Access Bank Plc

Unaudited Consolidated and separate financial statements for the period ended 31 March 2018

ACCESS BANK PLC
Index to the consolidated financial statements
For the period ended 31 March 2018

Directors, officers and professional advisors

This is the list of Directors who served in the entity during the period and up to the date of this report

Directors	
Mosun Belo-Olusoga	Chairman/Non-Executive Director
Herbert Onyewumbu Wigwe	GMD/Executive Director
Roosevelt Michael Ogbonna	GDMD/Executive Director
Ernest Chukwuka Ndukwe	Independent Non-Executive Director
Anthonia Olufeyikemi Ogunmefun	Non-Executive Director
Paul Usoro, SAN	Non-Executive Director
Emmanuel Chiejina	Non-Executive Director
Abba Mamman Tor Habib	Non-Executive Director
Ajoritsedere Josephine Awosika	Independent Non-Executive Director
Mr. Adeniyi Adekoya	Independent Non-Executive Director
Iboroma Akpana	Independent Non-Executive Director
Victor Okenyenbunor Etuokwu	Executive Director
Ojinika Nkechinyelu Olaghere	Executive Director
Titi Osuntoki	Executive Director
Gregory Jobome	Executive Director
Hadiza Ambursa	Executive Director
*Adeolu Bajomo	Executive Director

*Appointed effective January 4, 2018

Company Secretary
Mr Sunday Ekwochi

Corporate Head Office
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Company Registration Number: RC125 384
FRC Number: FRC/2012/0000000000271

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Landmark Towers, 5b Water Corporation way, Oniru
Victoria Island, Lagos
Telephone: (01) 271 1700
Website: www.pwc.com

Actuaries
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Rio Plaza, 2nd Floor , Plot 235, Muri Okunola Street
Victoria Island, Lagos
Telephone: (01) 271 1081
FRC Number: FRC/2012/0000000000504

Registrars
United Securities Limited
10 Amodu Ojikutu Street
Victoria Island, Lagos
Telephone: +234 01 730898
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Consolidated statement of comprehensive income

In thousands of Naira	*Notes*	Group March 2018	*Restated Group March 2017	Bank March 2018	*Restated Bank March 2017
Interest income	8	95,594,193	79,333,152	81,824,601	69,505,651
Interest expense	8	(50,940,745)	(36,596,298)	(46,963,973)	(33,073,336)
Net interest income		44,653,447	42,736,854	34,860,629	36,432,315
Net impairment charge	9	(4,961,400)	(3,197,129)	(4,556,663)	(2,907,305)
Net interest income after impairment charges		39,692,047	39,539,725	30,303,966	33,525,010
Fee and commission income	10	15,861,703	11,803,966	12,764,024	9,069,863
Fee and commission expense		(144,160)	(126,571)	-	-
Net fee and commission income		15,717,542	11,677,395	12,764,024	9,069,863
Net gains on investment securities	11a,b	27,668,848	5,540,393	27,311,355	5,464,462
Net foreign exchange income/(loss)	12	(6,821,133)	17,054,009	(8,604,008)	16,093,095
Other operating income	13	5,231,179	2,209,535	5,001,447	2,097,802
Personnel expenses	14	(12,290,307)	(13,175,800)	(8,922,499)	(10,449,298)
Rent expenses		(998,414)	(801,101)	(524,644)	(410,230)
Depreciation	28	(3,771,116)	(2,548,542)	(3,314,597)	(2,163,834)
Amortization	29	(324,783)	(583,198)	(206,009)	(473,173)
Other operating expenses	15	(36,664,944)	(31,316,713)	(33,451,932)	(28,509,673)
Profit before tax		27,438,919	27,595,702	20,357,101	24,244,026
Income tax	16	(5,322,833)	(5,189,021)	(3,913,246)	(4,258,767)
Profit for the period		**22,116,086**	**22,406,680**	**16,443,856**	**19,985,260**
Other comprehensive income (OCI) net of income tax :					
Items that may be subsequently reclassified to the income statement:					
Foreign currency translation differences for foreign subsidiaries					
- Unrealised (losses)/gains during the period		(1,017,001)	(2,797,707)	-	-
Net changes in fair value of financial instruments FVOCI		(4,283,282)	-	(3,719,065)	-
Net changes in fair value of AFS financial instruments		-	1,071,524	-	846,955
Other comprehensive gain, net of related tax effects		(5,300,283)	(1,726,184)	(3,719,065)	846,955
Total comprehensive income for the period		**16,815,803**	**20,680,497**	**12,724,791**	**20,832,215**
Profit attributable to:					
Owners of the bank		21,797,756	22,322,807	16,443,856	19,985,260
Non-controlling interest		318,330	83,873	-	-
Profit for the period		**22,116,086**	**22,406,680**	**16,443,856**	**19,985,260**
Total comprehensive income attributable to:					
Owners of the bank		15,939,093	20,891,339	12,724,791	20,832,215
Non-controlling interest		876,709	(210,842)	-	-
Total comprehensive income for the period		**16,815,803**	**20,680,497**	**12,724,791**	**20,832,215**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	77	79	57	69
Diluted (kobo)	17	75	77	57	69

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

** See Note 41 - Restatement of prior period financial information*

Consolidated statement of financial position
As at 31 March 2018

In thousands of Naira	*Notes*	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Assets					
Cash and balances with banks	18	1,169,532,614	953,944,176	753,786,164	657,144,247
Investment under management	19	20,638,090	20,257,130	20,638,090	20,257,131
Non pledged trading assets	20	62,869,764	46,854,062	55,410,284	43,016,991
Derivative financial assets	21	137,005,678	93,419,293	136,041,580	92,390,219
Loans and advances to banks	22	74,082,896	68,114,076	93,270,906	101,429,002
Loans and advances to customers	23	2,002,826,776	1,995,987,627	1,729,408,451	1,771,282,738
Pledged assets	24	398,471,814	447,114,405	398,471,813	440,503,327
Investment securities	25	302,206,490	278,167,757	143,238,190	121,537,302
Other assets	26	89,391,765	82,753,433	56,125,516	65,189,797
Investment in subsidiaries	27b	-	-	104,365,893	87,794,633
Property and equipment	28	101,077,180	97,114,640	86,769,073	83,676,721
Intangible assets	29	9,534,422	8,295,855	8,501,340	5,981,907
Deferred tax assets	30	418,517	740,402	-	-
		4,368,056,004	4,092,762,854	3,586,027,299	3,490,204,015
Asset classified as held for sale	31	9,456,695	9,479,967	9,456,695	9,479,967
Total assets		**4,377,512,700**	**4,102,242,822**	**3,595,483,992**	**3,499,683,982**
Liabilities					
Deposits from financial institutions	32	572,720,621	450,196,970	390,978,898	276,140,835
Deposits from customers	33	2,506,045,623	2,244,879,075	2,017,044,188	1,910,773,713
Derivative financial liabilities	21	22,284,817	5,332,177	22,269,161	5,306,450
Current tax liabilities	16	12,716,381	7,489,584	8,461,165	4,547,920
Other liabilities	34	133,141,911	253,914,174	97,203,507	238,695,686
Deferred tax liabilities	30	8,495,026	8,764,262	7,848,516	7,848,515
Debt securities issued	35	320,814,944	302,106,706	320,814,944	302,106,706
Interest-bearing borrowings	36	344,120,240	311,617,189	319,036,152	282,291,141
Retirement benefit obligation	37	2,784,487	2,495,274	2,767,054	2,481,916
Total liabilities		**3,923,124,049**	**3,586,795,412**	**3,186,423,585**	**3,030,192,881**
Equity					
Share capital and share premium	38	212,438,802	212,438,802	212,438,802	212,438,802
Retained earnings		90,287,489	117,701,679	91,731,036	120,218,603
Other components of equity	38	144,316,693	178,399,413	104,890,571	136,833,692
Total equity attributable to owners of the Bank		**447,042,984**	**508,539,894**	**409,060,409**	**469,491,098**
Non controlling interest	38	7,345,665	6,907,515	-	-
Total equity		**454,388,650**	**515,447,410**	**409,060,410**	**469,491,099**
Total liabilities and equity		**4,377,512,700**	**4,102,242,822**	**3,595,483,992**	**3,499,683,982**

Signed on behalf of the Board of Directors on 25 April, 2018 by:

GROUP MANAGING DIRECTOR
Herbert Wigwe
FRC/2013/ICAN/00000001998

GROUP DEPUTY MANAGING DIRECTOR
Roosevelt Ogbonna
FRC/2017/ICAN/00000016638

CHIEF FINANCIAL OFFICER
Oluseyi Kumapayi
FRC/2013/ICAN/00000000911

Consolidated statement of changes in equity

In thousands of Naira **Group**	Attributable to owners of the Bank: Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
Balance at 1 January 2018	**14,463,986**	**197,974,816**	**43,420,287**	**70,562,156**	**2,031,978**	**(4,028,910)**	**3,489,080**	**36,111,322**	**26,813,500**	**117,701,679**	**508,539,894**	**6,907,515**	**515,447,409**
Changes on initial application of IFRS 9	-	-		-	-	-	-	350,384	-	(78,319,691)	(77,969,307)	(438,559)	(78,407,866)
Transfers	-	-	(28,789,415)	-	-	-	-	-	-	28,789,415	-	-	-
Restated balance at 1 January 2018	**14,463,986**	**197,974,816**	**14,630,872**	**70,562,156**	**2,031,978**	**(4,028,910)**	**3,489,080**	**36,461,706**	**26,813,500**	**68,171,403**	**430,570,587**	**6,468,956**	**437,039,542**
Total comprehensive income for the period:													
Profit for the period	-	-	-	-	-	-	-	-	-	22,116,086	22,116,086	318,330	22,434,416
Other comprehensive income, net of tax													
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	(1,575,381)	-	(1,575,381)	558,380	(1,017,001)
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	-	(4,283,282)	-	-	(4,283,282)	-	(4,283,282)
Total other comprehensive income	**-**	**-**	**-**	**-**		**-**	**-**	**(4,283,282)**	**(1,575,381)**	**-**	(5,858,663)	558,380	**(5,300,283)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,283,282)**	**(1,575,381)**	**22,116,086**	16,257,422	876,709	**17,134,131**
Transactions with equity holders, recorded directly in equity:													
Transfers during the period	-	-			-	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-
Scheme shares	-	-	-	-	214,975	-	-	-	-	-	214,975	-	214,975
Vested shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**-**	**214,975**	**-**	**-**	**-**	**-**	**-**	**214,975**	**-**	**214,975**
Balance at 31 March 2018	**14,463,986**	**197,974,816**	**14,630,872**	**70,562,156**	**2,246,953**	**(4,028,910)**	**3,489,080**	**32,178,424**	**25,238,119**	**90,287,489**	**447,042,983**	**7,345,665**	**454,388,649**

Consolidated statement of changes in equity

In thousands of Naira **Group**	Attributable to owners of the Bank: Share capital	Share premium	Regulatory risk reserve	Other regulatory reserves	Share Scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
Balance at 1 January 2017	**14,463,986**	**197,974,816**	**42,932,550**	**62,615,212**	**1,211,978**	**(3,286,376)**	**3,489,081**	**23,240,250**	**11,992,025**	**93,614,030**	**448,247,552**	**6,247,028**	**454,494,580**
Total comprehensive income for the period:													
Profit for the period										25,935,210	25,935,210	83,873	26,019,083
Other comprehensive income, net of tax													
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	(2,462,689)	-	(2,462,689)	(335,019)	(2,797,707)
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	-	1,031,220	-	-	1,031,220	40,303	1,071,524
Total other comprehensive income	**-**	**-**	**-**	**-**		**-**	**-**	**1,031,220**	**(2,462,689)**	**-**	**(1,431,469)**	**(294,715)**	**(1,726,184)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,031,220**	**(2,462,689)**	**25,935,210**	**24,503,742**	**(210,842)**	**24,292,900**
Transactions with equity holders, recorded directly in equity:													
Scheme shares	-	-	-	-	193,109	(98,125)	-	-	-	-	94,984	-	94,984
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	(11,571,189)	(11,571,189)	-	(11,571,189)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**-**	**193,109**	**(98,125)**	**-**	**-**	**-**	**(11,571,189)**	**(11,476,205)**	**-**	**(11,476,205)**
Balance at 31 March 2017	**14,463,986**	**197,974,816**	**42,932,550**	**62,615,212**	**1,405,087**	**(3,384,501)**	**3,489,081**	**24,271,470**	**9,529,336**	**107,978,051**	**461,275,089**	**6,036,186**	**467,311,275**

Statement of changes in equity
In thousands of Naira

Bank	**Share capital**	**Share premium**	**Regulatory risk reserve**	**Other regulatory reserves**	**Share Scheme reserve**	**Capital Reserve**	**Fair value reserve**	**Retained earnings**	**Total Equity**
Balance at 1 January, 2018	**14,463,986**	**197,974,816**	**35,058,266**	**60,986,896**	**2,031,978**	**3,489,081**	**35,267,471**	**120,218,603**	**469,491,097**
Changes on initial application of IFRS 9	-	-	-	-	-	-	350,384	(73,720,838)	**(73,370,454)**
Transfers	-	-	(28,789,415)	-	-	-	-	28,789,415	-
Restated balance at 1 January 2018	14,463,986	197,974,816	6,268,851	60,986,896	2,031,978	3,489,081	35,617,855	75,287,180	396,120,643
Total comprehensive income for the period:									
Profit for the period	-	-	-	-	-	-	-	16,443,856	**16,443,856**
Other comprehensive income, net of tax									
Actuarial gain on remeasurement of retirement benefit	-	-	-	-	-	-	-	-	-
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	(3,719,065)	-	**(3,719,065)**
Total other comprehensive income	-	-	-	-	-	-	**(3,719,065)**	-	**(3,719,065)**
Total comprehensive (loss)/income	-	-	-	-	-	-	**(3,719,065)**	**16,443,856**	**12,724,791**
Transactions with equity holders, recorded directly in equity:									
Transfers for the period	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-
Scheme shares	-	-	-	-	214,975	-	-	-	**214,975**
Vested shares	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	-	-	**214,975**	-	-	-	**214,975**
Balance at 31 March 2018	**14,463,986**	**197,974,816**	**6,268,851**	**60,986,896**	**2,246,953**	**3,489,081**	**31,898,790**	**91,731,036**	**409,060,408**

Statement of changes in equity
In thousands of Naira

Bank	**Share capital**	**Share premium**	**Regulatory risk reserve**	**Other regulatory reserves**	**Share Scheme reserve**	**Capital Reserve**	**Fair value reserve**	**Retained earnings**	**Total Equity**
Balance at 1 January, 2017	**14,463,986**	**197,974,816**	**35,058,266**	**53,001,072**	**1,008,118**	**3,489,081**	**23,354,093**	**93,329,188**	**374,247,752**
Total comprehensive income for the period:									
Profit for the period	-	-	-	-	-	-	-	23,597,662	**23,597,662**
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-
Actuarial loss on remeasurement of retirement benefit	-	-	-	-	-	-	-	-	-
Net changes in fair value of AFS financial instruments	-	-	-	-	-	-	846,955	-	**846,955**
Total other comprehensive gain/(loss)	-	-	-	-	-	-	**846,955**	-	**846,955**
Total comprehensive (loss)/income	-	-	-	-	-	-	**846,955**	**23,597,662**	**24,444,617**
Transactions with equity holders, recorded directly in equity:									
Transfers for the period	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	(11,571,189)	**(11,571,189)**
Scheme shares	-	-	-	-	160,924	-	-	-	**160,924**
									-
Total contributions by and distributions to equity holders	-	-	-	-	**160,924**	-	-	**(11,571,189)**	**(11,410,264)**
Balance at 31 March 2017	**14,463,986**	**197,974,816**	**35,058,266**	**53,001,072**	**1,169,043**	**3,489,081**	**24,201,048**	**105,355,661**	**434,712,973**

Consolidated statement of cash flows

In thousands of Naira	*Note*	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Cash flows from operating activities					
Profit before income tax and discontinued operations		27,438,919	27,595,702	20,357,101	24,244,026
Adjustments for:					
Depreciation of property and equipment	28	3,771,116	2,548,542	3,314,597	2,163,834
Amortization of intangible assets	29	324,783	583,198	206,009	473,173
Gain on disposal of property and equipment	13	(402,472)	(6,435)	(401,035)	(6,437)
Loss/(Gain) on disposal of investment securities		-	189,881	(622,704)	189,881
Impairment on financial assets	9	4,961,400	3,197,129	4,556,663	2,907,304
Additional gratuity provision	14	250,000	259,309	250,000	259,309
Equity share-based payment expense	14	214,975	193,109	214,975	160,924
Property and equipment written off		-	199,815	-	-
Net interest income	8	(40,653,447)	(42,736,855)	(30,860,629)	(36,432,315)
Unrealised foreign exchange loss on revaluation	12	(1,598,314)	109,773	(1,421,987)	243,939
Dividend income	13	(2,037,415)	(1,805,403)	(2,037,415)	(1,805,403)
		(7,730,455)	(9,672,235)	(6,444,426)	(7,601,764)
Changes in operating assets					
Non-pledged trading assets		(16,015,702)	13,735,336	(12,393,293)	15,838,548
Derivative financial instruments		(43,586,385)	(5,473,050)	(43,651,361)	(5,588,353)
Pledged assets		48,642,591	(88,293,542)	42,031,514	(88,293,542)
Restricted deposits		(186,871,081)	(8,732,153)	(40,393,991)	(9,278,518)
Loans and advances to banks and customers		(87,781,920)	5,614,626	(36,516,025)	7,145,745
Other assets		-	(11,224,652)	9,485,959	(9,548,342)
Changes in operating liabilities					
Deposits from banks		122,523,652	37,370,972	114,838,063	65,531,894
Deposits from customers		261,166,549	(47,792,238)	106,270,475	(52,955,782)
Other liabilities		(120,772,260)	48,767,077	(141,492,180)	52,999,376
Payment to gratuity benefit holders		-	-	-	-
Interest paid on deposits to banks and customers		(39,535,385)	(26,706,807)	(35,813,504)	(22,939,410)
Interest received on loans and advances		71,985,222	58,811,153	63,085,019	51,291,074
		2,024,825	(33,595,513)	19,006,251	(3,399,076)
Income tax paid		-	(831,131)	-	(723,199)
Net cash generated from operating activities		2,024,825	(34,426,644)	19,006,251	(4,122,275)
Cash flows from investing activities					
Acquisition of investment securities		(58,975,975)	(44,945,883)	(39,447,554)	(42,805,603)
Interest received on investment securities		6,419,342	20,521,999	6,384,736	18,214,577
Dividend received	13	2,037,415	1,805,403	2,037,415	1,805,403
Acquisition of property and equipment	28	(8,249,902)	(8,327,468)	(6,446,239)	(5,149,384)
Proceeds from the sale of property and equipment	28	476,975	309,980	440,325	112,413
Acquisition of intangible assets	29	(3,877,297)	(588,643)	(2,725,441)	(306,508)
Proceeds from matured investment securities		30,280,743	3,829,629	29,949,797	3,829,629
Proceeds from disposal of asset held for sale	31	23,272	-	23,272	-
Additional investment in subsidiaries		-	-	(16,637,500)	(7,685,684)
Proceeds from sale of investment securities		10,772,353	87,985,642	10,760,087	70,672,552
Net cash generated from investing activities		**(21,093,074)**	**60,590,658**	**(15,661,105)**	**38,687,394**
Cash flows from financing activities					
Interest paid on borrowings and debt securities issued	35	(5,069,184)	(9,889,491)	(4,597,763)	(9,627,229)
Proceeds from interest bearing borrowings	36	38,658,400	4,923,048	38,658,400	-
Repayment of interest bearing borrowings	36	(11,215,839)	(2,893,071)	(5,647,472)	(2,893,071)
Dividends paid to owners		-	(11,571,189)	-	(11,571,189)
Debt securities issued	35	23,393,672	28,481,283	23,393,672	28,481,283
Repayment of debt securities issued	35	(15,328,855)	-	(15,328,855)	-
Net cash provided by financing activities		**30,438,193**	**9,050,581**	**36,477,983**	**4,389,794**
Net increase/(decrease) in cash and cash equivalents		11,369,944	35,214,595	39,823,129	38,954,913
Cash and cash equivalents at beginning of period	40	493,424,299	343,075,964	198,811,517	149,467,972
Net increase/ (decrease) in cash and cash equivalents		11,369,944	35,214,595	39,823,129	38,954,913
Effect of exchange rate fluctuations on cash held		863,993	460,611	(4,388)	215,202
Cash and cash equivalents at end of period	40	505,658,237	378,751,174	238,630,258	188,638,088

1.0 General information

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

These financial statements were approved and authorised for issue by the Board of Directors on 25 April 2018. The directors have the power to amend and reissue the financial statements.

