Access Bank Plc and Subsidiaries

Group Financial Statements – 31 March 2008
Together with Directors' and Auditor's Reports

Corporate Governance Report

For the year ended 31 March 2008

Introduction

In the 2007 annual report, we highlighted some of the major provisions of the new Corporate Governance Code introduced by the Central Bank of Nigeria in April 2006, which includes the protection of equity ownership, enhancement of sound organizational structure and promotion of industry transparency.

In line with the provisions of the new code, the Bankόs has put in place a robust internal control and risk management framework that will ensure optimal compliance with internationally acceptable corporate governance indices in all its operations. In the opinion of the Board of Directors, the Bank has complied in all material respects with the new code of Corporate Governance during the 2007/2008 financial year.

Statutory Bodies

Apart from the CBN Code of Corporate Governance, which the Bank has striven to comply with since inception, it further relies on statutory bodies to direct its policy thrust on Corporate Governance.

Shareholders' Meeting

The shareholders remain the highest decision making body of Access Bank Plc, subject however to the provisions of the Memorandum and Articles of Association of the Bank, and any other applicable legislation. At Annual General Meetings (AGMs), which holds once a year, decisions affecting the management and strategic objectives of the Bank are taken through a fair and transparent process. Such AGMs may be attended by the shareholders or their proxies and proceedings at such meetings are usually monitored by members of the press, representatives of the Nigerian Stock Exchange, Central Bank of Nigeria and Securities and Exchange Commission. An Extraordinary General meeting may be convened at the request of the Board or Shareholders holding not less than 10% of the paid up capital of the Bank.

Board of Directors

During the 2007/2008 financial year, the membership of the Board of Directors grew from 12 to 14 with the appointment of the first female non-executive director in the person of Mrs. Mosun Bello-Olusoga. The 14-member Board of Directors consists of the Chairman, Managing Director, Deputy Managing Director, four Executive Directors and seven Non-Executive Directors, out of which three are independent Directors. Appointment to the Board is made by the shareholders at the Annual General Meeting upon the recommendations of the Board of Directors.

The Board of Directors handles the affairs of the Bank by ensuring that the operations of the Bank at all times are carried out within legal and regulatory frameworks. The Boardόs responsibilities include, but is not limited to, defining the Bankόs business strategy and objectives, formulating risk policies and making decisions on the establishment of foreign subsidiaries.

The oversight functions of the Board are performed through its various committees namely: the Board Credit and Finance Committee, the Board Committee on Human Resources, the Board Audit Committee and the Board Risk Management Committee.

These Committees are constituted as follows:

Board Risk Management Committee

1.	Mr. Mahmud Isa-Dutse	-	Chairman
2.	Mr. Tunde Folawiyo	-	Member
3.	Mrs. Mosun Bello	-	Member
4.	Mr. Aigboje Aig-Imoukhuede	-	Member
5.	Mr. Herbert Wigwe	-	Member
6.	Mr. Okey Nwuke	-	Member
7.	Mr. Taukeme Koroye	-	Member
8.	Mr. Obeahon Ohiwerei	-	Member
9.	Mr. Ebenezer Olufowose	-	Member

Board Audit Comiittee

1.	Mr. Oritsedere Otubu	-	Chairman
2.	Mr. Mahmud Isa-Dutse	-	Member
3.	Mr. Aigboje Aig-Imoukhuede	-	Member
4.	Mr. Herbert Wigwe	-	Member
5.	Mr. Taukeme Koroye	-	Member

Board Human Resource Committee

1.	Mr. Emmanuel Chiejina	-	Chairman
2.	Mr. Oritsedere Otubu	-	Member
3.	Tunde Folawiyo	-	Member
4.	Aigboje Aig-Imoukhuede	-	Member
5.	Herbert Wigwe	-	Member
6.	Mrs. Mosun Belo-Olusoga	-	Member

Board Credit and Finance Committee

1.	Dr. Cosmas Maduka	-	Chairman
2.	Mr. Oritsedere Otubu	-	Member
3.	Mr. Emmanuel Chiejina	-	Member
4.	Mr. Mahmoud Isa-Dutse	-	Member
5.	Dr. Adewunmi Desalu	-	Member
6.	Mr. Tunde Folawiyo	-	Member
7.	Mrs. Mosun Belo-Olusoga	-	Member
8.	Mr. Aigboje Aig-Imoukhuede	-	Member
9.	Mr. Herbert Wigwe	-	Member
10.	Mr. Okey Nwuke	-	Member
11.	Mr. Obeahon Ohiwerei	-	Member
12.	Ebenezer Olufowose	-	Member

Shareholders Audit Committee

In compliance with Section 359 of the Companies and Allied Matters Act of Nigeria, the Bank constituted a standing Shareholders Audit Committee made up of three Directors and three shareholders. The committee is constituted as follows:

1.	Kayode Ayeni (Shareholder)	-	Chairman
2.	Mr. Oritsedere Otubu (Director)	-	Member
3.	Mrs. Mosun Belo-Olusoga (Director)	-	Member
4.	Cosmas Maduka (Director)	-	Member
5.	Emmanuel Eleoramo (Shareholder)	-	Member
6.	Idaere Dagogo Ogan (Shareholder)	-	Member

Remuneration of Directors

The Shareholders, at the Bankǿs Annual General Meeting, set and approve the annual remuneration of members of the Board of Directors. The annual emoluments of the Directors are stated in the Annual Report.

Internal Audit

The Bank has an Internal Audit Charter for its internal audit exercise. The Charter isolates and insulates the Internal Audit Department from the control and influence of the Executive Management and also separates staff within the internal audit function from operational and management responsibility that could impair their ability to make independent review of the Bankǿs operations. Under the Charter, the Internal Auditors report directly to the Board Audit Committee.

Management Committees

There are basically three standing management committees comprising of senior management staff of the Bank. The committees are the Management Credit Committee, the Assets and Liability Committee and the Enterprise Risk Management Committee.

The committeesô main functions are to identify, analyze, synthesize and make recommendations on risks arising from day to day activities of the Bank and to ensure that risk limits as contained in the Board and Regulatory policies are complied with at all times. The committees further provide inputs for the respective Board Committees and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as risk issues occur to take actions and decisions within the confines of their powers.

Management Credit Committee

The Management Credit Committee reviews and approves credit facilities up to its limit and amounts above its limit goes to the Board Credit Committee for review and approval. It is comprised of Executive Management, Head of Credit Risk Management, the Company Secretary and all Group Heads. The committee meets weekly or on a need basis.

Assets and Liability Committee

The Asset and Liability Committee meets monthly to consider the financial position of the Bank. It manages the assets and liabilities of the Bank, measures the performance of same within budgetary limits and assesses regulatory compliance in this regard. The committee is comprised of Executive Management, Senior Management, Head of Risk Management, Head of Foreign Operations, Head of Remedial Assets and all Group Heads.

Enterprise Risk Management Committee

The Enterprise Risk Management Committee oversees the establishment of a formal written policy on the overall risk management system and provides guidelines and standards to administer the acceptance and on-going management of all risks. The committee also ensures compliance with established policies through periodic review of reports provided by management, internal and external (statutory) auditors and the supervisory authorities. On periodic basis, the committee re-evaluates the risk management policy of the Bank to accommodate major changes in the internal and external factors. The committee meets monthly and is comprised of Executive Management, Senior Management, Head of Risk Management, Head of Foreign Operations, Head of Remedial Assets and all Group Heads.

Risk Management

The Board of Directors and Management of Access Bank Plc are committed to establishing and sustaining tested practices in risk management at par with leading international banks. For these purposes, the Bank operates a centralized Risk Management and Compliance Division, with responsibility to ensure that the risk management processes are implemented in compliance with policies approved by the Board of Directors.

The Board of Directors determines the Bankôs goals, in terms of risk, by issuing a risk policy. The policy both defines acceptable levels of risk for day-to-day operations, as well as the Bankôs willingness to incur risk, weighed against the expected rewards. The 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 managing these risks proactively 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 risk areas of credit, market and operational risks.

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 the light of this, the Bankôs Enterprise Risk Management 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:

- continuous self evaluation and monitoring by the Risk Management and Compliance Division in conjunction with Internal Audit; and

- independent evaluation by external auditors, examiners or consultants.

The Chief Risk and Compliance Officer has the primary responsibility for risk management and for the review of the ERM Framework. All amendments to the Bankôs Enterprise Risk Management Framework require Board approval.

The Risk Management division has the responsibility to enforce the risk policy of the Bank by constantly monitoring risk, with the aim of identifying and quantifying significant risk exposures and acting upon such exposures as necessary. To ensure that the decision-making process within Access Bank Plc is regulated and that the boundaries set by the Board of Directors and regulatory authorities are complied with, Risk Management regularly reviews and reports risk exposures, usage of limits and any special concerns to senior management and the Board of Directors.

The Risk Management division is divided into three functional departments: Credit Risk Management, Market Risk Management and Operational Risk Management.

Credit Risk Management

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

In recognition of the fact that the Bankôs main asset is its loan portfolio; to maintain and further improve a healthy loan portfolio, it is imperative to scrutinize all applications and weed out potential problem loans during the application phase, as well as constantly monitor the current loan portfolio. While it is not the Bankôs policy to extend credit only to the best-rated borrowers, it is of the utmost importance that the pricing of credit reflects both the risk and the cost incurred. This means that a detailed assessment of individual customers, their financial positions and the collateral in question is a pre-requisite for granting credit.

The goal of the Bank is to apply sophisticated 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 calculate capital requirements. The development, implementation and application of these models are guided by the Bankôs Basel II strategy. The pricing of each credit granted should reflect the risk taken.

Provisions for losses meet prudential guidelines set by the Central Bank of Nigeria, both for loans for which specific provisions exist as well as for portfolios of performing loans. The Bankôs credit process requires periodic rigourous review of the quality of the loan portfolio to facilitate early problem recognition and remediation, with a view to keeping specific loan-loss provisions to a minimum by pro-active risk management. The Criticized Assets Committee performs a quarterly review of loans with emerging signs of weakness; the Management Credit Committee performs a quaterly review of the quality of the loan portfolio; and the Board Credit Committee also reviews the loan portfolio on a quarterly basis. These are additional to daily reviews performed by Risk Management.

Market Risk Management

Access Bankôs strategy is to invest its own capital on a limited and carefully selected basis in transactions, underwritings and other activities that involve market risk. The main type of market risk are the price risk of listed and unlisted securities, both stocks and bonds, interest rate risk, currency risk or other market variables influenced by market forces.

The Bankôs Risk Management keeps firm track of the market risk embedded in investments at the Group level and monitors the total estimated market risk against the market risk limits set by the Board of Directors.

All derivative positions need prior approval from the Risk Management division.

The Board entrusts the CEOs of the Bank and its subsidiaries with the enforcement of this policy and risk management responsibilities, by monitoring limits and reporting their utilization as well as enforcement.

The Bankôs CEO is responsible for approving specific position limits which are used for positions, which are sometimes specific medium-term investment cases and other times strategic (or have the potential of becoming strategic) in the medium term. These positions are typically few in number (5-10) and therefore concentrate in nature. These limits need explicit approval from the Bankôs CEO and the Assets and Liabilities Committee (ALCO).

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

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

All trades and intraday profit or loss are reported continuously to the Chief Risk Officer through a position-monitoring system. Intraday positions in different trading units within the Bank are monitored, and the Chief Risk Officer is alerted if any deviations or exceptions are observed. The Bankôs Risk Management division sends a daily report on profit and loss and turnover to the Chief Risk Officer, the Head of Trading and the Bankôs Chief Executive Officer.

The market risk management division sends a monthly risk assessment report to the Head of Trading, the Chief Executive Officer, and the Board of Directors, which details volatility-based, and scenario-based measures such as Value-at-Risk (VaR) and stress tests based on current exposures.

Operational Risk Managment

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 judgments with regard to taking credit, market, interest rate, liquidity, or insurance risks. Major sources of operational risk include: operational processes, information technology challenges, outsourcing activities, service providers, strategic framework, mergers and acquisitions, fraud and forgery, regulatory compliance, social and environmental factors.

The Bankŝ operational risk strategy seeks to minimize the impact that operational risk can have on shareholdersô value. The Bankŝ 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;

- minimize the impact of unexpected and catastrophic events and related costs through risk financing strategies that will support the Bankŝ 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 emphasizes 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 Bankŝ 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 Bankŝ Operational Risk Management Framework. This periodic confirmation of the existence and utilization of controls in compliance with approved policies and procedures, provide assurance as to the effectiveness of the Bankŝ Operational Risk Management Framework.

Awards

In recognition of the Bankøs compliance with international best practices in corporate governance in the 2007/2008 financial year, JIC Governance Plus Ratings assigned a GCR 1 Rating to the Bank. JIC Governance Plus Rating Agency is one of the Countryøs pioneer Rating Agency.

The report, which was based on publicly available information on the Bank, profiled the Bankøs corporate governance framework against the codes of corporate governance in Nigeria issued by two key industry regulators, the Central Bank of Nigeria and Securities and Exchange Commission.

In arriving at the GCR 1 Rating, key rating indices such as the Bankøs board structure and management process, board committees, financial transparency/control and disclosure, ownership base and potential for dilution, stakeholdersô rights/relations, market for control, corporate behaviour and social responsibility and financial discipline were objectively evaluated by the Rating Agency.

