA
Executive Director

Mrs Olaghere was appointed Executive Director Operations and IT in October 2013. She has over 22 years' banking experience, 16 of which were with Ecobank Group. She joined Access Bank in August 2007 as a General Manager in charge of Enterprise Business Support. She was appointed Executive Director of Intercontinental Bank in October 2011 upon its acquisition by Access Bank. Her banking experience spans across operations, business development, general administration and information technology. She sits on the Board of Access Bank Congo.

She holds a Second Class Upper degree in French Language from University of Nigeria, Nsukka. She is a Fellow of the Institute of Chartered Accountants of Nigeria and has attended several Executive Management Development Programmes in leading institutions.

15

15. Roosevelt Ogbonna, FCA
Executive Director

Mr Ogbonna was appointed Executive Director, Commercial Banking Division in October 2013. He has over 18 years' experience in banking cutting across treasury, commercial and corporate banking. He joined Access Bank in 2002 from Guaranty Trust Bank. Prior to his appointment, he was the Divisional Head of Commercial Banking.

He is a Fellow of the Institute of Chartered Accountants of Nigeria and holds a Second Class Upper degree in Banking and Finance from University of Nigeria, Nsukka. He has attended several Executive Management Development Programmes on Leadership, Credit and Risk-Management in world-leading institutions. Mr Ogbonna is a Director of Access Bank Zambia.

16

17

16. Elias Igbinakenzua, FCA

Executive Director

Mr Igbinakenzua was appointed Executive Director, Corporate and Investment Banking in October 2013. He is a seasoned banker with over 20 years' banking experience from Zenith Bank Plc and four years' audit and investigation experience from PricewaterhouseCoopers. He joined Zenith Bank in 1993 and served as Executive Director between March 2005 and July 2013. He sits on the Board of Access Bank (Ghana) Ltd.

Elias is a fellow of the Institute of Chartered Accountants of Nigeria, Chartered Institute of Taxation of Nigeria and Chartered Institute of Credit Administration of Nigeria. He also holds a Masters of Business Administration and a Second Class Upper degree in Accountancy from Enugu State University of Science and Technology and University of Benin respectively. He has attended several Executive Management Development Programmes in leading training institutions.

17. Titi Osuntoki

Executive Director

Mrs Osuntoki was appointed Executive Director Business Banking in October 2013. She is an accomplished banker with over two decades' experience cutting across all facets of banking. She joined Guaranty Trust Bank in 1991 and was appointed Executive Director in 2008. She resigned from Guaranty Trust Bank in October 2011. Until her appointment, she was an Independent Non-Executive Director of Wapic Insurance Plc. She represents the Bank on the Board of Financial Institutions Training Centre.

She holds a Second Class Upper degree in Civil Engineering and a Masters of Business Administration from the University of Lagos. She is an alumnus of Cranfield University School of Management, UK and has attended various Executive Management Programmes in leading Business Schools.

DIRECTORS, OFFICERS AND ADVISORS

Directors

Gbenga Oyebode, MFR	Chairman/Non-Executive Director
Herbert Wigwe (former GDMD, appointed GMD effective 01 January 2014)	Group Managing Director/CEO
Obinna Nwosu**	Executive Director
Aigboje Aig-Imoukhuede****	Group Managing Director/CEO
Mosun Belo-Olusoga	Non-Executive Director
Ernest Ndukwe	Independent Non-Executive Director
Oritsedere Samuel Otubu	Non-Executive Director
Anthonia Olufeyikemi Ogunmefun	Non-Executive Director
Babatunde Folawiyo	Non-Executive Director
Emmanuel Chiejina	Non-Executive Director
Mahmoud Isa-Dutse	Non-Executive Director
Ajoritsedere Awosika*	Independent Non-Executive Director
Victor Okenyenbunor Etuokwu	Executive Director
Roosevelt Michael Ogbonna**	Executive Director
Ojinika Nkechinyelu Olaghere**	Executive Director
Elias Igbinakenzua**	Executive Director
Titi Osuntoki**	Executive Director
Taukeme Edwin Koroye****	Executive Director
Okey Nwuke****	Executive Director
Obeahon Ohiwerei****	Executive Director
Ebenezer Olufowose***	Executive Director

* New Director approved by CBN May 21, 2013
** New Director approved by CBN November 26, 2013
*** Director retired with effect from August 1, 2013
**** Director retired with effect from December 31, 2013

Company Secretary
Mr Sunday Ekwochi

Corporate Head Office
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Plot 999c, Danmole Street
Victoria Island, Lagos.
Telephone: +234 01 2621040-41
+234 01 2641517-72
Email: info@accessbankplc.com
Website: www.accessbankplc.com
Company Registration Number: RC125 384
FRC Number: FRC/2012/0000000000271

Independent Auditors
PricewaterhouseCoopers
252E Muri Okunola Street
Victoria Island, Lagos
Telephone: (01) 271 1700
Website: www.ng.pwc.com

Registrars
United Securities Limited
10 Amodu Ojikutu Street
Victoria Island, Lagos
Telephone: +234 01 730898
+234 01 730891

MANAGEMENT TEAM

General Managers

Adegbohungbe, Adebanjo Adedapo	Group Head, Corporate Operations
Agbede, Bolaji	Head, Group HR
Agwu, Kalu Kalu	Group Head, Subsidiaries Operations and Information Technology
Boleigha, Pattison	Head, Group Compliance & Internal Control
Ike, Innocent Chukwunweike	Group Head, Financial Institutions
Jobome, Gregory Ovie	Chief Risk Officer
Ngoka, Speedwell Dabiri	Group Head, Commercial Banking Division North
Odusanya, Adeyemi	Group Head, Business Banking Lagos
Ogbonnewo, Olusegun	Group Head, Channel Services
Okeke, Arinze	Group Head, Commercial Banking Division East
Osojie, Joachim	Group Head, Credit Risk-Management
Oviosu, Benjamin	Group Head, Portfolio & Remedial Management CIBD
Soji Okusanya, Iyabo	Group Head, Telecomms
Solaru, Adekunle Damo	Head, International Subsidiaries
Tiamiyu, Olayinka	Head, Group Internal Audit

Deputy General Managers

Abdulraheem, Yinka Jimoh	Group Head, Internal Audit
Adebayo, Kameel Kajogbade	Executive Director, Operations & Information Technology Access Bank, Ghana
Adesina, Adebayo, Olurotimi	Zonal Head, Commercial Banking Division, Victoria Island
Adesina, Akeem Adesola	Operations and IT Division
Ajimoko, Kolawole A.	Group Head, Operational Risk-Management
Aliyu, Tijjani Ahmad	Group Head, Domestic Credit Risk-Management
Aluko, David Oludare	Group Head, Abuja Business Banking
Ambursa, Hadiza	Group Head, Private Banking
Asibor, Robert Enaholo	Group Head, Commercial Banking Division, South
Aziegbe, Abraham, Ehijator	Group Head, Retail Operations
Balogun, Tunde	Managing Director, Access Bank Zambia
Ezechukwu, Maryann	Personal Banking Group
Iwedi, Ebube Nixon	Group Head, Cement & Foods and Beverages
Kumapayi, Oluseyi	Chief Financial Officer
Lookman, Martins	Group Head, Commercial Banking Division, West
Njoku, Ifeanyi	Group Head, Cement & Logistics
Nwankwo, Nnamdi	Group Head, Public Sector Abuja
Okechuku, Godwin	Business Banking
Oladipo, Fatai	Group Head, Corporate Counsel
Olagunju, Adedapo	Group Treasurer
Olajide, Aladepe, Ajibola	Commercial Banking Division
Olatunji, Olumide	Zonal Head, Apapa Zone
Wemi-Jones, Opeyemi	Group Head, Inclusive Banking

Assistant General Managers

Akintonde, Aina Olukemi	Head, Contact Centre
Animashaun, Bolarinwa Mageed	Group Head, Transport And Household Utilities
Atom, Mac	Head, Investigation
Ayobami Ajibade, Adegoke	Zonal Retail Operations Head, South West
Chukwu, Moses Otumbadi	Head, Credit Monitoring, Commercial Banking Division
Dimkpa, Joyce	Group Head, Upstream, Oil & Gas
Durojaiye, Patrick Mobolaji	Credit Risk-Management
Emefiele, Ifeanyi	Head, Anti-Fraud Unit
Erhimu, Kathleen	Head, Ultra-HNWI (Private Banking)
Esezobor, Chris	IT Infrastructure
Fajemirokun, Oladapo	Managing Director, Access Bank Ghana
Ibikunle, Opeolu Anthony	Head, Compliance & Internal Control, Ghana
Komolafe, Happiness Onome	Ghana Centralised Operations
Madojutimi, Peter Adeoti	Head, Enterprise Applications Management
Nnaemeka, Ikenna	Zonal Head, Business Banking Cadastral Abuja
Ojo, Babatope	Head, IT Domestic & Shared Services
Olajubu, Ayokunle	Group Head, Value Chain Management
Ologe, Titilola	Head, Remedial Assets Management
Onwumah, Timothy, O	Group Head, Personal Loans
Osadebe, Patrick Chidi	Group Head, Business Banking Division, South
Osuachala, Arinze Kenechukwu	Head, Business Development and Planning International Subsidiaries
Ozoemene, Chukwujekwu	Managing Director Access Bank Zambia Limited
Usman, Mohammed	Regional Manager, Commercial Banking Group, North West 2
Uwaeme, Ijeoma Alexandra Ike	Zonal Head, Surulere

DIRECTORS' REPORT

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 year ended 31 December 2013.

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 Bank's principal activities include the provision of money market product and services, 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, Access Bank (D.R. Congo) and FinBank Burundi. The Bank also has Access Finance BV, an offshore Special Purpose Vehicle for the issuance of the U.S.$350,000,000 7.25% Guaranteed Notes Dues 2017 guaranteed by the Bank.

The Bank in December 2013 concluded divestment from Access Bank Côte d'Ivoire. The divestment was concluded with full regulatory approvals via a direct sale of the Bank's entire equity holding in the subsidiary to a preferred bidder, Afriland First Group S.A, a financial services group based in the Republic of Cameroun. The impairments arising from the divestment have been accounted for in the Bank's financials beginning from January 2013.

In line with the provisions of the Central Bank of Nigeria's Regulation on Scope of Banking Activities and Other Ancilliary Matters, on the permitted activities for Commercial Banks with International Authorisation, the Bank in 2013 concluded divestment from the following non-banking subsidiaries: Access Investment and Securities Limited, Access Insurance Brokers Limited, Access Bureau d' Change Limited and Project Star Limited. The dissolution of the five capital market subsidiaries namely: Intercontinental Capital Markets Limited, Intercontinental Trustees Limited, Intercontinental Registrar Limited and Intercontinental Finance and Investments Limited and Intercontinental and Securities Ltd was completed sequel to the orders of the Federal High Court sitting in Lagos. The Bank has also completed the spin-off of Wapic Insurance Plc, following the receipt of shareholders' approvals at the Court-ordered meeting on September 11, 2013, and the court sanction of the Scheme by the Federal High Court on September 20, 2013. The winding-up modalities for Access Homes and Mortgages Limited, Intercontinental Bureau d'Change Limited and Flexmore Technologies Limited are currently at completion stage.

The financial results of all operating 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-13	Group Dec-12	Bank Dec-13	Bank Dec-12
	N'000	N'000	N'000	N'000
Gross earnings	206.891.219	207,103,908	180.230.976	180,725,850
Profit before income tax	44,996,410	46,534,979	31,365,396	36,259,530
Income tax expense	(7,498,759)	(1,695,343)	(5,153,552)	(443,919)
Profit from continuing operations	37,497,651	44,839,639	26,211,844	35,815,611
Loss from discontinued operations (net of tax)	(1,200,059)	(5,511,362)	–	–
Profit for the year	36,297,592	39,328,274	26,211,844	35,815,611
Other comprehensive (loss)/gain	(1,655,989)	3,963,269	4,834,224	(4,217,928)
Total comprehensive income for the year	34,641,603	43,291,543	31,046,067	31,597,683
Non-controlling interest	210,250	(239,485)	–	–
Profit attributable to equity holders of the Bank	34,431,353	43,531,028	31,046,067	31,597,683

	Group Dec-13	Group Dec-12	Bank Dec-13	Bank Dec-12
	N'000	N'000	N'000	N'000
Earnings per share – Basic (k)	159	172	115	157
Dividend (paid):				
– Final	13,729,751	6,866,476	13,729,751	6,866,476
– Interim	5,720,730	5,722,063	5,720,730	5,722,063
Proposed dividend	8,009,022	13,729,751	8,009,022	13,729,751
Total equity	244,482,048	241,284,854	245,181,996	237,624,211
Total impaired loans and advances	22,589,092	28,153,635	17,924,178	23,764,263
Total impaired loans and advances to gross risk assets (%)	2.74%	5.32%	2.35%	4.04%

Interim dividend

The Board of Directors proposed and paid an interim dividend of 25 kobo (HY 2012: 25 kobo) each on the issued share capital of 22,882,918,908 ordinary shares of 50k each as at 30 June 2013. Withholding tax was deducted at the time of payment.

Proposed dividend

The Board of Directors recommended a final dividend of 35 kobo (2012:60 kobo) for the year ended 31 December 2013. Withholding tax will be deducted at the time of payment.

Directors and their interests

The Directors who served during the year, together with their direct and indirect interests in the issued share capital of the Bank as recorded in the register of Directors' shareholding and as notified by the Directors for the purposes of Sections 275 and 276 of the Companies and Allied Matters Act and listing requirements of the Nigerian Stock Exchange is noted below:

Number of Ordinary Shares of 50k each held as at	31-Dec-13 Direct	31-Dec-13 Indirect	31-Dec-12 Direct	31-Dec-12 Indirect
G. Oyebode – Chairman	78,652,858	76,752,411	78,652,858	76,752,411
A. I Aig-Imoukhuede (retired 31 December, 2013)	119,231,715	629,932,456	119,231,715	629,932,456
H. O. Wigwe	119,231,713	629,932,455	119,231,713	629,932,455
O. S. Otubu	18,979,886	16,840,286	18,979,886	16,840,286
M. Isa-Dutse	3,136,220	–	3,136,220	–
E. Chiejina	7,080,754	–	7,080,754	–
T. Folawiyo	15,937,029	433,450,017	15,937,029	125,340,789
M. Belo-Olusoga	1,953,629	–	1,953,629	–
K. Ogunmefun	–	352,456	–	–
T. E. Koroye – ED, Retired 31 December, 2013	19,912,013	–	19,912,013	–
O. Nwuke – ED, Retired 31 December, 2013	28,508,427	–	33,008,427	–
O. Ohiwerei – ED, Retired 31 December, 2013	–	–	30,314,074	–
O. D. Nwosu – ED, approved 26 November 2013*	–	–	–	–
E. Olufowose – ED, Retired 1 August, 2013	–	–	27,887,558	–
V. O. Etuokwu	7,782,788	–	7,782,788	–
E.C.A Ndukwe	–	–		
A. Awosika	–	–		
R. C. Ogbonna – ED, approved 26 November 2013*	9,195,874	–	–	–
O. N. Olaghere – ED, approved 26 November 2013*	5,451,332	–	–	–
E. Igbinakenzua – ED, approved 26 November 2013*	–	–	–	–
T. Osuntoki – ED, approved 26 November 2013*	–	–	–	–

*The Board of Directors were appointed by the Directors on 23 October 2013 and approved by the CBN on 26 November 2013.

DIRECTORS' REPORT
CONTINUED

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 Declaration of Interest from the under-listed Directors in respect of the company's (vendors to the Bank) set against their respective names.

Related director	Interest in entity	Name of company	Services to the Bank
Mr Gbenga Oyebode	Chairman	Aluko & Oyebode	Legal services
Mr Gbenga Oyebode	Director	MTN Nigeria Limited	Mobile telephone services
Mr Gbenga Oyebode	Director	Crusader Nigeria Plc	Underwriting services
Mr Oritsedere Otubu	Director	Staco Insurance Plc	Underwriting services
Mr Oritsedere Otubu	Director	Senforce Insurance Brokers Ltd	Insurance brokerage services
Mr Oritsedere Otubu	Shareholder	Chapel Hill Denham Group	Financial services
Mr Taukeme Koroye	Shareholder	Petrodata Management Services	Optix document management solution
Mrs Mosun Belo-Olusoga	Director	The KRC Ltd.	Training services
Dr Tunde Folawiyo	Director	MTN Nigeria Limited	Mobile telephone services
Dr Tunde Folawiyo	Director	Classic Insurance Brokers Limited	Insurance brokerage services
Dr Tunde Folawiyo	Director	DTD Services Limited	Air Charter Services
Mr Aigboje Aig-Imoukhuede	Shareholder	Marina Securities Limited	Brokerage services
Mr Aigboje Aig-Imoukhuede	Director/Shareholder	Wapic Insurance Plc	Insurance Services
Mr Aigboje Aig-Imoukhuede	Shareholder	FMDQ Plc	Dealing Services
Mr Herbert Wigwe	Shareholder	Marina Securities Limited	Brokerage services
Mr Herbert Wigwe	Shareholder	Wapic Insurance Plc	Insurance Services
Mr Emmanuel Chiejina	Director and Shareholder Director	Staco Insurance Plc Sumeru Nigeria Ltd	Underwriting services Tele-Marketing

Analysis of shareholding

The shareholding pattern of the Bank as at 31 December 2013 was as stated below:

Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1-1,000	418,338	51	66,077,606	0.29
1,001-5,000	252,564	31	557,585,577	2.44
5,001-10,000	66,149	8	449,424,043	1.96
10,001-50,000	70,692	9	1,418,827,283	6.20
50,001-100,000	10,428	1	755,713,426	3.30
100,001-500,000	7,225	1	1,448,182,975	6.33
500,001-1,000,000	709	0	495,834,674	2.17
1,000,001-5,000,000	635	0	1,282,784,615	5.61
5,000,001-10,000,000	111	0	787,720,839	3.44
10,000,001 and above	149	0	13,620,821,201	59.52
	827,000	99.89	20,882,972,239	91.26
Foreign Shareholders				
1-1,000,000	890	0.11	18,925,956	0.08
1,000,001-5,000,000	2	0.00	3,948,930	0.02
5,000,001-10,000,000	–	–	–	–
10,000,001 and above	9	0.00	1,977,071,783	8.64
	901	0.11	1,999,946,669	8.74
Total	827,901	100.00	22,882,918,908	100.00

The shareholding pattern of the Bank as at 31 December 2012 is as stated below:

Range	Number of Shareholders	% of Shareholders	Number of shares held	% of Shareholders
Domestic Shareholders				
1-1,000	422,754	50	66,556,261	0.29
1,001-5,000	255,642	30	564,793,082	2.47
5,001-10,000	67,998	8	461,664,646	2.02
10,001-50,000	74,004	9	1,491,878,767	6.52
50,001-100,000	11,146	1	808,461,642	3.53
100,001-500,000	8,137	1	1,625,653,457	7.10
500,001-1,000,000	747	0	523,562,623	2.29
1,000,001-5,000,000	676	0	1,390,945,549	6.08
5,000,001-10,000,000	112	0	780,570,123	3.41
10,000,001 and above	169	0	14,642,479,794	63.99
	841,385	100.00	22,356,565,944	97.70
Foreign Shareholders				
500,001-1,000,000	3	0.00	3,496,046	0.02
1,000,001-5,000,000	3	0.00	3,948,930	0.02
5,000,001-10,000,000	–	–	–	–
10,000,001 and above	6	0.00	518,907,988	2.27
	12	0.00	526,352,964	2.30
Total	841,397	100.00	22,882,918,908	100.00

Substantial interest in shares

According to the register of members at 31 December 2013, the following shareholders held more than 5% of the issued share capital of the Bank as follows:

	Number of shares held 31 December 2013	% of shareholding 31 December 2013	Number of shares held 31 December 2012	% of shareholding 31 December 2012
Stanbic Nominees Nigeria Limited*	**6,701,433,113**	**29.26%**	5,955,663,655	26.03%
Blakeney GP	**1,386,901,385**	**6.06%**	1,476,901,385	6.45%

*Stanbic Nominees held the shares as custodian for various investors. Stanbic Nominees does not exercise any right over the underlying shares. All the rights reside with the various investors on behalf of whom Stanbic Nominees carries out the custodian services.

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 N 391,000,000 (December 2012: N 173,229,020) during the year, as listed below:

Beneficiary	Purpose	Amount
Bankers Committee	Donation towards relief for flood victims	300,000,000
Financial Reporting Council of Nigeria	Donation towards IFRS Centre of Excellence	50,000,000
Nigerian Stock Exchange	Nigerian Stock Exchange annual essay competition	12,000,000
Friends of Africa	Sponsorship of Friends of Africa on World's AIDS Day novelty match	10,000,000
Mastercare Foundation	Donation to Mastercare Foundation	10,000,000
Murtala Muhammed Foundation	Murtala Muhammed Foundation's Education For Leadership & Sustainable Development Conference 2013	5,000,000
Fate Foundation	2013 Fate Foundation Business Plan Competition	2,000,000
Chartered Institute of Personnel Management of Nigeria	Support towards CIPM Millennium Building Project	1,000,000
Salvage Africa	Support towards Salvage Africa building project	1,000,000
		391,000,000

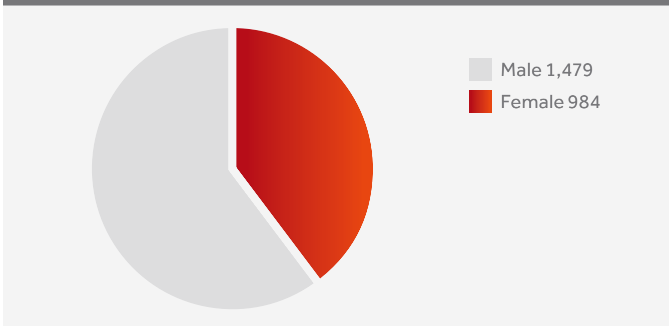
DIRECTORS' REPORT
CONTINUED

Property and equipment
Information relating to changes in property and equipment is given in Note 33 to the financial statements. In the Directors' opinion, the fair value of the Group's property and equipment is not less than the carrying value in the financial statements.

Human resources
i) Report on 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.

a) Composition of employees by gender



b) Board composition by gender

c) Top management (Executive Director to CEO) composition by gender

Total number of women in Executive Management position	1
Total number of persons in Executive Management position	8

d) Top management (AGM to GM) composition by gender

ii) 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 2013, the Bank had eight staff with physical disability (31 December 2012: seven).

iii) Health, safety and welfare of employees
The Bank maintains business premises designed to guarantee 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 and other benefit schemes for its employees.

iv) 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.

v) Statement of commitment to maintain positive work environment
The Group strives 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.

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

Mr Oluwatoyin Eleoramo	Shareholder	Chairman
Mr Henry Omatshola Aragho	Shareholder	Member
Mr Idaere Gogo Ogan	Shareholder	Member
Mr Oritsedere Otubu	Director	Member
Dr Ernest Ndukwe	Director	Member
Mrs Mosun 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: PricewaterhouseCoopers were appointed the external auditors of the Bank by the ordinary resolution of shareholders passed during the 24th Annual General Meeting held on April 25 2013.

By order of The Board

Sunday Ekwochi
Company Secretary

Plot 999c, Danmole Street,
Victoria Island, Lagos.

CORPORATE GOVERNANCE

Our corporate governance report provides us with the opportunity to report how the Company was directed and governed during the year. It covers the functions of the Board of Directors (the Board) and the workings of our systems and structures of governance.

Access Bank Plc ('Access Bank' or 'the Bank') is committed to implementing the best practice standards of corporate governance. The Bank and its subsidiaries (the Group) are governed under a framework that enables the Board to discharge its oversight functions while providing strategic direction to the Bank in balance with its responsibility to ensure regulatory compliance. The subsidiaries comply with the statutory and regulatory requirements of their host countries and also align their governance framework to the Bank's governance framework.

The Board is responsible for embedding high standards of corporate governance across the Group which is essential for the sustainability of the enterprise. Our governance framework is designed to ensure ongoing compliance with relevant corporate governance codes such as Central Bank of Nigeria's 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 in addition to the Board charter and the Bank's Memorandum and Articles of Association collectively provide the foundation for sound corporate governance. Our core values of excellence, innovation, leadership, passion for customers, professionalism and empowered employees continue to shape our corporate behaviour.

Performance monitoring and evaluation

The Board in the discharge of its oversight function continuously engages Management in the planning, definition and execution of strategy. Management's report on the execution of defined strategic objectives is a regular feature of the Board's agenda thus providing the Board the opportunity to evaluate and critique Management's performance.

The Bank's performance on Corporate Governance is continuously being monitored and reported. We carry out monthly and half-yearly reviews of our compliance with CBN Code and SEC Code respectively and render reports to the regulators.

The Board has also established a system of independent annual evaluation of its performance, that of its committees and individual Directors. The evaluation is done by an independent consultant approved by the Board. In 2013, Accenture Limited was retained to conduct the performance evaluation. The Board is confident that the firm provides valuable and objective evaluation notwithstanding its provision of strategy consulting assistance to the Group. The result of the Board performance evaluation was presented by the independent consultant during the Board Meeting held on January 28, 2014. The evaluation was a 360 degree exercise covering Directors' self-assessment, peer assessment and evaluation of the Board and the Committees. The independence of the independent Directors vis-à-vis the CBN Guidelines on Independent Directors of Banks was also evaluated. The result confirmed that the individual directors and the Board continue to operate at a very high level of effectiveness and efficiency.

Appointment, retirement and re-election of Directors

The Board pursuant to the powers vested on it by Article 67 of the Bank's Articles of Association on April 25, 2013 and December 19, 2013 appointed Dr (Mrs) Ajoritsedere Awosika MFR and Mr Paul Usoro, SAN as an Independent Non-Executive Director and Non-Executive Director respectively. The appointments have been approved by the CBN. In line with the Articles, the two Directors will retire at this Annual General Meeting and being eligible will be submitting themselves for re-election.

The Board on April 25, 2013 appointed Mr Herbert Wigwe as the Group Managing Director/CEO Designate to succeed Mr Aigboje Aig-Imoukhuede who took an early voluntary retirement in December 2013. During the period, Messrs Ebenezer Olufowose, Taukeme Koroye, Okey Nwuke and Obeahon Ohiwerei retired as Executive Directors in line with their contracts of employment.

To fill the vacancies created by the exit of the retiring Executive Directors, the Board on October 23, 2013 appointed Messrs Obinna Nwosu (Group Deputy Managing Director), Ojinika Olaghere, Elias Igbinakenzua, Titi Osuntoki and Roosevelt Ogbonna as Executive Directors. The Board also approved the renewal of the appointment of Mr Victor Etuokwu as an Executive Director. Mr Etuokwu's initial term expired on December 31, 2013. These individuals constitute the Executive Management team led by Mr Herbert Wigwe. The Executive Management team is made up of first-class talents with the necessary attributes to drive the Bank's medium-term strategy. Their appointment reflects a well-governed selection process based on merit and have been approved by the CBN.

The brief biographies of the members of the Executive Management team are set out below while the biographies of Dr (Mrs) Ajoritsedere Awosika MFR and Mr Paul Usoro, SAN are set out on pages 221 and 222 of the Annual Report.

Herbert Wigwe, FCA

Herbert was appointed Group Managing Director/Chief Executive Officer Designate of Access Bank by the Board on April 25, 2013 and assumed office on December 20, 2013 following the retirement of Mr Aigboje Aig-Imoukhuede. He has over two decades of banking experience cutting across several facets of banking. He resigned from Guaranty Trust Bank Plc as an Executive Director in 2002 to co-lead the Bank's transformation as the Deputy Managing Director, a position he held till his appointment.

Herbert is a Director of Access Bank Ghana and The Access Bank UK. He sits on the Advisory Board of the Global Fund, Africa, an international agency mobilising public and private efforts in the fight against HIV/AIDS, malaria and tuberculosis.

He is an alumnus of Harvard Business School and a Fellow of the Institute of Chartered Accountants of Nigeria. He holds a Second Class Upper degree in Accountancy from University of Nigeria, Nsukka, and Masters degree in Banking and Finance and Financial Economics from the University College of North Wales and University of London respectively.

CORPORATE GOVERNANCE CONTINUED

Obinna Nwosu

Obinna was appointed Group Deputy Managing Director/Chief Operating Officer on October 23, 2013. He has over two decades of banking experience garnered from Guaranty Trust Bank and Access Bank.

Obinna was the Bank's Divisional Head, Retail Banking till December 2012 when he took a study leave for a programme at Columbia University, New York. He joined Access Bank in 2002 from Guaranty Trust Bank as a Senior Manager. He represents the Bank on the Board of Central Securities Cleaning Systems Plc. Obinna sits on the Boards of the Bank's banking subsidiaries. He holds a Masters degree in Business Administration and Second Class Upper degree in Accountancy from University of Nigeria, Nsukka. Obinna has attended several Executive Management and Leadership Development Programmes in leading institutions.

Victor Etuokwu

Victor's appointment as Executive Director was renewed following the expiration of his initial term. He oversees the Personal Banking Division. He has over two decades of banking experience cutting across operations, information technology and business development. He joined Access Bank in July 2003 from Citibank Nigeria and was promoted to General Manager in February 2008.

He was appointed Managing Director of the defunct Intercontinental Bank upon acquisition by the Bank in October 2011. Victor became an Executive Director of Access Bank in January 2012 following the merger with Intercontinental Bank. He holds a Bachelor of Science degree and Masters of Business Administration from the University of Ibadan and University of Benin respectively. Victor is a Senior Honorary member of the Chartered Institute of Bankers of Nigeria and a director of E-Tranzact Plc and Unified Payments Systems Plc.

Ojinika Olaghere, FCA

Ojini was appointed Executive Director Operations and IT on October 23, 2013. She has over 22 years' banking experience, 16 of which were with Ecobank Group. She joined Access Bank in August 2007 as a General Manager in charge of Enterprise Business Support. She was appointed Executive Director Operations and IT in Intercontinental Bank in October 2011 upon its acquisition by Access Bank. Her banking experience covers operations, business development, general administration and information technology. She is a director of Access Bank Congo.

Ojini holds a Second Class Upper degree in French Language from University of Nigeria, Nsukka, and is a Fellow of the Institute of Chartered Accountants of Nigeria. She has attended several Executive Management Development Programmes in leading institutions.

Elias Igbinakenzua, FCA

Elias was appointed Executive Director, Corporate and Investment Banking on October 23, 2013. He is a seasoned banker with over 20 years' banking experience from Zenith Bank Plc and four years' audit and investigation experience from PricewaterhouseCoopers. He joined Zenith Bank in 1993 and served as Executive Director between March 2005 and July 2013. He represents the Bank on the Board of Access Bank (Ghana) Ltd.

Elias is a fellow of the Institute of Chartered Accountants of Nigeria, Chartered Institute of Taxation of Nigeria and Chartered Institute of Credit Administration of Nigeria. He also holds a Masters of Business Administration and a Second Class Upper degree in Accountancy from Enugu State University of Science and Technology and University of Benin respectively. He has attended several Executive Management Development Programmes in leading training institutions.

Titi Osuntoki

Titi was appointed Executive Director, Business Banking Division on October 23, 2013. She is an accomplished banker with over two decades' experience cutting across all facets of banking. She joined Guaranty Trust Bank Plc in 1991 and was appointed Executive Director in 2008. She resigned from Guaranty Trust Bank in October 2011. Until her appointment, she was an Independent Non-Executive Director of Wapic Insurance Plc. She represents the Bank on the Board of Financial Institutions Training Centre.

Titi holds a Second Class Upper degree in Civil Engineering and a Masters of Business Administration from University of Lagos. She is an alumnus of Cranfield University School of Management, UK and has attended various Executive Management Programmes in leading Business Schools.

Roosevelt Ogbonna, FCA

Roosevelt was appointed Executive Director, Commercial Banking Division on October 23, 2013. He has over 18 years' banking experience cutting across treasury, commercial and corporate banking. He joined Access Bank in 2002 from Guaranty Trust Bank Plc. Prior to his appointment; he was the Divisional Head of Commercial Banking.

Roosevelt is a Fellow of the Institute of Chartered Accountants of Nigeria and holds a Second Class Upper degree in Banking and Finance from University of Nigeria, Nsukka. He has attended various Executive Management Development Programmes on Leadership, Credit and Risk-Management at world-leading institutions. Mr Ogbonna is a Director of Access Bank Zambia.

In accordance with the Bank's 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 (AGM). In keeping with the requirement, Messrs Emmanuel Chiejina, Oritsedere Otubu and Antonia Kemi Ogunmefun will retire at this AGM and being eligible for re-election will stand for re-election.

The biographical details of the candidates for election and re-election are provided on pages 221 and 222 of this Annual Report.

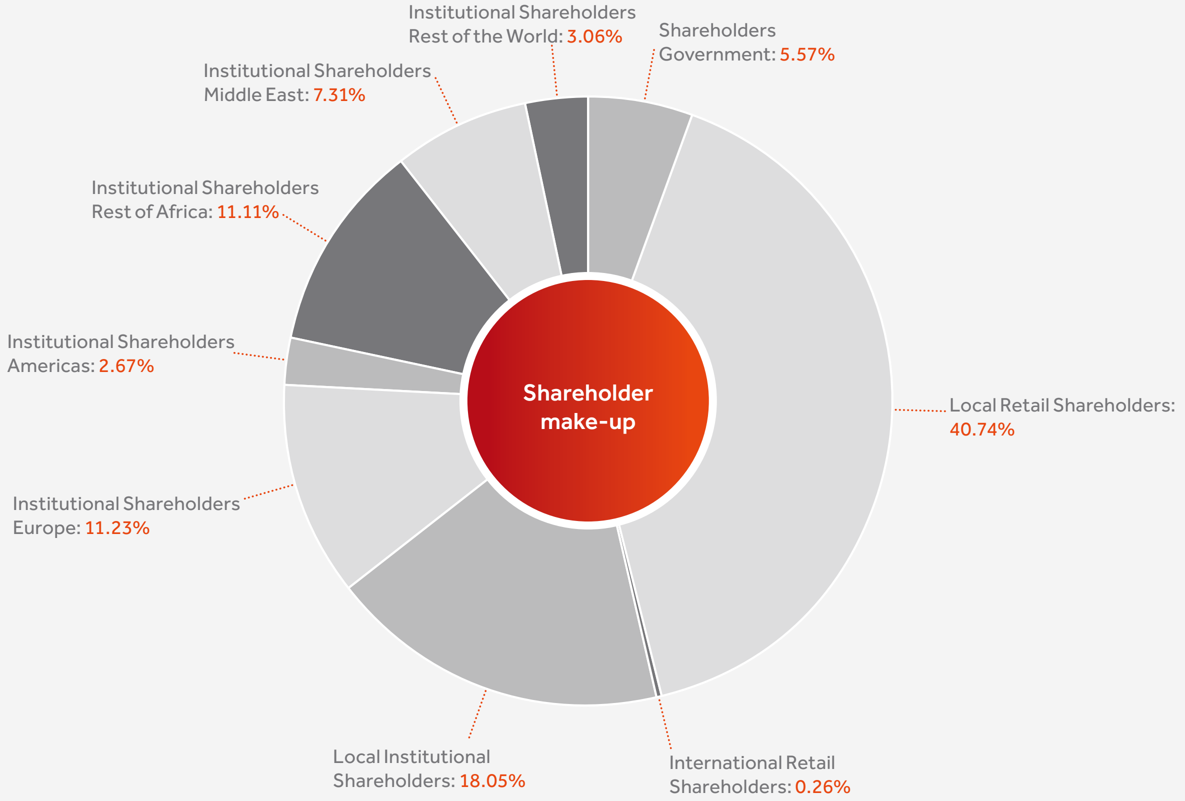
Shareholders' engagement

Shareholders' meetings are convened and held in an open manner in line with the Bank's Articles of Association and existing statutory and regulatory regimes, for the purpose of deliberating on issues affecting the Bank's strategic direction. This 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, Central Bank of Nigeria 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.

The Board and Management are committed to providing shareholders with a continuous and timely flow of information about the Group. Access Bank continues to enhance the ability of its Investor Relations function to effectively communicate with its local and international shareholders. Investors and stakeholders are frequently provided with information about the Bank through various channels including Quarterly Investors Conference Calls, the General Meeting, the website, Annual Report and Accounts, No-Deal Road Shows and Investor forum at the Stock Exchange.

Shareholder make-up

The diagram below depicts the constitution of the Bank shareholders as at 31 December 2013



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 and accurate in accordance with all applicable legal and regulatory requirements. The Bank's reports and communication to shareholders and other stakeholders are in plain, readable and understandable format while its website www.accessbankplc.com is regularly updated with both financial and non-financial information. The details of the Investors Communication and Disclosure Policy are available at the Investor portal on the Bank's website.

The Board ensures that shareholders' statutory and general rights 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 size of their shareholding and social conditions. Our shareholders are encouraged to share in the responsibility of sustaining the Bank's corporate values by exercising their rights as protected by law.

Access to information and resource

There is ongoing engagement between Executive Management and the Board, and the heads of relevant Strategic Business Units attend Board meetings to make presentations. The Bank's external auditors attend the Group Board, the Group Board Audit Committee and the Group Shareholders Audit Committee Meetings. Directors have unrestricted access to the Group Management and company information in addition to the resources to carry out their roles and responsibilities. This includes access to external professional advice at the Bank's expense as provided by the Board and Committees charters.

The Board

The primary obligation of the Board of Directors is to advance the prosperity of the Bank by collectively directing the Bank's affairs, whilst meeting the appropriate interests of shareholders and other stakeholders. The Board is the Group's highest decision-making body responsible for governance. It operates on the understanding that sound governance practices are fundamental to earning the trust of stakeholders which is critical to sustainable growth. As part of its oversight role over Subsidiaries Boards, the Board in 2013 received and considered the report of Accenture Limited on the Subsidiaries Boards Corporate Governance Evaluation exercise. The exercise provided an opportunity for an independent evaluation of the subsidiaries compliance with their applicable corporate governance regimes and the Group's corporate governance practices. Recommended remedial actions arising from the review have been implemented.

CORPORATE GOVERNANCE CONTINUED

Composition and role

The Group has a unitary board structure. The details of the directors that served on the Board in 2013 are as set out below:

Name	Designation	Appointed by the Board
Mr Gbenga Oyebode	Chairman	
Mr Oritsedere Samuel Otubu	Non-Executive Director	
Dr Babatunde Folawiyo*	Non-Executive Director	
Mr Emmanuel Chiejina	Non-Executive Director	
Dr Mahmoud Isa-Dutse	Non-Executive Director	
Mrs Mosun Belo-Olusoga	Non-Executive Director	
Mrs Kemi Ogunmefun	Non-Executive Director	
Dr Ernest Chukwuka-Anene	Independent Director	
Dr (Mrs) Ajoritsedere Awosika	Group Managing Director/	April 25, 2013
Mr Aigboje Aig-Imoukhuede	Group Managing Director/ Chief Executive Officer	
Mr Herbert Wigwe*	Group Deputy Managing Director	
Mr Taukeme Edwin Koroye**	Executive Director	
Mr Okey Nwuke**	Executive Director	
Mr Obeahon Ohiwerei**	Executive Director	
Mr Ebenezer Olufowose***	Executive Director	
Mr Victor Etuokwu	Executive Director Designate	October 23, 2013
Mr Obinna Nwosu	Group Deputy Managing Director Designate	October 23, 2013
Mr Elias Igbinakenzua	Executive Director Designate	October 23, 2013
Mrs Ojini Olaghere	Executive Director Designate	October 23, 2013
Mr Roosevelt Ogbonna	Executive Director Designate	October 23, 2013

* Retired from the Board on January 29, 2014
** Retired December 2013
*** Retired August 2013

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 competences of the Executive and Non-Executive Directors who have exceptional degrees of banking, financial and broader entrepreneurial experiences.

The Board is responsible for ensuring the creation and delivery of sustainable value to the Bank's stakeholders. 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 Board Charter embodies a set of principles that have been adopted by the Board as a definitive statement of guiding principles on Corporate Governance. Some of the 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;
- Approval of charter and membership of Board Committee;
- Setting of annual Board objectives and goals;
- Approval of allotment of shares;
- Approval of remuneration of auditors and recommendation for appointment or removal of auditors;
- 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 standard and compliance with relevant laws;
- Performance appraisal and compensation of Board members and Senior Executives;
- Ensuring effective communication with shareholders;
- Ensuring the integrity of financial reports by promoting disclosure and transparency; and
- Succession planning for key positions.

Appointment process, induction and training of Board members

The Group's Fit and Proper Person Policy is designed to ensure that the Bank and its subsidiary entities are managed and overseen by competent, capable and trustworthy individuals. In making appointments, the Board takes cognisance of the knowledge, skill and experience of a potential director as well as other attributes considered necessary for the role. The Board also considers the need for appropriate demographic and gender representation. Candidates are subjected to enhance due diligence enquiry as required by regulations.

The Governance and Remuneration Committee is responsible for both Executive and Non-Executive Directors succession planning and recommends new appointments to the Board. The Committee takes cognisance of the existing range of skills, experience, background and diversity on the Board in the context of the strategic direction of the Bank before articulating the specifications for the candidate sought. We are comfortable that the Board is sufficiently diversified to optimise its performance.

The Board ensures the regular training and education of Board members on issues pertaining to their oversight functions. Regarding new Directors, there is a personalised induction programme which includes one-on-one meetings with Executive Directors 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 and review of the Strategic Business Units as well as Board processes and policies. A new Director receives an induction pack which includes charters, significant reports, important legislation and policies, minutes of previous Board Meetings and calendar of Board activities.

The Board believes that a robust induction and continuing professional development will improve Directors' performance. It ensures that Directors have appropriate knowledge of the Bank and access to its operations. Directors are therefore required to participate in periodic, relevant continuing professional developments to update their knowledge. During the period under review the Directors attended the training courses as shown below:

Training	Course provider	Date
International Directors Programme	Insead, France	January 17 – 20, 2013
International Directors Programme	Insead, France	Sept 11 – 14, 2013
International Directors Programme	Insead, France	Nov 21 – 23, 2013
Driving Strategic Impact	Columbia	April 30 – May 2, 2013
High impact leadership	Columbia Business School	June 2 – 7,2013
9th Annual Corporate Governance Conference	Business school advantage training, Johannesburg, South Africa	June 10 – 13, 2013
Making Corporate Boards more effective	Harvard Business School	July 24 – 27, 2013 Business School
Audit Committees in a New Era of Governance	Harvard Business School	July 28 – 30, 2013 Business School
CBN-Sustainability Training	Central Bank of Nigeria, Lagos	September – October, 2013
High Performance Leadership	IMD 2 (Santa Cruz, CA)	April 7 – 12, 2013
Leadership & Ethics	Access Bank	February 23, 2013
Customer Experience Workshop	Access Bank	May 30 – 31, 2013
CBN-Sustainability Training	Central bank of Nigeria	September – October 2013

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 structure that provides in-depth focus on Board's responsibilities. The Board delegates authority to the Group Managing Director to manage the affairs of the Group within the parameters established by the Board from time to time.

The Board meets quarterly and emergency meetings are convened as may be required. The Annual Calendar of Board and Committee meetings are approved in advance at the first meeting of the Board in each financial year. 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 off-site location to consider strategic matters and review the opportunities and challenges facing the institution. All Directors are provided with Notice, 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. Any such Director reserves the right to discuss with the Chairman any matter he/she may wish to raise at the meeting. Directors are also provided with regular updates on developments in the regulatory and business environment. The Board met seven times in 2013.

Board 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 has four standing committees namely: Risk-Management Committee, Audit Committee, Governance and Remuneration Committee and Credit & Finance Committee. The composition and responsibilities of the committees are set out below:

Name	BAC	BRMC	BCFC	BGRC
Mr Gbenga Oyebode[1]	–	–	–	–
Mr Oritsedere Otubu[1]	C	–	M	M
Dr Mahmoud Isa-Dutse[1]	M	C	M	–
Mr Emmanuel Chiejina[1]	–	M	M	C
Mrs Anthonia Kemi Ogunmefun[1]	–	M	M	M
Dr Tunde Folawiyo[1]	–	M	M	M
Mrs Mosun Belo-Olusoga[1]	M	M	C	M
Dr Chukwuka-Anene Ndukwe[1]	M	–	M	–
Dr (Mrs) Ajoritsedere Awosika[1] Ajoritsedere	–	M	M	M
Mr Aigboje Aig-Imoukhuede[2]	–	M	M	M
Mr Herbert Wigwe[2]	–	M	M	M
Mr Taukeme Koroye[2]	–	M	–	–
Mr Okey Nwuke[2]	–	–	M	–
Mr Obeahon Ohiwerei[2]	–	–	M	–
Mr Ebenezer Olufowose[2]	–	M	M	–
Mr Victor Etuokwu[2]	–	–	M	–
Mr Obinna Nwosu	–	M	M	–
Mr Roosevelt Ogbonna	–	–	M	–
Mr Elias Igbinakenzua	–	–	M	–
Mrs Ojinika Olaghere	–	M	–	–

C	Chairman of Committee
M	Member
–	Not a member
1	Non-Executive
2	Executive
BAC	Board Audit Committee
BRMC	Board Risk-Management Committee
BCFC	Board Credit and Finance Committee
BGRC	Board Governance and Remuneration

Credit and 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 acts as a catalyst for credit policy changes and oversees the administration and effectiveness of the Bank's credit policies. The Committee met 18 times during the reporting period.

The Committee's key activities during the period include review and approval of credit facilities, review of the Credit Portfolio and the collateral for same, monitoring the implementation of credit risk-management policies, approval of credit portfolio plan and sector limits.

Mrs Mosun Belo-Olusoga chairsthe Committee. She is a graduate of Economics from the University of Ibadan (1979) and a Fellow of the Institute of Chartered Accountants of Nigeria and Chartered Institute of Bankers of Nigeria. She retired from Guaranty Trust Bank in 2006 as Executive Director, Investment Banking. She was at various times in charge of Risk-Management, Corporate and Commercial Banking, Transaction service and Settlement.

CORPORATE GOVERNANCE CONTINUED

Governance and 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. The Committee is responsible for determining and executing the processes for Board appointments, recommending appropriate remuneration for Bank's Directors and employees. The Committee reviews and recommends the Bank's organisational structure to the Board for approval. The Committee is responsible for reviewing the performance and effectiveness of Boards of the Bank's subsidiaries and ensures that the Bank's human resources are maximised to support the long-term success of the enterprise. The Committee supervises Management's implementation of the Bank's sustainability agenda.

The key decisions and initiatives of the Committee in the reporting period include recommendation of Senior Management and directors' appointments to the Board, recommendation of steps to ensure compliance with the CBN Competency Assessment Framework for the Banking Industry, supervision of the implementation of Executive Management transition programme and recommendation of Handover Framework to the Board for approval. The Committee met seven times in 2013.

Mr Emmanuel Chiejina chairs the Committee. He is a law graduate from the University of Lagos and was called to Nigeria Bar in 1976. He retired from Elf Petroleum Nigeria Limited in 2007 as Deputy Managing Director having spent 27 years with the organisation. Before his appointment as Deputy Managing Director, he was Executive Director Corporate Development and Services with responsibility for human resources.

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. The Committee also ensures compliance with established policies through periodic review of Management's reports and ensures the appointment of qualified officers to manage the risk function. It evaluates the Bank's risk policies on a periodic basis to accommodate major changes in internal or external environment.

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.

During the year under review the Committee provided strategic oversight over the Bank's divestment from subsidiaries. The Committee also considered and recommended some policies to the Board for approval including the Legislative Engagement Framework, the Whistleblowers' Reward Policy, and Policy on the Requirements for Operating Bureau de Change accounts. The Committee monitored and ensured the Group's compliance with relevant regulatory policies. The Committee met four times in 2013.

Audit Committee

The Committee supports the Board in meeting its oversight responsibility relating to the integrity of the Bank's financial statements and the financial reporting process and the independence and performance of the Bank's internal and external auditors. It oversees 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.

The key issues considered by the Committee during the period include approval of audited financial statements, review of whistle-blowing reports, review of quality assurance report, the Group Internal Audit Report on Subsidiaries and recommendation to the Board for the approval of the Framework for Internal Audit Function in Foreign Subsidiaries.

Mr Oritsedere Otubu chairs the Committee. He holds Bachelors and Masters degrees in Finance and Accounting respectively from Houston Baptist University, United States of America. He has over two decades of professional experience in the financial services industry. Other members of the Committee have relevant financial management and accounting background as required by the CBN Code. The Committee met six times in 2013.

Attendance at Board and Board committee meetings

The records of Directors' attendances at meetings in 2013 are provided below:

Names of Directors	BoD	BRMC	BCFC	BGRC	BAC
Number of Meetings Held	7	4	18	7	6
Attendance:					
Mr Gbenga Oyebode	7	N/A	N/A	N/A	N/A
Dr Mahmoud Isa-Dutse	7	4	17	N/A	6
Dr Tunde Folawiyo	7	2	13	3	N/A
Mrs Kemi Ogunmefun	7	4	18	7	N/A
Mr Oritsedere Otubu	7	N/A	15	6	6
Mr Emmanuel Chiejina	2	4	17	7	N/A
Dr Ernest Ndukwe*	6	N/A	16	N/A	3
Dr (Mrs) Ajoritsedere Awosika**	3	1	6	3	N/A
Mrs Mosun Belo-Olusoga	7	4	18	7	6
Mr Aigboje Aig-Imoukhuede	6	4	7	6	N/A
Mr Herbert Wigwe	7	3	16	6	N/A
Mr Taukeme Koroye	6	2	N/A	N/A	N/A
Mr Okey Nwuke	6	N/A	14	N/A	N/A
Mr Obeahon Ohiwerei	6	N/A	15	N/A	N/A
Mr Ebenezer Olufowose***	6	3	8	N/A	N/A
Mr Victor Etuokwu	5	N/A	12	N/A	N/A
Mr Obinna Nwosu****	1	N/A	N/A	N/A	N/A
Mr Roosevelt Ogbonna****	1	N/A	N/A	N/A	N/A
Mrs Ojinika Olaghere****	1	N/A	N/A	N/A	N/A
Mr Elias Igbinakenzua****	1	N/A	N/A	N/A	N/A

BoD Board of Directors
BRMC Board Risk-Management Committee
BCFC Board Credit and Finance Committee
BGRC Board Governance and Remuneration Committee
BAC Board Audit Committee
* Appointed by the Board on December 18 2012 and approved by the CBN on January 18, 2013
** Appointed by the Board on April 25, 2013 and approved by the CBN on May 21, 2013.
*** Retired from the Board with effect from August 1 2013
**** Appointed by the Board on October 23, 2013 and approved by the CBN on November 26 2013

Executive Committee

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

Management committees

These are standing committees made up of Bank's Executive and Senior Management staff. The Committees are 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 polices. 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 Management Credit Committee, Asset and Liabilities Committee, Enterprise Risk-Management Committee, Operational Risk-Management Committee, Criticised Assets Committee and IT Steering Committee.

Statutory Audit Committee

In compliance with Section 359 of the Companies and Allied Matters Act 1990, the Bank constituted a Standing Shareholders Audit Committee made up of three non-executive directors and three shareholders. The composition of the Committee is as set out below:

Mr Oluwatoyin Eleoramo	(Shareholder)	Chairman
Mr Idaere Gogo Ogan	(Shareholder)	Member
Mr Henry Omatsola Aragho*	(Shareholder)	Member
Mr Oritsedere Otubu	(Director)	Member
Mrs Mosun Belo-Olusoga	(Director)	Member
Dr Ernest Ndukwe**	(Director)	Member

* Mr Henry Omatsola Aragho was appointed at the 24th AGM held on April 25, 2013

** Dr Ernest Ndukwe was appointed during the 125th Board Meeting held on July 25, 2013.

Succession planning

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

Code of ethics

The Bank's Code of Conduct specifies expected behaviours for its employees and Directors. The code is designed to empower employees and Directors and enable effective decision making at all levels of the business according to defined ethical principles. Bank employees are required to read and sign a confirmation that they have understood the content. In addition, there is an annual re-affirmation exercise. There is also a Compliance Manual that provides guidelines for addressing violations/breaches and ensuring enforcement of discipline with respect to staff conduct. The Bank also has a Disciplinary Guide which provides sample offences/violations and prescribes disciplinary measures to be applied in various cases. The Head of Human Resources function is responsible for implementation of the Code of Conduct while the Chief Compliance Officer is responsible for monitoring compliance.

The Chief Compliance Officer issues at the beginning of the year, an Ethics and Compliance message to all employees. The message reiterates the Bank's policy of total compliance with all applicable laws, regulations, corporate ethical standards and policies in the conduct of the Bank's business. It enjoins staff to promote the franchise and advance its growth in a sustainable manner while ensuring compliance with relevant policies, laws and regulations.