2.0 Statement of compliance with International Financial Reporting Standards

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

3.0 Basis of preparation

This financial statements has been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. This consolidated financial statement comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statements of changes in equity, the consolidated cash flow statement and the notes.
The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, modified to include fair valuation of particular financial instruments, to the extent required or permitted under IFRS as set out in the relevant accounting policies.

3.1 Summary of significant accounting policies

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

(a) Functional and presentation currency

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

(b) Basis of measurement

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

- derivative financial instruments are measured at fair value.
- non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- available-for-sale financial assets are measured at fair value.
- the liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost
- non-current assets held for sale measured at fair value less costs to sell. Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the period in which it arise.
- share based payment at fair value or an approximation of fair value allowed by the relevant standard.

(c) Use of estimates and judgments

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

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

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

3.2 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the group

Below are the IFRSs and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are effective for the first time for the financial year beginning on or after 1 January 2018 that are relevant to the group.

None of these standards were early adopted in the prior year by the Group.

IFRS 9 Financial Instruments: Classification and Measurement (effective 1 January 2018)

The International Accounting Standards Board (IASB) issued the final version of IFRS 9 Financial Instruments in July 2014. The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. It replaces IAS 39 Financial Instruments: Recognition and Measurement.
As permitted by the transitional provisions of IFRS 9, the Group elected not to restate comparative figures.
Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition will be recognised in the opening retained earnings and other reserves of the current period.
The adoption of IFRS 9 has resulted in changes in our accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 Financial Instruments: Disclosures.
Set out below are disclosures relating to the impact of the adoption of IFRS 9 on the Group.

The Bank is in the design phase of the project. This phase will involve obtaining information from current systems, adjusting the IT systems to capture the additional data requirements.

Classification and measurement of financial instruments
The measurement category and the carrying amount of financial assets and liabilities in accordance with IAS 39 and IFRS 9 at 1 January 2018 are compared as follows:

There were no changes to the classification and measurement of financial liabilities, other than to changes in the fair value of financial liabilities designated at fair value through profit or loss that are attributable to changes in the instrument's credit risk, which are now presented in other comprehensive income.

Decisions points
The implementation of IFRS 9 requires certain decisions to be taken by the management and approved in line the relevant governance framework. Management has assessed the complexity of each decision point and identified a range of policy options available for each. Management also considered conceptual suitability, implementation feasibility and regulatory directives on each option. A summary of key decision points, policy options for each decision point and the policy chosen by management is shown below:

S/N	Area	Decision
1	Determining lifetime PDs	Use external lifetime PD term structure
2	Determining other lifetime inputs	Assume external 12M is a reasonable proxy
3	Source of macroeconomic inputs	Combine internal & external sources
4	Quantification of impact	Combined approach
5	Incorporating multiple scenarios	Probability weighted provisions
6	Incorporating multiple non-macroeconomic scenarios	Probability weighted provisions
7	Origination date	Last re-price
9	Key origination inputs	Internal and external credit scores
10	Forward looking data	Management overlays/Judgement
11	Metrics for credit risk	Combine internal and external credit scores and metrics
12	Definition of default	Prudential guidelines definition
13	Use of qualitative information within transition test	Specific qualitative information
14	Reliance on only 30 days past due for transition test	No. Other factors will be considered
15	Rebuttal of 30 days past due assumption	Yes, for specific portfolios
16	Restating comparatives	Comparatives will not be restated

Impairment
The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

• An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
• The time value of money; and
• Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Staging Assessment

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

• A financial instrument that is not credit-impaired on initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Group.
• If a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to "Stage 2' but is not yet deemed to be credit-impaired.
• If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3".
• Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
• A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward looking information.
• Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3)

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(Initial Recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-months expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

Stage 1 and Stage 2 credit loss allowances effectively replace the collectively-assessed allowance for loans not yet identified as impaired recorded under IAS 39, while Stage 3 credit loss allowances effectively replace the individually assessed allowances for impaired loans. Under IFRS 9, the population of financial assets and corresponding allowances disclosed as Stage 3 will not necessarily correspond to the amounts of financial assets currently disclosed as impaired in accordance with IAS 39. Consistent with IAS 39, loans are written off when there is no realistic probability of recovery. Accordingly, our policy on when financial assets are written-off will not significantly change on adoption of IFRS 9.
Because all financial assets within the scope of the IFRS 9 impairment model will be assessed for at least 12-months of expected credit losses, and the population of financial assets to which full lifetime expected credit losses applies is larger than the population of impaired loans for which there is objective evidence of impairment in accordance with IAS 39, loss allowances are generally expected to be higher under IFRS 9
relative to IAS 39.
Changes in the required credit loss allowance, including the impact of movements between Stage 1 (12 month expected credit losses) and Stage 2 (lifetime expected credit losses), will be recorded in profit or loss. Because of the impact of moving between 12 month and lifetime expected credit losses and the application of forward looking information, provisions are expected to be more volatile under IFRS 9 than IAS 39.

Measurement
The measurement of expected credit losses will primarily be based on the product of the instrument's probability of default (PD), loss given default (LGD), and exposure at default (EAD), discounted to the reporting date. The main difference between Stage 1 and Stage 2 expected credit losses is the respective PD horizon. Stage 1 estimates will use a maximum of a 12-month PD while Stage 2 estimates will use a lifetime PD.
Stage 3 estimates will continue to leverage existing processes for estimating losses on impaired loans, however, these processes will be updated to reflect the requirements of IFRS 9, including the requirement to consider multiple forward-looking scenarios. The Group will combine the regulatory prudential guidelines with other relevant qualitative factors in the "definition of default".

An expected credit loss estimate will be produced for each individual exposure, including amounts which are subject to a more simplified model for estimating expected credit losses; however the relevant parameters will be modeled on a collective basis using largely the same underlying data pool supporting our stress testing and regulatory capital expected loss processes. Models have been developed, primarily leveraging our existing models for enterprise-wide stress testing.
For the small percentage of our portfolios that lack detailed historical information and/or loss experience, we will apply simplified measurement approaches that may differ from what is described above. These approaches have been designed to maximize the available information that is reliable and supportable for each portfolio and may be collective in nature.
Expected credit losses must be discounted to the reporting period using the effective interest rate.

Significant increase in credit risk (SICR)

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:
The remaining Lifetime PD at the reporting date has increased, compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

Deterioration in the credit rating of an obligor either based on the Bank's internal rating system or an international credit rating. However the downgrade considers movement from a grade band to another e.g. Investment grade to Standard.
The Bank also considers accounts that meet the criteria to be put on the watchlist bucket to have significantly increased in credit risk.

Qualitative criteria:
For Retail loans, if the borrower meets one or more of the following criteria:
• In short-term forbearance
• Direct debit cancellation
• Extension to the terms granted
• Previous arrears within the last [12] months

For Corporate portfolio, if the borrower is on the Watchlist and/or the instrument meets one or more of the following criteria:
• Significant increase in credit spread
• Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
• Actual or expected forbearance or restructuring
• Actual or expected significant adverse change in operating results of the borrower
• Significant change in collateral value (secured facilities only) which is expected to increase risk of default
• Early signs of cash flow/liquidity problems such as delay in servicing of trade creditors/loans

The assessment of SICR incorporates forward-looking information and is performed on a quarterly basis at a portfolio level for all Retail financial instruments held by the Group. In relation to Wholesale and Treasury financial instruments, where a Watchlist is used to monitor credit risk, this assessment is performed at the counterparty level and on a periodic basis. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

Backstop
A backstop indicator is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due and 90 days past due on its contractual payments for both stage 2 and stage 3 respectively.

Definition of default and credit-impaired assets
The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria
The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria
The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

• The borrower is in long-term forbearance
• The borrower is deceased
• The borrower is insolvent
• The borrower is in breach of financial covenant(s)
• An active market for that financial asset has disappeared because of financial difficulties
• Concessions have been made by the lender relating to the borrower's financial difficulty
• It is becoming probable that the borrower will enter bankruptcy
• Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

Measuring ECL Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

• The PD represents the likelihood of a borrower defaulting on its financial obligation (as per Definition of default and credit-impaired above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

• EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

• Loss Given Default represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

• For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment/refinance assumptions are also incorporated into the calculation.

• For revolving products, the exposure at default is predicted by taking current drawn balance and adding a credit conversion factor which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Group's recent default data.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

• For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

• For unsecured products, LGD's are typically set at product level due to the limitation in recoveries achieved across different across different borrower. These LGD's are influenced by collection strategies, including contracted debt sales and price.

Incorporation of forward looking information and multiple economic scenarios
The Bank is required to incorporate forward-looking macroeconomic information into its assessment of expected credit loss Parameters. The macroeconomic indices were projected for three possible scenarios being; best estimate, optimistic and downturn forecasts. The macroeconomic variables considered for the adjustment of the probabilities of default are listed below:

- Crude oil prices,
- Inflation,
- Interest rates,
- Exchange rates (USD/NGN), and
- Monetary Policy rate

In line with the aforementioned IFRS 9 requirements, the Bank has adjusted its probabilities of default with the above-listed macroeconomic variables. By stressing the macroeconomic indicators, the Bank was able to estimate ECLs for the different economic scenarios. Probability weights were assigned to these scenarios to arrive at the weighted average expected credit losses.

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

As at year end, a number of standards and interpretations, and amendments thereto, had been issued by the IASB which are not yet effective for these consolidated financial statements. Details are set out below

IFRS 16 Leases (effective 1 January 2019)

IFRS 16 Leases ("IFRS 16") eliminates the classification of leases as either operating leases or finance leases for a lessee, and instead introduces a single lessee accounting model. Applying that model, a lessee is required to recognise: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the statement of comprehensive income. The requirements relating to the definition of a lease have been changed from those included in IAS 17. Guidance is provided on how to determine short term leases as well as leases of low-value assets. The accounting requirements for lessors have largely remained unchanged. New disclosures regarding leases are also introduced. The effective date of IFRS 16 is 1 January 2019, with an allowance for early adoption, provided the entity applies IFRS 15 Revenue from Contracts with Customers at the same time. The Group is in the process of assessing the impact. However, from preliminary assessment, the application of this standard is not expected to result in material impact in the Group.

IFRS 15 – Revenue from contracts with customers. (with effective date of 1 January 2018)
The FASB and IASB issued their long awaited converged standard on revenue recognition on 29 May 2014. The Standard outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers to improve comparability within industries, across industries, and across capital markets with the exemption of interest income. The revenue standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is in the process of assessing the impact. From preliminary assessment, the application of this standard is not expected to result in material impact in the Group as revenue from financial instrument is out of scope of the standard. As part of the ongoing assessment, the Group is currently reviewing contracts with customers that may fall within the scope of IFRS 15 to determine the extent to which fees and commission income will be affected by the implementation of the standard.

Amendments to IFRS 2 – Share-based Payment (with effective date of 1 January 2018)
The International Accounting Standards Board (IASB) has published final amendments to IFRS 2 'Share-based Payment' on 20 December 2017 that clarify the classification and measurement of share-based payment transactions which contains the following: (a) accounting for cash-settled share-based payment transactions

that include a performance condition; (b) classification of share-based payment transactions with net settlement features; and (c) the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. Based on the assessment performed by the Group, this amendment will have no impact on the Group as the Group operates an equity settled share based payment scheme.

3.3 Basis of consolidation

(a) Subsidiaries

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

[i] power over the investee;
[ii] exposure, or rights, to variable returns from its involvement with the investee; and
[iii] the ability to use its power over the investee to affect the amount of the investor's returns

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

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

[i] a contractual arrangement between the group and other vote holders
[ii] rights arising from other contractual arrangements
[iii] the group's voting rights (including voting patterns at previous shareholders' meetings)
[iv] potential voting rights

The subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

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

(b) Business combinations

The Group applies IFRS 3 *Business Combinations (revised)* in accounting for business combinations.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights.

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

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

When this total is negative, a gain from a bargain purchase is recognised immediately in statement of comprehensive income.

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

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

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

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

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognised amount of the identifiable net assets, at the acquisition date.

(c) Loss of control

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

(d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.
The gain/loss arising from disposal of subsidiaries is included in the profit/loss of discontinued operations in the statement of comprehensive income.
Foreign currency translation differences become realised when the related subsidiary is disposed.

(e) Changes in ownership interests in subsidiaries without change of control

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

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

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

3.5 Foreign currency translation

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

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

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

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

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

[i] assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

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

[iii] all resulting exchange differences are recognised in other comprehensive income.

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

3.6 Operating income

(a) Interest income and expense

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

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

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

Interest income and expense presented in the statement of comprehensive income include:
- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis.
- interest on available-for-sale investment securities calculated on an effective interest basis

(b) Fees and commission

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

When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

Fee and commission presented in the income statement includes:

- Credit related fees and commission: These fees are not integral to the loans and are therefore not included in the EIR calculation. These are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.
- Current account maintenance fees (formerly Commission on Turnover): This fee is charged as N1 on every N1,000 in respect of all customer induced debit transactions. This fee is recognised one-off by the bank.
- Other fees and commission income, includes card related commissions, commission on letters of credit, account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees. These fees and commissions are recognised as the related services are performed

(c) Net gains on investment securities

Net gains on investment securities comprise of the following:

- Net gains/losses on financial instruments classified as held for trading: This includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value of derivatives instruments.
- Net gains on financial instruments held as available for sale: This relates to gains arising from the disposal of financial instruments held as available for sale as well as fair value changes reclassified from other comprehensive income upon disposal.

(d) Foreign exchange income

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

(e) Other operating income

Other operating income includes items such as dividends, gains on disposal of properties, rental income, income from asset management, brokerage and agency as well as income from other investments.

- Dividend on available for sale equity securities: This is recognised when the right to receive payment is established. Dividends are reflected as a component of other operating income.

3.7 Lease payments

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

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

3.8 Income tax

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

(a) Current tax

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

(b) Deferred tax

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

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

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

3.9 Financial assets and liabilities

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

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

	Category (as defined by IAS 39)	Class (as determined by the Group)
Financial assets	Financial assets at fair value through profit or loss	Non pledged trading assets
		Derivative financial assets
	Loans and receivables	Cash and balances with banks
		Loans and advances to banks
		Loans and advances to customers
		Other assets
	Held to maturity	Investment securities - debt securities (pledged and non pledged)
	Available for sale financial assets	Investment securities - debt securities (pledged and non pledged)
		Investment securities - equity securities
		Investment under management
Financial liabilities	Financial liabilities at amortised cost	Deposits from banks
		Deposits from customers
		Interest bearing borrowings
		Debt securities issued

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

(a) Financial assets

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

[i] Financial assets at fair value through profit or loss

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

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

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

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

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

[ii] Loans and receivables

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

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

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

Loans and receivables are initially recognised at fair value – which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date – and measured subsequently at amortised cost using the effective interest rate method. Loans and receivables are reported in the consolidated statement of financial position as loans and advances to banks or customers or as investment securities. Interest on loans is included in the consolidated income statement and is reported as 'Interest income'. In the case of an impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the consolidated income statement under "net impairment loss on financial assets"

[iii] Held-to-maturity

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

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

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

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

[iv] Available-for-sale

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

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

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

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

Availabe for sale instruments include investment securities.

[v] Investments under management

Investment under management are funds entrusted to Asset management firms who acts as agents to the bank for safe keeping and management for investment purpose with returns on the underlying investments accruable to the Bank, who is the principal.

The investment decision made by the Asset management within an agreed portfolio of high quality Nigerian fixed income and money market instruments which are usually short tenured.

The investments are carried as available-for-sale and accounting policy (3.9) (a) [iv] applies.

(b) Financial liabilities

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

[i] Financial liabilities at amortised cost

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

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

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

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

On this statement of financial position, other financial liabilities carried at amortised cost include deposit from banks, deposit from customers, interest bearing borrowings, debt securities issued and other liabilities

[ii] Financial liabilities at fair value

The Group may enter into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and foreign currency options. Further details of derivative financial instruments are disclosed in Note 21 to the financial

statements.
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are presented as financial assets or financial liabilities.
Derivative assets and liabilities are only offset if the transactions are with the same counterparty, a legal right of offset exists and the parties intend to settle on a net basis.

(c) De-recognition

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

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

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

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

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

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

[ii] Financial liabilities

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

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

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

(e) Sale and repurchase agreements

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

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

(f) Measurement

[i] Amortised cost measurement

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

[ii] Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

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

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

Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions in the same instrument or based on other available observable market data.

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

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

(g) Identification and measurement of impairment

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

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

[i] Loans and receivables

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

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

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

[ii] Available for sale securities

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

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

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

(h) Cash and balances with banks

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

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

(i) Repossessed collateral

Repossessed collateral are equities, investment properties or other investments repossessed from a customer and used to settle his outstanding obligation. Such investments are classified in accordance with the intention of the Group in the asset class which they belong and are also separately disclosed in the financial statement. When collaterals are repossessed in satisfaction of a loan, the receivable is written down against the allowance for losses. Repossessed collaterals are included in the financial statement based on how the Bank intends to realize benefit from such collateral such as "Non current assets held for sale" and carried at the lower of cost or estimated fair value less costs to sell, if the Group intends to sell or cost less accumulated depreciation, if for use in the normal course of business.

(j) Derivative financial instruments

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

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

(k) Reclassification of financial assets

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

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

(l) Pledged assets

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

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

3.10 Investment properties

An investment property is an investment in land or buildings held primarily for generating income or capital appreciation and not occupied substantially for use in the operations of the Group. An occupation of more than 15% of the property is considered substantial. Investment properties is measured initially at cost including transaction cost and subsequently carried in the statement of financial position at their market value and revalued yearly on a systematic basis. Investment properties are not subject to periodic charge for depreciation. Gains or losses arising from changes in the fair value of investment properties are included in the consolidated income statement in the period which it arises as: "Fair value gain on investment property"

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

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

3.11 Property and equipment

(a) Recognition and measurement

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

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

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

(b) Subsequent costs

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

(c) Depreciation

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

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

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

Leasehold land	Not depreciated
Leasehold improvements and building	Over the shorter of the useful life of the item or lease term
Buildings	60 years
Computer hardware	4.5 years
Furniture and fittings	6 years
Motor vehicles	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each date of the statement of financial position. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

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

(d) De-recognition

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

3.12 Intangible assets

(a) Goodwill

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

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

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

(b) Software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

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

3.13 Leases

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

A group company is the lessee

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

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

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

3.14 Impairment of non-financial assets

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

The recoverable amount of goodwill is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

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

3.15 Discontinued operations

The Group presents discontinued operations in a separate line in the consolidated income statement if an entity or a component of an entity has been disposed of or is classified as held for sale and:
(a) Represents a separate major line of business or geographical area of operations;
(b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
(c) Is a subsidiary acquired exclusively with a view to resale (for example, certain private equity investments).