The GCR 1 rating, which is the Rating Agencyøs highest rating matrix on a scale of 100 points, implies that the rated company has adopted internationally and locally benchmarked corporate governance policies, which would re-assure stakeholders of the quality of corporate governance structures and operations in the company.

It is also worthy of note that the Bank was nominated at the Vanguard Newspaperøs award as one of the institutions that distinguished itself in the area of corporate governance during the year under review.

Directors' Report

For the year ended 31 March 2008

The directors have pleasure in presenting their report on the affairs of Access Bank Plc (the ñBankò) and subsidiaries (the ñGroupò), together with the group audited financial statements and auditorøs report for the financial year ended 31 March 2008.

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 license by the Central Bank of Nigeria on 5 February 2001.

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

The Bank has two overseas and two local subsidiaries namely Access Bank (Gambia) Limited, Access Bank Sierra Leone, Access Investments and Securities Limited and United Securities Limited. It also has one associated company, Marina Securities Limited. During the financial year, the Bank made deposits in respect of its acquisition of controlling interests in three proposed overseas subsidiaries namely Access Bank Rwanda, Access Bank Burundi and Omni Finance Limited Cote døIvoire. The regulatory bodies in the host countries of the proposed subsidiaries had not approved Access Bank Plc investments in these entities as at 31 March 2008; hence, the Bank cannot be said to have assumed control of the entities as at its reporting date.

The Bank is presenting Group financial statements for the first time this year; consequently, the financial statements of Access Bank (Gambia) Limited and Access Bank Serria Leone have been consolidated in these financial statements. The financial results of Access Investments and Securities Limited, United Securities Limited and the Bankøs associate company have not been consolidated because the directors are of the opinion that it would be of no real value for the purpose of the year-end report and would involve expense or delay out of proportion to its value to members of the Bank.

Operating results
Highlights of the Groupôs operating results for the year under review are as follows:

	Group 2008	Bank 2008	Bank 2007
	₦ô000	₦ô000	₦ô000
Profit before taxation	18,845,682	19,042,106	8,043,165
Taxation	(2,992,581)	(2,985,642)	(1,959,726)
Profit after taxation	15,853,101	16,056,464	6,083,439
Minority interest	28,575	-	-
Profit attributable to group shareholders	15,881,676	16,056,464	6,083,439
Transfer to statutory reserve	(4,816,939)	(4,816,939)	(1,825,032)
Transfer to SMEEIS	-	-	(608,344)
Transfer to general reserve	11,064,737	11,239,525	3,650,063
Shareholdersô funds	171,860,665	172,002,026	28,384,891
Earnings per share - Basic	171k	173k	87k
Dividend per share (Declared)	40k	40k	-

Declared dividend represents final dividend proposed for the preceding year, but declared during the current year.

Dividends

The board of directors has recommended for the approval of the shareholders, the payment of a dividend of N10.49 billion (65 kobo per share). The dividends are subject to deduction of withholding tax.

Directors and their interests

The following directors of the Bank held office during the year and had direct and indirect interests in the shares of the Bank as follows:

	Number of Ordinary Shares of 50k each held as at			
	31 March 2008		31 March 2007	
	Direct	Indirect	Direct	Indirect
G. Oyebode - Chairman	59,110,898	56,290,456	33,740,898	-
A.I Aig-Imoukhuede - Managing Director	51,325,880	600,577,585	44,256,614	362,681,828
H. O. Wigwe - Deputy Managing Director	50,825,879	600,577,685	44,256,614	362,681,828
C. M. Maduka	2,833,646	262,496,554	514,286	200,719,003
O. S. Otubu	37,305,333	24,410,234	37,305,333	5,611,056
T. E. Koroye - Executive Director	7,465,372	-	6,729,972	-
M. Isa-Dutse	2,351,284	-	1,066,214	-
E. Chiejina	5,316,192	-	3,907,425	-
O. Nwuke - Executive Director	6,696,377	-	5,696,377	-
T. Folawiyo	3,377,342	248,699,770	3,377,342	157,283,350
A. Desalu	4,440,711	175,000	6,815,711	-
O. Ohiwerei - Executive Director	450,000	-	-	-
E. Olufowose - Executive Director (appointed on 16 April 2007)	2,280,000	-	-	-
M. Belo-Olusoga (appointed on 16 November 2007)	-	-	-	-

Retirement of directors

In accordance with the provisions of Section 259 of the Companies and Allied Matters Act of Nigeria, one third of the directors of the Bank shall retire from office. The directors to retire every year shall be those who have been longest in office since their last election. In accordance with the provisions of this section, Messrs Babatunde Folawiyo and Adewunmi Desalu retire by rotation and being eligible offer themselves for re-election.

Analysis of shareholding:

Range	Number of Shareholders	% of Shareholders	Number of Holdings	% of Shareholding
1-1,000	126,282	27.48	113,218,892	0.70
1,001-5,000	181,154	39.42	473,502,906	2.93
5,001-10,000	62,269	13.55	448,376,341	2.78
10,001-50,000	64,238	13.98	1,482,417,822	9.18
50,001- 100,000	13,229	2.88	905,661,801	5.61
100,001-500,000	10,668	2.32	1,910,540,100	11.84
500,001-1,000,000	819	0.18	562,765,673	3.49
1,000,001-5,000,000	664	0.14	1,367,065,639	8.47
5,000,001-10,000,000	82	0.02	596,065,011	3.69
10,000,001 and above	127	0.03	8,282,887,662	51.31
	459,532	100.00	16,142,501,847	100.00

Shareholders with 5% holding and above of the Bankǿs capital as at 31 March 2008 are:

	31 March 2008		31 March 2007	
Shareholder	Number of Shares held	% Shareholding	Number of Shares held	% Shareholding
Stanbic Nominees Nigeria Limited(GDR)	2,557,050,000	15.77	-	-
United Alliance Limited	1,201,155,371	7.41	362,681,828	10.39

Acquisition of own shares

The Bank did not purchase any of its own shares during the year.

Statement of directors' responsibilities in relation to the financial statements for the year ended 31 March 2008

This statement, which should be read in conjunction with the Auditorǿs report, is made with a view to setting out for shareholders, the responsibilities of the directors of the Bank with respect to the financial statements.

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act of Nigeria and Sections 24 and 28 of the Banks and Other Financial Institutions Act of Nigeria, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Group and the Bank and the profit for the year under review.

The responsibilities include ensuring that:

(a) appropriate internal controls are established both to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;

(b) the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group, and which have been prepared using suitable accounting policies that have been consistently applied and ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act of Nigeria and Banks and Other Financial Institutions Act of Nigeria;

(c) the Group has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and all applicable accounting standards have been followed; and

(d) it is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Bank and its subsidiaries will not continue in business.

Fixed assets:
Information relating to changes in the fixed assets is given in Note 9 to the financial statements.

Donations and charitable gifts:
The Group identifies with the aspirations of the community and the environment in which it operates. The Group made contributions to charitable and non-political organizations amounting to ₦160,856,000 (2007: ₦45,362,000) during the year, as listed below:

Beneficiary	₦'000
Donation towards the CIIN, CIBN and ICAN Joint National Conference	1,000
Sponsorship of the 1st Public Relations Conference in Nigeria	1,000
Petroleum Product Pricing Regulatory Agency	4,481
Donation towards the All African Games	5,000
University of Jos	4,410
St Maria Gorretti Old Girls Association	500
Loyola Jesuit College	100
Nigeria Prisons, Ikoyi	500
Nigerian Institute of Public Relations	500
Donations towards the 7th Annual Risk Management Association of Nigeria Conference	1,000
Kaduna Old Students Association Pro-Unitate Forum	1,285
Sponsorship of 2007 Capital Market Correspondent Association of Nigeria training seminar	250
COREN	1,000
Donation towards the iCare programme for orphans and widows	5,000
Donation towards the Pediatric Association of Nigerian Conference	2,000
Lagos State Security Trust Fund	50,000
Indo Eye Care Foundation	1,000
Donation towards the completion of MOPOL building project	500
Sponsorship of CSCS 10th anniversary celebration	5,000
Donation of generating sets to Kano State Schools	7,260
Sponsorship of the LOC, Delta State for World Cup Qualifier	10,000
Little Saints Orphanage	1,000
National Postgraduate Medical College of Nigeria	340
Sponsorship of Lagos State Public Private Partnership workshop	10,000
Port Harcourt Chamber of Commerce and Industry	3,000
Nigerian Institute of Stockbrokers	1,000
College of Medicine, University of Lagos	5,000
Crime Reporters Association of Nigeria	150
Support to WIMBIZ (Women in Business)	3,500
Ondo Development Fund Raising	250
Ekiti State Beautification project	4,600
Jigawa State Electrification Project	6,600
Donations towards the 2nd GBC Conference	4,780
Vine International School Port Harcourt	100
Others	18,750
	160,856

Health and safety at work:
Health and safety regulations are in force within the premises of the Bank and its subsidiaries. The Group provides subsidy towards transportation, housing, lunch and medicals to all levels of employees. Incentive schemes designed to meet the circumstances of each individual are implemented whenever appropriate. These schemes include bonus, promotions, employees share investment trust etc.

Employment of disabled persons:
The Group has a non-discriminatory policy on the consideration of applications for employment, including those received from disabled persons. All employees are given equal opportunities to develop themselves. The Groupôs policy is that the highest qualified and most experienced persons are recruited for appropriate job levels irrespective of an applicantôs state of origin, ethnicity, religion or physical condition.

As at 31 March 2008, the Group had two people on the staff list with physical disability.

Employee involvement and training:
The Group places a high premium on the development of its manpower and consults with employees on matters affecting their well being. Formal and informal channels of communication are employed in keeping staff abreast of various factors affecting the performance of the Group.

The Group draws extensively on training programs around the world. Training courses were offered to employees both locally and overseas in the year under review.

Post balance sheet events:
There were no post balance sheet events which could have a material effect on the state of affairs of the Group as at 31 March 2008 or the profit for the year ended on that date that have not been adequately provided for or disclosed.

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:

1.	Kayode Ayeni	Shareholder	Chairman
2.	Oritsedere Otubu	Director	Member
3.	Emmanuel Eleoramo	Shareholders	Member
4.	Cosmas Maduka	Director	Member
5.	Idaere Dagogo Ogan	Shareholder	Member
6.	Mosun Belo-Olusoga	Director	Member

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

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

Plot 1665 Oyin Jolayemi Street,
Victoria Island,
Lagos.
2 May 2008

BY ORDER OF THE BOARD
Fatai Oladipo
Company Secretary

Report of the Audit Committee

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

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the year ended 31 March 2008 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 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 year ended 31 March 2008 were satisfactory and reinforce the Groupôs 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 ñDisclosure of insider related credits in the financial statements of banksò. We hereby confirm that an aggregate amount of N27,331,739,000 was outstanding as at 31 March 2008. See Note 34 for details.

- We have deliberated on the findings of the external auditors who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with managementôs responses thereon and with the effectiveness of the Bankôs system of accounting and internal control.

Kayode Ayeni
Chairman, Audit Committee
2 May 2008

Members of the Audit Committee are:

Kayode Ayeni	Chairman
Oritsedere Otubu	Member
Emmanuel Eleoramo	Member
Cosmas Maduka	Member
Idaere Dagogo Ogan	Member
Mosun Belo-Olusoga	Member

In attendance:
Fatai Oladipo ï Secretary

KPMG

KPMG Professional Services
22a Gerrard Road, Ikoyi
PMB 40014, Falomo
Lagos, Nigeria

Telephone 234 (1) 463 0290-3
234 (1) 269 4660-4
234 (1) 269 6040-4
Fax 234 (1) 462 0704
234 (1) 269 1248
234 (1) 269 1908

Internet www.ng.kpmg.com

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of **Access Bank Plc** (ñthe Bankò) and subsidiaries (ñthe Groupò), which comprise the Group and separate balance sheet as at 31 March, 2008, and the Group and separate profit and loss account, Group and separate statement of cash flow and Group and separate statement of value added for the year then ended, and the statement of accounting policies, notes to the financial statements and the five-year financial summary, as set out on pages 18 to 75.

Directors' Responsibility for the Financial Statements
The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, the Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

KPMG Professional Services
22a Gerrard Road, Ikoyi
PMB 40014, Falomo
Lagos, Nigeria

Telephone 234 (1) 463 0290-3
234 (1) 269 4660-4
234 (1) 269 6040-4
Fax 234 (1) 462 0704
234 (1) 269 1248
234 (1) 269 1908

Internet www.ng.kpmg.com

Opinion

In our opinion, the Group and separate financial statements give a true and fair view of the financial position of the Group and Bank as at 31 March 2008, and of its financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars.

Report on Other Legal and Regulatory Requirements

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

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

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

i. The Bank contravened the provisions of Sections 15(4) b and c of the Banks and Other Financial Institutions Act of Nigeria during the year ended 31 March 2008. Details of these are stated in Note 32 to the financial statements.

ii. Related party transactions and balances are disclosed in Note 33 to the financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

KPMG

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

13 June 2008
Lagos, Nigeria

Statement of Accounting Policies

A summary of the principal accounting policies, applied consistently throughout the current and preceding year, except for notes (b), (d), (x) and (z) is set out below.

(a) **Basis of accounting**

The financial statements are prepared under the historical cost convention.