Dealing in Company securities

The Group has a Non-Dealing Period Policy that prohibits Directors, members of the Audit Committee, employees and all other insiders from abusing, or placing themselves under the suspicion of abusing price-sensitive information in relation to the Bank's securities. In line with the policy affected persons are prohibited from trading on the Company's security during closed period which is usually announced by the Company Secretary. The Bank has put in place a mechanism for monitoring compliance with the policy.

Remuneration statement

The Report on Directors' remuneration is contained in page 211 as set out in the Audited Financial Statements. The Group has established a remuneration policy that seeks to attract and retain the best talent. To achieve this, the Group seeks to position itself among the best performing and best employee-rewarding companies 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. The Group complies with all local tax policies in the countries of operation.

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

CORPORATE GOVERNANCE
CONTINUED

Total compensation provided to employees 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 level for each skill sets which may be influenced by relative dearth of a skill in a particular area.

The Bank complies with the Pension Reform Act on the provision of retirement benefit to employees at all levels. Based on the approval of shareholders the Bank has established an Employee Performance Share Plan for the award of the units of the Bank's shares to its employees, subject to terms and conditions determined by the Board of Directors.

The Bank's Long-Term Incentive programme rewards Executive Officers for loyal service to the Bank for a period of up to 10 years. This is to ensure that Executives share in the Bank's success and focus on the Bank's long-term sustainability. The justification for a long-term incentive plan for Senior and Executive Management is very compelling given recent industry developments. The stability, loyalty and commitment of senior and executive management need to be strengthened by a long-term retirement benefit.

Whistle-blowing procedure
The Bank expects all its employees and directors to observe the highest level of probity in their dealings with the Bank and its stakeholders. The Bank's whistle-blowing policy covers internal and external whistle-blowers and extends to the conduct of the stakeholders including employees, vendors, and customers. It provides the framework for reporting suspected breaches of the Bank's internal policies and laws and regulations. The Bank has retained KPMG Professional Services to provide consulting assistance in the implementation of the policy. The policy provides that suspected wrongdoing by an employee, vendor, supplier or consultant be reported through the Bank's or KPMG Ethics lines or emails, details of which are provided below:

Telephone
Internal: +234-1-2712065
External: KPMG Toll free lines: 0703-000-0026; 0703-000-0027; 0808-822-8888

Email
Internal: whistleblower@accessbankplc.com
External: kpmgethicsline@ng.kpmg.com

The Bank's website also provides an avenue for lodging whistle-blower's 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.

The Bank's Chief Internal Auditor is responsible for monitoring and reporting on whistle-blowing. Quarterly reports are rendered to the Board Audit Committee.

The Company Secretary
The Company Secretary assists the Board and Management in developing and implementing good corporate governance standard. He ensures that there is timely and appropriate information dissemination within and to the Board. He plays a critical role in ensuring the effectiveness of the Group and subsidiaries' boards. He is responsible for designing and implementing the induction programme for new Directors and the annual training curriculum. In line with the provisions of Companies and Allied Matters Act and the SEC Code, the Board has ultimate responsibility for the appointment and removal of the Company Secretary.

Customer complaints and resolution
The Bank complied with the provision of CBN Circular FPR/DIR/CIR/GEN/01/020 dated 16 August 2011 on handling consumer complaints. The detailed report on customer complaint and feedback is contained in page 90 of this Annual Report.

Statement of Compliance
The Bank complies with the relevant provisions of the SEC and the CBN Codes of Corporate Governance. In the event of any conflict between the Provisions of the two codes regarding any matter, the Bank will defer to the provisions of the CBN Code as its primary regulator.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RELATION TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

The Companies and Allied Matters Act and the Banks and Other Financial Institutions Act, require the Directors to prepare financial statements for each financial year that gives a true and fair view of the state of financial affairs of the Company and Group at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company and Group:

i) Keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and Group and comply with the requirements of the Companies and Allied Matters Act and the Banks and Other Financial Institutions Act;

ii) Establish adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

iii) Prepare financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with

- International Financial Reporting Standards;
- Prudential Guidelines for Licensed Banks in Nigeria;
- Relevant circulars issued by the Central Bank of Nigeria;
- The requirements of the Banks and Other Financial Institutions Act;
- The requirements of the Companies and Allied Matters Act;
- The Revised Guidelines for Discount Houses; and
- The Financial Reporting Council Act.

The Directors are of the opinion that the consolidated financial statements give a true and fair view of the state of the financial affairs of the Company and Group and of the financial performance and cash flows for the period. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the Directors to indicate that the Company and Group will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board of Directors on 28 January 2014 by:

Herbert Wigwe
Group Managing Director
28 January 2014

Victor Etuokwu
Executive Director
28 January 2014

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 annual financial statements for the period ended 31 December 2013 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 2013 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 N53,341,230,000 (December 2012: N82,577,604,000) was outstanding as at 31 December 2013 which was performing as at 31 December 2013 (see note 53).

We have deliberated on the findings of the external auditors who have confirmed that necessary co-operation was received from management in the course of their interim 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
January 2014

Members of the Audit Committee are:

1	Mr Oluwatoyin Eleoramo	Shareholder	Chairman
2	Mr. Henry Omatshola Aragho	Shareholder	Member
3	Mr Idaere Gogo Ogan	Shareholder	Member
4	Mr Oritsedere Otubu	Director	Member
5	Dr. Ernest Ndukwe	Director	Member
6	Mrs. Mosun Belo-Olusoga	Director	Member

In attendance:
Sunday Ekwochi – Secretary

REPORT ON CUSTOMERS' COMPLAINTS AND FEEDBACK

FOR THE YEAR ENDED 31 DECEMBER, 2013

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 services 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 seamless complaint and feedback process, the Bank has provided various channels for customers. These include:

- 24 hour contact centre with feedback through emails, telephone, SMS;
- Contacts through the Bank's website;
- Customer service desks in over 300 branches and toll-free telephone in the banking halls in key branches;
- Correspondence from customers; and
- The Ombudsman desk.

Complaints Handling

We handle customer complaints with sensitivity and in due regard for the needs and understanding of each complainant. Efforts are made to resolve customers' complaints at first level. Where this cannot be done, they are immediately referred to the appropriate persons for resolution. All complaints are logged and tracked for resolution and feedback is provided to the customer.

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 being run by a senior management staff has the mandate to ensure that most customer issues are resolved same day. The Command Centre provides support to all our departments and branches on issues 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.

REPORT ON CUSTOMERS' COMPLAINTS AND FEEDBACK

FOR THE YEAR ENDED 31 DECEMBER 2013

Customer complaints for the year ended 31 December 2013

NAIRA

S/N	Description	Number 2013 (N'000)	Amount claimed 2013 (N'000)	Amount refunded 2013 (N'000)
1	Pending complaints B/F	180	2,049,744	N/A
2	Received complaints	6,620	17,999,537	1,135,113
3	Resolved complaints	6,584	9,085,263	1,135,113
4	Unresolved complaints escalated to CBN for intervention	7	351,929	N/A
5	Unresolved complaints pending with the bank C/F	209	10,612,089	N/A

USD

S/N	Description	Number 2013	Amount claimed 2013	Amount refunded 2013
1	Pending complaints B/F	2	387	N/A
2	Received complaints	118	429,393	349,975
3	Resolved complaints	121	428,867	349,975
4	Unresolved complaints escalated to CBN for intervention	0	–	N/A
5	Unresolved complaints pending with the bank C/F	1	912	N/A

GBP

S/N	Description	Number 2013	Amount claimed 2013 (GBP)	Amount refunded 2013 (GBP)
1	Pending complaints B/F	–	–	N/A
2	Received complaints	4	42,730	41,772
3	Resolved complaints	4	42,730	41,772
4	Unresolved complaints escalated to CBN for intervention	–	–	N/A
5	Unresolved complaints pending with the bank C/F	–	–	N/A

EUR

S/N	Description	Number 2013	Amount claimed 2013 (EUR)	Amount refunded 2013 (GBP)
1	Pending complaints B/F	–	–	N/A
2	Received complaints	2	11,140	7,000
3	Resolved complaints	2	11,140	7,000
4	Unresolved complaints escalated to CBN for intervention	–	–	N/A
5	Unresolved complaints pending with the bank C/F	–	–	N/A

Solicited Customer Feedback

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

- Questionnaires
- Customer interviews
- Customers' forum
- Quest for excellence sessions (for staff)

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

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS OF ACCESS BANK Plc

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying consolidated and separate financial statements of Access Bank Plc ("the Bank") and its subsidiaries (together "the Group"). These financial statements comprise the statements of financial position as at 31 December 2013 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act and the Banks and Other Financial Institutions Act and for such internal control, as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an independent opinion on the 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 our audit to obtain reasonable assurance that the 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 opinion.

Opinion

In our opinion the accompanying consolidated and separate financial statements give a true and fair view of the state of the financial affairs as at 31 December 2013 and of the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

Report on other legal requirements

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

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the Bank has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us;

iii) the Bank's balance sheet and profit and loss account are in agreement with the books of account;

iv) the information required by Central Bank of Nigeria Circular BSD/1/2004 on insider related credits is disclosed in Note 53 to the financial statements;

v) except for the contraventions disclosed in Note 51 to the financial statements, the Bank has complied with the requirements of the relevant circulars issued by the Central Bank of Nigeria.

Anthony Oputa

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria.
07 April 2014
Engagement Partner: Anthony Oputa
FRC/2013/ICAN/00000000980

4

FINANCIAL STATEMENTS

Consolidated and separate financial statements
for the year ended 31 December 2013.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	Notes	Group Dec-13	Group Dec-12	Group Dec-11	Bank Dec-13	Bank Dec-12	Bank Dec-11
		N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and balances with banks	20	**439,459,541**	405,292,241	267,917,288	**395,808,747**	284,062,159	131,647,158
Non-pledged trading assets	21	**3,877,969**	27,906,803	10,812,122	**3,877,969**	3,769,260	5,787,534
Pledged assets	22	**63,409,851**	60,949,856	66,191,144	**63,347,823**	60,949,856	66,191,144
Derivative financial instruments	23	**102,123**	30,949	9,909	**72,675**	–	–
Loans and advances to banks	24	**24,579,875**	4,564,943	775,765	**13,048,651**	3,054,520	775,765
Loans and advances to customers	25	**786,169,704**	604,073,399	576,228,507	**735,300,741**	554,592,199	490,877,501
Trading properties	26	**–**	2,693,227	6,688,000	**–**	–	–
Investment securities	27	**353,811,348**	447,281,811	561,733,704	**309,071,802**	420,346,295	127,420,035
Insurance receivables	28	**–**	627,337	1,405,000	**–**	–	–
Other assets	29	**52,019,723**	67,935,352	44,475,554	**44,326,360**	61,431,658	15,676,950
Investment properties	30	**23,974,789**	14,360,567	16,097,044	**23,974,789**	14,072,673	12,417,043
Investments in equity accounted investee	31	**3,623,325**	2,774,647	2,812,805	**1,521,812**	1,980,808	–
Investment in subsidiary	32	**–**	–	–	**38,029,992**	43,209,688	80,400,287
Property and equipment	33	**67,243,305**	64,634,438	67,647,817	**63,203,245**	58,938,450	17,042,268
Intangible assets	34	**3,659,071**	3,404,945	3,277,608	**2,661,553**	2,339,510	1,146,412
Deferred tax (net)	35	**10,687,635**	8,113,973	2,930,928	**9,847,853**	7,007,387	–
		1,832,618,259	1,714,644,488	1,629,003,195	**1,704,094,012**	1,515,754,463	949,382,097
Assets classified as held for sale	18	**2,847,741**	30,827,257	–	**–**	–	
Total assets		**1,835,466,000**	1,745,471,745	1,629,003,195	**1,704,094,012**	1,515,754,463	949,382,097
Liabilities							
Deposits from financial institutions	36	**72,147,955**	96,893,015	135,228,759	**61,295,352**	16,312,516	131,494,136
Deposits from customers	37	**1,331,418,659**	1,201,481,996	1,101,703,921	**1,217,176,793**	1,093,979,220	522,922,292
Derivative financial instruments	23	**32,955**	35,515	9,413	**–**	–	–
Claims payable	38	**–**	118,226	450,000	**–**	–	–
Current tax liabilities	16	**6,899,558**	8,937,964	9,747,004	**6,075,590**	7,686,568	2,084,899
Other liabilities	39	**56,847,216**	58,418,260	140,772,972	**52,092,559**	50,246,164	61,029,366
Deferred tax liabilities	35	**37,861**	–	–	**–**	–	2,841,403
Liabilities on investment contracts	40	**–**	65,591	61,000	**–**	–	–
Liabilities on insurance contracts	41	**–**	3,351,234	2,703,000	**–**	–	–
Debt securities issued	42	**55,828,248**	54,685,891	–	**–**	–	–
Interest-bearing loans and borrowings	43	**64,338,982**	48,369,849	40,837,800	**120,342,026**	103,872,441	40,823,345
Retirement benefit obligations	44	**1,933,021**	2,487,589	1,876,578	**1,929,695**	2,485,093	1,149,578
Contingent settlement provisions	45	**–**	3,548,250	3,548,000	**–**	3,548,250	–
		1,589,484,455	1,478,393,380	1,436,938,447	**1,458,912,015**	1,278,130,252	762,345,019
Liabilities classified as held for sale	18	**1,499,495**	25,793,512	–	**–**	–	–
Total liabilities		**1,590,983,950**	1,504,186,892	1,436,938,447	**1,458,912,015**	1,278,130,252	762,345,019
Equity							
Share capital and share premium	46	**172,477,671**	176,628,255	155,104,963	**172,477,671**	176,628,255	155,104,963
Retained earnings	46	**22,232,375**	17,856,630	(6,744,577)	**23,095,392**	18,880,711	3,376,997
Other components of equity	46	**48,003,894**	38,700,374	20,649,521	**49,608,934**	42,115,245	28,555,118
Total equity attributable to owners of the Bank		**242,713,940**	233,185,259	169,009,907	**245,181,997**	237,624,211	187,037,078
Non-controlling interest	46	**1,768,110**	8,099,594	23,054,841	**–**	–	
Total equity		**244,482,050**	241,284,853	192,064,748	**245,181,997**	237,624,211	187,037,078
Total liabilities and equity		**1,835,466,000**	1,745,471,745	1,629,003,195	**1,704,094,012**	1,515,754,463	949,382,097

Signed on behalf of the Board of Directors on 28 January 2014 by:

Additionally certified by:

Group Managing Director
Herbert Wigwe
FRC/2013/ICAN/00000001998

Executive Director
Victor Etuokwu
FRC/2014/CIBN/00000006249

Chief Financial Officer
Oluseyi Kumapayi
FRC/2013/ICAN/00000000911

The notes on pages 96 to 218 are an integral part of these consolidated financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	Notes	Group Dec-13	Group Dec-12	Bank Dec-13	Bank Dec-12
		N'000	N'000	N'000	N'000
Continuing operations					
Interest income	8	145,961,028	165,293,728	127,710,965	148,277,802
Interest expense	8	(68,237,387)	(65,059,458)	(61,025,846)	(59,424,878)
Net interest income		77,723,641	100,234,270	66,685,119	88,852,924
Write-back/(impairment charge) on financial assets	9a	6,163,544	10,021,978	7,508,216	(8,006,142)
Net interest income after impairment charges		83,887,185	90,212,292	74,193,335	80,846,782
Fee and commission income	10	31,653,170	24,877,843	26,395,198	19,266,497
Fee and commission expense		(105,638)	(605,835)	–	–
Net fee and commission income		31,547,532	24,272,008	26,395,198	19,266,497
Net gains on financial instruments classified as held for trading	11	1,875,283	110,589	1,760,388	59,147
Foreign exchange income	12	7,537,545	7,434,264	5,735,812	5,396,987
Other operating income	13	15,013,907	9,387,484	13,778,327	7,725,417
Loss on disposal of subsidiary	17d	–	–	(504,323)	–
Fair value gain on investment property	32	4,850,286	–	4,850,286	–
Write back/(Impairment) charge on non-financial assets	9b	–	(768,672)	(823,182)	(3,609,936)
Personnel expenses	14	(31,081,954)	(32,510,560)	(25,937,818)	(28,412,192)
Operating lease expenses		(1,451,667)	(1,442,926)	(1,273,023)	(1,384,837)
Depreciation and amortisation	33,34	(8,714,544)	(10,866,941)	(7,780,207)	(9,678,299)
Loss on settlement of non-cash distribution to shareholders	17a	–	–	(2,462,629)	–
Other operating expenses	15	(59,932,982)	(39,929,462)	(56,566,768)	(33,950,036)
Operating profit		43,530,591	45,898,076	31,365,396	36,259,530
Share of profit of equity accounted investee	31	1,465,819	636,903	–	–
Profit before income tax		44,996,410	46,534,979	31,365,396	36,259,530
Income tax expense	16	(7,498,759)	(1,695,343)	(5,153,552)	(443,919)
Profit for the year from continuing operations		37,497,651	44,893,636	26,211,844	35,815,611
Discontinued operations					
Loss from discontinued operations	17c,d	(1,200,059)	(5,511,361)	–	–
Profit for the year		36,297,592	39,328,275	26,211,844	35,815,611
Other comprehensive income (OCI) for the year					
Items that will not be reclassified to the income statement					
Remeasurements of post-employment benefit obligations		(1,560,220)	538,032	(1,560,220)	538,032
Items that may be subsequently reclassified to the income statement					
Foreign currency translation differences for foreign subsidiaries					
– Unrealised (losses)/gains/arising during the year		(7,248,271)	1,387,577	–	–
– Realised gains arising during the year		979,824	–	–	–
Net changes in fair value of AFS financial instruments					
– Fair value changes arising during the year		6,189,893	1,904,176	6,394,443	(4,755,960)
Fair value changes on AFS financial instruments from associates		(17,215)	133,484		
Other comprehensive (loss)/gain for the year, net of related tax effects:		(1,655,989)	3,963,269	4,834,223	(4,217,928)
Total comprehensive income for the year		34,641,604	43,291,544	31,046,067	31,597,683
Profit attributable to					
Owners of the Bank		36,101,830	39,520,179	26,211,844	35,815,611
Non-controlling interest		195,762	(191,904)	–	–
Profit for the year		36,297,592	39,328,275	26,211,844	35,815,611
Total comprehensive income attributable to					
Owners of the Bank		34,431,354	43,531,029	31,046,067	31,597,683
Non-controlling interest		210,250	(239,485)	–	–
Total comprehensive income for the year		34,641,604	43,291,544	31,046,067	31,597,683
Total comprehensive income for the year					
Continuing operations		35,841,662	48,802,905	31,046,067	31,597,683
Discontinued operations		(1,200,059)	(5,511,361)	–	–
		34,641,604	43,291,544	31,046,067	31,597,683
Earnings per share					
Basic earnings per share (kobo)	19	159	172	115	157
Diluted (kobo)		159	172	115	157
Earnings per share – continuing operations					
Basic earnings per share (kobo)	19	164	196	115	157
Diluted (kobo)		164	196	115	157

The notes on pages 96 to 218 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

										Attributable to owners of the Bank				
Group	Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury shares	Capital Reserve	Fair value reserve	Contingency reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2013	11,441,460	165,186,795	6,961,919	26,080,715	–		3,489,080	65,261	650,437	1,452,962	17,856,630	233,185,260	8,099,594	241,284,854
Total comprehensive income for the year														
Profit for the year	–	–	–	–	–	–	–	–	–		36,101,830	36,101,830	195,762	36,297,592
Other comprehensive income, net of tax	–	–	–	–	–	–								
Unrealised foreign currency translation difference	–	–	–	–	–	–	–	–	–	(7,248,271)	–	(7,248,271)	–	(7,248,271)
Realised foreign currency translation difference						–	–	–	–	979,824	–	979,824	–	979,824
Actuarial gain/loss on remeasurement of retirement benefit	–	–	–	–	–	–	–	–	–	–	(1,560,220)	(1,560,220)	–	(1,560,220)
Net changes in fair value of AFS financial instruments	–	–	–	–	–	–	–	6,189,893	–	–	–	6,189,893	–	6,189,893
Fair value changes on AFS financial instruments from associates	–	–	–	–	–	–	–	(17,215)	–	–	–	(17,215)	–	(17,215)
Total other comprehensive income/(loss)	–	–	–	–	–	–	–	6,172,678	–	(6,268,447)	(1,560,220)	(1,655,989)	–	(1,655,989)
Total comprehensive income/(loss)	–	–	–	–	–	–	–	6,172,678	–	(6,268,447)	34,541,610	34,445,841	195,762	34,641,603
Transactions with equity holders, recorded directly in equity														
Non-cash distribution to shareholders	–	(4,150,584)	–	–	–	–	–	–	–	–	–	(4,150,584)	–	(4,150,584)
Transfers during the year	–	–	6,112,829	4,284,694	–	–	–	–	–	–	(10,397,523)	–	–	–
Scheme shares	–	–	–	–	112,783	(460,580)	–	–	–	–	–	(347,797)	–	(347,797)
Deemed disposal of subsidiary	–	–	–	–	–	–	–	–	–	–	(968,300)	(968,300)	968,300	–
Transfer from disposed subsidiaries	–	–	–	–	–	–	–	–	(650,437)	–	650,437	–	(7,495,546)	(7,495,546)
Dividend paid to equity holders	–	–	–	–	–	–	–	–	–	–	(19,450,480)	(19,450,480)	–	(19,450,480)
Total contributions by and distributions to equity holders	–	(4,150,584)	6,112,829	4,284,694	112,783	(460,580)	–	–	(650,437)	–	(30,165,865)	(24,917,161)	(6,527,246)	(31,444,407)
Balance at 31 December 2013	11,441,460	161,036,211	13,074,748	30,365,409	112,783	(460,580)	3,489,080	6,237,939	–	(4,815,485)	22,232,375	242,713,941	1,768,110	244,482,050

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

Group	Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Treasury shares	Capital reserve	Fair value reserve	Contingency reserve	Foreign currency translation reserve	Retained earnings	Total interest	Non-controlling	Total equity
	Attributable to owners of the Bank												
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2012	8,944,126	146,160,837	4,153,575	19,276,823	(5,048,872)	3,489,080	(1,872,471)	586,000	65,385	(6,744,577)	169,009,906	23,054,841	192,064,747
Total comprehensive income for the year													
Profit for the year	–	–	–	–	–	–	–	–	–	39,520,179	39,520,179	(191,904)	39,328,275
Other comprehensive income, net of tax	–	–	–	–	–	–	–	–	–	–	–	–	–
Actuarial gain/loss on remeasurement of retirement benefit	–	–	–	–	–	–	–	–	–	538,032	538,032	–	538,032
Foreign currency translation difference	–	–	–	–	–	–	–	–	1,387,577	–	1,387,577	–	1,387,577
Fair value changes on AFS financial instruments from associates	–	–	–	–	–	–	133,484	–	–	–	133,484	–	133,484
Net changes in fair value of AFS financial instruments	–	–	–	–	–	–	1,904,176	–	–	–	1,904,176	–	1,904,176
Total other comprehensive (loss)/income	**–**	**–**	**–**	**–**	**–**	**–**	**2,037,660**	**–**	**1,387,577**	**538,032**	**3,963,269**	**–**	**3,963,269**
Total comprehensive (loss)/income	**–**	**–**	**–**	**–**	**–**	**–**	**2,037,660**	**–**	**1,387,577**	**40,058,211**	**43,483,448**	**(191,904)**	**43,291,544**
Transactions with equity holders, recorded directly in equity													
Transfers for the year	–	–	2,808,344	6,957,029	–	–	–	–	–	(9,765,373)	–	–	–
New issue of shares	622,334	20,900,958	–	–	–	–	–	–	–	–	21,523,292	(21,523,292)	–
Scheme shares to existing shareholders	1,875,000	(1,875,000)	–	–	–	–	–	–	–	–	–	–	–
Transfer to contingency reserve	–	–	–	–	–	–	–	64,437	–	(64,437)	–	–	–
Reclassification	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase in non-controlling interest	–	–	–	–	–	–	–	–	–	–	–	5,679,732	5,679,732
Loss of control due to liquidation of subsidiaries	–	–	–	(153,137)	–	–	(99,928)	–	–	8,330,533	8,077,468	1,080,217	9,157,685
Disposal of own shares/ consideration received	–	–	–	–	5,048,872	–	–	–	–	(1,369,187)	3,679,686	–	3,679,686
Dividend paid to equity holders	–	–	–	–	–	–	–	–	–	(12,588,539)	(12,588,539)	–	(12,588,539)
Total contributions by and distributions to equity holders	**2,497,334**	**19,025,958**	**2,808,344**	**6,803,892**	**5,048,872**	**–**	**(99,928)**	**64,437**	**–**	**(15,457,003)**	**20,691,906**	**(14,763,343)**	**5,928,564**
Balance at 31 December 2012	**11,441,460**	**165,186,795**	**6,961,919**	**26,080,715**	**–**	**3,489,080**	**65,261**	**650,437**	**1,452,962**	**17,856,630**	**233,185,260**	**8,099,594**	**241,284,854**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013

Bank	Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Capital reserve	Fair value reserve	Merger reserve	Retained earnings	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2013	11,441,460	165,186,795	4,068,288	24,635,492	–	3,489,081	(132,303)	10,054,688	18,880,711	237,624,212
Total comprehensive income for the year										
Profit for the year	–	–	–	–	–	–	–	–	26,211,843	26,211,843
Other comprehensive income, net of tax										
Actuarial gain/loss on remeasurement of retirement benefit	–	–	–	–	–	–	–	–	(1,560,220)	(1,560,220)
Net changes in fair value of AFS financial instruments	–	–	–	–	–	–	6,394,443	–	–	6,394,443
Total other comprehensive income	–	–	–	–	–	–	6,394,443	–	(1,560,220)	4,834,224
Total comprehensive income	–	–	–	–	–	–	6,394,443	–	24,651,623	31,046,066
Transactions with equity holders, recorded directly in equity										
Non-cash distribution to shareholders	–	(4,150,584)	–	–	–	–	–	–	–	(4,150,584)
Transfers for the year	–	–	7,109,374	3,931,776	–	–	–	–	(11,041,150)	–
Transfer of merger reserve to retained earnings	–	–	–	–	–	–	–	(10,054,688)	10,054,688	–
Dividend paid to equity holders	–	–	–	–	–	–	–	–	(19,450,480)	(19,450,480)
Scheme shares	–	–	–	–	112,783	–	–	–	–	112,783
Total contributions by and distributions to equity holders	–	(4,150,584)	7,109,374	3,931,776	112,783	–	–	(10,054,688)	(20,436,942)	(23,488,281)
Balance at 31 December 2013	11,441,460	161,036,211	11,177,662	28,567,268	112,783	3,489,081	6,262,140	–	23,095,392	245,181,997

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2012

Bank	Share premium	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Capital reserve	Fair value reserve	Merger reserve	Retained earnings	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2012	8,944,126	146,160,837	1,259,944	19,182,446	3,489,080	4,623,657	–	3,376,997	187,037,087
Total comprehensive income for the year									
Profit for the year	–	–	–	5,453,046	–	–	–	30,362,565	35,815,611
Other comprehensive income, net of tax									
Actuarial gain/loss on remeasurement of retirement benefit	–	–	–	–	–	–	–	538,032	538,032
Net changes in fair value of AFS financial instruments	–	–	–	–	–	(4,755,960)	–	–	(4,755,960)
Total other comprehensive (loss)/income	–	–	–	–	–	(4,755,960)	–	538,032	(4,217,928)
Total comprehensive (loss)/income	–	–	–	5,453,046	–	(4,755,960)	–	30,900,597	31,597,683
Transactions with equity holders, recorded directly in equity									
Business combination	–	–	–	–	–	–	10,054,688	–	10,054,688
Transfers during the year	–	–	2,808,344	–	–	–	–	(2,808,344)	–
New issue of shares	622,334	20,900,958	–	–	–	–	–	–	21,523,292
Scheme shares to existing shareholders	1,875,000	(1,875,000)	–	–	–	–	–	–	–
Acquisition/disposal of own shares	–	–	–	–	–	–	–	–	–
Dividend paid to equity holders	–	–	–	–	–	–	–	(12,588,539)	(12,588,539)
Total contributions by and distributions to equity holders	2,497,334	19,025,958	2,808,344	–	–	–	10,054,688	(15,396,883)	18,989,441
Balance at 31 December 2012	11,441,460	165,186,795	4,068,288	24,635,492	3,489,080	(132,303)	10,054,688	18,880,711	237,624,211

CONSOLIDATED STATEMENT OF CASH FLOWS

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Cash flows from operating activities				
Profit for the year	43,796,352	41,023,618	31,365,395	36,259,530
Adjustments for				
Depreciation of property and equipment	7,719,600	10,192,675	6,702,482	8,690,580
Amortisation of intangible assets	1,227,944	1,335,149	1,077,726	987,718
Gain on disposal of property and equipment	(2,134,945)	(59,197)	(2,135,015)	(32,808)
Profit on disposal of trading properties	–	(18,843)	–	–
Profit on disposal of investment properties	(12,000)	–	(12,000)	–
Loss on disposal of investment securities	152,619	(256,215)	(565,506)	(256,215)
Fair value gain on investment properties	(4,850,286)	–	(4,850,286)	–
Impairment on financial assets	(6,163,545)	10,790,651	(6,685,033)	11,616,078
Additional gratuity provision	801,168	1,920,678	801,168	1,920,678
Contribution to defined contribution plans	428,233	574,428	427,403	366,603
Loss on disposal of subsidiaries	732,082	–	2,966,951	–
Write-back of contingent provision	(3,548,250)	–	(3,548,250)	–
Equity share-based payment expense	112,783	–	112,783	–
Profit on disposal of equity investment	–	(1,190,000)	–	(1,190,000)
Property and equipment written off	227,877	550,571	–	236,668
Share of profit of equity accounted investee	(1,369,778)	(544,569)	–	–
Net interest income	(77,723,641)	(95,866,920)	(66,685,119)	(84,996,482)
Profit on disposal of associates	(23,734)	(450,000)	(68,624)	(450,008)
Loss on disposal of AMCON bonds investments	849,362	7,417,651	849,362	7,417,651
Dividend income	(3,161,572)	(1,684,579)	(3,257,632)	(1,643,081)
	(42,939,731)	(26,264,902)	(43,504,195)	(21,073,088)
Increase/(decrease) in operating assets				
Change in non-pledged trading assets	24,509,283	(19,091,136)	401,203	1,685,723
Change in pledged assets	(2,459,995)	5,241,288	(2,397,967)	5,241,290
Change in restricted deposit with CBN	(63,299,022)	(32,708,461)	(64,111,310)	(74,442,033)
Change in loans and advances to banks and customers	(202,226,428)	(48,108,093)	(188,724,917)	(45,670,356)
Change in insurance receivables	(254,921)	(180,326)	–	–
Changes in trading properties	–	1,301,815	–	–
Change in other assets	44,026,433	(43,613,368)	31,826,811	(1,107,636)
Change in deposits from banks	(25,112,736)	(38,350,750)	44,982,836	(121,083,609)
Change in derivative financial instruments – assets				
Change in derivative financial instruments – liabilities	(73,734)	76,414	(72,675)	–
Change in deposits from customers	126,657,173	109,983,219	124,442,847	107,639,255
Change in claims payable	(118,226)	(331,774)	–	–
Change in liabilities on investment contracts	(65,591)	4,591	–	–
Change in liabilities on insurance contracts	1,578,125	648,234	–	–
Change in other liabilities	1,739,314	(75,706,621)	1,846,395	(68,059,302)
Changes in retirement benefit obligation	(4,012,855)	(574,428)	(4,012,855)	(366,603)
Interest paid on deposits and borrowings	(59,852,128)	(55,073,269)	(57,118,876)	(43,856,101)
Interest received on loans and advances	95,479,688	100,091,117	84,871,814	89,437,481
	(106,425,353)	(122,656,450)	(71,570,888)	(171,654,979)
Income tax paid	(10,850,841)	(7,652,116)	(8,936,331)	(4,849,638)
Net cash used in operating activities	(117,276,193)	(130,308,566)	(80,507,218)	(176,504,617)

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Cash flows from investing activities				
Cash payments to acquire investment securities	(184,591,071)	(12,330,894)	(124,550,520)	(8,849,112)
Interest received on investment securities	55,041,060	46,819,601	41,918,885	33,535,108
Dividend received	3,161,572	1,684,579	3,257,632	1,643,081
Acquisition of property and equipment	(14,768,856)	(12,068,916)	(13,596,707)	(10,482,823)
Proceeds from the sale of property and equipment	4,746,630	1,006,357	3,464,445	246,996
Acquisition of intangible assets	(1,555,181)	(1,971,261)	(1,399,769)	(1,422,816)
Acquisition of investment properties	(585,261)	(1,799,293)	–	–
Proceeds from disposal of investment properties	120,000	2,297,956	120,000	54,690
Proceeds from matured investment securities	86,241,142	44,820,429	79,777,294	20,158,641
Proceeds from sale of subsidiary and associates	6,762,269	–	6,762,269	–
Acquisition of subsidiaries	–	–	(6,931,299)	–
Cash acquired from subsidiary	–	–	–	81,984,000
Proceeds from sale of equity investments	–	1,200,000	–	1,200,000
Proceeds from sale of investment securities	193,608,111	88,050,442	171,354,325	67,891,801
Cash lost on loss of control of subsidiaries	(24,974,504)	(536,675)	–	–
Net cash generated from investing activities	123,205,910	157,172,325	160,176,555	185,959,566
Cash flows from financing activities				
Interest paid on interest bearing loans and borrowings	(4,586,103)	(4,095,028)	(4,586,103)	(394,451)
Proceeds from new interest bearing borrowings	26,756,853	14,677,378	25,739,309	69,363,269
Repayment of interest-bearing borrowings	(9,309,994)	(12,224,357)	(9,421,714)	(12,473,833)
Purchase of own shares	(460,580)	–	–	–
Dividends paid to owners	(19,450,480)	(12,588,539)	(19,450,480)	(12,588,539)
Debt securities issued	–	54,685,891	–	–
Net cash provided by/(used in) financing activities	(7,050,304)	40,455,345	(7,718,988)	43,906,446
Net (decrease)/increase in cash and cash equivalents	(1,120,586)	67,319,104	71,950,348	53,361,395
Cash and cash equivalents at beginning of year	271,573,393	191,518,474	151,617,359	98,255,964
Cash and cash equivalents of assets held for sale		13,122,271		–
Effect of exchange rate fluctuations on cash held	(3,696,066)	(386,456)		–
Cash and cash equivalents at end of year	266,756,741	271,573,393	223,567,707	151,617,359
Net (decrease)/increase in cash and cash equivalents	(1,120,586)	67,319,104	71,950,348	53,361,395

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1. General information

Access Bank Plc ("the Bank") is a company domiciled in Nigeria. The address of the Bank's registered office is Plot 999c, Danmole Street, off Adeola Odeku/Idejo Street, Victoria Island, Lagos (formerly Plot 1665, Oyin Jolayemi, Victoria Island, Lagos). The consolidated financial statements of the Bank for the year ended 31 December 2013 comprise the Bank and its subsidiaries (together referred to as "the Group" and separately referred to as "Group entities"). The Group is primarily involved in investment, corporate, commercial and retail banking and is listed on the Nigerian Stock Exchange.

These financial statements were authorised for issue by the Board of Directors on 28th January 2014

2. Statement of compliance with International Financial Reporting Standards

The consolidated and separate financial statements of the Group and Bank respectively, have been prepared in accordance with International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). Additional information required by national regulations is included where appropriate.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. (See note 3.5).

3.1 Basis of preparation

The consolidated financial statement comprise the consolidated statement of comprehensive income, the statement of financial position, the consolidated statements of changes in equity, the consolidated cash flow statement and the notes.

a) Functional and presentation currency

These consolidated financial statements are presented in Naira, which is the Group's presentation currency; except where indicated, financial information presented in Naira has been rounded to the nearest thousand.

b) Basis of measurement

These consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- Derivative financial instrumeacts are measured at fair value;
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value;
- Available-for-sale financial assets are measured at fair value;
- Investment property is measured at fair value;
- The liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost;
- Non-current assets held for sale measured at fair value less costs to sell;
- Share based payment at fair value or an approximation of fair value allowed by the relevant standard; and
- Insurance liabilities measured at present value of future cash flows.

c) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 4.

3.2 Changes in accounting policy and disclosures

i) New and amended standards adopted by the group

Below are the IFRSs and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are effective for the first time for the financial year beginning on or after 1 January 2013 that would be expected to have an impact on the group

a) Amendments to IFRS 7 on offsetting financial assets and financial liabilities (2011)

Disclosures – Offsetting Financial Assets and Financial Liabilities (amendments to IFRS 7) introduces disclosures about the impact of right of offsets and related arrangements for financial instruments under a master netting or similar arrangements. The amendments are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The amendments are applied retrospectively, the Group does not have offsetting arrangements in place as at December 2013. The application of the amendments had no material impact on the disclosures or the amount recognised in the consolidated financial statements.

b) New and revised standards – IFRS 10 – Consolidated Financial Statement, IFRS 11 – Joint arrangements, IAS 27 – Separate financial statement, IAS 28 – Investment in Associates and IFRS 12 – Disclosures of Interest in Other Entities

Early adoption of IFRS 10, 11 and 12 is permitted but is required to take place simultaneously. Only IFRS 12 can be early adopted without IFRS 10 and 11. None of these standards were early adopted by the Group.

In the current year, the Group has applied for the first time IFRS 10, IFRS 11, IFRS 12 and IAS 28 (revised) together with the amendments to IFRS 10, 11 and 12 regarding the transition guidance. IAS 27 (revised) is also applicable to the entity since a consolidated and separate financial statements are being presented.

i) IFRS 10 Consolidated Financial Statements

IFRS 10 replaces all of the consolidation guidance of IAS 27 Consolidated and Separate Financial Statements and SIC 12 Consolidation – Special Purpose Entities. The new standard changes the definition of control such that it can only be present when there is (i) power, (ii) exposure to variability in returns and (iii) ability to use the power to affect returns. Consolidation will only be required when all the three criteria are met. IFRS 10 is effective for annual periods beginning on or after 1 January 2013. The amendments have been applied retrospectively, the Group does not have any entity which would result to a loss of controls or an existence of a control relationship based on the requirement of the new standard. The application of the amendments had no material impact on the disclosures or the amount recognised in the consolidated financial statements.

ii) IFRS 11 Joint Arrangements

IFRS 11 overhauls the accounting for joint ventures and replaces IAS 31 Interest in Joint Ventures and SIC 13 Jointly Controlled Entities – Non Monetary Contributions by Venturers. It uses the principles of control in IFRS 10 in defining joint control and whether joint control exists may change. Under IFRS 11, there are only two types of joint arrangements (i) Joint operations (ii) Joint ventures. The new standard does not allow proportional consolidation of joint ventures and the equity method must be applied. IFRS 11 is effective in annual periods beginning on or after 1 January 2013. The amendments have been applied retrospectively, the Group does not have any joint arrangement relationship. The application of the amendments had no material impact on the disclosures or the amount recognised in the consolidated financial statements.

iii) IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 includes all of the disclosure requirements for subsidiaries, joint arrangements, associated entities, structured entities and other Balance Sheet vehicles. Changes include the requirement to disclose the judgements made to determine whether it controls another entity and other more extensive disclosures in the consolidated financial statements. IFRS 12 is effective in annual periods beginning on or after 1 January 2013. The application of IFRS 12 has resulted in more extensive disclosures in the consolidated financial statements (See note 27, 28 and 50 for details) .

iv) IAS 27 (revised 2011) – Separate financial statements

This standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. The financial statement includes information relating to the stand alone parent and all relevant disclosures included.

v) AS 28 (revised 2011) – Associates and joint ventures

This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The revision has no impact on the Bank.

c) IFRS 13 Fair Value Measurement

IFRS 13 provides a single source of guidance on how fair value is measured and disclosed, and replaces the fair value measurement guidance that is currently dispersed throughout IFRS. Subject to limited exceptions, IFRS 13 is applied when fair value measurements or disclosures are required or permitted by other IFRSs, this is applicable to both financial and non financial instruments. The exceptions include leasing transactions within the scope of IAS 17 – Leases, IFRS 2 – Share based payments and some measurements with similarities to fair value but are not fair value e.g. value in use for impairment assessment purpose or net realisable value for measuring inventories. Although many of the IFRS 13 disclosure requirements regarding financial assets and financial liabilities are already required, the adoption of IFRS 13 will require the Group to provide additional disclosures. These include fair value hierarchy disclosures for non-financial assets/liabilities and disclosures on fair value measurements that are categorised in Level 3.

IFRS 13 requires prospective application from 1 January 2013, specific transition provision was also granted to entities such that they need not apply the disclosure requirements set out in the standard in comparative information provided for periods before the application of this standard. IFRS 13 is effective for annual periods beginning on or after 1 January 2013 with early adoption permitted. In accordance with the transition provisions, the Group has not made any new disclosures required for comparative periods, see note 4 for 2013 disclosures.

d) IAS 1 Presentation of Financial Statements

IAS 1 addresses changes in the presentation of other comprehensive income. The amended standard retains the option to present either a single statement or as two separate statements. The amendments also includes new terminologies whose use is not mandatory. Under IAS 1 amended, the statement of comprehensive income is renamed as the statement of profit or loss account and other comprehensive income and the income statement is renamed as the statement of profit and loss. The Group continues to adopt the single statement approach.

The amendments to IAS 1 also require items of other comprehensive income be grouped into two categories (a) Items that may be subsequently reclassified in the profit and loss account when specific conditions are met (b) Items that will not be subsequently reclassified to profit and loss account. Income tax on items in other comprehensive income should also be allocated in the same manner. The amendment did not remove the option to report the items in other comprehensive income before or net of tax. This standard is applicable for annual periods beginning on or after 1 July 2012. The application of IAS 1 (amended) has resulted in split of other comprehensive income into items that may be subsequently reclassified and items that will not (please see statement of comprehensive income for details)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

e) IAS 19 Employee benefits

The amended IAS 19 states that changes in the defined benefit obligation and fair value of plan assets are recognised in the period as they occur. The "corridor" method is eliminated and actuarial gains and losses and unrecognised past service costs are recognised directly in other comprehensive income. Because actuarial gains and losses are no longer deferred, affecting both the net defined benefit liability/asset and the amounts recognised in income statement are affected. The amended standard splits changes in defined benefit liabilities/assets in:

- Service cost (including past service costs, curtailments and settlements) – in income statement;
- Net interest costs (i.e. net interest on the net defined benefit liability) – income statement; and
- Remeasurement of the defined benefit liability/asset – in other comprehensive income.

The amended IAS 19 is effective for periods beginning on or after 1 January 2013. The amendments have been applied retrospectively, therefore actuarial gains or losses previously recognised in income statement should be reclassed to other comprehensive income. The application of the amendments will impact the Group's previous treatment of recognising actuarial gains and losses in income statement.

f) IAS 32 (amended) Financial instruments: Presentation

The amendment clarifies the treatment of income tax relating to distributions and transaction costs. The amendment clarifies that the treatment is in accordance with IAS 12. So, income tax related to distributions is recognised in the income statement, and income tax related to the costs of equity transactions is recognised in equity. The amended IAS 32 is effective for periods beginning on or after 1 January 2013. The amendments have been applied retrospectively. The application of the amendments had no material impact on the disclosures or the amount recognised in the consolidated financial statements.

ii) New and amended standards effective from 1 January 2013 which do not impact on the Group

A number of standards, interpretations and amendments thereto, had been issued by the IASB which are effective but do not impact on these consolidated financial statements. Improvements to IFRSs (issued May 2012) by the IASB as part the 'annual improvements process' resulted in the following amendments to standards issued. These are summarised in the table below:

These are the list of Directors who held interest in the entity up to the date of this report

IFRS	Effective Date	Subject of amendment
Amendments to IFRS 1, 'First time adoption of IFRS'	1 January 2013	The amendment clarifies that an entity may apply IFRS 1 more than once under certain circumstances and that an entity can choose to adopt IAS 23, 'Borrowing costs', either from its date of transition or from an earlier date. Lastly the amendments clarifies that a first-time adopter should provide the supporting notes for all statements presented.
Amendment to IAS 32, 'Financial instruments: Presentation'	1 January 2013	The amendment clarifies the treatment of income tax relating to distributions and transaction costs. The amendment clarifies that the treatment is in accordance with IAS 12. So, income tax related to distributions is recognised in the income statement, and income tax related to the costs of equity transactions is recognised in equity.
Amendment to IAS 1, 'Presentation of financial statements'	1 January 2013	The amendment clarifies the disclosure requirements for comparative information when an entity provides a third Balance Sheet either: as required by IAS 8, 'Accounting policies, changes in accounting estimates and errors'; or voluntarily.
Amendment to IAS 16, 'Property, plant and equipment'	1 January 2013	The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment.
Amendment to IAS 34, 'Interim financial reporting'	1 January 2013	The amendment brings IAS 34 into line with the requirements of IFRS 8, 'Operating segments'. A measure of total assets and liabilities is required for an operating segment in interim financial statements if such information is regularly provided to the CODM and there has been a material change in those measures since the last annual financial statements.
IFRIC 20 – Stripping costs in the production phase of a surface mine	1 January 2013	In surface mining operations, entities may find it necessary to remove mine waste materials ('overburden') to gain access to mineral ore deposits. This waste removal activity is known as 'stripping'. The Interpretation clarifies there can be two benefits accruing to an entity from stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. The Interpretation considers when and how to account separately for these two benefits arising from the stripping activity, as well as how to measure these benefits both initially and subsequently.

iii) New and amended standards and interpretations not yet adopted by the Group

As at 31 December 2013, a number of standards and interpretations, and amendments thereto, had been issued by the IASB which are not yet effective for these consolidated financial statements. None of these standards is expected to have a significant effect on the consolidated financial statement of the group, except the following set out below.

IFRS 9 Financial Instruments: Classification and Measurement (effective 1 January 2015)

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. IFRS 9 (2010) introduces additions relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and add new requirements to address the impairment of financial assets and hedge accounting.

The IFRS 9 (2009) requirements represents a significant change from the existing requirements in IAS 39 in respect of financial assets. The standard contains two primary measurement categories of financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard eliminates the existing IAS 39 categories of held to maturity, available-for-sale and loans and receivables. For an investment in equity instrument which is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual share-by-share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognized in other comprehensive income would ever be reclassified to profit or loss at a later date. However, dividend on such investments are recognized in the income statement, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investments. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognized in the income statement.

Amendments to IAS 32 – Financial Instruments: Presentation (effective 1 January 2014)
The IASB has issued amendments to the application guidance in IAS 32, 'Financial instruments: Presentation', that clarify some of the requirements for offsetting financial assets and financial liabilities on the Balance Sheet. However, the clarified offsetting requirements for amounts presented in the statement of financial position continue to be different from Generally Accepted Accounting practices in the United States of America)

Amendments to IAS 36 – Impairment of assets (effective 1 January 2014)
These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal to require disclosure of the recoverable amount of an asset or CGU when an impairment loss has been recognised or reversed; and to require detailed disclosure of how the fair value less costs of disposal has been measured when an impairment loss has been recognised or reversed.

3.3 Basis of consolidation
i) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the group exercise control. Control is achieved when the Group can demonstrate it has:

a) Power over the investee;

b) Exposure, or rights, to variable returns from its involvement with the investee; and

c) The ability to use its power over the investee to affect the amount of the investor's returns.

The investor shall reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed. The existence and effect of potential voting rights are considered when assessing whether the group controls another entity.

The group assesses existence of control where it does not have more than 50% of the voting power i.e. when it holds less than a majority of the voting rights of an investee. An investor considers all relevant facts and circumstances in assessing whether or not it's voting rights are sufficient to give it power, including:

a) A contractual arrangement between the investor and other vote holders;

b) Rights arising from other contractual arrangements;

c) The investor's voting rights (including voting patterns at previous shareholders' meetings); and

d) Potential voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

Subsidiaries are measured at cost less impairment in the separate financial statement.

ii) Business combinations
The Group applies IFRS 3 Business Combinations (revised) in 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.

The Group measures goodwill at the acquisition date as the total of:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When this total is negative, a bargain purchase gain is recognised immediately in statement of comprehensive income, after a re-assessment to ensure correctness.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement.

Transactions costs related to the acquisition, 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.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the income statement.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services , then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

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.

iii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments.

iv) Disposal of subsidiaries

When the group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

The gain/loss arising from disposal of subsidiaries is included in the profit/loss of discontinued operations in the statement of comprehensive income.

v) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

vi) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit/loss and other comprehensive income of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statement where appropriate.

The group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates in the income statement

Profits and losses resulting from upstream and downstream transactions between the group and its associate are recognised in the group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Investments in associates are measured at cost less impairment in the separate financial statement.

vii) Transactions eliminated on consolidation

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

3.4 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Committee (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

3.5 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Naira', which is the group's presentation currency.

The Group in the normal course of business sets up Structured Entiries (SEs) for the sole purpose of raising finance in foreign jurisdictions. The SEs raises finance in the currency of their jurisdictions and passes the proceeds to the group entity that set them up. All costs and interest on the borrowing are borne by the sponsoring group entity. These SEs are deemed to be extensions of the sponsoring entity, and hence, their functional currency is the same as that of the sponsoring entity.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

b) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

c) All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3.6 Operating income

i) Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within "interest income" and "interest expense" in the consolidated income statement using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instruments but not future credit losses.

The calculation of the effective interest rate includes contractual fees and points paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income and expense presented in the statement of comprehensive income include:

- Interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis; and
- Interest on available-for-sale investment securities calculated on an effective interest basis.

ii) Fees and commission

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Other fees and commission income, including account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees, are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

iii) Net gains/losses on financial instruments classified Held for Trading
Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes and foreign exchange differences.

iv) Foreign exchange income
Foreign exchange income includes foreign exchange gains on revaluation and unrealised foreign exchange gains on revaluation.

v) Dividends
Dividend income is recognised when the right to receive payment is established. Dividends are reflected as a component of other operating income.

3.7 Lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

3.8 Income tax expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

i) Current tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Balance Sheet date in the countries where the bank and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax
Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.9 Financial assets and liabilities

In accordance with IAS 39, all financial assets and liabilities (which include derivative financial instruments) have to be recognised in the consolidated statement of financial position and measured in accordance with their assigned category.

The table below reconciles classification of financial instruments to the respective IAS 34/39 category.

	Category (as defined by IAS 39)	Class (as determined by the Group)	Sub-classes
Financial assets	Financial assets at fair value through profit or loss	Non-pledged trading assets	Equity securities
			Debt securities
	Loans and receivables	Cash and balances with banks	Cash on hand and balances with banks
			Unrestricted balances with central banks
			Restricted balances with central banks
			Money market placements and other cash equivalents
		Loans and advances to banks	Loans and advances to banks
		Loans and advances to customers	Loans to individuals
			Loans to corporate entities and other organisations
		Other assets	Receivables
	Held to maturity	Investment securities – debt securities	Listed
		Pledged assets	Listed
	Available for sale financial assets	Investment securities – debt securities	Listed
			Unlisted
		Investment securities – equity securities	Listed
			Unlisted
Financial liabilities	Financial liabilities at fair value through profit or loss	Derivatives	
	Financial liabilities at amortised cost	Deposits from banks	
		Deposits from customers	Demand deposits
			Savings deposits
			Term deposits
		Interest-bearing loans and borrowings	
		Retirement benefit obligations	Liability for defined benefit and defined contribution
		Other liabilities	

The purchases and sales of financial assets are accounted for in the Group's books at settlement date.

a) Classification, recognition and measurement
– Financial assets

The Group allocates financial assets to the following IAS 39 categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. Management determines the classification of its financial instruments at initial recognition.

i) Financial assets at fair value through profit or loss

This category comprises two sub-categories: financial assets classified as held for trading and financial assets designated by the Group as at fair value through profit or loss upon initial recognition.

A financial asset is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. Financial assets held for trading consist of debt instruments, including money-market paper, as well as financial assets with embedded derivatives. They are recognised in the consolidated statement of financial position as 'non-pledged trading assets'.

Financial instruments included in this category are recognised initially at fair value; transaction costs are taken directly to the consolidated income statement. Gains and losses arising from changes in fair value are included directly in the consolidated income statement and are reported as Net gains on financial instruments classified as held for trading. Interest income and expense and dividend income and expenses on financial assets held for trading are included in 'Net interest income' or 'Dividend income', respectively. The instruments are derecognised when the rights to receive cash flows have expired or the Group has transferred substantially all the risks and rewards of ownership and the transfer qualifies for derecognising.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The Group designates certain financial assets upon initial recognition as at fair value through profit or loss (fair value option). This designation cannot subsequently be changed. According to IAS 39, the fair value option is only applied when the following conditions are met:

- The assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise; and
- The asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract.

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Group does not intend to sell immediately or in the near term.