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

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

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

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

3.16 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the period in which it arise.

3.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expenses.

(a) Restructuring

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

3.18 Financial guarantees

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

Letters of credits which have been guaranteed by Access bank but funded by the customer is included in other liabilities while those guaranteed and funded by the Bank is included in Deposit from financial institutions.

3.19 Employee benefits

(a) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting period.

The Bank operates a funded, defined contribution pension scheme for employees. Employees and the Bank contribute 8% and 10% respectively of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2014.

(b) Termination benefits

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

(c) Long-term Incentive Plan

The Bank has a non-contributory, un-funded lump sum defined benefit plan for top executive management of the Bank from General Manager and above based on the number of years spent in these positions.

Depending on their grade, executive staff of the Bank upon retirement are entitled to certain benefits based on their length of stay on that grade. The Bank's net obligation in respect of the long term incentive scheme is calculated by estimating the amount of future benefits that eligible employees have earned in return for service in the current and prior periods. That benefit is discounted to determine its present value. The rate used to discount the post employment benefit obligation is determined by reference to the yield on Nigerian Government Bonds, that have maturity dates approximating the terms of the Bank's obligations.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is immediately recognized in the income statement. The Bank recognizes all actuarial gains or losses and all expenses arising from defined benefit plan immediately in the balance sheet, with a charge or credit to other comprehensive income (OCI) in the periods in which they occur. They are not recycled subsequently in the income statement.

(d) Short-term employee benefits

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

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

(e) Share-based payment remuneration scheme

The Group applies IFRS 2 Share Based Payments in accounting for employee remuneration in the form of shares.
Employee incentives include awards in the form of shares The cost of the employee services received in respect of the shares or share granted is recognised in the income statement over the period that employees provide services, generally the period between the date the award is granted or notified and the vesting date of the shares. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.
The number of shares expected to vest takes into account the likelihood that performance and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a forfieture, resulting in an acceleration of recognition of the cost of the employee services.
The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability.

3.20 Share capital and reserves

(a) Share issue costs

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

(b) Dividend on the Bank’s ordinary shares

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

(c) Treasury shares

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

(d) Earnings per share

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

(e) Statutory credit reserve

In compliance with the Prudential Guidelines for Licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing losses in risk assets. Assets are classified as performing or non- performing. Non performing assets are further classed as substandard, doubtful or lost with attendant provisions per the table below based on objective criteria

Classification	Percentage	Basis
Substandard	10%	Interest and/or principal overdue by 90 days but less than 180 days
Doubtful	50%	Interest and/or principal overdue by 180 days but less than 365 days
Lost	100%	Interest and/or principal overdue by more than 365 days

A more accelerated provision may be done using the subjective criteria. A 2% provision is taken on all risk assets that are not specifically provisioned
The results of the application of Prudential Guidelines and the impairment determined for these assets under IAS 39 are compared. The IAS 39 determined impairment charge is always included in the income statement

Where the Prudential Guidelines provision is greater, the difference is appropriated from retained earnings and included in a non - distributable 'Statutory credit reserve'. Where the IAS 39 impairment is greater, no appropriation is made and the amount of IAS 39 impairment is recognised in the income statement

Following an examination, the regulator may also require more amounts to be set aside on risk and other assets. Such additional amounts are recognised as an appropriation from retained earnings to statutory risk reserve.

3.21 Levies

The Group recognizes liability to pay levies progressively if the obligating event occurs over a period of time. However, if the obligation is triggered on reaching a minimum threshold, the liability is recognised when that minimum threshold is reached. The Group recognizes an asset if it has paid a levy before the obligating event but does not yet have a present obligation to pay that levy. The obligating event that gives rise to a liability to pay a levy is the event identified by the legislation that triggers the obligation to pay the levy. The same recognition principles are applied in interim financial reports.

4.0 Use of estimates and judgements

These disclosures supplement the commentary on financial risk management (see note 5). Estimates where management has applied judgements are:
(i) Allowances for credit losses
(ii)Valuation of financial instruments
(iii) Determination of fair value of investment property
(iv) Determination of impairment of property and equipment, and intangible assets excluding goodwill
(v) Assessment of impairment of goodwill on acquired subsidiaries
(vi) Defined benefit plan

Key sources of estimation uncertainty

(i) *Allowances for credit losses*

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

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

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

The specific component of the total allowances for impairment applies to financial assets evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgements about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently reviewed by the Credit Risk Management Department (CRMD).

A collective component of the total allowance is established for:
- Groups of homogeneous loans that are not considered individually significant and
- Groups of assets that are individually significant but were not found to be individually impaired

Collective allowance for groups of homogeneous loans is established using statistical modelling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

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

4.1 *Valuation of financial instruments*

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

4.1.1 Recurring fair value measurements

In thousands of Naira
Group
March 2018

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management	6,654,669	13,625,981	-	20,280,650
Non pledged trading assets				
Treasury bills	51,848,130	-	-	51,848,130
Bonds	3,466,483	36,324	-	3,502,807
Eurobond	-			-
Equity	59,348	-	-	59,348
Derivative financial instrument	-	137,005,678	-	137,005,678
Pledged assets				
Treasury bills	214,330,599	-	-	214,330,599
Bonds	184,141,214	-	-	184,141,214
Investment securities				
Available for sale				
Treasury bills	77,125,230	-	-	77,125,230
Bonds	51,328,303	3,873,671	-	55,201,974
Equity	1,124,439	8,095,885	61,106,504	70,326,828
Assets held for sale	-	-	9,456,695	9,456,695
	590,078,416	162,637,539	70,563,200	823,279,153
Liabilities				
Derivative financial instrument	-	22,284,817	-	22,284,817
	-	22,284,817	-	22,284,817

Group
December 2017

	Level 1	Level 2	Level 3	Total
Assets				
Investment under management	1,972,963	12,001,091	6,283,077	20,257,132
Non pledged trading assets				
Treasury bills	37,743,819	-	-	37,743,819
Bonds	9,031,525	19,369	-	9,050,894
Equity	59,348	-	-	59,348

Derivative financial instrument	-	93,419,293	-	93,419,293
Pledged assets				
Treasury bills	157,172,849	-	-	157,172,849
Bonds	30,748,762	-	-	30,748,762
Investment securities				
Available for sale				
Treasury bills	29,977,451	-	-	29,977,451
Bonds	35,684,865	18,394,503	-	54,079,367
Equity	1,147,387	8,760,176	59,673,535	69,581,098
Assets held for sale	-	-	9,479,967	9,479,967
	303,538,969	132,594,432	75,436,579	511,569,980
Liabilities				
Derivative financial instrument	-	5,332,177	-	5,332,177
	-	5,332,177	-	5,332,177
	-	-		-

Bank
March 2018
In thousands of Naira

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Investment under management	6,654,669	13,625,981	-	20,280,649
Non pledged trading assets				
Treasury bills	51,848,130	-	-	51,848,130
Bonds	3,466,483	36,324	-	3,502,807
Equity	59,348	-	-	59,348
Pledged assets				
Treasury bills	214,330,599	-	-	214,330,599
Bonds	184,141,214	-	-	184,141,214
Derivative financial instrument	-	136,041,580	-	136,041,580
Investment securities				
Available for sale				
Treasury bills	-	-	-	-
Bonds	23,069,017	3,873,671	-	26,942,689
Equity	1,124,439	8,095,885	55,232,854	64,453,178
Asset held for sale	-	-	9,456,695	9,456,695
	484,693,900	161,673,441	64,689,549	711,056,889
Liabilities				
Derivative financial instrument	-	22,269,161	-	22,269,161
	-	22,269,161	-	22,269,161

Bank
December 2017
In thousands of Naira

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Investment under management	1,972,963	12,001,091	6,283,077	20,257,131
Non pledged trading assets				
Treasury bills	33,906,748	-	-	33,906,748
Bonds	9,031,525	19,369	-	9,050,894
Equity	59,348	-	-	59,348
Pledged assets				
Treasury bills	157,172,849	-	-	157,172,849
Bonds	30,748,762	-	-	30,748,762
Derivative financial instrument	-	92,390,219	-	92,390,219
Investment securities				
Available for sale				
Treasury bills	9,598,737	-	-	9,598,737
Bonds	9,671,791	18,394,503	-	28,066,294
Equity	1,147,387	8,760,176	59,274,393	69,181,956
Asset held for sale	-	-	9,479,967	9,479,967
	253,310,111	131,565,358	75,037,437	459,912,905
Liabilities				
Derivative financial instrument	-	5,306,450	-	5,306,450
	-	5,306,450	-	5,306,450

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

4.1.2 Financial instruments not measured at fair value
Group
March 2018
In thousands of Naira

	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and balances with banks	-	1,169,532,040	-	1,169,532,040
Investment under management	357,441	-	-	357,441
Loans and advances to banks	-	53,121,272	-	53,121,272
Loans and advances to customers	-	-	1,687,424,687	1,687,424,687
Pledged assets				
Treasury bills	-	-	-	-
Bonds	98,840,587	-	-	98,840,587
Investment securities				
Held to Maturity				
Treasury bills	27,347,558	-	-	27,347,558
Bonds	30,729,231	-	-	30,729,231
Other assets	-	-	61,388,408	61,388,408
	157,274,817	1,222,653,312	1,748,813,095	3,128,741,224

Liabilities				
Deposits from financial institutions	-	577,177,510	-	577,177,510
Deposits from customers	-	2,506,379,746	-	2,506,379,746
Other liabilities	-	-	120,886,338	120,886,338
Debt securities issued	366,079,065	-	-	366,079,065
Interest-bearing borrowings	-	289,496,048	-	289,496,048
	366,079,065	3,373,053,304	120,886,338	3,860,018,707

Group
December 2017
In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	953,944,176	-	953,944,176
Investment under management	-	-	-	-
Loans and advances to banks	-	-	68,049,702	68,049,702
Loans and advances to customers	-	-	2,045,074,534	2,045,074,534
Pledged assets				
Treasury bills	89,821,710	-	-	89,821,710
Bonds	119,473,094	-	-	119,473,094
Investment securities				
Held to Maturity				
Treasury bills	5,384,788	81,818,577	-	87,203,365
Bonds	2,352,196	34,238,386	-	36,590,582
Other assets	-	-	46,799,196	46,799,196
	217,031,788	1,070,001,139	2,159,923,432	3,446,956,359

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	450,196,970	450,196,970
Deposits from customers	-	-	2,244,879,075	2,244,879,075
Other liabilities	-	-	235,786,478	235,786,478
Debt securities issued	220,217,410	70,331,371	-	290,548,781
Interest-bearing borrowings	-	-	311,349,297	311,349,297
	220,217,410	70,331,371	3,242,211,820	3,532,760,601

Bank
March 2018
In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	753,785,591	-	753,785,591
Investment under management	357,441	-	-	357,441
Loans and advances to banks	-	91,830,938	-	91,830,938
Loans and advances to customers	-	-	1,479,957,434	1,479,957,434
Pledged assets				
Treasury bills	-	-	-	-
Bonds	98,840,587	-	-	98,840,587
Investment securities				
Held to maturity				
Treasury bills	-	-	-	-
Bonds	8,482,553	-	-	8,482,553
Other Assets	-	-	34,985,484	34,985,484
	107,680,581	845,616,528	1,514,942,917	2,468,240,025
Liabilities				
Deposits from financial institutions	-	395,435,787	-	395,435,787
Deposits from customers	-	2,017,378,311	-	2,017,378,311
Other liabilities	-	-	93,579,990	93,579,990
Debt securities issued	293,790,095	-	-	293,790,095
Interest-bearing borrowings	72,267,220	288,918,211	-	361,185,431
	366,057,315	2,701,732,309	93,579,990	3,161,369,614

Bank
December 2017
In thousands of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	657,144,247	-	657,144,247
Investment under management	-	-	-	-
Loans and advances to banks	-	-	101,523,651	101,523,651
Loans and advances to customers	-	-	1,822,018,996	1,822,018,996
Pledged assets				
Treasury bills	89,821,710	-	-	89,821,710
Bonds	119,473,094	-	-	119,473,094
Investment securities				
Held to maturity				
Treasury bills	5,384,788	-	-	5,384,788
Bonds	2,352,196	6,161,050	-	8,513,246
Other Assets	-	-	34,517,514	34,517,514
	217,031,788	663,305,297	1,958,060,160	2,838,397,245
Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	223,963,436	223,963,436
Debt securities issued	220,217,410	70,331,371	-	290,548,781
Interest-bearing borrowings	-	-	288,902,461	288,902,461
	220,217,410	70,331,371	512,865,897	803,414,678

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

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

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:
(i) Quoted market prices or dealer quotes for similar instruments;
(ii) The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
(iii) Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(c) Financial instruments in level 3
The Group uses widely recognised valuation models for determining the fair value of its financial assets. Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

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

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

(ii) Determination of fair value of financial instruments.

Valuation techniques used to derive Level 2 fair values
Level 2 fair values of investments have been generally derived using the Market approach. These securities are not actively traded and the prices used in the valuation are prices as at the last trade date of these securities. Below is a table showing sensitivity analysis of material unquoted investments categorised as Level 2 fair values.

Description	Fair value at 31 March 2018	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in MTN	8,095,885	Fair value through quoted share price as at last trade date.	Share price from last trade date Number of units owned by Access bank	8,500,679	7,691,091	The higher the share price as at the last trade date, the higher the fair value
Investment in Etranzact	1,147,387	Fair value through quoted share price as at last trade date.	Share price from last trade date Number of units owned by Access bank	1,204,756	1,090,017	The higher the share price as at the last trade date, the higher the fair value

Valuation techniques used to derive Level 3 fair values
Level 3 fair values of investments have been generally derived using the adjusted fair value comparison approach. Quoted price per earning or price per book value, enterprise value to EBITDA ratios of comparable entities in a similar industry were obtained and adjusted for key factors to reflect estimated ratios of the investment being valued. Adjusting factors used are the Illiquidity Discount which assumes a reduced earning on a private entity in comparison to a publicly quoted entity and the Haircut adjustment which assumes a reduced earning for an entity located in Nigeria contributed by lower transaction levels in comparison to an entity in a developed or emerging market.

Description	Fair value at 31 March 2018	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Fair value if unobservable inputs increased by 5%	Fair value if unobservable inputs decreased by 5%	Relationship of unobservable inputs to fair value

Investment in African Finance Corporation	47,024,418	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	49,375,639	44,673,197	49,375,639	44,673,197	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in Unified Payment System	3,130,451	Adjusted fair value comparison approach	Median of Enterprise value to EBITDA ratio (EV/EBITDA) of similar comparable companies	3,286,974	2,973,929	3,246,824	3,014,079	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CSCS	1,343,868	Adjusted fair value comparison approach	Median of Enterprise value to EBITDA ratio (EV/EBITDA) of similar comparable companies	1,411,061	1,276,675	1,408,673	1,279,062	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in Stanbic IBTC Pension managers		Adjusted fair value comparison approach	Average P/B multiples of comparable companies	-	-			The higher the illiquidity ratio and the Earnings per share haircut adjustment the higher the fair value
Investment in NIBSS	2,911,506	Adjusted fair value comparison approach	Weighted Price to earnings (P/E) ratio of similar comparable companies	3,057,081	2,765,931	3,057,081	2,765,931	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in Afrexim	13,848	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	14,540	13,155	14,540	13,155	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in FMDQ	130,610	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	137,141	124,080	137,141	124,080	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC	281,626	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	295,708	267,545	292,414	270,836	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Nigerian Mortage Refinance Company	93,186	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	97,845	88,526	97,845	88,526	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value

Reconciliation of Level 3 Items

The following tables presents the changes in Level 3 instruments for the period ended 31 March 2018

Equity Securities	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Opening balance	55,180,818	50,069,031	54,929,512	49,821,881
Total unrealised gains or (losses) in OCI	-	5,111,787	-	5,107,631
Reclassification to profit or loss	-	-	-	-
Balance, period end	55,180,817	55,180,818	54,929,513	54,929,512

Assets Held for Sale	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Opening balance	9,479,967	140,727	9,479,967	140,727
Cost of Asset Additions/ (Disposal)	-	9,369,240	-	9,369,240
Reclassification	-	(30,000)	-	(30,000)
Balance, period end	9,479,967	9,479,967	9,479,967	9,479,967

Varying valuation techniques were applied in the valuation of assets classified as Level 3

Disclosure Requirements for Level 3 Financial Instruments

Valuation Technique Unquoted Equity:
The investment valuation policy (IVP) of the Group provides the framework for accounting for the Group's investment in unquoted equity securities, investment properties and assets held for sale while also providing a broad valuation guideline to be adopted in valuing them. Furthermore, the IVP details how the group decides its valuation policies and procedures and analysis changes in fair value measurements from period to period.

In accordance with IFRS 13 Fair Value Measurement, which outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its investment in each of the unquoted equity securities at the end of the financial period using the Market approach.

The Adjusted fair value comparison approach of EV/EBITDA, P/E ratios and P/Bv ratios was adopted in valuing each of these equity investments taken into cognizance the suitability of the model to each equity investment and the availability of financial information while minimizing the use of unobservable data.

Description of Valuation Methodology and inputs:
The fair value of the other unquoted equity securities were derived using the Adjusted fair value comparison technique. Adjusted fair value comparison approach of EV/EBITDA, P/E ratios and P/B ratios are used as input data .

The steps involved in estimating the fair value of the Group's investment in each of the investees (i.e. unquoted equity securities) are as follows:

Step 1: Identify quoted companies with similar line of business ,structure and size
Step 2: Obtain the EV/EBITDA or the P/B or P/E ratios of these quoted companies identified from Bloomberg,Reuters or Nigeria Stock Exchange
Step 3: Derive the average or median of EV/EBITDA or the P/B or P/E ratios of these identified quoted companies
Step 4: Apply the lower of average (mean) or median of the identified quoted companies ratios on the EV/EBITDA or Book Value or Earnings of the investment company to get the value of the investment company
Step 5: Discount the derived value of the investment company by Illiquidity discount of 25% and EPS Haircut Adjustment of 40% to obtian the Adjusted Equity Value

Step 6: Multipy the Adjusted Equity value by the present exchange rate for foreign currency investment
Step 7: Compare theAdjusted Equity value with the carrying value of the investment company to arrive at a net gain or loss

a. Enterprise Value (EV):
Enterprise value measures the value of the ongoing operations of a company.It is calculated as the market capitalization plus debt, minority interest and preferred shares, minus total cash and cash equivalents of the company .

b. Earnings Before Interest ,Tax Depreciation and Tax (EBITDA):
EBITDA is earnings before interest, taxes, depreciation and amortization. EBITDA is one of the indicator's of a company's financial performance and is used as a proxy for the earning potential of a business.

EBITDA = Operating Profit + Depreciation Expense + Amortization Expense

c. Price to Book (P/B Ratio):
The price-to-book ratio (P/B Ratio) is used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest company book value per share or by dividing the company's market capitalization by the company's total book value from its balance sheet.

d. Price to Earning (P/E Ratio):
The price-earnings ratio (P/E Ratio) values a company using the current share price relative to its per-share earnings.