(b) **Basis of consolidation**

(i) *Subsidiaries*

The Group financial statements combine the financial statements of Access Bank Plc and its subsidiaries (ñthe Groupò) wherein there is majority shareholding and/or control of the board of directors and management. Subsidiaries where the directors are of the opinion that the financial statements are not material and would provide no real value to the shareholders are not consolidated. Intra-group balances and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing the Group financial statements. The consolidated subsidiaries are Access Bank (Gambia) Limited and Access Bank (Serria Leone) Limited.

(ii) *Foreign entity*

The assets and liabilities of foreign entities are translated to Naira at the exchange rates at the reporting date except for share capital and pre-acquisition reserves, which are translated at their historical rates. Income and expenses are translated to Naira using average rates.

Exchange gains or losses arising on translation of a foreign entity are recognised in a reserve account within shareholdersô fund.

(c) **Business combination**

On 1 November 2005, Access Bank Plc combined its business with those of Capital Bank International Plc and Marina International Bank Limited under the merger and combination agreement dated 9 August 2005.

The combination was accounted for using the acquisition method with Access Bank Plc as the acquirer.

(d) **Goodwill**

The excess of the cost of combination over the value of the net identifiable assets acquired is recognized as an asset in the Bankǿs balance sheet as goodwill arising on combination.

The Bank previously applied the provisions of section 21 (2) (3) of schedule II of the Companies and Allied Matters Act of Nigeria for the amortization of goodwill. In line with these provisions, goodwill was to be amortized over five equal annual installments commencing in the accounting year ended 31 March 2006.

At the Annual General Meeting of the Bank held on 31 August 2006, the Bank obtained shareholdersǿ approval to create a special reserve account from the share premium account for the purpose of writing off the outstanding balance on the goodwill account. The Federal High Court, Lagos subsequently sanctioned the reduction of the Bankǿs share premium on 27 September 2006.

However, with effect from 1 January 2008, the Nigerian Accounting Standard Board introduced the Statement of Accounting Standard No. 26 on Accounting for Business Combinations. The effect of this Standard on the Bank is that the goodwill which arose from the business combination on 1 November 2005 and which had previously been partly amortized and partly written off against a special reserve is now required to be reinstated and tested for impairment. In compliance with this standard, goodwill arising from the business combination has been reinstated and tested for impairment.

(e) **Cash and short term funds**

For the purpose of reporting cash flows, cash and short term funds comprise cash balances on hand, cash deposited with the Central Bank of Nigeria, cash deposited with other banks (local and foreign) other than the Central Bank of Nigeria and placements with foreign and local banks secured with treasury bills under open buy back agreements net of provision for doubtful balances.

(f) **Investments**

Investments comprise investments in marketable securities such as bonds and treasury bills and investments in equity securities.

Investments in marketable securities held for trading and other investments in marketable securities that are not held for trading but with outstanding tenor to maturity of less than one year are classified as short term investments and are stated at net realizable value with any resultant gain or loss recognized in the profit and loss account. The original cost is disclosed.

Investments in marketable securities that are not held for trading and with outstanding tenor to maturity in excess of one year are classified as long term investments and are stated at the lower of cost and net realizable value.

Treasury bills not held for trading are presented net of unearned discount. Unearned discount is deferred and amortized as earned. Unearned discount is not recognised on treasury bills held for trading. Interest earned while holding short term securities is reported as interest income.

Unquoted equity investments and other long term investments are stated at cost. Provisions are made for permanent diminution in the value of such investments. The market value of quoted securities is disclosed. Income earned as dividend on equity securities held as long-term investments is reported as other income.

Any discount or premium arising on acquisition of long term investment in bonds is included in the original cost of the investment and is amortized over the period of purchase to maturity.

(g) **Loans and advances**

Loans and advances are stated net of allowances. A specific risk allowance for loan impairment is established to provide for managementôs estimate of credit losses as soon as the recovery of an exposure is identified as doubtful. This allowance is made for each account that is not performing in accordance with the terms of the related facility. This is in accordance with the Statement of Accounting Standards for Banks and Non-Bank Financial institutions (SAS 10) issued by the Nigerian Accounting Standards Board and the Prudential Guidelines issued by the Central Bank of Nigeria in the manner stated below:

Number of days of outstanding Principal/interest	Classification	Required Allowance %
90 days but less than 180 days	Substandard	10
180 days but less than 360 days	Doubtful	50
Over 360 days	Lost	100

An allowance of at least 1% is made for all performing accounts to recognize losses in respect of risks inherent in any credit portfolio.

When a loan is deemed not collectible, it is written off against the related allowance and subsequent recoveries are credited to the income statement.

(h) **Advances under finance lease**

Advances under finance leases are stated net of unearned lease finance income. Lease finance income is recognized in a manner, which provides a constant yield on the outstanding net investment over the lease period and is included in interest and discount income.

In accordance with the Prudential Guidelines for licensed banks, specific allowance is made on leases that are non-performing, while a general allowance of at least 1% is made on the aggregate net investment in the finance lease.

(i) **Other assets**

Prepayments, receivables and other sundry debit balances are classified as other assets and are stated net of allowances.

Allowances are made in line with the provisions of the CBN Prudential Guideline for receivables whose collection has been identified by management as doubtful.

When a receivable is deemed not collectible, it is written off against the related allowance and subsequent recoveries are credited to the income statement.

(j) **Fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write-off fixed assets over their estimated useful lives as follows:

Land and building	-	2%
Leasehold improvements	-	Over the period of the lease
Furniture, fixtures and equipment	-	20%
Computer hardware	-	33.33%
Motor vehicles	-	25%
Capital work in progress	-	Not depreciated

Gains or losses on the disposal of fixed assets are included in the profit and loss account.

(k) **Equipment on lease**

Equipment on lease to customers comprises motor vehicles and equipment and are stated at cost less accumulated depreciation. Equipment on lease is depreciated at the same rate of depreciation applicable to the class of fixed assets. Rental income from equipment on lease to customers is credited to lease income on a systematic basis over the lease term.

(l) **Leases**

A lease where a significant proportion of the risks and reward is retained by the lessor is classified as operating lease. Payments made under operating leases are recognized in the profit and loss account on a straight line basis over the lease term.

(m) **Taxation**

Income tax expenses/credits are recognized in the profit and loss account. Current income tax is the expected tax payable on the taxable income for the year, using statutory tax rates at the balance sheet date.

(n) **Deferred taxation**

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred taxation is provided fully on timing differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal.

(o) **Foreign currency items**

Transactions denominated in foreign currencies are converted into Naira at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are converted into Naira at the rates of exchange prevailing at the balance sheet date (or, where appropriate, the rate of the related forward contract). Gains or losses arising from changes in the rates of exchange subsequent to the dates of the transactions are accounted for in the profit and loss account.

(p) **Retirement benefits**

The Group operates a defined contributory pension scheme. Obligations in respect of the Groupộs contributions to the scheme are recognized as an expense in the profit and loss account when they are due.

(q) **Provisions**

A provision is recognized if, as a result of 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.

(r) **Repurchase agreements**

The Group enters into purchases (sales) of securities under agreements to resell (repurchase) substantially identical securities at a certain date in the future at a fixed price. Securities purchased subject to commitments to resell them at future dates are accounted for as repurchase transactions.

Securities sold under repurchase agreements continue to be recognized in the balance sheet and the proceeds from the sale of the securities are reported as liabilities to either banks or customers. The net sale and repurchase consideration is recognized over the period of the transaction in the profit and loss account.

(s) **Forward contracts**

The Group enters into sales or purchase of securities under agreements to deliver such securities at a future date (forward contracts) at a fixed price. Securities sold under a forward contract agreement are accounted for as payable and receivable on execution of the contracts. Fees earned on the transaction are accounted for as fee income in the profit and loss account.

(t) **Dividend**

Dividends on ordinary shares are appropriated from retained earnings and recognized as a liability in the period in which they are declared until they are paid. Dividends that are proposed but not yet declared are disclosed in the notes to the financial statements.

(u) **Borrowings**

Borrowings are recorded at face value less amounts repaid. Direct issue costs are capitalized and amortized over the tenor of the underlying investments. Interest costs are recognized in the income statement over the duration of the instrument.

(v) **Off balance sheet transactions**

Transactions to which there are no direct balance sheet risks to the Group are reported and accounted for as off balance sheet transactions and comprise:

Acceptances:

Acceptances are undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from customers.

Acceptances, which meet the conditions, set out in Central Bank of Nigeria (CBN) Guidelines on the treatment of Bankers Acceptances and Commercial Papers are accounted for and disclosed as contingent liabilities. The net income and expense relating to these acceptances are recognized and reported in the financial statements.

Guarantees and performance bonds:

The Group provides financial guarantees and bonds to third parties on the request of customers in the form of bid and performance bonds or advance payment guarantees.

The amounts reflected in the financials statements for uncollaterised bonds and guarantees represent the maximum loss that would be recognized at the balance sheet date if counterparties failed completely to perform as contracted. Commissions and fees charged to customers for services rendered in respect of bonds and guarantees are recognized at the time the services or transactions are effected.

Letters of credit

The Group provides letters of credit to guarantee the performance of customers to third parties. These are accounted for as off balance sheet engagements. Commissions and fees charged to customers for services rendered are recognized at the time the services or transaction is effected.

(w) **Recognition of income**

Credits to the profit and loss account are recognized as follows:

(i) Interest income is recognised on an accrual basis and credited to income only when it has been irrevocably earned. Interest overdue for more than 90 days is suspended and recognised on a cash basis only. Lease finance income is amortized over the lease period to achieve a constant rate of return on the outstanding net investment.

(ii) Credit related income is deferred and amortized over the life of the related credit risk.

(iii) Non-credit related fee income is recognised at the time the service or the related transactions are effected.

(iv) Investment income is recognized on an accrual basis and credited to the profit and loss account. Gains and losses on investment securities are recorded in income upon the sale of the securities.

(v) Commissions and fees charges to customers for services rendered are recognized at the time the services or transaction is effected.

(vi) Dividend income is recognized when the right to receive income is established.

(x) **Segment reporting**

A segment is a distinguishable component of the Group that is engaged in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those other segments.

Segment information is presented in respect of the Groupôs business and geographical segments. The Groupôs primary format for segment reporting is based on business segments. The business segments are determined by management based on the Groupôs internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(y) **Earnings per share**

The Group presents ordinary basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Adjusted earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders in prior year by the number of outstanding ordinary shares at the latest balance sheet date.

(z) **Derivatives**

A derivative is a financial instrument whose value changes in response to the change in an underlying variable. It requires little or no initial net investment relative to other types of contracts that have a similar response to changes in market conditions and that is settled at a future date.

The Group contracted cross currency swaps transactions with counterparties. The cross currency swaps are initially recognised in the balance sheet at fair value. Any changes in fair value are recognised immediately in the income statement.

Balance Sheet

As at 31 March 2008

	Notes	Group 2008	Bank 2008	Bank 2007 Restated
		₦â000	₦â000	₦â000
ASSETS:				
Cash and short-term funds	1	585,706,024	585,809,897	158,433,251
Short-term investments	2	104,701,156	103,675,713	39,011,418
Loans and advances	3	245,836,040	244,595,621	107,750,578
On-Lending facilities	4	5,096,061	5,096,061	3,256,564
Advances under finance lease	5	2,497,683	2,497,683	1,024,185
Other assets	6	24,811,296	24,898,063	5,521,365
Long-term investments	7	61,449,110	62,163,896	4,384,982
Equipment on lease	8	1,363,474	1,363,474	1,071,340
Fixed assets	9	14,107,593	13,364,613	8,161,511
TOTAL ASSETS		1,045,568,437	1,043,465,021	328,615,194
LIABILITIES:				
Deposits and other accounts	11	353,746,401	351,789,279	205,234,734
Due to banks	12	69,402,840	69,248,044	6,616,718
On-Lending facilities	13	5,147,536	5,147,536	3,289,458
Other liabilities	14	427,474,544	427,348,624	82,821,752
Taxation payable	15	2,659,923	2,659,923	1,751,833
Deferred taxation	15	624,523	617,584	515,808
Long term liabilities	16	14,652,005	14,652,005	-
TOTAL LIABILITIES		873,707,772	871,462,995	300,230,303
NET ASSETS		171,860,665	172,002,026	28,384,891
CAPITAL AND RESERVES:				
Share capital	17	8,071,252	8,071,252	3,489,081
Capital reserve	19	3,489,080	3,489,080	3,489,080
Share premium	20	146,047,149	146,047,149	20,277,386
Other reserves	21	14,197,047	14,394,545	1,129,344
SHAREHOLDERSô FUNDS		171,804,528	172,002,026	28,384,891
Minority interest		56,137	-	-
		171,860,665	172,002,026	28,384,891
Acceptances, bonds, guarantees and other obligations for the account of customers	22	155,725,829	155,035,766	80,130,170
TOTAL ASSETS AND CONTINGENCIES		1,201,294,266	1,198,500,787	408,745,364

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mr. Aigboje Aig-Imoukhuede)
) Directors
Mr. Herbert Wigwe)
Approved by the Board of Directors on 2 May 2008

The accompanying notes form an integral part of these balance sheets.