Finance lease receivables are reported within loans and receivables where the Group is the lessor in a lease agreement. Such lease agreement transfers substantially all of the risks and rewards incidental to ownership of an asset to the lessee. The loans and receivables equal to the net investment in the lease is recognised and presented within loans and advances.

When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date ("reverse repo or stock borrowing"), the arrangement is accounted for as a loan or advance, and the underlying asset is not recognised in the Group's financial statements.

Loans and receivables are initially recognised at fair value – which is the cash consideration to originate or purchase the loan including any transaction costs – and measured subsequently at amortised cost using the effective interest rate method. Loans and receivables are reported in the consolidated statement of financial position as loans and advances to banks or customers or as investment securities. Interest on loans is included in the consolidated income statement and is reported as 'Interest income'. In the case of an impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the consolidated income statement under "net impairment loss on financial assets".

iii) Held-to-maturity

Held-to-maturity investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss, loans and receivables or available-for-sale.

These are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method. Any sale or reclassification of a significant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Group from classifying investment securities as held-to-maturity for the current and the following two financial years. However, sales and reclassifications in any of the following circumstances would not trigger a reclassification:

- Sales or reclassification that are so close to maturity that changes on the market rate of interest would not have a significant effect on the financial asset's fair value;
- Sales or reclassification after the Group has collected substantially all the asset's original principal; and
- Sales or reclassification attributable to non-recurring isolated events beyond the Group's control that could not have been reasonably anticipated.

Interest on held-to-maturity investments is included in the consolidated income statement and reported as 'Interest income'. In the case of an impairment, the impairment loss is been reported as a deduction from the carrying value of the investment and recognised in the consolidated income statement as 'net impairment loss on financial assets'. Held-to-maturity investments include treasury bills and bonds.

iv) Available-for-sale

Available-for-sale investments are non-derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost and subjected to impairment. All other available-for-sale investments are carried at fair value.

Interest income is recognised in the income statement using the effective interest method. Dividend income is recognised in the income statement when the Group becomes entitled to the dividend. Foreign exchange gains or losses on available-for-sale debt security investments are recognised in the income statement.

Other fair value changes are recognised directly in other comprehensive income until the investment is sold or impaired whereupon the cumulative gains and loses previously recognised in other comprehensive income are recognised to the income statement as a reclassification adjustment.

A non-derivative financial asset may be reclassified from the available-for-sale category to the loans and receivable category if it otherwise would have met the definition of loans and receivables and if the Group has the intention and ability to hold that financial asset for the foreseeable future or until maturity.

Available for sale instruments include investment securities.

– Financial liabilities
The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or fair value through profit or loss.

v) Financial liabilities at amortised cost
Financial liabilities that are not classified as at fair value through profit or loss are measured at amortised cost using the effective interest method. Interest expense is included in 'Interest expense' in the Statement of comprehensive income.

Deposits and debt securities issued are the Group's sources of debt funding. When the Group sells a financial asset and simultaneously enters into a "repo" or "stock lending" agreement to repurchase the asset (or a similar asset) at a fixed price on a future date, the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the Group's financial statements as pledged assets.

The Group classifies debt instruments as financial liabilities or equity in accordance with the contractual terms of the instrument.

Deposits and debt securities issued are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group designates liabilities at fair value through profit or loss.

On this statement of financial position, financial liabilities carried at amortised cost include deposit from banks, deposit from customers and interest bearing loans and borrowings.

vi) Financial liabilities at fair value
The Group may enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and foreign currency options. Further details of derivative financial instruments are disclosed in Note 24 to the financial statements.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Derivative assets and liabilities are only offset if the transactions are with the same counterparty, a legal right of offset exists and the parties intend to settle on a net basis.

b) De-recognition
– Financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability in the statement of financial position. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the income statement.

The Group enters into transactions whereby it transfers assets recognised on its financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to repurchase transactions as the Group retains all or substantially all the risks and rewards of ownership of such assets.

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract, depending on whether the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

c) Renegotiated loans
Loans that are either subject to collective impairment assessment or individually significant IFRS7IG27 and whose terms have been renegotiated are no longer considered to be past due but are treated as new loans. In subsequent years, the asset is considered to be past due and disclosed only if renegotiated again.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
For the year ended 31 December 2013

– Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Classification of Financial Assets and Liabilities
d) Offsetting
Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity. See note 5.1.5.

e) Sale and repurchase agreements
Securities sold subject to repurchase agreements ('repos') remain on the statement of financial position; the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits or deposits due to customers, as appropriate. Securities purchased under agreements to resell (reverse repos') are recorded as money market placement. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in trading income.

f) Measurement
i) Amortised cost measurement
The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

ii) Fair value measurement
Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

When available, the Group measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily available and represent actual and regularly occurring market transactions on an arm's length basis.

If a market for a financial instrument is not active, the Group establishes fair value using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, and discounted cash flow analysis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument. In other cases the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Assets and long positions are measured at a bid price; liabilities and short positions are measured at an asking price. Where the Group has positions with offsetting risks, mid-market prices are used to measure the offsetting risk positions and a bid or asking price adjustment is applied only to the net open position as appropriate. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes a third-party market participant would take them into account in pricing a transaction.

g) Identification and measurement of impairment
At each reporting date the Group assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include significant financial difficulty of the obligor, default or delinquency by a borrower resulting in a breach of contract, restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below cost is objective evidence of impairment.

i) Loans and receivables

The Group considers evidence of impairment for loans and advances and held-to-maturity investments at both a specific and collective level. All individually significant loans and advances and held-to maturity investment securities are assessed for specific impairment. All individually significant loans and advances and held-to maturity investments found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances and held-to-maturity investment securities (held at amortised cost) with similar characteristics.

In assessing collective impairment the Group uses statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognised in the income statement and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

ii) Available-for-sale securities

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income to the income statement as a reclassification adjustment.

For debt securities, the group uses the criteria referred to in (i) above to assess impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. For equity, a prolonged decline in the fair value of the security below its cost is also evidence that the asset is impaired. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through the income statement; otherwise, any increase in fair value is recognised through OCI. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is always recognised in OCI.

The Group writes off previously impaired loans and advances (and investment securities) when they are determined not to be recoverable. The Group writes off loans or investment debt securities that are impaired (either partially or in full and any related allowance for impairment losses) when the Group credit team determines that there is no realistic prospect of recovery.

g) Cash and balances with banks

Cash and balances with banks include notes and coins on hand, balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, unrestricted balances with foreign and central banks, money market placements and other short-term highly liquid investments with original maturities of three months or less.

h) Repossessed collateral

Repossessed collateral are equities, investment properties or other investments repossessed from a customer and used to settle his outstanding obligation. Such investments are classified in accordance with the intention of the Group in the asset class which they belong and are also separately disclosed in the financial statement.

i) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets (for example, for exchange-traded options), including recent market transactions, and valuation techniques (for example for swaps and currency transactions), including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The Group mitigates the credit risk of derivatives by holding collateral in the form of cash.

j) Reclassification of financial assets

The Bank may choose to reclassify a non-derivative financial asset held for trading out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near-term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near-term. In addition, the Bank may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Bank has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

k) Pledged assets

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets held for trading or investment securities to assets pledged as collateral, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms.

Initial recognition of assets pledged as collateral is at fair value, whilst subsequent measurement is based on the classification of the financial asset. Assets pledged as collateral are either designated as held for trading, available for sale or held to maturity. Where the assets pledged as collateral are designated as held for trading, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral designated as available for sale are measured at fair-value through equity. Assets pledged as collateral designated as held to maturity are measured at amortised cost.

3.10 Trading properties

Traded properties are inventory of land and building held by the group for the trading purposes. These properties are treated as inventory and carried at the lower of cost and net realizable value. The cost of each item of property is as determined under the policy for Property and equipment. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

The gains and losses arising from sale of traded properties are reported as part of "Other operating income". Write-downs in the carrying amount of traded properties are also recognised in "Operating expenses".

3.11 Investment properties

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 is measured initially at cost including transaction cost and subsequently carried in the statement of financial position at their market value and revalued yearly on a systematic basis. Investment properties are not subject to periodic charge for depreciation. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the period which it arises as: "Fair value gain on investment property".

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in income statement inside operating income.

When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

3.12 Property and equipment

i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When significant parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognised net within other income in the Income statement

ii) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. The costs of the day-to-day repairs and maintenance of property and equipment are recognised in Income statement as incurred.

iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives for the current and comparative periods of significant items of property and equipment are as follows:

Leasehold Land and Building	Over the shorter of the useful life of the item or lease term
Leasehold improvements	Over the shorter of the useful life of the item or lease term
Buildings	50 – 60 years
Computer hardware	3 – 4.5 years
Furniture and fittings	3 – 6 years
Motor vehicles	4 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each date of the statement of financial position. Assets are reviewed for impairment whenever events or changed 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 fair value less costs to sell and value in use.

Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category. Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

iv) De-recognition
An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement in the year the asset is derecognised.

3.13 Intangible assets

i) Goodwill
Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 4 (a)(i). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill has an indefinite useful life and it is tested annually for impairment.

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified in accordance with IFRS 8.

Goodwill is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

ii) 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 the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. Software has a finite useful life, the estimated useful life of software is between three and five years. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.14 Leases

Leases are accounted for in accordance with IAS 17 and IFRIC 4. They are divided into finance leases and operating leases.

A group company is the lessee

i) Operating lease
Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to operating expenses in the income statement on a straight-line basis over the period of the lease and used as investment property.

ii) Finance lease
Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in deposits from banks or deposits from customers depending on the counter party. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The investment properties acquired under finance leases are measured subsequently at their fair value.

A group company is the lessor

When assets are held subject to a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.15 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than goodwill and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of goodwill is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows of other assets or groups of assets (the "cash-generating unit" or CGU). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to the groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.16 Discontinued operations

The Group presents discontinued operations in a separate line in the consolidated income statement if an entity or a component of an entity has been disposed of or is classified as held for sale and:

a) Represents a separate major line of business or geographical area of operations;

b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

c) Is a subsidiary acquired exclusively with a view to resale (for example, certain private equity investments).

Net profit from discontinued operations includes the net total of operating profit and loss before tax from operations, including net gain or loss on sale before tax or measurement to fair value less costs to sell and discontinued operations tax expense. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group's operations and cash flows. If an entity or a component of an entity is classified as a discontinued operation, the Group restates prior periods in the consolidated income statement.

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are re-measured in accordance with the Group's accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's accounting policies.

Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on re-measurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

Once classified as held for sale or distribution, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

3.17 Provisions

A provision is recognised if, 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. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expenses.

i) Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

3.18 Financial guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable). Financial guarantees are included within other liabilities.

3.19 Employee benefits

i) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value at the reporting date.

The Bank operates a funded, defined contribution pension scheme for employees. Employees and the Bank contribute 7.5% of each of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2004.

ii) Termination benefits
Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Long-term Incentive Plan
The Bank has a non-contributory, un-funded lump sum defined benefit 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 Bank's net obligation in respect of the long-term incentive scheme is calculated by estimating the amount of future benefits that eligible employees have earned in return for service in the current and prior periods. That benefit is discounted to determine its present value. The rate used to discount the post employment benefit obligation is determined by reference to the yield on Nigerian Government Bonds, that have maturity dates approximating the terms of the Bank's obligations.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in the income statement on a straight line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the income statement. The Bank recognized all actuarial gains or losses and all expenses arising from defined benefit plan immediately in the income statement. However during the year, IAS 19 became effective and all actuarial gains or losses are recognised in other comprehensive income during the period under review.

iii) Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iv) Share-based payment remuneration scheme
The Bank operated a cash-settled share based compensation plan (i.e. share appreciation rights – SARs) for its management personnel . The management personnel are entitled to the share appreciation rights at a pre-determined price after spending five years in the Bank.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognized as personnel expense in the income statement. Liability under this scheme was settled in 2012.

During the period, the cash settled share based payment scheme was replaced by a new plan called Restricted Share Performance Plan (RSPP). Under the RSPP, shares of the Bank are awarded to employees based on their performance at no cost to them and the shares will have a vesting period of 3 years from date of award.

This new plan will be accounted for as an equity-settled transaction, where the Bank will recognize a cost and a corresponding increase in equity. The cost is recognized as an expense unless it qualifies for recognition as an asset. Initial estimates of the number of equity settled instruments that are expected to vest are adjusted to current estimates and ultimately to the actual number of equity settled instruments that vest unless differences are due to market conditions.

3.20 Insurance contracts and investment contracts
The Group issues contracts that transfer insurance risk, financial risk or both.

i) Insurance contracts
In terms of IFRS 4, insurance liabilities are measured under existing local practice at the date of adoption of IFRS 4.

The Group had, prior to the adoption of IFRS 4, valued insurance liabilities using certain actuarial techniques as described below. The Group has continued to value insurance liabilities in accordance with these.

Insurance contracts are classified into three broad categories, depending on the duration of the risk and the type of risk insured, namely Individual Life, Group Life and General insurance.

Individual Life
These contracts insure mainly against death. For the published accounts, the contracts are valued based on a gross premium valuation taking into account the present value of expected future premium, claim and associated expense cash flows.

Any resultant negative policy holder liabilities, measured on an individual policy level, are set to zero so as not to recognise profits prematurely.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Where the same policy includes both insurance and investment components and where the policy is classified as insurance, the insurance and investment benefits are valued separately.

Group Life

These contracts insure against death on a group basis. These contracts are short term in nature and are typically renewed annually. For these contracts, gross premiums are recognised as revenue when due.

Outstanding claims provision

A full provision is made for the estimated cost of all claims notified but not settled at the reporting date, using the best information available at that time. Provision is also made for the cost of claims incurred but not reported ("IBNR") until after the reporting date.

Similarly, provisions are made for "unallocated claims expenses" being the estimated administrative expenses that will be incurred after the reporting date in settling all claims outstanding as at the date, including IBNR. Differences between the provision for outstanding claims at a reporting date and the subsequent settlement are included in the Revenue Account of the following year.

3.21 Share capital and reserves

i) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

ii) Dividend on the Bank's ordinary shares

Dividends on ordinary shares are recognised in equity in the period when approved by the Bank's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent events note.

iii) Treasury shares

Where the Bank or any member of the Group purchases the Bank's share capital, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled or disposed. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

iv) Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4. Use of estimates and judgements

These disclosures supplement the commentary on financial risk management (see note 5). Estimates where management has applied judgements are:

i) Allowances for credit losses;

ii) Valuation of financial instruments;

iii) Determination of fair value of investment property;

iv) Determination of impairment of property and equipment, and intangible assets excluding goodwill;

v) Assessment of impairment of goodwill on acquired subsidiaries; and

vi) Defined benefit plan.

Changes in accounting estimates

i) Review of useful life of certain classes of Furniture& Fittings and Computer Hardware.

Estimates of useful life and residual value, and the method of depreciation, are reviewed as a minimum at the end of each reporting period. Any changes are accounted for prospectively as a change in estimate.

During the year, the estimated useful life of certain classes of assets i.e. furniture & fittings and computer hardware were revised to better reflect the consumption pattern of the assets. The following table summarises the adjustments made to the statement of financial position on implementation of the change in accounting estimates.

The effects on the statement of financial position were as follows:

For the year ended 31 December 2013	Group Dec-13	Bank Dec-13
	N'000	N'000
Net carrying amount of Property plant & Equipment	66,128,473	62,088,413
Impact of change in accounting estimate	1,114,832	1,114,832
Adjusted net carrying amount of Property plant & Equipment	67,243,305	63,203,245

The effects on the statement of comprehensive income were as follows:

For the year ended 31 December 2013	Group Dec-13	Bank Dec-13
	N'000	N'000
Decrease in depreciation	(1,114,832)	(1,114,832)
Increase in profit for the year	1,114,832	1,114,832

Key sources of estimation uncertainty

i) Allowances for credit losses

Loans and advances to banks and customers are accounted for at amortised cost and are evaluated for impairment on a basis described in accounting policy 3.9.

The Bank reviews its loan portfolios to assess impairment at least on a half yearly basis. In determining whether an impairment loss should be recorded in the income statement, the Bank makes judgements as to whether there is any observable data indicating an impairment trigger followed by measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a bank, or national or local economic conditions that correlate with defaults on assets in the Bank.

The Bank makes use of estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

A collective component of the total allowance is established for:

Collective allowance for group of assets that are individually significant but that were not found to be individually impaired cover credit losses inherent in portfolios of loans and advances and held to maturity investment securities with similar credit characteristics when there is objective evidence to suggest that they contain impaired loans and advances and held to maturity investment securities, but the individual impaired items cannot yet be identified. In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on estimates of future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances are estimated.

Had there been no expected cash flows from all the significant impaired loans, there would have been an additional impairment of N11.862Bn in the financial statements relating to this. In addition, if the PDs and LGDs were increased by 2%, there would have been an additional impairment charge of N233Mn and if the PDs and LGDs decreased by 2%, there would have been a write back of impairment of N228Mn.

Statement of prudential adjustments

Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the incurred loss model required by IFRS under IAS 39. As a result of the differences in the methodology/provision regime, there will be variances in the impairments allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted. However, Banks would be required to comply with the following:

a) Provisions for loans recognised in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:

- Prudential Provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the general reserve account to a "regulatory risk reserve"; and
- Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account.

b) The non-distributable reserve should be classified under Tier-1 as part of the core capital.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The Bank has complied with the requirements of the guidelines as follows:

Statement of prudential adjustments	Notes	Dec-13	Dec-12
		N'000	N'000
Loans & advances:			
Specific impairment allowances on loans to customers			
– Loans to Individuals	25(b)	289,574	4,224,972
– Loans to Corporate	25(b)	6,522,938	15,618,666
Specific impairment allowances on loans to banks	24	383,897	96,755
Collective impairment allowances on loans to customers			
– Loans to Individuals	25(b)	6,043,683	208,818
– Loans to Corporates	25(b)	5,559,881	13,139,625
Collective impairment allowances on loans to banks	24	9,337	12,599
Total impairment allowances on loans		13,249,429	33,301,435
Total regulatory impairment based on prudential guidelines		24,874,774	37,369,723
Balance, beginning of the year		4,068,288	1,259,944
Additional transfers to regulatory risk reserve		7,109,374	2,808,344
Balance, end of the year		11,177,662	4,068,288

4.1 Valuation of financial instruments

The Group's accounting policy on fair value measurements is discussed under note 3.10

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** Valuation techniques based on observable inputs either directly – i.e. as prices or indirectly – i.e. derived from prices. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data; and
- **Level 3:** This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques. This category includes investment securities.

The table below analyses financial non-financial instruments and measured at fair value at the end of the financial year, by the level in the fair value hierarchy into which the fair value measurement is categorised:

4.1.1 Recurring fair value measurements

Group

December 2013	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Non-pledged trading assets	21	3,877,969	–	–	3,877,969
Pledged assets	22	63,409,851	–	–	63,409,851
Derivative financial instrument	23	–	102,123	–	102,123
Investment securities	27	159,280,820	39,231,799	–	198,512,619
Investment properties	32	–	23,974,789	–	23,974,789
		226,568,640	63,308,711	–	289,877,351
Liabilities					
Derivative financial instrument	23	–	32,955	–	32,955
		–	32,955	–	32,955

Group

December 2012	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Non-pledged trading assets	21	330,818	27,575,985	–	27,906,803
Pledged assets	22	–	6,560,147	–	6,560,147
Derivative financial instrument	23	–	30,949	–	30,949
Investment securities	27	32,501,959	24,238,652	–	56,740,611
Investment properties	32	–	14,360,567	–	14,360,567
		32,832,777	72,766,300	–	105,599,077
Liabilities					
Derivative financial instrument	23	–	35,515	–	35,515
		–	35,515	–	35,515

Bank

December 2013	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Non-pledged trading assets	21	3,877,969	–	–	3,877,969
Pledged assets	22	63,347,823	–	–	63,347,823
Investment securities	27	137,963,638	39,231,799	–	177,195,437
Investment properties	32	–	23,974,789	–	23,974,789
Derivative financial instrument	23	–	72,675	–	72,675
		205,189,430	63,279,263	–	268,468,693

Bank

December 2012	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Non-pledged trading assets	21	173,725	3,595,535	–	3,769,260
Pledged assets	22	–	6,560,147	–	6,560,147
Investment securities	27	32,501,959	21,071,487	–	53,573,446
Investment properties	32	–	14,072,673	–	14,072,673
		32,675,684	45,299,842	–	77,975,526

There were no transfers between levels 1 and 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

4.1.2 Financial instruments not measured at fair value

Group

December 2013	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	20	–	438,997,781	–	438,997,781
Loans and advances to banks	24	–	24,579,875	–	24,579,875
Loans and advances to customers – Individual	25	–	–	13,975,466	13,975,466
Loans and advances to customers – Corporate	25	–	772,194,238	–	772,194,238
Held to maturity investment securities	27	156,076,617	66,509,933	–	222,586,550
Other assets	29	–	43,174,648	–	43,174,648
		156,076,617	1,345,456,475	13,975,466	1,515,508,558
Liabilities					
Deposits from financial institutions	36	–	72,147,955	–	72,147,955
Deposits from customers	37	–	1,331,418,659	–	1,331,418,659
Debt securities issued	42	–	55,828,248	–	55,828,248
Interest-bearing loans and borrowings	43	–	64,338,982	–	64,338,982
		–	1,523,733,844	–	1,523,733,844

Bank

December 2013	Notes	Level 1	Level 2	Level 3	Total
		N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	20	–	395,808,747	–	395,808,747
Loans and advances to banks	24	–	13,048,651	–	13,048,651
Loans and advances to customers – Individual	25	–	–	11,612,196	11,612,196
Loans and advances to customers – Corporate	25	–	723,688,545	–	723,688,545
Held to maturity investment securities	27	135,514,671	63,587,485	–	199,102,156
Other assets	29		36,436,496		36,436,496
		135,514,671	1,232,569,924	11,612,196	1,379,696,791
Liabilities					
Deposits from financial institutions	36	–	61,295,352	–	61,295,352
Deposits from customers	37	–	1,217,176,793	–	1,217,176,793
Interest-bearing loans and borrowings	43	–	120,342,026	–	120,342,026
		–	1,398,814,171	–	1,398,814,171

There were no transfers between levels 1 and 2 during the year.

a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the Balance Sheet date.

A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily government bonds, corporate bonds, treasury bills and equity investments classified as trading securities or available for sale investments.

b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:

i) Quoted market prices or dealer quotes for similar instruments;

ii) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date, with the resulting value discounted back to present value; and

iii) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

c) Financial instruments in level 3

The Group uses widely recognised valuation models for determining the fair value of its financial assets. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Examples of instruments involving significant unobservable inputs include certain Investment securities for which there is no active market. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate.

For level 2 assets, fair value was obtained using a recent market transaction during the year under review. Fair values of unquoted debt securities were derived by interpolating prices of quoted debt securities with similar maturity profile and characteristics. There were no transfer between levels 1 and 2 during the year.

4.2 Determination of fair value of financial instruments

Investments in unquoted equity securities have been classified as equity securities with readily determinable fair values as available for sale financial instrument in line with the accounting policies as set out in note 3.10 of the statement of significant accounting policies. Varying valuation techniques in determining the fair value are as follows:

ii) Determination of fair value of financial instruments.

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of investments have been generally derived using the adjusted fair value comparison approach. Quoted price per earning or price per book value ratios of comparable entities in a similar industry were obtained and adjusted for key factors to reflect estimated ratios of the investment being valued.

Adjusting factors used are the Illiquidity Discount which assumes a reduced earning on a private entity in comparison to a publicly quoted entity and the Haircut adjustment which assumes a reduced earning for an entity located in Nigeria contributed by lower transaction levels in comparison to an entity in a developed or emerging market.

Description	Level	Valuation technique	Fair value at 31 December 2013
MTN Nigeria	Level 2	Share price on last transaction	8,468,523
Nigeria Interbank Settlement System (NIBSS)	Level 2	Adjusted fair value comparison approach	403,226
Central Securities Clearing System Limited (CSCS)	Level 2	Adjusted fair value comparison approach	2,350,030
IBTC Pension Managers	Level 2	Adjusted fair value comparison approach	2,345,888
Unified Payment Services Limited	Level 2	Adjusted fair value comparison approach	788,387
Africa Finance Corporation	Level 2	Adjusted fair value comparison approach	24,206,487

iii) Determination of fair value of investment property

Management employed the services of estate surveyors and valuers expert to value its investment properties. The estimated open market value is deemed to be the fair value based on the assumptions that there will be willing buyers and sellers. Recent market prices of neighbourhood properties were also considered in deriving the open market values. A variation of -/+5% will result in N0.242Bn fair value loss/gain respectively.

iv) Determination of impairment of property and equipment, and intangible assets excluding goodwill

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. The Group applies the impairment assessment to its separate cash generating units. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

v) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries was tested for impairment using discounted cash flow valuation method. Projected cash flows were discounted to present value using a discount rate of 20% and a cash flow growth rate of 7.5% over a period of five years. The Group determined the appropriate discount rate at the end of the reporting period.

vi) Defined benefit plan

The present value of the long-term incentive plan depends on a number of factors that are determined in an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate. The Group determines the appropriate discount rate at the end of the reporting period. In determining the appropriate discount rate, reference is made to the yield on Nigerian Government Bonds that have maturity dates approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. See note 41 for the sensitivity analysis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Fair value measurement

4.3 Financial assets and liabilities

Accounting classification measurement basis and fair values

The table below sets out the classification of each class of financial assets and liabilities, and their fair values.

Group 31 December 2013	Note	Trading	Derivatives held for trading	Held-to-maturity	Loans and receivables at amortized cost	Available-for-sale	Financial Liabilities measured at amortised cost	Total carrying amount	Fair value
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	–	–	–	439,459,541	–	–	439,459,541	439,459,541
Non-pledged trading assets	21	3,877,969	–	–	–	–	–	3,877,969	3,877,969
Pledged assets	22	–	–	58,635,348	–	4,774,503	–	63,409,851	42,391,995
Derivative financial instruments	23	–	102,123	–	–	–	–	102,123	102,123
Loans and advances to banks	24	–	–	–	24,579,875	–	–	24,579,875	24,300,412
Loans and advances to customers	25	–	–	–	786,169,704	–	–	786,169,704	785,207,118
Investment securities	27	–	–	163,951,202	–	189,860,147	–	353,811,349	338,300,138
Other assets	29	–	–	–	43,174,648	–	–	43,174,648	43,174,648
		3,877,969	102,123	222,586,550	1,293,383,768	194,634,650	–	1,714,585,060	1,676,813,944
Deposits from financial institutions	36	–	–	–	–	–	72,147,955	72,147,955	72,147,955
Deposits from customers	37	–	–	–	–	–	1,331,418,659	1,331,418,659	1,331,418,659
Other liabilities	39	–	–	–	–	–	54,043,974	54,043,974	54,043,974
Derivative financial instruments	23	–	32,955	–	–	–	–	32,955	32,955
Debt Securities issued	42	–	–	–	–	–	55,828,248	55,828,248	56,556,465
Interest bearing loans and borrowings	43	–	–	–	–	–	64,338,982	64,338,982	58,515,183
		–	32,955	–	–	–	1,577,777,818	1,577,810,773	1,572,715,191

31 December 2012	Note	Trading	Derivatives held for trading	Held-to-maturity	Loans and receivables at amortized cost	Available-for-sale	Other amortised cost	Total carrying amount	Fair value
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	–	–	–	405,292,241	–	–	405,292,241	405,292,241
Non-pledged trading assets	21	27,906,803	–	–	–	–	–	27,906,803	27,906,803
Pledged assets	22	–	–	60,949,856	–	–	–	60,949,856	46,718,883
Derivative financial instruments	23	–	30,949	–	–	–	–	30,949	30,949
Loans and advances to banks	24	–	–	–	4,564,943	–	–	4,564,943	4,597,931
Loans and advances to customers	25	–	–	–	604,073,399	–	–	604,073,399	634,389,210
Investment securities	27	–	–	390,541,200	–	56,740,611	–	447,281,811	410,215,324
Insurance receivables	28	–	–	–	627,337	–	–	627,337	627,337
Other assets	29	–	–	–	59,391,258	–	–	59,391,258	59,391,258
		27,906,803	30,949	451,491,056	1,073,949,178	56,740,611	–	1,610,118,597	1,589,169,937
Deposits from financial institutions	36	–	–	–	–	–	96,893,015	96,893,015	108,972,262
Deposits from customers	37	–	–	–	–	–	1,201,481,996	1,201,481,996	1,188,514,320
Derivative financial instruments	23	–	35,515	–	–	–	–	35,515	35,515
Claims payable	39	–	–	–	–	–	118,226	118,226	118,226
Other liabilities	39	–	–	–	–	–	40,425,436	40,425,436	40,425,436
Liabilities on investment contracts	41	–	–	–	–	–	65,591	65,591	65,591
Debt Securities issued	42	–	–	–	–	–	54,685,891	54,685,891	55,070,670
Interest bearing loans and borrowings	43	–	–	–	–	–	48,369,849	48,369,849	48,369,849
		–	35,515	–	–	–	1,442,040,004	1,442,075,519	1,441,571,869

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Bank 31 December 2013	Note	Trading	Derivatives held for trading	Held-to-maturity	Loans and receivables at amortised cost	Available-for-sale	Financial Liabilities measured at amortised cost	Total carrying amount	Fair value
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	–	–	–	395,808,747	–	–	395,808,747	395,808,747
Non-pledged trading assets	21	3,877,969	–	–	–	–	–	3,877,969	3,877,969
Pledged assets	22	–	–	58,635,348	–	4,712,475	–	63,347,823	42,329,967
Derivative financial instruments	23	–	72,675	–	–	–	–	72,675	72,675
Loans and advances to banks	24	–	–	–	13,048,651	–	–	13,048,651	12,769,188
Loans and advances to customers	25	–	–	–	735,300,741	–	–	735,300,741	734,338,155
Investment securities	27	–	–	140,466,808	–	168,604,993	–	309,071,801	293,830,590
Other assets	29	–	–	–	36,436,496	–	–	36,436,496	36,436,496
		3,877,969	72,675	199,102,156	1,180,594,635	173,317,468	–	1,556,964,903	1,519,463,787
Deposits from financial institutions	36	–	–	–	–	–	61,295,352	61,295,352	59,689,165
Deposits from customers	37	–	–	–	–	–	1,217,176,793	1,217,176,793	1,217,176,793
Other liabilities	39	–	–	–	–	–	49,940,868	49,940,868	49,940,868
Interest-bearing loans and borrowings	43	–	–	–	–	–	120,342,026	120,342,026	114,518,226
		–	–	–	–	–	1,448,755,039	1,448,755,039	1,441,325,052

31 December 2012	Note	Trading	Derivatives held for trading	Held-to-maturity	Loans and receivables at amortised cost	Available-for-sale	Other amortised cost	Total carrying amount	Fair value
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	–	–	–	284,062,159	–	–	284,062,159	284,062,159
Non-pledged trading assets	21	3,769,260	–	–	–	–	–	3,769,260	3,769,260
Pledged assets	22	–	–	60,949,856	–	–	–	60,949,856	46,718,883
Loans and advances to banks	24	–	–	–	3,054,520	–	–	3,054,520	3,054,520
Loans and advances to customers	25	–	–	–	554,592,199	–	–	554,592,199	557,144,866
Investment securities	27	–	–	366,772,849	–	53,573,446		420,346,295	382,608,406
Other assets	29	–	–	–	51,412,850	–	–	51,412,850	51,412,850
		3,769,260	–	427,722,705	893,121,728	53,573,446	–	1,378,187,139	1,328,770,944
Deposits from financial institutions	36	–	–	–	–	–	16,312,516	16,312,516	16,190,124
Deposits from customers	37	–	–	–	–	–	1,093,979,219	1,093,979,219	1,083,040,794
Other liabilities	39	–	–	–	–	–	24,302,067	24,302,067	24,302,067
Interest-bearing loans and borrowings	43	–	–	–	–	–	103,872,441	103,872,441	106,665,852
		–	–	–	–	–	1,238,466,243	1,238,466,243	1,230,198,837

4.3 Fair value of financial assets and liabilities

The fair value for financial assets and liabilities that are not carried at fair value were determined respectively as follows:

i) Cash

The carrying amount of Cash and balances with banks is a reasonable approximation of fair value.

ii) Loans and advances to banks and customers

Loans and advances are net of charges for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

iii) Investment securities, Pledged and Non-Pledged trading assets

The fair value for investment securities is based on market prices from financial market dealer price quotations. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

Investment securities (available for sale) disclosed in the table above comprise only those equity securities held at cost less impairment. The fair value for these assets is based on estimations using market prices and earning multiples of quoted securities with similar characteristics. All other available for sale assets are already measured and carried at fair value.

iv) Other assets

The bulk of these financial assets have short (less than 3months) maturities with their amounts of financial assets in is a reasonable approximation of fair value.

v) Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

vi) Other liabilities

The carrying amount of financial assets in other liabilities is a reasonable approximation of fair value.

vii) Interest-bearing loans and borrowings

The estimated fair value of fixed interest-bearing borrowings not quoted in an active market is based on discounted cash flows using the contractual interest rates for these debts over their remaining maturity.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.1 Credit risk management

5.1.1 Maximum exposure to credit risk before collateral held or other credit enhancements

Credit risk exposures relating to financial assets are as follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Cash and balances with banks	98,875,036	77,921,837	77,501,261	64,004,955
– Current balances with banks outside Nigeria	31,143,134	25,238,351	24,775,442	19,461,280
– Unrestricted balances with central banks	172,406,297	109,107,275	171,944,537	107,833,227
– Restricted balances with central banks	121,368,581	160,870,921	89,433,649	66,311,886
– Money market placements and other cash equivalents	3,773,051	27,575,985	3,773,051	3,595,535
Non-pledged trading assets	63,409,851	60,949,856	63,347,823	60,949,856
Pledged assets	102,123	30,949	72,675	–
Derivative financial instruments	24,579,875	4,564,943	13,048,651	3,054,520
Loans and advances to banks	786,169,704	604,073,399	735,300,741	554,592,199
Loans and advances to customers				
Investment securities				
– Available for sale	150,628,348	24,344,361	129,373,194	21,251,929
– Held to maturity	163,951,202	390,541,200	140,466,808	366,772,849
Insurance receivables	–	627,337	–	–
Other assets	43,174,648	59,391,258	36,436,496	51,412,850
Total	1,659,581,850	1,545,237,672	1,485,474,328	1,319,241,086
Off Balance Sheet exposures				
Transaction related bonds and guarantees	158,715,258	151,107,937	142,850,060	147,222,001
Guaranteed facilities	54,741,356	31,623,305	46,956,538	25,763,514
Clean line facilities for letters of credit and other commitments	228,957,302	198,789,950	162,171,919	134,284,730
Total	442,413,916	381,521,192	351,978,517	307,270,245

Balances included in Other Assets above are those subject to credit risks. The table above shows a worst-case scenario of credit risk exposure to the Group as at 31 December 2013 and 31 December 2012, without taking account of any collateral held or other credit enhancements attached.

For on-balance-sheet assets, the exposures set out above are based on gross amounts reported in the statements of financial position.

The Directors are confident in their ability to continue to control exposure to credit risk which can result from both its Loans and Advances portfolio and debt securities.

5.1.2 Gross loans and advances to customers per sector is as analysed follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Agriculture	11,574,463	11,417,905	11,435,182	10,453,336
Capital market	178,303	282,125	177,518	258,292
Construction	28,466,420	21,565,101	23,338,255	19,743,311
Education	668,715	588,292	668,715	538,594
Finance And insurance	12,803,857	9,596,584	12,343,465	8,785,877
General	17,789,296	18,679,163	14,554,456	17,101,173
General commerce	111,804,399	96,522,617	93,962,250	88,368,519
Government	64,508,486	14,650,485	63,676,766	13,412,832
Information And communication	80,013,457	84,761,316	76,960,274	77,600,797
Manufacturing	158,092,710	136,349,163	151,316,070	124,830,573
Oil & Gas	229,518,146	189,196,852	221,441,492	173,213,763
Real estate activities	52,018,628	38,882,509	51,464,340	35,597,768
Transportation and storage	15,551,605	12,699,321	14,435,214	11,626,500
Power and energy	13,546,822	1,093,417	10,465,298	1,001,047
Professional, scientific and technical activities	883,097	542,411	883,097	496,588
Others	3,246,019	5,207,862	1,418,441	4,767,909
Gross loans to customers	800,664,423	642,035,123	748,540,833	587,796,879

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.1.3 Credit quality
a) Credit quality by class

Group
31 December 2013

		Loans and advances to Individuals		Loans and advances Corporates		Loans and advances to banks		Off Balance Sheet	
	Notes	December 2013	December 2012	December 2013	December 2012	December 2013	December 2012	December 2013	December 2012
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Carrying amount	24, 25, 48	13,975,466	18,601,362	772,194,241	585,472,036	24,579,875	4,564,944	451,837,327	381,893,653
Neither past due nor impaired									
Grade 1 – 3:		11,909,292	17,949,046	709,160,121	481,006,887	24,589,212	4,570,574	450,933,653	377,530,537
Grade 4 – 5:		53,449	486,394	38,425,213	102,553,537	–	7,269	451,837	2,191,282
Gross amount		11,962,741	18,435,440	747,585,334	583,560,424	24,589,212	4,577,843	451,385,490	379,721,819
Impairment		(241,932)	(163,470)	(5,172,948)	(12,179,605)	(9,337)	(12,599)	–	–
Carrying amount		11,720,810	18,271,970	742,412,386	571,380,819	24,579,875	4,565,244	451,385,490	379,721,819
Past due but not impaired:									
Grade 6:		208,849	152,122	1,458,602	38,727	–	–	–	22,699
Grade 7:		683,056	89,600	8,121,261	3,898,265	–	–	–	–
Grade 8:		1,188,339	29,439	6,865,745	7,677,471	–	–	451,837	2,149,135
Gross amount		2,080,244	271,161	16,445,608	11,614,463	–	–	451,837	2,171,834
Impairment		(241,866)	(45,348)	(884,544)	(1,340,292)	–	–	–	–
Carrying amount		1,838,378	225,813	15,561,064	10,274,170	–	–	451,837	2,171,834
Past due and impaired:									
Grade 6: Impaired		518,269	724,499	6,084,199	4,720,671	–	–	–	–
Grade 7: Impaired		260,240	989,575	6,972,693	3,248,522	–	–	–	–
Grade 8: Impaired		777,281	2,614,477	7,976,411	15,855,891	–	–	–	–
Gross amount		1,555,790	4,328,551	21,033,303	23,825,084	–	–	–	–
Allowance for impairment		(1,139,512)	(4,224,972)	(6,812,512)	(20,008,037)	–	–	–	–
Carrying amount		416,278	103,579	14,220,791	3,817,047	–	–	–	–

Bank
31 December 2013

	Notes	Loans and advances to Individuals		Loans and advances Corporates		Loans and advances to banks		Off Balance Sheet	
		December 2013	December 2012	December 2013	December 2012	December 2013	December 2012	December 2013	December 2012
		N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Carrying amount	24, 25, 48	11,612,196	17,030,766	723,549,794	537,561,433	13,048,651	3,054,520	361,401,929	310,847,061
Neither past due nor impaired									
Grade 1 – 3:		9,965,719	16,432,735	663,607,507	433,347,641	13,057,988	3,059,850	360,512,201	306,483,945
Grade 4 – 5:		49,966	445,304	38,428,695	108,630,932	–	7,269	382,798	2,191,282
Gross amount		10,015,685	16,878,039	702,036,202	541,978,573	13,057,988	3,067,119	360,894,999	308,675,227
Impairment		(241,867)	(162,830)	(5,165,648)	(11,712,452)	(9,337)	(12,599)	–	–
Carrying amount		9,773,819	16,715,209	696,870,554	530,266,122	13,048,651	3,054,520	360,894,999	308,675,227
Past due but not Impaired:									
Grade 6:		208,849	152,122	1,458,602	426,338	–	–	–	22,699
Grade 7:		683,056	82,031	8,121,261	705,066	–	–	–	–
Grade 8:		1,188,339	26,952	6,865,745	3,783,493	–	–	506,930	2,149,135
Gross amount		2,080,244	261,105	16,445,608	4,914,897	–	–	506,930	2,171,834
Impairment		(241,867)	(45,230)	(878,035)	(1,440,530)	–	–		–
Carrying amount		1,838,378	215,875	15,567,573	3,474,367	–	–	506,930	2,171,834
Past due and Impaired:									
Grade 6: Impaired		–	723,499	6,084,199	5,426,522	–	–	–	–
Grade 7: Impaired		–	988,075	6,972,693	2,568,073	–	–	–	–
Grade 8: Impaired		–	2,612,478	4,867,287	11,445,616	–	–	–	–
Gross amount		–	4,324,052	17,924,179	19,440,211	–	–	–	–
Allowance for impairment		–	(4,224,371)	–	(15,619,267)	–	–	–	–
Carrying amount		–	99,681	11,111,667	3,820,944	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

b) Ageing analysis of credit quality

	Group		Bank	
	Loans to Individuals	Loans to Corporates	Loans to individuals	Loans to Corporates
	N'000	N'000	N'000	N'000
Past due & not impaired				
Past due up to 30 days	370,869	2,716,774	346,707	2,740,935
Past due up 30 – 60 days	1,112,605	8,150,321	1,040,122	8,222,804
Past due up 60 – 90 days	741,737	5,433,547	693,415	5,481,869
Total	**2,225,211**	**16,300,642**	**2,080,244**	**16,445,608**
Past due & impaired				
Past due up to 91 – 180 days	518,269	6,084,199	–	6,084,199
Past due up 180 – 360 days	260,240	6,972,693	–	6,972,693
Above 360 days	777,281	7,976,411	–	4,867,287
Total	**1,555,790**	**21,033,303**	**–**	**17,924,179**
Past due & not impaired				
Past due up to 30 days	45,194	1,935,744	43,518	819,150
Past due up 30 – 60 days	135,581	5,807,232	130,553	2,457,448
Past due up 60 – 90 days	90,387	3,871,488	87,035	1,638,299
Total	**271,162**	**11,614,464**	**261,105**	**4,914,897**
Past due & impaired				
Past due up to 91 – 180 days	724,499	4,720,671	723,499	5,426,522
Past due up 180 – 360 days	989,575	3,248,522	988,075	2,568,073
Above 360 days	2,614,478	15,855,890	2,612,477	11,445,616
Total	**4,328,552**	**23,825,083**	**4,324,052**	**19,440,211**

c) Debt securities

Grade 1-3: Low-fair risk	December 2013			December 2012		
Group	Treasury bills	Bonds	Total	Treasury bills	Bonds	Total
Available-for-sale assets	141,119,232	9,509,116	150,628,348	3,414,102	20,930,259	24,344,361
Held to maturity assets	17,503,150	146,448,052	163,951,202	15,971,283	374,569,917	390,541,201
Non pledged trading assets	2,370,725	1,402,326	3,773,051	26,182,745	1,393,240	27,575,985
Pledged assets	4,774,503	58,635,348	63,409,851	6,560,147	54,389,709	60,949,856
Carrying amount	**165,767,610**	**215,994,842**	**381,762,452**	**52,128,277**	**451,283,125**	**503,411,402**

	December 2013			December 2012		
Bank	Treasury bills	Bonds	Total	Treasury bills	Bonds	Total
Available-for-sale assets	119,864,078	9,509,116	129,373,194	321,670	20,930,259	21,251,929
Held to maturity assets	–	140,466,808	140,466,808	–	366,772,849	366,772,849
Non pledged trading assets	2,370,725	1,402,326	3,773,051	2,884,040	711,495	3,595,535
Pledged assets	4,712,475	58,635,348	63,347,823	6,560,147	54,389,709	60,949,856
Carrying amount	**126,947,278**	**210,013,598**	**336,960,876**	**9,765,857**	**442,804,312**	**452,570,169**

The credit risk associated with Cash and balances with banks, insurance receivables and other assets (all neither past due nor impaired) are considered to be low at 31 December 2013.

d) Credit quality by risk rating class

Group
31 December 2013

External Rating Equivalent	Grade	Risk Rating	Loans and advances to Individuals December 2013	Loans and advances to Individuals December 2012	Loans and advances Corporates December 2013	Loans and advances Corporates December 2012	Loans and advances to banks December 2013	Loans and advances to banks December 2012
			N'000	N'000	N'000	N'000	N'000	N'000
AAA	Investment	1	–	–	84,185,983	57,125,985	24,234,430	4,504,628
AA	Investment	2+	–	–	69,316,762	47,036,195	–	-
A	Investment	2	–	–	131,742,876	89,396,611	134,691	25,036
BBB	Investment	2-	–	–	118,456,596	80,380,955	–	–
BB+	Standard	3+	417,940	629,897	57,950,888	39,323,667	–	–
BB	Standard	3	10,374,717	15,636,216	196,322,475	133,010,286	220,091	40,610
BB-	Standard	3-	1,116,636	1,682,935	51,185,944	34,733,187	–	–
B	Non-Investment	4	1,911	17,395	36,173,817	96,544,758	–	–
B-	Non-Investment	5	51,537	468,999	2,251,396	6,008,779	–	7,269
CCC	Non-Investment	6	727,118	876,621	7,542,801	4,759,398	–	–
C	Non-Investment	7	943,296	1,079,175	15,093,954	7,146,787	–	–
D	Non-Investment	8	1,965,620	2,643,915	14,842,156	23,533,362	–	96,755
Gross amount			15,598,775	23,035,153	785,065,648	618,999,970	24,589,212	4,674,298
Collective Impairment			(483,798)	(208,818)	(6,066,811)	(13,519,897)	(9,337)	(12,599)
Specific Impairment			(1,139,512)	(4,224,972)	(6,804,598)	(20,008,037)	–	(96,755)
Carrying amount			13,975,465	18,601,363	772,194,239	585,472,036	24,579,875	4,564,944

Bank
31 December 2013

External Rating Equivalent	Grade	Risk Rating	Loans and advances to Individuals December 2013	Loans and advances to Individuals December 2012	Loans and advances Corporates December 2013	Loans and advances Corporates December 2012	Loans and advances to banks December 2013	Loans and advances to banks December 2012
			N'000	N'000	N'000	N'000	N'000	N'000
AAA	Investment	1	-	–	82,878,804	54,121,350	12,703,206	2,976,714
AA	Investment	2+	–	–	60,596,394	39,570,535	–	–
A	Investment	2	–	–	126,176,782	82,395,708	134,691	31,562
BBB	Investment	2-	–	–	112,884,334	73,715,501	–	–
BB+	Standard	3+	81,066	133,672	50,055,376	32,687,061	–	–
BB	Standard	3	8,900,767	14,676,710	182,980,135	119,463,911	220,091	51,574
BB-	Standard	3-	983,886	1,622,355	48,074,597	31,393,577	–	–
B	Non-Investment	4	465	4,141	36,175,264	102,260,892	–	7,269
B-	Non-Investment	5	49,502	441,163	2,253,431	6,370,040	–	–
CCC	Non-Investment	6	208,849	875,621	7,542,800	5,852,860	–	–
C	Non-Investment	7	683,056	1,070,106	15,093,954	3,273,139	–	–
D	Non-Investment	8	1,188,339	2,639,429	11,733,032	15,229,108	–	96,755
Gross amount			12,095,930	21,463,197	736,444,903	566,333,682	13,057,988	3,163,874
Collective Impairment			(483,733)	(208,060)	(5,943,847)	(13,152,982)	(9,337)	(12,599)
Specific Impairment			–	(4,224,371)	(6,812,512)	(15,619,267)	–	(96,755)
Carrying amount			11,612,197	17,030,766	723,688,544	537,561,433	13,048,651	3,054,520

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.1.3 Estimate of the fair value of collateral and other security enhancements held against loans and advances to customers and banks is shown below:

Group	Loans and advances to customers		Loans and advances to banks	
	December 2013	December 2012	December 2013	December 2012
	N'000	N'000	N'000	N'000
Against neither past due and not impaired				
Property	43,727,894	5,580,278	–	–
Equities	146,262	19,722	–	–
Cash	32,285,607	418,392	-	2,480,500
Pledged goods/receivables	141,479	–	–	–
Others	29,115,697	7,100,246	–	–
Total	105,416,939	13,118,638	–	2,480,500
Against past due but not impaired				
Property	163,748,026	198,088,526	–	–
Equities	9,473,950	9,882,508	–	–
Cash	77,487,715	48,575,181	–	–
Pledged goods/receivables	1,867,788	–	–	–
Others	124,473,451	42,429,663	–	–
Total	377,050,930	298,975,878	–	–
Against past due and impaired				
Property	5,968,558	11,400,775	–	–
Equities	1,607	55,848	–	–
Cash	–	50,000	–	–
Pledged goods/receivables	–	–	–	–
Others	2,318,558	–	–	–
	8,288,723	11,506,623	–	–
Total	490,756,592	323,601,139	–	2,480,500

Bank	Loans and advances to customers		Loans and advances to banks	
	December 2013	December 2012	December 2013	December 2012
	N'000	N'000	N'000	N'000
Against neither past due and not impaired				
Property	38,637,027	1,030,118	–	–
Equities	146,262	19,722	–	–
Cash	32,040,402	71	–	–
Others	26,339,739	-	–	–
Total	97,163,430	1,049,911	–	–
Against past due but not impaired				
Property	141,946,693	184,333,303	–	–
Equities	9,443,556	9,669,177	–	–
Cash	76,886,940	48,273,195	–	–
Others	109,965,680	-	–	–
Total	338,242,869	242,275,675	–	–
Against neither past due and not impaired				
Property	5,269,119	11,400,775	–	–
Equities	1,607	55,848	–	–
Cash	–	50,000	–	–
Others	2,318,558	–	–	–
Total	7,589,284	11,506,623	–	–
Total	442,995,583	254,832,209	–	–

There are no collaterals held against other financial assets.

Collateral held and other credit enhancements, and their financial effect

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Group generally requests that corporate borrowers provide it. The Group may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees. Because of the Group's focus on customers' creditworthiness, the Group does not routinely update the valuation of collateral held against all loans to customers. Valuation of collateral is updated when the credit risk of a loan deteriorates significantly and the loan is monitored more closely. For impaired loans, the Group obtains appraisals of collateral because the current value of the collateral is an input to the impairment measurement.

5.1.4 Repossessed collateral

The group obtained assets by taking possession of collateral held as security. The nature and carrying amounts of such assets at the reporting date are as follows:

	Bank carrying value	
Nature of assets	**December 2013**	**December 2012**
	N'000	**N'000**
Investment property	5,159,830	–
	5,159,830	–

5.1.5 Offsetting financial assets and financial liabilities

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreement.

As at 31 December 2013	**Gross amounts of recognised financial assets set off in the Balance Sheet**	**Gross amounts of recognised financial liabilities offset in the statement of financial position**	**Net amounts of financial assets presented in the Balance Sheet**
	N'000	**N'000**	**N'000**
Financial assets			
Loans and advances to banks	13,442,674	394,023	13,048,651
Total	13,442,674	394,023	13,048,651

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2013	**Gross amounts of recognised financial liabilities set off in the Balance Sheet**	**Gross amounts of recognised financial liabilities offset in the statement of financial position**	**Net amounts of financial assets presented in the Balance Sheet**
	N'000	**N'000**	**N'000**
Financial liabilities			
Interest bearing borrowing	56,222,271	394,023	55,828,248
Total	56,222,271	394,023	55,828,248

An obligation exists between the Bank and Access Finance B.V., for which Access Finance B.V. was expected to lend the Bank the sum of USD2,462,000 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 recognized in the Bank's financial statements.

The gross amounts of financial assets and financial liabilities disclosed in the above tables have been measured in the statement of financial position on the following bases:

i) Loans and advances to customers – amortised cost; and

ii) Interest bearing borrowings – amortised cost.