The sources of the observable inputs used for comparable technique were gotten from Reuters ,Bloomberg and the Nigeria Stock Exchnage

Valuation Assumptions :

i. Illiquidity discount of 25% are used to discount the value of the investment being that they are not tradable
ii. EPS Hair cut "emerging market" discount of 40% to take care of inflation and exchange rate impact being that the comparable companies are in foreign countries

Valuation Technique Asset Held for Sale:

The Group policy on valuation of Asset Held for Sale is to appoint a professional expert valuer to value tangible asset held for sale. The professional expert used must be qualified and a member of the Nigeria Institute of Estate Surveyors and Valuers (NIESV) or International Institute of Valuers.

Basis of valuation:
The assets is being valued on a fair open market value approach. This implies that the value is based on the conservative estimates of the reasonable price that can be obtained if and when the subject asset is offered for sale under the present market conditions.

Method of Valuation
The comparative method of valuation in the valuation of the asset. This method involves the analysis of recent transaction in such asset within the same asset type and the size of the subject asset after due allowance have been made for preculiar attributes of the various asset concerned.

The key elements of the control framework for the valuation of financial instruments include model validation and independent price verification. These functions are carried out by an appropriately skilled Finance team, independent of the business area responsible for the products. The result of the valuation are reviewed quarterly by senior management.

(iii) ***Assessment of impairment of goodwill on acquired subsidiaries***
Goodwill on acquired subsidiaries was tested for impairment using discounted cash flow valuation method. Projected cash flows were discounted to present value using a discount rate of 19.50% (Dec. 2017: 19.5%) and a cash flow growth rate of 6.62% (Dec. 2017: 6.62%) over a period of four periods. The Group determined the appropriate discount rate at the end of the period. See note 29b for further details.

(iv) ***Defined benefit plan***
The present value of the long term incentive plan depends on a number of factors that are determined in an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate. The Group determines the appropriate discount rate at the end of the period. In determining the appropriate discount rate, reference is made to the yield on Nigerian Government Bonds that have maturity dates approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. See note 37 for the sensitivity analysis.

4.3 (b) Fair value of financial assets and liabilities not carried at fair value

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

(i) Cash

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

(ii) Loans and advances to banks and customers

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

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

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

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

(iv) Other assets

The bulk of these financial assets have short maturities with their amounts of financial assets in is a reasonable approximation of fair value.

(v) Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

(vi) Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value. They comprise of short term liabilities which are available on demand to creditors with no contractual rates attached to them.

(vii) Interest bearing borrowings

The estimated fair value of fixed interest-bearing borrowings not quoted in an active market is based on the market rates for similar instruments for these debts over their remaining maturity.

5.1 Credit risk management

5.1.1 Maximum exposure to credit risk before collateral held or other credit enhancements

Credit risk exposures relating to financial assets are as follows:

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Cash and balances with banks				
- Current balances with banks outside Nigeria	184,039,680	217,862,989	172,684,173	177,770,685
- Unrestricted balances with central banks	26,184,308	28,837,649	3,351,301	7,976,547
- Restricted balances with central banks	544,044,437	357,173,356	395,380,200	354,986,209
- Money market placements	235,361,453	261,805,783	17,701,977	28,157,562
- Other deposits with central banks	106,277,547	88,214,622	106,277,547	88,214,622
Investment under management	20,638,090	20,257,131	20,638,090	20,257,131
Non pledged trading assets				
Treasury bills	59,307,610	37,743,819	51,848,130	33,906,748
Bonds	3,502,807	9,050,894	3,502,807	9,050,894
Derivative financial instruments	137,005,678	93,419,293	136,041,580	92,390,219
Loans and advances to banks	74,082,896	68,114,076	93,270,906	101,429,001
Loans and advances to customers	-	1,995,987,627	-	1,771,282,738
Pledged assets				
Treasury bills	214,330,600	258,672,815	214,330,599	252,061,738
Bonds	184,141,214	188,441,589	184,141,214	188,441,589
Investment securities				
Available for sale				
Treasury bills	77,125,230	29,977,451	28,649,363	9,598,737
Bonds	55,201,974	54,079,368	26,942,688	28,066,294
Held to Maturity				
Treasury bills	55,147,205	88,203,365	-	5,837,568
Bonds	34,116,782	36,590,582	7,727,172	9,116,855
Other assets	61,388,408	46,799,196	34,985,484	34,517,514
Total	**2,071,895,916**	**3,881,231,605**	**1,497,473,230**	**3,213,062,650**
Off balance sheet exposures				
Transaction related bonds and guarantees	189,102,859	370,892,995	178,091,852	225,158,636
Guaranteed facilities	154,713,148	171,002,109	142,870,656	81,335,619
Clean line facilities for letters of credit and other commitments	422,500,806	293,267,039	287,966,718	200,918,665
Future, swap and forward contracts	801,372,715	662,935,746	801,372,715	624,709,693
Total	**1,567,689,528**	**1,498,097,889**	**1,410,301,940**	**1,132,122,613**

Balances included in Other Assets above are those subject to credit risks. The table above shows a worst-case scenario of credit risk exposure to the Group as at 31 March 2018 and 31 December 2017, without taking account of any collateral held or other credit enhancements attached.

For on-balance-sheet assets, the exposures set out above are based on net amounts reported in the statements of financial position.

The Directors are confident in their ability to continue to control exposure to credit risk which can result from both its Loans and Advances portfolio and debt securities.

Market risk management

The Group trades on bonds, treasury bills and foreign currency. Market risk in trading portfolios is monitored and controlled using tools such as position limits, value at risk and present value of an assumed basis points change in yields or exchange rates coupled with concentration limits. The major measurement technique used to measure and control market risk is outlined below.

5.2.2 Value at risk (VAR)

The Group applies a 'value at risk' (VaR) methodology to its trading portfolios at a group level to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for the Group, which are monitored on a daily basis by Market Risk Unit. Interest rate risk in the non-trading book is measured through the use of interest rate repricing gap analysis (Note 5.2.1).

VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Group might lose, but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VaR estimate. Value-at-risk estimates the potential maximum decline in the value of a position or portfolio, under normal market conditions, over a one-day holding period. It also assumes that market moves occurring over this holding period will follow a similar pattern. The Group applies these historical changes in rates, prices, etc. directly to its current positions - a method known as historical simulation. Actual outcomes are monitored regularly to test the validity of the assumptions and parameters/ factors used in the VaR calculation.
The Access Bank value-at-risk method incorporates the factor sensitivities of the trading portfolio, the volatilities and correlations of the market risk factors. The group uses the variance covariance method which derives likely future changes in market value from historical market volatility. Value at risks is estimated on the basis of exposures outstanding at the close of business and therefore might not factor in the intra-day exposures. However, the bank does not only base its risk estimates on Value at Risk, it uses Stress tests to provide an indication of the potential size of losses that could arise in extreme conditions by applying a what-if analysis to further complement it. The results of the stress tests are reviewed by senior management in each business unit and by the Board of Directors.

The trading book is made up of foreign currency, Bonds and Treasury bills instruments. The value at Risk of the trading book is as stated:

The table below sets out information on the exposure to fixed and variable interest instruments.

Exposure to fixed and variable interest rate risk
Group
In thousands of Naira

31 March 2018	Fixed	Floating	Non-interest bearing	Total
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**
Cash and balances with banks	235,361,453	-	934,171,161	1,169,532,614
Non pledged trading assets	62,810,416	-	59,348	62,869,764
Derivative financial instruments	-	-	137,005,678	137,005,678
Loans and advances to banks	74,082,896	-	-	74,082,896
Loans and advances to customers	7,311,969	1,995,514,807	-	2,002,826,776
Pledged assets	398,471,814	-	-	398,471,814
Investment securities:				
– Available-for-sale	132,327,204	-	-	132,327,204
– Held-to-maturity	89,263,986	-	-	89,263,986
TOTAL	**999,629,739**	**1,995,514,807**	**1,071,236,185**	**4,066,380,731**
LIABILITIES				
Deposits from financial institutions	572,720,621	-	-	572,720,621
Deposits from customers	1,298,663,843	1,207,381,781	-	2,506,045,623
Derivative financial instruments	-	-	22,284,817	22,284,817
Debt securities issued	200,178,254	120,636,690	-	320,814,944
Interest-bearing borrowings	263,486,536	80,633,705	-	344,120,240
TOTAL	**2,335,049,253**	**1,408,652,175**	**22,284,817**	**3,765,986,243**

31 December 2017	Fixed	Floating	Non-interest bearing	Total
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**
Cash and balances with banks	261,805,783	-	692,138,393	953,944,176
Non pledged trading assets	46,794,713	-	59,348	46,854,061
Derivative financial instruments	-	-	93,419,293	93,419,293
Loans and advances to banks	68,114,076	-	-	68,114,076
Loans and advances to customers	27,256,401	1,968,731,226	-	1,995,987,627
Pledged assets	447,114,404	-	-	447,114,404
Investment securities:				
– Available-for-sale	84,056,819	-	69,316,991	153,373,810
– Held-to-maturity	124,793,947	-	-	124,793,947
TOTAL	**1,059,936,143**	**1,968,731,226**	**854,934,025**	**3,883,601,394**

LIABILITIES				
Deposits from financial institutions	450,196,970	-	-	450,196,970
Deposits from customers	1,172,733,890	1,072,145,186	-	2,244,879,076
Derivative financial instruments	-	-	5,332,177	5,332,177
Debt securities issued	302,106,706	-	-	302,106,706
Interest-bearing borrowings	267,572,158	44,045,029	-	311,617,187
TOTAL	**2,192,609,724**	**1,116,190,215**	**5,332,177**	**3,314,132,116**

Bank

31 March 2018	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**
Cash and balances with banks	17,701,977	-	736,084,187	753,786,164
Non pledged trading assets	55,350,935	-	59,348	55,410,283
Derivative financial instruments	-	-	136,041,580	136,041,580
Loans and advances to banks	93,270,906	-	-	93,270,906
Loans and advances to customers	6,524,238	1,722,884,213	-	1,729,408,451
Pledged assets	398,471,813	-	-	398,471,813
Investment securities:				
– Available-for-sale	55,592,050	-	-	55,592,051
– Held-to-maturity	7,727,172	-	-	7,727,172
TOTAL	**634,639,092**	**1,722,884,213**	**872,185,115**	**3,229,708,420**
LIABILITIES				
Deposits from financial institutions	390,978,898	-	-	390,978,898
Deposits from customers	1,009,443,102	1,007,601,086	-	2,017,044,188
Derivative financial instruments	-	-	22,269,161	22,269,161
Debt securities issued	200,178,254	120,636,690	-	320,814,944
Interest-bearing borrowings	246,837,492	72,198,660	-	319,036,152
TOTAL	1,847,437,746	1,200,436,436	22,269,161	3,070,143,342

31 December 2017	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS	**N'000**	**N'000**	**N'000**	**N'000**
Cash and balances with banks	28,157,562	-	628,986,685	657,144,247
Non pledged trading assets	42,957,641	-	59,348	43,016,989
Derivative financial instruments	-	-	92,390,219	92,390,219
Loans and advances to banks	101,429,001	-	-	101,429,001
Loans and advances to customers	29,616,824	1,741,665,915	-	1,771,282,739
Pledged assets	440,503,327	-	-	440,503,327
Investment securities:				
– Available-for-sale	37,665,030	-	68,917,849	106,582,880
– Held-to-maturity	14,954,423	-	-	14,954,423
TOTAL	**695,283,808**	**1,741,665,915**	**790,354,101**	**3,227,303,824**
LIABILITIES				
Deposits from financial institutions	276,140,835	-	-	276,140,835
Deposits from customers	1,035,810,196	874,963,517	-	1,910,773,713
Derivative financial instruments	-	-	5,306,450	5,306,450
Debt securities issued	302,106,706	-	-	302,106,706
Interest-bearing borrowings	246,837,492	35,453,649	-	282,291,140
TOTAL	1,860,895,229	910,417,166	5,306,450	2,776,618,845

Derivative financial instruments include elements of interest rate differential between the applicable underlying currencies. Further details on the fair value of derivatives have been discussed in Note3.9(J) of the financial statement.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by Group Treasury.

7 Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic business units, the Executive Management Committee reviews internal management reports on at least a quarterly basis. The Group presents segment information to its Executive Committee, which is the Group's Chief Operating Decision Maker, based on International Financial Reporting Standards.

Basing on the market segment and extent of customer turnover, the group reformed the arrangement of segments from previous years into four operational segments as described below;

- **Corporate and Investment Banking -** The division provides bespoke comprehensive banking products and a full range of services to multinationals, large domestic corporates and other institutional clients. The division focuses on customers in key industry sector with minimum annual turnover of N20Billion. It also provides innovative finance solutions to meet the short, medium and long-term financing needs for the Bank's clients as well as relationship banking services to the Bank's financial institutions customers.

- **Commercial banking** - The commercial banking division has presence in all major cities in the country. It provides commercial banking products and services to the non-institutional clients, medium and small corporate segments of the Nigerian market whose annual turnover is above N1bn. The division also provides financial services to public sector, commercial institutions and oriental corporates.

- **Personal banking** – The personal banking division is the retail arm of the bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad. The division provides financial solutions across various channels (ATM, Mobile banking, etc) and platforms.

- **Business Banking** - The Business banking division is a hybrid of Commercial and Personal Banking Divisions. It focuses on small and medium scale enterprises providing them with business solutions to support their growing business needs. The division delivers commercial banking products and services to SME customers with annual turnover of less than 1billion.

All of the Segments reported at the end of the period had its,

- Reported revenue, from both external customers and intersegment sales or transfers, 10 per cent or more of the combined revenue, internal and external, of all operating segments, or

-the absolute measure of its reported profit or loss 10 per cent or more of the greater, in absolute amount, of
(i) the combined reported profit of all operating segments that did not report a loss and
(ii) the combined reported loss of all operating segments that reported a loss, or

-its assets are 10% or more of the combined assets of all operating segments.

Unallocated Segments represents all other transactions than are outside the normal course of business and can not be directly related to a specific segment financial information.

Thus, in essence, unallocated segments reconcile segment balances to group balances. Material items comprising total assets and total liabilities of the unallocated segments have been outlined below;

Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the income statement.

Material total assets and liabilities

In thousands of Naira	Group March 2018	Group December 2017
Other Assets	89,391,765	82,753,431
Deferred tax (net)	418,517	740,402
Assets Held for Sale	9,456,695	9,479,967
Goodwill	681,007	681,007
	99,947,985	**93,654,807**
Other liabilities	133,141,911	253,914,175
Debt Securities issued	320,814,944	302,106,706
Interest-bearing loans and borrowings	344,120,240	311,617,187
Deferred tax	8,495,026	8,764,262
Retirement Benefit Obligation	2,784,487	2,495,274
Total liabilities	**809,356,608**	**878,897,604**

Material revenue and expenses

	Group March 2018	Group December 2017
Interest expense		
Interest expense on debt securities issued	(9,189,933)	(26,928,587)

7a Operating segments (continued)

31 March 2018

In thousands of Naira	**Corporate & Investment Banking**	**Commercial Banking**	**Business Banking**	**Personal Banking**	**Unallocated Segments**	**Total continuing operations**	**Total**
Revenue:							
Derived from external customers	57,876,647	36,662,838	20,501,751	22,493,554	-	137,534,790	137,534,790
Derived from other business segments	-	-	-	-	-	-	-
Total Revenue	57,876,647	36,662,838	20,501,751	22,493,554	-	137,534,790	137,534,790
Interest Income	30,971,861	45,469,832	9,621,896	9,530,604	-	95,594,193	95,594,193
Interest expense	(16,969,973)	(22,535,859)	(1,076,514)	(1,168,467)	(9,189,933)	(50,940,745)	(50,940,745)
Impairment Losses	(2,176,722)	(2,890,669)	105,991	-	-	(4,961,400)	(4,961,400)
Profit/(Loss) on ordinary activities before taxation	19,960,268	4,879,300	1,403,681	1,195,670	-	27,438,919	27,438,919
Share of profit from associate	-	-	-	-	-	-	-
Income tax expense	(3,872,061)	(946,528)	(272,298)	(231,946)	-	(5,322,833)	(5,322,833)
Profit after tax	16,088,207	3,932,772	1,131,383	963,724		22,116,086	22,116,086
Assets and liabilities:							
Loans and Advances to customers	767,062,512	1,130,160,774	64,737,501	40,865,989	-	2,002,826,776	2,002,826,776
Goodwill	-	-	-	-	681,007	681,007	681,007
Tangible segment assets	1,650,153,319	2,441,852,652	118,804,090	66,754,653	-	4,277,564,715	4,277,564,715
Unallocated segment assets	-	-	-	-	99,266,978	99,266,978	99,266,978
Total assets	1,650,153,319	2,441,852,652	118,804,090	66,754,653	99,947,985	4,377,512,700	4,377,512,700
Deposits from customers	847,853,759	931,888,821	330,137,747	396,165,296	-	2,506,045,623	2,506,045,623
Segment liabilities	1,124,785,641	1,256,278,874	314,693,408	418,009,519	-	3,113,767,442	3,113,767,442
Unallocated segment liabilities	-	-	-	-	809,356,608	809,356,608	809,356,608
Total liabilities	1,124,785,641	1,256,278,874	314,693,408	418,009,519	809,356,608	3,923,124,049	3,923,124,049
Net assets	525,367,678	1,185,573,779	(195,889,317)	(351,254,865)	(709,408,623)	454,388,650	454,388,650

31 December 2017

In thousands of Naira	Corporate & Investm **Banking**	Commercial **Banking**	Business **Banking**	Personal **Banking**	Unallocated **Segments**	**Total continuing operations**	**Total**
Revenue:							
Derived from external customers	221,648,200	137,382,662	34,774,110	65,270,807	-	459,075,779	459,075,779
Derived from other business segments	-	-	-	-	-	-	-
Total Revenue	221,648,200	137,382,662	34,774,110	65,270,807	-	459,075,779	459,075,779
Interest Income	91,910,500	154,101,363	31,066,986	42,775,553	-	319,854,402	319,854,402
Interest expense	(37,453,265)	(64,996,071)	(11,733,835)	(15,291,099)	(26,928,587)	(156,402,857)	(156,402,857)
Impairment Losses	(27,669,368)	(6,086,968)	578,891	(1,289,423)	-	(34,466,868)	(34,466,868)
						-	-
Profit/(Loss) on ordinary activities before taxation	74,573,146	26,177,424	1,667,521	4,582,976	(26,928,587)	80,072,480	80,072,480
Income tax expense	(12,647,766)	(4,386,483)	(279,422)	(767,957)	-	(18,081,628)	(18,081,628)
Profit after tax						61,990,852	61,990,852
Assets and liabilities:							
Loans and Advances to customers	817,361,325	1,118,643,435	73,969,035	54,127,908	-	2,064,101,703	2,064,101,703
						-	
Goodwill	-	-	-	-	681,007	681,007	681,007
Tangible segment assets	1,753,082,355	1,972,389,897	163,483,992	119,631,769	-	4,008,588,013	4,008,588,013
Unallocated segment assets	-	-	-	-	93,654,807	93,654,807	93,654,807
Total assets	1,753,082,355	1,972,389,897	163,483,992	119,631,769	93,654,807	4,102,242,820	4,102,242,820
						-	
Deposits from customers	397,529,002	976,398,417	311,944,929	559,006,727	-	2,244,879,075	2,244,879,075
Segment liabilities	493,234,417	1,170,538,200	373,969,733	670,155,458	-	2,707,897,808	2,707,897,808
Unallocated segment liabilities	-	-	-	-	878,897,603	878,897,603	878,897,603
Total liabilities	493,234,417	1,170,538,200	373,969,733	670,155,458	878,897,603	3,586,795,411	3,586,795,411
Net assets	1,259,847,938	801,851,697	(210,485,741)	(550,523,689)	(785,242,796)	515,447,409	515,447,409