Profit and Loss Account

For the year ended 31 March 2008

	Notes	Group 2008 Nâ000	Bank 2008 Nâ000	Bank 2007 Restated Nâ000
GROSS EARNINGS		57,999,338	57,627,098	27,881,451
INTEREST AND DISCOUNT INCOME	23	40,676,744	40,535,737	16,893,897
INTEREST EXPENSE	24	(14,646,224)	(14,588,859)	(4,951,906)
INTEREST MARGIN		26,030,520	25,946,878	11,941,991
Allowance for risk assets	25(a)	(3,528,889)	(3,515,397)	(1,583,647)
NET INTEREST MARGIN		22,501,631	22,431,481	10,358,344
Allowance for other assets and doubtful bank balances	25(b)	(368,539)	(368,539)	(191,809)
OTHER INCOME	26	17,322,594	17,091,361	10,987,554
		39,455,686	39,154,303	21,154,089
Operating expenses	27(b)	(20,610,004)	(20,112,197)	(13,110,924)
PROFIT BEFORE TAXATION	27(a)	18,845,682	19,042,106	8,043,165
Taxation	15(c)	(2,992,581)	(2,985,642)	(1,959,726)
PROFIT AFTER TAXATION		15,853,101	16,056,464	6,083,439
Minority interest		28,575	-	-
PROFIT ATTRIBUTABLE TO GROUP SHAREHOLDERS		15,881,676	16,056,464	6,083,439
APPROPRIATIONS:				
Transfer to statutory reserve	21(b)	4,816,939	4,816,939	1,825,032
Transfer to small and medium industries reserve	21(c)	-	-	608,344
Transfer to general reserve	21(d)	11,064,737	11,239,525	3,650,063
		15,881,676	16,056,464	6,083,439
Earnings per share - Basic	28	171k	173k	87k
Declared dividend per share	28	40k	40k	-

The accompanying notes form an integral part of these profit and loss accounts.

Statement of Cash Flows

For the year ended 31 March 2008

	Notes	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Operating Activities:				
Net cash flow from operating activities before changes in operating assets	30	24,809,074	24,915,258	10,991,142
Changes in operating assets	31	342,349,115	342,270,437	105,896,140
Income tax paid	15	(1,975,776)	(1,975,776)	(672,386)
Net cash inflow from operating activities		365,182,413	365,209,919	116,214,896
Investing Activities:				
Purchase of fixed assets	9	(7,740,646)	(6,949,493)	(5,575,910)
Proceeds from sale of fixed assets		64,432	64,432	536,330
Purchase of equipment on lease	8	(729,969)	(729,969)	(345,733)
Proceeds from disposal of long term investments		52,000	52,000	2,052,000
Purchase of long term investments		(57,116,128)	(57,830,914)	(712,109)
Net cash outflow from investing activities		(65,470,311)	(65,393,944)	(4,045,422)
Financing Activities:				
Dividend paid	23	(2,791,263)	(2,791,263)	-
Proceeds from share issue		136,548,681	136,548,681	-
Share issue expenses		(6,196,747)	(6,196,747)	-
Net cash inflow from financing activities		127,560,671	127,560,671	-
Net increase in cash and short term funds		427,272,773	427,376,646	112,169,474
Cash and short term funds, beginning of year		158,433,251	158,433,251	46,263,777
Cash and short term funds, end of year		585,706,024	585,809,897	158,433,251

The accompanying notes form an integral part of these statements of cash flows.

Notes to the Financial Statements

For the year ended 31 March 2008

1. Cash and short-term funds:

(a) Cash and short-term funds comprise:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Cash on hand	6,349,649	6,274,073	3,868,938
Balances held with the Central Bank of Nigeria:			
- Current account	9,352,988	9,352,988	22,825,290
- Cash reserve	19,180,541	19,180,541	3,876,543
- Investment account (see note (b))	65,518	65,518	65,518
Balances held with other banks and financial institutions in Nigeria:			
- Clearing settlement account	4,193,991	4,193,991	691,019
- Placements (see note (c) below)	194,640,139	195,394,769	106,346,450
- Other current accounts	334,267,186	334,267,186	-
Balances held with banks outside Nigeria:			
- Balances held with Central Banks	316,952	-	-
- Other accounts (see note (d) below)	17,469,638	17,211,409	19,383,028
- Placements with foreign Banks (see note (e) below)	-	-	1,515,880
	585,836,602	585,940,475	158,572,666
Allowances for doubtful bank balances (see note (f))	(130,578)	(130,578)	(139,415)
	585,706,024	585,809,897	158,433,251

(b) This represents restricted fund held by the Central Bank of Nigeria in respect of investment in SMEEIS not yet undertaken by the Bank.

(c) (i) The maturity profile of placements with other banks and discount houses in Nigeria is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Under 1 month	35,928,725	35,928,725	105,346,450
1 – 3 months	68,249,001	68,330,353	-
3 – 6 months	34,669,215	34,669,215	-
6 – 12 months	55,793,198	56,466,476	-
Call	-	-	1,000,000
	194,640,139	195,394,769	106,346,450

(ii) Included in placements with other banks and financial institutions in Nigeria is an amount of N166,578,313,000 (2007: N44,690,000) secured by treasury bills.

(d) Included in balances held with banks outside Nigeria is the naira equivalent of foreign currencies held on behalf of customers in various foreign accounts amounting to N5,367,721,000 (March 2007: ₦6,909,665,000) to cover letters of credit transactions. The corresponding liability for this amount is included in other liabilities (see Note (14)).

(e) The maturity profile of foreign placements is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Under 1 month	-	-	1,515,880

(f) The movement on the allowances for doubtful bank balances during the year is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Beginning of year	139,415	139,415	81,533
Allowance during the year (see note 25)	130,578	130,578	57,882
Allowance written-off during the year	(139,415)	(139,415)	-
End of year	130,578	130,578	139,415

(g) Included in cash and balances held in Nigeria is an amount of N362,984,307 (2007: N13,900,485) representing unclaimed dividend held in the account of the Registrars and included in deposit liabilities.

2. Short term investments:

(a) Short term investments comprise:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Treasury Bills (see note (b) below)	90,946,767	89,935,880	32,832,623
Trading Securities (see note (c) below)	13,754,389	13,739,833	2,435,136
Investment in Special Securities (see note (e) below)	-	-	3,743,659
	104,701,156	103,675,713	39,011,418

(b) Treasury bills valued at N7.1 billion and N1.66 billion have been pledged by the Bank as collateral with the Central Bank of Nigeria and the Nigerian Inter-bank Settlement System Plc respectively for its participation as a settlement bank.

(c) Trading securities comprise:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Trading Treasury Bills	11,552,488	11,552,488	-
Trading Bonds (see note (d) below)	2,187,345	2,187,345	2,435,136
Bankers Acceptances	14,556	-	-
	13,754,389	13,739,833	2,435,136

(d) Trading bonds comprise:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
12.50% 3rd FGN Bond Series 11	68,657	68,657	25,000
12.00% 3rd FGN Bond Series 12	263,825	263,825	-
12.99% 3rd FGN Bond Series 13	444,030	444,030	550,000
10.98% 3rd FGN Bond Series 15	-	-	500,000
10.75% 4th FGN Bond Series 1	199,206	199,206	250,686
9.50% 4th FGN Bond Series 2	-	-	600,000
10.75% 4th FGN Bond Series 3	103,500	103,500	500,000
9.00% 4th FGN Bond Series 4	79,321	79,321	-
9.85% 4th FGN Bond Series 8	293,670	293,670	-
9.35% 4th FGN Bond Series 9	39,077	39,077	-
9.50% 4th FGN Bond Series 10	49,670	49,670	-
7.00% 4th FGN Bond Series 12	95,880	95,880	-
9.20% 4th FGN Bond Series 13	49,910	49,910	-
8.99% 4th FGN Bond Series 14	500,599	500,599	-
13.50% Contractor Bond	-	-	9,450
	2,187,345	2,187,345	2,435,136

(e) Investment in special securities represents the amount transferred out of cash reserve held with CBN and invested at 3% subsequent to reduction of cash reserve ratio from 11% to 5% in 2005. The amount was released by CBN in the current year.

3. Loans and advances:

(a) The classification of loans and advances is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Secured against real estate	34,129,171	33,654,713	33,359,624
Otherwise Secured	223,006,302	222,241,312	84,935,266
Unsecured	14,463	-	1,759
	257,149,936	255,896,025	118,296,649
Allowances:			
- Specific (see note (b) below)	(4,852,204)	(4,851,265)	(5,467,836)
- Interest-in-suspense (see note (c) below)	(3,753,771)	(3,753,771)	(3,946,391)
- General (see note (d) below)	(2,707,921)	(2,695,368)	(1,131,844)
	245,836,040	244,595,621	107,750,578

(b) The movement on specific allowance for bad and doubtful loans during the year is as follows:

	Group 2008 Nâ000	Bank 2008 Nâ000	Bank 2007 Nâ000
Beginning of year	5,467,836	5,467,836	4,488,653
Allowance during year (see note 25)	1,919,347	1,918,408	983,762
Written-off during the year	(2,534,979)	(2,534,979)	(4,579)
End of year	4,852,204	4,851,265	5,467,836

(c) The movement in the interest-in-suspense allowance during the year is as follows:

	Group 2008 Nâ000	Bank 2008 Nâ000	Bank 2007 Nâ000
Beginning of year	3,946,391	3,946,391	1,799,333
Suspended during the year	2,680,597	2,680,597	2,621,050
Recovered during the year	(209,888)	(209,888)	(473,751)
Written-off during the year	(2,663,329)	(2,663,329)	(241)
End of year	3,753,771	3,753,771	3,946,391

(d) The movement on the general allowance for bad and doubtful loans during the year is as follows:

	Group 2008 Nâ000	Bank 2008 Nâ000	Bank 2007 Nâ000
Beginning of year	1,131,844	1,131,844	541,824
Allowance during the year (see note 25)	1,576,077	1,563,524	590,020
End of year	2,707,921	2,695,368	1,131,844

(e) The maturity profile of loans and advances is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Under 1 month	89,403,659	89,285,338	73,011,254
1 - 3 months	73,433,142	73,365,842	21,007,399
3 - 6 months	24,577,263	23,924,268	4,120,514
6 - 12 months	17,606,363	17,469,766	4,843,329
Over 12 months	52,129,510	51,850,811	15,314,153
	257,149,937	255,896,025	118,296,649

(f) The analysis of loans and advances by performance is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Non-performing:			
Substandard	539,888	536,606	767,951
Doubtful	2,506,500	2,506,149	2,014,849
Lost	6,545,930	6,545,930	7,958,648
	9,592,318	9,588,685	10,741,448
Performing	247,557,619	246,307,340	107,555,201
	257,149,937	255,896,025	118,296,649

4. On-lending facilities:

(a) This represents amounts received from the European Investment Bank, the Belgian Investment Company and the African Development Corporation for on-lending to customers (see Note 13).

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Gross loans	5,147,536	5,147,536	3,289,458
General allowance (see note (b) below)	(51,475)	(51,475)	(32,894)
	5,096,061	5,096,061	3,256,564

(b) The movement on the general allowance for on-lending facilities during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	32,894	32,894	16,511
Allowance during the year (see note 25)	18,581	18,581	16,383
End of year	51,475	51,475	32,894

(c) The maturity profile of on-lending facilities is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Over 12 months	5,147,536	5,147,536	3,289,458

(d) The analysis of on-lending facilities by performance is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Performing	5,147,536	5,147,536	3,289,458

5. Advances under finance lease:

(a) Advances under finance lease comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Gross investment in finance leases	2,917,090	2,917,090	1,201,011
Unearned income	(394,178)	(394,178)	(166,481)
Net investment in finance leases	2,522,912	2,522,912	1,034,530
Specific allowance (see note (b) below)	-	-	-
General allowance (see note (c) below)	(25,229)	(25,229)	(10,345)
	2,497,683	2,497,683	1,024,185

(b) The movement on specific allowance for advances under finance leases during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	-	-	13,875
Allowance no longer required (see note 25)	-	-	(13,875)
End of year	-	-	-

(c) The movement on general allowance for advances under finance leases during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	10,345	10,345	2,988
Allowance during the year (see note 25)	14,884	14,884	7,357
End of year	25,229	25,229	10,345

(d) The maturity profile of advances under finance lease is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Under 1 month	10,727	10,727	319
1-3 months	15,011	15,011	8,113
3-6 months	40,223	40,223	30,377
6 - 12 months	232,316	232,316	97,086
Over 12 months	2,224,635	2,224,635	898,635
	2,522,912	2,522,912	1,034,530

(e) Analysis of advances under finance lease by performance is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Performing	2,522,912	2,522,912	1,034,530

6. Other assets:

(a) Other assets comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Prepaid interest and discounts	1,591,434	1,591,434	739,104
Interest receivable	2,427,137	2,436,838	289,613
Prepayments	2,615,790	2,552,657	2,256,836
Deposit for investment (see note (b) below)	1,000,000	1,000,000	-
Derivative assets	14,039,420	14,039,420	-
Other receivables	3,653,029	3,793,228	2,590,874
	25,326,810	25,413,577	5,876,427
Allowance on other assets (see (c) below)	(515,514)	(515,514)	(355,062)
	24,811,296	24,898,063	5,521,365

(b) This represents amount deposited with the Central Bank of Nigeria (CBN) for the purpose of setting up Access Homes and Mortgages Limited representing 100% equity interest. CBN has approved the investment; however, the Company was yet to be registered as at year end.