A master netting arrangement exists for the financial derivatives but there is no instrument offsetting the financial derivatives recorded in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.1.6 a) Credit concentration

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentrations of net credit risk at the reporting date is shown below:

By Sector

Group

2013	Corporate	Commercial	Bank	Retail	Government	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	–	–	220,243,617	–	203,549,431	–	423,793,048
Non-pledged trading assets	–	–	–	–	3,773,051	–	3,773,051
Pledged assets	–	–	–	–	63,409,851	–	63,409,851
Derivative financial instruments	102,123	–	–	–	–	–	102,123
Loans and advances to banks	–	–	24,579,875	–	–	–	24,579,875
Loans and advances to customers	446,380,931	237,041,552	–	36,569,714	66,065,577	111,930	786,169,704
Investment securities							
– Available for sale	6,690,780	–	–	–	143,937,568	–	150,628,348
– Held to Maturity	15,202,379	–	–	–	148,748,823	–	163,951,202
Other assets	–	–	15,976,057.00	–	5,780,566.00	21,418,025	43,174,648
Total	468,376,213	237,041,552	260,799,549	36,569,714	635,264,867	21,529,955	1,659,581,850
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	28,348,984	129,756,173	–	57,655	165,014	387,432	158,715,258
Guaranteed facilities	14,655,032	37,658,194	15,000	145,341	2,145,707	122,081	54,741,356
Clean line facilities for letters of credit and other commitments	172,136,387	55,973,847	743,954	103,114	–	–	228,957,302
Total	215,140,403	223,388,214	758,954	306,110	2,310,721	509,513	442,413,916

2012	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	–	–	238,792,759	–	134,345,626	–	373,138,385
Non-pledged trading assets	–	–	–	–	27,575,985	–	27,575,985
Pledged assets	–	–	–	–	60,949,856	–	60,949,856
Derivative financial instruments	30,949	–	–	–	–	–	30,949
Loans and advances to banks	–	–	4,564,943	–	–	–	4,564,943
Loans and advances to customers	451,939,534	108,591,572	498,799	38,187,950	4,855,544	–	604,073,399
Investment securities							
– Available for sale	8,906,991	–	–	–	15,437,370	24,344,361	
– Held to Maturity	26,631,267	–	–	–	363,909,933	–	390,541,200
Insurance receivables	–	–	–	–	–	627,337	627,337
Other assets	–	–	–	–	–	59,391,258	59,391,258
Total	487,508,741	108,591,572	243,856,501	38,187,950	607,074,314	60,018,596	1,545,237,673
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	59,487,702	87,877,199	–	10,000	–	–	147,374,901
Guaranteed facilities	18,081,608	9,266,453	655,000	40,000	3,544,791	564,134	32,151,986
Clean line facilities for letters of credit and other commitments	152,156,373	44,135,017	–	–	2,498,560	–	198,789,950
Total	229,725,682	141,278,669	655,000	50,000	6,043,351	564,134	378,316,837

Concentration by location for loans and advances is measured based on the location of the Group entity holding the asset, which has a high correlation with the location of the borrower. Concentration by location for investment securities is measured based on the location of the issuer of the security.

By geography

2013	Nigeria	Rest of Africa	Europe	Others	Total
	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	199,600,213	49,785,767	49,165,466	125,241,602	423,793,048
Non-pledged trading assets	3,773,051	–	–	–	3,773,051
Pledged assets	63,347,823	62,028	–	–	63,409,851
Derivative financial instruments	102,123	–	–	–	102,123
Loans and advances to banks	345,445	479,970	23,754,460	–	24,579,875
Loans and advances to customers	735,300,741	43,458,953	7,410,010	–	786,169,704
Investment securities					
– Available for sale	132,588,893	15,662,029	2,377,427	–	150,628,349
– Held to maturity	140,466,808	6,721,313	16,763,082	–	163,951,203
Other assets	22,163,640	5,034,951	9,905,167	6,070,890	43,174,648
Total	**1,297,688,737**	**121,205,011**	**109,375,612**	**131,312,492**	**1,659,581,852**
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	142,850,060	14,115,422	1,749,776	–	158,715,258
Guaranteed facilities	46,956,539	7,784,817	–	–	54,741,356
Clean line facilities for letters of credit and other commitments	162,171,919	18,988,528	47,796,855	–	228,957,302
Total	**351,978,518**	**40,888,767**	**49,546,631**	**–**	**442,413,916**

2012	Nigeria	Rest of Africa	Europe	Others	Total
Cash and balances with banks	208,813,724	73,152,107	49,873,051	41,299,501	373,138,383
Non-pledged trading assets	3,926,354	23,649,631	–	–	27,575,985
Pledged assets	60,949,856	–	–	–	60,949,856
Derivative financial instruments	–	–	30,949	–	30,949
Loans and advances to banks	3,054,520	–	1,510,423	–	4,564,943
Loans and advances to customers	554,592,199	36,836,171	12,645,029	–	604,073,399
Investment securities					
– Available for sale	20,013,427	1,959,262	2,371,672	–	24,344,361
– Held to maturity	371,132,787	13,317,257	6,091,156	–	390,541,200
Insurance receivables	624,283	3,054	–	–	627,337
Other assets	54,467,946	1,848,353	3,074,959	–	59,391,258
Total	1,277,575,095	150,765,836	75,597,239	41,299,501	1,545,237,671
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	147,222,001	–	152,900	–	147,374,901
Guaranteed facilities	25,763,514	1,679,121	4,709,351	–	32,151,986
Clean line facilities for letters of credit and other commitments	134,284,730	19,262,825	45,242,395	–	198,789,950
Total	307,270,245	20,941,946	50,104,646	–	378,316,837

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.1.6 b) By sector

Bank

2013	Corporate	Commercial	Bank	Retail	Government	Others	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	–	–	166,934,910	–	196,719,979	–	363,654,889
Non-pledged trading assets	–	–	–	–	3,773,051	–	3,773,051
Pledged assets	–	–	–	–	63,347,823	–	63,347,823
Derivative financial instruments	72,675	–	–	–	–	–	72,675
Loans and advances to banks	–	–	13,048,651	–	–	–	13,048,651
Loans and advances to customers	426,282,835	226,807,259	–	18,533,881	63,676,766	735,300,741	
Investment securities							
– Available for sale	6,690,780	–	–	–	122,682,414	–	129,373,194
– Held to maturity	12,279,932	–	–	–	128,186,876	–	140,466,808
Other assets	–	–	15,976,057	–	5,780,566	14,679,873	36,436,496
Total	**445,326,222**	**226,807,259**	**195,959,618**	**18,533,881**	**584,167,475**	**14,679,873**	**1,485,474,328**
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	12,483,787	129,756,172	–	57,655	165,014	387,432	142,850,060
Guaranteed facilities	6,870,216	37,658,194	15,000	145,341	2,145,707	122,081	46,956,539
Clean line facilities for letters of credit and other commitments	105,351,003	55,973,848	743,954	103,114	–	–	162,171,919
Total	**124,705,006**	**223,388,214**	**758,954**	**306,110**	**2,310,721**	**509,513**	**351,978,518**

2012	Corporate	Commercial	Bank	Retail	Government	Others	Total
Cash and balances with banks	–	–	130,316,841	–	127,294,507	–	257,611,348
Non-pledged trading assets	–	–	–	–	3,595,535	–	3,595,535
Pledged assets	–	–	–	–	60,949,856	–	60,949,856
Loans and advances to banks	–	–	3,054,520	–	–	–	3,054,520
Loans and advances to customers	402,458,335	108,591,572	498,798	38,187,950	4,855,544	–	554,592,199
Investment securities							
– Available for sale	8,906,991	–	–	–	12,344,938	–	21,251,929
– Held to maturity	20,497,131	–	–	–	346,275,718	–	366,772,849
Other assets	–	–	14,812,264	–	26,581,778	10,018,808	51,412,850
Total	431,862,457	108,591,572	148,682,423	38,187,950	581,897,876	10,018,808	1,319,241,086
Credit risk exposures relating to other credit commitments at gross amount are as follows:							
Transaction related bonds and guarantees	59,334,812	87,877,189	–	10,000	–	–	147,222,001
Guaranteed facilities	11,693,136	9,266,453	655,000	40,000	3,544,791	564,134	25,763,514
Clean line facilities for letters of credit and other commitments	87,651,153	44,135,017	–	2,498,560	–	134,284,730	
Total	158,679,101	141,278,660	655,000	50,000	6,043,351	564,134	307,270,245

By geography

Bank

2013	Nigeria	Rest of Africa	Europe	Others	Total
	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	199,138,453	367,249	38,907,585	125,241,602	363,654,889
Non-pledged trading assets	3,877,969	–	–	–	3,877,969
Pledged assets	63,347,823	–	–	–	63,347,823
Derivative financial instruments	72,675	–	–	–	72,675
Loans and advances to banks	345,445	479,970	12,223,236	–	13,048,651
Loans and advances to customers	735,300,741	–	–	–	735,300,741
Investment securities					
– Available for sale	129,239,133	–	134,061	–	129,373,194
– Held to maturity	140,466,808	–	–	–	140,466,808
Other assets	20,460,439	–	9,905,167	6,070,890	36,436,496
Total	**1,292,249,486**	**847,219**	**61,170,049**	**131,312,492**	**1,485,579,246**
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	142,850,060	–	–	–	142,850,060
Guaranteed facilities	46,956,539	–	–	–	46,956,539
Clean line facilities for letters of credit and other commitments	162,171,919	–	–	–	162,171,919
Total	**351,978,518**	**–**	**–**	**–**	**351,978,518**

2012					
Cash and balances with banks	208,813,724	95,804	45,007,516	3,694,303	257,611,347
Non-pledged trading assets	3,595,535	–	–	–	3,595,535
Pledged assets	60,949,856	–	–	–	60,949,856
Loans and advances to banks	3,054,520	–	–	–	3,054,520
Loans and advances to customers	554,592,199	–	–	–	554,592,199
Investment securities					
– Available for sale	12,566,325	8,685,604	–	–	21,251,929
– Held to maturity	366,772,849	–	–	–	366,772,849
Other assets	51,412,850	–	–	–	51,412,850
Total	1,261,757,858	8,781,408	45,007,516	3,694,303	1,319,241,085
Credit risk exposures relating to other credit commitments at gross amount are as follows:					
Transaction related bonds and guarantees	147,222,001	–	–	–	147,222,001
Guaranteed facilities	25,763,514	–	–	–	25,763,514
Clean line facilities for letters of credit and other commitments	134,284,730	–	–	–	134,284,730
Total	307,270,245	–	–	–	307,270,245

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.2.1 A summary of the Group's interest rate gap position on non-trading portfolios is as follows:

		Re-pricing period						
Group **31 December 2013**	Note	Less than 3 months	4 – 6 months	7 – 12 months	1 – 5 years	More than 5 years	Non-Interest bearing	Total
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non-derivative assets								
Cash and balances with banks	20	303,141,161	848,929	577,130	–	–	134,892,321	439,459,541
Non-pledged trading assets	21	1,181,048	348,327	849,159	212,806	1,181,710	104,918	3,877,968
Pledged assets	22	4,712,475	–	–	–	58,365,348	332,028	63,409,851
Loans and advances to banks	24	5,959,111	9,545,550	7,644,831	1,430,383	–	–	24,579,875
Loans and advances to customers	25	324,347,405	88,560,378	61,332,439	84,577,627	217,960,416	9,455,087	786,233,352
Investment securities	27	75,301,132	65,024,360	84,786,448	40,332,993	49,134,617	39,231,799	353,811,349
Other assets	29	–	–	–	–	–	43,174,648	43,174,648
		714,642,332	**164,327,544**	**155,190,007**	**126,553,809**	**326,642,091**	**227,190,801**	**1,714,546,584**
Non-derivative liabilities								
Deposits from financial institutions	36	56,942,176	11,082,063	4,123,716	–	–	–	72,147,955
Deposits from customers	37	830,181,563	133,236,381	345,376,295	2,239,232	–	20,385,188	1,331,418,659
Debt securities issued	38	–	–	–	55,828,248	–	–	55,828,248
Other liabilities	40	–	–	–	–	–	54,043,974	54,043,974
Interest-bearing loans & borrowings	44	2,292,943	1,349,297	4,143,416	41,328,553	15,224,773	–	64,338,982
		889,416,682	**145,667,741**	**353,643,427**	**99,396,033**	**15,224,773**	**74,429,162**	**1,577,777,818**
Total interest re-pricing gap		(174,774,350)	18,659,803	(198,453,420)	27,157,776	311,417,318	152,761,639	136,768,766

		Re-pricing period						
31 December 2012	Note	Less than 3 months	4 – 6 months	7 – 12 months	1 – 5 years	More than 5 years	Non-Interest bearing	Total
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non-derivative assets								
Cash and balances with banks	20	264,277,425	26,954,044	4,143,727	–	–	109,917,045	405,292,241
Non-pledged trading assets	21	8,631,893	2,545,809	6,206,220	1,555,332	8,636,730	330,818	27,906,803
Pledged assets	22	6,526,539	–	–	–	54,423,317	–	60,949,856
Loans and advances to banks	24	2,195,641	588,582	1,092,643	278,997	409,080	–	4,564,943
Loans and advances to customers	25	210,307,160	104,433,918	64,696,555	121,757,041	102,878,725	–	604,073,399
Investment securities	27	23,001,397	8,681,346	19,911,683	286,891,916	76,399,219	32,396,250	447,281,811
Other assets	29	–	–	–	–	–	59,391,258	59,391,258
		514,940,055	**143,203,699**	**96,050,828**	**410,483,286**	**242,747,071**	**202,035,371**	**1,609,460,311**
Non-derivative liabilities	–							
Deposits from financial institutions	36	80,170,333	5,628,900	3,906,323	2,641,477	4,545,982	–	96,893,015
Deposits from customers	37	1,099,176,827	36,423,289	20,746,656	1,838,104	–	43,297,120	1,201,481,996
Debt securities issued	38	–	–	–	54,685,891	–	–	54,685,891
Liabilities on investment contracts	42	65,591	–	–	–	–	–	65,591
Other liabilities	40	–	–	–	–	–	40,425,436	40,425,436
Interest-bearing loans & borrowings	44	2,369,748	40,800	81,600	408,000	40,540,885	4,928,816	48,369,849
		1,181,782,499	**42,092,990**	**24,734,579**	**59,573,472**	**45,086,867**	**88,651,372**	**1,441,921,778**
Total interest re-pricing gap		(666,842,444)	101,110,710	71,316,249	350,909,814	197,660,204	113,383,999	167,538,533

5.2.1 A summary of the Bank's interest rate gap position on non-trading portfolios is as follows:

Bank 31 December 2013	Note	Re-pricing period Less than 3 months	6 months	12 months	5 years	More than 5 years	Non-Interest bearing	Total
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non-derivative assets								
Cash and balances with banks	20	261,378,186	–	–	–	–	134,430,561	395,808,747
Non-pledged trading assets	21	1,181,048	348,327	849,159	212,806	1,181,710	104,918	3,877,969
Pledged assets	23	4,712,475	–	–	–	58,635,348	–	63,347,823
Loans and advances to banks	24	–	8,223,486	4,345,195	479,970	–	–	13,048,651
Loans and advances to customers	25	304,429,936	80,309,880	56,359,919	76,240,590	217,960,416	–	735,300,741
Investment securities	27	64,346,634	49,038,636	78,232,862	34,280,677	43,941,194	39,231,798	309,071,801
Other assets	29	–	–	–	–	–	36,436,496	36,436,496
		636,048,280	**137,920,330**	**139,787,134**	**111,214,044**	**321,718,668**	**210,203,773**	**1,556,892,228**
Non-derivative liabilities								
Deposits from financial institutions	36	56,942,176	4,208,541	144,634	–	–	–	61,295,351
Deposits from customers	37	785,591,169	95,673,189	335,912,435	–	–	–	1,217,176,793
Other liabilities	40	–	–	–	–	–	49,940,868	49,940,868
Interest-bearing loans & borrowings	44	2,292,943	1,349,297	4,143,416	97,331,598	15,224,773	–	120,342,026
		844,826,288	**101,231,027**	**340,200,485**	**97,331,598**	**15,224,773**	**49,940,868**	**1,448,755,038**
Total interest re-pricing gap		(208,778,008)	36,689,303	(200,413,351)	13,882,446	306,493,895	160,262,905	108,137,190

31 December 2012	Note	Re-pricing period Less than 3 months	6 months	12 months	5 years	More than 5 years	Non-Interest bearing	Total
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Non-derivative assets								
Cash and balances with banks	20	148,677,264	21,467,850	4,000,000	–	–	109,917,045	284,062,159
Non-pledged trading assets	21	1,125,482	331,939	809,207	202,794	1,126,113	173,725	3,769,260
Pledged assets	22	6,526,539	–	–	–	54,423,317	–	60,949,856
Loans and advances to banks	24	2,349,246	–	98,374	197,819	409,081	–	3,054,520
Loans and advances to customers	25	190,705,529	85,236,301	61,242,050	116,235,179	101,173,140	–	554,592,199
Investment securities	27	14,525,937	6,225,976	15,442,055	283,238,249	68,592,560	32,321,518	420,346,295
Other assets	29	–	–	–	–	–	51,412,850	51,412,850
		363,909,997	**113,262,066**	**81,591,686**	**399,874,041**	**225,724,211**	**193,825,138**	**1,378,187,139**
Non-derivative liabilities								
Deposits from financial institutions	36	9,037,199	106,511	637	2,622,187	4,545,982	–	16,312,516
Deposits from customers	37	1,028,421,343	36,595,982	28,694,236	267,659	–	–	1,093,979,220
Interest-bearing loans & borrowings	44	8,277,538	–	–	55,502,693	40,092,210	–	103,872,441
Other liabilities	39	–	–	–	–	–	24,302,067	24,302,067
		1,045,736,080	**36,702,493**	**28,694,873**	**58,392,529**	**44,638,192**	**24,302,067**	**1,238,466,244**
Total interest re-pricing gap		(681,826,083)	76,559,573	52,896,813	341,481,502	181,086,019	169,523,071	139,720,894

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The major measurement technique used to measure and control market risk is outlined below.

5.2.2 Value at Risk (VAR)

The Group applies a 'value at risk' (VAR) methodology to its trading portfolios and at a group level to estimate the market ris+B10k of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for the Group, which are monitored on a daily basis by Treasury Unit. Interest rate risk in the non-trading book is measured through the use of interest rate repricing gap analysis (Note 5.2.1).

VAR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Group might lose, but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VAR estimate. Value-at-risk estimates the potential maximum decline in the value of a position or portfolio, under normal market conditions, over a one-day holding period. It also assumes that market moves occurring over this holding period will follow a similar pattern. The Group applies these historical changes in rates, prices, indices, etc. directly to its current positions – a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of the assumptions and parameters/factors used in the VAR calculation.

The Access Bank value-at-risk method incorporates the factor sensitivities of the trading portfolio, the volatilities and correlations of the market risk factors. The Group uses the variance covariance method which derives likely future changes in market value from historical market volatility. Value at risk is estimated on the basis of exposures outstanding at the close of business and therefore might not factor in the intra-day exposures. However, the Bank does not only based its risk estimates on Value at Risk, it uses Stress tests to provide an indication of the potential size of losses that could arise in extreme conditions by applying a what-if analysis to further complement it. The results of the stress tests are reviewed by senior management in each business unit and by the Board of Directors.

The trading book is made up of foreign currency, Bonds and Treasury bills instruments. The value at Risk of the trading book is as stated:.

Group VAR by Risk type

Group **December 2013**	**Average**	**High**	**Low**	**Actual**
	N'000	**N'000**	**N'000**	**N'000**
Foreign exchange risk	(8,765,308)	13,669,142	(19,943,285)	(19,733,507)
Interest rate risk	(57,972,316)	262,820,854	(460,274,271)	(52,190,081)
Total	**(66,737,624)**	**276,489,996**	**(480,217,556)**	**(71,923,588)**

Group **December 2012**	Average	High	Low	Actual
Foreign exchange risk	28,866,282	97,340,199	708,243	(9,864,988)
Interest rate risk	255,099,684	724,819,622	6,757,004	(109,508,015)
Total	**283,965,966**	**822,159,821**	**7,465,247**	**(119,373,003)**

Bank **December 2013**	**Average**	**High**	**Low**	**Actual**
Foreign exchange risk	(8,765,308)	13,669,142	(19,943,285)	(19,733,507)
Interest rate risk	(49,744,235)	225,518,368	(394,946,980)	(44,782,679)
Total	**(58,509,543)**	**239,187,510**	**(414,890,265)**	**(64,516,186)**

Bank **December 2012**	Average	High	Low	Actual
Foreign exchange risk	28,866,282	97,340,199	708,243	(9,864,988)
Interest rate risk	94,538,303	268,613,492	2,504,102	(40,582,966)
Total	**123,404,585**	**365,953,691**	**3,212,345**	**(50,447,954)**

The table below sets out information on the exposure to fixed and variable interest instruments.

Exposure to fixed and variable interest rate risk

Group 31 December 2013	Fixed	Floating	Non-interest bearing	Total
	N'000	N'000	N'000	N'000
Assets				
Cash and balances with banks	220,243,617	–	219,215,924	439,459,541
Non pledged trading assets	3,877,969	–	–	3,877,969
Pledged assets	63,409,851	–	–	63,409,851
Derivative financial instruments	–	–	102,123	102,123
Loans and advances to banks	24,579,875	–	–	24,579,875
Loans and advances to customers	–	786,169,704	–	786,169,704
Investment securities:				
– Available-for-sale	150,289,909	–	39,570,237	189,860,146
– Held-to-maturity	163,951,202	–	–	163,951,202
Total	626,352,423	786,169,704	258,888,284	1,671,410,411
Liabilities				
Deposits from financial institutions	72,147,955	–	–	72,147,955
Deposits from customers	501,645,662	829,772,997	–	1,331,418,659
Derivative financial instruments	–	–	32,955	32,955
Interest-bearing loans and borrowings	–	64,338,982	–	64,338,982
Total	573,793,617	894,111,979	32,955	1,467,938,551

31 December 2012	Fixed	Floating	Non-interest bearing	Total
	N'000	N'000	N'000	N'000
Assets				
Cash and balances with banks	160,870,921	–	244,421,320	405,292,241
Non pledged trading assets	27,906,803	–	–	27,906,803
Pledged assets	60,949,856	–	–	60,949,856
Derivative financial instruments	–	–	30,949	30,949
Loans and advances to banks	4,564,944	–	–	4,564,944
Loans and advances to customers	–	604,073,399	–	604,073,399
Investment securities:				
– Available-for-sale	24,344,361	–	32,396,250	56,740,611
– Held-to-maturity	390,541,200	–	–	390,541,200
Total	669,178,086	604,073,399	276,848,519	1,550,100,003
Liabilities				
Deposits from financial institutions	96,893,015	–	–	96,893,015
Deposits from customers	455,189,956	746,292,040	–	1,201,481,996
Derivative financial instruments	–	–	35,515	35,515
Interest-bearing loans and borrowings	–	48,369,849	–	48,369,849
Total	552,082,971	794,661,889	35,515	1,346,780,375

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Bank **31 December 2013**	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
	N'000	**N'000**	**N'000**	**N'000**
Assets				
Cash and balances with banks	166,934,910	–	228,873,837	395,808,747
Non pledged trading assets	3,773,051	–	104,918	3,877,969
Pledged assets	63,347,823	–	–	63,347,823
Derivative financial instruments	–	–	72,675	72,675
Loans and advances to banks	13,048,651	–	13,048,651	24,579,875
Loans and advances to customers	–	735,300,741	–	735,300,741
Investment securities:				
– Available-for-sale	129,373,195	–	39,231,798	168,604,993
– Held-to-maturity	140,466,809	–	–	140,466,809
Total	516,944,439	735,300,741	268,283,228	1,520,528,408
Liabilities				
Deposits from financial institutions	8,191,490	53,103,862	–	61,295,352
Deposits from customers	455,231,840	761,944,953	–	1,217,176,793
Derivative financial instruments	–	–	–	32,955
Interest-bearing loans and borrowings	57,020,588	63,321,438	–	120,342,026
Total	520,443,918	878,370,253	–	1,398,814,171

31 December 2012	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
	N'000	**N'000**	**N'000**	**N'000**
Assets				
Cash and balances with banks	66,311,886	–	217,750,273	284,062,159
Non pledged trading assets	3,595,535	–	173,725	3,769,260
Pledged assets	60,949,856	–	–	60,949,856
Loans and advances to banks	3,054,520	–	–	3,054,520
Loans and advances to customers	–	554,592,199	–	554,592,199
Investment securities:				
–Available-for-sale	21,251,929	–	32,321,517	53,573,446
–Held-to-maturity	366,772,849	–	–	366,772,849
Total	521,936,575	554,592,199	250,245,515	1,326,774,289
Liabilities				
Deposits from financial institutions	16,312,516	–	–	16,312,516
Deposits from customers	422,272,257	671,706,963	–	1,093,979,220
Interest-bearing loans and borrowings	55,502,694	48,369,747	–	103,872,441
Total	494,087,467	720,076,710	–	1,214,164,177

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing (note 5.2.1) and value at risk (note 5.2.2) that may be undertaken, which is monitored daily by Group Treasury.

Cash flow and fair value interest rate risk

The group's interest rate risk arises from long-term borrowings, deposits from banks and customers. Borrowings issued at variable rates expose the group to cash flow interest rate risk which is partially offset by cash held at variable rates. Other financial liabilities issued at fixed rates expose the group to fair value interest rate risk.

The management of interest rate risk against interest rate gap limits is supplemented with monitoring the sensitivity of the Group's financial assets and liabilities to various scenarios.

Interest rate movement have both cash flow and fair value effect depending on whether interest rate is fixed or floating. The impact resulting from adverse or favourable movement flows from either retained earnings or OCI and ultimately ends in equity in the following manner:

i) Retained earnings arising from increase or decrease in net interest income and the fair value changes reported in profit or loss; and

ii) Fair value reserves arising from increases or decreases in fair value of available-for-sale financial instruments reported directly in other comprehensive income.

Group

Interest sensitivity analysis – 31 December 2013

Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk		Fair value interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	625,559	(625,559)	(188,464)	188,464
6 months	210,389	(210,389)	(303,688)	303,688
12 months	2,169,244	(2,169,244)	(184,710)	184,710
	3,005,192	**(3,005,192)**	**(676,862)**	**676,862**

Interest sensitivity analysis – 31 December 2012

Impact of 100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk		Fair value interest rate risk	
Time Band	100 basis points decline in rates	100 basis points increase in rates	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	1,737,392	(1,737,392)	(7,028,576)	70,286
6 months	(465,008)	465,008	(40,545)	40,545
12 months	(669,784)	669,784	(43,378)	43,378
	602,600	(602,600)	(7,112,499)	154,209

Bank

Interest sensitivity analysis – 31 December 2013

Impact on net interest income of +/-100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk		Fair value interest rate risk	
Time Band	**100 basis points decline in rates**	**100 basis points increase in rates**	**100 basis points decline in rates**	**100 basis points increase in rates**
Less than 3 months	684,706	(684,706)	162,761	(162,761)
6 months	45,582	(45,582)	114,514	(114,514)
12 months	2,174,566	(2,174,566)	42,608	(42,608)
	2,904,854	**(2,904,854)**	**319,883**	**(319,883)**

Interest sensitivity analysis – 31 December 2012

Impact of 100 basis points changes in rates over a one year period (N'000)

	Cash flow interest rate risk		Fair value interest rate risk	
Time Band	100 basis points decline in rates	100 basis points increase in rates	100 basis points decline in rates	100 basis points increase in rates
Less than 3 months	1,754,965	(1,754,965)	50,399	(50,399)
6 months	(384,850)	384,850	14,539	(14,539)
12 months	(649,748)	649,748	8,410	(8,410)
	720,370	(720,367)	73,348	(73,348)

The table above sets out the impact on net interest income of a 100 basis points parallel fall or rise in all yields. A parallel increase in yields by 100 basis points would lead to an increase in net interest income while a parallel falls in yields by 100 basis points would lead to a decline in net interest income. The interest rate sensitivities are based on simplified scenarios and assumptions, including that all positions will be retained and rolled over upon maturity. The figures represent the effect of movements in net interest income based on the 100 basis point shift in interest rate and subject to the current interest rate exposures. However, the effect has not taken into account the possible risk management measures undertaken by the Bank to mitigate interest rate risk. In practice, ALCO seeks proactively to change the interest rate risk profile to minimise losses and optimise net revenues. The projections also assume that interest rates on various maturities will move within similar ranges, and therefore do not reflect any potential effect on net interest income in the event that some interest rates may change and others remain unchanged.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Price sensitivity analysis on bonds and treasury bills

The table below shows the impact of likely movement in yields on the value of bonds and treasury bills. This relates to the positions held for trade and available for sales. Since an increase in yields would lead to decline in market values of bonds and treasury bills, the analysis was carried out to show the likely impact of 50 and 100 basis points increase in market yields. The impact of held for trading investments is on the income statement while the impact of available for sale instruments is on the statement of other comprehensive income.

Group **31 December 2013**	**Carrying value**	**Impact of 50 basis points increase in yields**	**Impact of 100 basis points increase in yields**
	N'000	**N'000**	**N'000**
Impact on Statement of Comprehensive Income			
Held for trading	3,773,051	(61,105)	(90,602)
Impact on Other Comprehensive Income			
Available for sale investments	19,075,871	299,509	272,995
Total	**22,848,922**	**238,404**	**182,392**

31 December 2012	**Carrying value**	**Impact of 50 basis points increase in yields**	**Impact of 100 basis points increase in yields**
	N'000	**N'000**	**N'000**
Impact on Statement of Comprehensive Income			
Held for trading	27,575,985	33,731	(252,690)
Impact on Other Comprehensive Income			
Available for sale investments	15,437,370	986,282	976,143

Bank **31 December 2013**	**Carrying value**	**Impact of 50 basis points increase in yields**	**Impact of 100 basis points increase in yields**
	N'000	**N'000**	**N'000**
Impact on Statement of Comprehensive Income			
Held for trading Bonds	1,129,324	(70,374)	(95,343)
Held for trading T.bills	2,356,425	9,270	4,741
Held for trading	3,773,051	(61,105)	(90,602)
Impact on Other Comprehensive Income			
Available for sale investments	16,257,535	255,259	232,662
Total	**20,030,586**	**194,154**	**142,059**

31 December 2012	**Carrying value**	**Impact of 50 basis points increase in yields**	**Impact of 100 basis points increase in yields**
	N'000	**N'000**	**N'000**
Impact on Statement of Comprehensive Income			
Held for trading Bonds	1,668,756	15,364	(24,633)
Held for trading T.bills	2,875,173	(9,806)	(17,005)
Held for trading	4,543,928	5,558	(41,638)
Impact on Other Comprehensive Income			
Available for sale investments	6,463,124	412,924	408,679
Total	11,007,052	418,482	367,042

5.2.3 The table below summarises the Group's financial instruments at carrying amount, categorised by currency:

Financial instruments by currency

Group

31 December 2013	Note	Total	Naira	US $	GBP	Euro	Others
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	439,459,541	260,494,916	124,326,370	20,207,125	17,077,120	17,354,010
Non-pledged trading assets	21	3,877,969	3,877,969	–	–	–	–
Pledged assets	22	63,409,851	63,347,823	–	–	–	62,028
Derivative financial instruments	23	102,123	–	80,829	12,889	8,405	–
Loans and advances to banks	24	24,579,875	345,445	23,291,359	19,991	923,080	–
Loans and advances to customers	25	786,169,704	456,666,385	289,536,072	3,041,954	3,305,957	33,619,336
Investment securities	27	353,811,349	301,559,580	29,012,648	–	1,374,147	21,864,974
Other assets	29	43,174,648	20,460,438	11,142,427	630,530	2,756,847	8,184,405
		1,714,585,060	**1,106,752,556**	**477,389,705**	**23,912,489**	**25,445,556**	**81,084,753**
Deposits from financial institutions	36	72,147,955	7,161,530	54,577,844	1,296,884	8,424,934	686,763
Deposits from customers	37	1,331,418,659	933,913,152	317,797,743	9,582,405	14,034,476	56,090,884
Derivative financial instruments	23	32,955	–	8,754	16,835	7,365	–
Debt securities issued	38	55,828,248	–	55,828,248	–	–	–
Other liabilities	40	54,043,974	31,235,288	13,187,678	333,421	6,836,079	2,451,508
Interest-bearing loans & borrowings	44	64,338,982	38,247,211	26,091,771	–	–	–
		1,577,810,773	**1,010,557,181**	**467,492,037**	**11,229,545**	**29,302,855**	**59,229,154**
Off Balance Sheet exposures							
Transaction related bonds and guarantees	48	158,715,258	108,458,868	36,417,906	–	432,422	13,406,062
Guaranteed facilities	48	54,741,356	21,442,945	14,689,365	–	18,609,046	
Clean line facilities for letters of credit and other commitments	48	228,957,302	–	216,689,716	218,918	10,024,148	2,024,520
		442,413,916	**129,901,813**	**267,796,987**	**218,918**	**29,065,616**	**15,430,582**

Group

31 December 2012	Note	Total	Naira	US $	GBP	Euro	Others
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	405,292,241	222,886,312	143,085,678	19,319,736	12,368,726	7,631,790
Non-pledged trading assets	21	27,906,803	3,926,353	–	–	–	23,980,449
Pledged assets	22	60,949,856	60,949,856	–	–	–	–
Derivative financial instruments	23	30,949	–	1,522	22,070	7,357	–
Loans and advances to banks	24	4,564,943	704,756	3,326,694	344,500	188,993	–
Loans and advances to customers	25	604,073,399	451,093,811	139,956,934	2,798,233	531,304	9,693,117
Investment securities	27	447,281,811	417,472,818	15,313,659	546,431	2,827,031	11,121,872
Insurance receivables	28	627,337	296,317	108,276	–	–	222,745
Other assets	29	59,391,258	49,565,333	4,434,651	281,742	3,523,815	1,585,717
		1,610,118,597	**1,206,895,556**	**306,227,414**	**23,312,712**	**19,447,226**	**54,235,690**
Deposits from financial institutions	36	96,893,015	9,583,668	79,114,684	4,609,128	2,501,197	1,084,338
Deposits from customers	37	1,201,481,996	957,610,171	195,127,090	10,568,567	9,304,049	28,872,119
Derivative financial instruments	23	35,515	–	–	20,041	15,474	–
Debt securities issued	38	54,685,891	–	54,685,891	–	–	–
Claims payable	39	118,226	118,226	–	–	–	–
Other liabilities	40	40,425,436	1,220,747	25,875,094	392,047	12,937,547	–
Liabilities on investment contracts	42	65,591	65,591	–	–	–	–
Interest bearing loans & borrowings	44	48,369,849	13,313,648	35,049,741	405	6,055	–
		1,442,075,518	**981,912,052**	**389,852,500**	**15,590,187**	**24,764,323**	**29,956,457**
Off Balance Sheet exposures							
Transaction related bonds and guarantees	48	147,374,901	92,892,923	52,951,846	32,322	1,356,828	140,982
Guaranteed facilities	48	32,151,985	17,624,791	11,143,055	–	1,705,019	1,679,120
Clean line facilities for letters of credit and other commitments	48	198,789,950	–	192,536,967	1,151,658	4,858,195	243,130
		378,316,836	**110,517,714**	**256,631,869**	**1,183,980**	**7,920,042**	**2,063,232**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The table below summaries the Bank's financial instruments at carrying amount, categorised by currency:

Bank **31 December 2013**	Note	Total	Naira	US $	GBP	Euro	Others
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	395,808,747	259,896,634	122,464,877	5,868,743	7,167,728	410,765
Non-pledged trading assets	21	3,877,969	3,877,969	–	–	–	–
Pledged assets	22	63,347,823	63,347,823	–	–	–	–
Derivative financial instruments	23	72,675	–	72,675	–	–	–
Loans and advances to banks	24	13,048,651	345,445	12,703,206	–	–	–
Loans and advances to customers	25	735,300,741	456,665,385	275,174,006	111,002	3,305,957	44,391
Investment securities	27	309,071,801	301,559,580	7,512,221	–	–	–
Other assets	29	36,436,495	20,460,438	10,979,145	20,951	2,578,707	2,397,254
		1,556,964,903	**1,106,153,274**	**428,906,131**	**6,000,696**	**13,052,392**	**2,852,410**
Deposits from financial institutions	36	61,295,352	7,161,530	52,766,940	355,836	962,600	48,446
Deposits from customers	37	1,217,176,793	933,913,285	269,649,901	6,666,809	6,946,406	392
Other liabilities	40	49,940,868	28,863,854	12,186,448	308,107	6,317,073	2,265,386
Interest bearing loans & borrowings	44	120,342,026	38,247,211	82,094,815	–	–	–
		1,448,755,039	**1,008,185,880**	**416,698,104**	**7,330,752**	**14,226,079**	**2,314,224**
Off Balance Sheet exposures							
Transaction related bonds and guarantees	48	142,850,060	108,458,868	34,068,343	–	322,849	–
Guaranteed facilities	48	46,956,539	21,442,945	6,904,547	–	18,609,047	–
Clean line facilities for letters of credit and other commitments	48	162,171,919	–	154,854,385	64,778	5,609,545	1,643,211
		351,978,518	**129,901,813**	**195,827,275**	**64,778**	**24,541,441**	**1,643,211**

Bank

31 December 2012	Note	Total	Naira	US $	GBP	Euro	Others
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	284,062,159	157,104,351	111,228,905	7,126,505	8,353,044	249,354
Non-pledged trading assets	21	3,769,260	3,769,260	–	–	–	–
Pledged assets	22	60,949,856	60,949,856	–	–	–	–
Loans and advances to banks	24	3,054,520	704,756	2,349,764	–	–	–
Loans and advances to customers	25	554,592,199	416,190,727	135,379,149	731,461	469,427	1,821,435
Investment securities	27	420,346,295	410,634,801	9,711,494	–	–	–
Other assets	29	51,412,850	42,603,312	3,611,911	88,095	3,523,815	1,585,717
		1,378,187,138	**1,091,957,063**	**262,281,223**	**7,946,061**	**12,346,286**	**3,656,506**
Deposits from financial institutions	36	16,312,516	9,412,414	6,154,403	333,573	412,126	–
Deposits from customers	37	1,093,979,219	909,883,158	169,381,246	8,250,995	6,463,622	198
Other liabilities	40	24,302,067	733,862	15,555,016	235,682	7,777,508	–
Interest bearing loans & borrowings	44	103,872,441	39,318,974	64,553,467	–	–	–
		1,238,466,245	**959,348,408**	**255,644,132**	**8,820,250**	**14,653,255**	**198**
Off Balance Sheet exposures							
Transaction related bonds and guarantees	48	147,222,001	92,892,923	52,951,846	32,322	1,344,910	–
Guaranteed facilities	48	25,763,514	17,624,791	6,506,764	–	1,631,958	–
Clean line facilities for letters of credit and other commitments	48	134,284,730	–	128,986,940	317,553	4,737,106	243,130
		307,270,245	**110,517,714**	**188,445,550**	**349,875**	**7,713,974**	**243,131**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Liquidity risk management

The following table shows the undiscounted cash flows on the Group's financial assets and liabilities and on the basis of their earliest possible contractual maturity. The Gross nominal inflow/(outflow) disclosed in the table is the contractual, undiscounted cash flow on the financial liability or commitment.

5.3.1 Residual contractual maturities of financial assets and liabilities

Group 31 December 2013	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	439,459,541	439,459,542	264,639,659	1,097,783	1,315,801	–	172,406,297
Non-pledged trading assets	21	3,877,969	5,114,214	1,416,576	416,473	1,039,850	921,589	1,319,726
Pledged assets	22	63,409,851	100,095,999	6,032,902	1,211,788	2,423,577	12,762,012	77,665,720
Derivative financial instruments	23	102,123	11,471,603	11,471,603	–	–	–	–
Loans and advances to banks	24	24,579,875	26,753,256	8,437,494	9,571,785	7,429,123	775,308	539,546
Loans and advances to customers	25	786,169,704	788,847,822	331,598,823	87,849,143	63,066,928	85,329,870	221,003,058
Investment securities	27	353,811,348	370,106,042	81,546,997	67,456,866	94,035,298	66,655,718	–
Other assets	29	43,174,648	43,174,648	37,394,082	–	5,780,566	–	–
		1,714,585,059	1,785,023,126	742,538,136	167,603,838	175,091,144	166,444,497	533,345,511
Deposits from financial institutions	36	72,147,955	72,257,134	55,496,033	12,608,327	4,152,775	–	–
Deposits from customers	37	1,331,418,659	1,333,474,753	848,190,371	133,482,680	348,933,912	2,416,093	451,697
Derivative financial instruments	23	32,955	2,000,495	2,000,495	–	–	–	–
Other liabilities	40	54,043,974	54,043,974	49,775,515	4,268,459	–	–	–
Debt securities issued	38	55,828,248	55,828,248	–	–	–	–	55,828,248
Interest bearing loans & borrowings	44	64,338,982	80,283,463	4,560,709	2,077,505	8,150,902	41,740,259	23,754,089
		1,577,810,773	1,597,888,067	960,023,123	152,436,971	361,237,589	44,156,352	80,034,034
Gap (asset – liabilities)		136,774,286	187,135,059	(217,484,986)	15,166,866	(186,146,446)	122,288,145	453,311,476
Cumulative liquidity gap				(217,484,986)	(202,318,120)	(388,464,566)	(266,176,421)	187,135,057
Off-Balance Sheet								
Transaction related bonds and guarantees	48	158,715,258	158,715,258	36,391,163	21,880,870	13,727,023	24,498,529	62,217,673
Guaranteed facilities	48	54,741,356	54,741,356	27,078,764	6,572,665	10,309,368	4,610,667	6,169,891
Clean line facilities for letters of credit and other commitments	48	228,957,302	228,957,302	152,715,496	47,959,692	27,919,468	362,646	–
		442,413,916	442,413,917	216,185,423	76,413,227	51,955,859	29,471,842	68,387,564

31 December 2012	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
Cash and balances with banks	20	405,292,241	405,292,241	269,065,331	24,248,836	4,144,847	–	107,833,227
Non-pledged trading assets	21	27,906,803	29,922,220	16,294,030	7,969,908	1,305,755	4,352,527	–
Pledged assets	22	60,949,856	131,847,049	6,671,114	2,403,657	2,443,496	19,401,892	100,926,891
Derivative financial instruments	23	30,949	1,520,553	1,520,553	–	–	–	–
Loans and advances to banks	24	4,564,943	66,476,669	5,416,514	958,506	573,418	58,813,714	714,517
Loans and advances to customers	25	604,073,399	673,439,738	209,750,681	95,953,623	93,261,863	135,447,307	139,026,264
Investment securities	27	447,281,811	551,460,057	31,785,712	5,088,282	227,646,901	156,521,497	130,417,665
Insurance receivables	28	627,337	1,065,571	1,065,571	–	–	–	–
Other assets	29	59,391,258	59,391,257	31,928,182	13,264,087	14,198,990	–	–
		1,610,118,598	1,920,415,355	573,497,688	149,886,899	343,575,269	374,536,937	478,918,563
Deposits from financial institutions	36	96,893,015	117,524,181	106,323,886	106,511	3,925,613	2,622,187	4,545,983
Deposits from customers	37	1,201,481,996	1,207,459,308	1,105,376,078	56,923,657	42,148,887	3,010,686	–
Claims payable	39	118,226	118,226	118,226	–	–	–	–
Derivative financial instruments	23	35,515	1,484,393	1,484,393	–	–	–	–
Other liabilities	40	40,425,436	40,425,436	14,553,157	25,468,025	404,254	–	–
Liabilities on investment contracts	42	65,591	65,591	65,591	–	–	–	–
Debt securities issued	38	54,685,891	74,714,752	2,005,875	–	2,005,875	70,703,002	–
Interest bearing loans & borrowings	44	48,369,849	93,580,943	20,400	40,800	81,600	55,093,891	38,344,252
		1,442,075,519	1,535,372,828	1,229,947,606	82,538,993	48,566,229	131,429,766	42,890,234
Gap (asset – liabilities)		168,043,078	385,042,529	(656,449,918)	67,347,906	295,009,039	243,107,171	436,028,330
Cumulative liquidity gap				(656,449,918)	(589,102,012)	(294,092,972)	(50,985,801)	385,042,527
Off-Balance Sheet								
Transaction related bonds and guarantees	48	147,374,901	147,374,901	99,085,243	7,654,455	15,962,424	24,672,779	–
Guaranteed facilities	48	32,151,986	32,151,986	10,075,270	8,330,358	4,267,652	9,178,706	300,000
Clean line facilities for letters of credit and other commitments	48	198,789,950	198,789,950	95,244,804	67,854,696	23,526,011	12,164,438	–
		378,316,837	378,316,836	204,405,317	83,839,509	43,756,087	46,015,924	300,000

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Bank 31 December 2013	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
		N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	20	395,808,747	395,808,747	223,864,210	–	–	–	171,944,537
Non-pledged trading assets	21	3,877,969	5,055,502	1,357,864	416,473	1,039,850	921,589	1,319,726
Pledged assets	22	63,347,823	100,095,999	6,032,902	1,211,788	2,423,577	12,762,012	77,665,720
Derivative financial instruments	23	72,675	9,423,411	9,423,411	–	–	–	–
Loans and advances to banks	24	13,048,651	13,442,286	50,160	8,237,533	4,031,688	1,122,906	–
Loans and advances to customers	25	735,300,741	741,032,506	310,161,701	80,309,880	56,359,919	76,240,590	217,960,416
Investment securities	27	309,071,802	324,318,271	66,311,490	50,780,561	86,825,357	60,661,154	59,739,710
Other assets	29	36,436,496	36,436,496	30,655,930	–	5,780,566	–	–
		1,556,964,904	1,625,613,220	647,857,668	140,956,235	156,460,957	151,708,251	528,630,109
Deposits from financial institutions	36	61,295,352	61,376,623	57,097,580	4,127,708	151,335	–	–
Deposits from customers	37	1,217,176,793	1,218,851,031	786,275,557	95,890,264	336,056,653	176,860	451,697
Other liabilities	40	49,940,868	49,940,868	45,996,477	3,944,391	–	–	–
Interest-bearing loans & borrowings	44	120,342,026	135,088,313	4,528,997	2,000,692	8,118,102	97,213,926	23,226,596
		1,448,755,039	1,465,256,835	893,898,611	105,963,055	344,326,090	97,390,786	23,678,293
Gap (asset – liabilities)		108,209,865	160,356,384	(246,040,943)	34,993,180	(187,865,135)	54,317,465	504,951,816
Cumulative liquidity gap				(246,040,943)	(211,047,763)	(398,912,897)	(344,595,432)	160,356,385
Off -Balance Sheet	48							
Transaction related bonds and guarantees		142,850,060	142,850,060	35,654,495	19,902,373	9,308,603	17,184,986	60,799,603
Guaranteed facilities		46,956,539	46,956,539	23,313,012	5,179,053	7,683,916	4,610,667	6,169,891
Clean line facilities for letters of credit and other commitments		162,171,919	162,171,919	114,338,950	23,663,555	23,806,768	362,646	–
		351,978,518	351,978,518	173,306,457	48,744,981	40,799,287	22,158,299	66,969,494

31 December 2012	Note	Carrying amount	Gross nominal inflow/(outflow)	Less than 3 months	6 months	12 months	5 years	More than 5 years
Cash and balances with banks	20	284,062,159	284,062,159	150,718,047	21,509,765	4,001,120	–	107,833,227
Non-pledged trading assets	21	3,769,260	5,097,490	5,097,490	–	–	–	–
Pledged assets	22	60,949,856	131,847,050	6,671,114	2,403,657	2,443,496	19,401,892	100,926,891
Loans and advances to banks	24	3,054,520	3,163,874	2,349,246	–	100,111	–	714,517
Loans and advances to customers	25	554,592,199	590,119,610	191,365,896	88,284,244	53,959,405	121,198,015	135,312,050
Investment securities	27	420,346,295	523,180,979	16,198,997	3,500,204	225,215,720	148,089,361	130,176,695
Other assets	29	51,412,850	51,412,850	31,928,182	8,977,935	10,506,733	–	–
		1,378,187,139	1,588,884,011	404,328,972	124,675,805	296,226,585	288,689,268	474,963,379
Deposits from financial institutions	36	16,312,516	16,312,516	9,037,200	106,511	637	2,622,187	4,545,982
Deposits from customers	37	1,093,979,220	1,093,979,209	1,028,421,343	36,595,982	28,694,236	267,648	–
Other liabilities	40	24,302,067	24,302,067	243,021	24,059,047	–	–	–
Interest-bearing loans & borrowings	44	103,872,441	118,538,517	2,005,875	–	2,005,875	78,980,539	35,546,228
		1,238,466,244	1,253,132,310	1,039,707,439	60,761,539	30,700,748	81,870,374	40,092,210
Gap (asset – liabilities)		139,720,895	335,751,699	(635,378,467)	63,914,267	265,525,837	206,818,894	434,871,169
Cumulative liquidity gap				(635,378,467)	(571,464,201)	(305,938,364)	(99,119,469)	335,751,699
Off-Balance Sheet engagements								
Transaction related bonds and guarantees	48	147,222,001	147,222,001	99,085,243	7,501,556	15,962,424	24,672,779	–
Guaranteed facilities	48	25,763,514	25,763,514	5,977,038	6,115,715	4,192,055	9,178,706	300,000
Clean line facilities for letters of credit and other commitments	48	134,284,730	134,284,731	59,533,410	41,690,216	20,896,665	12,164,439	–
		307,270,245	307,270,246	164,595,691	55,307,487	41,051,144	46,015,924	300,000

The amounts in the table above have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments.
Issued financial guarantee contracts, and unrecognised loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. For example, demand deposits from customers are expected to remain stable or increase and unrecognised loan commitments are not all expected to be drawn down immediately. As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising Cash and balances with banks, and debt securities issued by federal government, which can be readily sold to meet liquidity requirements. In addition, the Group maintains agreed lines of credit with other banks and holds unencumbered assets eligible for use as collateral.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

5.3.2 Financial instruments below and above 1 year's maturity

Group	December 2013 Within 12 months	December 2013 After 12 months	December 2013 Total	December 2012 Within 12 months	December 2012 After 12 months	December 2012 Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	267,053,244	172,406,297	439,459,541	297,459,015	107,833,226	405,292,241
Non pledged trading assets	1,636,654	2,241,315	3,877,969	23,554,276	4,352,527	27,906,803
Pledged assets	9,668,267	53,741,584	63,409,851	11,518,267	49,431,589	60,949,856
Derivative financial instruments	102,123	–	102,123	30,949	–	30,949
Loans and advances to banks	20,921,683	3,658,192	24,579,875	1,948,438	2,616,505	4,564,943
Loans and advances to customers	479,836,776	306,332,928	786,169,704	329,599,828	274,473,571	604,073,399
Trading properties	–	–	–	2,693,227	–	2,693,227
Investment securities	226,792,988	127,018,360	353,811,348	264,520,895	182,760,916	447,281,811
Insurance receivables	–	–	–	627,337	–	627,337
Other assets	52,019,723	–	52,019,723	67,935,352	–	67,935,352
	1,058,031,458	665,398,676	1,723,430,134	999,887,584	621,468,334	1,621,355,918
Deposits from financial institutions	72,147,955	–	72,147,955	89,724,846	7,168,169	96,893,015
Deposits from customers	1,328,550,869	2,867,790	1,331,418,659	1,198,471,310	3,010,686	1,201,481,996
Derivative financial instruments	32,955	–	32,955	35,515	–	35,515
Debt securities issued	–	55,828,248	55,828,248	4,011,750	50,674,141	54,685,891
Claims payable	–	–	–	118,226	–	118,226
Current tax liabilities	6,899,558	–	6,899,558	8,937,964	–	8,937,964
Other liabilities	56,847,216	–	56,847,216	58,418,260	–	58,418,260
Liabilities on investment contracts	–	–	–	65,591	–	65,591
Liabilities on insurance contracts	–	–	–	3,351,234	–	3,351,234
Interest-bearing loans and borrowings	14,789,115	49,549,867	64,338,982	142,800	48,227,049	48,369,849
	1,479,267,668	108,245,905	1,587,513,573	1,363,277,496	109,080,045	1,472,357,541

Bank	December 2013 Within 12 months	December 2013 After 12 months	December 2013 Total	December 2012 Within 12 months	December 2012 After 12 months	December 2012 Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	223,864,210	171,944,537	395,808,747	176,228,932	107,833,227	284,062,159
Non pledged trading assets	1,636,654	2,241,315	3,877,969	3,769,260	–	3,769,260
Pledged assets	9,668,267	53,679,556	63,347,823	11,518,267	49,431,589	60,949,856
Derivative financial instruments	72,675	–	72,675	–	–	–
Loans and advances to banks	11,925,744	1,122,907	13,048,651	2,340,003	714,517	3,054,520
Loans and advances to customers	441,099,735	294,201,006	735,300,741	298,082,134	256,510,065	554,592,199
Investment securities	188,670,938	120,400,864	309,071,802	244,914,922	175,431,373	420,346,295
Other assets	44,326,360	–	44,326,360	61,431,658	–	61,431,658
	921,264,583	643,590,186	1,564,854,769	798,285,175	589,920,770	1,388,205,945
Deposits from financial institutions	61,295,352	–	61,295,352	9,144,348	7,168,168	16,312,515
Deposits from customers	1,216,548,236	628,557	1,217,176,793	1,093,711,571	267,649	1,093,979,220
Current tax liabilities	6,075,590	–	6,075,590	7,686,568	–	7,686,568
Other liabilities	52,092,559	–	52,092,559	50,246,164	–	50,246,164
Interest-bearing loans and borrowings	14,647,791	105,694,235	120,342,026	4,011,750	99,860,691	103,872,441
	1,350,659,528	106,322,792	1,456,982,320	1,164,800,401	107,296,508	1,272,096,909

6 Capital management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

i) To comply with the capital requirements set by the Central Bank;

ii) To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

iii) To maintain a strong capital base to support the development of its business.