7 Geographical segments

The Group operates in three geographic regions, being:

- Nigeria
- Rest of Africa
- Europe

31 March 2018 *In thousands of Naira*	**Nigeria**	**Rest of Africa**	**Europe**	**Total**
Derived from external customers	118,297,418	13,814,959	5,422,412	137,534,790
Derived from other segments	-	-	-	-
Total Revenue	118,297,418	13,814,959	5,422,412	137,534,790
Interest Income	81,824,601	9,833,052	3,936,540	95,594,193
Impairment Losses	(4,556,663)	(380,091)	(24,646)	(4,961,400)
Interest expense	(46,963,973)	(4,177,410)	200,638	(50,940,746)
Net Fee and commission	12,764,024	1,615,682	1,337,837	15,717,542
Operating Income	71,333,446	9,637,549	5,623,050	86,594,044
Profit/(loss) before income tax	20,357,101	3,548,024	3,533,794	27,438,919
Assets and liabilities:				
Loans and Advances to customers	1,822,679,357	92,821,448	161,408,867	2,076,909,672
Non current assets				
Goodwill	-	681,007	-	681,007
Total assets	3,595,483,992	415,842,347	366,186,361	4,377,512,700
Deposit from customers	2,017,044,188	258,682,401	230,319,034	2,506,045,623
Total liabilities	3,186,423,585	350,408,571	386,291,893	3,923,124,048

31 December 2017	**Nigeria**	**Rest of Africa**	**Europe**	**Total**
Derived from external customers	398,161,575	38,759,457	22,154,747	459,075,779
Derived from other segments	-	-	-	-
Total Revenue	398,161,575	38,759,457	22,154,747	459,075,779
Interest Income	274,670,641	28,223,362	16,960,399	319,854,402
Impairment Losses	(29,149,849)	(5,317,020)	-	(34,466,869)
Interest expense	(143,133,607)	(6,302,975)	(6,966,275)	(156,402,857)
Fee and commission expenses	45,785,985	5,819,745	4,991,587	56,597,317
Operating Income	255,027,968	32,456,482	15,188,472	302,672,922
Profit/(loss) before income tax	67,043,501	3,993,736	9,035,244	80,072,480
Assets and liabilities:				
Loans and Advances to customers and banks	1,872,711,740	95,388,270	96,001,693	2,064,101,703
Non current assets				
Goodwill	-	681,007	-	681,007
Total assets	3,499,683,979	(67,809,612)	670,368,454	4,102,242,820
Deposit from customers	1,910,773,713	130,741,584	203,363,778	2,244,879,075
Total liabilities	3,030,192,882	(39,075,909)	595,678,438	3,586,795,411
Net assets	469,491,097	(28,733,703)	74,690,016	515,447,410

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the group's total revenue in period ended 31 March 2018 and for the period ended 31 December 2017. Information on revenue from external customers for each product and service had not been disclosed as the information is not readily available to the chief operating decision maker and the cost to develop is considered excessive.

8 Interest income

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Interest income				
Cash and balances with banks	1,785,070	1,138,557	1,110,931	654,795
Loans and advances to customers	74,200,152	57,672,596	65,974,088	50,636,279
Investment securities				
-At fair value through other comprehensive income	4,588,475	-	2,388,038	-
-Available for sale	-	7,295,532	-	6,840,302
-Held for trading	8,355,941	7,916,083	7,970,606	7,867,087
-At amortised cost	6,664,555	-	4,380,939	-
- Held to maturity	-	5,310,383	-	3,507,188
	95,594,193	79,333,152	81,824,601	69,505,651
Interest expense				
Deposit from financial institutions	6,163,113	1,123,305	6,926,805	1,688,326
Deposit from customers	33,372,272	25,583,502	28,886,699	21,251,085
Debt securities issued	9,189,933	8,190,504	9,188,003	6,877,246
Interest bearing borrowings and other borrowed funds	2,215,428	1,698,987	1,962,466	3,256,680
	50,940,745	36,596,298	46,963,973	33,073,336
Net interest income	44,653,447	42,736,854	34,860,629	36,432,315

9 Net impairment charge on financial assets

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Additional collective impairment charges on loans and advances to banks	-	191	-	191
Additional collective impairment charges on loans and advances to customers	-	(2,555,502)	-	(2,701,574)
Additional specific impairment charges on loans and advances to customers	-	(641,078)	-	(205,922)
Additional impairment charges on loans and advances to customers	(5,382,532)	-	(4,978,618)	-
Additional impairment allowance on financial assets in other assets (see note 26)	421,132	(740)	421,955	-
	(4,961,400)	(3,197,129)	(4,556,663)	(2,907,305)

10 Fee and commission income

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Credit related fees and commissions	5,965,779	3,846,018	4,363,009	2,388,195
Account maintenance charge and handling commission	895,449	865,624	753,913	741,324
Commission on bills and letters of credit	1,187,775	1,097,916	1,129,085	972,042
Commissions on collections	372,918	31,389	358,066	23,209
Commission on other financial services	3,051,537	2,099,538	2,518,277	1,633,379
Commission on virtual products	1,290,778	1,027,122	871,975	653,009
Commission on foreign currency denominated transactions	582,589	721,958	409,487	618,807
Channels and other E-business income	2,482,942	2,038,203	2,357,659	1,983,746
Retail account charges	31,935	76,199	2,550	56,152
	15,861,703	11,803,966	12,764,024	9,069,863

Credit related fees and commissions are fees charged to corporate customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost.

Channels and other E-business income include income from electronic channels, card products and related services.

11 Net gains on investment securities

a Net (loss)/gain on financial instruments designated as held for trading

In thousands of Naira	**Group March 2018**	**Group March 2017**	**Bank March 2018**	**Bank March 2017**
Fixed income securities	959,496	(620,137)	622,704	(681,015)
Derivative instruments	26,709,352	6,160,530	26,688,651	6,145,477
	27,668,848	**5,540,393**	**27,311,355**	**5,464,462**

Net (loss)/gains on financial instruments classified as held for trading includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value.

(Loss)/gain on financial instrument relates to fair value increase arising from derivative instruments to which the bank is a party in the normal course of businessand are held at fair value. Derivative financial instruments consist of forward, swap and future contracts.

12 Net foreign exchange income/(loss)

In thousands of Naira	**Group March 2018**	**Group March 2017**	**Bank March 2018**	**Bank March 2017**
Foreign exchange trading income (net)	(5,222,819)	17,163,781	(7,182,021)	16,337,035
Unrealised foreign exchange (loss)/gain on revaluation	(1,598,314)	(109,772.65)	(1,421,987)	(243,939.21)
	(6,821,133)	**17,054,009**	**(8,604,008)**	**16,093,095**

Foreign exchange trading income includes realised gains on derivatives that matured during the period.

13 Other operating income

In thousands of Naira	**Group March 2018**	**Group March 2017**	**Bank March 2018**	**Bank March 2017**
Dividends on available for sale equity securities	2,037,415	1,805,403	2,037,415	1,805,403
Gain on disposal of property and equipment	402,472	6,435	401,035	6,437
Rental income	5,675	10,581	3,596	8,923
Bad debt recovered	153,476	159,492	75,138	124,444
Cash management charges	67,315	51,027	67,315	51,027
Income from agency and brokerage	80,990	73,325	80,990	73,325
Income from assets under management	1,136,178	-	1,136,178	-
Income from other investments	91,853	84,051	-	21,334
Income from other finacial services	1,255,805	19,221	1,199,779	6,910
	5,231,179	**2,209,535**	**5,001,447**	**2,097,802**

14 Personnel expenses

In thousands of Naira	**Group March 2018**	**Group March 2017**	**Bank March 2018**	**Bank March 2017**
Wages and salaries	11,441,591	12,421,904	8,228,365	9,849,690
Increase in liability for long term incentive plan (see note 37 (a) (i))	285,138	259,309	285,138	259,309
Contributions to defined contribution plans	348,603	301,478	194,022	179,375
Restricted share performance plan	214,975	193,109	214,975	160,924
	12,290,307	**13,175,800**	**8,922,499**	**10,449,298**

(a) Under the Restricted Share Performance Plan (RSPP), shares of the Bank are awarded to employees based on their performance at no cost to them. Under the terms of the plan, the shares vest over a 3 year period from the date of award. The scheme applies to only employees of the Bank that meet the stipulated performance criteria irrespective of where they work within the Group. The RSPP is an equity-settled scheme, where the Bank recognizes an expense and a corresponding increase in equity. Initial estimates of the number of equity settled instruments that are expected to vest are adjusted to current estimates and ultimately to the actual number of equity settled instruments that vest unless differences are due to market conditions.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding twenty (20) per cent of the aggregate emoluments of the Bank's employees in each financial year to purchase shares of the Bank from the floor of the Nigerian Stock Exchange for the purpose of the plan. The Bank has also established a Structured Entity (SE) to hold shares of the Bank purchased. Upon vesting, the SE transfers the shares to the employee whose interest has vested. The SE is consolidated in the Group's financial statements.

(i) The shares allocated to staff has a contractual vesting period of three (3) years commencing from the year of purchase/allocation to the staff. The group has no legal or constructive obligation to repurchase or settle on a cash basis.

(ii) The number and weighted-average exercise prices of shares has been detailed in table below;

Group

Description of shares		March 2018		December 2017	
		Number of Shares	**Weighted Share Price per Share - Naira**	**Number of Shares**	**Weighted Share Price per Share - Naira**
(i)	Shares allocated to staff at start of the period;	609,125,803	6.94	503,879,845	5.90
(ii)	Shares allocated during the period	-	-	161,489,590	9.51
(iii)	Forfeited during the period;	-	-	(52,308,223)	4.97
(iv)	Exercised during the period;	-	-	(3,935,409)	6.22
(v)	Shares allocated to staff at end of the period;	609,125,803	6.94	609,125,803	6.94
	Shares under the scheme at the end of the period	646,955,092	5.80	646,955,092	5.80
		Naira ('000)	**Price per Share - Naira**	**Naira ('000)**	**Price per Share - Naira**
Share based expense recognised during the period		214,975	6.94	1,170,693	6.94

Outstanding allocated shares to staff at the end of the period have the following maturity dates

	Vesting period	Expiry date	Shares
Outstanding allocated shares for the 2013 - 2015 vesting period	2014 - 2016	31 Dec 2016	
Outstanding allocated shares for the 2015 - 2017 vesting period	2015 - 2017	31 Dec 2017	192,029,092
Outstanding allocated shares for the 2016 - 2018 vesting period	2016 - 2018	31 Dec 2018	266,000,526
			458,029,618

Bank

Description of shares		March 2018		December 2017	
		Number of Shares	**Weighted Share Price per Share - Naira**	**Number of Shares**	**Weighted Share Price per Share - Naira**
(i)	Shares allocated to staff at start of the period;	546,981,368	7.25	470,756,837	5.93
(ii)	Shares allocated during the period	-	-	132,468,162	10.00
(iii)	Forfeited during the period;	-	-	(52,308,223)	5.14
(iv)	Exercised during the period;	-	-	(3,935,409)	6.19
(v)	Shares allocated to staff at end of the period;	546,981,368	7.25	546,981,368	7.25
(vi)	Shares under the scheme at the end of the period	583,799,951	5.93	583,799,951	5.93
		Naira ('000)	**Price per Share - Naira**	**Naira ('000)**	**Price per Share - Naira**
Share based expense recognised during the period		214,975	7.25	1,023,860	7.25

Outstanding allocated shares to staff at the end of the period have the following maturity dates

	Vesting period	Expiry date	Shares
Outstanding allocated shares for the 2014 - 2016 vesting period	2014 - 2016	31 Dec 2016	
Outstanding allocated shares for the 2015 - 2017 vesting period	2015 - 2017	31 Dec 2017	158,906,084
Outstanding allocated shares for the 2016 - 2018 vesting period	2016 - 2018	31 Dec 2018	250,177,226
			409,083,310

The weighted average remaining contractual life of the outstanding allocated shares is :

	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
	Years	**Years**	**Years**	**Years**
Weighted average contractual life of remaining shares	1.08	1.64	1.11	1.63

15 Other operating expenses

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Premises and equipment costs	2,572,226	2,471,407	2,069,230	1,987,729
Professional fees	981,646	837,255	777,248	645,172
Insurance	300,050	286,209	230,701	225,453
Business travel expenses	1,867,947	1,737,628	1,713,215	1,580,087
Asset Management Corporation of Nigeria (AMCON) surcharge (see note (a) below)	8,374,551	7,737,401	8,374,551	7,737,401
Deposit insurance premium	1,623,281	1,426,997	1,623,281	1,426,997
Auditor's remuneration	141,193	129,064	105,000	91,875
Administrative expenses	5,476,988	5,393,441	5,034,069	5,094,224
Board expenses	286,346	234,756	232,471	175,530
Communication expenses	1,384,354	685,441	1,118,045	432,401
IT and e-business expenses	4,178,723	3,889,118	3,620,564	3,528,246
Outsourcing costs	2,314,140	2,043,681	2,031,471	1,803,130
Advertisements and marketing expenses	1,678,990	1,089,986	1,481,311	895,975
Recruitment and training	1,277,563	564,090	1,228,981	497,711
Events, charities and sponsorship	832,859	601,710	784,104	564,414
Periodicals and subscriptions	933,818	348,303	880,377	308,419
Security expenses	1,176,832	847,256	1,058,900	712,465
Cash processing and management cost	826,596	446,779	775,539	402,707
Stationeries, postage and printing	295,345	424,100	235,064	329,533
Office provisions and entertainment	141,496	122,091	77,808	70,203
	36,664,944	**31,316,713**	**33,451,932**	**28,509,673**

(a) This represents the Group's contribution to AMCON's sinking fund for the period ended 31 March 2018. All deposit money banks in Nigeria are required to contribute 0.5% of total assets as at the preceding year end to AMCON's sinking fund in line with existing guidelines. It is non-refundable and does not represent any ownership interest nor does it confer any rights or obligations (save to pay the levy) on the contributor.

16 Income tax expense

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Current tax expense				
Corporate income tax	5,119,262	3,586,327	3,709,675	2,553,442
IT tax	203,571	278,564	203,571	278,564
Education tax	-	154,950	-	154,950
	5,322,833	4,019,841	3,913,246	2,986,956
Deferred tax expense				
Origination of temporary differences	-	1,169,180	-	1,271,810
Income tax expense	**5,322,833**	**5,189,021**	**3,913,246**	**4,258,767**

The movement in the current income tax liability is as follows:

	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Balance at the beginning of the period	7,489,584	5,938,662	4,547,920	5,004,160
Tax paid	(232,545)	(9,458,675)	-	(7,860,615)
Income tax charge	5,322,833	10,887,942	3,913,246	7,404,375
Prior period's under provision	-	1,841,940	-	1,841,940
Witholding tax utilisation	-	(1,841,940)	-	(1,841,940)
Reclassifications	-	-	-	-
Translation adjustments	136,509	121,655	-	-
Income tax receivable	-	-	-	-
Balance at the end of the period	12,716,381	7,489,584	8,461,165	4,547,920

17 Earnings per share

(a) Basic from continuing operations

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the company and held as treasury shares.

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Profit for the period from continuing operations	21,797,756	22,322,807	16,443,856	19,985,260
Weighted average number of ordinary shares in issue	28,927,972	28,927,972	28,927,972	28,927,972
Weighted average number of treasury Shares	583,514	503,880	-	-
	28,344,458	28,424,092	28,927,972	28,927,972
In kobo per share				
Basic earnings per share from continuing operations	77	79	57	69

Diluted earnings per share is calculated by considering the impact of the treasury shares in weighted average number of ordinary shares outstanding

Potential Diluted EPS

In thousands of Naira	Group March 2018	Group March 2017	Bank March 2018	Bank March 2017
Profit for the period from continuing operations	21,797,756	22,322,807	16,443,856	19,985,260
Weighted average number of ordinary shares in issue	28,927,972	28,927,972	28,927,972	28,927,972
In kobo per share				
Diluted earnings per share from continuing operations	75	77	57	69

18 Cash and balances with banks

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Cash on hand and balances with banks (see note (i))	257,664,869	217,912,766	231,075,139	177,809,307
Restricted deposits with central banks (see note (ii))	544,044,437	357,173,356	395,380,200	354,986,209
Unrestricted balances with central banks	26,184,308	28,837,649	3,351,301	7,976,547
Money market placements	235,361,453	261,805,783	17,701,977	28,157,562
Other deposits with central banks (see note (iii))	106,277,547	88,214,622	106,277,547	88,214,622
	1,169,532,614	**953,944,176**	**753,786,164**	**657,144,247**

(i) Included in cash on hand and balances with banks is an amount of N34.136Bn (31 Dec 2017: N33.045Bn) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 34). This has been excluded for cash flow purposes.

(ii) Restricted deposits with central banks comprise the cash reserve requirements of the Central Bank of Nigeria and other central banks of jurisdictions that the group operates in. These balances are not available for day to day operations of the group.

(ii) Other deposits with central banks comprise a special intervention fund with the Central Bank of Nigeria of N49.6Bn introduced in January 2016 as a reduction in the cash reserve ratio with a view of channeling the reduction to financing the real sector. The special intervention fund is restricted and not available for day to day use by the Bank. The balance of N56.6Bn represents the nominal value held for outstanding forward contracts entered on behalf of customers with Central Bank of Nigeria.

19 Investment under management

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Relating to unclaimed dividends:				
Government Bonds	357,441	357,441	357,441	357,441
Placements	6,283,077	6,283,077	6,283,077	6,283,077
Commercial Paper	7,342,904	6,992,904	7,342,904	6,992,904
Nigerian Treasury Bills	1,972,963	1,972,963	1,972,963	1,972,963
Mutual Funds	2,664,746	2,664,746	2,664,746	2,664,746
Eurobonds	2,016,960	1,986,000	2,016,960	1,986,000
	20,638,090	**20,257,131**	**20,638,090**	**20,257,131**

The Bank entrusted the sum transferred to it by the Registrars in respect of unclaimed dividends with select Asset Managers who will ensure safekeeping and manage the funds for the benefit of the Bank. The investments by the Asset Managers are as listed above (the corresponding liability which is due to the Registrar is reported in Other liabilities. See note 34).

20 Non pledged trading assets

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Government bonds	3,466,483	9,031,525	3,466,483	9,031,525
Eurobonds	36,324	19,369	36,324	19,369
Treasury bills	59,307,610	37,743,819	51,848,130	33,906,748
Equity securities	59,348	59,348	59,348	59,348
	62,869,764	**46,854,062**	**55,410,284**	**43,016,991**

21 Derivative financial instruments

In thousands of Naira	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	March 2018		December 2017	
Group				
Foreign exchange derivatives				
Total derivative assets	**534,058,080**	**137,005,678**	**426,342,495**	**93,419,293**
Non-deliverable Future contracts	101,914,501	1,142,795	280,403,522	8,311,492
Forward and Swap contract	432,143,579	135,862,883	145,938,973	85,107,801
Total derivative liabilities	**308,138,676**	**(22,284,817)**	**237,298,924**	**(5,332,177)**
Non-deliverable Future contracts	117,041,701	(1,055,003)	145,200,611	(1,314,399)
Forward and Swap contract	191,096,974	(21,229,814)	92,098,313	(4,017,778)

	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	March 2018		December 2017	
Bank				
Foreign exchange derivatives				
Total derivative assets	**496,797,465**	**136,041,580**	**390,798,265**	**92,390,219**
Non-deliverable Future contracts	101,914,501	1,142,795	145,938,973	8,311,492
Forward and Swap contract	394,882,964	134,898,785	244,859,292	84,078,727
Total derivative liabilities	**304,575,250**	**(22,269,161)**	**233,911,428**	**(5,306,450)**
Non-deliverable Future contracts	117,041,701	(1,055,003)	145,200,611	(1,314,399)
Forward and Swap contract	187,533,548	(21,214,158)	88,710,817	(3,992,051)

Derivative financial instruments consist of forward,sawap and futrure contracts. These are held for day to day cash management rather than for trading purposes and are held at fair value. The contracts have intended settlement dates of between 30 days and two years. All derivative contracts are considered to be valued with reference to data obtained from FMDQ.