(c) The movement on the allowance on other assets during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	355,062	355,062	379,543
Allowance during the year (see note 25)	237,961	237,961	133,927
Written off during the year	(77,509)	(77,509)	(158,408)
End of year	515,514	515,514	355,062

7. Long-term investments:

(a) Long-term investments comprise:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Quoted:			
N15 billion Second Lagos State Government Floating Rate Redeemable Bond 2005/2009 (see note (b))	130,000	130,000	182,000
Federal Government Bonds (see note (c))	49,820,060	49,820,060	3,000,000
	49,950,060	49,950,060	3,182,000
Current subsidiaries:			
Access Bank Gambia (see note (d))	-	225,186	206,531
Access Bank Serria Leone (see note (e))	-	489,600	-
Access Investment and Securities Limited (see (f))	4,490	4,490	4,490
United Securities Limited (see note (g))	35,000	35,000	-
	39,490	754,276	211,021
Associated Company:			
Marina Securities Limited (see note (h))	145,000	145,000	72,500
Deposit for shares in future subsidiaries:			
Access Bank Rwanda (see note (i))	1,578,825	1,578,825	-
Access Bank Burundi (see note (j))	526,274	526,274	-
Omni Finance Limited (see note (k))	1,890,000	1,890,000	-
Other equity investments:			
Nigerian Inter-Bank Settlement System Plc (see (l))	46,588	46,588	46,588
Central Security Clearing System Limited (see note (m))	175,000	175,000	175,000
IBTC Investment Managers (see note (n))	75,000	75,000	75,000
Consolidated Discount Limited (see (o))	10,000	10,000	10,000
Valucard Nigeria Plc (see note (p))	368,257	368,257	368,257
Africa Finance Corporation (see note (q))	6,400,000	6,400,000	-
Small & Medium Scale Investment (see note (r) below)	244,616	244,616	244,616
	11,499,050	12,213,836	1,202,982
Total value of investment	61,449,110	62,163,896	4,384,982

(b) This represents the outstanding balance on the Bankøs investment in 2,500,000 units of ₦100 each in the ₦15 billion Second Lagos State Government Floating Rate Redeemable Bond 2005/2009.

(c) Federal Government Bond (held to maturity) comprises:

	Group 2008	Bank 2008	Bank 2007
	Nø000	Nø000	Nø000
2nd FGN Bond Series 1 2008 (10.75%)	-	-	3,000,000
2nd FGN Bond Series 1 (11.50%)	2,046,532	2,046,532	-
4th FGN Bond Series 1 (10.75%)	5,193,655	5,193,655	-
3rd FGN Bond Series 15 (10.98%)	500,000	500,000	-
4th FGN Bond Series 2 (9.50%)	3,256,231	3,256,231	-
2nd FGN Bond Series 3 (8.50%)	3,000,000	3,000,000	-
4th FGN Bond Series 4 (9.00%)	13,394,461	13,394,461	-
4th FGN Bond Series 5 (9.23%)	4,544,373	4,544,373	-
4th FGN Bond Series 11 (9.25%)	1,000,000	1,000,000	-
4th FGN Bond Series 3 (10.75%)	984,156	984,156	-
3rd FGN Bond Series 4 (12.50%)	103,901	103,901	-
4th FGN Bond Series 12 (7.00%)	1,796,020	1,796,020	-
4th FGN Bond Series 7 (7.95%)	2,207,241	2,207,241	-
4th FGN Bond Series 9 (9.35%)	8,230,384	8,230,384	-
4th FGN Bond Series 14 (8.99%)	1,589,967	1,589,967	-
4th FGN Bond Series 6 (9.20%)	979,711	979,711	-
4th FGN Bond Series 13 (9.20%)	200,094	200,094	-
5th FGN Bond Series 1 (9.45%)	793,334	793,334	-
	49,820,060	49,820,060	3,000,000

(d) This represents the Bankøs 75% interest in Access Bank, (Gambia) Limited. The Bank obtained the approval of the Central Bank of Nigeria to operate a subsidiary in Gambia. The subsidiary commenced operation on 27 October 2006.

(e) This represents the Bankøs 85% interest in Access Bank Serria Leone acquired in June 2007.

(f) This represents the Bankøs investment in Access Investments and Securities Limited, representing 100% equity interest.

(g) This represents the Bankôs investment in United Securities Limited, representing 100% equity interest.

(h) This represents the Bankôs investment in 145,000,000 (2007: 72,500,000) ordinary shares of N1 each in Marina Securities Limited, representing 29% (2007: 29%) equity interest.

(i) This represents the Bankôs deposit in respect of its acquisition of 75% interest in Access Bank Rwanda. The investment was approved by the Rwandan regulatory authorities subsequent to year end.

(j) This represents the Bankôs deposit in respect of its acquisition of 75% interest in Access Bank Burundi. The investment was yet to be approved by the Burundian regulatory as at the date of approval of these financial statements.

(k) This represents the Bankôs deposit in respect of its acquisition of 88% interest in Omni Finance Limited, a bank based in Cote dôIvoire. The investment was approved by the Ivoirian regulatory authorities subsequent to year end.

(l) This represents the Bankôs investment in 52,583,291 ordinary shares of N1 each in Nigerian Inter-Bank Settlement System Plc, representing 7% equity interest.

(m) This represents the Bankôs investment in 50,000,000 ordinary shares of ₦1 each in Central Securities Clearing System, representing 5% equity interest.

(n) This represents the Bankôs investment in 75,000,000 ordinary shares of N1 each in IBTC Investment Managers, representing 15% equity interest.

(o) This represents the Bankôs investment in 10,000,000 ordinary shares of N1 each in Consolidated Discount Limited, representing 5% equity interest.

(p) This represents the Bankôs investment in 368,256,737 units of Valucard Nigeria Plc representing 10% equity interest.

(q) This represents the Bankôs investment in 50,000,000 ordinary shares of US$1 each in Africa Finance Corporation, representing 5% equity interest.

(r) This represents the Bankôs investment in Small and Medium Scale Investments under the SMEEIS. The SME companies and the Bankôs investments are as follows:

SME Company	Industry	Investment ₦ô000	% Holding
First SMI Consortium Company	Investment management	13,750	25%
Midland Sugar Limited	Agro-Allied	21,991	89%
Channel House Limited	Funeral Services	15,000	31%
Masdeladel Industries	Agro-Allied	30,600	52%
Radmed Diagnostics	Health	37,100	10%
Vic Lawrence Associates	Advisory Services	26,175	27%
Tinapa Business Resort	Travel and Tourism	100,000	1%
		244,616	

(s) The financial results of United Securities Limited, Marina Securities Limited, Access Investment and Securities Limited and SMEEIS companies where the Bankôs investment are in excess of 20% have not been consolidated because the directors are of the opinion that their consolidation will be of no real value to the members, in view of the insignificant amounts involved. Furthermore, the business of Access Bank Plc and that of the SMEEIS is so different that they cannot reasonably be treated as a single entity.

(t) The financial statements of Access Bank Rwanda, Access Bank Burundi and Omni Finance Limited, Senegal have not been consolidated because the regulatory bodies in the host countries had not approved Access Bank Plc investments in these entities as at 31 March 2008; hence, the Bank cannot be said to have assumed control of the entities as at its reporting date.

In the opinion of the directors, the market value of these investments is not lower than their cost.

8. Equipment on lease:

(a) **Group**

Equipment on lease represents fixed assets leased to customers under operating lease arrangements. The movement on this account during the year is as follows:

	Motor Vehicles	Equipment	Total
	₦'000	₦'000	₦'000
Cost:			
Beginning of year	176,558	3,043,459	3,220,017
Additions	13,990	715,979	729,969
End of year	190,548	3,759,438	3,949,986
Accumulated depreciation:			
Beginning of year	137,730	2,010,947	2,148,677
Charge for the year	15,979	421,856	437,835
End of year	153,709	2,432,803	2,586,512
Net book value:			
End of year	36,839	1,326,635	1,363,474
Beginning of year	38,828	1,032,512	1,071,340

(b) **Bank**

Equipment on lease represents fixed assets leased to customers under operating lease arrangements. The movement on this account during the year is as follows:

	Motor Vehicles	Equipment	Total
	₦'000	₦'000	₦'000
Cost:			
Beginning of year	176,558	3,043,459	3,220,017
Additions	13,990	715,979	729,969
End of year	190,548	3,759,438	3,949,986
Accumulated depreciation:			
Beginning of year	137,730	2,010,947	2,148,677
Charge for the year	15,979	421,856	437,835
End of year	153,709	2,432,803	2,586,512
Net book value:			
End of year	36,839	1,326,635	1,363,474
Beginning of year	38,828	1,032,512	1,071,340

9. Fixed assets:

(a) Group

The movement on these accounts during the year is as follows:

	Capital work in progress	Freehold land, & Building and leasehold imp.	Furniture fixtures & Equipment	Computer hardware	Motor vehicles	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
COST:						
Beginning of year	1,741,046	3,933,894	3,280,788	1,549,825	1,952,836	12,458,389
Additions	1,965,599	1,456,786	1,873,968	1,034,007	1,410,286	7,740,646
Disposals	-	-	-	-	(142,007)	(142,007)
Write off	-	-	(1,398)	-	-	(1,398)
Transfers	(189,729)	120,541	60,243	4,285	4,660	-
End of year	3,516,916	5,511,221	5,213,601	2,588,117	3,225,775	20,055,630
ACCUMULATED DEPRECIATION:						
Beginning of year	-	503,178	1,795,873	1,183,479	814,348	4,296,878
Charge for the year	-	160,481	620,085	376,941	584,559	1,742,066
Disposals	-	-	-	-	(90,892)	(90,892)
Write off	-	-	(15)	-	-	(15)
End of year	-	663,659	2,415,943	1,560,420	1,308,015	5,948,037
NET BOOK VALUE:						
End of year	3,516,916	4,847,562	2,797,658	1,027,697	1,917,760	14,107,593
Beginning of year	1,741,046	3,430,716	1,484,915	366,346	1,138,488	8,161,511

(i) No leased movable assets are included in the above fixed assets.

(ii) Authorized and contracted capital commitments as at the balance sheet date amounted to ₦777,722,022.

(b) **Bank**

The movement on these accounts during the year is as follows:

	Capital work in progress	Freehold land, & Building and leasehold imp.	Furniture fixtures & Equipment	Computer hardware	Motor vehicles	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
COST:						
Beginning of year	1,741,046	3,933,894	3,280,788	1,549,825	1,952,836	12,458,389
Additions	1,658,784	1,270,697	1,728,236	988,198	1,303,578	6,949,493
Disposals	-	-	-	-	(142,007)	(142,007)
Transfers	(189,729)	120,541	60,243	4,285	4,660	-
End of year	3,210,101	5,325,132	5,069,267	2,542,308	3,119,067	19,265,875
ACCUMULATED DEPRECIATION:						
Beginning of year	-	503,178	1,795,873	1,183,479	814,348	4,296,878
Charge for the year	-	155,709	606,864	364,898	567,805	1,695,276
Disposals	-	-	-	-	(90,892)	(90,892)
End of year	-	658,887	2,402,737	1,548,377	1,291,261	5,901,262
NET BOOK VALUE:						
End of year	3,210,101	4,666,245	2,666,530	993,931	1,827,806	13,364,613
Beginning of year	1,741,046	3,430,716	1,484,915	366,346	1,138,488	8,161,511

(i) No leased movable assets are included in the above fixed assets.

(ii) Authorized and contracted capital commitments as at the balance sheet date amounted to ₦768,328,704 (2007: ₦482,335,634).

10. Goodwill:

(a) The movement on this account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007 Restated
	N'000	N'000	N'000
Beginning of the year	-	-	6,592,434
Transfer to special reserve account	-	-	(6,592,434)
Prior year adjustment:			
- reinstatement of goodwill	-	-	8,240,543
- impairment provision (see note 21(a))	-	-	(8,240,543)
End of year	-	-	-

(b) Effective 1 November 2005, Access Bank Plc acquired the entire business of Capital Bank International Limited and Marina International Bank Limited through a business combination. In accounting for the business combination, the Bank adopted the acquisition method with Access Bank Plc being the acquirer. The cost of the business combination was paid by way of share exchange. The goodwill arising from the combination was computed as follows:

	N'000
Value of shares issued	12,142,315
Net assets acquired	(3,901,722)
	8,240,543

The Bank applied the provisions of section 21 (2) (3) of schedule II of the Companies and Allied Matters Act of Nigeria for the amortization of goodwill. Goodwill was to be amortized over five equal annual installments commencing in the accounting year ended 31 March 2006.

During the year ended 31 March 2006, the Directors of the Bank chose to amortize the acquired goodwill in five equal annual installment from the accounting year ended 31 March 2006 to the accounting year ending 31 March 2010. For this reason, one fifth (N1.65 billion) of the goodwill amount was amortized in the financial year ended 31 March 2006, leaving a balance of N6.59 billion.

In the year ended 31 March 2007, the directors by a special resolution passed on 26 July 2006 and pursuant to the special resolution stated above, resolved that the goodwill balance of N6,592,434,000 as at 31 March 2006 should be written off against a special reserve.

Furthermore, at the Annual General Meeting of the Bank held on 31 August 2006, the Bank obtained shareholdersô approval to create a special reserve account from the share premium account for the purpose of writing off the outstanding balance on the goodwill account. The Federal High Court, Lagos subsequently sanctioned the reduction of the Bankõs share premium on 27 September 2006. Consequently, the goodwill balance of N6,592,434,000 was written off during the year ended 31 March 2007.