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base. In accordance with Central Bank of Nigeria regulations, a minimum ratio of 15% is to be maintained for deposit money banks with international subsidiaries. The following table provides an overview of the development of the capital ratios and risk-weighted assets (RWA):

The regulatory capital requirements are strictly observed when managing capital. The Bank's regulatory capital is managed by its Bank Treasury and comprises two tiers:

– **Tier-1 capital:** share capital, share premium, retained earnings and other reserves, and

– **Tier-2 capital:** unrealised gains arising on the fair valuation of equity instruments held as available-for-sale and foreign currency translation reserves with adjustments for deferred tax assets, intangibles and investments in subsidiaries

		Group		Bank	
	Note	December 2013	December 2012	December 2013	December 2012
		N'000	N'000	N'000	N'000
Tier 1 capital					
Ordinary share capital	46	11,441,460	11,441,460	11,441,460	11,441,460
Share premium	46	161,036,211	165,186,795	161,036,211	165,186,795
Retained earnings	46	22,232,375	17,856,630	23,095,392	18,880,711
Other reserves	46	48,003,894	38,700,374	49,608,934	42,115,245
		242,713,940	233,185,259	245,181,997	237,624,211
Add/(Less):					
Fair value reserve for available-for-sale securities	46	(6,172,678)	(2,037,660)	(6,394,443)	4,755,960
Foreign currency translational reserves	46	6,268,447	(1,452,962)	–	–
Investments in subsidiaries	31	–	–	(38,029,992)	(43,209,688)
Deferred tax assets	35	(10,687,635)	(8,113,973)	(9,847,853)	(7,007,387)
Intangible assets	34	(3,659,071)	(3,404,945)	(2,661,553)	(2,339,510)
Total Tier 1		228,463,003	218,175,720	188,248,156	189,823,586
Tier 2 capital					
Fair value reserve for available-for-sale securities	46	6,172,678	2,037,660	6,394,443	(4,755,960)
Foreign Currency Translational reserves	46	(6,268,447)	1,452,962	–	–
Non-Controlling Interests	46	1,768,110	8,099,594	–	–
Total		1,672,341	11,590,216	6,394,443	(4,755,960)
Total regulatory capital		230,135,344	229,765,936	194,642,599	185,067,626
Risk-weighted assets		1,209,463,253	1,043,455,144	1,096,697,585	897,606,906
Capital ratios					
Total regulatory capital expressed as a percentage of total risk-weighted assets		19%	22%	18%	21%
Total Tier-1 capital expressed as a percentage of risk-weighted assets		19%	21%	17%	21%

7. Operating segments

The Group has four reportable segments, as described below, which are the Group's Strategic Business Units. The Strategic Business Units offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the Strategic Business Units, the Executive Management Committee reviews internal management reports on at least a quarterly basis. The Group presents segment information to its Executive Committee, which is the Group's Chief Operating Decision Maker, based on International Financial Reporting Standards.

Basing on the market segment and extent of customer turnover, the group reformed the arrangement of segments from previous years into four operational segments as described below;

- **Corporate and Investment Banking –** The division provides bespoke comprehensive banking products and a full range of services to multinationals, large domestic corporates and other institutional clients. The division focuses on customers in key industry sector with minimum annual turnover of N20Bn. It also 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;
- **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 whose annual turnover is above N1Bn. The division also provides financial services to public sector, commercial institutions and oriental corporates;
- **Personal banking –** The personal banking division is the retail arm of the bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad. The division provides financial solutions across various channels (ATM, Mobile banking, etc.) and platforms; and
- **Business Banking –** The Business banking division is a hybrid of Commercial and Personal Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The division delivers commercial banking products and services to SME customers with annual turnover of less than 1Bn.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The Group reportable segments above were previously described as follows;

- **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; and
- **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.

In both the old and new segment arrangement, an additional column has been presented referred to as Unallocated Segments. This relates to all other transactions than are outside the normal course of business and can not be directly related to a specific segment financial information.

Total revenue in the segments represents; Interest Income, Fees and Commission Income, Net gains on Financial Instruments held for trading, Foreign Exchange income, Other Operating Income and Fair Value Gains on Investment Property.

Unallocated Segments represents all other transactions than are outside the normal course of business and can not be directly related to a specific segment financial information.

Thus, in essence, unallocated segments reconcile segment balances to group balances. Material items comprising total assets and total liabilities of the unallocated segments have been outlined below;

Material total assets and liabilities	Group December 2013
	N'000
Other assets	223,617,889
Investments in equity accounted investee	3,384,628
Investment in subsidiary	–
Investment properties	23,974,789
Derivative financial instruments	102,123
Deferred tax (net)	4,475,878
Restricted deposits with central banks (see note (a) below)	(171,944,536)
Total assets	83,610,771
Derivative financial instruments	32,955
Other liabilities	57,103,484
Interest-bearing loans and borrowings	64,338,982
Total liabilities	121,475,421

Material revenue and expenses	Group December 2013
Revenue derived from external customers	
Fair Value on Investment property	4,770,116
Interest expense	
Interest expense on Eurobond	(4,021,979)

Information about operating segments

31 December 2013	Institutional Banking	Commercial Banking	Financial Markets	Retail Banking	Unallocated segments	Total continuing operations	Discontinued operations	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue								
Derived from external customers	37,499,052	102,675,806	19,923,170	42,023,074	4,770,116	206,891,218	5,730,405	212,621,623
Derived from other business segments	(1,635,281)	666,324	314,719	654,237				–
Total Revenue	**35,863,771**	**103,342,130**	**20,237,889**	**42,677,311**	**4,770,116**	**206,891,218**	**5,730,405**	**212,621,623**
Interest expenses	(25,695,987)	(31,467,257)	(4,467,945)	(6,606,198)		(68,237,387)	(229,392)	(68,466,779)
(Loss)/profit on ordinary activities before taxation	13,452,343	29,810,662	6,254,498	(5,269,230)	748,137	44,996,410	(1,200,059)	43,796,351
Income tax expense	–	–	–	–	–	(7,498,759)	–	(7,498,759)
Pre-tax loss on re-measurement of assets of disposal group								
Profit after tax						37,497,651	(1,200,059)	36,297,592
Other segment information								
Depreciation and amortisation	(4,539,677)	(3,692,161)	(321,449)	(161,257)	–	(8,714,544)	(75,929)	(8,790,473)
Assets and liabilities								
Tangible segment assets	912,595,788	742,222,636	64,619,872	32,416,930	83,610,771	1,835,465,997	55,750,624	1,891,216,621
Unallocated segment assets	–	–	–	–	–	–		–
Total assets	**912,595,788**	**742,222,636**	**64,619,872**	**32,416,930**	**83,610,771**	**1,835,465,997**	**55,750,624**	**1,891,216,621**
Segment liabilities	236,370,982	804,717,317	99,961,617	328,458,613	121,475,421	1,590,983,950	37,293,229	1,628,277,179
Unallocated segment liabilities	–	–	–	–				–
Total liabilities	236,370,982	804,717,317	99,961,617	328,458,613	121,475,421	1,590,983,950	37,293,229	1,628,277,179
Net assets	**676,224,806**	**(62,494,681)**	**(35,341,745)**	**(296,041,683)**	**(37,864,650)**	**244,482,047**	**18,457,395**	**262,939,442**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

31 December 2013	Corporate & Investment Banking	Commercial Banking	Business Banking	Personal Banking	Unallocated segments	Total continuing operations	Discontinued operations	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue								
Derived from external customers	57,716,244	85,880,717	16,793,960	41,730,180	4,770,116	206,891,217	6,710,092	213,601,309
Derived from other business segments	(1,635,281)	666,324	314,719	654,237	–	–	–	–
Total Revenue	56,080,964	86,547,042	17,108,679	42,384,417	4,770,116	206,891,217	6,710,092	213,601,309
Interest expenses	(29,343,182)	(24,742,433)	(4,506,681)	(5,623,112)	(4,021,979)	(68,237,387)	(229,392)	(68,466,778)
(Loss)/profit on ordinary activities before taxation	19,591,968	25,831,334	(5,027,266)	3,852,238	748,137	44,996,411	(1,152,907)	43,843,504
Income tax expense						(7,498,759)	(47,152)	(7,545,911)
Pre-tax loss on re-measurement of assets of disposal group						–		–
Profit after tax						37,497,652	(1,152,907)	36,344,745
Other segment information								
Depreciation and amortisation	(4,791,720)	(3,420,153)	(227,707)	(253,632)	(21,332)	(8,714,543)	(75,929)	(8,790,473)
Assets and liabilities								
Tangible segment assets	969,785,573	720,137,802	37,927,258	24,004,593	83,610,771	1,835,465,997	55,750,624	1,891,216,621
Unallocated segment assets	–	–	–					–
Total assets	969,785,573	720,137,802	37,927,258	24,004,593	83,610,771	1,835,465,997	55,750,624	3,726,682,617
Segment liabilities	337,567,545	693,660,138	148,902,642	289,378,204	121,475,421	1,590,983,950	37,293,229	1,628,277,179
Unallocated segment liabilities	–	–						–
Total liabilities	337,567,545	693,660,138	148,902,642	289,378,204	121,475,421	1,590,983,950	37,293,229	1,628,277,179
Net assets	632,218,028	26,477,664	(110,975,384)	(265,373,611)	(37,864,650)	244,482,047	18,457,395	262,939,441

31 December 2012	Institutional Banking	Commercial Banking	Financial Markets	Retail Banking	Unallocated segments	Total continuing operations	Discontinued operations	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue								
Derived from external customers	49,711,201	108,046,990	19,720,387	25,624,493	4,000,836	207,103,908	2,372,370	209,476,278
Derived from other business segments	(315,702)	1,009,737	518,265	(462,801)	(749,498)	(0)	–	(0)
Total Revenue	49,395,499	109,056,727	20,238,652	25,161,692	3,251,338	207,103,908	2,372,370	209,476,278
Interest expenses	(23,466,104)	(25,399,240)	(11,236,131)	(4,957,890)	(92)	(65,059,458)	(471,002)	(65,530,460)
	25,929,394	83,657,487	9,002,520	20,203,802	3,251,246	142,044,450	1,901,368	143,945,818
(Loss)/profit on ordinary activities before taxation	11,550,027	26,588,576	5,298,748	2,903,767	193,861	46,534,980	(4,803,531)	41,731,449
Income tax expense						(1,695,343)	(126,900)	(1,822,243)
Profit after tax						–	(306,096)	(306,096)
Other segment information						44,839,637	(5,236,527)	39,603,110
Depreciation and amortisation	(1,255,019)	(5,404,589)	(620,019)	(3,582,264)	(159,619)	(11,021,511)	(305,442)	(11,326,953)
Assets and liabilities								
Tangible segment assets	950,609,283	504,360,907	199,555,624	30,889,519	60,056,414	1,745,471,747	30,827,257	1,776,299,005
Unallocated segment assets	–	–	–	–	–	–	–	–
Total assets	950,609,283	504,360,907	199,555,624	30,889,519	60,056,414	1,745,471,747	30,827,257	1,776,299,005
Segment liabilities	253,936,327	712,275,855	250,417,896	268,040,419	19,516,397	1,504,186,894	25,793,512	1,529,980,405
Unallocated segment liabilities	–	–	–	–	–	–	–	–
Total liabilities	253,936,327	712,275,855	250,417,896	268,040,419	19,516,397	1,504,186,894	25,793,512	1,529,980,405
Net assets	696,672,956	(207,914,948)	(50,862,272)	(237,150,899)	40,540,017	241,284,853	5,033,745	246,318,599

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

7. Geographical segments

The Group operates in three geographic regions, being:

- Nigeria
- Rest of Africa
- Europe

December 2013	Nigeria	Rest of Africa	Europe	Total continuing operations	Discontinued operations	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Derived from external customers	180,230,975	20,555,979	6,104,264	206,891,218	6,710,092	213,601,310
Derived from other segments	–	–	–	–	–	–
Total Revenue	**180,230,975**	**20,555,979**	**6,104,264**	**206,891,218**	**6,710,092**	**213,601,310**
Interest expense	(61,171,695)	(4,009,098)	(3,056,594)	(68,237,387)	(229,392)	(68,466,778)
Fee and commission expenses	–	(105,638)	–	(105,638)	(22,055)	(127,693)
Operating Income	119,059,280	16,441,243	3,047,670	138,548,194	6,458,646	145,006,840
Profit/(loss) before income tax	38,927,734	5,482,645	586,031	44,996,410	(1,200,058)	43,796,353
Assets and liabilities						
Total assets	1,627,269,749	74,749,016	130,918,649	1,832,618,259	2,847,741	1,835,466,000
Total liabilities	1,393,042,304	84,997,770	111,629,701	1,589,484,455	1,499,495	1,590,983,950
Net assets	**234,227,445**	**(10,284,640)**	**19,190,999**	**242,788,299**	**1,348,246**	**244,482,050**

December 2012	Nigeria	Rest of Africa	Europe	Total continuing operations	Discontinued operations	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Derived from external customers	180,725,850	22,360,559	4,017,499	207,103,908	2,181,942	209,285,850
Derived from other segments	–	–	–	–	–	–
Total Revenue	**180,725,850**	**22,360,559**	**4,017,499**	**207,103,908**	**2,181,942**	**209,285,850**
Interest expense	(58,802,160)	(4,409,570)	(1,847,728)	(65,059,458)	(471,002)	(65,530,460)
Fee and commission expenses	(562,003)	–	(43,832)	(605,835)	(3,793)	(609,628)
Operating Income/(loss)	121,361,687	17,950,989	2,125,939	141,438,615	1,707,147	143,145,762
Profit/(loss) before income tax	43,251,768	3,574,026	(290,814)	46,534,980	(4,803,531)	41,731,449
Assets and liabilities						
Total assets	1,515,754,463	86,303,746	109,476,657	1,714,644,488	30,827,257	1,745,471,745
Total liabilities	1,278,130,252	104,416,837	107,633,974	1,478,393,380	25,793,512	1,504,186,892
Net assets	**252,627,789**	**(18,113,091)**	**1,842,683**	**236,251,108**	**5,033,745**	**241,284,853**

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the group's total revenue in year ended 2012 and for the year ended 31 December 2013. Information on revenue from external customers for each product and service had not been disclosed as the information is not readily available to the chief operating decision maker and the cost to develop is considered excessive.

8. Interest income

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Interest income				
Cash and balances with banks	1,685,844	2,729,307	572,631	1,626,694
Loans and advances to banks and customers	97,533,141	104,039,920	85,243,336	93,293,923
Investment securities				
– Available for Sale	3,174,691	2,290,861	3,069,725	1,406,710
– Held for trading	4,809,728	1,406,710	819,940	49,659,614
– Held to maturity	38,757,624	54,826,930	38,005,333	2,290,861
	145,961,028	165,293,728	127,710,965	148,277,802
Interest expense				
Deposit from financial institutions	2,020,605	12,488,557	2,695,673	13,233,673
Deposit from customers	56,979,897	46,668,960	53,177,930	42,078,513
Securities dealing	417,343	1,795,284	414,151	1,777,588
Interest bearing loans and borrowings	4,808,966	2,317,821	4,738,092	2,335,104
Other borrowed funds	4,010,576	1,788,836	–	–
	68,237,387	65,059,458	61,025,846	59,424,878
Net interest income	77,723,641	100,234,270	66,685,119	88,852,924

Interest income for the Bank in the year ended 31 December 2013 includes N7.8Bn (31 December 2012: N19Bn) accrued on impaired financial assets.

9. a) Write-back/(impairment) charge on financial assets

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Write-back/(additional) collective impairment charges on loans and advances to banks (note 24)	3,263	(7,821)	3,263	(7,821)
Write-back/(additional) collective impairment charges on loans and advances to customers (note 25)	7,670,932	(9,268,429)	6,433,655	(9,100,199)
Write-back/(additional) specific impairment charges on loans and advances to banks (see note 24)	96,755	(35,727)	96,755	(35,727)
(Additional)/write-back specific impairment charges on loans and advances to customers (see note 25)	(2,914,577)	1,403,250	(332,628)	3,128,844
Reversals/(additional) impairment allowance on other assets (see note 29)	1,151,265	(1,937,587)	1,151,265	(1,815,575)
Reversal/(additional) impairment charge on available for sale equities (see note 27)	155,906	(175,664)	155,906	(175,664)
	6,163,544	(10,021,978)	7,508,216	(8,006,142)

The significant write back noted from 2012 to 2013 arose from improved credit rating of the Bank's loans portfolio and resultant improvement in probabilities of default.

9. b) Write-back/(impairment) charge on non financial assets

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
(Additional) impairment allowance on investment in subsidiaries (see note 32)	–	–	(823,182)	(3,609,936)
Impairment charge on insurance receivables (see note 28)	–	(768,672)	–	–
	–	(768,672)	(823,182)	(3,609,936)

10. Fee and commission income

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Credit related fees and commissions	10,044,049	4,041,915	8,197,544	2,282,520
Commission on turnover and handling commission	6,251,985	6,499,558	5,803,756	6,499,558
Other fees and commissions	15,357,136	14,336,370	12,393,898	10,484,419
	31,653,170	24,877,843	26,395,198	19,266,497

Credit related fees and commissions relate to fees charged to corporate customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

11. Net gains on financial instruments classified as held for trading

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Fixed income securities	1,806,115	256,305	1,687,712	256,215
Equity Securities	–	(141,150)	–	(197,068)
Derivative held for trading	69,168	(4,566)	72,676	–
	1,875,283	110,589	1,760,388	59,147

Net gains on financial instruments classified as held for trading includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value.

12. Foreign exchange income

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Foreign exchange net trading income	6,709,105	6,924,982	5,221,837	4,882,636
Unrealised foreign exchange gains on revaluation	828,440	509,282	513,975	514,351
	7,537,545	7,434,264	5,735,812	5,396,987

13. Other operating income

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Dividends on available for sale equity securities	3,161,572	1,684,579	3,257,612	1,643,081
Gain on disposal of property and equipment	2,134,945	59,197	2,135,015	32,808
Rental income	313,257	1,119,619	308,609	420,488
Gain on disposal of equity investment	23,955	1,704,186	68,846	1,640,018
Bad debt recovered	2,711,471	2,919,420	2,659,515	2,919,420
Other income	6,668,707	1,900,483	5,348,730	1,069,602
	15,013,907	9,387,484	13,778,327	7,725,417

14. Personnel expenses

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Wages and salaries	29,567,517	26,289,517	24,596,464	21,029,788
Increase in liability for long-term incentive plan (see note 41 (a) (i))	801,169	1,920,678	801,169	1,920,678
Contributions to defined contribution plans	600,485	574,428	427,402	366,603
Termination benefits	–	3,725,937	–	3,725,937
Other staff costs (see note (a) below)	–	–	–	1,369,186
Restricted Share Performance Plan (b)	112,783	–	112,783	–
	31,081,954	32,510,560	25,937,818	28,412,192

a) The amount represents retirement benefits paid for by the Bank that were previously unaccrued for. These were as a result of the large lay-offs following the acquisition of Intercontinental Bank

b) The Bank established a new plan called the Restricted Share Performance Plan (RSPP) during the period. Under the RSPP, shares of the Bank are awarded to employees based on their performance at no cost to them. Under the terms of the plan, the shares vest over a 3 year period from the date of award. The scheme applies to only employees of the Bank that meet the stipulated performance criteria irrespective of where they work within the Group. The RSPP is an equity-settled scheme, where the Bank recognizes an expense and a corresponding increase in equity. Initial estimates of the number of equity settled instruments that are expected to vest are adjusted to current estimates and ultimately to the actual number of equity settled instruments that vest unless differences are due to market conditions.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding five (5) per cent of the aggregate emoluments of the Bank's employees in each financial year to purchase shares of the Bank from the floor of the Nigerian Stock Exchange for the purpose of the plan. The Bank has also established a Structured Entity (SE) to hold shares of the Bank so purchased. Upon vesting, the SPE transfers the shares to the employee whose interest has vested. The SPE is consolidated in the Group's financial statements.

i) The bank had one share based payment scheme which introduced during the period referred to as Restricted Share Performance Plan (RSPP). The fair value of RSPP shares purchased was obtained from Nigeria Stock Exchange quotation of June 2013 priced at Naira 11.29 per share. A further statutory fee was paid at an average of 21

The scheme is still in progress since vesting period for the shares is expected to mature in 31 December 2015. No modification has been made to the original plan of the scheme hence no shares have been granted to employees as at 31 December 2013.

ii) The number and weighted-average exercise prices of shares has been detailed in table below;

	Number of Shares	Weighted Share Price per Share -Naira
(i) Outstanding at the beginning of the period;	nil	nil
(iii) Shares purchased during the period	40,063,365	11.5
(ii) Unallocated shares	1,866,822	11.5
(iv) Forfeited during the period;	nil	nil
(v) Exercised during the period;	nil	nil
(vi) Shares allocated to staff at end of period;	38,196,543	11.5

	Naira	Price per Share -Naira
Share based expense recognised during the period	112,782,658	11.5

iii) The average number of persons in employment at the Group level during the year comprise:

	Group 2013	Group 2012	Bank 2013	Bank 2012
	N'000	N'000	N'000	N'000
Managerial	537	409	488	266
Other staff	2,873	3,792	1,973	2,630
	3,410	4,201	2,461	2,896

iv) 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:

	Group 2013	Group 2012	Bank 2013	Bank 2012
	N'000	N'000	N'000	N'000
Below N900,000	131	32	–	–
N900,001 – N1,990,000	152	55	8	7
N1,990,001 – N2,990,000	169	803	–	680
N2,990,001 – N3,910,000	950	382	691	45
N3,910,001 – N4,740,000	27	18	–	–
N4,740,001 – N5,740,000	633	1,343	556	1,280
N5,740,001 – N6,760,000	501	674	446	–
N6,760,001 – N7,489,000	296	317	272	312
N7,489,001 – N8,760,000	8	1	–	–
N8,760,001 – N9,190,000	2	1	–	–
N9,190,001 – N11,360,000	295	307	278	306
N11,360,001 – N14,950,000	122	121	105	121
N14,950,001 – N17,950,000	46	68	43	68
N17,950,001 – N21,940,000	5	2	–	–
N21,940,001 – N26,250,000	28	30	25	30
N26,250,001 – N30,260,000	25	19	21	19
N30,261,001 – N45,329,000	18	19	16	19
Above N45,329,000	2	9	–	9
	3,410	4,201	2,461	2,896

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

15. Other operating expenses

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Other premises and equipment costs	6,024,009	4,187,644	5,675,181	4,006,438
Professional fees	2,961,878	1,078,410	1,664,072	644,125
Insurance	858,014	911,257	704,128	741,030
Business travel expenses	2,242,825	1,196,985	2,198,144	930,655
Asset Management Corporation of Nigeria (AMCON) surcharge (see note (a) below)	11,695,255	2,837,900	11,695,255	2,837,900
Loss on disposal of investments	1,025,936	7,733,771	1,025,936	7,417,651
Deposit insurance premium	5,800,622	2,105,297	5,800,622	2,105,297
Auditor's remuneration	308,208	339,528	255,607	250,000
General administrative expenses	29,016,235	19,538,670	27,547,823	15,016,940
	59,932,982	39,929,462	56,566,768	33,950,036

a) This represents the Group's contribution to AMCON's sinking fund for the year ended 31 December 2013. Effective 1 January 2011, the banks in Nigeria are required to contribute 0.3% of total assets as at the preceding year end to AMCON's sinking fund in line with existing guidelines. This was increased to 0.5% in 2013. Also included in AMCON surcharge is an amount of N4Bn being the surcharge from Intercontinental Bank Plc (ICB) acquired in 2011.

The contribution to AMCON is a levy on all financial institutions in Nigeria. It is non-refundable and does not represent any ownership interest nor does it confer any rights or obligations (save to pay the levy) on the contributor.

16. Income tax expense

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Current tax expense				
Corporate income tax	6,508,257	7,605,830	4,515,932	5,813,999
Education tax	–	242,323	–	242,323
Prior year's under provision	2,819,776	96,985	2,809,419	96,985
	9,328,033	7,945,138	7,325,351	6,153,307
Deferred tax expense				
Origination of temporary differences	(1,829,274)	(6,249,795)	(2,171,799)	(5,709,388)
Total income tax expense	7,498,759	1,695,343	5,153,552	443,919

The movement in the current income tax liability is as follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance beginning of year	8,937,964	9,747,004	7,686,568	2,084,890
Tax paid	(10,850,841)	(8,846,557)	(8,936,329)	(551,628)
Income tax charge	6,546,118	7,848,153	4,515,932	6,056,322
On disposal of subsidiary	(406,978)	92,379	–	–
Under provision of prior period tax	2,819,776	96,985	2,809,419	96,985
Translation adjustments	(124,344)	–	–	–
Income tax receivable	(22,137)	–	–	–
Balance end of year	6,899,558	8,937,964	6,075,590	7,686,569

Income tax liability is to be settled within one year

	Group December 2013	Group December 2013	Group December 2012	Group December 2012
		N'000		N'000
Profit before income tax		36,627,391		44,880,148
Income tax using the domestic tax rate	30%	10,988,217	30%	13,464,044
Effect of tax rates in foreign jurisdictions	0%	(27,429)	–2%	(1,011,797)
Capital allowance utilised for the year	1%	439,108	0%	–
Non-deductible expenses	8%	2,867,824	12%	5,255,620
Tax exempt income	–33%	(12,221,668)	–42%	(18,971,065)
Tax losses (utilised)/unutilised	–1%	(212,945)	0%	–
Education tax levy	0%	–	1%	242,323
Balancing charge	0%	97,357	0%	107,695
Over provided in prior years	3%	1,245,310	–4%	(1,898,922)
Impact of dividend as tax base	12%	4,322,985	10%	4,507,444
Total income tax expense in comprehensive income	20%	7,498,759	5%	1,695,343

	Bank December 2013	Bank December 2013	Bank December 2012	Bank December 2012
		N'000		N'000
Profit before income tax		31,365,395		37,028,147
Income tax using the domestic tax rate	30%	9,409,619	30%	11,108,444
Effect of tax rates in foreign jurisdictions	0%	–	0%	–
Information technology tax	1%	299,650	0%	–
Non-deductible expenses	7%	2,314,851	15%	5,348,000
Tax exempt income	–39%	(12,336,609)	–51%	(18,971,065)
Education tax levy	0%	–	1%	242,323
Balancing charge	0%	–	0%	107,695
Capital gain tax	0%	97,357	0	–
Over provided in prior years	4%	1,249,759	–5%	(1,898,922)
Impact of dividend as tax base	13%	4,118,925	12%	4,507,444
Total income tax expense in comprehensive income	16%	5,153,552	2%	443,919

17. a) Discontinued operations

In the December 2012 financial statements, the Group accounted for the Bank's subsidiaries; FinBank Burundi, Intercontinental Bank (UK), Intercontinental Homes and Savings Plc and Access Bank Cote d'Ivoire; as discontinued operations as they were classified as held for sale. During the year, Intercontinental Homes and Savings Plc and Intercontinental Bank (UK), Access Bank Cote d'Ivoire and Access Investment and Securities Ltd were sold. Management is still committed to a plan to sell Access Bank Burundi within 12 months from the reporting period. (Analysis of the result of discontinued operations and the result recognised in the re-measurement of assets or disposal groups is as below:

The Central Bank of Nigeria (CBN) directed all banks to divest from non-core banking subsidiaries. In line with this, Shareholders of Access Bank Plc, at a court ordered extra-ordinary general meeting (EGM) endorsed the proposal by its Board of Directors to unbundle the Bank's shares in WAPIC Insurance Plc to the shareholders. WAPIC Insurance Plc thus ceased to be a subsidiary of Access Bank Plc in September 2013 and has been accounted for as a discontinued operation.

In accordance with the scheme, the 4,883,039,474 ordinary shares of 50 kobo each of WAPIC Insurance Plc held by Access Bank Plc were transferred to the eligible shareholders of Access Bank pro rata in the proportion of their shareholding in Access Bank Plc, based on the application of the Allocation Ratio as specified in the Scheme document; that pursuant to the provision of section 106 of the Companies and Allied Matters Act and in consideration for the transfer by Access Bank Plc to its shareholders of its entire shares in WAPIC Insurance Plc, the Bank's equity was reduced by the sum of N4,150,585 in September 2013. This transaction was recognised and measured in accordance with "IFRIC 17 – Distribution of Non-cash Assets to Owners.

	Group December 2013	Bank December 2013
	N'000	N'000
Distribution of shares of WAPIC to Access Bank Shareholders		
Fair value of the non-cash asset	4,150,584	4,150,584
Less		
Share of net assets of the entity's shares being distributed/carrying amount of the assets distributed	(8,665,168)	(6,613,212)
	(4,514,584)	(2,462,630)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

17. b) Discontinued operations

For the year ended 31 December 2013	Omni Finance Bank Cote D'Ivoire	Access Bank Burundi	Intercontinental Homes & Savings Limited	Intercontinental Bank UK	WAPIC	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Results of discontinued operations up to date	**December 2013**	**December 2013**	**January 2013**	**March 2013**	**September 2013**	
Interest income	118,689	333,767	18,224	15,217	–	485,897
Interest expense	(115,269)	(97,380)	(11,922)	(4,821)	–	(229,392)
Net impairment loss on financial assets	–	(1,192)	(37,955)	–	–	(39,147)
Net interest income	3,420	235,195	(31,653)	10,396	–	217,358
Insurance premium income	–	–	–	–	3,741,257	3,741,257
Insurance premium ceded to Reinsurers	–	–	–	–	(1,487,483)	(1,487,483)
	–	**–**	**–**	**–**	**2,253,774**	**2,253,774**
Fee and commission income	117,334	85,542	1,193	6,654	133,280	344,003
Fee and commission expense	–	(21,642)	(153)	(260)	–	(22,055)
Net fee and commission income	117,334	63,900	1,040	6,394	133,280	321,948
Net trading and investment income	–	20,383	–	296	1,138,568	1,159,247
Other operating income	178,620	70,177	74,903	–	655,988	979,688
Total operating income	**299,374**	**389,655**	**44,290**	**17,086**	**4,181,610**	**4,932,016**
Personnel expenses	(226,621)	(189,336)	(25,477)	(46,722)	(714,057)	(1,202,213)
Net claims expense and underwriting expenses	–	–	–	–	(2,232,098)	(2,232,098)
Depreciation and amortisation	–	(70,505)	(4,045)	(1,379)	–	(75,929)
Other operating expenses	(508,714)	(183,704)	(13,358)	(33,467)	(1,103,358)	(1,842,601)
Total expenses	**(735,335)**	**(443,545)**	**(42,880)**	**(81,568)**	**(4,049,512)**	**(5,352,840)**
(Loss)/gain before tax	**(435,960)**	**(53,890)**	**1,410**	**(64,482)**	**132,098**	**(420,824)**
Income tax expense	–	–	–	–	(47,152)	(47,152)
(Loss)/gain after tax	**(435,960)**	**(53,890)**	**1,410**	**(64,482)**	**84,946**	**(467,976)**
(Loss)/profit after tax attributable to						
Owners of the bank	(226,699)	(28,023)	733	(64,482)	44,172	(274,299)
Non-controlling interests	(209,261)	(25,867)	677	–	40,774	(193,678)
Loss after tax for the period	**(435,960)**	**(53,890)**	**1,410**	**(64,482)**	**84,946**	**(467,977)**
Basic (loss)/earnings per share (kobo)	(7.97)	(0.98)	0.03	(2.08)	1.55	
Cash flows from/(used in)						
Net cash used in operating activities	549,385	(166,571)	135,566	1,011,090	2,003,551	3,533,021
Net cash from investing activities	(1,046)	(5,477)	231,939	1,088,569	(248,691)	1,065,294
Net cash from financing activities	–	76,803	11,922	–	2,990,815	3,079,540
Effect on cash flows	**548,339**	**(95,245)**	**379,427**	**2,099,659**	**4,745,675**	**7,677,855**

17. c) Discontinued operations (continued)

For the year ended 31 December 2012	Omni Finance Bank Cote D'Ivoire	Access Bank Burundi	Intercontinental Homes & Savings Limited	Intercontinental Bank UK	WAPIC	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Results of discontinued operations						
Interest income	157,937	374,077	315,206	192,707	–	1,039,927
Interest expense	(187,781)	(92,171)	(149,069)	(41,981)	–	(471,002)
Net impairment loss on financial assets	(210,295)	(21,507)	(5,932)	(4,805)	(612,853)	(855,392)
Net interest income	(240,139)	260,399	160,205	145,921	(612,853)	(286,467)
Fee and commission income	106,419	143,346	18,530	55,131	–	323,426
Fee and commission expense	–	–	–	(3,793)	–	(3,793)
Net fee and commission income	106,419	143,346	18,530	51,338	–	319,633
Net trading income	45,712	37,937	5,396	–	–	89,045
Other operating income	75,278	92,694	554,744	6,828	190,429	919,973
Total operating income	**(12,730)**	**534,376**	**738,875**	**204,087**	**(422,424)**	**1,042,184**
Underwriting profit	–	–	–	–	1,014,536	1,014,536
Personnel expenses	(272,447)	(204,292)	(366,345)	(334,669)	(572,027)	(1,749,780)
Operating lease expenses	(32,411)	(74,178)	(53,957)	–	–	(160,546)
Depreciation and amortization	(195,566)	(51,066)	(58,810)	–	(154,570)	(460,012)
Other operating expenses	(2,883,728)	(554,149)	(338,373)	(161,057)	(552,607)	(4,489,914)
Total expenses	(3,384,152)	(883,685)	(817,485)	(495,726)	(264,668)	(5,845,716)
Loss before tax from discontinued operations	**(3,396,882)**	**(349,309)**	**(78,609)**	**(291,639)**	**(687,092)**	**(4,803,531)**
Income tax expense	–	(5,530)	(28,991)	–	(92,379)	(126,900)
Pre-tax loss recognised on the remeasurement of assets of disposal group	–	–	(306,096)	–	–	(306,096)
Loss after tax	(3,396,882)	(354,839)	(413,697)	(291,639)	(779,471)	**(5,236,527)**
Net loss of control of subsidiaries to the Group						**(274,835)**
						(5,511,362)
Loss after tax attributable to						
Owners of the Bank	(1,766,379)	(184,516)	(215,122)	(291,639)	(405,325)	(2,862,981)
Non-controlling interests	(1,630,503)	(170,323)	(198,575)	–	(374,146)	(2,373,546)
Loss after tax for the year	(3,396,882)	(354,839)	(413,697)	(291,639)	(779,471)	(5,236,528)
Cash flows (used in)/from						
Net cash used in operating activities	(5,785,785)	(134,725)	(191,854)	1,650,435	746,007	(3,715,922)
Net cash from investing activities	–	(21,472)	91,821	(506)	(573,153)	(503,311)
Net cash from financing activities	(21,472)	(82,496)	–	228,357	–	124,389
Effect on cash flows	**(5,807,257)**	**(238,693)**	**(100,033)**	**1,878,286**	**172,854**	**(4,094,844)**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

17. d) The aggregate book values of the net assets for four subsidiaries disposed at the respective dates of disposal were as follows:

	WAPIC	Intercontinental Homes & Savings Limited	Intercontinental Bank UK	Access Investments and Securities	Omni Finance Bank Cote D'Ivoire	Total
	September 2013	January 2013	March 2013	September 2013	December 2013	
	N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	8,814,192	374,534	11,027,379	69,794	4,688,605	24,974,504
Loans and advances to banks	–	–	4,060,575	–	–	4,060,575
Loans and advances to customers	–	1,551,045	781,982	–	1,404,556	3,737,583
Trading properties	3,377,221	–	–	–	3,377,221	
Investment securities	5,463,103	105,502	1,585,976	–	48,980	7,203,561
Reinsurance assets	882,258	–	–	–	–	882,258
Other assets	2,346,289	342,853	183,909	181,343	233,137	3,287,531
Investment properties	3,566,382	431,944	–	–	–	3,998,326
Property and equipment	1,067,202	693,922	48,019	31,304	1,245,798	3,086,245
Intangible assets	65,612	31,617	19,484	–	–	116,713
Deferred acquisition cost	270,658	–	–	–	–	270,658
Deferred tax assets	32,731	722,718	–	–	–	755,449
Total assets	**22,508,427**	**7,631,356**	**17,707,324**	**282,441**	**7,621,076**	**55,750,624**
Deposits from banks	–	–	(8,009,531)	–	–	(8,009,531)
Deposits from customers	–	(1,062,594)	(6,421,984)	–	(10,573,163)	(18,057,741)
Derivative financial instruments	–	–	(145,590)	–	–	(145,590)
Current tax liabilities	(292,631)	(31,285)	(84,050)	–	(407,966)	
Other liabilities	(3,139,702)	(902,368)	(192,200)	–	(342,232)	(4,576,502)
Insurance contracts	(4,929,359)	–	–	–	–	(4,929,359)
Interest-bearing loans and borrowings	–	(995,884)	–	–	–	(995,884)
Deferred tax liability	(170,656)	–	–	–	–	(170,656)
Total liabilities	(8,532,348)	(2,992,131)	(14,769,305)	(84,050)	(10,915,395)	(37,293,229)
Net assets of disposal group	**13,976,079**	**4,639,225**	**2,938,019**	**198,391**	**(3,294,319)**	**18,457,395**
Proceeds on disposal	–	2,100,000	3,872,960	101,023	160,666	6,234,649
Fair value of the non-cash asset	4,150,584	–	–	–	–	4,150,584
Group's share of other components of net assets excluding translation reserve	(8,665,169)	(2,412,397)	(3,509,765)	(198,391)	2,688,582	(12,097,140)
Gain on disposal	(4,514,585)	(312,397)	363,195	(97,368)	2,849,248	(1,711,906)
Profit from discontinued operations						
Foreign exchange gain/(loss) arising from disposal of translated foreign subsidiaries	–	–	571,746	–	408,078	979,824
Post tax loss of discontinued operations						(467,976)
						(1,200,059)
Bank						
Proceeds on disposal		2,100,000	3,872,960	101,023	160,666	6,234,649
Cost of investments		3,387,938	7,301,401	819,278	5,438,520	16,947,137
Allowances for impairment		(1,001,475)	(3,307,929)	(620,908)	(5,277,854)	(10,208,165)
Loss on disposal		**(286,463)**	**(120,512)**	**(97,347)**	**–**	**(504,323)**

18. Non-current assets and non-current liabilities held for sale

Access Bank Burundi is presented as disposal group held for sale following the commitment of the Group's management to a plan to sell the operations of the subsidiary. Efforts to sell the disposal groups have since commenced and the sale is highly probable of occurring in 2014. As at 31 December 2013, the disposal groups comprised assets and liabilities as follows:

For the year ended 31 December 2013	Access Bank Burundi	Total
	N'000	N'000
Cash and balances with banks	900,046	900,046
Loans and advances to customers	576,434	576,434
Investment securities	703,723	703,723
Property and equipment	266,853	266,853
Other assets	66,590	66,590
Intangible assets	334,095	334,095
Total assets	**2,847,741**	**2,847,741**
Deposits from banks	972,741	972,741
Deposits from customers	405,327	405,327
Other liabilities	121,427	121,427
Total liabilities	**1,499,495**	**1,499,495**
Net assets of disposal group	**1,348,246**	**1,348,246**

Financial risk management disclosures for non-current assets and non-current liabilities held for sale

In 2013, there is only one non-current asset and liability held for sale and this is Burundi.

In accordance with IFRS 5, the assets and liabilities held for sale were carried at the lower of their fair value less costs to sell and carrying amount. The financial assets within Access Bank Burundi are cash and balance balances, Loans and advances to customers and investment securities.

Loans and advances to banks and customers are past due nor impaired facilities. These facilities are spread across sectors in the following percentages of: 57% in the corporate sector, 27% in the retail sector and 16% in the commercial sector. Collateral held against this exposure includes: properties, cash and other enhancements. Most of the assets and liabilities mature within six months and as such fair value approximated carrying amount. Investment in securities are trading instruments which are highly liquid and actively traded with maturity of 1 year. Cash and balances with banks consist of balances held with foreign banks and unrestricted balances with central bank.

For the year ended 31 December 2012	Access Bank Burundi	Intercontinental Homes & Savings Limited	Intercontinental Bank UK	Omni Finance Bank Cote D'Ivoire	Total
	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	457,124	426,452	11,296,202	942,493	13,122,271
Non pledged trading assets	368,575	–	–	–	368,575
Derivative financial instruments	–	–	21,309	–	21,309
Loans and advances to banks	–	–	2,306,730	–	2,306,730
Loans and advances to customers	1,984,588	1,560,303	784,131	1,293,427	5,622,449
Trading properties	–	2,870,974	–	–	2,870,974
Investment securities	–	135,035	1,592,361	57,963	1,785,359
Other assets	130,557	313,433	191,530	238,920	874,440
Investment properties	–	403,707	–	–	403,707
Property and equipment	199,328	652,315	55,049	1,326,433	2,233,125
Intangible assets	427,109	29,859	20,041	18,591	495,600
Deferred tax assets	–	722,718	–	–	722,718
Total assets	3,567,281	7,114,796	16,267,353	3,877,827	30,827,257
Deposits from banks	–	–	12,698,049	3,077,493	15,775,543
Deposits from customers	2,513,741	1,257,171	–	3,485,893	7,256,805
Derivative financial instruments	–	31,286	19,026	–	50,312
Current tax liabilities	185,170	914,585	–	–	1,099,755
Other liabilities	–	–	199,648	411,976	611,624
Interest-bearing loans and borrowings	–	999,474	–	–	999,475
Total liabilities	2,698,911	3,202,516	12,916,723	6,975,363	25,793,512
Net assets of disposal group	868,370	3,912,280	3,350,630	(3,097,535)	5,033,743

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

19. Earnings per share

a) Basic from continuing operations

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Profit/(Loss) for the year from continuing operations	37,497,651	44,839,636	26,211,844	35,815,611
Profit/(Loss) for the year from discontinued operations	(1,200,059)	(5,511,362)	–	–
Weighted average number of ordinary shares in issue	22,882,919	22,882,919	22,882,919	22,882,919
In naira per share				
Basic earnings per share from continuing operations	1.64	1.96	1.15	1.57
Basic (loss)/earnings per share from discontinued operations	(0.05)	(0.24)	–	–

b) Diluted from continuing operations

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company has debt with a convertible option.

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Profit for the year from continuing operations	37,497,651	44,839,636	26,211,844	35,815,611
Interest expense on convertible debt (net of tax)	17,143	25,016	17,143	25,016
Profit used to determine diluted earnings per share	37,514,794	44,864,652	26,228,987	35,840,627
Profit from discontinued operations	(1,200,059)	(5,511,362)	–	–
Weighted average number of ordinary shares in issue	22,882,919	22,882,919	22,882,919	22,882,919
Adjustment for				
Assumed conversion of convertible debt	6,510	11,117	6,510	11,117
Weighted average number of ordinary shares for diluted earnings per share	22,889,429	22,894,036	22,889,429	22,894,036
In naira per share				
Diluted earnings per share from continuing operations	1.64	1.96	1.15	1.57
Diluted (loss)/earnings per share from discontinued operations	(0.05)	(0.24)	–	–
The equity settled share based payment is anti dilutive				
Earnings per share	1.59	1.72	1.15	1.57
Earnings per share – continuing operations	1.64	1.96	1.15	1.57

20. Cash and balances with banks

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Cash on hand and balances with banks (see note (i), (ii) below)	114,541,529	110,075,694	109,655,119	90,455,766
Restricted deposits with central banks (see note (iii) below)	172,406,297	109,107,275	171,944,537	107,833,227
Unrestricted balances with central banks	31,143,134	25,238,351	24,775,442	19,461,280
Money market placements	121,368,581	160,870,921	89,433,649	66,311,886
	439,459,541	405,292,241	395,808,747	284,062,159

i) Included in cash in hand and balances with other banks is an amount of N10,276,951,763 (2012: N24,611,573,000) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 41). This has been excluded for cash flow purposes;

ii) Restricted deposits with central banks comprise the cash reserve requirements of the Central Bank of Nigeria, other central banks of jurisdictions that the group operates in as well as the statutory deposits required by the National Insurance Commission (NAICOM). These balances are not available for day to day operations of the group.

21. Non-pledged trading assets

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Government bonds	1,402,326	1,393,240	1,402,326	711,495
Treasury bills	2,370,725	26,182,745	2,370,725	2,884,040
Equity securities	104,918	330,818	104,918	173,725
	3,877,969	27,906,803	3,877,969	3,769,260

22. Pledged assets

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Treasury bills	4,774,503	6,560,147	4,712,475	6,560,147
Government bonds	58,635,348	54,389,709	58,635,348	54,389,709
	63,409,851	60,949,856	63,347,823	60,949,856
The related liability for assets pledged as collateral include				
Bank of Industry (BOI)	22,660,000	34,910,500	22,660,000	34,910,500

i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above. Also included in pledged assets are assets pledged as collateral or security deposits to clearing house and payment agencies of N26.7Bn (December 2012: N35.9Bn) for which there is no related liability.

As at 31 December 2013, the Bank held no collateral, which it was permitted to sell or repledge in the absence of default by the owner of the collateral (December 2012: nil).

23. Derivative financial instruments

	December 2013		December 2012	
	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	N'000	N'000	N'000	N'000
Group				
Foreign exchange derivatives				
Total derivative assets held for trading	11,471,603	102,123	1,520,553	30,949
Total derivative liabilities held for trading	2,000,495	(32,955)	1,484,393	(35,515)
Bank				
Foreign exchange derivatives				
Total derivative assets held for trading	9,423,411	72,675	–	–

Derivative financial instruments consist of short term forward contracts. Forwards are held for day to day cash management rather than for trading purposes and are held at fair value. These foreign exchange contracts have intended settlement dates within twelve months. This is the only category of derivative instruments held by the Bank as at 31 December 2013. All forward contracts are considered to be level two i.e. are priced with reference to observable market data.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

24. Loans and advances to banks

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Loans and advances to banks	24,589,212	4,674,298	13,057,988	3,163,874
Less specific allowances for impairment	–	(96,755)	–	(96,755)
Less collective allowances for impairment	(9,337)	(12,599)	(9,337)	(12,599)
	24,579,875	4,564,944	13,048,651	3,054,520

Specific allowances for impairment on loans and advances to banks

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	96,755	61,028	96,755	61,028
Impairment loss for the year				
– Net charge/allowance no longer required	(96,755)	35,727	(96,755)	35,727
Balance, end of year	–	96,755	–	96,755

Collective allowances for impairment on loans and advances to banks

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance beginning of year	12,599	4,778	12,599	4,778
Impairment loss for the year				
– Net charge/allowance no longer required	(3,262)	7,821	(3,262)	7,821
– On disposal of subsidiary	–	–	–	–
Balance end of year	9,337	12,599	9,337	12,599

25. Loans and advances to customers

Group December 2013	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Loans to individuals	59,877,329	(898,746)	(568,672)	(1,467,418)	58,409,911
Loans to corporate entities and other organisations	740,787,094	(7,045,364)	(5,981,936)	(13,027,300)	727,759,793
	800,664,423	(7,944,110)	(6,550,609)	(14,494,719)	786,169,704

December 2012	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Loans to individuals	47,915,666	(2,724,644)	(225,374)	(2,950,018)	44,965,649
Loans to corporate entities and other organisations	594,119,456	(21,508,365)	(13,503,341)	(35,011,706)	559,107,750
	642,035,123	(24,233,009)	(13,728,715)	(37,961,724)	604,073,399

Impairment on loans and advances to customers

	Specific allowances		Collective allowances	
	December 2013	December 2012	December 2013	December 2012
	N'000	N'000	N'000	N'000
Balance beginning of year	24,233,009	43,581,022	13,728,715	4,729,774
Impairment loss for the year				
– Charge for the year/(allowance no longer required)	2,914,576	(1,403,250)	(7,670,933)	9,268,429
Effect of foreign currency movements	872,556	807,084	992,633	–
Write-offs	(20,076,031)	(18,751,847)	(499,807)	(269,488)
Balance end of year	7,944,110	24,233,009	6,550,608	13,728,715

25. Loans and advances to customers (continued)

Bank December 2013	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Loans to individuals	12,095,930	–	(483,733)	(483,733)	11,612,196
Loans to corporate entities and other organisations	736,444,903	(6,812,512)	(5,943,847)	(12,756,359)	723,688,545
	748,540,833	**(6,812,512)**	**(6,427,580)**	**(13,240,092)**	**735,300,741**

December 2012	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
	N'000	N'000	N'000	N'000	N'000
Loans to individuals	21,463,197	(4,224,371)	(208,060)	(4,432,431)	17,030,766
Loans to corporate entities and other organisations	566,333,682	(15,619,267)	(13,152,982)	(28,772,249)	537,561,433
	587,796,879	(19,843,638)	(13,361,042)	(33,204,680)	554,592,199

Impairment on loans and advances to customers

	Specific Impairment		Collective Impairment	
	December 2013	December 2012	**December 2013**	December 2012
	N'000	N'000	**N'000**	N'000
Balance beginning of year	**19,843,639**	17,333,987	**13,361,042**	3,995,079
Acquired through business combination	**–**	25,421,642	**–**	265,764
Impairment loss for the year				
– Charge for the year/(allowances no longer required)	**332,628**	(3,128,844)	**(6,433,655)**	9,100,199
Write-offs	**(13,363,755)**	(19,783,147)	**(499,807)**	–
Balance end of year	**6,812,512**	19,843,638	**6,427,580**	13,361,042

Advances under Finance Leases

Loans and advances to customers at amortised cost include the following finance lease receivables for leases of certain property and equipment where the group is the lessor:

	Group December 2013	Group December 2012	**Bank December 2013**	Bank December 2012
	N'000	N'000	**N'000**	N'000
Gross investment in finance lease, receivable	**3,385,413**	2,569,890	**3,385,413**	2,569,890
Unearned finance income on finance leases	**(364,259)**	(265,343)	**(364,259)**	(265,343)
Net investment in finance leases	**3,021,154**	2,304,547	**3,021,154**	2,304,547
Gross investment in finance leases, receivable				
Less than one year	**507,958**	1,061,185	**507,958**	1,061,185
Between one and five years	**2,877,455**	1,508,705	**2,877,455**	1,508,705
Later than five years	**–**	–	**–**	–
	3,385,413	2,569,890	**3,385,413**	2,569,890
Unearned finance income on finance leases	**(364,259)**	(265,343)	**(364,259)**	(265,343)
Present value of minimum lease payments	**3,021,154**	2,304,547	**3,021,154**	2,304,547
The present value of minimum lease payments may be analysed as follows				
Less than one year	**309,776**	262,100	**309,776**	262,100
Between one and five years	**2,711,377**	2,042,447	**2,711,377**	2,042,447
Later than five years	**–**	–	**–**	–

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

26. Trading properties

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 December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	2,693,227	6,688,000	–	–
Additions and capital improvements	585,261	1,318,679	–	–
On disposal of subsidiary	(3,278,488)	–	–	–
Asset classified as held for sale	–	(2,870,974)	–	–
Disposal of trading property	–	(2,421,534)	–	–
Transfer to investment properties	–	(20,944)	–	–
Balance, end of year	–	2,693,227	–	–

27. Investment securities

Available for sale investment securities	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Debt securities				
Government bonds	2,818,336	12,023,268	2,818,336	12,023,268
Treasury bills	140,780,793	3,414,102	119,864,079	321,670
Eurobonds	6,690,780	8,906,991	6,690,780	8,906,991
Equity securities				
Equity securities with readily determinable fair values	39,231,798	32,501,959	39,231,798	32,501,959
Unquoted equity securities at cost	3,484,137	3,282,468	3,145,697	3,191,162
	193,005,844	60,128,788	171,750,690	56,945,050
Specific allowance for impairment on equity securities	(3,145,698)	(3,388,177)	(3,145,697)	(3,371,604)
	189,860,146	56,740,611	168,604,993	53,573,446

Held to maturity investment securities	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Debt securities				
Treasury bills	17,503,150	15,971,283	–	–
Federal government bonds	62,199,278	109,104,849	59,140,482	107,441,917
State government bonds	9,922,603	–	9,922,603	–
AMCON bonds (see note below)	59,123,792	238,833,801	59,123,792	238,833,801
Corporate bonds	7,386,140	10,702,325	4,463,693	5,080,987
Eurobonds	821,441	1,317,301	821,441	804,503
Local contractors bonds	6,994,798	14,611,641	6,994,798	14,611,641
	163,951,202	390,541,200	140,466,809	366,772,849
Investment securities	353,811,348	447,281,811	309,071,802	420,346,295

Specific allowance for impairment on available for sale investment securities at cost

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	3,388,177	3,195,441	3,371,604	118,441
Acquired through business combination	–	–	–	3,077,499
Allowance no longer required	(155,906)	–	(155,906)	–
Charge for the year	–	175,664	–	175,664
Amount written off	(70,000)	–	(70,000)	–
Exchange difference	(16,573)	17,072	–	–
Balance, end of year	3,145,698	3,388,177	3,145,698	3,371,604

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 in exchange for non-performing loans and the issued shares in Intercontinental Bank, as part of the acquisition by Access Bank. 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 through income.