Included in other liabilities are security deposit for Swap and future deals which are deposits (collaterised deposits) by counter parties.

The movement in fair value is as a result of a depreciation of the functional currency of the group (Naira) within the period and an increase in the volume of transactions.

22 Loans and advances to banks

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Loans and advances to banks	74,082,895	68,155,581	93,270,905	101,470,507
Less collective allowances for impairment	-	(41,506)	-	(41,506)
	74,082,896	**68,114,076**	**93,270,906**	**101,429,002**

23 Loans and advances to customers

a Group

March 2018 *In thousands of Naira*	Gross amount	Expected Credit Loss	Carrying amount
Loans and advances to individuals and corporate entities	2,108,056,003	(105,229,227)	2,002,826,776
	2,108,056,003	**(105,229,227)**	**2,002,826,776**

Group

December 2017 *In thousands of Naira*	Gross amount	Specific impairment allowance	Collective impairment allowance	Total impairment allowance	Carrying amount
Loans and advances to individuals and corporate entities	2,059,855,443	(41,785,515)	(22,082,301)	(63,867,816)	1,995,987,627
	2,059,855,443	**(41,785,515)**	**(22,082,301)**	**(63,867,816)**	**1,995,987,627**

23 Loans and advances to customers
b Bank

March 2018 *In thousands of Naira*	**Gross amount**	**Expected Credit Loss**	**Carrying amount**
Loans and advances to individuals and corporate entities	1,824,506,805	(95,098,354)	1,729,408,451
	1,824,506,805	**(95,098,354)**	**1,729,408,451**

Bank

December 2017 *In thousands of Naira*	**Gross amount**	**Specific impairment allowance**	**Collective impairment allowance**	**Total impairment allowance**	**Carrying amount**
Loans and advances to individuals and corporate entities	1,827,572,140	(36,016,759)	(20,272,643)	(56,289,402)	1,771,282,738
	1,827,572,140	**(36,016,759)**	**(20,272,643)**	**(56,289,402)**	**1,771,282,738**

24 Pledged assets

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Treasury bills	214,330,600	258,672,815	214,330,599	252,061,738
Government bonds	184,141,214	188,441,589	184,141,214	188,441,589
	398,471,814	**447,114,404**	**398,471,813**	**440,503,327**
The related liability for assets pledged as collateral include:				
Bank of Industry (BOI)	25,266,300	18,309,954	25,266,300	18,309,954

(i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above. Also included in pledged assets are assets pledged as collateral or security deposits to clearing house and payment agencies for which there is no related liability. The pledges have been made in the normal course of business of the Bank. In the event of default, the pledgee has the right to realise the pledged assets.

25 Investment securities

At fair value through other comprehensive income *In thousands of Naira*	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Debt securities				
Government bonds	49,819,667	-	21,560,382	-
Treasury bills	77,125,230	-	28,649,363	-
Eurobonds	1,508,636	-	1,508,636	-
Corporate bonds	3,873,671	-	3,873,671	-
State government bonds	10,556,695	-	10,556,695	-
	142,883,899	-	66,148,746	-

Available For Sale *In thousands of Naira*	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Debt securities				
Government bonds	-	34,112,643	-	9,319,691
Treasury bills	-	29,977,451	-	9,598,737
Eurobonds	-	1,572,222	-	352,100
Corporate bonds	-	3,744,387	-	3,744,387
State government bonds	-	14,650,116	-	14,650,116
	-	84,056,819	-	37,665,031
At fair value through profit or loss				
In thousands of Naira				
Equity securities				
Equity securities at fair value through profit or loss	70,326,828	-	69,630,496	-
Unquoted equity securities	3,145,697	-	3,145,697	-
	73,472,525	-	72,776,193	-
Specific allowance for impairment on investments	(3,413,921)	-	(3,413,921)	-
	70,058,604	**-**	**69,362,272**	**-**
Equity securities				
Equity securities with readily determinable fair values (i)	-	69,581,098	-	69,181,956
Unquoted equity securities at cost	-	3,145,697	-	3,145,697
	-	72,726,795	-	72,327,653
Specific allowance for impairment on available for sale investments	-	(3,409,804)	-	(3,409,804)
	-	**69,316,991**	**-**	**68,917,849**

The fair value of the unquoted equity securities carried at cost cannot be reliably estimated as there are no active market for these financial instruments; they have therefore been disclosed at cost less impairment. These equity investments have been fully impaired and has a nil balance in the group financial statement.

(i) Equity securities with readily determinable fair values (carrying amount)

MTN Nigeria	8,095,885	8,760,176	8,095,885	8,760,176
Central securities clearing system limited	1,343,868	1,343,868	1,343,868	1,343,868
Nigeria interbank settlement system plc.	2,911,506	3,396,757	2,911,506	3,396,757
Unified payment services limited	3,130,451	3,130,451	3,130,451	3,130,451
Africa finance corporation	47,024,418	50,882,911	47,024,418	50,882,911
E-Tranzact	1,124,439	1,147,387	1,124,439	1,147,387
African export-import bank	13,848	14,984	13,848	14,984
FMDQ OTC Plc	130,610	130,610	130,610	130,610
Nigerian mortage refinance company plc.	93,186	93,186	93,186	93,186
Credit reference company	281,626	281,626	281,626	281,626
NG Clearing Limited	303,340	-	303,340	-
Others	5,873,652	399,140	-	-
	70,326,828	69,581,098	64,453,177	69,181,956

At Amortised cost
In thousands of Naira

Debt securities

Treasury bills	55,147,205	-	-	-
Federal government bonds	29,806,328	-	4,213,142	-
State government bonds	1,019,604	-	1,019,604	-
Corporate bonds	623,450	-	623,450	-
Eurobonds	2,667,399	-	1,870,976	-
	89,263,986	-	7,727,172	-

Held to maturity investment securities
In thousands of Naira

Debt securities

Treasury bills	-	88,203,365	-	-
Federal government bonds	-	30,127,895	-	5,837,568
State government bonds	-	3,786,715	-	2,654,168
AMCON bonds (see note below)	-		-	3,786,715
Corporate bonds	-	610,777	-	
Eurobonds	-	2,065,195	-	610,777
Local contractors bonds	-	-		2,065,195
	-	124,793,947	-	14,954,422

Total	**302,206,490**	**278,167,757**	**143,238,190**	**121,537,302**

Specific allowance for impairment on investments at fair value through other comprehensive income

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Balance, beginning of period	3,409,804	-	3,409,806	-
Additional allowance	-	-	-	-
Allowance written off	-	-	-	-
Revaluation difference	598	-	598	-
Balance, end of period	**3,410,402**	**-**	**3,410,404**	**-**

Specific allowance for impairment on available for sale investment securities

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Balance, beginning of period	-	3,389,059	-	3,389,059
Additional allowance	-	-	-	-
Allowance written off	-	-	-	-
Revaluation difference	-	20,745	-	20,745
Balance, end of period	**-**	**3,409,804**	**-**	**3,409,805**

26 Other assets

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Financial assets				
Accounts receivable	41,567,196	29,153,379	14,633,927	15,988,773
Receivable on E-business channels	12,895,756	16,502,776	12,931,145	16,502,776
Receivable from disposal of Non-current asset	3,833,333	3,201,307	3,833,333	3,201,307
Deposit for investment in AGSMEIS (i)	-	-	-	-
Subscription for investment	5,261,511	612,055	5,261,511	920,768
	63,557,797	49,469,517	36,659,917	36,613,624

(i) Deposit for investment in AGSMEIS represents the Bank's deposit as equity investment in Agri-business/Small and Medium Enterprises Investment Scheme. As approved by the Bankers' Committee on 9th February 2017, all Deposit Money Banks are required to invest 5% of prior year's Profit After Tax as equity investment in the scheme.

(ii) Subscription for investment balance relates to deposits paid for the acquisition of equity investments for which shares have not been issued to the Bank.

	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Non-financial assets				
Prepayments	27,357,551	34,611,077	20,530,009	29,329,123
Inventory	645,807	1,343,160	610,023	1,343,160
	28,003,357	35,954,237	21,140,031	30,672,283
Gross other assets	91,561,154	85,423,754	57,799,948	67,285,907
Allowance for impairment on financial assets				
Accounts receivable	(2,144,388)	(2,645,320)	(1,649,432)	(2,071,109)
Subscription for investment	(25,001)	(25,001)	(25,001)	(25,001)
	89,391,765	**82,753,433**	**56,125,515**	**65,189,797**

Movement in allowance for impairment on other assets:

In thousands of Naira	Group Accounts Receivable	Group subscription for investments	Bank Accounts Receivable	Bank subscription for investments
Balance as at 1 January 2017	2,942,856	25,001	2,942,857	25,001
Impairment loss for the period:				
- Additional provision	549,920	-	(315,930)	-
Net impairment	549,920	-	(315,930)	-
Allowance written off	(847,456)	-	(555,818)	-
Revaluation difference	-	-	-	-
Balance as at 31 December 2017/1 January 2018	2,645,320	25,001	2,071,109	25,001

Impairment loss for the period:				
- Additional provision	824	-	-	-
- Provision no longer required	(421,955)	-	(421,955)	-
Net impairment	(421,132)	-	(421,955)	-
Allowance written off	(79,801)	-	-	-
Revaluation difference	-	-	278	-
Balance as at 31 March 2018	2,144,388	25,001	1,649,432	25,001

Inventory consists of blank debit cards, cheque leaves, computer consumables and other stationery held by the Bank.

Increase in prepayments resulted from services that have been paid in advance for the period for which the amortization will be over the relevant period of service. These include rents and advertisements.

27(a) Subsidiaries (with continuing operations)
(i) Group entities

Set out below are the group's subsidiaries as at 31 March 2018. Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.
There are no significant restrictions on the ability of subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances

			Ownership interest	
	Nature of business	**Country of incorporation**	**March 2018**	**December 2017**
Access Bank Gambia Limited	Banking	Gambia	88%	88%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	97%	97%
Access Bank Rwanda Limited	Banking	Rwanda	75%	75%
Access Bank Zambia	Banking	Zambia	92%	70%
The Access Bank UK	Banking	United Kingdom	100%	100%
Access Bank R.D. Congo	Banking	Congo	99.98%	99.98%
Access Bank Ghana	Banking	Ghana	91%	91%
Access Finance B.V.	Banking	Netherlands	100%	100%

Access Finance B.V. was incorporated in 2011 and commenced operations in 2012. An obligation also exists between the Bank and Access Finance B.V., for which Access Finance B.V. lent to the Bank the sum of USD 2,462,000 as a share premium loan. The loan agreement between both parties however permits that the obligation of Access Finance B.V. to grant the loan, be set off against the obligation of the Bank to repay the loan such that each party's obligation either as a borrower or lender is discharged. In view of this, no loan payable has been recognized in the Bank's financial statements.

The transaction for which the entity was set up has matured subsequent to the period end. The entity is undergoing voluntary liquidation.

(ii) Structured entities:

			Ownership interest	
	Nature of business	**Country of incorporation**	**March 2018**	**December 2017**
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(b) Investment in subsidiaries

In thousands of Naira	Bank March 2018	Bank December 2017
Subsidiaries with continuing operations		
Access Bank, UK	40,500,598	40,500,598
Access Bank, Ghana	32,129,369	15,558,107
Access Bank Rwanda	1,578,825	1,578,825
Access Bank, Congo	13,205,190	13,205,190
Access Bank, Zambia	4,274,925	4,274,925
Access Bank, Gambia	7,061,501	7,061,501
Access Bank, Sierra Leone	1,582,486	1,582,486
Investment in RSPP scheme	4,028,909	4,028,909
Access Bank Finance B.V.	4,092	4,092
Balance, end of period	**104,365,893**	**87,794,633**

Based on the contractual arrangements between the Group and the shareholders in each of the entities, the Group has the power to appoint and remove the majority of the board of Directors of each entity.

The relevant activities of each of the listed subsidiaries are determined by the Board of Directors of each entity based on simple majority shares. Therefore, the directors of the Group concluded that the Group has control over each of the above listed entities and were consolidated in the group financial statements.

27 (c) Condensed results of consolidated entities
(i) The condensed financial data of the consolidated entities as at 31 March 2018, are as follows:

Condensed profit and loss *In thousands of naira*	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.
Operating income	7,004,864	9,914,039	827,431	1,231,700	1,284,679	338,822	218,287	-	-
Operating expenses	(3,446,425)	(6,933,919)	(512,950)	(942,780)	(1,044,191)	(249,325)	(203,679)	-	-
Net impairment loss on financial assets	(24,646)	(300,177)	(824)	-	(79,337)	246	-	-	-
Profit before tax	3,533,794	2,679,944	313,658	288,921	161,151	89,743	14,607	-	-
Income tax expense	(678,503)	(700,000)	(24,592)	-	-	(6,493)	-		
Profit for the period	2,855,291	1,979,944	289,066	288,921	161,151	83,250	14,607	-	-
Assets									
Cash and cash equivalents	366,499,235	91,766,195	19,615,288	26,079,203	11,312,225	2,808,847	1,167,703	-	-
Non pledged trading assets	-	7,459,480	-	-	-	-	-	-	-
Pledged assets	-	-	-	-	-	-	-	-	-
Derivative financial instruments	737,232.80	-	211,209	-	-	-	-	-	-
Loans and advances to banks	138,714,744	-	-	-	-	-	-	-	-
Loans and advances to customers	185,634,288	66,909,244	13,223,271	8,094,099	3,513,765	547,196	533,872	-	-
Investment securities	46,369,939	76,024,754	3,677,826	-	24,015,374	5,881,349	3,000,375	4,028,910	-
Other assets	3,697,171	22,063,471	1,160,367	2,104,581	2,150,146	1,236,667	853,849	-	-
Investment in subsidiaries	-	-	-	-	-	-	-	-	-
Property and equipment	219,864	9,569,851	1,090,154	1,513,392	816,125	804,175	294,544	-	-
Intangible assets	328,743	347,474	-	127,051	105,263	96,978	27,574	-	-
Deferred tax assets	-	1,034,263	-	-	482,534	-	93,700	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
	742,201,217	275,174,733	38,978,115	37,918,326	42,395,433	11,375,213	5,971,617	4,028,910	-
Financed by:									
Deposits from banks	420,696,577	39,466,121	-	-	5,480,924	111,474	115,196	-	-
Deposits from customers	230,319,034	164,895,148	31,826,679	23,879,575	27,273,230	7,137,191	3,670,577	-	-
Derivative Liability	-	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-
Retirement benefit obligations	-	13,742	-	-	3,691	-	-	-	-
Current tax liabilities	1,312,893	1,974,360	76,555	57,263	-	-	-	-	-
Other liabilities	8,064,859	29,381,349	988,183	9,385,422	747,414	617,608	354,467	-	-
Interest-bearing loans and borrowings	-	452,344	1,908,174	-	-	-	-	-	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	54,628	358,609	171,498	-	-	61,775	-	-	-
Equity	81,753,227	38,633,059	4,007,026	4,596,066	8,890,173	3,447,164	1,831,377	4,028,910	-
	742,201,217	275,174,733	38,978,115	37,918,326	42,395,433	11,375,213	5,971,617	4,028,910	-

27 (d) Condensed results of consolidated entities
(i) The condensed financial data of the consolidated entities as at 31 December 2017, are as follows:

Condensed profit and loss *In thousands of naira*	The Access Bank UK	Access Bank Ghana	Access Bank Rwanda	Access Bank (R.D. Congo)	Access Bank Zambia	Access Bank Gambia	Access Bank Sierra Leone	Access Bank Investment in RSPP	Access Bank B.V.
Operating income	14,962,209	21,529,191	3,084,907	4,172,949	1,686,079	1,028,016	986,333	-	118,255
Operating expenses	(6,048,057)	(14,070,445)	(2,773,919)	(3,410,831)	(2,428,083)	(798,685)	(718,476)	-	(28,157)
Net impairment loss on financial assets	-	(3,062,381)	(14,651)	(393)	(1,157,400)	(22,008)	(5,475)	-	-
Profit before tax	8,914,151	4,396,365	296,337	761,726	(1,899,404)	207,322	262,381	-	90,098
Income tax expense	(1,810,740)	(2,175,631)	(189,704)	-	-	(25,970)	(76,147)	-	1,243
Profit for the period	7,103,411	2,220,734	106,633	761,726	(1,899,404)	181,352	186,234	-	91,342
Assets									
Cash and cash equivalents	311,472,705	86,741,693	15,134,815	20,494,593	13,555,223	1,958,940	1,191,427	-	502,841
Non pledged trading assets	-	3,837,071	-	-	-	-	-	-	-
Pledged assets	-	-	-	-	-	6,611,077	-	-	-
Derivative financial instruments	876,441	-	152,633	-	-	-	-	-	-
Loans and advances to banks	163,088,579	-	-	-	-	-	-	-	-
Loans and advances to customers	129,404,746	69,137,927	12,701,441	8,895,050	3,389,900	561,819	702,133	-	-
Investment securities	63,926,977	67,369,279	4,916,259	-	16,873,602	762,287	2,782,050	-	-
Other assets	2,178,222	12,335,432	779,994	1,064,059	1,952,200	1,133,583	551,709	-	-
Investment in subsidiaries	-	-	-	-	-	-	-	4,028,910	-
Property and equipment	183,100	9,540,301	447,829	1,355,224	802,356	813,711	295,397	-	-
Intangible assets	324,125	330,471	635,960	108,950	117,500	84,665	31,270	-	-
Deferred tax assets	-	197,789	-	-	482,534	-	60,079	-	-
	671,454,895	249,489,963	34,768,931	31,917,876	37,173,315	11,926,082	5,614,065	4,028,910	502,841
Financed by:									
Deposits from banks	387,555,089	14,810,633	-	-	2,136,129	18,579	-	-	-
Deposits from customers	203,729,763	167,004,704	28,071,794	18,694,179	25,324,734	7,672,977	3,738,792	-	-
Derivative Liability	25,727	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-
Retirement benefit obligations	-	-	-	-	-	-	13,358	-	-
Current tax liabilities	1,195,829	1,540,259	45,738	130,601	-	-	-	-	29,239
Other liabilities	4,625,682	1,842,876	606,838	8,825,132	639,747	761,165	140,223	-	47,737
Interest-bearing loans and borrowings	-	26,819,317	2,156,640	-	350,090	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-	-	-	-
Liabilities classified as held for sale	58,656	641,257	154,059	-	-	61,775	-	-	-
Equity	74,264,149	36,830,917	3,733,862	4,267,964	8,722,615	3,411,586	1,721,692	4,028,910	425,865
	671,454,895	249,489,963	34,768,931	31,917,876	37,173,315	11,926,082	5,614,065	4,028,910	502,841
Net cashflows from investing activities	(31,154,411)	(2,020,906)	(3,548,214)	(387,615)	567,561	120,490	-	-	68,162,205
Net cashflows from financing activities	10,255,390	7,247,347	(114,281)	-	(17,799)	-	(57,088)	-	(67,394,003)
Increase in cash and cash equivalents	47,114,822	61,467,964	505,117	17,133,014	17,141,349	697,018	(367,610)	-	855,278
Cash and cash equivalent, beginning of period	192,853,632	33,677,911	8,240,384	2,523,369	9,360,900	810,868	1,144,498	-	152,390,477
Effect of exchange rate fluctuations on cash held	-	-	-	-	-	-	-	-	(863,274)
Cash and cash equivalent, end of period	239,968,454	95,145,875	8,745,501	19,656,383	26,502,249	1,507,886	776,888	-	152,382,481