In November 2007, the Nigerian Accounting Standard Board (NASB) issued a standard on Business Combination (SAS 26). The Standard requires goodwill acquired in a business combination to be recognized by the acquirer as an asset from the acquisition date, initially measured as the excess of the purchase price over the acquirerõs interest in the net fair value of the acquireeõs identifiable assets. It prohibits amortization of goodwill acquired in a business combination and instead requires the goodwill to be tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

In its transitional provision, the Standard requires that an entity apply its provisions prospectively to goodwill acquired in a business combination for which the agreement date was on or after 1 January 2005.

Accordingly, the Bank in the current year reinstated the goodwill balance as at 31 March 2006 and performed an impairment test of the goodwill. The result of the test showed that the goodwill of N8,240,543,000 was fully impaired as at 31 March 2007. Accordingly, a prior year adjustment has been made in the financial statements to reinstate prior year goodwill and properly impair it in line with the requirements of the new Standard.

11. Deposits and other accounts:

(a) Deposits and other accounts comprise:

	Group 2008 Nõ000	Bank 2008 Nõ000	Bank 2007 Nõ000
Demand	152,240,179	150,943,512	98,980,303
Savings	6,650,388	6,548,578	3,910,854
Term and call	194,855,834	194,297,189	102,343,577
	353,746,401	351,789,279	205,234,734

(b) The maturity profile of deposits and other accounts is as follows:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Under 1 month	218,216,791	216,818,341	154,652,846
1 - 3 months	133,671,404	133,378,331	49,567,389
3 - 6 months	1,275,210	1,224,483	901,112
6 - 12 months	582,996	368,124	113,387
	353,746,401	351,789,279	205,234,734

12. Due to banks:

(a) Balances due to banks comprise:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Foreign borrowing (see note (b) below)	45,975,044	45,975,044	6,616,718
Inter-bank takings	23,427,796	23,273,000	-
	69,402,840	69,248,044	6,616,718

(b) Foreign borrowing represents trade loans granted the Bank by its foreign correspondent banks in respect of letters of credit negotiated on the Bankôs behalf for its customers. The corresponding receivables from these customers are included in Loans and Advances.

(c) The maturity profile of foreign borrowing and inter-bank takings is as follows:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Under 1 month	45,975,043	45,975,044	6,616,718
1 ï 3 months	5,966,297	5,811,500	-
3 ï 6 months	5,811,500	5,811,500	-
6 ï 12 months	11,650,000	11,650,000	-
	69,402,840	69,248,044	6,616,718

13. On-lending facilities:

(a) Other facilities represents obligation to foreign multilateral agencies in respect of the Bankôs role as an intermediary (see note 4) in the disbursement of credits.

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
Due to European Investment Bank	2,474,246	2,474,246	3,289,458
Due to Belgian Investment Company	348,690	348,690	-
Due to African Development Bank	2,324,600	2,324,600	-
	5,147,536	5,147,536	3,289,458

(b) The maturity profile of amounts due to the foreign multilateral agencies stated above for on-lending is as follows:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
Over 12 months	5,147,536	5,147,536	3,289,458

14. Other liabilities:

Other liabilities comprise:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
(a) Foreign currency denominated liabilities in respect of customersô obligations (see Note 1(d))	5,367,721	5,367,721	6,909,665
OBB takings		-	58,500,000
Interest payable	976,620	984,582	282,020
Accrued expenses	956,733	956,733	484,201
Managersô cheques	22,634,681	22,634,681	3,762,595
Unearned income	123,598	123,598	1,373,521
Staff pension fund	22,385	22,385	6,265
Share proceeds collection account (see Note (b) below)	384,303,984	384,303,984	-
Derivative liability	11,623,000	11,623,000	-
Others	1,465,822	1,331,940	11,503,485
	427,474,544	427,348,624	82,821,752

(b) This represents share proceeds collected by the Bank in its capacity as a receiving bank for a public offer. The balance was remitted to the issuer subsequent to year end.

15. Taxation payable:

(a) The movement on this account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	1,751,833	1,751,833	699,109
Charge for the year (see note (c) below)	2,883,866	2,883,866	1,725,110
Payments during the year	(1,975,776)	(1,975,776)	(672,386)
End of year	2,659,923	2,659,923	1,751,833

The current tax charge has been computed at the current company income tax rate of 30% (March 2007: 30%) plus 2% (March 2007: 2%) Education Levy for the year on the profit for the year after adjusting for certain items of income and expenditure, which are not deductible or chargeable for tax purposes.

(b) (i) The movement on deferred tax account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	515,808	515,808	281,192
Charge for the year	108,715	101,776	234,616
End of year	624,523	617,584	515,808

The Bank's exposure to deferred tax (which relates primarily to timing differences in the recognition of depreciation, capital allowances on fixed assets and general provisions) have been fully provided for in the financial statements.

(ii) Recognised deferred tax liabilities are attributable to the following:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Fixed assets	1,455,118	1,448,179	868,334
General provision	(830,595)	(830,595)	(352,526)
	624,523	617,584	515,808

(c) The tax charge for the year comprises:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Income tax:			
- Charge for the year	2,411,070	2,411,070	1,528,766
- Prior year under-provision	223,942	223,942	-
	2,635,012	2,635,012	1,528,766
Education tax	248,844	248,844	162,891
Capital gains tax	10	10	33,453
	2,883,866	2,883,866	1,725,110
Deferred tax charge	108,715	101,776	234,616
	2,992,581	2,985,642	1,959,726

16. Long term liabilities

(a) Long term liabilities comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Access Bank Bond Holders (see note (b) below)	11,947,500	11,947,500	-
International Finance Corporation (see note (c) below)	1,743,450	1,743,450	-
European Investment Bank (see note (d) below)	658,213	658,213	-
European Investment Bank (see note (e) below)	215,856	215,856	-
European Investment Bank (see note (f) below)	86,986	86,986	-
	14,652,005	14,652,005	-

(b) This represents the Bankôs 14% naira denominated redeemable convertible bond with a 3 year tenor to expire in December 2009. Interest is payable semi-annually in arrears starting from the 15th day of the 6th month after the financial close. The bonds are convertible to ordinary shares of the Bank at the instance of the bondholders based on a pre-determined conversion formula. In the event of a partial conversion or non-conversion, the amount of the convertible bond outstanding shall be redeemed in four equal semi annual instalments with the final repayment date being the 15th day of the 18th month after the financial close.

(c) The amount of N1,743,450,000 (USD15,000,000) represents unsecured, subordinated convertible loan granted to the Bank by IFC (International Finance Corporation) for a period of 8 years commencing June 2006 at an interest rate of 5.70%. In addition, IFC has an option to convert up to 25% of the outstanding loan into ordinary shares of Access Bank on or before 8 June 2008.

(d) The amount of N658,213,000 (USD5,663,018) represents facility granted to the Bank by EIB (European Investment Bank) repayable over 8 years commencing July 2005 at an interest rate of 6.08%.

(e) The amount of N215,856,000 (USD1,857,143) represents outstanding balance on facility granted to the Bank by EIB (European Investment Bank) at an interest rate of 7.90% for a period of 7 years commencing June 2006.

(f) The amount of N86,986,000 (USD748,397) represents outstanding balance on facility granted to the Bank by EIB (European Investment Bank) at an interest rate of 7.86% for a period of 7 years commencing December 2006.

17. Share capital:

Share capital comprises:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
(a) Authorized:			
Ordinary shares:			
18,000,000,000 ordinary shares of 50k each	9,000,000	9,000,000	9,000,000
Preference shares:			
2,000,000,000 preference shares of 50k each	1,000,000	1,000,000	1,000,000
	10,000,000	10,000,000	10,000,000
Issued and fully paid:			
16,142,501,847 (2007: 6,978,160,860) ordinary shares of 50k each	8,071,252	8,071,252	3,489,081

(b) The movement on this account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	3,489,081	3,489,081	6,978,161
Arising from share reconstruction (see note 19)	-	-	(3,489,080)
Issue of additional shares (see note (c))	4,582,171	4,582,171	-
End of year	8,071,252	8,071,252	3,489,081

(c) In July 2007, the Bank issued additional 9,164,340,987 units of 50 kobo ordinary shares at a price of N14.90 per share. The proceeds of N136,548,680,706 has been accounted for as follows:

	N'000
Share offer proceeds	136,548,681
Transfer to share capital account (see note (b) above)	(4,582,171)
Transfer to share premium account (see note 20)	(131,966,510)
	-

18. Special reserve:

The movement on the account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007 Restated
	N'000	N'000	N'000
Transfer from share premium (see note 20)	-	-	6,592,434
Goodwill written off during the year	-	-	(6,592,434)
Prior year adjustment:			
- reinstatement of goodwill	-	-	6,592,434
- reversal of transfer from share premium account (see note 20)	-	-	(6,592,434)
	-	-	-

19. Capital reserve:

The movement on this account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Beginning of year	3,489,080	3,489,080	-
Arising from share reconstruction (see note 17(b))	-	-	3,489,080
End of year	3,489,080	3,489,080	3,489,080

20. Share premium:

The movement on this account during the year is as follows:

	Group 2008	Bank 2008	Bank 2007 Restated
	N'000	N'000	N'000
Beginning of year	20,277,386	20,277,386	20,277,386
Transfer to special reserve (see note (18))	-	-	(6,592,434)
Issue of additional shares	131,966,510	131,966,510	-
Share issue expenses	(6,196,747)	(6,196,747)	-
Prior year adjustment – reversal of transfer from special reserve account (see note (18))	-	-	6,592,434
End of year	146,047,149	146,047,149	20,277,386

21. Other reserves

(a) Other reserves comprise:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Statutory reserve (see (b) below)	7,501,356	7,501,356	2,684,417
Small and Medium industries reserve (see (c) below)	945,009	945,009	945,009
General reserve (see (d) below)	5,773,392	5,948,180	(2,500,082)
Foreign currency translation reserve (see (e) below)	(22,710)	-	-
Balance, end of year	14,197,047	14,394,545	1,129,344

(b) The movement on statutory reserve during the year is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Beginning of year	2,684,417	2,684,417	859,385
Transfer from profit and loss account	4,816,939	4,816,939	1,825,032
End of year	7,501,356	7,501,356	2,684,417

In accordance with existing legislation, the Bank transferred 30% (March 2007: 30%) of its profit after taxation to statutory reserve.

(c) The movement on small and medium industries reserve during the year is as follows:

	Group 2008 N'000	Bank 2008 N'000	Bank 2007 N'000
Beginning of year	945,009	945,009	336,665
Transfer from profit and loss account	-	-	608,344
End of year	945,009	945,009	945,009

The Bank has suspended further appropriation to SMEEIS (now known as Microcredit Fund) reserve account in line with the decision reached at the Bankers' Committee meeting and approved by CBN. In prior year, 10% of profit after taxation was transferred to SMEEIS reserves in accordance with the Small and Medium Enterprise Equity Investment Scheme as revised in April 2005.

(d) The movement on general reserve during the year is as follows:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000 Restated
Beginning of year	(2,500,082)	(2,500,082)	442,289
Transfer from profit and loss account	11,064,737	11,239,525	3,650,063
Prior year adjustment:			
- reinstatement of goodwill	-	-	1,648,109
- goodwill impairment (see Note 10)	-	-	(8,240,543)
Dividend paid during the year	(2,791,263)	(2,791,263)	-
End of year as restated	5,773,392	5,948,180	(2,500,082)

(e) This represents foreign exchange difference on translation of foreign subsidiaries.

22 Acceptances, bonds, guarantees and other obligations:

These comprise:

(a) Amounts for the account of customers

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Guaranteed BAs/CPs	22,000,000	22,000,000	11,064,157
Transaction-related bonds and guarantees (See note (b) below)	83,228,994	82,901,204	24,045,843
Letters of Credit	50,496,835	50,134,562	45,020,170
	155,725,829	155,035,766	80,130,170

(b) Included in transaction related bonds are cash collaterised bonds and guarantees amounting to ₦12,474,649,298 (March 2007: ₦13,705,934,075).