28. Insurance receivables

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Due from agents, brokers and reinsurers	–	2,795,326	–	–
Allowance for doubtful receivables	–	(2,167,989)	–	–
	–	627,337	–	–

Specific allowances for impairment for insurance receivables

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	2,167,989	1,210,000	–	–
Additional allowance	–	768,672	–	–
Exchange difference	–	189,317	–	–
On disposal of subsidiary	(2,167,989)			
Balance, end of year	–	2,167,989	–	–

29. Other assets

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Accounts receivable	43,158,075	44,311,488	37,235,693	35,798,679
Cash collateral receivable on letters of credit transactions	16,330,068	14,184,249	15,976,057	14,184,249
Receivable from AMCON (see note (a) below)	5,780,565	26,581,778	5,780,566	26,581,778
Prepayments	8,381,805	8,515,186	6,232,228	6,276,947
Subscription for investment	925,030	28,911	1,657,636	3,741,861
	74,575,543	93,621,612	66,882,180	86,583,514
Allowance for impairment on other assets				
Accounts receivable	(21,630,790)	(24,746,230)	(21,630,790)	(24,211,826)
Subscription for investment	(925,030)	(940,030)	(925,030)	(940,030)
	(22,555,820)	(25,686,260)	(22,555,820)	(25,151,856)
Total	52,019,723	67,935,352	44,326,360	61,431,658

a) This balance represents a receivable from Asset Management Corporation of Nigeria (AMCON) in connection with the acquisition of Intercontinental Bank in line with the Transaction Implementation Agreement (TIA) executed on 6 July 2011 and entered with the Bank. The receivable is expected to be settled via consideration such as cash or bonds issued by AMCON.

Movement in allowance for impairment on other assets

	Group Accounts receivable	Group Subscription for investments	Bank Accounts receivable	Bank Subscription for investments
	N'000	N'000	N'000	N'000
Balance at 1 January 2012	25,858,364	940,030	688,575	–
Asset classified as held for sale	(87,710)	–	–	–
Acquired through business combination	–	–	23,715,257	940,030
Balance at 1 January 2012	25,770,654	940,030	24,403,832	940,030
Impairment loss for the year				
– Allowance during the year	2,801,248	–	2,679,236	–
– Allowance no longer required	(863,661)	–	(863,661)	–
Net impairment for the year	1,937,587	–	1,815,575	–
Allowance written off	(2,907,611)	–	(2,007,581)	–
Translation difference	(54,400)	–	–	–
Balance as at 31 December 2012/1 January 2013	24,746,230	940,030	24,211,826	940,030
Impairment loss for the year				
– Allowance during the year	509,012	–	509,012	–
– Allowance no longer required	(1,645,277)	(15,000)	(1,645,277)	(15,000)
Net impairment for the year	(1,136,265)	(15,000)	(1,136,265)	(15,000)
Allowance written off	(1,979,175)	–	(1,444,771)	–
Translation difference	–	–	–	–
Balance as at 31 December 2013	21,630,790	925,030	21,630,790	925,030

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

30. Investment properties

These investment properties have been valued by reputable estate surveyors and valuers using the comparable transactions method of valuation to arrive at the open market value. The portion of the investment property representing land is N23.7Bn. The valuers used by the bank are Azuka Iheabunike & Partners and Diya Fatimilehin & Co. There is no rental income from investment property during the year and no restrictions on the realisability of the property. The property is held for capital appreciation.

The Bank's investment properties, which are all located in Lagos State, include Flats at Salvador and Eric Moore Towers, Abijo Land and Maiyegun waterfront Land. The Bank's intention is to systematically dispose of the Flats at Eric Moore towers, Salvador towers and Abijo Land. In the medium term, because of the size of Maiyegun property, the Bank intends to, in conjuction with developers, carry out some infrastructural developments on it to prepare it for prime conditions appropriate for sale.

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	14,360,567	16,097,044	14,072,673	12,417,043
Acquired through business combination	–	–	–	1,710,320
Additions during the year	5,159,830	1,321,866	5,159,830	–
Transfer from trading properties	–	20,944	–	–
Asset classified as held for sales	–	(403,707)	–	–
Loss of control	–	(377,624)	–	–
Fair value gain	4,850,286	–	4,850,286	–
On disposal of subsidiary	(287,894)	–	–	–
Disposals during the period	(108,000)	(2,297,956)	(108,000)	(54,690)
Balance, end of the year	23,974,789	14,360,567	23,974,789	14,072,673

31. Investments in equity accounted investee

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	2,774,647	2,812,805	1,980,808	–
Acquired through business combination	–	–	–	1,980,808
Reversal of share of impairment	–	429,000	–	–
Share of profit for the year	1,465,814	636,903	–	–
Share of OCI for the year	(17,215)	133,484	–	–
Exchange difference	–	37,583	–	–
Dividends paid	(96,041)	–	–	–
Disposal during the year	(503,879)	(1,275,128)	(458,996)	–
Balance, end of year	3,623,325	2,774,647	1,521,812	1,980,808

Set out below are the summarised financial information for associates which are accounted for using the equity method.

	Associated Discount House Limited		Magnate Technologies	
	December 2013	December 2012	December 2013	December 2012
Assets				
Cash and balances with banks	11,117,515	10,473,352	15,064	7,687
Non pledged trading assets	9,622,924	27,340,940	–	–
Loans and advances to customers	1,736,058	3,195,204		
Investment Securities				
Held to maturity	8,728,382	10,237,015	–	–
Available for sale securities	13,374,599	1,133,062	–	–
Loans and receivables		3,459,084		
Assets pledged as collaterals	21,366,884	38,049,747	–	–
Other assets	459,840	1,674,472	23,454	3,028
Intangible assets	65,174	1,077	–	–
Property, plant and equipment	124,911	132,347	367,139	69,959
Deferred tax	4,098,254	2,685,900	–	–
Assets held for sale	48,756	37,335	–	–
Total Assets	70,743,297	98,419,535	405,657	80,674
Financed by				
Deposits from banks	39,331,966	41,350,639	95,237	51,882
Deposits from customers	21,528,055	49,615,998	333,677	–
Other liabilities	68,812	53,242	–	–
Total Liabilities	279,402	670,876	–	–
	61,208,235	91,690,755	428,914	51,882
Net Assets	9,535,062w	6,728,780	(23,257)	28,792
Profit before tax	1,802,723	1,499,310	(27,077)	(21,841)
Income tax	1,319,512	(83,970)	–	–
Profit for the year	3,122,235	1,415,340	(27,077)	(21,841)
Other comprehensive income	(44,922)	351,274	–	–
Group's share of profit (adjusted)	1,465,814	636,903	(10,831)	(8,736)
Group's share of OCI	(17,215)	133,484	–	–

Reconciliation of summarised financial information presented to the carrying amount of its interests in associates

Summarised financial information	Associated Discount House Limited		Magnate Technologies	
	December 2013	December 2012	December 2013	December 2012
Opening Net Assets (1 January 2013)	6,728,780	4,962,166	(28,792)	50,633
Profit/(loss) for the period	3,122,235	1,415,340	(27,077)	(21,841)
Other comprehensive income	(44,922)	351,274	–	–
Dividend paid	(271,033)	–	–	–
Preference shares	–	–	32,612	–
Closing net assets (31 December 2013)	9,535,062	6,728,780	(23,257)	28,792
Interest in associates	3,623,324	3,027,951	(9,303)	11,517
(38.32%, 40.00%) Carrying value	3,623,324	3,027,951	(9,303)	11,517

Associated Discount House was incorporated in Nigeria while Magnate Technology and Services Limited, is incorporated in Ghana.

The Group holds an equity interest of 1,067,117,591 ordinary shares of N 1.00 each in Associated Discount House (ADH) Limited as at 31 December 2013, representing 38% equity participation in the company (31 December 2012-1,388,972,704 ordinary shares, 45%). Dividend income received from ADH during the period totalled N96Mn. The group's effective ownership in ADH reduced from 45.32% in 2012 to 38.32% in 2013 as the bank sold 12% of its shares in the company.

The company was incorporated in October 1992 with the principal activities being the trading in treasury bills, Federal Government of Nigeria bonds, Bankers Acceptance and Commercial papers and the provision of funds/portfolio management and financial advisory services to its various financial and non-financial clients.

The Group holds an equity interest of 40% in Magnate Technology and Services Limited (MTSL) as at 31 December 2013 (31 December 2012-40%).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

The company was incorporated in February, 2003 with the principal activities being the provision of security and communication services to its numerous clients via the use of its ICT platform.

There were no published price quotations for any associate. There are no significant restrictions on the ability of the associates to transfer funds to the group in the form of cash dividends, or repayments of loans or advances. Both associates were accounted for using the equity method.

The Group exercises significant influence in Associated Discount House and Magnate Technologies Limited respectively by virtue of its more than 20% shareholding in each of the entities and the representation of at least one director on the board of the companies and significant participation in the companies' operating and financial policies.

There are SME investments of N3.1Bn (December 2012: N3.2Bn) of which the Bank has shareholdings of more than 20% but less than 50%. These investments were classified as available for sale rather than as investment in associates or subsidiaries because the company does not have the power to exercise any influence or control over the entity. The Company's determination that it does not have any influence over these entities through it's shareholding has been based on the following factors in particular:

i) Access Bank Plc does not have any representation on the Board of these companies, nor does it have a right to appoint a director;

ii) Access Bank Plc does not participate in the policy-making decisions, nor does it have a right to participate in such policy-making decisions of these companies;

iii) There are no material transactions between Access Bank Plc and these companies, there is no interchange of personnel between the two companies and there is no sharing of technical information between the companies; and

iv) These investments are carried at cost as their fair value cannot be measured reliably. They are investments in small and medium scale enterprises with no available financial information. These amounts have been fully impaired as at 31 December 2013.

32. Subsidiaries (with continuing operations)

i) Group entities

All holding in investment in subsidiary is direct. There are no indirect holding.

Set out below are the group's subsidiaries as at 31 December 2013. Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.

			Ownership interest	
	Nature of business	Country of incorporation	December 2013	December 2012
Access Bank Gambia Limited	Banking	Gambia	88%	88%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	98%	98%
Access Bank Rwanda Limited	Banking	Rwanda	75%	75%
Access Bank Zambia	Banking	Zambia	87%	100%
The Access Bank UK	Banking	United Kingdom	100%	100%
Access Bank R.D. Congo	Banking	Congo	100%	100%
Access Bank Ghana	Banking	Ghana	92%	92%
Access Finance B.V. (see note (a) below)		Netherlands	100%	100%

a) Access Finance B.V. was incorporated in 2011 and commenced operations in 2012. An obligation also exists between the Bank and Access Finance B.V., for which Access Finance B.V. was expected to lend the Bank the sum of USD2,462,000 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 recognized in the Bank's financial statements.

ii) Subsidiaries held for sale

	Nature of business	Country of incorporation	Ownership interest December 2013	December 2012
Intercontinental Homes and Savings Limited	Financial Services	Nigeria	0%	52%
Omni Finance Bank, Cote d'Ivoire	Banking	Cote d'Ivoire	0%	94%
Intercontinental Bank (UK) Plc	Banking	United Kingdom	0%	100%
FinBank Burundi	Banking	Burundi	87%	87%

Intercontinental Bank UK, Intercontinental Homes, Omni Finance Cote D'Ivoire were sold to third parties during the year. See proceeds of sale as well as discontinued operations during the year in note 17.

iii) Subsidiaries undergoing liquidation

	Nature of business	Country of incorporation	Ownership interest December 2013	December 2012
Intercontinental Capital Markets Limited	Financial Services	Nigeria	63%	63%
Intercontinental Finance and Investment Limited	Financial Services	Nigeria	100%	100%
Intercontinental Registrars Limited	Secretarial services	Nigeria	100%	100%
Intercontinental Trustees Limited	Trusteeship	Nigeria	100%	100%
Intercontinental Securities Limited	Asset Management	Nigeria	51%	51%
Flexmore Technologies Limited	IT Services	Nigeria	100%	100%

These subsidiaries are currently undergoing a winding-down process through the appointment of a court ordered receiver manager to manage their affairs. As a result of this event, the Bank has lost control without a change in absolute or relative ownership level.

The loss of control in these subsidiaries, have been accounted for in the financial statements.

iv) Structured entities

	Nature of business	Country of incorporation	Ownership interest December 2013	December 2012
Staff Investment Trust (see note 14(a))	Financial services	Nigeria	100%	0%
Project Star Investment Limited	Financial services	Nigeria	0%	100%

v) Associates

	Nature of business	Country of incorporation	Ownership interest December 2013	December 2012
Associated Discount House Limited	Financial services	Nigeria	38%	45%
Magnate Technology and Services Limited	IT services	Ghana	40%	40%

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

32. Investment in subsidiary

	Bank December 2013	Bank December 2012
	N'000	N'000
Subsidiaries with continuing operations		
Access Bank, UK	13,928,819	7,458,100
Access Bank, Ghana	13,704,428	13,704,428
Access Bank, Rwanda	1,578,825	1,578,825
Access Bank, Congo	2,779,650	2,779,650
Access Bank, Zambia	1,819,425	1,819,425
Access Bank, Gambia	1,853,756	1,853,756
Access Bank, Sierra Leone	1,019,952	1,019,952
Investment in RSPP scheme	460,580	–
Access Bank Finance B.V.	4,092	4,092
Wapic Insurance Plc	–	4,768,119
Access Investment and Securities Limited	–	500,000
Intercontinental Properties Limited	–	100,000
Subsidiaries held for sale		
FinBank, Burundi	1,141,874	1,141,874
Intercontinental Bank, UK	–	7,301,401
Omni Finance Bank, Cote D'Ivoire	–	5,438,520
Intercontinental Homes and Savings Loans Plc	–	3,387,938
Subsidiaries undergoing liquidation		
Intercontinental Capital Markets Limited	672,500	672,500
Intercontinental Finance and Investment Limited	100,000	100,000
Intercontinental Registrars Limited	200,000	200,000
Intercontinental Trustees Limited	100,000	100,000
Intercontinental Securities Limited	391,598	391,598
Flexmore Technologies Limited	100,000	100,000
	39,855,499	54,420,178
Specific allowances for impairment on investment in subsidiaries	(1,825,507)	(11,210,490)
Balance, end of year	38,029,992	43,209,688

Specific allowances for impairment on investment in subsidiaries

	Bank December 2013 N'000	Bank December 2012 N'000
Balance, beginning of year	11,210,490	620,907
Acquired from business combination	–	6,979,647
Amount reclassified	(120,908)	–
Charge for the year	1,505,591	3,609,936
Allowance no longer required	(682,409)	–
Allowance written off	(10,087,257)	–
Balance, end of year	1,825,507	11,210,490

Based on the contractual arrangements between the Group and the shareholders in each of the entities, the Group has the power to appoint and remove the majority of the board of Directors of each entity.

The relevant activities of each of the listed subsidiaries are determined by the Board of Directors of each entity based on simple majority shares. Therefore, the directors of the Group concluded that the Group has control over each of the above listed and each of the entities were consolidated in these group financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

32. b) Condensed results of consolidated entities

i) The condensed financial data of the consolidated entities as at 31 December 2013, are as follows:

Condensed profit and loss	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.	Finbank Burundi
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Operating income	2,720,093	11,417,150	1,025,704	1,086,486	420,068	758,862	584,969	–	76,584	–
Operating expenses	(2,197,059)	(5,028,351)	(560,134)	(1,459,070)	(530,277)	(544,781)	(482,177)	–	(18,210)	–
Net impairment on financial assets	–	(1,577,530)	(42,276)	(371,673)	(8,107)	(42,355)	–	–	–	–
Profit before tax	523,034	4,811,269	423,294	(744,257)	(118,316)	171,726	102,792	–	58,374	–
Taxation	56,038	(1,839,187)	–	–	–	–	(30,008)	–	–	–
Profit for the year	**579,072**	**2,972,082**	**423,294**	**(744,257)**	**(118,316)**	**171,726**	**72,784**	**–**	**58,374**	**–**
Assets										
Cash and balances with banks	101,614,630	18,656,703	4,072,329	1,511,868	1,836,151	840,753	1,752,203	–	73,210	–
Non pledged trading assets	–	10,119,159	–	–	2,114,404	–	1,992,773	–	–	–
Pledged assets	–	–	–	–	–	–	–	–	–	–
Derivative financial instruments	29,447	–	–	–	–	–	–	–	–	–
Loans and advances to banks	22,463,310	–	–	–	–	–	–	–	56,500,033	–
Loans and advances to customers	6,777,681	28,467,321	3,632,070	4,242,434	3,426,494	2,753,387	937,248	–	–	–
Trading properties	–	–	–	–	–	–	–	–	–	–
Investment securities	22,356,206	2,395,464	2,927,472	2,834,070	–	62,028	–	–	–	–
Insurance receivables	–	–	–	–	–	–	–	–	–	–
Other assets	826,124	4,009,346	547,309	203,652	1,470,874	228,902	270,628	–	1,900,027	–
Investment properties	–	–	–	–	–	–	–	–	–	–
Investment in associates	–	19,059	–	–	–	–	–	–	–	–
Investment in subsidiaries	–	–	–	–	–	–	–	460,579	–	–
Property and equipment	62,265	1,948,035	13,441	709,362	504,177	535,876	205,564	–	–	–
Intangible assets	40,223	149,349	74,781	52,031	19,864	25,590	16,012	–	–	–
Deferred tax assets	293,032	–	–	427,287	–	91,554	–	–	–	
Assets classified as held for sale	–	–	–	–	–	–	–	–	–	2,847,741
	154,462,918	**65,764,436**	**11,267,402**	**9,553,417**	**9,799,251**	**4,446,536**	**5,265,982**	**460,579**	**58,473,270**	**2,847,741**

Condensed profit and loss	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.	Finbank Burundi
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Financed by										
Deposits from banks	106,834,234	1,000,781	5,607	–	231,929	510,618	–	–	–	–
Deposits from customers	33,210,249	47,872,002	8,823,609	8,278,860	8,556,023	2,964,587	3,950,819	–	–	–
Derivative Liability	32,955	–	–	–	–	–	–	–	–	–
Debt securities issued	–	–	–	–	–	–	–	–	55,828,248	–
Retirement benefit obligations	–	–	–	–	–	–	3,326	–	–	–
Current income tax liability	–	606,473	–	(2,322)	–	–	–	–	8,545	–
Other Liabilities	311,316	1,135,156	485,560	484,433	830,526	189,111	286,432	–	2,170,273	–
Claims Payable	–	–	–	–	–	–	–	–	–	–
Liabilities on Investment Contracts	–	–	–	–	–	–	–	–	–	–
Liabilities on Insurance contracts	–	–	–	–	–	–	–	–	–	–
Borrowings	–	1,017,544	–	–	–	–	–	–	–	–
Deferred tax liability	–	166,643	–	–	–	–	–	–	–	–
Contingent Settlement Provisions	–	–	–	–	–	–	–	–	–	–
Liabilities classified as held for sale	–	–	–	–	–	–	–	–	–	(1,499,495)
Equity	14,074,164	13,965,837	1,952,626	792,446	180,774	782,220	1,025,405	460,579	466,203	(1,348,246)
	154,462,918	**65,764,436**	**11,267,402**	**9,553,417**	**9,799,252**	**4,446,536**	**5,265,982**	**460,579**	**58,473,270**	**(2,847,741)**
Net cash flow from investing activities	(14,432,257)	7,468,969	(1,045,459)	(1,462,237)	10,957	(71,651)	(122,952)	–	–	–
Net cash flow from financing activities	4,161,776	(266,456)	–	–	(22,466)	–	–	(2,236,147)	–	–
Increase in cash and cash equivalents	8,066,801	6,882,971	444,043	(1,860,153)	249,758	202,664	592,076	–	72,914	–
Cash and cash equivalent, beginning of year	93,547,615	11,690,372	3,759,203	3,445,126	1,416,211	637,505	846,418	–	220	–
Cash and cash equivalent, end of year	**91,343,935**	**25,775,856**	**3,157,787**	**122,736**	**1,676,926**	**746,052**	**1,315,542**	**–**	**(2,163,014)**	**–**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

32. c) Condensed results of consolidated entities

i) The condensed financial data of the consolidated entities as at 31 December 2012, are as follows:

Condensed profit and loss	Access Bank Plc	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Zambia	The Access Bank UK	Access Bank Rwanda	FinBank Burundi	Omni Finance Bank Cote D'Ivoire	Access Bank (R.D. Congo)	Access Investment and Securities	Access Bank Ghana
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Operating income	121,300,972	549,335	534,337	993,067	2,631,380	1,378,163	554,386	192,997	943,121	–	10,946,912
Operating expenses	(72,656,747)	(528,693)	(394,156)	(1,247,953)	(2,404,415)	(1,203,919)	(883,685)	(3,384,152)	(1,116,419)	–	(5,266,675)
Net impairment on financial assets	(11,616,078)	23,282	(52,288)	9,842	–	23,162	(21,507)	21,988	(38,953)	–	(1,867,616)
Profit before tax	37,028,147	43,924	87,893	(245,044)	226,965	197,406	(350,806)	(3,169,167)	(212,251)	–	3,812,621
Taxation	(674,504)	(10,544)	57,718	89,392	–	(83,941)	(5,530)	–	–	–	(1,020,243)
Profit for the year	36,353,643	33,380	145,611	(155,652)	226,965	113,465	(356,336)	(3,169,167)	(212,251)	–	2,792,378
Attributable to NCI											
Condensed financial position											
Assets											
Cash and balances with banks	176,228,932	526,983	1,140,930	1,499,801	90,217,916	4,451,114	932,360	1,143,293	3,498,235	400,516	13,094,513
Non-pledged trading assets	3,769,260	–	–	–	–	–	368,575	–	–	–	23,980,449
Pledged assets	60,949,856	–	–	–	–	–	–	–	–	–	–
Derivative financial instruments	–	–	–	–	30,949	–	–	–	–	–	–
Loans and advances to banks	3,054,520	–	–	–	5,935,396	–	–	–	–	–	–
Loans and advances to customers	554,592,199	2,733,406	410,458	2,573,996	11,860,898	2,932,674	1,984,588	1,525,711	3,272,997	–	22,772,513
Insurance receivables	–	–	–	3,054	–	–	–	–	–	–	–
Other assets	169,264,885	530,247	137,837	2,011,104	664,393	161,879	130,557	238,920	720,045	181,548	2,711,890
Investment properties	14,072,673	–	–	–	–	–	–	–	–	–	–
Investments in equity accounted investee	1,980,808	–	–	–	–	–	–	–	–	–	23,452
Investment in subsidiaries	43,209,688	–	–	–	–	–	–	–	–	–	–
Property and equipment	58,938,450	654,388	211,431	599,612	71,792	91,880	199,328	1,326,433	883,474	31,304	2,273,192
Intangible assets	2,339,510	–	10,218	13,238	84,983	19,608	57,395	18,591	58,929	–	132,511
Investment securities	420,346,295	323,884	1,843,303	2,321,807	6,870,467	2,550,574	–	57,963	8,178,988	–	–
Deferred tax assets/(liabilities)	7,007,387	–	85,652	632,531	225,523	–	–	–	–	–	313,976
	1,515,754,463	**4,768,908**	**3,839,829**	**9,655,144**	**115,962,317**	**10,207,729**	**3,672,803**	**4,310,911**	**16,612,668**	**613,368**	**65,302,496**

Condensed profit and loss	Access Bank Plc	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Zambia	The Access Bank UK	Access Bank Rwanda	FinBank Burundi	Omni Finance Bank Cote D'Ivoire	Access Bank (R.D. Congo)	Access Investment and Securities	Access Bank Ghana
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Financed by											
Deposits from banks	24,590,053	91,055	144,122	151,964	82,081,068	19,290	–	3,077,492	–	–	2,948,623
Deposits from customers	1,093,979,220	3,518,426	2,605,686	8,086,377	24,730,436	8,205,697	2,513,741	3,485,893	14,438,029	–	44,718,471
Derivative financial instruments	–	–	–	–	35,515	–	–	–	–	–	–
Current tax liabilities	7,686,568	–	(61,023)	–	–	165	–	–	–	205	650,995
Other liabilities	50,246,164	147,054	203,471	238,120	385,089	188,263	187,337	419,136	368,833	84,050	2,970,681
Retirement Benefit obligations	2,485,093	–	2,496	–	–	–	–	–	–	–	–
Interest-bearing loans and borrowings	95,594,904	–	–	–	2,349,348	–	–	–	–	–	–
Contingent settlement provisions	3,548,250	–	–	–	–	–	–	–	–	–	–
Equity and reserves	237,624,211	1,012,373	945,077	1,178,682	6,380,861	1,794,314	971,725	(2,671,610)	1,805,806	529,113	14,013,726
	1,515,754,463	**4,768,908**	**3,839,829**	**9,655,143**	**115,962,317**	**10,207,729**	**3,672,803**	**4,310,911**	**16,612,668**	**613,368**	**65,302,496**
Net cash flow from operating activities	(176,504,617)	(66,768)	213,739	(1,332,623)	29,711,772	(3,591,902)	(370,030)	(2,374,902)	8,965,705	–	(5,879,776)
Net cash flow from investing activities	185,959,566	(69,192)	(538,404)	1,664,188	2,023,301	47,831	(147,389)	213,988	(6,843,808)	–	(727,422)
Net cash flow from financing activities	43,906,446	60,430	7,047	(1,332,623)	(16,967)	–	–	–	–	–	640,826
Increase in cash and cash equivalents	53,361,395	(75,530)	(317,618)	(1,001,058)	31,718,106	(3,544,071)	(517,419)	(2,160,914)	2,121,897	–	(5,966,372)
Cash and cash equivalent, beginning of year	98,255,964	836,037	1,428,582	–	57,017,076	7,849,934	1,429,430	3,290,838	1,162,403	–	19,968,210
Cash and cash equivalent, end of year	**151,617,359**	**760,507**	**1,110,964**	**(1,001,058)**	**88,735,182**	**4,305,863**	**912,011**	**1,129,924**	**3,284,300**	**–**	**14,001,838**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

32. d) Condensed results of consolidated entities

i) The condensed financial data of the consolidated entities as at 31 December 2012, are as follows:

Condensed profit and loss	Access Finance BV	Intercontinental Registrars	Intercontinental Finance and Investment Limited	Intercontinental Homes and Savings
	N'000	N'000	N'000	N'000
Operating income	34,001	–	–	744,807
Operating expenses	(14,821)	(539,203)	3,079,880	(817,485)
Net impairment on financial assets	–	–	–	(5,932)
Profit before tax	19,180	(539,203)	3,079,880	(78,610)
Taxation	–	–	–	(28,991)
Extraordinary income	–	–	–	–
Profit for the year	**19,180**	**(539,203)**	**3,079,880**	**(107,601)**
Attributable to NCI				
Condensed financial position				
Assets				
Cash and balances with banks	207	43,273	78,521	426,452
Non pledged trading assets	–	–	–	–
Derivative financial instruments	–	–	–	–
Loans and advances to banks	55,070,670	–	–	–
Loans and advances to customers	–	–	51,965	1,560,303
Trading properties	–	–	–	3,290,410
Investment securities	–	18,811	–	135,035
Insurance receivables	–	–	–	–
Other assets	2,219,036	–	–	313,433
Investment properties	–	–	314,624	403,707
Property and equipment	–	–	12,854	652,315
Intangible assets	–	–	–	29,859
Deferred tax assets/(liabilities)	–	–	–	722,718
	57,289,913	**62,084**	**457,964**	**7,534,232**
Financed by				
Deposits from banks	–	–	–	–
Deposits from customers	–	–	–	1,257,171
Derivative financial instruments	–	–	–	–
Debt securities issued	54,685,891	–	–	–
Claims payable	–	–	–	–
Current tax liabilities	–	–	5,828	31,286
Other liabilities	2,197,763	1,803,991	1,270,536	914,585
Liabilities on investment contracts	–	–	–	–
Liabilities on insurance contracts	–	–	–	–
Interest-bearing loans and borrowings	–	–	365,468	999,475
Equity and reserves	406,259	(1,741,907)	(1,183,868)	4,331,715
	57,289,913	**62,084**	**457,964**	**7,534,232**
Net cash flow from operating activities	(54,271,275)	–	–	–
Net cash flow from investing activities	–	–	–	–
Net cash flow from financing activities	54,296,716	–	–	–
Increase in cash and cash equivalents	25,441	–	–	–
Cash and cash equivalent, beginning of year	3,664	–	–	–
Cash and cash equivalent, end of year	**29,105**	**–**	**–**	**–**

Intercontinental Bank UK	Intercontinental Properties	Intercontinental Securities	Intercontinental Trustees	Intercontinental Capital Market Limited	Flexmore Technologies	Intercontinental WAPIC Insurance
N'000	N'000	N'000	N'000	N'000	N'000	N'000
208,892	536,748	–	–	–	–	2,342,833
(1,189,332)	(288,307)	(1,542,069)	(850,148)	(60,402)	(44,464)	(1,402,536)
(4,805)	(19,608)	–	–	–	–	(612,853)
(985,245)	228,833	(1,542,069)	(850,148)	(60,402)	(44,464)	327,444
–	(119,958)	–	–	–	–	(92,379)
–	–	–	–	–	–	–
(985,245)	**108,875**	**(1,542,069)**	**(850,148)**	**(60,402)**	**(44,464)**	**235,065**
11,296,202	3,174,348	59,398	33,887	321,547	49	4,055,334
–	–	–	–	–	–	157,094
21,309	–	–	–	–	–	–
2,306,730	–	–	–	–	–	–
784,131	30,625	–	–	46,555	–	–
–	2,265,690	–	–	–	–	–
1,592,361	–	–	–	13,011	–	4,846,493
–	–	–	–	–	–	873,759
191,530	57,539	–	3,000	–	361,684	1,937,226
–	–	–	–	63,000	–	287,894
55,049	211,202	436	–	6,000	1,387	599,163
20,041	–	–	–	–	–	64,941
–	–	–	–	–	–	12,751
16,267,353	**5,739,404**	**59,834**	**36,887**	**450,113**	**363,120**	**12,834,655**
12,698,049	–	–	–	–	–	–
–	1,199,653	–	–	–	–	–
19,026	–	–	–	–	–	–
–	–	–	–	–	–	–
–	–	–	–	–	–	118,226
–	284,873	–	42,160	–	46,698	376,182
199,648	463,784	1,518,501	586,275	1,448,594	677,539	1,054,066
–	–	–	–	–	–	65,591
–	–	–	–	–	–	3,351,234
–	–	–	1,771,852	–	950,027	–
3,350,630	3,791,094	(1,458,667)	(2,363,400)	(998,481)	(1,311,144)	7,869,356
16,267,353	**5,739,404**	**59,834**	**36,887**	**450,113**	**363,120**	**12,834,655**
–	–	–	–	–	–	746,007
–	–	–	–	–	–	(573,153)
–	–	–	–	–	–	–
–	–	–	–	–	–	172,854
–	–	–	–	–	–	3,895,663
–	**–**	**–**	**–**	**–**	**–**	**4,068,517**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

33. Property and equipment

Group	Leasehold improvement and buildings	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost						
Balance at 1 January 2013	50,399,801	25,517,339	29,770,062	12,964,846	10,758,289	129,410,336
Acquisitions	6,931,558	1,402,808	4,299,440	1,603,968	531,082	14,768,856
Disposals	(786,222)	(18,995)	(729,628)	(842,795)	(1,309,945)	(3,687,585)
Transfers	1,886,263	9,827	1,920,451	63,321	(3,879,862)	–
Write-offs	(1,498,501)	(5,066,959)	(3,594,610)	(2,123,712)	–	(12,283,783)
On disposal of subsidiary	(2,782,931)	(9,007,928)	(6,977,773)	(3,775,488)	–	(22,544,119)
Translation difference	(367,942)	(127,944)	(248,009)	(144,262)	8,888	(879,269)
Balance at 31 December 2013	**53,782,026**	**12,708,149**	**24,439,933**	**7,745,877**	**6,108,452**	**104,784,437**
Balance at 1 January 2012	50,945,208	23,373,422	29,172,987	12,054,881	8,590,283	124,136,781
Acquisitions	2,559,322	2,682,760	2,524,643	2,412,995	2,339,284	12,519,004
Disposals	(477,210)	(130,769)	(565,297)	(1,214,600)	(70,000)	(2,457,876)
Reversals	166,443	1,704	(175,918)	99	(260,733)	(268,405)
Write-offs	–	–	–	–	(2,225)	(2,225)
Transfers to assets held for sale	(2,684,437)	(601,954)	(356,680)	(263,974)	–	(3,907,045)
Transfers	568,130	5,702	(396,883)	1,126	(178,075)	(0)
Transfer (to)/from other assets	(70,323)	–	–	–	–	(70,323)
Translation difference	(607,333)	186,475	(432,791)	(25,681)	339,755	(539,575)
Balance at 31 December 2012	50,399,801	25,517,339	29,770,061	12,964,846	10,758,289	129,410,336

Depreciation and impairment losses	Leasehold improvement and buildings	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
Balance at 1 January 2013	9,176,583	20,884,685	23,764,029	10,950,601	–	64,775,899
Charge for the year	1,213,580	1,633,226	3,297,393	1,575,406	–	7,719,605
Disposal	(132,953)	(108,179)	(110,558)	(724,212)	–	(1,075,902)
Write-offs	(1,258,663)	(4,200,550)	(3,461,460)	(3,135,238)	–	(12,055,911)
On disposal of subsidiary	(2,674,660)	(8,528,388)	(6,719,305)	(3,523,260)	–	(21,445,613)
Translation difference	(82,437)	(77,076)	(152,156)	(65,277)	–	(376,946)
Balance at 31 December 2013	**6,241,450**	**9,603,718**	**16,617,943**	**5,078,020**	**–**	**37,541,132**
Balance at 1 January 2012	7,818,486	18,215,334	21,032,716	10,414,880	–	57,481,416
Charge for the year	2,065,495	3,179,497	3,296,526	1,651,156	–	10,192,675
Disposal	(158,502)	(113,752)	(471,439)	(1,067,023)	–	(1,810,716)
Transfers to assets held for sale	(721,399)	(530,096)	(247,485)	(174,940)	–	(1,673,920)
Reversal	27,454	24,147	(24,788)	(5,995)	–	20,818
Translation difference	145,049	109,555	178,499	132,523	–	565,626
Balance at 31 December 2012	9,176,583	20,884,685	23,764,029	10,950,601	–	64,775,899
Carrying amounts						
Balance at 31 December 2013	**47,540,576**	**3,104,431**	**7,821,992**	**2,667,858**	**6,108,452**	**67,243,305**
Balance at 31 December 2012	41,223,218	4,632,654	6,006,032	2,014,244	10,758,289	64,634,438

33. Property and equipment

Bank	Leasehold improvement and buildings	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000
Cost						
Balance at 1 January 2013	42,626,272	10,263,732	19,290,330	6,058,836	8,653,438	86,892,608
Acquisitions	6,649,453	1,274,589	3,846,279	1,370,738	455,647	13,596,706
Disposals	(785,249)	(10,492)	(729,628)	(734,004)	(1,158,065)	(3,417,439)
Transfers	1,885,257	4,009	35,400	12,810	(1,937,476)	–
Balance at 31 December 2013	**50,375,733**	**11,531,838**	**22,442,381**	**6,708,380**	**6,013,544**	**97,071,875**
Balance at 1 January 2012	11,889,374	5,763,677	13,088,887	4,404,278	2,443,503	37,589,719
Acquired from business combination	28,105,907	2,670,616	4,365,000	487,000	4,926,272	40,554,795
Acquisitions	2,482,183	1,934,721	2,249,312	2,053,484	1,763,123	10,482,823
Disposals	(5,822)	(110,984)	(425,329)	(885,926)	(70,000)	(1,498,061)
Reversals	–	–	–	–	(234,443)	(234,443)
Write-off	–	–	–	–	(2,225)	(2,225)
Transfers	154,630	5,702	12,460	–	(172,792)	–
Balance at 31 December 2012	42,626,272	10,263,732	19,290,330	6,058,836	8,653,438	86,892,608

Depreciation and impairment losses	Leasehold improvement and buildings	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in-progress	Total
Balance at 1 January 2013	4,577,906	7,284,568	12,463,095	3,628,589	–	27,954,158
Charge for the year	1,020,880	1,441,493	2,946,042	1,294,068	–	6,702,483
Disposal	(121,623)	(9,394)	(78,895)	(578,099)	–	(788,010)
Balance at 31 December 2013	**5,477,163**	**8,716,667**	**15,330,242**	**4,344,558**	**–**	**33,868,631**
Balance at 1 January 2012	2,912,924	4,455,786	10,001,282	3,177,459	–	20,547,451
Charge for the year	1,668,994	2,922,855	2,828,489	1,270,242	–	8,690,580
Disposal	(4,012)	(94,073)	(366,676)	(819,112)	–	(1,283,873)
Balance at 31 December 2012	4,577,906	7,284,568	12,463,095	3,628,589	–	27,954,158
Carrying amounts						
Balance at 31 December 2013	**44,898,568**	**2,815,170**	**7,112,139**	**2,363,822**	**6,013,544**	**63,203,245**
Balance at 31 December 2012	38,048,366	2,979,164	6,827,235	2,430,247	8,653,438	58,938,450

a) Included in property and equipment is land under Nigerian law, all land vests with government and subject to a 99year lease. As such land has been accounted for as a finance lease in line with the amendment to IAS 17 Leases which deletes previous guidance stating that "a lease of land with an indefinite economic life is classified as an operating lease";

b) The amount of contractual commitments for the acquisition of property and equipment as at 31 December 2013 is N1,541,766,732 (31 December 2012: N3,007,622,023); and

c) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting period. Any changes are accounted for prospectively as a change in estimate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

34. Intangible assets

Group December 2013	Goodwill	Purchased Software	Total
	N'000	N'000	N'000
Cost			
Balance at 1 January 2013	681,007	9,682,951	10,363,958
Acquisitions	–	1,555,181	1,555,181
Transfer from other assets	–	8,614	8,614
Amount written off	–	(105,613)	(105,613)
Translation difference	–	231,943	231,943
On disposal of subsidiary	–	(4,075,281)	(4,075,281)
Balance at 31 December 2013	**681,007**	**7,297,795**	**7,978,802**
December 2012			
Balance at 1 January 2012	1,738,148	8,317,323	10,055,471
Acquisitions	–	1,971,260	1,971,260
Transfer (to) other assets	–	(8,916)	(8,916)
Disposals	–	(23,761)	(23,761)
Transfers to assets held for sale	(1,057,141)	(519,540)	(1,576,681)
Translation difference	–	(53,415)	(53,415)
Balance at 31 December 2012	**681,007**	**9,682,951**	**10,363,958**
Amortisation and impairment losses			
Balance at 1 January 2013	–	6,959,014	6,959,014
Amortisation for the period	–	1,227,944	1,227,944
Amount written off	–	(105,613)	(105,613)
Reclassification	–	(6,405)	(6,405)
Translation difference	–	254,461	254,461
On disposal of subsidiary	–	(4,009,670)	(4,009,670)
Balance at 31 December 2013	**–**	**4,319,731**	**4,319,731**
Balance at 1 January 2012	687,427	6,090,436	6,777,863
Amortisation for the period	–	1,335,149	1,335,149
Disposals	–	(33,019)	(33,019)
Reclassification	–	(9,412)	(9,412)
Transfers to assets held for sale	(687,427)	(391,567)	(1,078,994)
Translation difference	–	(32,573)	(32,573)
Balance at 31 December 2012	**–**	**6,959,014**	**6,959,014**
Carrying amounts			
Balance at 31 December 2013	**681,007**	**2,978,064**	**3,659,071**
Balance at 31 December 2012	**681,007**	**2,723,938**	**3,404,945**

There were no capitalised borrowing costs related to the internal development of software during the year ended 31 December 2013 (2012: nil).

d) Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. No impairment losses on goodwill were recognized during the year ended 31 December 2013 (2012: Nil).

The recoverable amount of Goodwill as at 31 December 2013 is greater than its carrying amount and is thus not impaired.

Goodwill is monitored by the Group on an entity by entity basis.

The key assumption used in computing the value-in-use for goodwill in 2013 are as follows:

	Access Bank Rwanda
Compound annual volume growth (i)	7.22%
Discount rate (ii)	14.51%

i) Compound annual volume growth rate in the initial five-year period; and

ii) Pre-tax discount rate applied to the cash flow projections.

There are no changes to Goodwill in 2013.

December 2012	Access Bank Rwanda	Access Bank Burundi
Opening balance	681,007	369,714
Transfer to held for sale	–	(369,714)
Closing balance	681,007	–

Cash Flow Forecast

Cash flows were projected based on past experience, actual operating results and the 5-year business plan.

Growth Rates

Pre-tax discount rate of 14.51% was applied in determining the recoverable amounts for the only entity with goodwill (Access Bank Rwanda). This discount rate was estimated based on past experience, inflation rate, risk-free rate and the weighted average cost of capital allocated by the Group to these units.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the subsidiaries (from which the goodwill arose) to decline below their carrying amount.

34. Intangible assets

Bank December 2013	Purchased Software	Total
	N'000	N'000
Cost		
Balance at 1 January 2013	4,708,185	4,708,185
Acquisitions	1,399,768	1,399,768
Amount written off	(105,613)	(105,613)
Balance at 31 December 2013	**6,002,340**	**6,002,340**
December 2012		
Balance at 1 January 2012	2,527,369	2,527,369
Acquired through business combination	758,000	758,000
Acquisitions	1,422,816	1,422,816
Transfer (to) other assets	–	–
Balance at 31 December 2012	4,708,185	4,708,185
Amortisation and impairment losses		
Balance at 1 January 2013	2,368,675	2,368,675
Amortisation for the period	1,077,725	1,077,725
Amount written off	(105,613)	(105,613)
Balance at 31 December 2013	**3,340,787**	**3,340,787**
Balance at 1 January 2012	1,380,957	1,380,957
Amortisation for the period	987,718	987,718
Balance at 31 December 2012	2,368,675	2,368,675
Carrying amounts		
Balance at 31 December 2013	**2,661,553**	**2,661,553**
Balance at 31 December 2012	2,339,510	2,339,510

c) Goodwill is attributable to the acquisition of following subsidiaries:

	December 2013	December 2012
	N'000	N'000
Access Bank, Rwanda	681,007	681,007
FinBank, Burundi	369,714	369,714
Omni Finance Bank, Cote D'Ivoire	–	687,427
	1,050,721	1,738,148
Impairment charge	–	(687,427)
Transfer to asset held for sale	(369,714)	(369,714)
	681,007	681,007

There were no capitalised borrowing costs related to the internal development of software during the year ended 31 December 2013 (2012: nil).

d) Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. No impairment losses on goodwill were recognized during the year ended 31 December 2013 (2012: Nil).

The recoverable amount of Goodwill as at 31 December 2013 is greater than its carrying amount and is thus not impaired.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

35. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	December 2013			December 2012		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	N'000	N'000	N'000	N'000	N'000	N'000
Property and equipment, and software	2,462,099	–	2,462,099	4,199,548	–	4,199,548
Allowances/(Reversal) for loan losses	1,951,192	–	1,951,192	2,752,691	–	2,752,691
Tax loss carry forward	5,937,642	–	5,937,642	946,258	–	946,258
Employee benefits	–	–	–	–	–	–
Exchange gain/(loss) unrealised	–	(180,476)	(180,476)	–	(130,142)	(130,142)
Fair value gain on investment property	–	(485,029)	(485,029)	–	–	–
Others	–	(49,939)	(49,939)	–	–	–
Actuarial gain/(loss) on retirement benefit obligation	1,014,284	–	1,014,284	345,618	–	345,618
Net deferred tax assets/(liabilities)	11,365,217	(715,444)	10,649,773	8,244,115	(130,142)	8,113,973

Deferred tax assets and liabilities are attributable to the following:

Bank	December 2013			December 2012		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	N'000	N'000	N'000	N'000	N'000	N'000
Property and equipment, and software	2,384,904	–	2,384,904	3,929,363	–	3,929,363
Allowances/(Reversal) for loan losses	1,928,274	–	1,928,274	2,732,406	–	2,732,406
Tax loss carry forward	5,159,612	–	5,159,612	–	–	–
Actuarial gain on retirement benefit obligation	1,014,284	–	1,014,284	345,618	–	345,618
	–	–	–	–	–	–
Exchange gain/(loss) unrealised	–	(154,192)	(154,192)	–	–	–
Fair value gain on investment property	–	(485,029)	(485,029)	–	–	–
Net deferred tax assets/(liabilities)	10,487,074	(639,221)	9,847,853	7,007,387	–	7,007,387

There were no unrecognised deferred tax assets or liabilities as at 31 December 2013 (31 December 2012: nil).

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
Deferred income tax assets				
– Deferred income tax asset to be recovered after more than 12 months	7,888,834	2,752,691	7,087,886	3,078,024
– Deferred income tax asset to be recovered within 12 months	3,476,383	5,491,424	3,399,189	3,929,363
	11,365,217	8,244,115	10,487,075	7,007,387
Deferred income tax liabilities				
– Deferred income tax liability to be recovered after more than 12 months	(534,968)	–	(485,029)	–
– Deferred income tax liability to be recovered within 12 months	(180,476)	(130,142)	(154,193)	–
	(715,443)	(130,142)	(639,222)	–

c) Movement on the net deferred tax assets/(liabilities) account during the year:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	8,113,973	2,930,928	7,007,387	(2,841,403)
Acquired from business combination	–	4,369,987		
Tax Credit/(charge)	1,867,135	6,249,795	2,171,800	5,709,388
Assets classified as held for sale	–	(722,718)	–	–
Translation adjustments	–	(113,447)	–	–
Items included in OCI	668,665	(230,585)	668,665	(230,585)
Net deferred tax assets/(liabilities)	10,649,773	8,113,973	9,847,852	7,007,387
Out of which				
Deferred tax assets	11,365,217	8,244,115	10,487,074	7,007,387
Deferred tax liabilities	(715,443)	(130,142)	(639,222)	–

Temporary difference relating to the Group's Investment in subsidiaries is N3.1Bn (2012: N2.2Bn). As the Group exercises control over the subsidiaries, it has the power to control the timing of the reversals of the temporary difference arising from its investments in them. The group has determined that the subsidiaries' profits and reserves will not be distributed in the foreseeable future and that the subsidiaries will not be disposed of. Hence, the deferred tax arising from the temporary differences above will not be recognised.

Items included in Other Comprehensive Income

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Actuarial gain/loss on retirement benefit obligation				
Gross gain/loss on retirement benefit obligation	2,228,883	(768,617)	2,228,883	(768,617)
Deferred tax @ 30%	(668,665)	230,585	(668,665)	230,585
Net balance (gain/loss) after tax	1,560,218	(538,032)	1,560,218	(538,032)

36. Deposits from financial institutions

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Money market deposits	17,953,459	61,975,171	8,191,490	8,267,867
Other deposits from banks	54,194,496	34,917,844	53,103,862	8,044,649
	72,147,955	96,893,015	61,295,352	16,312,516

37. Deposits from customers

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Term deposits	501,645,662	455,189,956	455,231,840	422,272,257
Demand deposits	711,561,291	596,874,756	655,747,608	530,142,705
Saving deposits	118,211,706	149,417,284	106,197,345	141,564,258
	1,331,418,659	1,201,481,996	1,217,176,793	1,093,979,220

38. Claims payable

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Balance, beginning of year	118,226	450,000	–	–
Additions during the year	–	954,771	–	–
Payment during the year	–	(1,286,545)	–	–
On disposal of subsidiary	(118,226)	–	–	–
Balance, end of year	–	118,226	–	–

39. Other liabilities

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Creditors and accruals	3,857,265	5,499,135	786,401	238,239
Certified cheques	3,250,467	3,682,992	3,180,643	3,541,404
Deferred income	–	1,258,227	–	–
Customers' deposit for foreign trade	20,968,920	24,611,573	20,705,859	24,611,573
Collection account balances	17,698,448	7,060,531	17,635,882	6,981,570
Unclaimed dividend	–	687,665	–	–
Litigation claims provision (i)	477,087	–	477,087	–
Other current liabilities	10,595,029	15,618,137	9,306,687	14,873,378
	56,847,216	58,418,260	52,092,559	50,246,164

i) Movement in Litigation claims provision

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Opening balance	–	–	–	–
Additions	477,087	–	477,087	–
Provision no longer required	–	–	–	–
Closing balance	477,087	–	477,087	–

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

40. Liabilities on investment contracts

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Deposit administration funds	–	65,591	–	–
	–	65,591	–	–

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.

41. Liabilities on insurance contracts

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Life assurance contracts	–	1,706,069	–	–
Non-life insurance contracts	–	1,645,165	–	–
	–	3,351,234	–	–

42. Debt securities issued

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Debt securities at amortized cost				
Eurobond debt security (see Note (a) below)	55,828,248	54,685,891	–	–
	55,828,248	54,685,891	–	–

a) The amount of N55,828,248,000 (USD350,000,000) represents the net of balances held by the Group in respect to dollar guaranteed notes issued by Access Finance B.V., Netherlands, which is due on 25 July 2017. The principal amount is repayable at the end of the tenor while interest on the notes is payable semi-annually at 7.25% per annum issued on 25 July 2012.

The net proceeds from the issue of the Notes, was used by the Issuer for the sole purpose of providing a loan to Access Bank, which was in turn be used by the Bank to support its existing trade finance business, serve as a source of long-term foreign currency funding and could be used to support the business of its customers, especially those active in the Nigerian oil and gas and power sector.

Access Bank in the Trust Deed, unconditionally and irrevocably guaranteed the due and punctual payment of all sums by the Issuer (Access Finance B.V.) in respect of the Notes.

43. Interest-bearing loans and borrowings

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
African Development Bank (see note (a))	2,405,673	3,123,200	2,405,673	3,123,200
Netherlands Development Finance Company (see note (b))	1,550,047	–	1,550,047	–
French Development Finance Company (see note (c))	4,798,841	–	4,798,841	–
Finnish Fund for Industrial Cooperation (FINFUND)(see note (d))	400,906	650,667	400,906	650,667
Belgian Investment Company for Developing Countries (BIO)(see note (e))	160,585	312,320	160,585	312,320
European Investment Bank (see note (f))	7,518,413	–	7518413	–
International Finance Corporation (see note (g))	8,239,763	878400	8,239,763	878400
Central Bank of Nigeria under the Commercial	8,750,000	9,438,095	8,750,000	9,438,095
Agriculture Credit Scheme (see note (h))	–	–	–	–
Bank of Industry-Intervention Fund for SMEs (see note (i))	12,797,671	20,499,372	12,797,671	20,499,373
Bank of Industry-Power & Airline Intervention Fund (see note (j))	16,699,539	13,467,693	16,699,539	13,467,693
Access Finance B.V. (see note (k))	–	–	57,020,588	55,502,694
Other loans and borrowings	1,017,544	102	–	–
	64,338,982	48,369,849	120,342,026	103,872,441

There have been no defaults in any of the borrowings covenants during the year.

a) The amount of N2,405,673,000 (USD15,000,000) represents the outstanding balance in the on-lending facility granted to the Bank by ADB (Africa Development Bank) in August 2007 for a period of 9 years. The principal amount is repayable semi-annually from February 2010 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.28%;

b) The amount of N3,953,395,000 (USD25,000,000) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from 15 December 2012 and disbursed in two trenches; February 2013 (USD10m) and October 2013 (USD15m) for a period of 6.5 years. The principal amount is repayable semi-annually from December 2014 while interest is paid semi annually at 3.75% above 6 months LIBOR. The annual effective interest rate is 5.28% for the first trench and 4.15% for the second trench;

c) The amount of N2,395,493,000 (USD15,000,000) represents the outstanding balance in the on-lending facility granted to the Bank by the French Development Finance Company effective from 15 December 2012 and disbursed in two trenches; February 2013 (USD 6m) and October 2013 (USD9m) for a period of 6.5 years. The principal amount is repayable semi-annually from December 2014 while interest is paid semi annually at 3.75% above 6 months LIBOR. The annual effective interest rate is 4.43% for the first trench and 4.15% for the second trench;

d) The amount of N400,906,000 (USD2,500,000) represents the outstanding balance in the on-lending facility granted to the Bank by the Finnish Fund for Industrial Cooperation in July 2007 for a period of 8 years. The principal amount is repayable semi-annually from September 2012 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.46%;

e) The amount of N160,585,000 (USD1,000,000) represents the outstanding balance in the on-lending facility granted to the Bank by the Belgian Investment Company for developing countries in March 2007 for a period of 7 years. The principal amount is repayable semi-annually from March 2012 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.74%;

f) The amount of N7,518,413,000 (USD47,045,455) represents the outstanding balance in two on-lending facilities granted to the Bank by the European Investment Bank (EIB) in May 2013(USD25m) and September 2013 (USD26.75m) and for a period of 6 years each. The average annual effective interest rates are 3.6% for the former and 3.05% for the latter;

g) The amount of N8,239,763,000 (USD51,875,000) represents the outstanding balance in the two on-lending facilities granted to the Bank by the International Finance Corporation (IFC) in September 2006 (USD15m) for a period of 8 years and in November 2013 (USD 50m) for a period of 5 years. The principal and interest repayments are made semi-annually from September 2011 (the former) and from November 2013 (the latter). Effective interest rests are 5.95% and 4.88% for the former and latter disbursement respectively;

h) The amount of N8,750,000,000 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 zero percent 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;

i) The amount of N12,797,671,000 represents an outstanding balance on the 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 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;

j) The amount of N16,699,539,000 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% 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; and

k) The amount of N55,828,248,000 (USD350,000,000) represents the borrowings of Access Bank Plc from Access Finance BV in respect of the dollar guaranteed notes issued by Access Finance B.V., Netherlands which is due on 25 July 2017. The notes were issued on 25 July 2012 for a period of 5 years with the principal amount repayable at the end of the tenor while interest on the Notes is payable semi-annually at 7.34%, in arrears on 25 January and 25 July in each year. The annual effective interest rate is 7.65%.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

44. Retirement benefits obligations

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Recognised liability for defined benefit obligations (see note (a) below)	1,929,695	2,220,841	1,929,695	2,220,841
Liability for defined contribution obligations	3,326	266,748	–	264,252
	1,933,021	2,487,589	1,929,695	2,485,093

a) Defined benefit obligations

The amounts recognised in the statement of financial position are as follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Long-term incentive plan (see note (i) below)	1,929,695	2,220,841	1,929,695	2,220,841
Recognised liability	1,929,695	2,220,841	1,929,695	2,220,841

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation			
	Increase in assumption by 1%	Liability changes to	Decrease in assumption by 1%	Liability changes to
		N'000		N'000
Discount rate	Decrease in liability by 5.39%	1,825,615	Increase in the liability by 5.96%	2,044,695
Salary growth	Increase in liability by 4.79%	2,022,070		

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

i) Long-term incentive plan

The Bank operates a non-contributory, unfunded 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. The scheme is also aimed at rewarding executive directors and other senior executives for the contributions to achieving the Bank's long-term growth objectives.