28 Property and equipment

Group

In thousands of Naira	Leasehold improvement and building	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Cost							
Balance at 1 January 2018	60,258,321	9,742,073	24,931,717	46,833,241	15,215,312	8,633,952	165,614,616
Acquisitions	2,488,322	219,465	824,500	2,953,079	978,356	786,181	8,249,902
Disposals	(57,638)	-	(98,823)	(138,277)	(6,373)	-	(301,111)
Translation difference	(54,056)	-	(76,410)	(54,531)	(5,000)	(64,679)	(254,676)
Balance at 31 March 2018	**62,634,949**	**9,961,538**	**25,580,984**	**49,593,511**	**16,182,295**	**9,355,454**	**173,308,731**
Balance at 1 January 2017	55,996,220	9,742,073	24,028,522	35,303,353	11,615,441	5,491,263	142,176,872
Acquisitions	3,052,577	-	824,948	12,003,579	4,016,068	3,989,340	23,886,512
Disposals	(134,651)	-	(142,057)	(379,433)	(298,209)	-	(954,350)
Transfers	1,359,946	-	79,880	33,632	12,132	(1,485,590)	-
Translation difference	9,229	-	130,426	(141,548)	(131,460)	638,935	505,582
Balance at 31 December 2017	60,283,321	9,742,073	24,921,719	46,819,583	15,213,972	8,633,952	165,614,616

Depreciation and impairment losses	Leasehold improvement and buildings	Leasehold Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Balance at 1 January 2018	12,870,313	-	18,285,808	28,723,667	8,620,188	-	68,499,976
Charge for the period	1,294,264	-	393,167	1,744,208	339,476	-	3,771,116
Disposal	(11,034)	-	(91,220)	(117,981)	(6,373)	-	(226,608)
Write-Offs	-	-	-	-	-	-	-
Translation difference	102,176	-	155,225	49,126	(119,459)	-	187,068
Balance at 31 March 2018	**14,255,718**		**18,742,980**	**30,399,020**	**8,833,832**	**-**	**72,231,551**
Balance at 1 January 2017	11,193,974	-	15,046,823	24,636,684	7,190,340	-	58,067,820
Charge for the period	2,474,675	-	3,296,435	3,829,132	1,637,709	-	11,237,950
Disposal	(14,752)	-	(136,531)	(377,275)	(257,232)	-	(785,790)
Write-Offs	-	-	-	-	-	-	-
Translation difference	(783,585)	-	79,081	635,127	49,371	-	(20,006)
Balance at 31 December 2017	12,870,311	-	18,285,808	28,723,668	8,620,188	-	68,499,976
Carrying amounts:							
Balance at 31 March 2018	**48,379,230**		**6,838,003**	**19,194,491**	**7,348,463**	**9,355,454**	**101,077,180**
Balance at 31 December 2017	47,413,009	9,742,073	6,635,910	18,095,915	6,593,784	8,633,948	97,114,640

28 Property and equipment

Bank

In thousands of Naira	**Leasehold Improvement and building**	**Leasehold Land**	**Computer hardware**	**Furniture & fittings**	**Motor vehicles**	**Capital Work-in - progress**	**Total**
Cost							
Balance at 1 January 2018	51,303,794	9,742,073	21,053,274	42,145,881	13,106,383	5,276,504	142,627,909
Acquisitions	1,777,373	219,465	687,083	2,684,617	813,293	264,408	6,446,239
Disposals	(48,032)	-	(76,018)	(98,769)	(5,311)	-	(228,130)
Balance at 31 March 2018	**53,033,134**	**9,961,538**	**21,664,340**	**44,731,729**	**13,914,366**	**5,540,912**	**148,846,019**
Balance at 1 January 2017	47,904,498	9,742,073	20,614,356	30,775,870	9,694,750	3,216,721	121,948,268
Acquisitions	2,916,884	-	574,556	11,715,864	3,619,689	2,680,626	21,507,619
Disposals	(134,651)	-	(135,822)	(348,908)	(208,597)	-	(827,978)
Transfers	617,063	-	184	3,055	541	(620,843)	-
Balance at 31 December 2017	51,303,794	9,742,073	21,053,274	42,145,881	13,106,383	5,276,504	142,627,909

Depreciation and impairment losses	**Leasehold improvement and buildings**	**Leasehold Land**	**Computer hardware**	**Furniture & fittings**	**Motor vehicles**	**Capital Work-in - progress**	**Total**
Balance at 1 January 2018	10,679,838	-	15,445,371	25,370,434	7,455,546	-	58,951,189
Charge for the period	1,211,419	-	235,193	1,606,041	261,945	-	3,314,597
Disposal	(9,195)	-	(76,017)	(98,317)	(5,311)	-	(188,840)
Balance at 31 March 2018	**11,882,061**	**-**	**15,604,547**	**26,878,158**	**7,712,180**	**-**	**62,076,946**
Balance at 1 January 2017	9,700,946	-	12,997,503	21,259,586	6,165,759	-	50,123,794
Charge for the year	993,644	-	2,578,761	4,455,043	1,471,732	-	9,499,180
Disposal	(14,752)	-	(130,893)	(344,195)	(181,945)	-	(671,785)
Write-Off	-	-	-	-	-	-	-
Balance at 31 December 2017	10,679,838	-	15,445,371	25,370,434	7,455,546	-	58,951,189
Carrying amounts:							
Balance at 31 March 2018	**41,151,073**	**9,961,538**	**6,059,792**	**17,853,572**	**6,202,186**	**5,540,912**	**86,769,073**
Balance at 31 December 2017	40,623,955	9,742,073	5,607,903	16,775,447	5,650,837	5,276,504	83,676,722

29 Intangible assets

Group

In thousands of Naira	Goodwill	WIP	Purchased Software	Total
Cost				
March 2018				
Balance at 1 January 2018	681,007	1,112,943	17,955,682	19,749,631
Acquisitions	-	103,721	1,513,974	1,617,695
Transfer	-	-	-	-
Write off	-	-	-	-
Translation difference	-	-	(2,681)	(2,681)
Balance at 31 March 2018	**681,007**	**1,216,664**	**19,466,974**	**21,364,647**
December 2017				
Balance at 1 January 2017	681,007	286,724	14,858,925	15,826,656
Acquisitions	-	881,374	2,573,350	3,454,724
Transfer	-	(55,155)	55,155	-
Write off	-	-	(66,985)	(66,985)
Translation difference	-	-	535,236	535,236
Balance at 31 December 2017	681,007	1,112,943	17,955,682	19,749,631
Amortization and impairment losses				
Balance at 1 January 2018	-	-	11,453,776	11,453,776
Amortization for the period	-	-	324,783	324,783
Translation difference	-	-	51,666	51,666
Balance at 31 March 2018	-	-	**11,830,225**	**11,830,225**
Balance at 1 January 2017	-	-	8,887,101	8,887,101
Amortization for the period	-	-	2,407,886	2,407,886
Write off	-	-	(66,985)	(66,985)
Translation difference	-	-	225,774	225,774
Balance at 31 December 2017	-	-	11,453,776	11,453,776
Net Book Value				
Balance at 31 March 2018	**681,007**	**1,216,664**	**7,636,749**	**9,534,422**
Balance at 31 December 2017	681,007	1,112,943	6,501,905	8,295,855

Bank

In thousands of Naira	WIP	Purchased Software	Total
Cost			
March 2018			
Balance at 1 January 2018	1,112,943	13,973,788	15,086,730
Acquisitions	101,040	2,624,401	2,725,440
Balance at 31 March 2018	1,213,983	16,598,189	17,812,173
December 2017			
Balance at 1 January 2017	231,569	12,167,422	12,398,991
Acquisitions	881,374	1,873,350	2,754,724
Transfers	-	-	-
Write off	-	(66,985)	(66,985)
Balance at 31 December 2017	1,112,943	13,973,787	15,086,730
Amortization and impairment losses			
Balance at 1 January 2018	-	9,104,823	9,104,823
Amortization for the period	-	206,009	206,009
Balance at 31 March 2018	-	9,310,832	9,310,832
Balance at 1 January 2017	-	7,225,207	7,225,207
Amortization for the period	-	1,946,601	1,946,601
Write off	-	(66,985)	(66,985)
Balance at 31 December 2017	-	9,104,823	9,104,823
Carrying amounts			
Balance at 31 March 2018	**1,213,983**	**7,287,357**	**8,501,340**
Balance at 31 December 2017	1,112,943	4,868,963	5,981,907

There were no capitalised borrowing costs related to the internal development of software during the period under review,31 March 2018 (2017: nil). Computer software has a definite useful life of not more than five years in line with the Bank's accounting policy, while Goodwill has an indefinite useful life and is annually assessed for impairment.

Amortization method used is straight line.

29(b) Intangible assets

(i) Goodwill is attributable to the acquisition of following subsidiaries:

In thousands of Naira	March 2018	December 2017
Access Bank Rwanda	681,007	681,007
	681,007	681,007

The recoverable amount of Goodwill as at 31 March 2018 is greater than its carrying amount and is thus not impaired.

(ii) Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the period, while no losses on goodwill were recognized during the period under review 31 March 2018 (31 December 2017: Nil)

The recoverable amount of Goodwill as at 31 March 2018 was greater than its carrying amount and is thus not impaired.
The recoverable amount was determined using a value-in-use computation as N3.5bn

Goodwill is monitored by the Group on an entity by entity basis
The key assumption used in computing the value-in-use for goodwill in during the period are as follows:

	March 2018
Compound annual volume growth (i)	5.44%
Long term growth rate (ii)	4.70%
Discount rate (ii)	19.50%
Revenue Growth	9.60%

(i) Compound annual volume growth rate in the initial four-year period.
(ii) Weighted average growth rate used to extrapolate cash flows beyond the budget year.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience, actual operating results and the 4-year business plan. These cashflows are based on the expected revenue growth for the entity over this 4-year period.

Discount Rate
Pre-tax discount rate of 19.50% was applied in determining the recoverable amounts for the only entity with goodwill (Access Bank Rwanda). This discount rate was estimated using the risk-free rate and the country risk premium for Rwanda.

Long-term term growth rate

The long term growth rate applied was based on the long term growth rate in GDP of Rwanda

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions are not expected to cause the recoverable amount of the subsidiaries (from which the goodwill arose) to decline below their carrying amount.

Revenue Growth
Revenue growth were projected based on past growth, actual operating income and the company's 4 year strategic plan. The revenue growth of 9.6% represents the average revenue growth of 4 years. The revenue growth was used to project the cashflow for the business.

Sensitivity analysis of key assumptions used

	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation	(481,959)	626,557
Impact of change in growth rate on value-in-use computation	85,169	(79,926)
Impact of change in revenue growth on value-in-use computation	490,918	(490,918)

30 Deferred tax assets and liabilities

Movement on the net deferred tax assets / (liabilities) account during the period:

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Balance, beginning of period	(8,023,852)	(2,434,236)	(7,848,516)	(3,101,753)
Tax charge	-	(5,351,746)	-	(4,558,364)
Translation adjustments	(52,657)	(49,471)	-	-
Items included in OCI	-	(188,399)	-	(188,399)
Net deferred tax assets/(liabilities)	(8,076,509)	(8,023,852)	(7,848,516)	(7,848,516)
Out of which				
Deferred tax assets	11,081,476	18,669,100	18,221,683	18,221,683
Deferred tax liabilities	(20,058,157)	(27,433,363)	(26,070,198)	(26,070,198)

Temporary difference relating to the Group's Investment in subsidiaries as at March 2018 is N42.10.billion (Dec 2017: N42.10 billion). As the Group exercises control over the subsidiaries, it has the power to control the timing of the reversals of the temporary difference arising from its investments in them. The group has determined that the subsidiaries' profits and reserves will not be distributed in the foreseeable future and that the subsidiaries will not be disposed of. Hence, the deferred tax arising from the temporary differences above will not be recognised.

Items included in Other Comprehensive Income

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
Actuarial gain/loss on retirement benefit obligation				
Gross loss on retirement benefit obligation	-	627,995	-	627,995
Deferred tax @ 30%	-	(188,399)	-	(188,399)
Net balance loss after tax	-	439,597	-	439,597

31 Assets classified as held for sale

The Bank obtained a property by taking possession of collateral held as security against a loan. The value of the collateral repossessed during the year was N9.4bn (2017: Nil). The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations.
This amount has been included in Note 7 as unallocated segment in accordance with IFRS 8.

Assets held for sale

In thousands of Naira	Group March2018	Group December 2017	Bank March2018	Bank December 2017
Balance at 1 January	9,479,967	140,727	9,479,967	140,727
Additions		9,369,240		9,369,240
Disposals	(23,272)	(30,000)	(23,272)	(30,000)
Balance at 31 March 2018	**9,456,695**	**9,479,967**	**9,456,695**	**9,479,967**

32 Deposits from financial institutions

In thousands of Naira	Group March2018	Group December 2017	Bank March2018	Bank December 2017
Money market deposits	118,642,586	165,366,714	89,033,359	107,484,428
Trade related obligations to foreign banks	454,078,035	284,830,256	301,945,539	168,656,407
	572,720,621	**450,196,970**	**390,978,898**	**276,140,835**

33 Deposits from customers

In thousands of Naira	Group March2018	Group December 2017	Bank March2018	Bank December 2017
Term deposits	1,298,663,843	1,172,733,890	1,009,443,102	1,035,810,196
Demand deposits	984,495,823	860,560,595	813,913,529	691,144,436
Saving deposits	222,885,956	211,584,590	193,687,557	183,819,081
	2,506,045,623	**2,244,879,075**	**2,017,044,188**	**1,910,773,713**

34 Other liabilities

In thousands of Naira	Group March2018	Group December 2017	Bank March2018	Bank December 2017
Financial liabilities				
Certified and bank cheques	3,355,417	1,614,507	2,029,793	1,537,858
E-banking payables	10,605,491	14,750,651	10,558,811	14,750,651
Collections account balances	21,107,459	113,274,691	19,890,090	110,802,951
Due to subsidiaries	-	-	456,123	347,385
Accruals	1,825,159	841,230	585,934	841,230
Creditors	17,971,563	14,773,251	7,449,945	3,838,501
Customer deposits for foreign exchange	26,077,046	64,067,288	25,998,249	64,067,288
Agency services	66,467	51,446	58,611	51,446
Unclaimed dividend	13,888,938	13,888,938	13,888,938	13,888,938
Other financial liabilities	25,988,797	12,524,476	12,663,496	13,837,188
	120,886,338	235,786,478	93,579,990	223,963,436
Non-financial liabilities				
Litigation claims provision	766,809	766,809	766,809	766,809
Other current non-financial liabilities	11,488,765	17,360,887	2,856,709	13,965,441
Total other liabilities	**133,141,911**	**253,914,174**	**97,203,507**	**238,695,686**

(i) Movement in litigation claims provision	**Group March2018**	**Group December 2017**	**Bank March2018**	**Bank December 2017**
Opening balance	766,809	613,886	766,809	613,886
Additions	-	152,923	-	152,923
Payment	-	-	-	-
Closing balance	**766,809**	**766,809**	**766,809**	**766,809**

35 Debt securities issued

In thousands of Naira	**Group March2018**	**Group December 2017**	**Bank March2018**	**Bank December 2017**
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	240,614,193	231,122,344	240,614,193	231,122,344
Commercial Papers	80,200,751	70,984,362	80,200,751	70,984,362
	320,814,944	**302,106,706**	**320,814,944**	**302,106,706**

Movement in Debt securities issued:

In thousands of Naira	**Group**	**Bank**
Net debt as at 1 January 2018	302,106,706	302,106,706
Debt securities issued	23,393,672	23,393,672
Repayment of debt securities issued	(15,328,855)	(15,328,855)
Total changes from financing cash flows	310,171,523	310,171,523
The effect of changes in foreign exchange rates	4,915,691	4,915,691
Other changes		
Interest expense	9,007,372	9,007,372
Interest paid	(3,279,642)	(3,279,642)
Balance as at 31 March 2018	**320,814,944**	**320,814,944**

(i) This refers to US$400,000,000 subordinated notes of 9.25% resettable interest issued on 24 December 2014 with a maturity date of 24 December 2021 and US$300,000,000 notes of 10.5% interest issued on 19 October 2016 with a maturity date of 19 October 2021. These represent an amortized cost of N240.61bn.

The principal amount on both notes are payable at maturity, whilst interest is payable on a semi-annual basis at their respective interest rates.

36 Interest bearing borrowings

In thousands of Naira	Group March 2018	Group December 2017	Bank March 2018	Bank December 2017
African Development Bank (see note (a))	28,327,112	28,575,578	26,418,938	26,418,938
Netherlands Development Finance Company (see note (b))	33,616,000	989,655	33,616,000	989,655
French Development Finance Company (see note (c))	13,648,193	14,479,796	7,121,322	8,045,056
European Investment Bank (see note (d))	37,989,581	41,880,625	21,842,579	21,842,579
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	5,042,400	-	5,042,400	-
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see note (f))	17,641,231	17,641,231	17,641,231	17,641,231
Bank of Industry-Intervention Fund for SMEs (see note (g))	2,186,572	2,186,572	2,186,572	2,186,572
Bank of Industry-Power & Airline Intervention Fund (see note (h))	10,975,439	10,975,439	10,975,439	10,975,439
Special Refinancing & Restructuring Intervention fund (SRRIF) see note (i)	6,260,348	6,260,348	6,260,348	6,260,348
Central Bank of Nigeria - Salary Bailout facilities (see note (j))	65,230,347	65,230,347	65,230,347	65,230,347
Central Bank of Nigeria - Excess Crude Account (see note (k))	122,585,415	122,585,415	122,585,415	122,585,415
Other loans and borrowings	617,602	812,182	115,561	115,561
	344,120,240	**311,617,187**	**319,036,152**	**282,291,141**

There have been no defaults in any of the borrowings covenants during the period.