23. Interest and discount income:

Interest and discount income comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Source:			
Lending to financial institutions	1,555,660	1,562,591	184,765
Lending to non-bank customers	22,915,546	22,833,446	10,630,899
Interest income on treasury bills & securities trading	16,205,538	16,139,700	6,078,233
	40,676,744	40,535,737	16,893,897
Geographical location:			
Earned in Nigeria	39,665,815	39,665,815	16,500,373
Earned outside Nigeria	1,010,929	869,922	393,524
	40,676,744	40,535,737	16,893,897

24. Interest expense:

Interest expense comprises:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Source:			
Borrowing from financial institutions	1,555,485	1,562,681	41,804
Borrowing from non-bank depositors	5,757,821	5,693,260	2,306,305
Interest expense on securities trading	7,332,918	7,332,918	2,603,797
	14,646,224	14,588,859	4,951,906
Geographical location:			
Paid in Nigeria	14,223,367	14,223,367	4,907,880
Paid outside Nigeria	422,857	365,492	44,026
	14,646,224	14,588,859	4,951,906

25. Allowance for risk and other assets:

(a) Allowance for risk assets comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Loans and advances:			
- Specific (see note 3(b))	1,919,347	1,918,408	983,762
- General (see note 3(d))	1,576,077	1,563,524	590,020
Other facilities:			
- General (see note 4(b))	18,581	18,581	16,383
Advances under finance leases:			
- General (see note 5(c))	14,884	14,884	7,357
- No longer required (see note 5(b))	-	-	(13,875)
	3,528,889	3,515,397	1,583,647

(b) Allowance for other assets and doubtful bank balances comprise:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Allowance for other assets (see note 6(c))	237,961	237,961	133,927
Allowance for doubtful bank balances (see note 1(f))	130,578	130,578	57,882
	368,539	368,539	191,809

26. Other banking income:

(a) This comprises:

	Group 2008	Bank 2008	Bank 2007
	N'000	N'000	N'000
Income from foreign exchange transactions (see note (b) below)	2,326,332	2,193,150	618,063
Commissions and similar income	7,045,632	7,045,525	5,283,494
Fees	7,389,140	7,298,868	4,486,191
Lease rental	456,791	456,791	150,475
Other income	104,699	97,027	449,331
	17,322,594	17,091,361	10,987,554

(b) Income from foreign exchange transactions comprise:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Net transaction difference	2,706,047	2,572,865	618,063
Net revaluation difference	(379,715)	(379,715)	-
	2,326,332	2,193,150	618,063

27. Profit before taxation

(a) General:

Profit before taxation for the year is stated after charging/ (crediting) the following:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Depreciation on fixed assets	1,742,066	1,695,276	1,192,286
Depreciation on equipment on lease	437,835	437,835	399,173
Auditorâs remuneration	63,575	60,000	30,000
Deposit insurance premium	988,452	988,452	563,671
Profit on disposal of fixed assets(13,317)	(13,317)	(361,056)	

(b) Analysis of operating expenses:

	Group 2008	Bank 2008	Bank 2007
	Nâ000	Nâ000	Nâ000
Staff salaries and allowances	4,117,185	4,048,316	2,145,827
Other staff costs	1,296,797	1,296,797	1,406,029
Depreciation	2,179,901	2,133,111	1,591,459
Administration and general expenses	7,035,300	6,887,242	4,073,067
Repairs and maintenance	798,866	780,652	508,529
Insurance	1,301,911	1,298,301	727,717
Professional fees	1,105,592	1,085,570	608,429
Rent and rates	575,594	559,666	320,858
Travelling	596,594	556,358	389,378
Corporate gifts	353,265	353,265	112,765
Business combination expenses	-	-	907,922
Bond issue expenses	191,533	191,533	-
IT levy	190,421	190,421	-
Fixed assets written off	1,383	-	-
Other operating expenses	865,662	730,965	318,944
	20,610,004	20,112,197	13,110,924

(c) Staff and executive directorsô costs:

i. Employeesô cost including those of executive directors, during the year amounted to:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
Wages and salaries	4,019,559	3,951,852	2,093,318
Pension costs	97,626	96,464	52,509
	4,117,185	4,048,316	2,145,827

ii. The average number of persons employed during the year is:

	Group 2008	Bank 2008	Bank 2007
	Number	Number	Number
Managerial	137	127	74
Other staff	1,082	940	655
	1,219	1,067	729

iii. Employees, other than directors, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contributions and certain benefits) in the following ranges:

	Group 2008 Number	Bank 2008 Number	Bank 2007 Number
Below N900,001	152	-	-
N 900,001 - N 910,000	6	6	-
N 910,001 - N 1,000,000	-	-	-
N 1,540,001 - N 1,550,000	-	-	230
N 1,650,001 - N 1,660,000	-	-	-
N 1,990,001 - N 2,010,000	1	1	-
N 2,610,001 - N 2,620,000	447	447	138
N 3,300,001 - N 3,310,000	-	-	111
N 3,501,001 - N 3,910,000	163	163	-
N 3,910,001 - N 3,920,000	-	-	85
N 4,300,001 - N 4,310,000	-	-	56
N 4,740,001 - N 4,750,000	107	107	35
N 5,430,001 - N 5,440,000	-	-	-
N 5,530,001 - N 5,740,000	97	97	-
N 6,740,001 - N 6,750,000	-	-	55
N 6,900,001 - N 7,200,000	67	67	-
N 7,420,001 - N 7,430,000	-	-	-
N 7,870,001 - N 7,880,000	-	-	-
N 7,900,001 - N 8,750,000	52	52	8
N 9,180,001 - N 9,190,000	-	-	-
N 9,350,001 - N10,810,000	43	43	10
N 11,350,001- N11,360,000	-	-	1
N11,950,001 - N12,160,000	36	36	-
N13,250,001 - N13,260,000	-	-	-
N14,950,001 - N15,100,000	17	17	-
N17,950,001 - N18,100,000	23	23	-
N21,950,001 - N22,100,000	8	8	-
	1,219	1,067	729

(d) Directorsô remuneration:

Remuneration paid to Directors of the Bank (excluding pension contributions and other benefits) is as follows:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
Fees as directors	7,350	7,350	6,250
Other emoluments:			
Executive directors	167,155	167,155	53,132
Other directors	66,390	66,390	30,110
	240,895	240,895	89,492

The directorsô remuneration shown above includes:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
Chairman	7,063	7,063	5,989
Highest paid director	38,435	38,435	15,691

The emoluments of all other directors fell within the following ranges:

	Group 2008	Bank 2008	Bank 2007
	Number	Number	Number
N 750,001- N 1,500,000	1	1	-
N 4,000,001- N 9,000,000	1	1	7
N 9,000,001- N 9,500,000	1	1	-
N 10,000,001- N13,000,000	4	4	2
N14,500,001 - N16,000,000	-	-	1
N19,500,001 - N24,500,000	2	2	-
N24,500,001 - N29,500,000	2	2	-
N34,500,001 - N36,500,000	1	1	-

28. Earnings and dividend per share:

Basic earnings per share is based on the profit after taxation and the weighted average number of ordinary shares outstanding during the year ended 31 March 2008 of 9,269,246,107 (2007: 6,978,160,860).

Dividend per share has been computed based on the total dividend declared by the shareholders during the financial year and the number of shares qualifying for the dividend.

29. Proposed dividend

On 2 May 2008, the board of directors, in pursuant to the power vested in it by the provision of section 379 of the Companies and Allied Matters Act of Nigeria, proposed a dividend of 65 kobo per share (2007: 40 kobo per share) from general reserve as at 31 March 2008 on the issued share capital of 16,142,501,847 (2007:6,978,160,860) shares of 50 kobo each subject to declaration by the shareholders at the next annual general meeting.

30. Net cash flow from operating activities before changes in operating assets:

This comprises:

	Group 2008	Bank 2008	Bank 2007
	Nó000	Nó000	Nó000
Profit after taxation	15,853,101	16,056,464	6,083,439
Add taxation	2,992,581	2,985,642	1,959,726
Profit before tax	18,845,682	19,042,106	8,043,165
Minority interest	28,575	-	-
	18,874,257	19,042,106	8,043,165
Adjustments to reconcile profit before taxation to net cash flow from operations:			
- depreciation on fixed assets (see note 9)	1,742,066	1,695,276	1,192,286
- depreciation on equipment on lease (see note 8)	437,835	437,835	399,173
- profit on disposal of fixed assets	(13,317)	(13,317)	(361,056)
- provision for risk assets (see note 25a)	3,528,889	3,515,397	1,583,647
- provision for other assets (see note 25b)	237,961	237,961	133,927
- fixed assets written off	1,383	-	-
Net cash flow from operating activities	24,809,074	24,915,258	10,991,142

31. Changes in operating assets:

This comprises:

	Group 2008	Bank 2008	Bank 2007
	Nô000	Nô000	Nô000
(Increase)/decrease in operating assets:			
- Short-term investments	(65,689,738)	(64,664,295)	(769,285)
- Loans and advances	(141,580,886)	(140,326,975)	(55,213,187)
- On lending facilities	(1,858,078)	(1,858,078)	(1,638,368)
- Advances under finance lease	(1,488,382)	(1,488,382)	(721,833)
- Other assets	(19,527,892)	(19,614,659)	10,955,830
- Foreign exchange translation reserve	(22,710)	-	-
Increase/(decrease) in operating liabilities:			
- Deposits and other accounts	148,511,667	146,554,545	94,355,404
- Due to banks	62,786,122	62,631,326	(593,452)
- On lending facilities	1,858,078	1,858,078	1,638,368
- Other liabilities	344,652,792	344,526,872	57,882,663
- Long term liabilities	14,652,005	14,652,005	-
- Minority interest	56,137	-	-
	342,349,115	342,270,437	105,896,140

32. Contraventions of the Banks and other Financial Institutions Act of Nigeria and CBN Circulars:

During the year, the Bank contravened the following provisions of the Banks and other Financial Institutions Act of Nigeria:

Section of BOFIA	Nature of Contravention	Penalties
		Nô000
15(4) b & c	Non-compliance with the minimum liquidity ratio for the month of June 2007	1,000

33. Related Party Transactions:

During the year, the Bank granted various credit facilities to companies whose directors are also directors of Access Bank Plc at rates and terms comparable to other facilities in the Bankôs portfolio. An aggregate of ₦27,331,739,000 (2007: ₦11,996,565,000) was outstanding on these various facilities at the end of the year, of which ₦333,405,000 (2007: ₦378,088,000) were non-performing as shown in Note 34 below.

34. Insider credits as at 31 March 2008

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
1	DotDot Nig. Ltd.	Ex-Director	Hon Dotun Animashaun	30-Apr-03	30-Jul-03	-	11,820,992	Mortgage	11,500,000	Apr-03	Not Perfected
								PG			Executed
								Legal Mortgage	15,000,000	Nov-04	Perfected
2	Integrated Wireless Technologies.	Director	Mr Gbenga Oyebode	14-Jan-08	31-Aug-10	17,770,903	-	Debenture	61,900,000	Aug-04	Perfected
3	Aluko & Oyebode	Chairman	Mr Gbenga Oyebode	23-Feb-07	24-Feb-08	13,184,247	-	PG			Executed
				20-Dec-06	20-Jun-08	4,690,235	-	Lien on Equipment	20,310,871	Nov-03	Perfected
4	Combined Ind. Agro Co	Chairman	Mr Gbenga Oyebode	26-Feb-08	11-Mar-08	104,180,389	-	Legal Mortgage	350,000,000	May-03	Not Perfected
5	TeleAfrica Nigeria Limited	Ex-Director	G.K. Animashaun,	8-Dec-04	15-Feb-05	-	48,522,435	None			
6	Staff Investment Trust Scheme	Staff	Herbert Wigwe	26-Jan-07	26-Jan-10	2,800,000,000	-	Lien on Shares	7,338,610,924	Mar-08	There is adequate coverage
		Staff	Tek Koroye	30-Nov-07	30-Nov-10	2,254,716,684	-				
7	Access Investment & Sec. Ltd. (AISEC).	Ex-Subsidiary		8-Dec-04	15-Feb-05	-	112,427,980	None			

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
8	Divin-Plan Pharmacy Nig. Ltd.	Ex-Chairman	Mr. Ayodeji Oni	14-Sep-06	14-Dec-06		231,347	PG			Executed
9	Okomu Oil Palm Coy. Ltd.	Chairman	Mr. Gbenga Oyebode	25-Oct-06	30-May-09	125,000,000	-	Debenture	3,800,000,000	Aug-04	Not Perfected
10	Landbridge Nig. Ltd.	Director	Tunde Falowiyo	21-Mar-07	20-Sep-07	-	141,731,289	Legal Mortgage	220,000,000		Not Perfected
11	Radmed Diagnostic Centre	Director	Adewumi Desalu	5-Dec-06	29-Mar-09	31,726,505	-	Legal Mortgage	300,000,000	-	
				8-Jan-08	8-Apr-08	21,150,625	-	Debenture	-	-	
								Assets Financed	-	-	
								PG	-	-	Perfected
12	Yinka Folawiyo & Sons Ltd.	Director	Tunde Folawiyo	1-Aug-07	30-Mar-13	721,055,600	-	Legal Mortgage	1,850,000,000	1-Sep-05	
								Cash backed	23,427,516		The investment is in CP in the name of YF Power Ltd.
								Lien on shares.	1,389,235,798	13-Sep-06	
13	Folawiyo Farms Ltd.	Director	Yinka Folawiyo	8-Jun-06	7-Jun-09	22,066,099	-	Debenture	179,000,000	9-Jan-95	
								Lien on shares.	50,000,000		These are shares of Sterling Bank & WAPCO

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
14	Alh. Ahmed B.H	Ex-Director	Alh. Ahmadu Haruna	17-Sep-03	17-Sep-04	-	4,743,493	Legal Mortgage	-	-	
15	Alamac	Ex-Director	Alhaji Ahmed	12-Oct-98	23-Aug-01	-	13,927,846	Lien on Shares	-	-	
								Deposit of title document	-	-	
								Deposit of deed of Assignment	-	-	
16	CFAO General Import	Ex-Director	Okoya Thomas	13-Feb-07	10-Aug-08	12,399,972	-	Negative Pledge	-	-	Executed
								Letter of comfort from CFAO Nig. Plc.	-	-	
17	DIL/MALTEX	Ex-Director	Okoya Thomas	21-Mar-08	21-Apr-08	24,354,765	-	Lien on shipping documents.	-	-	
								Comfort letter from parent CFAO	-	-	Executed
18	Liddel Nigeria Ltd.	Director	Mr. Dere Otubu	1-Jan-08	30-Apr-08	10,500,000	-	Lien on shares	-	-	
								Security deposit	4,660,000	-	
								Asset financed	-	-	
19	Standand Trust Assurance Plc.	Director	Mr. Dere Otubu	6-Nov-07	6-May-08	65,618,986	-	Lien on deposit	16,000,000	-	
				20-Nov-07	30-Nov-09	33,344,766	-	Domiciliation	-	-	

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
								Debenture	-	-	
20	Just Food Ltd.	Ex-Chairman	Mr. M. Ayo-Oni	15-Aug-07	30-Jul-09	7,246,095		None			
21	Asset Management Group Ltd.	Chairman	Mr. Gbenga Oyebode	3-May-07	31-Oct-08	154,600,000	-	Cash-backed	66,473,084	-	There is lien on the account (Commercial Paper).
				20-Aug-07	20-Aug-08	362,794,096	-	Domiciliation	152,000,000	-	Domiciliation of rental income of N152m being 3years upfront pyt ifo Access Bank.
								Domiciliation	-	-	There is an undertaking to domicile $3m dividend payments expected from MTN to Access Bank.
								Legal Mortgage	364,800,000	-	Property located on plot 1882A, Asokoro District, FCT, Abuja.
								Equitable Mortgage.	-	-	Flat 2A, 4/8, Macdonald Rd, Ikoyi, Lagos.
								PG	-	-	PG of Mrs. Aisha Muhammed Oyebode in place.