There is no funding arrangement with a trustee for the long-term incentive plan as the Bank pays for all obligations from its current year profit as such obligations fall due. 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 amount recognised in the statement of financial position is as follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Deficit on defined benefit obligations at 1 January	2,220,841	1,068,780	2,220,841	1,068,780
Charge for the period				
– Interest costs	145,865	367,126	145,865	367,126
– Current service cost	264,726	284,807	264,726	284,807
– Past service cost	390,578	1,268,745	390,578	1,268,745
– Benefits paid	(3,321,200)	–	(3,321,200)	–
Net actuarial gain for the year remeasured in OCI	2,228,886	(768,617)	2,228,886	(768,617)
Balance, end of year	1,929,696	2,220,841	1,929,696	2,220,841

This represents the Bank's obligations to its top executive management under the 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.

Expense recognised in income statement:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Current service cost	264,726	284,807	264,726	284,807
Interest on obligation	145,865	367,126	145,865	367,126
Past service cost	390,578	1,268,745	390,578	1,268,745
Total expense recognised in profit and loss (see Note 14)	801,169	1,920,678	801,169	1,920,678

Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2013	2012
Future salary increases	0%	0%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50-59 (average rate)	3%	22%
Withdrawal rate: 16-29	5%	5%
Withdrawal rate: 30-44	6%	6%
Withdrawal rate: 45-50	5%	5%
Withdrawal rate: 51-55 (average rate)	4%	8%

Assumptions regarding future mortality before retirement are based on A49/52 ultimate table published by the Institute of Actuaries of United Kingdom. The rate used to discount post employment benefit obligations has been determined by reference to the yield on Nigerian Government bonds of medium duration. This converts into an effective yield of 12% as at 31 December 2013. The inflation component has been worked out at 10% per annum. For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

45. Contingent settlement provisions

The value of N3,548,250,000 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. This contingent provision as at year was assessed by management experts to be non-realisable.

Based on the conclusion of non-realisability of the deferred tax on requisition of Intercontinental Bank, the fair value of the contingent consideration is assessed as zero and the change in fair value recognised in income.

46. Capital and reserves

A Share capital

	Bank December 2013	Bank December 2012
	N'000	N'000
a) Authorised		
Ordinary shares		
24,000,000,000 Ordinary shares of 50k each	12,000,000	12,000,000
Preference shares		
2,000,000,000 Preference shares of 50k each	1,000,000	1,000,000
	13,000,000	13,000,000

	Bank December 2013	Bank December 2012
	N'000	N'000
b) Issued and fully paid-up		
22,882,918,908 Ordinary shares of 50k each	11,441,460	11,441,460

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.

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 period.

The movement on the issued and fully paid-up share capital account during the year was as follows:

	Bank December 2013	Bank December 2012
	N'000	N'000
Balance, beginning of year	11,441,460	8,944,126
Issue of scheme shares to shareholders	–	2,497,334
Transfer from bonus issue reserve		
Balance, end of year	11,441,460	11,441,460

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

i) Pursuant to the business combination between Access Bank Plc and Intercontinental Bank and based on the scheme of merger document dated 01 December 2011and court sanctioned effective 23 January 2012:

a) The Bank issued, allotted and credited as fully paid to the Intercontinental Bank Shareholders, 1 Scheme Share for every 4 ordinary shares of 50 kobo each in Intercontinental Bank previously held;

b) The proportion of the Scheme Shares allotted to Project Star Investments Limited in its capacity as a shareholder of Intercontinental Bank was distributed and allocated to the Access Bank Shareholders pro rata in the proportion of their shareholding in Access Bank; and

c) The Scheme Shares allotted pursuant to the foregoing sub-clause (a), for the purpose of all dividends and other distributions declared after the effective date and in all respects, rank pari passu and form a single class with the ordinary shares of 50 kobo each in the present issued share capital of Access Bank.

The nominal value of the shares as well as the premium on the shares issued have been accounted for in share capital and share premium respectively as follows:

	No. of ordinary shares issued	Value of shares issued	Consideration received/net assets acquired	Transfer to Share capital	Transfer to Share premium
	N'000	N'000	N'000	N'000	N'000
Number of shares issued and allotted to Intercontinental Bank shareholders in the ratio of 1 scheme share for every 4 ordinary shares of 50 kobo each in Intercontinental Bank previously held	1,244,668	622,334	21,523,292	622,334	20,900,958
Scheme Shares allotted to Project Star Investments Limited in its capacity as a shareholder of Intercontinental Bank and distributed to the Access Bank Shareholders pro rata in the proportion of their shareholding in Access Bank	3,750,000	1,875,000	–	1,875,000	(1,875,000)
Total number and value of shares issued and allotted	**4,994,668**	**2,497,334**	**21,523,292**	**2,497,334**	**19,025,958**

c) The movement on the number of shares in issue during the year was as follows:

In thousands of units	Group December 2013	Group December 2012
Balance, beginning of year	**22,882,919**	17,888,251
Issue of scheme shares	**–**	4,994,668
Balance, end of year	**22,882,919**	22,882,919

b) Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

In thousands of units	Group December 2013	Group December 2012
Share premium	**161,036,210**	165,186,795

c) Reserves

i) Statutory reserves

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

ii) Small and Medium Scale Industries Reserve (SMEEIS)

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 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% of profit after tax. However, this is no longer mandatory. The small and medium scale industries equity investment scheme reserves are non-distributable.

iii) Treasury shares

This represents the shares held by the new RSPP scheme which have not yet been allocated to staff based on the pre-determined vesting conditions.

iv) 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 shares previously held.

v) Fair value reserve

The fair value reserve comprises the net cumulative change in the fair value of available-for-sale investments until the investment is derecognised or impaired.

vi) Translation reserve

This balance appears only in the Group accounts and represents the foreign currency exchange difference arising from translating the results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency.

	Group December 2013	Group December 2012
	N'000	N'000
Opening Fair Value Reserve	1,452,962	65,385
Additional fair value translation gain/(loss) recognised in reserves	(6,268,447)	1,387,576
Fair value gains recognised into profit/loss arising from disposal of subsidiary	979,824	–
	(3,835,661)	1,452,962

vii) Regulatory risk reserve

The regulatory risk reserves warehouses the difference between the allowance for impairment losses on balance on loans and advances based on Central Bank of Nigeria prudential guidelines and Central Bank of the foreign subsidiaries regulations, compared with the loss incurred model used in calculating the impairment under IFRSs.

viii)Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current period profit attributable to shareholders. The merger reserve balance, which represents the difference between the consideration paid by Access Bank as the acquirer and Access Bank's share of the net assets of Intercontinental Bank Limited (acquiree). Pursuant to the acquisition of Intercontinental Bank, Access Bank Group was restructured based on a scheme of merger dated 01 December 2011. As part of the merger process, Intercontinental Bank was dissolved as a legal entity on 23 January 2012 and its operations integrated into Access Bank Plc.

d) Non-controlling interest

This represents the Non-controlling interest's (NCI) portion of the net assets of the Group

	Group December 2013	Group December 2012
	N'000	N'000
Access Bank, Gambia	104,022	(88,493)
Access Bank, Sierra Leone	20,508	16,607
Access Bank Zambia	329,770	–
Access Bank, Rwanda	488,156	448,578
Access Bank, Burundi	127,361	126,324
Omni Finance Bank, Cote D'Ivoire	–	(162,001)
Access Bank, Ghana	698,292	1,144,922
Wapic Insurance Plc	–	3,301,982
Intercontinental Homes and Savings Plc	–	2,052,913
Intercontinental Properties Limited	–	1,258,762
	1,768,109	8,099,594

This represents the NCI share of profit for the year for the Group

	Group December 2013	Group December 2012
	N'000	N'000
Access Bank, Gambia	38,345	5,051
Access Bank, Sierra Leone	1,456	2,912
Access Bank Zambia	1,735	–
Access Bank, Rwanda	12,628	(18,761)
Access Bank, Burundi	(7,006)	(46,129)
Omni Finance Bank, Cote D'Ivoire	–	(203,813)
Access Bank, Ghana	148,604	237,534
Wapic Insurance Plc	–	(6,053)
Intercontinental Homes and Savings Plc	–	(198,574)
Intercontinental Properties Limited	–	35,929
	195,762	(191,904)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

This represents the NCI share of other comprehensive income of the Group

	Group December 2013	Group December 2012
	N'000	N'000
Access Bank, Gambia	(16,480)	(20,207)
Access Bank, Sierra Leone	–	16,424
Access Bank, Zambia	–	–
Access Bank, Rwanda	30,968	(23,742)
Access Bank, Burundi	–	13,853
Omni Finance Bank, Cote D'Ivoire	–	16,538
Access Bank, Ghana	–	(49,904)
Wapic Insurance Plc	–	(31,972)
Intercontinental Homes and Savings Plc	–	31,430
Intercontinental Properties Limited	–	–
	14,488	(47,580)
Components total share of total comprehensive income of the Group	210,250	(239,485)

	Group December 2013	Group December 2012
Proportional Interest of NCI in subsidiaries	%	%
Access Bank, Gambia	88	100
Access Bank, Sierra Leone	98	98
Access Bank, Zambia	87	100
Access Bank, Rwanda	75	75
Access Bank, Burundi	87	87
Access Bank, Ghana	95	95

e) dividends

	Bank December 2013	Bank December 2012
	N'000	N'000
Interim dividend paid (2013: 25k, 2012: 25k)	5,720,730	5,722,063
Interim non-cash dividend (2013: 18k, 2012: nil)	4,150,584	–
Final dividend paid (2013: nil, 2012: 60)	–	13,729,751
	9,871,314	19,451,814
Number of shares	22,882,919	22,882,919
Dividend per share in kobo	43	85

47. Leasing

As lessor

Operating lease receivables

The Group acts as a lessor, whereby items of equipment are purchased and then leased to third parties under arrangements qualifying as operating leases. The items purchased under these lease agreements are treated as equipment in the Group's financial statements and are generally disposed of at the end of the lease term.

As lessee

Operating lease commitments

The Group leases offices, branches and other premises under operating lease arrangements. The leases have various terms and renewal rights. The lease rentals are paid in advance and recognised on straight line basis over the lease period. The outstanding balance is accounted for as prepaid lease rentals. Non-cancellable operating lease rentals are payable as follows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Less than one year	307,706	409,015	121,470	143,917
Later than one year and no later than five years	2,410,968	3,506,223	2,024,292	3,049,088
Later than five years	1,043,934	–	1,043,934	–
Total	3,762,608	3,915,238	3,189,696	3,193,005

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

48. Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. A provision of N477Mn has been made for the year ended 31 December 2013.

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 N451,837,327,000 (31 December 2012: N381,893,653,000 and N361,401,929,317 (31 December 2012: N310,847,061,000) was for the Bank.

Contingent liability and commitments

In common with other banks, Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity dates but are cancellable by the lender subject to notice requirements.

Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:

Acceptances, bonds, guarantees and other obligations for the account of customers

a) These comprise:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Contingent liabilities				
Transaction related bonds and guarantees	158,715,258	147,374,901	142,850,060	147,222,001
Financial guarantees	54,741,356	32,151,985	46,956,539	25,763,514
	213,456,614	179,526,886	189,806,599	172,985,515
Commitments				
Clean line facilities for letters of credit and other commitments	228,957,302	198,789,950	162,171,919	134,284,730
	228,957,302	198,789,950	162,171,919	134,284,730

The Bank granted clean line facilities for letters of credit during the period to guarantee the performance of customers to third parties.

49. Cash and cash equivalent

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	Group December 2013	Group December 2012	Bank December 2013	Bank December 2012
	N'000	N'000	N'000	N'000
Cash on hand and balances with banks	104,264,577	85,464,121	99,378,167	65,844,193
Unrestricted balances with central banks	31,143,134	25,238,351	24,775,442	19,461,280
Money market placements and other cash equivalents	121,368,581	160,870,921	89,433,649	66,311,886
Treasury bills with original maturity of 90 days	9,980,449	–	9,980,449	–
	266,756,741	271,573,393	223,567,707	151,617,359

50. a) Restatement of prior period financial information

The financial information for 2012 was restated to correctly state certain balances in 2013 and to reclassify items relating to a disposal group in the income statement of 2012.

Certain prior period balances have been reclassifed in line with current period presentation, the reclassification was done so as to ensure that the items were classed according to their type and that like items were disclosed together.

The presentation of the statement of comprehensive income was changed to present items that should have more prominence in the income statement and the presentation of statement of financial position was reviewed to present the line items in the order of liquidity.

Summary of reclassification to prior year restated figures – Income statement

Group	Notes	Reported 2012	Reclassified to discontinued operations (i)	Other reclassifications and adjustments (ii)	Restated 2012
		N'000	N'000	N'000	N'000
Continuing operations					
Interest income		161,437,286	–	–	161,437,286
Interest expense		(65,059,458)	–	–	(65,059,458)
Net interest income		**96,377,828**	**–**	**–**	**96,377,828**
Fee and commission income		28,734,285	–	–	28,734,285
Fee and commission expense		(605,835)	–	–	(605,835)
Net fee and commission income		**28,128,450**	**–**	**–**	**28,128,450**
Net gains/(losses) on financial instruments classified as held for trading	(ii) a	115,155		(4,566)	110,589
Underwriting profit		1,014,536	(1,014,536)	–	–
Foreign exchange income	(ii) a	7,429,698	–	4,566	7,434,264
Other operating income		9,577,913	(190,429)	–	9,387,484
		18,137,302	(1,204,965)	–	16,932,337
Operating income before impairment gain		**142,643,580**	**(1,204,965)**	**–**	**141,438,615**
Net impairment loss on financial assets		(10,790,651)	–	–	(10,790,651)
Operating income		**131,852,929**	**(1,204,965)**	**–**	**130,647,964**
Personnel expenses	(ii) b, c	(33,683,156)	572,027	600,569	(32,510,560)
Operating lease expenses		(2,055,779)	612,853	–	(1,442,926)
Depreciation and amortization		(11,021,511)	154,570	–	(10,866,941)
Other operating expenses	(ii) d	(40,756,904)	552,607	274,835	(39,929,462)
Total expenses		**(87,517,350)**	**1,892,057**	**875,404**	**(84,749,889)**
Operating profit		**44,335,579**	**687,092**	**875,404**	**45,898,075**
Share of profit of equity accounted investee	(ii) e	544,569	–	92,334	636,903
Profit before income tax		**44,880,148**	**687,092**	**967,738**	**46,534,978**
Income tax expense	(ii) b	(2,018,307)	92,379	230,585	(1,695,343)
Profit for the year from continuing operations		**42,861,841**	**779,471**	**1,198,323**	**44,839,635**
Discontinued operations					
Loss from discontinued operations	(ii) d	(4,457,057)	(779,471)	(274,835)	(5,511,363)
Profit for the year		**38,404,784**	**–**	**923,488**	**39,328,272**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Consolidated statement of comprehensive income.
For the year ended 31 December 2013.

	Notes	Reported 2012	Reclassified to discontinued operations (i)	Other reclassifications and adjustments (ii)	Restated 2012
		N'000	N'000	N'000	N'000
Other comprehensive income (OCI) for the year					
Items that will not be reclassified to the income statement					
Remeasurements of post employment benefit obligations	(ii) b	–	–	538,032	538,032
Items that may be subsequently reclassified to the income statement					
Foreign currency translation differences for foreign subsidiaries		1,387,577	–	–	1,387,577
Fair value (loss)/gains and losses					
– Unrealised net gains/(losses) arising during the year	(ii) f	(4,659,189)	–	6,563,365	1,904,176
– Fair value gain on Property and equipment	(ii) g	(68,549)	–	68,549	–
– Share of OCI of equity accounted investee	(ii) h	–	–	133,484	133,484
Other comprehensive (loss)/gain for the year, net of related tax effects		**(3,340,161)**	**–**	**7,303,430**	**3,963,269**
Total comprehensive income for the year		**35,064,623**	**–**	**8,226,918**	**43,291,543**
Profit attributable to					
Owners of the Bank		38,596,688	–	923,488	39,520,177
Non-controlling interest		(191,904)	–	–	(191,904)
Profit for the year		**38,404,784**	**–**	**923,488**	**39,328,272**
Total comprehensive income attributable to					
Owners of the Bank		35,304,108	–	8,226,918	43,531,028
Non-controlling interest		(239,485)	–	–	(239,485)
Total comprehensive income for the year		**35,064,623**	**–**	**8,226,918**	**43,291,541**
Total comprehensive income for the year					
Continuing operations		39,521,680	–	9,281,224	48,802,904
Discontinued operations		(4,457,057)	–	(1,054,306)	(5,511,363)
		35,064,623	–	8,226,918	43,291,541
Total comprehensive income attributable to					
Owners of the Bank		35,256,527	–	8,226,918	43,483,445
Non-controlling interest		(191,904)	–	–	(191,904)
Total comprehensive income for the year		**35,064,623**	**–**	**8,226,918**	**43,291,541**
Earnings per share					
Basic earnings per share(kobo)		169	–	3	172
Diluted (kobo)		169	–	3	172
Earnings per share-continuing operations					
Basic earnings per share(kobo)		187	–	9	196
Diluted (kobo)		187	–	9	196

Notes to the reclassifications made to the Group Statement of Comprehensive Income for the year 2012.

i) **Reclassification to discontinued operations**
During the year, the Bank in line with the Central Bank of Nigeria's directive for all banks to divest from non-core banking subsidiaries the group gave out its interest in WAPIC Insurance Plc in form of non-cash dividend to shareholders. This cede of interest is recognised as a distribution of non-cash dividend and accounted for in accordance to IFRIC 17, Distribution of non-cash assets to owners. WAPIC is classified as a discontinued operation in the current financial year, and in line with IFRS 5 - Non-cash assets held for sale and discontinued operations, the Group has restated 2012 figures by excluding WAPIC. See note 17d.

ii) **Other reclassifications and adjustment**

a) **Trading loss on derivatives held for trading**
Derivatives held for trading by the Group generated a loss amounting to N4.566mn which was captured under foreign exchange income. This loss on derivatives held for trading should however have been recognised under Net gains/(losses) on financial instruments classified as held for trading. A reclassification to ensure a consistent presentation has been made.

b) **Net actuarial gains and fair value changes and deferred tax**
IAS 19 Employee benefits previously allowed the actuarial gain/loss on remeasurement to be recognised in the Income statement. IAS 19 (2011 revised) which became effective for the 2013 financial year end, however requires that these gains/losses be recognised in other comprehensive income. The standard requires a restrospective application. Net actuarial gains amounting to N769mn and the deferred tax of N231mn which were previously recognised in the income statement have been reclassified to other comprehensive income.

c) Treasury shares
IAS 32 (Financial instruments presentation) requires gains/losses realised in the disposal of treasury shares to be recorded in equity. The Bank, however recorded this loss in the income statement. A N1.368bn adjustment was thus raised to reclassify the loss on disposal of treasury shares to other comprehensive income from income statement.

d) Loss on control of subsidiaries
In 2012, the bank commenced a winding down process for some of its subsidiaries and recorded a loss of N275mn. This loss was recorded in the income statement as part of operating expenses. This loss which was captured under operating expenses has been reclassified to loss on discontinued operations.

e) Share of profit of equity accounted investee
In recognising its effective holding in Associated Discount House, the Bank used 38.32% instead of 45.32%. An adjustment of N92.3mn and N133.5mn were raised to recognise the correct share of profit and other comprehensive income respectively.

f) Fair value reserves
Fair value changes of N6.8bn which should have been presented through other comprehensive income in 2012 were presented in the statement of changes in equity. This was corrected in 2012 retrospectively.

g) Fair value loss on property and equipment
The Group policy of carrying property, plant and equipment at cost less accumulated depreciation and impairment losses was not adopted by some of the acquired subsidiaries. The assets of these entities were carried at fair value and the resulting net gain taken to equity. An adjustment of N68.5mn was raised to correct this.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

50. b) Summary of reclassification to 2012 figures-Statement of Financial Position

Group	Notes	Reported 2012	Reclassifications and adjustments	Restated 2012	Reported 2011	Reclassifications and adjustments	Restated 2011
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and balances with banks	(a)	296,184,966	109,107,275	405,292,241	191,518,474	76,398,814	267,917,288
Non pledged trading assets		27,906,803	–	27,906,803	10,812,122	–	10,812,122
Pledged assets		60,949,856	–	60,949,856	66,191,144	–	66,191,144
Derivative financial instruments		30,949	–	30,949	9,909	–	9,909
Loans and advances to banks		4,564,943	–	4,564,943	775,765	–	775,765
Loans and advances to customers		604,073,399	–	604,073,399	576,228,507	–	576,228,507
Trading properties		2,693,227	–	2,693,227	6,688,000	–	6,688,000
Investment securities		447,281,811	–	447,281,811	561,733,704	–	561,733,704
Insurance receivables		627,337	–	627,337	1,405,000	–	1,405,000
Other assets	(a)	177,042,627	(109,107,275)	67,935,354	120,874,368	(76,398,814)	44,475,554
Investment properties		14,360,567	–	14,360,567	16,097,044	–	16,097,044
Investments in equity accounted investee	(b)	2,548,828	225,818	2,774,646	2,812,805	–	2,812,805
Investment in subsidiary		–	–	–	–	–	–
Property and equipment	(c)	64,565,889	68,549	64,634,438	67,647,817	–	67,647,817
Intangible assets		3,404,945	–	3,404,945	3,277,608	–	3,277,608
Deferred tax (net)		8,113,973	–	8,113,973	2,930,928	–	2,930,928
		1,714,350,120	294,368	1,714,644,488	1,629,003,195	–	1,629,003,195
Assets classified as held for sale		30,827,257	–	30,827,257	–	–	–
Total assets		**1,745,177,377**	**294,368**	**1,745,471,745**	**1,629,003,195**		**1,629,003,195**

Group	Notes	Reported 2012	Reclassifications and adjustments	Restated 2012	Reported 2011	Reclassifications and adjustments	Restated 2011
		N'000	N'000	N'000	N'000	N'000	N'000
Liabilities							
Deposits from financial institutions	(d)	105,170,552	(8,277,537)	96,893,015	146,808,286	(11,579,527)	135,228,759
Deposits from customers		1,201,481,996	–	1,201,481,996	1,101,703,921	–	1,101,703,921
Derivative financial instruments		35,515	–	35,515	9,413	–	9,413
Debt securities issued		54,685,891	–	54,685,891	–	–	–
Claims payable		118,226	–	118,226	450,000	–	450,000
Current tax liabilities		8,937,964	–	8,937,964	9,747,004	–	9,747,004
Other liabilities		58,418,260	–	58,418,260	140,772,972	–	140,772,972
Retirement benefit obligations		2,487,589	–	2,487,589	1,876,578	–	1,876,578
Liabilities on investment contracts		65,591	–	65,591	61,000	–	61,000
Liabilities on insurance contracts		3,351,234	–	3,351,234	2,703,000	–	2,703,000
Interest-bearing loans and borrowings	(d)	40,092,312	8,277,537	48,369,849	29,258,273	11,579,527	40,837,800
Deferred tax liabilities		–	–	–	–	–	–
Contingent settlement provisions		3,548,250	–	3,548,250	3,548,000	–	3,548,000
		1,478,393,380	–	1,478,393,380	1,436,938,447	–	1,436,938,447
Liabilities classified as held for sale		25,793,512	–	25,793,512			–
Total liabilities		**1,504,186,892**	**–**	**1,504,186,892**	**1,436,938,447**		**1,436,938,447**
Equity							
Share capital and share premium		176,628,255	–	176,628,255	155,104,963	–	155,104,963
Retained earnings	(b)	17,764,295	92,335	17,856,630	(6,744,577)	–	(6,744,577)
Other components of equity	(b, c)	38,498,341	202,034	38,700,375	20,649,521	–	20,649,521
Total equity		**232,890,891**	**294,368**	**233,185,259**	**169,009,907**	–	**169,009,907**
Non-controlling interest		8,099,594	–	8,099,594	23,054,841	–	23,054,841
		240,990,485	**294,368**	**241,284,853**	**192,064,748**	**–**	**192,064,748**
Total equity and liabilities		**1,745,177,377**	**294,368**	**1,745,471,745**	**1,629,003,195**	**–**	**1,629,003,195**

Notes to the reclassifications made to the consolidated statement of financial position

a) Cash and balances with banks

Restricted cash deposit of N109Bn held with the Central Bank of Nigeria was reclassified in 2013 to Cash and balances with banks from other assets. To ensure consistency of presentation in these consolidated financial statements, we have restated prior years by effecting this reclassification;

b) Investment in equity accounted investee

The net of N225.8Mn is as a result of recognising the share of OCI in ADH of N133.5Mn and the difference of N92.3Mn arising from applying the effective shareholding of the group on the share of profit for 2012;

c) Property and equipment

The group policy of carrying property, plant and equipment at cost less accumulated depreciation and impairment losses was not adopted by some of the banks subsidiaries. The assets of these entities were carried at fair value and the resulting net gain taken to equity. An adjustment of N68.5Mn was raised to correct this; and

d) Deposit from financial institutions and borrowings

Borrowings from financial institutions amounting to N8.28Bn was included deposits from financial institutions. For consistency in presentation, we reclassified this value back to Interest bearing borrowings.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

51. Contraventions of the Bank and Other Financial Institutions act of Nigeria and CBN circulars

S/N	Regulatory Body	Infraction	Penalty
i)	Central Bank of Nigeria (CBN)	Retaining a Director on the Board after his expected tenure had expired	N2m
ii)	Central Bank of Nigeria (CBN)	Granting credit facilities to four of its directors in excess of 10% of its paid up capital against the provisions of CBN Circular No BSD/9/2004	N2m
iii)	Central Bank of Nigeria (CBN)	Executing three (3) loan agreements for on-lending facilities without the CBN's approval.	N6m
iv)	Central Bank of Nigeria (CBN)	Not appointing at least two independent directors to its board	N2m
v)	Central Bank of Nigeria (CBN)	Commencing divestment process from WAPIC without prior approval of the CBN	N2m
vi)	Central Bank of Nigeria (CBN)	Publishing approved financial statements and including changes not validated by the CBN	N2m
vii)	Central Bank of Nigeria (CBN)	Incomplete reporting of public sector deposits	N2m
viii)	Central Bank of Nigeria (CBN)	Non-compliance with the CBN Cash-less initiative	N1.3m

52. Events after reporting date

Subsequent to the end of the reporting period, the Board of Directors proposed a final dividend of 65k each on the issued share capital of 22,882,918,908 ordinary shares of 50 kobo each as at 31 December 2013. There are no other post Balance Sheet event that require disclosure in these consolidated financial statements.

53. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures and the Group's pension schemes, as well as key management personnel.

Transactions with key management personnel

The Group's key management personnel, and persons connected with them, are also considered to be related parties. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Access Bank Plc and its subsidiaries.

Parent

The parent company, which is also the ultimate parent company, is Access Bank Plc.

a) Loans and advances to related parties

The bank granted various credit facilities to other companies which have common directors with the bank and those that are members of the Group.

The rates and terms agreed are comparable to other facilities being held in the bank's portfolio. Details of these are described below:

	Directors and other key management personnel (and close family members)	Subsidiaries	Associates	Total
	N'000	N'000	N'000	N'000
Balance, beginning of year	82,577,604	2,342,400	–	84,920,004
Net movement during the year	1,218,885	10,136,820	–	11,355,705
Balance, end of year	83,796,489	12,479,220	–	96,275,709
Interest income earned	4,844,015	1,050	–	4,845,064
Bad or doubtful debts due from related parties expense	–	–	–	–

The loans issued to directors and other key management personnel (and close family members) as at 31 December 2013 of N83.8Bn are repayable in various cycles ranging from monthly to annually over the tenor, and have average interest rates of 13.5%. The loans advanced to the directors during the year are collateralised by a combination of lien on shares of quoted companies, fixed and floating debentures, corporate guarantee, negative pledge, domiciliation of proceeds of company's receivables, legal mortgages and cash.

The loan to subsidiaries relates to a foreign currency term loan facility of USD78M granted during the period. It is a non-collateralised loan advanced at an interest rate of 5%. This loan has been eliminated on consolidation and does not form part of the reported Group loans and advances balance.

Interest rates charged on balances outstanding are at rates that would be charged in the normal course of business. No impairment losses have been recorded against balances outstanding during the year/period with key management personnel, and no specific allowance has been made for impairment losses on balances with key management personnel and their immediate relatives at the period end.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

b) Deposits from related parties

Year Ended 31 December 2013	Directors (and close family members and related entities)	Subsidiaries	Associates	Total
	N'000	N'000	N'000	N'000
Balance, beginning of year	11,864,907	3,006,163	–	14,871,070
Net movement during the year	47,112,745	(2,364,108)	–	44,748,637
Balance, end of year	58,977,652	642,055	–	59,619,707
Interest expenses on deposits	412,683	1,031	–	413,714

There are no special considerations for the related party deposits. Deposits from related parties are taken at arms length. The average rate on deposit from directors and other key management personnel which are mainly term deposit was approximately 9.7% while average rate on deposit from subsidiaries majorly demand deposits was approximately 1.75%.

c) Borrowings from related parties

	Subsidiaries	Associates	Total
	N'000	N'000	N'000
Borrowings at 1 January 2013	55,502,694	–	55,502,694
Net movement during the year	1,517,894	–	1,517,894
Borrowings at 31 December 2013	57,020,588	–	57,020,588
Interest expenses on borrowings	115,669	–	

The borrowings from subsidiaries represent the borrowings of Access Bank Plc from Access Finance BV in respect of the dollar guaranteed notes issued by Access Finance B.V., Netherlands which is due on 25 July 2017. The notes were issued on 25 July 2012 for a period of 5 years with the principal amount repayable at the end of the tenor while interest on the Notes is payable semi-annually at 7.34%, in arrears on 25 January and 25 July in each year. The annual effective interest rate is 7.65%.

d) Other balances and transactions with related parties

	Directors (and close family members and related entities)	Subsidiaries	Associates	Total
	N'000	N'000	N'000	N'000
Cash and cash equivalent	–	74,810,536	5,000,000	79,810,536
Derivative financial instrument	72,676	–	–	72,676
Deposit for Investments	–	1,323,923	–	1,323,923
Receivables	1,902,832	194,508	–	2,097,340
Payables	–	457,234	–	457,234
Other Liabilities	5,295,320	–	–	5,295,320
Fee and commission income	–	736,734	–	736,734
Off Balance Sheet exposures	19,929,744	–	–	19,929,744

e) Key management personnel compensation for the period comprises:

Directors' remuneration

	December 2013	December 2012
	N'000	N'000
Non-executive Directors		
Fees	46,500	39,000
Other emoluments		
Allowances	216,093	182,491
	262,593	221,491
Executive Directors		
Short term employee's benefit	711,264	145,100
Defined contribution plan	17,859	18,403
Share based payment	112,783	–
Long-term incentive plan	3,321,200	–
	4,163,106	163,503
Total compensation to key management personnel	4,425,699	384,994

53. f) Director-related exposures

Access Bank has some exposures that are related to its Directors. The Bank however follows a strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

a) Complete adherence to the requirements for granting insider-related exposure as stated in the Bank's Credit Policy Guidelines, the Insider-related Policy as well as the Bank's duly approved Standard Operating Procedure for managing insider-related exposures;

b) Full compliance with the relevant CBN policies on insider-related lending;

c) All affected Directors are precluded from taking part in the approval process of credit request wherein they have interest;

d) The related Director is required to execute a document authorising the Bank to use their accrued dividends to defray any related-obligor's delinquent exposures;

e) The Directors are required to execute documents for the transfer of their shares to the Bank's nominated broker to ensure effective control as required by the CBN policy to enhance the bank's Corporate Governance structure; and

f) Section 89 of the Bank's Article of Association also reiterated that "a related Director shall vacate office or cease to be a Director, if the Director directly or indirectly enjoys a facility from the Bank that remains non-performing for a period of more than 12 months.

The Bank's gross exposure to all its directors as at December 31, 2013 is N83,798,489,000. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the Bank.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Below is a schedule showing the details of the Bank's director-related lending:

Analysis of loans and advances to key management personnel

In thousands of naira

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal	Status	Nature of security
1	Combined Industrial Agro	Chairman	Mr. Gbenga Oyebode	Overdraft	152,757	Performing	Corporate Guarantee of Assets Management Group Limited
2.	Neconde Energy Limited	Director	Mr Tunde Folawiyo	Syndicated Reserve Based Lending	6,927,227	Performing	1. Asset Debenture of Neconde Energy Limited 2. Assignment of the Borrower's right under all commercial contract 3. Domiciliation of Crude oil sales proceeds to Access bank and Standard Bank
3.	Aries Exploration And Production Company Limited	Director	Mr Tunde Folawiyo	Term Loan	5,099,681	Performing	1. All Asset Debenture Of Aries E & P 2. Subordinated charge on the shares of Aries E & P Co Ltd in Neconde. 3. Tripatite lien on 4,010,528Mn Units Of MTN Shares belonging to Universal Communication
4.	Asset Management Group Limited	Chairman	Mr Gbenga Oyebode	Term Loans	1,130,888	Performing	Pledged property and office building for all obligations
				On-Lending Loans	453,013	Performing	
				Overdraft	586	Performing	
5.	Timbuktu Media Limited	Chairman & Director	Mr Gbenga Oyebode				
			& Mr Tunde Folawiyo	CBN-BOI Intervention Fund	105,000	Performing	1. Debenture on the company's assets 2. Domiciliation of receivables of Timbuktu Media Limited
6.	Enyo Trading Company Limited	Director	Mr Tunde Folawiyo	Overdraft	5,623,287	Performing	1. Lien On Proceeds Of Foreign Currency Cash Paid To Glencore Energy UK (i.e. minimum Of 100% Cash Backing.) 2. Domiciliation of sales proceed
7.	DTD Services Limited	Director	Mr Tunde Folawiyo	Term Loan	265,050	Performing	1. Legal Mortgage on Aircraft financed 2. Lien on cash in sister Company-Norwoord Worldwide
8.	Folawiyo Energy Limited	Director	Mr Tunde Folawiyo	Overdraft	2,518	Performing	
9.	Marina Securities Limited	Brother of Ex-Director of the Bank	Mr Aigbovbioise Aig-Imoukhuede	Overdraft	800,000	Performing	1. Legal Mortgage on property 2. Lien on shares and other investments
				Term Loan	1,650,474	Performing	
10.	Sic Property And Investment Company Ltd	Director	Mr Dere Otubu	Term Loans	1,975,000	Performing	1. Pledged valued property 2. Lien on other property under construction
				Overdraft	1,029,539	Performing	
11.	Blatech Limited	Director	Mr Dere Otubu	Overdraft	9,299	Performing	Domiciliation of proceeds of the Company's receivables
12.	C.G Biostadt Limited	Ex-Director	Dr Cosmas Maduka	Overdraft	412,867	Performing	Corporate guarantee of Coscharis Motors
	C.G Biostadt Limited	Ex-Director	Dr Cosmas Maduka	Term Loan	509,250	Performing	
	C.G Biostadt Limited	Ex-Director	Dr Cosmas Maduka	Usance Letters Of Credit	30,718	Performing	
13.	Swiss Biostadt Limited	Ex-Director	Dr Cosmas Maduka	Usance Letters Of Credit	157,286	Performing	
14.	Coscharis Motors Limited	Ex-Director	Dr Cosmas Maduka	Overdraft	25,446,922	Performing	1. Trip legal mortgage
				Usance Letters Of Credit	883,823	Performing	2. Lien on Vessel & Barges. 3. Related ex-Director's shareholding in the Bank
				Term Loans	675,000	Performing	4. All Asset debenture on the company fixed and floating Asset
15.	Coscharis Technologies Limited	Ex-Director	Dr Cosmas Maduka	Overdraft	1,045	Performing	Corporate guarantee of Coscharis Motors
Total					**53,341,230**		

Analysis of off Balance Sheet exposures to key management personnel

In thousands of naira

Name of company/individual	Relationship to reporting institution	Name of the Director	Facility type	Outstanding credit	Status	Nature of security
Coscharis Motors Limited	Ex-Director	Mr Cosmas Maduka	Letter of credit	8,786,937	Performing	Corporate Guarantee
Coscharis Technologies	Ex-Director	Mr Cosmas Maduka	Letter of credit	550,516	Performing	Corporate Guarantee
DTD Services	Director	Mr Tunde Folawiyo	Other bonds	100,649	Performing	Corporate Guarantee
Folawiyo Energy Trading Limited			Letter of credit	9,424,979	Performing	1. Legal Mortgage on Aircraft financed. 2. Lien on investment in sister Company-Norwoord Worldwide
Marina Securities Limited	Brother of Ex-Director of the Bank	Mr Aigbovbioise Aig-Imoukhuede	Other guarantees	10,467	Performing	1. Legal Mortgage on property. 2. Lien on shares 3. Lien on investment.
Swiss Biostadt Limited	Ex-Director	Mr Cosmas Maduka	Letter of credit	145,451	Performing	Corporate Guarantee
Yinka Folawiyo & Co.	Director	Mr Tunde Folawiyo	Custom bond	350	Performing	Corporate Guarantee
Total				**19,929,744**		

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Value Added Statement

	Group December 2013		Group December 2012	
	N'000	%	N'000	%
Gross earnings	207,053,212		208,308,873	
Interest expense				
– Foreign	(6,483,452)		(2,049,595)	
– Local	(61,753,935)		(63,009,863)	
	138,815,825		143,249,415	
Net impairment (loss) on financial assets	5,012,279		(8,084,391)	
Net impairment loss on other financial assets	1,151,265		(2,706,259)	
Bought-in-materials and services				
– Foreign	(336,832)		(75,798)	
– Local	(52,852,324)		(34,958,556)	
Value added	91,790,213		97,424,410	
Distribution of Value Added				
To Employees				
Employees costs	31,081,954	34%	32,510,560	33%
To government				
Government as taxes	7,498,759	8%	1,695,343	2%
To providers of finance				
Interest on borrowings	8,819,542	10%	4,106,657	4%
Dividend to shareholders	19,450,480	21%	12,588,539	13%
Retained in business				
– For replacement of property and equipment and intangible assets	8,714,544	9%	10,866,941	11%
– For replacement of equipment on lease	1,451,667	2%	1,442,926	1%
– Retained profit (including Statutory and regulatory risk reserves	14,773,266	16%	34,213,444	35%
	91,790,213	100%	97,424,410	100%

	Bank December 2013		Bank December 2012	
	N'000	%	N'000	%
Gross earnings	181,737,641		174,535,283	
Interest expense				
– Foreign	(6,483,452)		(2,049,595)	
– Local	(54,542,394)		(57,375,283)	
	120,711,795		115,110,405	
Net impairment (loss) on financial assets	6,356,951		(6,190,567)	
Net impairment loss on other financial assets	328,083		(5,425,511)	
Bought-in-materials and services				
– Foreign	(47,393,675)		(23,108,745)	
– Local	–		–	
Value added	80,003,154		80,385,582	
Distribution of Value Added				
To Employees				
Employees costs	25,937,818	32%	28,412,192	35%
To government				
Government as taxes	5,153,552	6%	443,919	1%
To providers of finance				
Interest on borrowings	5,152,243	6%	2,335,104	2%
Dividend to shareholders	19,450,480	13%	12,588,539	16%
Retained in business				
– For replacement of property and equipment	7,780,207	10%	9,678,299	12%
– For replacement of equipment on lease	1,273,023	2%	1,384,837	2%
– Retained profit (including Statutory and regulatory risk reserves	15,255,831	19%	23,765,104	30%
	80,003,154	100%	80,385,582	100%

Other financial Information
Five-year Financial Summary

Group	IFRS December 2013 12 months	IFRS Restated December 2012 12 months	IFRS Restated December 2011 12 months	NGAAP December 2010 12 months	NGAAP December 2009 9 months
	N'000	N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	439,459,541	405,292,241	267,917,288	123,957,778	155,076,424
Non pledged trading assets	3,877,969	27,906,803	10,812,122	30,969,755	11,563,193
Pledged assets	63,409,851	60,949,856	66,191,144	59,930,096	7,591,114
Derivative financial instruments	102,123	30,949	9,909	1,110,803	3,002,720
Loans and advances to banks	24,579,875	4,564,944	775,765	610,108	70,526
Loans and advances to customers	786,169,704	604,073,399	576,228,507	447,810,358	385,313,186
Trading properties	–	2,693,227	6,688,000	–	–
Investment securities	353,811,348	447,281,811	561,733,704	69,892,874	73,745,086
Insurance receivables	–	627,337	1,405,000	–	–
Other assets	52,019,724	67,935,355	44,475,554	20,006,440	16,927,332
Investment properties	23,974,789	14,360,567	16,097,044	12,943,078	1,404,000
Investments in equity accounted investee	3,623,323	2,774,646	2,812,805	–	300,156
Property and equipment	67,243,305	64,634,436	67,647,817	23,807,982	27,680,220
Intangible assets	3,659,071	3,404,945	3,277,608	2,718,899	2,880,706
Deferred tax assets	10,687,634	8,113,973	2,930,928	2,458,597	3,779,129
Assets classified as held for sale	2,847,741	30,827,257	–	–	–
Total assets	**1,835,466,000**	**1,745,471,746**	**1,629,003,195**	**796,216,768**	**689,333,792**
Liabilities					
Deposits from financial institutions	72,147,955	96,893,015	135,228,759	69,889,795	43,216,841
Deposits from customers	1,331,418,659	1,201,481,996	1,101,703,921	484,723,475	442,334,863
Derivative financial instruments	32,955	35,515	9,413	725,007	1,833,327
Claims payable	–	118,226	450,000	–	–
Current tax liabilities	6,899,558	8,937,964	9,747,004	3,492,485	6,982,030
Deferred tax liabilities	37,861	–	–	–	–
Other liabilities	56,847,216	58,418,260	140,772,972	49,977,525	28,723,169
Retirement benefit obligations	1,933,021	2,487,589	1,876,578	–	–
Liabilities on investment contracts	–	65,591	61,000	–	–
Liabilities on insurance contracts	–	3,351,234	2,703,000	–	–
Debt securities issued	55,828,248	54,685,891	–	–	2,604,276
Interest-bearing loans and borrowings	64,338,982	48,369,849	40,837,800	22,760,350	3,376,945
Contingent settlement provisions	–	3,548,250	3,548,000	–	–
Liabilities classified as held for sale	1,499,495	25,793,512	–	–	–
Total liabilities	**1,590,983,950**	**1,504,186,892**	**1,436,938,447**	**631,568,637**	**529,071,451**
Equity					
Share capital and share premium	172,477,670	176,628,255	155,104,963	155,104,963	154,291,861
Retained earnings	22,232,375	17,856,631	(6,744,577)	(10,785,618)	(9,980,792)
Other components of equity	48,003,894	38,700,374	20,649,521	19,629,454	15,092,981
Non controlling interest	1,768,110	8,099,594	–	699,332	858,291
Total equity	**244,482,050**	**241,284,853**	**192,064,748**	**164,648,131**	**160,262,341**
Net Assets	1,835,466,000	1,745,471,745	1,629,003,195	796,216,768	689,333,792
Gross earnings	208,204,477	197,081,930	135,635,180	90,644,073	87,531,150
Profit/(Loss) before income tax	**44,996,410**	**46,534,979**	**27,107,026**	**12,584,231**	**(3,955,124)**
Profit/(Loss) from continuing operations	37,497,651	44,839,636	17,077,918	7,727,399	(2,088,034)
Discontinued operations	(1,200,059)	(5,511,361)	(1,699,596)	–	–
Profit for the year	**36,297,593**	**39,328,274**	**15,378,322**	**7,727,399**	**(2,088,034)**
Non controlling interest	195,762	(191,904)	879,093	176,442	207,584
Profit attributable to equity holders	**36,101,830**	**39,520,179**	**14,499,229**	**7,903,841**	**(1,880,450)**
Dividend paid	23,601,065	12,588,538	8,944,125	3,577,650	11,349,982
Earning or (loss) per share – Basic	159k	172k	169k	44k	–12k
– Adjusted	159k	172k	169k	44k	–12k
Number of ordinary shares of 50k	22,882,918,908	22,882,918,908	17,888,251,478	16,262,046,799	16,262,046,799

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

For the year ended 31 December 2013

Other financial Information
Five-year Financial Summary

	IFRS	IFRS	IFRS	NGAAP	NGAAP
Bank	**December 2013 12 months**	Restated December 2012 12 months	Restated December 2011 12 months	December 2010 12 months	December 2009 12 months
	N'000	N'000	N'000	N'000	N'000
Assets					
Cash and balances with banks	395,808,747	284,062,159	131,647,158	89,825,872	134,434,629
Non pledged trading assets	3,877,969	3,769,260	5,787,534	–	–
Pledged assets	63,347,823	60,949,856	66,191,144	–	–
Derivative financial instrument	72,675	–	–		
Loans and advances to banks	13,048,651	3,054,520	775,765	–	–
Loans and advances to customers	735,300,741	554,592,199	490,877,501	428,605,827	367,293,632
Trading properties	–	–	–	–	–
Investment securities	309,071,802	420,346,295	127,420,035	128,429,620	83,658,775
Other assets	44,326,360	61,431,658	15,676,950	22,172,504	13,677,803
Investment properties	23,974,789	14,072,673	12,417,043	12,943,078	1,404,000
Investments in equity accounted investee	1,521,812	1,980,808	–	–	145,000
Investment in subsidiary	38,029,992	43,209,688	80,400,287	24,261,123	23,299,346
Property and equipment	63,203,245	58,938,450	17,042,268	20,722,556	22,323,266
Intangible assets	2,661,553	2,339,510	1,146,412	–	–
Deferred tax assets	9,847,853	7,007,387	–	–	1,338,268
Total assets	**1,704,094,012**	**1,515,754,462**	**949,382,097**	**726,960,580**	**647,574,719**
Liabilities					
Deposits from banks	61,295,352	16,312,516	131,494,136	34,742,938	39,025,683
Deposits from customers	1,217,176,793	1,093,979,220	522,922,292	440,542,115	405,836,092
Debt securities issued	–	–	–	–	2,604,276
Current tax liabilities	6,075,590	7,686,569	2,084,899	2,959,976	6,736,626
Other liabilities	52,092,559	50,246,164	61,029,366	43,169,762	17,089,054
Retirement benefit obligations	1,929,695	2,485,093	1,149,578	–	–
Interest-bearing loans and borrowings	120,342,026	103,872,441	40,823,345	22,685,778	3,131,964
Contingent settlement provisions	–	3,548,250	–	–	–
Deferred tax liabilities	–	–	2,841,403	355,197	–
Total liabilities	**1,458,912,015**	**1,278,130,252**	**762,345,019**	**544,455,766**	**474,423,695**
Equity					
Share capital and share premium	172,477,671	176,628,255	155,104,963	155,104,963	154,291,861
Retained earnings	23,095,392	18,880,711	3,376,997	6,777,393	(610,507)
Other components of equity	49,608,934	42,115,245	28,555,118	20,622,458	19,469,670
Total equity	245,181,997	237,624,211	187,037,078	182,504,814	173,151,024
Net Assets	1,704,094,012	1,515,754,463	949,382,097	726,960,580	647,574,719
Gross earnings	182,888,906	172,719,708	98,518,061	79,065,123	75,847,752
Profit/(Loss) before income tax	**31,365,396**	**36,259,530**	**12,141,462**	**17,668,584**	**41,723**
Profit/(Loss) from continuing operations	26,211,844	35,815,611	5,248,866	7,727,399	(2,088,034)
Profit for the year	**26,211,844**	**35,815,611**	**5,248,866**	**7,727,399**	**(2,088,034)**
Dividend paid	23,601,065	12,588,538	8,944,125	3,577,650	11,349,982
Earning or (loss) per share – Basic	115k	157k	102k	44k	–12k
– Adjusted	115k	157k	102k	44k	–12k
Number of ordinary shares of 50k	22,882,918,908	22,882,918,908	17,888,251,478	17,888,251,478	16,262,046,799

5

SHAREHOLDER INFORMATION

Access Bank's commitments to communicate effectively with its shareholders.

SHAREHOLDER ENGAGEMENT

The Board and management of Access Bank are committed to ensuring transparency to our stakeholders. Accordingly we provide shareholders with a continuous and timely flow of financial information in order to ensure that shareholder expectations are aligned with the Bank's corporate objectives. Access Bank in the past two years has carried out several enhancements of its IR programme to effectively communicate with shareholders. The Bank, in keeping with best practice, employs various channels of communication to provide information to its shareholders:

Channel	Description
Annual Report & Accounts	The Annual Report & Accounts is a comprehensive report of the Bank's activities throughout the preceding year. They are produced in paper and electronic formats and posted to shareholders and other stakeholders at least 21 days before the AGM as approved by law.
Website	The Bank's website, www.accessbankplc.com, serves as a go-to resource and is continuously updated with relevant information for our shareholders.
Results Announcement	The Bank ensures complete access to financial performance information through publishing the information for each quarter in the papers and online (website, social media, newswires).
Conference calls	Following the publication of the Bank's results is the conference call with shareholders, investors and analysts. These allow for the investment community to gain a better understanding.
Annual General Meetings	The AGM is an event for mainly retail shareholders. Held once a year, the Bank's management and senior team meets with retail shareholders to discuss the Bank's performance, strategy and other concerns of benefit to all shareholders. Resolutions are voted upon by the shareholders with the majority of votes as a determinant.
Shareholder Association Meetings*	In addition to the AGM, the Bank considers it important to hear from representatives of various shareholder associations in order to fully accommodate concerns and advice from our shareholders. This is held once a year. *Meet with your local shareholder committee for details and how they can represent you adequately at the meetings.
Non-deal Roadshows	The Bank's management team ensures that it meets international and local shareholders once a year.
Strategy Day	In 2013 the Bank unveiled a new five-year strategy. A forum was held with shareholders and institutional investors to discuss the implementation and benefits of the strategy in July 2013. During the forum, the outgoing CEO, Aigboje Aig-Imoukhuede formally announced his retirement and successor. Herbert Wigwe, the incumbent outlined the Bank's 2013-2017 strategy.

Rights and responsibilities of shareholders

Our shareholders are encouraged to share in the responsibility of sustaining the Bank's corporate values and ethical impact by exercising their rights which include:

- Voting at the shareholders' meeting (according to the class of shares);
- Sharing in the property of the corporation upon dissolution;
- Participating in shareholders' meetings;
- Electing and dismissing directors;
- Approving by-laws and by-law changes;
- Appointing the auditor of the corporation (or waive the requirement for an auditor);
- Examining and copy corporate records, financial statements and directors' reports; and
- Approving major or fundamental changes (such as those affecting a corporation's structure or business activities).

Investor Relations and financial information

Individual Shareholder Enquiry, United Securities Limited
Telephone: 234(1) 2714566-7
Email: info@unitedsecuritieslimited.com

Financial analysts and Institutional Investors
Telephone: + 234 (1) 2804130
Email: investorrelations@accessbankplc.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of members of ACCESS BANK PLC will be held at Oriental Hotel, Plot 3, Lekki-Epe Expressway, Victoria Island, Lagos on Wednesday the 30th day of April, 2014 at 10.00 a.m. You will be asked to consider and if thought fit pass the following resolutions:

a) Ordinary business

As Ordinary Resolutions:

1. To receive the Audited Financial Statement for the year ended December 31, 2013 and the Reports of the Directors, Auditors and Audit Committee thereon.
2. To declare a final dividend.
3. To re-elect Mr Emmanuel Ndubisi Chiejina as a Non-Executive Director.
4. To re-elect Mr Oritsedere Samuel Otubu as a Non-Executive Director.
5. To re-elect Mrs Anthonia Olufeyikemi Ogunmefun as a Non-Executive Director.
6. To elect Dr (Mrs) Ajoritsedere Awosika, MFR, who was appointed an Independent Non-Executive Director by the Board since the last Annual General Meeting.
7. To elect Mr Paul Usoro, SAN who was appointed a Non-Executive Director by the Board since the last Annual General Meeting.
8. To re-appoint PricewaterhouseCoopers 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.
9. To authorise the Directors to fix the remuneration of the Auditors.
10. To elect/re-elect members of the Audit Committee.

b) Special business

To consider and if thought fit pass the following resolutions as Ordinary Resolutions:

1. That the Directors' fees for the financial year ending December 31, 2014 be and is hereby fixed at NGN 46,500,000.00 (forty-six million, five hundred thousand Naira only).
2. That the Board of Directors be and is hereby authorised to establish a Medium Term Notes Programme to raise additional capital whether by way of public offering, private placement, rights offering, book building process or other methods or combination of methods, in the sum not exceeding USD1,000,000,000 (one billion United States Dollars) or the equivalent in other currencies through the issuance of convertible or non-convertible loans, medium term notes, bonds or other securities in such tranches, series or proportions denominated in such currencies and at such coupon or interest rates within such maturity periods and on such other terms and conditions as the Directors may deem fit or determine subject to obtaining the approval of the relevant regulatory authorities.
3. That the Board of Directors be and is hereby authorised to take all actions that may be necessary to give effect to the foregoing resolutions.

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 7th day of April 2014.

By order of the Board

Sunday Ekwochi
Company Secretary
Plot 999c, Danmole Street, Victoria Island, Lagos

NOTES

Dividend

If the proposed final dividend of 35 kobo per ordinary share is approved, dividend warrants will be posted on April 30, 2014 to shareholders whose names appear in the Register of Members at the close of business on April 16, 2014, while shareholders who have mandated their dividend to their Bank accounts will be credited on the date of the Annual General Meeting.

Closure of Register of Members

The Register of Members and Transfer Books of the Bank will be closed on April 17, 2014 to enable the Registrars prepare for the payment of dividend.

Audit Committee

The Audit Committee consists of three shareholders and three Directors. In accordance with Section 359(5) of the Companies and Allied Matters Act, 1990, 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.

The Central Bank of Nigeria in its Code of Corporate Governance for Banks stipulates that some members of the Audit Committee should be knowledgeable in internal control processes, accounting and financial matters. Consequently, a detailed resume should be submitted with each nomination.

Unclaimed dividend warrants and share certificates

Some dividend warrants and share certificates have remained unclaimed or are yet to be presented for payment or returned to the Company for revalidation. Affected shareholders are advised to contact the Registrars, United Securities Limited, No. 10, Amodu Ojikutu Street, Victoria Island, Lagos.

E-dividend/Bonus

Shareholders are advised to update their records and/or open bank accounts, stock broking accounts and CSCS accounts for the purpose of dividend payments and e-bonus. Detachable application forms for change of address, e-dividend and e-bonus are attached to the Annual Report for shareholders' convenience. The forms can also be downloaded from the Bank's website, http://www.accessbankplc.com/pages/downloadcentre.asp or from 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.

Biographical details of Directors for Election or Re-election

Biographical details of directors standing for election or re-election are provided in the Annual Report.

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.

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

Resolution 1: Annual Report and Accounts
The Directors are required under Section 345(1) of the Companies and Allied Matters Act 1990 to lay before the Company in General Meeting for each financial year copies of the financial statements of the Company made up to a date not exceeding nine months previous to the date of the meeting.

Resolution 2: Declaration of Final Dividend
By Section 379(1) of the Companies and Allied Matter Act 1990, the General Meeting has the power to approve or reduce the final dividend recommended by the Directors but cannot increase the amount. If the 35 Kobo final dividend per ordinary share recommended by Directors is approved, the final dividend net of withholding tax will be payable on April 30, 2014 to those shareholders registered on the Company's register of shareholders as at the close of business on April 16, 2014.

Resolutions 3-7: 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 Emmanuel Ndubisi Chiejina, Oritsedere Otubu and Mrs Anthonia Olufeyikemi Ogunmefun will retire at this AGM and being eligible for re-election will submit themselves for re-election. It is hereby confirmed that following a formal evaluation, they continue to demonstrate commitment to their role as Non-Executive Directors.

The Board pursuant to the powers vested on it by the Articles of Association has appointed Dr (Mrs) Ajoritsedere Awosika, MFR and Mr Paul Usoro, SAN as Independent Non-Executive and Non-Executive Director respectively subject to all regulatory and shareholders' approvals. The two appointees bring on board their robust experience in private and public sector governance. The appointments have been approved by the Central Bank of Nigeria. As required by the Articles of Association, their appointment will be tabled before the shareholders at AGM for approval.

The Board considers all the Directors submitting themselves for election and re-election as highly experienced and having good understanding of the financial services industry. Given their experience and background the Board believes that they will continue to add value to the Bank.

The biographical details of directors 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 needed balance of skill, knowledge and experience on the Board.

Mr Emmanuel Ndubisi Chiejina –
Non-Executive Director
His appointment to the Board was approved by the Central Bank of Nigeria on June 23, 2005. He is the Chairman and CEO of Ashbard Energy Company Ltd and currently sits on the Board of Staco Insurance Plc and Sumeru Nigeria Limited. He retired as Deputy Managing Director of Elf Petroleum (Total E&P) Limited in 2007.

Mr Emmanuel Chiejina holds a Bachelor of Laws degree from University of Lagos (1975), and was called to Nigerian Bar in 1976. He has attended Professional Development Programmes at Columbia University, Cranfield Institute of Technology, European Institute of Business Administration (Insead), University of London, London Business School and Harvard Business School.

Mr Chiejina is the Chairman of the Board Governance and Remuneration Committee and sits on the Credit and Finance and Risk Management Committees.

He is aged 64 at the date of this meeting.

Mr Oritsedere Samuel Otubu –
Non-Executive Director
Mr Otubu's appointment was approved by the Central Bank of Nigeria on August 24, 2004.

He is the Chairman of Staco Insurance Plc. He is also a director in Senforce Insurance Brokers and Eko Electricity Distribution Company. Mr Otubu holds a Bachelor and Masters degrees in Accounting and Finance respectively from Houston Baptist University USA.

He has attended various professional development programmes in leading business schools including Harvard Business School.

Mr Otubu chairs the Board Audit Committee and is a member of the Shareholders' Audit Committee. He also sits on the Governance and Remuneration Committee and Credit and Finance Committee.

He is aged 50 at the date of this AGM.

Mrs Anthonia Olufeyikemi Ogunmefun –
Non-Executive Director
Mrs Ogunmefun's appointment was approved by the Central Bank of Nigeria on June 15, 2011.

She is the Managing Partner of Kemi Ogunmefun Law Office, a Canadian-based law office specialising in immigration, family law, real estate and corporate law.

Mrs Ogunmefun obtained her Bachelor of Laws degree from University of Lagos in 1974 and was called to Nigerian Bar in 1976. She was called to Law Society of Upper Canada in 2004.

She is a member of the Board Credit and Finance Committee, Governance and Remuneration Committee and Risk-Management Committee.

She is aged 63 at the date of the AGM.

Dr (Mrs) Ajoritsedere Awosika –
Independent Non-Executive Director
Her appointment was approved by the Central Bank of Nigeria on May 21, 2013.

Dr Awosika is a well-respected technocrat who brings on board many years of extensive experience in public sector governance. She has held a number of key public sector positions including Permanent Secretary of three Federal Ministry of Internal Affairs (2010), Federal Ministry of Science & Technology (2012) and Federal Ministry of Power (2012–2013).

A highly experienced pharmacist, she holds a doctorate degree in Pharmacy from Bradford University, United Kingdom. She is a member of the National Institute for Policy and Strategic Studies, Jos (2006).

Dr Awosika is a recipient of numerous awards including National Honours Award of Member of the Federal Republic of Nigeria (MFR). She sits on the Board Governance and Remuneration Committee, Risk Management Committee and Credit and Finance Committee.

She will be aged 61 at the date of the AGM. .

Mr Paul Usoro, SAN –
Non-Executive Director
Mr Usoro is a Senior Advocate of Nigeria, Fellow of the Chartered Institute of Arbitrator and the Founder and Senior Partner of the law firm of Paul Usoro and Co. He brings on board his extensive boardroom experience from some of Nigeria's leading companies and multinationals.

Mr Usoro has over 30 years' post-call experience and is acknowledged as one of Nigeria's brightest litigators and communications law experts. He holds a Bachelor of Laws degree from University of Ife (1981) and was called to Nigerian Bar in 1982. He has advised a wide range of blue-chip Nigerian and foreign companies in project finance and development, equity raising, infrastructure development and Management Buy-outs.

Mr Usoro is currently a Director of Airtel Network Limited, Nigeria Bulk Electricity Traders Plc, Marina Securities Limited, Premium Pension Limited and PZ Cussons Nigeria Plc.

He is aged 56 as at the date of this meeting.

The interest of Directors standing election and re-election in the ordinary shares of the Bank as at 31 December 2013 are shown below:

Director's Name	Direct Holding	Indirect Holding
Mr Emmanuel Ndubisi Chiejina	7,080,754	0
Mr Oritsedere Otubu	18,979,886	16,840,286
Mrs Anthonia Olufeyikemi Ogunmefun	0	352,456
Dr (Mrs) Ajoritsedere Awosika	0	0
Mr Paul Usoro, SAN	1,209,634	0

Resolutions 8 & 9: Re-appointment of Auditors and Approval of Auditor's Remuneration

The Companies and Allied Matters Act 1990 provides that every company shall at each AGM appoint an auditor to audit the company's financial statements 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 indicated their willingness to act as the Bank's auditors for the next year. Shareholders will be required to re-appoint PricewaterhouseCoopers as auditors and also authorise the Board to fix their remuneration.

Resolution 10: Election/Re-election of Members of Audit Committee

In accordance with S.359(5) of the Companies and Allied Matters Act, 1990, any member may nominate a shareholder for election as a member of the Shareholders' 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 Annual General Meeting to elect or re-elect members of the Bank's Shareholders Audit Committee.

Resolution 11: 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 NGN 46,500,000.00 (forty-six million, five hundred thousand Naira) for the nine Non-Executive Directors for the 2014 financial year. The proposed remuneration is maintained at the 2013 level.

Resolutions 12 & 13: Approval of Raising of Tier-1 Capital

In furtherance of the Bank's objectives of ranking as one of the top three banks in its chosen market the Management and the Board have identified certain sectors and market segments as growth opportunities for the next five years. Enhancement of the Bank's capital base is critical to the realisation of the potentials in the identified sectors. Additionally, the CBN recently designated eight banks, including Access Bank as Significantly Important Financial Institutions (SIFIs). SIFIs are required to have additional 1% buffer of tier-1 capital.

These developments make the enhancement of the Bank capital base a key imperative for the realisation of its strategic objectives. The Directors have considered a variety of available capital raising options and concluded that raising additional financing in the sum up to USD 1 billion or its equivalent in local currency via the issuance of debt instruments will be a more cost-efficient option to meet the Bank's capital adequacy objectives.

Shareholders are therefore requested to authorise the Board of Directors to take all such steps as may be required to establish a Medium Term Notes Programme to raise additional capital in the sum not exceeding USD 1 billion.

CAPITAL FORMATION

Timeline	Number of Shares	Amount
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
23/01/2012 Share exchange Intercontinental Bank Plc	4,994,667,430	2,497,333,715
End of year	22,882,918,908	11,441,459,454

E-DIVIDEND MANDATE FORM

access

RC 125,384

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

BRANCH 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.

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 – 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.

SHAREHOLDER'S INFORMATION UPDATE FORM

access
RC 125,384

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

access
RC 125384

25th ANNUAL GENERAL MEETING to be held at Oriental Hotel, Plot 3,Lekki-Epe Expressway, Victoria Island, Lagos on April 30, 2014 at 10.00 a.m.

I/We

(Name of Shareholder in block letters)

Being a member/(s) of the above named Company hereby appoint Mr Gbenga Oyebode or failing him Mr Herbert Wigwe or failing him
* ____________________ as my/our proxy to vote for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on 30th day of April 2014 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 BUSINESS/ORDINARY RESOLUTIONS		FOR	AGAINST	ABSTAIN
1	To receive the Audited Financial Statement for the year ended December 31, 2013 and the Reports of the Directors, Auditors and Audit Committee thereon.			
2	To declare a final dividend.			
3	To re-elect Mr Emmanuel Ndubisi Chiejina as a Non-Executive Director.			
4	To re-elect Mr Oritsedere Samuel Otubu as a Non-Executive Director.			
5	To re-elect Mrs Anthonia Olufeyikemi Ogunmefun as a Non-Executive Director.			
6	To elect Dr Mrs Ajoritsedere Awosika, MFR, who was appointed an Independent Non-Executive Director by the Board since the last Annual General Meeting.			
7	To elect Mr Paul Usoro, SAN who was appointed Non-Executive Director by the Board since the last Annual General Meeting.			
8	To re-appoint PricewaterhouseCoopers 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.			
9	To authorise the Directors to fix the remuneration of the auditors.			
10	To elect/re-elect members of the Audit Committee.			
SPECIAL BUSINESS/ORDINARY RESOLUTIONS		**FOR**	**AGAINST**	**ABSTAIN**
11	That the Directors' fees for the financial year ending December 31, 2014 be and is hereby fixed at NGN 46,500,000.00 (forty-six million, five hundred thousand Naira only).			
12	That the Board of Directors be and is hereby authorised to establish a Medium Term Notes Programme to raise additional capital whether by way of public offering, private placement, rights offering, book building process or other methods or combination of methods, in the sum not exceeding USD1,000,000,000 (one billion United States Dollars) or the equivalent in other currencies through the issuance of convertible or non-convertible loans, medium term notes, bonds or other securities in such tranches, series or proportions denominated in such currencies and at such coupon or interest rates within such maturity periods and on such other terms and conditions as the Directors may deem fit or determine subject to obtaining the approval of the relevant regulatory authorities.			
13	That the Board of Directors be and are hereby authorised to take all actions that may be necessary to give effect to the foregoing resolutions.			

Please indicate with an 'X' in the appropriate box how you may wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

SIGNATURE OF PERSON ATTENDING

IMPORTANT NOTES:

1. Before posting the above proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank or his proxy should produce this card to secure admission to the meeting.
2. 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.
3. 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 black space on the form (marked*) the name of any person, whether a member of the Bank or not who will attend and vote on your behalf instead of one of the Directors named.
4. The above 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.
5. 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.
6. If proxy form is executed by a company, it should be sealed under its common seal or the hand and seal of its attorney.

BEFORE POSTING THE ABOVE FORM PLEASE TEAR OFF THIS PART AND RETAIN IT FOR ADMISSION TO THE MEETING

ADMISSION CARD Access Bank Plc RC 125,384

25th ANNUAL GENERAL MEETING TO BE HELD AT Oriental Hotel, Plot 3, Lekki-Epe Expressway, Victoria Island, on 30th APRIL AT 10:00 A.M.

Name and Address of Shareholder ....

Number of Shares Held ....

6

CORPORATE INFORMATION

A directory of Access Bank's offices, ATM locations and correspondence banks worldwide.

CORPORATE DIRECTORY

Head office address
The Plaza
Plot 999c, Danmole Street
Off Adeola Odeku/Idejo Street
PMB 80150
Victoria Island
Lagos
Nigeria
(+234) 1-2773300,
(+234) 1-2805628-9

Branch distribution
Abia
Aba Branch
69 Azikwiwe Road
Aba
Abia State

Umuahia Branch
Plot 6
Trading/Residential Area
Umuahia
Abia State

Azikwe Road Branch
9 Factory Road
Aba
Abia State

Umuahia Branch
2 Library Way
Umuahia
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 Ii, opposite 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 Ii
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

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 Street
opposite 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-Onithsa 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

Effururn 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

CORPORATE DIRECTORY
CONTINUED

Edo
continued

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

Uselu Branch
170 Uselu Lagos Road
Edo State

Ekiti
Ijero Ekiti Branch
Ijero Ekiti
Ijero Computer Centre
Market Square
Ekiti State

Ado Ekiti Branch
144 Secretariar/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

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
opposite 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

CORPORATE DIRECTORY
CONTINUED

Lagos
continued

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 BoI 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

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 Wiliams 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

Iddo Branch
Iddo Shopping Complex
Iddo
Lagos State

Allen Branch
13 Allen Avenue
Ikeja
Lagos State

Adeola Odeku Branch
44 Adeola Odeku Street
Victoria Island
Lagos State

Trade Fair Branch
opposite Zone F
Block 1
Aspamda
Lagos State

Bode Thomas Branch
42 Bode Thomas Street
Surulere
Lagos State

Ijeshatedo Branch
Ijeshatedo
Surulere
Lagos State

Mushin Branch
279 Agege Motor Road
Mushin
Lagos State

Unilag Branch
University of Lagos
Akoka, Lagos State

Oregun Branch
51 Kudirat Abiola Way
Oregun
Lagos State

Ire Akari Branch
1 Godwin Omonua Street
Ire Akari Estate
Lagos State

Sabo Yaba Branch
290 Herbert Macaulay Way
Sabo-Yaba
Lagos State

Muri Okunola Branch
211 Muri Okunola Street
Victoria Island
Lagos State

Saka Tinubu Branch
44A Saka Tinubu Street
Off Adeola Odeku Street
Lagos State

Lawanson Branch
87 Itire/Lawanson Road
Surulere
Lagos State

Iju Branch
134 Water Works Road
Iju-Ishaga
Lagos State

Oshodi Branch
Olorunsogo
Oshodi
Lagos State

Ojodu Berger Branch
Plot 101
Isheri Road
Ojodu
Lagos State

Ajao Estate Branch
Airport Road
Ajao Estate
Lagos State

Broad Street Ii Branch
32 Broad Street
Lagos Island
Lagos State

Ifako-Gbagada Branch
6 Diya Street
Ifako-Gbagada
Lagos State

St. Finbarrs Branch
67 St. Finbarrs Road
Chemist Bus Stop
Yaba
Lagos State

Aguda Branch
5 Enitan Street
Surulere
Lagos State

Ikota Branch
Suite E 79-81 and 116-118
VGC
Ikota Shopping Complex
Lagos State

Satellite Town Branch
opposite Tantalizers
Old Ojo Road
Abule Ado
Satellite Town
Lagos State

Lasu Branch
Lagos State University
Ojo
Lagos State

Alagbado Branch
Daniel Farm
Km32, Lagos-Abeokuta Expressway
Agege
Lagos State

Odogunyan Branch
opposite 2nd Gate
Lagos Polytechnic
Lagos State

CORPORATE DIRECTORY
CONTINUED

Lagos
continued

Ayobo Branch
Along Ayobo/Ipaja Road
opposite Deeper Life Bible Church
Ayobo
Lagos State

Ejigbo Branch
Along Ejigbo/Ikotun Road
opposite NNPC Junction
Ejigbo
Lagos State

Idimu Branch
71 Egbeda/Idimu Road
Idimu
Lagos State

Daleko Branch
Daleko Market Complex
Daleko
Lagos State

Adeniji Adele Branch
Oba Adeniji Adele Plaza
Adeniji Adele Road
Lagos Island
Lagos State

Adeola Odeku Branch
11A Adeola Odeku Street
Victoria Island
Lagos State

Ilupeju Branch
25A Ilupeju By-Pass
Ilupeju
Lagos State

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 Ui 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

Plateau

Bank Road Branch
37 Beach Road
Plateau State

Jos 2 Branch
1 Murtala Mohammed Way
Jos
Plateau State

Bukuru Branch
Bukuru-Jos Road
Bukuru
Jos South Local
Plateau State

Rivers

Agip Road Branch
No 1 Agip Road
Mile 4
Rumueme
Port Harcourt
Rivers State

Bank Road Branch
10A Bank Road
Rivers State Judiciary
Port Harcourt
Rivers State

Bonny Cash Centre
64 Hospital Road
Bonny Island
Rivers State

Trans Amadi Branch
Plot 10
Trans Amadi Industrial Layout
Near Erijoy Hotel
Port Harcourt
Rivers State

Olu Obasanjo Branch
329 Olu Obasanjo Road
Port Harcourt
Rivers State

Azikiwe Road Branch
12 Azikiwe Road
Port Harcourt
Rivers State

Rumuokoro Branch
679 Ikwerre Road
Rumuokoro
Port Harcourt
Rivers State

Eleme Branch
PPMC Depot
Eleme
Rivers State

Olu Obasanjo Branch 2
Plot 9
Olu Obasanjo Road
Port Harcourt
Rivers State

Trans Amadi Branch
41 Trans Amadi Industrial Layout
Port Harcourt
Rivers State

Rumukurishi Branch
Plot 382, Port Harcourt-Aba
Expressway
Port Harcourt
Rivers State

Uniport Branch
University of Port Harcourt
Port Harcourt
Rivers State

Ikokwu Branch
Ikowku
Rivers State

Obigbo Branch
Obigbo
Rivers State

Woji Branch
Woji
Rivers State

Garrison Branch
82/88 Aba Road
Beside MTN Building
Port Harcourt
Rivers 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

Rsust Branch
River State University Science
and Technology
Port Harcourt
Rivers State

Sokoto

Sokoto Branch
opposite Afribank Plc
Maiduguri Road
Sokoto
Sokoto State

Sokoto Branch
20 Abdullahi Fodio Road
Sokoto
Sokoto State

Usman Danfodio University Branch
Main Campus
Usman Danfodio University
Sokoto
Sokoto State

Taraba

Jalingo Branch
57B Hammaruwa Way
Jalingo
Taraba State

Jalingo Branch
240 Hammaruwa Way
Jalingo
Taraba State

Yobe

Damaturu Branch
12B Maiduguri Road
Along Potiskum Damaturu Road
Damaturu
Yobe State

Biu Branch
I, Damaturu Road
Biu
Yobe State

Zamfara

Gusau Branch
Canteen Road
Beside Fbn
Gusau
Zamfara State

Talata Mafara Branch
Sokoto Road
opposite LGA Office
Zamfara State

CORPORATE DIRECTORY
CONTINUED

ATM locations

Access Bank Plc, 15 Azikiwe Road Aba, Abia, Branch

Access Bank Plc, 2 Library Way, Umuahia Abia, Branch

Access Bank Plc, 132 Faulks Road, Aba Abia State, Abia, Branch

Access Bank Plc, Duke House, 45 Azikwe Road, Abia State, Abia, Branch

Access Bank Plc, 69 Azikwiwe Road, Aba, Abia, Branch

Access Bank Plc, Plot 6, Trading/ Residential Area Umuahia, Abia, Branch

Access Bank Plc, Plot 207 Cadastral Zone Federal Capital Territory Abuja, Abuja, Branch

Access Bank Plc, Plot 2401, Cadastrals Zone A7, Abuja, Branch

Access Bank Plc, National Assembly White House Basement Abuja, Abuja, Branch

Access Bank Plc, Zone B2.582, Dei Dei Building Material Intl Market Federal Capital Territory, Abuja, Branch

Access Bank Plc, Erisco Bonpet Plaza Wuse Market, Abuja, Branch

Access Bank Plc, Block B
NNPC Towers
Hm Way CBD Federal Capital Territory, Abuja, Branch

Access Bank Plc, Tofa House Plot 770, Central Business District Federal Capital Territory, Abuja, Branch

Access Bank Plc, Plot 619, Gana Street Cadastral Zone A05 Cadastral Zone A0 Federal Capital Territory, Abuja, Branch

Access Bank Plc, 356, Special Hospital Road Gwagwalada Federal Capital Territory, Abuja, Branch

Access Bank Plc, Federal Secretariat Complex, Abuja, Branch

Access Bank Plc, Plot 903, Obafemi Awolowo Way Federal Capital Territory, Abuja, Branch

Access Bank Plc, along Akintola Boulevard Garki Federal Capital Territory, Abuja, Branch

Access Bank Plc, Federal Ministry of Justice Complex Federal Capital Territory Abuja, Abuja, Branch

Access Bank Plc, Federal Mortgage Bank Building Central Business Area Federal Capital Territory, Abuja, Branch

Access Bank Plc, 6 Jos Street, opposite Sharon Ultimate Hotel Federal Capital Territory, Abuja, Branch

Access Bank Plc, Plot 599, Cadastral Zone A3 Gwarjo Close off Gimbiya Street, Abuja, Branch

Access Bank Plc, Plot 81, Ralph Shodeinde Street, opposite Fed Min of Finance Central Federal Capital Territory, Abuja, Branch

Access Bank Plc, Plot Number 312, Nyanya Sports Centre Layout, Abuja, Branch

Access Bank Plc, Obasanjo Space Village Airport Road Federal Capital Territory, Abuja, Branch

Access Bank Plc, Plot 1037, Shafa Shopping Centre by Old Federal Secretariat, Federal Capital Territory, Abuja, Branch

Access Bank Plc, 13/15 Atiku Abubakar (Mubi) Road, Adamawa, Branch

Access Bank Plc, Along Oron Road Etiema Street, Akwa Ibom State, Akwa Ibom, Branch

Access Bank Plc, 1 Abak Road, Akwa Ibom, Branch

Access Bank Plc, PPMC Depot, Akwa Ibom, Branch

Access Bank Plc, 45 Muritala Mohammed Way, Akwa Ibom, Branch

Access Bank Plc, 32 Aka Road, opposite Gulf Bank Akwa Ibom State, Akwa Ibom, Branch

Access Bank Plc, along Grace Bill Road Akwa Ibom State, Akwa Ibom, Branch

Access Bank Plc, 30 Nnewi Road Anambra State Onistha 1, Anambra, Branch

Access Bank Plc, Block 015 Zone 1 Edo Ezemewi Road, Nnewi, Anambra, Branch

Access Bank Plc, 222 Zik Avenue, Anambra, Branch

Access Bank Plc, 48 Port Harcourt Road Bridge Head Anambra State, Anambra, Branch

Access Bank Plc, Uga Road, Ekwulobia Ekwulobia Aguata Lga, Anambra, Branch

Access Bank Plc, 62 New Market Road, Anambra, Branch

Access Bank Plc, Umunze Ogbunka Road Orumba North Local Govt Anambra State, Anambra, Branch

Access Bank Plc, 1 Ajaekwe Street Odoagba, Anambra, Branch

Access Bank Plc, Ihiala Branch Anambra State, Anambra, Branch

Access Bank Plc, Up Iweka Onitsha (Electronic Mkt Branch), Anambra, Branch

Access Bank Plc, Building Material Market, Anambra, Branch

Access Bank Plc, Nnamdi Azikiwe University Awka Anambra State, Anambra, Branch

Access Bank Plc, Nigeria Stock Exchange Complex Onitsha Anambra State, Anambra, Branch

Access Bank Plc, University of Agriculture Umudike Main Campus Abia State, Anambra, Branch

Access Bank Plc, 1 Ajaekwe Street Odoagba, Anambra, Branch

Access Bank Plc, 24 Muritala Mohammed Way Bauchi, Bauchi, Branch

Access Bank Plc, along Kano-Duara Rd, Bauchi, Branch

Access Bank Plc, Plot 3, Onopa Commercial Layout Onopa, Bayelsa, Branch

Access Bank Plc, Km 6, Mbiama/ Yenagoa Road, Bayesla, Branch

Access Bank Plc, 5 Ogiri Oko Road G.R.A, Benue, Branch

Access Bank Plc, Benue Cement Factory Km 72, Makurdi-Gboko Road, Benue, Branch

Access Bank Plc, 19 Federal Road Oturkpo Benue State, Benue, Branch

Access Bank Plc, 5/7 J.S. Tarka Way NUM Intl Bank, Katsina State, Benue, Branch

Access Bank Plc, Y-Junction Katsina Ala Road Zaki Ibiam Benue State, Benue, Branch

Access Bank Plc, 45 Muritala Mohammed Way, Cross, Branch

Access Bank Plc, Hospital Road Ogoja Cross River State, Cross, Branch

Access Bank Plc, 45 Muritala Mohammed Way, Cross River, Branch

Offsite, Unicem Factory, Calabar, Cross River, Offsite

Access Bank Plc, 16/18 Bogobiri Road, Cross Rivers, Branch

Access Bank Plc, 304 Nnebisi Road, Delta, Branch

Access Bank Plc, 126 Old Asaba Road Asaba Road, Delta State, Delta, Branch

Access Bank Plc, Robson Shopping Complex Deco Road Delta State, Delta, Branch

Access Bank Plc, I Damaturu Road Biu Yobe/Borno, Delta, Branch

Access Bank Plc, Warri Road Sapele Delta State, Delta, Branch

Access Bank Plc, 44 Ogoja Road, Ebonyi, Branch

Access Bank Plc, 41 Ogoja Road, Ebonyi, Branch

Access Bank Plc, 135 Akpapava Road, Edo, Branch

Access Bank Plc, 74 Edo Textile Mill Road, Edo, Branch

Access Bank Plc, Alumni Centre University of Benin Ugbowo Benin City, Edo, Branch

Access Bank Plc, 23 Airport Road Benin Edo, Edo, Branch

Offsite, 3 Oroyinyin Street Idumota Lagos, Edo, Offsite

Access Bank Plc, New Site Igbinedion University Campus Edo State, Edo, Branch

Access Bank Plc, beside Fed Poly Auchi I Iyekhei/Polytechnic Road, Edo, Branch

Access Bank Plc, 6 Akhere Lane Edo State, Edo, Branch

Access Bank Plc, 45 Akpakpava Street, Edo, Branch

Access Bank Plc, 164 Sapele Road, opposite NPDC, Sapele Road, Edo, Branch

Access Bank Plc, 170 Uselu Lagos Road, Edo, Branch

Access Bank Plc, Plot 5, Commercial Block A Along New Iyin Road, Ekiti, Branch

Access Bank Plc, 5 Okpara Avenue, Enugu State Enugu 1, Enugu, Branch

Access Bank Plc, 12 Enugu Road, Enugu, Branch

Access Bank Plc, 42 Kenyatta Street, Enugu State, Enugu, Branch

Access Bank Plc, Enugu State University Agbani Town Enugu State, Enugu, Branch

Access Bank Plc, Agbani Road Agbani Main Town Enugu, Enugu, Branch

Access Bank Plc, University of Nigeria Nsukka Enugu State, Enugu, Branch

Access Bank Plc, Abakpa Nike Enugu Enugu State, Enugu, Branch

Access Bank Plc, 67 Ogui Road by Nnamdi Azikiwe Stadium, Enugu, Branch

Access Bank Plc, University of Nigeria Enugu Campus, Enugu, Branch

Access Bank Plc, Plot 1195, Aminu Kano Crescent Wuse Ii, opposite Amal Court, Fct, Branch

Access Bank Plc, Plot 833, Adetokunbo Ademola Crsnt. Wuse 2, Fct, Branch

Access Bank Plc, Plot 247, Herbert Macaulay Way, Fct, Branch

Access Bank Plc, National Assembly White House Basement Abuja, Fct, Branch

Access Bank Plc, Ahmadu Bello Way Garki Ii Abuja, Fct, Branch

Access Bank Plc, Plot 87, Yakubu Gowon Crescent Asokoro, Fct, Branch

Access Bank Plc, Plot 59, Gado Nasko Road Kubwa, Fct, Branch

Access Bank Plc, Erisco Bonpet Plaza Wuse Market, Fct, Branch

Access Bank Plc, Plot 256, Herbert Macaulay Way behind Unity Bank Head Office Abuja Nigeria, Fct, Branch

Access Bank Plc, 8 New Market Road, Gombe, Branch

Access Bank Plc, Dukku Local Government Secretariat, Gombe State, Gombe, Branch

Access Bank Plc, Deba Gra, Yamaltu Deba Lga, Gombe, Branch

Access Bank Plc, Ashaka Cement Factory, Gombe, Branch

Access Bank Plc, 18 Wetheral Road, Imo, Branch

Access Bank Plc, Federal Polytechnic Nekede Imo State, Imo, Branch

Access Bank Plc, Eke-Ahiara Junction Mbaise, Imo, Branch

Access Bank Plc, Plot 10/11, Sani Abacha Way Dutse, Jigawa, Branch

Access Bank Plc, 26D Ali Akilu Road, Kaduna State, Kaduna, Branch

Access Bank Plc, 16 River Road, Zaria, Kaduna, Branch

Access Bank Plc, 314 Kachia Road, Kaduna Kaduna State, Kaduna, Branch

Access Bank Plc, A2 Ahmadu Bello Way Kaduna State, Kaduna, Branch

Access Bank Plc, NNPC Kaduna Kaduna State, Kaduna, Branch

Access Bank Plc, Gumi Main Market, Kaduna, Branch

Offsite, Kafanchan, Kaduna, Offsite

Access Bank Plc, 7 Kwato Road, Ungwan Rimi Gra Kaduna State, Kaduna, Branch

Access Bank Plc, 16/20 Bida Road, Kaduna, Branch

Access Bank Plc, 146 Murtala Mohmd Way Kano State, Kano, Branch

Offsite, 26D Ali Akilu Road Kaduna State, Kano, Offsite

Access Bank Plc, 24 Bello Road Kano Kano State, Kano, Branch

Access Bank Plc, 3B Bank Road Kano State, Kano, Branch

Access Bank Plc, Ibrahim Taiwo Road, by Aib Kano State, Kano, Branch

Access Bank Plc, Main Campus Bayero University Kano State, Kano, Branch

Access Bank Plc, Aminu Kano Teaching Hospital Kano State, Kano, 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

Access Bank Plc, 17/18 France Road, Kano Kano State, Kano, Branch

Access Bank Plc, 12B Post Office Road, Kano, Branch

Offsite, 13/15 Atiku Abubakar (Mubi) Road, Katsina, Offsite

Access Bank Plc, Ibb Way, opposite NUM Intl Bank, Katsina, Branch

Access Bank Plc, along Funtua Road, near Total Filling Station Katsina, Katsina, Branch

CORPORATE DIRECTORY
CONTINUED

ATM locations continued

Access Bank Plc, along Kano Road besides Nitel Office Katsina State, Katsina, Branch

Access Bank Plc, 106 Ibb Way, Katsina, Branch

Access Bank Plc, 1 Jos Road G.R.A, Kebbi, Branch

Access Bank Plc, Obajana Cement Factory, Kogi, Branch

Access Bank Plc, along Kogi Road, Kogi, Branch

Access Bank Plc, 82 Lokoja Kabba Road Lokoja, Kogi, Branch

Access Bank Plc, 24 Wahab Folawiyo Unity Road, Kwara, Branch

Access Bank Plc, 29A Reservation Road Gra Ilorin, Kwara, Branch

Access Bank Plc, Stadium Shopping Complex Taiwo Road Ilorin, Kwara, Branch

Access Bank Plc, 183 Obafemi Awolowo Road, Lagos State, Lagos, Branch

Access Bank Plc, 24A Creek Road, Apapa, Lagos, Branch

Access Bank Plc, Plot 1617, Damole/ Idejo Street Victoria Island, Lagos, Branch

Access Bank Plc, 4 Agudosi St, off Ojo Road Alaba Intl Market Lagos State, Lagos, Branch

Access Bank Plc, 54 Toyin Street, Lagos State, Lagos, Branch

Access Bank Plc, 125 Ladipo Street, Lagos State, Lagos, Branch

Access Bank Plc, 1 Kingsway Road, Ikoyi, Lagos State, Lagos, Branch

Access Bank Plc, 71 Adeniran Ogunsanya Street Surulere, Lagos State, Lagos, Branch

Access Bank Plc, 17 Sikiru Otunba St Old Ojo Road Lagos Badagry Expressway, Lagos, Branch

Access Bank Plc, Plot 1697, Adeola Hopewell Victoria Island, Lagos, Branch

Access Bank Plc, 48,Marina Street, Lagos State, Lagos, Branch

Access Bank Plc, 16 Apongbon Street, Apongbon, Lagos, Branch

Access Bank Plc, 32 Lagos Road, Lagos, Branch

Access Bank Plc, Conia House opposite Kano Plaza Trade Fair Complex, Lagos, Branch

Access Bank Plc, Teju Osho Street, Yaba, Lagos, Branch

Access Bank Plc, 92 Lagos/Abeokuta Expressway, Lagos, Branch

Access Bank Plc, Plot 650A, 32 Road 3rd Avenue Festac Town, Lagos, Branch

Access Bank Plc, 23-25 Oba Akran Avenue, Lagos, Branch

Access Bank Plc, 87 Awolowo Road, Lagos, Branch

Access Bank Plc, 34 Moloney Street, Lagos, Branch

Access Bank Plc, 113 Okota Road, Lagos, Branch

Access Bank Plc, 11 Town Planning Way Ilupeju Lagos State, Lagos, Branch

Access Bank Plc, Plot 286, Oshodi Apapa Expressway Gbagada Phase I Lagos State, Lagos, Branch

Access Bank Plc, Plot 7, Blk 2, Oniru Private Estate by Maroko Bus Stop Lagos State, Lagos, Branch

Access Bank Plc, 287, Ajose Adeogun Street Victoria Island, Lagos, Branch

Access Bank Plc, 38/40 Ikorodu Road Jibowu Lagos State, Lagos, Branch

Offsite, Nahco Complex, 1 Murtala Mohammed International Airport Road, Ikeja Lagos State, Lagos, Offsite

Access Bank Plc, 13-15 Wharf Road, Apapa Lagos State, Lagos, Branch

Access Bank Plc, 23 Opebi Road, Lagos, Branch

Access Bank Plc, 533 Ikorodu Road, Ketu, Lagos, Branch

Access Bank Plc, 3 Alhaji Owokoniran Street, Orile Coker Lagos State, Lagos, Branch

Access Bank Plc, Shop A65 Alaba Intl Market Ojo, Lagos, Branch

Access Bank Plc, 653 Abeokuta Express Road Abule Taylor Abule-Egba Lagos State, Lagos, Branch

Access Bank Plc, 77 Obafemi Awolowo Way (Man House), Lagos State, Lagos, Branch

Access Bank Plc, 52/54 Kosoko Street, Lagos State, Lagos, Branch

Access Bank Plc, 1A Ogudu Road, Lagos State, Lagos, Branch

Access Bank Plc, Plot 1408A, Adetokunbo Ademola Street, Victoria Island, Lagos, Branch

Access Bank Plc, 68 Nnamdi Azikwe Road Street Idumota Lagos State, Lagos, Branch

Access Bank Plc, 35 Akowonjo Road, Lagos State, Lagos, Branch

Access Bank Plc, 78 Ojuelegba Road, Tejuosho Lagos State, Lagos, Branch

Access Bank Plc, Iddo Shopping Complex Iddo, Lagos, Lagos, Branch

Access Bank Plc, 4 Ikotun Junction Ikotun Lagos State, Lagos, Branch

Access Bank Plc, 47 Mkt/Odunlami Street Lagos State, Lagos, Branch

Access Bank Plc, Old Alaba Motor Park off Ojo Igbede Lagos State, Lagos, Branch

Access Bank Plc, 3 Oroyinyin Street Idumota Lagos, Lagos, Branch

Access Bank Plc, 8 Apapa Express Way Ibafon Coconut, Lagos, Branch

Access Bank Plc, Muritala Mohamed Way Oyingbo Ebute-Metta, Lagos, Branch

Access Bank Plc, 13 Allen Avenue Ikeja Lagos, Lagos, Branch

Access Bank Plc, 44 Adeola Odeku Street, Lagos, Branch

Access Bank Plc, opposite Zone F Block 1, Lagos State, Lagos, Branch

Access Bank Plc, Ijeshatedo Surulere Lagos State, Lagos, Branch

Access Bank Plc, 279 Agege Motor Road Mushin Lagos State, Lagos, Branch

Access Bank Plc, University of Lagos Akoka Lagos State, Lagos, Branch

Access Bank Plc, 51 Kudirat Abiola Way Oregun Road Lagos State, Lagos, Branch

Access Bank Plc, 1 Godwin Omonua Street Ire Akari Estate Lagos State, Lagos, Branch

Access Bank Plc, 290 Herbert Macaulay Way Sabo Lagos State, Lagos, Branch

Access Bank Plc, 211 Muri Okunola Street Victoria Island Lagos State, Lagos, Branch

Access Bank Plc, 44A Saka Tinubu Street off Adeola Odeku Street, Victoria Island Lagos, Lagos, Branch

Access Bank Plc, 87 Itire/Lawanson Road, Surulere, Lagos, Branch

Access Bank Plc, 134 Water Works Road, Iju-Ishaga, Lagos, Branch

Access Bank Plc, Olorunsogo Oshodi, Lagos, Branch

Access Bank Plc, Plot 101, Isheri Road, Lagos State, Lagos, Branch

Access Bank Plc, 18 Osolo Way Ajao, Lagos, Branch

Access Bank Plc, 32 Broad Street, Lagos, Branch

Access Bank Plc, 6 Diya Street, Lagos, Branch

Access Bank Plc, 67 St Finbarrs Road, Chemist Bus Stop, Lagos, Branch

Access Bank Plc, Plot 1/3 Enitan Street Surulere, Lagos, Branch

Access Bank Plc, Ikota Shopping Complex Lekki, Lagos, Branch

Access Bank Plc, opposite Tantalizers Old Ojo Road Abule Ado Lagos State, Lagos, Branch

Access Bank Plc, Lagos State University Ojo Lagos State, Lagos, Branch

Access Bank Plc, Daniel Farm Km32 Lagos Abeokuta Agege Lagos State, Lagos, Branch

Access Bank Plc, opposite 2nd Gate Lagos Polytechnic Lagos State, Lagos, Branch

Access Bank Plc, along Ejigbo/Ikotun Road, opposite NNPC Junction Lagos State, Lagos, Branch

Access Bank Plc, 71 Egbeda/Idimu Road, Idimu Lagos State, Lagos, Branch

Access Bank Plc, Daleko Market Complex Daleko Market, Lagos, Branch

Access Bank Plc, Oba Adeniji Adele Plaza Adeniji Adele Road, Lagos State, Lagos, Branch

Access Bank Plc, 4 Burma Road, Apapa, Lagos, Branch

Access Bank Plc, 6 Obun Eko Street, Idumota, Lagos, Branch

Access Bank Plc, 134/136 Broad Street, Lagos, Branch

Access Bank Plc, Plot 1/3 Enitan Street, Surulere, Lagos, Branch

Offsite, Bagco Factory, Iganmu, Surulere, Lagos, Offsite

Access Bank Plc, 7 Ayangburen Road, Ikorodu, Lagos, Branch

Access Bank Plc, 84 Allen Avenue Ikeja, Lagos, Branch

Offsite, Newco Factory Oba Akran, Lagos, Offsite

Offsite, Unico Factory, Oba Akran, Lagos, Offsite

Access Bank Plc, Plot 1665, Oyin Jolayemi Street, Victoria Island, Lagos, Branch

Offsite, Oko Awo Street, Karim Kotun Street, Victoria Island, Lagos, Offsite

Offsite, Oladele Olashore Street, Off Oyin Jolayemi, Victoria Island, Lagos, Offsite

Access Bank Plc, 30 King George V Road Onikan, Lagos, Branch

Access Bank Plc, Plot 1617, Damole/ Idejo Street Victoria Island, Lagos, Branch

Access Bank Plc, 8/10 Commercial Road, Lagos, Branch

Access Bank Plc, 53 Adeniyi Jones Street, Ikeja, Lagos, Branch

Offsite, Dangote Adstart Factory, Oba Akran, Lagos, Offsite

Offsite, Dangote Agrosack Factory, Oba Akaran, Lagos, Offsite

Access Bank Plc, Kirikiri Lighter Terminal 2 Tincan Island, Lagos, Branch

Access Bank Plc, 153 Old Ojo Road, Kuje-Amuwo Agboju, Lagos, Branch

Access Bank Plc, 171 Abeokuta Expressway Iyana Ipaja Ipaja, Lagos, Branch

Access Bank Plc, 4 Palm Avenue, Mushin, Lagos, Branch

Access Bank Plc, 20 Simbiat Abiola Road, Ikeja, Lagos, Branch

Access Bank Plc, 30A Adetokunbo Ademola Victoria Island, Lagos, Branch

Access Bank Plc, Zone B R4 Mercy Cafe Aspamda Plaza Trade Fair Complex, Lagos, Branch

Access Bank Plc, 6 Mobolaji Bank-Anthony Way, Ikeja, Lagos, Branch

Access Bank Plc, 150 Ogunlana Drive, Surulere, Lagos, Branch

Access Bank Plc, Plot 650A, 32 Road, 3rd Avenue Festac Town, Lagos, Branch

Access Bank Plc, Plot 15 Ligali Ayorinde, Lagos, Branch

Access Bank Plc, 25A Ilupeju Bye-Pass Ilupeju, Lagos, Branch

Access Bank Plc, I Point Road, Apapa, Lagos, Lagos, Branch

Access Bank Plc, 40A/40B Ogba Ijaiye Road, Ogba, Lagos, Branch

Access Bank Plc, 18 Osolo Way Ajao, Lagos, Branch

Access Bank Plc, College of Medicine Ishaga Road Idi-Araba, Lagos, Branch

Access Bank Plc, Commerce House, 1 Idowu Taylor Street, Lagos, Branch

Access Bank Plc, Idowu Taylor Street, Victoria Island, Lagos, Offsite

Access Bank Plc, beside Chevron Round About along Lekki-Epe Expressway, Lagos, Branch

Access Bank Plc, Bank of Industry Building Broad Street, Marina, Lagos, Branch

Access Bank Plc, 11A Adeola Odeku Street, Victoria Island, Lagos, Branch

Access Bank Plc, 58 Awolowo Road, Ikoyi, Lagos, Branch

Access Bank Plc, 32 Jos Road, Nasarawa, Branch

Access Bank Plc, Plot 3316, Abuja Keffi Expressway Mararaba Nasarawa State, Nasarawa, Branch

Access Bank Plc, 2 Old Airway Road, off Boso Road, Niger, Branch

Access Bank Plc, Suleman Barau Road, opposite Gamco Motors, Niger, Branch

Access Bank Plc, Along BCC Road, Niger State, Niger, Branch

Access Bank Plc, Nicon Building, 1 Bank Road, Minna, Niger, Branch

Access Bank Plc, NNPC Suleja Depot, Niger, Branch

Access Bank Plc, Redemption Camp Km 46/85 Lagos/Ibadan Express Way Ogun State, Ogun, Branch

CORPORATE DIRECTORY
CONTINUED

ATM locations continued

Access Bank Plc, 14 Lalubu Street, Oke – Ilewo Abeokuta, Ogun, Branch

Access Bank Plc, 145 Lagos-Abeokuta Express Way, Ogun State, Ogun, Branch

Access Bank Plc, 19 Ibadan Road, Ogun State, Ogun, Branch

Access Bank Plc, 71 Akarigbo Road, Sagamu Ogun State, Ogun, Branch

Access Bank Plc, opposite Covenant University Otta Ogun State, Ogun, Branch

Access Bank Plc, Ona Ola Quarters, opposite Fire Station Ogun State, Ogun, Branch

Access Bank Plc, Wempco Factory, Ibafo, Ogun, Offsite

Access Bank Plc, Bank Road Agbara Industrial Estate, Ogun, Branch

Access Bank Plc, 11 Ado Owo Road, Ondo State, Ondo, Branch

Access Bank Plc, Plot 5, Commercial Block A, along New Iyin Road, Ondo, Branch

Access Bank Plc, No 17 Oyemekun Road, Akure, Ondo, Branch

Access Bank Plc, Yaba Ondo, Ondo, Branch

Access Bank Plc, Adekunle Ajasin University Campus, Ondo, Branch

Access Bank Plc, Plot 2, Aiyedun Layout Gbongan, Osun, Branch

Access Bank Plc, 26 Aderemi Road, Osun State Ile Ife, Osun, Branch

Access Bank Plc, Obafemi Awolowo University Campus Osun State, Osun, Branch

Access Bank Plc, 107A Orinkiran Street, Oshogbo Road, Osun, Branch

Access Bank Plc, 34 New Court Road, Dugbe, Oyo, Branch

Access Bank Plc, Plot 6, University Crescent, Oyo, Branch

Access Bank Plc, Apake Area, Ogbomoso Oyo State, Oyo, Branch

Access Bank Plc, 4 Iwo Road, Ibadan Oyo State, Oyo, Branch

Access Bank Plc, 50 Adekunle Fajuyi Road, Eko Tedo Iya-Olobe, Oyo, Branch

Access Bank Plc, beside Blood Bank Uch Ibadan, Oyo State Oyo State, Oyo, Branch

Access Bank Plc, Challenge Roundabout Ibadan Oyo State, Oyo, Branch

Access Bank Plc, Old Ibadan/Oyo Road, besides Olona Filling Station Oyo State, Oyo, Branch

Access Bank Plc, opposite Mobil Filling Station Ring Road, Oyo State, Oyo, Branch

Access Bank Plc, 1 Jimoh Odutola Street, Dugbe Market, Oyo, Branch

Access Bank Plc, 37 Iwo Road, Oyo, Branch

Access Bank Plc, Plot 32, Bodija Ui Road, Bodija, Oyo, Branch

Access Bank Plc, 37 Beach Road, Jos, Plateau, Branch

Access Bank Plc, 28A Rwang Pam Road, Plateau, Branch

Access Bank Plc, Yelwa Junction Bukuru, Plateau, Branch

Access Bank Plc, PPMC Depot, Rivers, Branch

Access Bank Plc, Plot 9, Olu Obasanjo Road, PHC Rivers State, Rivers, Branch

Access Bank Plc, Plot 446/447, Trans Amadi Industrial Layout Port Harcourt, Rivers, Branch

Access Bank Plc, Plot 382, Port Harcourt- Aba Expres Port Harcourt Rivers State, Rivers, Branch

Access Bank Plc, University of Port-Harcourt, Port-Harcourt Rivers State, Rivers, Branch

Access Bank Plc, Ikowku Rivers State, Rivers, Branch

Access Bank Plc, Obigbo, Rivers State, Rivers, Branch

Access Bank Plc, Woji, Rivers State, Rivers, Branch

Access Bank Plc, 82/88 Aba Road, beside Mtn Building opposite Tarpaulin House Rivers State, Rivers, Branch

Access Bank Plc, by Eastern Bulkcement Coy Ltd Wofe Road Rivers State, Rivers, Branch

Access Bank Plc, 5 Azikiwe Road, near Government House Rivers State, Rivers, Branch

Access Bank Plc, River State University of Science and Technology Rivers State, Rivers, Branch

Access Bank Plc, Plot 10, Trans Amadi Industrial Layout near Erijoy Hotel, Rivers, Branch

Access Bank Plc, 329A Olu Obasanjo Road, Port-Harcourt, Rivers, Branch

Access Bank Plc, 12 Azikiwe Road, Rivers, Branch

Access Bank Plc, 64 Hospital Road, Rivers, Branch

Access Bank Plc, No 1 Agip Road, beside Kilimanjaro Mile 4 Rumueme, Rivers, Branch

Access Bank Plc, Bank Road, opposite High Court, Rivers, Branch

Access Bank Plc, 679 Ikwerre Road, Rumuokoro Round About, Rivers, Branch

Access Bank Plc, 20 Abdullahi Fodio Road, Sokoto, Branch

Access Bank Plc, Main Campus Usman Danfodio University, Sokoto, Branch

Access Bank Plc, opposite Afribank Plc Maiduguri Road Sokoto, Sokoto, Branch

Access Bank Plc, 57B Hammaruwa Way Jalingo, Taraba, Branch

Access Bank Plc, 12B Maiduguri Road, along Potiskum Damaturu Road, Yobe, Branch

Access Bank Plc, 10 Sani Abacha Way, Zamfara, Branch

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