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
22	Marina Securities Limited.	Associate		1-Jul-07	30-Jun-08	2,227,892,238	-	Lien on shares	NA	NA	Operational control over shares to be financed via a joint account in CSCS
				2-Jan-08	30-Jun-08	500,000,000	-				
				1-Jul-07	30-Jun-08	2,831,080,996	-				
				24-Dec-07	21-Jun-08	1,000,000,000	-				
				28-Mar-08	13-Apr-08	1,317,508,097	-				
23	MTN Nigeria Communications	Chairman	Mr. Gbenga Oyebode	14-Jan-08	14-Apr-08	2,162,034,362	-	Charge over the assets of the Company	-	-	
				14-Jan-08	14-Apr-08	1,021,322,298	-				
				14-Jan-08	14-Apr-08	722,893,340	-				
				10-Mar-08	9-Jun-08	4,718,750,000	-				
24	Etareotu Doris Koroye	Director	Tek Koroye	12-Jun-07	30-May-11	9,439,603	-	Vehicle financed	12,500,000	11-Jun-07	Perfected
				16-Jul-07	30-Jun-11	4,038,140	-	Equipment financed	5,256,000	31-May-07	Perfected
								Personal guarantee	-	-	
								Lien on 300,000 units of FBN shares	12,000,000	31-Oct-07	Shares dematerialised

S/N	Name of the Borrower	Relationship to Access Bank	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit		Nature of Security	Value	Date of Valuation	Remarks
						Performing	Non-Performing				
25	Timmy Koroye	Director	Tek Koroye	15-Nov-07	14-Nov-08	10,000,000	-	Various shares of blue chip companies	14,500,000	8-Jan-08	Documents executed
26	Emu Bakery	Director	Aigboje Aig-Imoukhuede	31-Jan-08	31-Jan-09	9,194,560	-	Various shares of blue chip companies	14,500,000	8-Jan-08	Documents executed
27	Obeahon-Ohiwerei Isioma Gloria	Director	Obeahon Ohiwerei	2-Jan-08	30-Aug-11	7,780,243	-	Vehicle financed	8,200,000	2-Jan-08	Perfected
28	SIC Property and Investment Company	Director	Dere Otubu	19-Feb-08	19-Feb-09	2,900,000,000	-	Shares	2,900,000,000	-	NA
				13-Jul-07	31-Dec-08	600,000,000	-	Cash backed	1,000,000,000	-	NA
				28-Feb-08	27-Jun-08	170,000,000	-	Guarantee	-	-	Executed
								ISPO	-	-	Executed
								Vehicles financed	600,000,000	-	Payment will be made through access bank by DTSG
						26,998,333,844	**333,405,382**				

35. Claims and Litigation:

There are litigation claims against the Bank as at 31 March 2008 amounting to ₦2,039,046,020 (2007: ₦6,492,072,609). These claims arose in the normal course of business and are being contested by the Bank. The Directors having sought the advice of professional legal counsel are of the opinion that based on the advice received, no significant liability will crystallize from these cases. No provisions are therefore deemed necessary for these claims.

36. Prior-year Comparatives

Certain prior year balances have been reclassified in line with current year presentation format. There are no comparative figures for the group as current year figures represents its first year of consolidation.

37. Segment Information

Segment information is presented in respect of the Groupôs business segments which represents the primary segment reporting format and is based on the Groupôs management and reporting structure. Business segments charge and earn interest among themselves on a transfer pricing arrangement to reflect the allocation of assets and liabilities.

Business Segments

The Group operates the following main business segments:

Institutional Banking ï The Institutional Banking Group provides bespoke comprehensive banking products and services to highly structured corporate organizations to meet the needs of this segment of the Bankôs customers.

Commercial Banking ï The Commercial Banking Group has presence in all major cities in the country. It provides commercial banking products and services to the middle and retail segments of the Nigerian market.

Investment Banking ï The Investment Banking Group provide innovative financing and risk management solutions and advisory services for the bankôs corporate and institutional customers. The group is also responsible for formulation and implementation of financial market products for the Bankôs customers.

Geographical Segments

The Group operates in Nigeria and other countries in the West Africa sub-region. Geographical segment information is therefore presented in respect of the Group for Nigeria and the rest of West Africa.

Business reporting

(a) Business segments:

	Institutional Banking	Commercial Banking	Investment Banking	Total
	N'000	N'000	N'000	N'000
Revenue:				
Derived from external customers	26,838,985	23,418,707	7,741,646	57,999,338
Derived from other business segments	(2,919,555)	2,439,807	479,748	-
Total Revenue	**23,919,430**	**25,858,514**	**8,221,394**	**57,999,338**
Interest Expenses	(6,613,174)	(6,439,792)	(1,593,258)	(14,646,224)
	17,306,256	**19,418,722**	**6,628,136**	**43,353,114**
Expense:				
Operating Expenses	6,781,958	9,664,358	1,983,787	18,430,103
Loan Loss Expenses	1,049,414	2,479,475	-	3,528,889
Provision for Other Assets and Doubtful Balances	147,416	221,123	-	368,539
Depreciation	431,554	1,708,259	40,088	2,179,901
Total Cost	**8,410,342**	**14,073,215**	**2,023,875**	**24,507,432**
Profit on Ordinary Activities before Taxation	**8,895,914**	**5,345,507**	**4,604,261**	**18,845,682**
Assets and Liabilities:				
Total Assets	437,048,172	519,504,168	89,016,097	1,045,568,437
Total Liabilities	340,326,994	474,323,634	59,057,144	873,707,772
Net Assets	**96,721,178**	**45,180,534**	**29,958,953**	**171,860,665**

(b) Geographical segments:

	Nigeria	Rest of West Africa	Total
	N'000	**N'000**	**N'000**
Revenue	57,627,098	372,240	57,999,338
Interest Expenses	(14,588,859)	(57,365)	(14,646,224)
Net revenue	**43,038,239**	**314,875**	**43,353,114**
Expense:			
Operating Expenses	17,979,086	451,017	18,430,103
Loan Loss Expenses	3,515,397	13,492	3,528,889
Provision for Other Assets and Doubtful Balances	368,539	-	368,539
Depreciation	2,133,111	46,790	2,179,901
Total Cost	**23,996,133**	**511,299**	**24,507,432**
Profit on Ordinary Activities before Taxation	**19,042,106**	**(196,424)**	**18,845,682**
Assets and Liabilities:			
Total Assets	1,041,753,717	3,814,720	1,045,568,437
Total Liabilities	871,457,167	2,250,605	873,707,772
Net Assets	**170,296,550**	**1,564,115**	**171,860,665**

Value Added Statement

For the year ended 31 March 2008

Group

	2008	
	₦'000	%
Gross earnings	57,999,338	
Interest expense:		
- Local	(14,223,367)	
- Foreign	(422,857)	
	43,353,114	
Loan loss expense	(3,528,889)	
Allowance on other assets	(237,961)	
Allowance on doubtful bank balances	(130,578)	
Bought-in materials and services		
- Local	(14,312,918)	
	25,142,768	100
Distributed to:		
Employees	4,117,185	16
Shareholders as dividend	2,791,253	11
Government as taxes	2,992,581	12
Retained in the business:		
- Depreciation - Fixed assets	1,742,066	7
- Equipment on lease	437,835	2
- Profit for the year (including minority interest and statutory reserves)	15,853,101	63
Dividend paid to shareholders appropriated from reserves	(2,791,253)	(11)
	25,142,768	100

Value Added Statement

For the year ended 31 March 2008

Bank

	2008		2007	
	₦'000	%	₦'000	%
Gross earnings	57,627,098		27,881,451	
Interest expense:				
- Local	(14,223,367)		(4,907,880)	
- Foreign	(365,492)		(44,026)	
	43,038,239		22,929,545	
Loan loss expense	(3,515,397)		(1,583,647)	
Allowance on other assets	(237,961)		(133,927)	
Allowance on doubtful bank balances	(130,578)		(57,882)	
Bought-in materials and services				
- Local	(13,930,770)		(9,373,638)	
	25,223,533	100	11,780,451	100
Distributed to:				
Employees	4,048,316	16	2,145,827	18
Shareholders as dividend	2,791,253	11	-	-
Government as taxes	2,985,642	12	1,959,726	17
Retained in the business:				
- Depreciation - Fixed assets	1,695,276	7	1,192,286	10
- Equipment on lease	437,835	2	399,173	3
- Profit for the year (including statutory and small and medium scale industries reserves)	16,056,464	63	6,083,439	52
Dividend paid to shareholders appropriated from reserves	(2,791,253)	(11)	-	-
	25,223,533	100	11,780,451	100

Five-Year Financial Summary

Bank

	Year ended 31 Mar 2008	Year ended 31 Mar 2007	Year ended 31Mar 2006	Year ended 31 Mar 2005	Year ended 31 Mar 2004
	₦'000	₦'000	₦'000	₦'000	₦'000
ASSETS:					
Cash and short-term funds	585,809,897	158,433,251	46,263,777	11,811,850	5,527,375
Short-term investments	103,675,713	39,011,418	38,242,133	7,990,980	7,777,742
Loans and advances	244,595,621	107,750,578	54,111,173	16,183,353	11,461,571
Other facilities	5,096,061	3,256,564	1,634,579	-	463,790
Advances under finance lease	2,497,683	1,024,185	295,834	150,188	45,437
Other assets	24,898,063	5,521,365	16,611,122	27,213,502	2,898,153
Long-term investments	62,163,896	4,384,982	5,724,873	394,500	307,000
Equipment on lease	1,363,474	1,071,340	1,124,780	756,517	1,016,752
Fixed assets	13,364,613	8,161,511	3,953,161	2,417,425	1,843,687
Goodwill	-	-	6,592,434	-	-
	1,043,465,021	328,615,194	174,553,866	66,918,315	31,341,507
LIABILITIES:					
Deposits and other accounts	351,789,279	205,234,734	110,879,330	32,607,703	22,724,035
Due to banks	69,248,044	6,616,718	7,210,170	2,790,319	849,947
Other facilities	5,147,536	3,289,458	1,651,090	-	468,475
Other liabilities	427,348,624	82,821,752	24,939,089	16,956,822	3,854,666
Taxation payable	2,659,923	1,751,833	699,109	216,284	215,335
Deferred taxation	617,584	515,808	281,192	275,263	226,219
Long term liabilities	14,652,005	-	-	-	-
	871,462,995	300,230,303	145,659,980	52,846,391	28,338,677
NET ASSETS:	171,002,026	28,384,891	28,893,886	14,071,924	3,002,830
CAPITAL AND RESERVES:					
Share capital	8,071,252	3,489,081	6,978,161	4,055,607	1,500,000
Bonus issue reserve	-	-	-	579,373	500,000
Capital reserve	3,489,080	3,489,080	-	-	-
Share premium	146,047,149	20,277,386	20,277,386	8,535,754	-
Other reserves	14,394,545	1,129,344	1,638,339	901,190	1,002,830
	171,002,026	28,384,891	28,893,886	14,071,924	3,002,830
Commitments and Contingencies	155,035,766	80,130,170	30,090,825	14,763,107	13,393,640
Total Assets and Contingencies	1,198,634,586	408,745,364	204,644,691	81,681,422	44,735,147
Gross earnings	57,517,098	27,881,451	13,360,358	7,494,855	5,515,086
Profit before taxation	19,042,106	8,043,165	1,119,449	751,033	951,750
Profit after taxation	16,056,464	6,083,439	737,149	501,515	637,473
Dividend paid	2,791,263	-	-	300,000	135,000
Earnings per share	173k	87k	7k	12k	21k
Declared Dividend per share	40k	-	-	-	10k
Number of ordinary shares of 50k	16,142,502	6,978,161	13,956,322	8,111,215	3,000,000

* Declared dividend represents the dividend declared and paid during the year.
** This is the first consolidated account of the group; hence no five year financial summary.