(a) The amount of N26,418,938,000 (USD 79,815,524) represents the outstanding balance in the on-lending facility granted to the Bank by AFDB (Africa Development Bank) in two tranches. The first tranche of USD35 million has matured and was fully paid out in August 2016. The second tranche was disbursed in August 2014 (USD 90m) for a year of 10years, while the third tranche came in June 2016 for (USD 10m) for a period of 9 years. The principal amount is repayable semi-annually starting from February 2017 for both tranches. Interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.10% and 4.14% respectively. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(b) The amount of N33,616,000,000 (USD 100,000,000) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from 15 December 2012 and disbursed in February 2013 (USD 10m) for a period of 6.5 years. The principal amount is repayable semi-annually from December 2015 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 5.16%. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(c) The amount of N7,121,322,000 (USD 21,184,323) represents the outstanding balance in the on-lending facility granted to the Bank by the French Development Finance Company effective from 15 December 2012 and disbursed in four tranches; February 2013 (USD 6m) , October 2013 (USD 15m) , October 2013 (USD 9m) and November 2014 (USD 30m) for a period of 6.5 years for the first three tranches and 5 years for the fourth tranche. The principal amount is repayable semi-annually from December 2014 with the fourth tranche repayable from January 2016 while interest is paid semi annually at 3% above 6 months LIBOR. The annual effective interest rate is 4.36% for the first tranche, 4.04% for the second tranche, 4.06% for the third tranche and 4.57% for the fourth tranche. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(d) The amount of N21,842,579,074 (USD 64,976,735) represents the outstanding balance on five on-lending facilities granted to the Bank by the European Investment Bank (EIB) in May 2013(USD 25m), September 2013 (USD 26.75m) , June 2014 (USD 14.7m) , September 2015 (USD 27.9m) and March 2016 (USD 27.1m) for a period of 6 years each for the first three and year of 8 years each for the last two. The average annual effective interest rates are 3.48%, 2.97% , 3.18%, 2.97% and 2.97% respectively. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(e) The amount of N5,042,400,000 (USD 15,000,000) represents the on-lending facility of USD 15Mn granted to the Bank by the Deutsche Investitions- und Entwicklungsgesellschaft (DEG) on October 2017 for a period of 7.56 years. There is a moratorium of one year on the facility hence the principal amount repayment would commence in May 2019 and is repayable semi-annually. The interest however is repayable from disbursement and is paid semi annually at 6% above 6months LIBOR. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(f) The amount of N17,641,213,289 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in collaboration with the Federal Government of Nigeria (FGN) in respect of Commercial Agriculture Credit Scheme (CACS) established by both CBN and the FGN for promoting commercial agricultural enterprises in Nigeria. The facility is for a maximum period of 7 years at a zero percent interest rate to the Bank however, a management fee of 1% deductible at source is paid by the Bank under the on-lending agreement. The Bank did not provide security for this facility. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(g) The amount of N2,186,572,371 represents an outstanding balance on the intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria for the purpose of refinancing or restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and manufacturing companies. The total facility has a tenor of 10 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(h) The amount of N10,975,438,589 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria, to be applied to eligible power and airline projects. The total facility has a maximum tenor of 13.5 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers within the power and aviation sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(i) The amount of N6,260,347,857 represents the outstanding balance on intervention credit granted to the bank by the Bank of Industry (BOI) under the Special refinancing and Restructuring intervention fund, with a 10 year tenor which is due on the 31 August 2024. The bank has a 36 months moratorium on the facility after which principal repayment will be charged quarterly. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(j) The amount of N65,230,346,639 represents the outstanding balance on the state salary bailout facilities granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments for payments of salary of workers of the states. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(k) The amount of N122,585,415,103 represents the outstanding balance on the excess crude account loans granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 31 March 2018.

(l) *In thousands of Naira*

	Group	Bank
Movement in interest bearing loans and borrowings:		
In thousands of Naira		
Balance as at 1 January 2018	311,617,187	282,291,141
Proceeds from interest bearing borrowings	38,658,400	38,658,400
Repayment of interest bearing borrowings	(11,215,839)	(5,647,472)
Total changes from financing cash flows	339,059,748	315,302,069
The effect of changes in foreign exchange rates	4,634,607	3,089,738
Other changes		
Interest expense	2,215,428	1,962,466
Interest paid	(1,789,542)	(1,318,121)
Balance as at 31 March 2018	**344,120,240**	**319,036,152**

37 Retirement benefit obligation

In thousands of Naira	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Recognised liability for defined benefit obligations (see note (a) below)	2,767,054	2,481,916	2,767,054	2,481,916
Liability for defined contribution obligations	17,433	13,358	-	-
	2,784,487	**2,495,274**	**2,767,054**	**2,481,916**

(a) Defined benefit obligations

The amounts recognised in the statement of financial position are as follows:

In thousands of Naira	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Post employment benefit plan (see note (i) below)	2,767,054	2,481,916	2,767,054	2,481,916
Recognised liability	**2,767,054**	**2,481,916**	**2,767,054**	**2,481,916**

(i) Post employment benefit plan

The Bank operates a non-contributory, unfunded lump sum defined benefit post employment benefit plan for top executive management of the Bank from General Manager and above based on the number of years spent in these positions. The scheme is also aimed at rewarding executive directors and other senior executives for the contributions to achieving the Bank's long-term growth objectives.

There is no funding arrangement with a trustee for the Post employment benefit plan as the Bank pays for all obligations from its current year profit as such obligations fall due. Depending on their grade, executive staff of the Bank upon retirement are entitled to certain benefits based on their length of stay on that grade.

The amount recognised in the statement of financial position is as follows:

In thousands of Naira	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Deficit on defined benefit obligations at 1 January	2,481,916	3,064,597	2,481,916	3,064,597
Charge for the period:				
-Interest costs	-	495,674	-	495,674
-Current service cost	285,138	257,384	285,138	257,384
-Past service cost	-	-	-	-
-Benefits paid	-	(707,744)	-	(707,744)
Net actuarial gain/(loss) for the period remeasured in OCI:				
Remeasurements - Actuarial gains and losses arising from changes in demographic assumptions	-	(602,798)	-	(602,798)
Remeasurements - Actuarial gains and losses arising from changes in financial assumption	-	(25,197)	-	(25,197)
Balance, end of period	**2,767,054**	**2,481,916**	**2,767,054**	**2,481,916**
Expense recognised in income statement:				
Current service cost	285,138	257,384	285,138	257,384
Interest on obligation	-	495,674	-	495,674
Total expense recognised in profit and loss (see Note 14)	**285,138**	**753,058**	**285,138**	**753,058**

The weighted average duration of the defined benefit obligation is 10.7years. The information on the maturity profile of the defined benefit plan includes the maturity analysis and the distribution of the timing of payment.

31 March 2018	**Impact on defined benefit obligation**		
In thousands of Naira	**Decrease in assumption by 1%**	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Increase in liability by 5.5%	2,919,242	(152,188)
Effect of changes in assumption to the salary growth	Decrease in liability by 5.1%	2,625,935	141,120
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.2%	2,761,520	5,534

	Impact on defined benefit obligation		
	Increase in assumption by 1%	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Increase in liability by 5.0%	2,905,407	(138,353)
Effect of changes in assumption to the salary growth	Increase in the liability by 5.5%	2,919,242	(152,188)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.3%	2,775,356	(8,301)

31 December 2017	Impact on defined benefit obligation		
In thousands of Naira	**Decrease in assumption by 1%**	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Increase in liability by 5.6%	2,621,835	(139,919)
Effect of changes in assumption to the salary growth	Decrease in liability by 4.9%	2,361,130	120,786
Effect of changes in assumption to the mortality rate	Decrease in liability by 0.2%	2,475,795	6,121

	Impact on defined benefit obligation		
	Increase in assumption by 1%	**Liability changes to**	**Total comprehensive income**
Effect of changes in the assumption to the discount rate	Decrease in liability by 5.2%	2,352,750	129,166
Effect of changes in assumption to the salary growth	Increase in the liability by 5.2%	2,611,416	(129,500)
Effect of changes in assumption to the mortality rate	Increase in the liability by 0.3%	2,488,587	(6,671)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Actuarial assumptions:
Principal actuarial assumptions at the reporting date (expressed as weighted averages):
The most recent valuation was performed by Alexander Forbes as at 31 December 2017.

	March 2018	December 2017
Discount rate	14.70%	14.70%
Future salary increases	5.00%	5.00%
Retirement age for both male and female	60 years	60 years
Retirement rate: 50 – 59 (average rate)	3.40%	3.40%
Withdrawal rate: 16 – 29	4.50%	4.50%
Withdrawal rate: 30 – 44	6.00%	6.00%
Withdrawal rate: 45 – 50	5.00%	5.00%
Withdrawal rate: 51 – 55 (average rate)	3.75%	3.75%

Assumptions regarding future mortality before retirement are based on A49/52 ultimate table published by the Institute of Actuaries of United Kingdom. The rate used to discount post employment benefit obligations has been determined by reference to the yield on Nigerian Government bonds of medium duration. This converts into an effective yield of 16.70% as at March 2018. For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.

38 Capital and reserves

A Share capital

In thousands of Naira	Bank March 2018	Bank December 2017
(a) Authorised:		
Ordinary shares:		
38,000,000,000 Ordinary shares of 50k each	19,000,000	19,000,000
(2013: 24,000,000,000 ordinary share of 50k each)		
Preference shares:		
2,000,000,000 Preference shares of 50k each	1,000,000	1,000,000
	20,000,000	20,000,000

In thousands of Naira	Bank March 2018	Bank December 2017
(b) Issued and fully paid-up :		
28,927,971,631 Ordinary shares of 50k each	14,463,986	14,463,986

Ordinary shareholding:
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.

Preference shareholding:
Preference shares do not carry the right to vote. Preference shareholders have priority over ordinary shareholders with regard to the residual assets of the Bank and participate only to the extent of the face value of the shares plus any accrued dividends. No preference shares were in issue as at the end of the period

The movement on the issued and fully paid-up share capital account during the period was as follows:

In thousands of Naira	Bank March 2018	Bank December 2017
Balance, beginning of period	14,463,986	14,463,986
Additions through issuance of rights	-	-
Balance, end of period	14,463,986	14,463,986

(c) The movement on the number of shares in issue during the period was as follows:

In thousands of units	Group March 2018	Group December 2017
Balance, beginning of period	28,927,972	28,927,972
Additions through issuance of rights	-	-
Balance, end of period	28,927,972	28,927,972

B Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares.

In thousands of Naira	Group March 2018	Group December 2017
Balance, beginning of period	197,974,816	197,974,816
Additions through issuance of rights	-	-
Balance, end of period	197,974,816	197,974,816

C Reserves

(i) Other Reserves
Other regulatory reserves

Statutory reserves

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

SMEEIS Reserves

The Small and Medium Enterprises Equity Investment Scheme (SMEEIS) reserve is maintained to comply with the Central Bank of Nigeria (CBN)/ Banker's committee's requirement that all licensed deposit money banks in Nigeria set aside a portion of the profit after tax in a fund to be sued to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but banks' contribution shall thereafter reduce to 5% of profit after tax

However, this is no longer mandatory. Therefore, no additional appropriation has been done during the period.

The small and medium scale industries equity investment scheme reserves are non-distributable.

(ii) Share scheme reserve

This represents the total expenses incurred in providing the Bank's shares to its qualifying staff members under the RSPP scheme.

(iii) Treasury shares

This represents the shares held by the new RSPP scheme which have not yet been allocated to staff based on the pre-determined vesting conditions.

(iv) Capital reserve

This balance represents the surplus nominal value of the reconstructed shares of the Bank which was transferred from the share capital account to the capital reserve account after the share capital reconstruction in October 2006. The Shareholders approved the reconstruction of 13,956,321,723 ordinary shares of 50 kobo each of the Bank in issue to 6,978,160,860 ordinary shares of 50 kobo each by the creation of 1 ordinary shares previously held.

(v) Fair value reserve

The fair value reserve comprises the net cumulative change in the fair value of available-for-sale investments until the investment is derecognised or impaired.

(vi) Foreign currency translation reserve

This balance appears only in the Group accounts and represents the foreign currency exchange difference arising from translating the results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency.

(vii) Regulatory risk reserve

The regulatory risk reserves warehouses the difference between the allowance for impairment losses on balance on loans and advances based on Central Bank of Nigeria prudential guidelines and Central Bank of the foreign subsidiaries regulations, compared with the loss incurred model used in calculating the impairment under IFRSs.

(viii) Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current period profit attributable to shareholders.

D Non-controlling interest

This represents the Non-controlling interest's (NCI) portion of the net assets of the Group

In thousands of Naira	Group March 2018	Group December 2017
Access Bank, Gambia	413,660	310,883
Access Bank, Sierra Leone	46,151	43,387
Access Bank Zambia	2,667,052	2,609,806
Access Bank, Rwanda	1,001,756	933,465
Access Bank, Congo	919	887
Access Bank, Ghana	3,654,687	3,009,086
	7,784,225	**6,907,514**

This represents the NCI share of profit/(loss) for the period

In thousands of Naira	**Group March 2018**	**Group December 2017**
Access Bank, Gambia	9,990	21,714
Access Bank, Sierra Leone	368	4,693
Access Bank Zambia	48,345	(221,560)
Access Bank, Rwanda	72,266	26,658
Access Bank, Congo	58	151
Access Bank, Ghana	187,303	181,434
	318,330	**13,090**

Proportional Interest of NCI in subsidiaries	**Group March 2018**	**Group December 2017**
	%	%
Access Bank, Gambia	12%	12%
Access Bank, Sierra Leone	3%	3%
Access Bank Zambia	30%	30%
Access Bank, Rwanda	25%	25%
Access Bank Congo	0%	0%
Access Bank, Ghana	9%	9%

39 Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. No provision has been made for the period ended March 2018.

Contingent liability and commitments

In common with other banks, Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity dates but are cancellable by the lender subject to notice requirements. Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:
Acceptances, bonds, guarantees and other obligations for the account of customers:

a. These comprise:

In thousands of Naira	**Group March 2018**	**Group December 2017**	**Bank March 2018**	**Bank December 2017**
Contingent liabilities:				
Transaction related bonds and guarantees	189,102,859	370,892,995	178,091,852	225,158,636
Financial guarantees	154,713,148	171,002,109	142,870,656	81,335,619
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	422,500,806	293,267,039	287,966,718	200,918,665
Future, swap and forward contracts	801,372,715	662,935,746	801,372,715	624,709,693
	1,567,689,527	**1,498,097,889**	**1,410,301,940**	**1,132,122,613**

The Bank granted clean line facilities for letters of credit during the period to guarantee the performance of customers to third parties.
Contractual capital commitments undertaken by the Bank during the period amounted to N330.1Mn (31 Dec 2017: N322.2Mn)

40 Cash and cash equivalent

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

In thousands of Naira	**Group March 2018**	**Group December 2017**	**Bank March 2017**	**Bank December 2017**
Cash on hand and balances with banks	223,474,384	184,867,177	196,938,888	144,763,718.00
Unrestricted balances with central banks	26,184,308	28,837,649	3,351,301	7,976,547.00
Money market placements	235,361,453	261,805,783	17,701,977	28,157,562.00
Investment under management	20,638,092	17,913,690	20,638,092	17,913,690
	505,658,237	**493,424,299**	**238,630,257**	**198,811,517**

Cash and cash equivalent for the purpose of the preparation of the statement of cash flows excludes cash collaterals held for letters of credit and the mandatory cash deposit held with the Central Bank of Nigeria.

41 Restatement of prior period financial information

During the period, the Bank reassessed its obligation to the Asset Management Corporation of Nigeria (AMCON), as contained in the Resolution Cost Trust Fund Deed, as a levy and should be treated in line with IFRIC 21, Levies. This implies that the levy should be charged to the income statement as an expense immediately the obligation falls due. This was, hitherto, accounted for as a prepayment and amortized for the financial year.

The financial information for the period ended 31 March 2017 has been restated to show the retrospective impact of an additional charge of N3.61bn to bring the total charge to N7.74bn as accrual for 2017 levy. The levy paid for 2017 was N15.47bn.

Below is the analysis of the restatements and resultant impact on the Statement of Comprehensive Income for the period ended 31 March 2017.

In thousands of Naira

	Reported Group March 2017	**Restatements**	**Restated Group March 2017**	**Reported Bank March 2017**	**Restatements**	**Restated Bank March 2017**
Other operating expenses (see (i) below)	(27,704,312)	(3,612,402)	(31,316,713)	(24,897,271)	(3,612,402)	(28,509,673)
Profit before tax	31,208,104		27,595,703	27,856,428		24,244,027
Income tax (see Note 46 (ii)	(5,189,021)	-	(5,189,021)	(4,258,767)	-	(4,258,767)
Profit for the period	**26,019,083**	**(3,612,402)**	**22,406,682**	**23,597,662**	**(3,612,402)**	**19,985,261**
Other comprehensive income (OCI) net of income tax :						
Items that may be subsequently reclassified to the income statement:						
Foreign currency translation differences for foreign subsidiaries						
- Realised gains during the period						
- Unrealised gains /(losses) during the period	(2,797,707)	-	(2,797,707)	-	-	-
Net changes in fair value of AFS financial instruments						
-Fair value changes during the period	1,071,524	-	1,071,524	846,955	-	846,955
Fair value changes on AFS financial instruments from associates						
Other comprehensive gain, net of related tax effects	(1,726,184)	-	(1,726,184)	846,955	-	846,955
Total comprehensive income for the period	**24,292,900**	**(3,612,402)**	**20,680,498**	**24,444,617**	**(3,612,402)**	**20,832,215**
Profit attributable to:						
Owners of the bank	25,935,210	-	22,322,808	23,597,662	-	19,985,261
Non-controlling interest	83,873	-	83,873	-	-	-
Profit for the period	**26,019,083**	**(3,612,402)**	**22,406,682**	**23,597,662**	**(3,612,402)**	**19,985,261**
Total comprehensive income attributable to:						
Owners of the bank	24,503,742	-	20,891,340	24,444,617	-	20,832,215
Non-controlling interest	(210,842)	-	(210,842)	-	-	-
Total comprehensive income for the period	**24,292,900**	**(3,612,402)**	**20,680,498**	**24,444,617**	**(3,612,402)**	**20,832,215**

Effect on statement of cash flows

Effect on changes in operating liabilities

Net increase in other liabilities (see (i) below)	45,154,675	3,612,402	48,767,077	49,386,975	3,612,402	52,999,376

(i) Effect of N3.61bn additional accrual for AMCON levy charged to statement of comprehensive income

OTHER NATIONAL DISCLOSURES
Other financial Information
Five-year Financial Summary

	March2018	**December 2017**	**December 2016**	**December 2015**	**December 2014**
Group					
	3 months	**12 months**	**12 months**	**12 months**	**12 months**
In thousands of Naira	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Assets					
Cash and balances with banks	1,169,532,614	953,944,176	713,889,105	478,409,336	405,014,793
Investment under management	20,638,090	20,257,131	14,871,247	10,403,608	-
Non pledged trading assets	62,869,764	46,854,061	44,629,579	52,298,422	28,411,644
Pledged assets	398,471,814	447,114,404	314,947,502	203,715,397	87,072,147
Derivative financial instruments	137,005,678	93,419,293	156,042,984	77,905,020	24,866,681
Loans and advances to banks	74,082,896	68,114,076	45,203,002	42,733,910	12,435,659
Loans and advances to customers	2,002,826,776	1,995,987,627	1,809,459,172	1,365,830,831	1,110,464,442
Investment securities	302,206,490	278,167,757	229,113,772	186,223,126	270,211,388
Other assets	89,391,765	82,753,431	63,255,054	83,014,503	56,310,620
Property and equipment	101,077,180	97,114,640	84,109,052	73,329,927	69,659,707
Intangible assets	9,534,422	8,295,855	6,939,555	6,440,616	5,592,991
Deferred tax assets	418,517	740,402	1,264,813	10,845,612	10,881,984
Assets classified as held for sale	9,456,695	9,479,967	140,727	179,843	23,438,484
Total assets	4,377,512,700	4,102,242,820	3,483,865,566	2,591,330,151	2,104,360,540
Liabilities					
Deposits from financial institutions	572,720,621	450,196,970	167,356,583	72,914,421	119,045,423
Deposits from customers	2,506,045,623	2,244,879,075	2,089,197,286	1,683,244,320	1,454,419,052
Derivative financial instruments	22,284,817	5,332,177	30,444,501	3,077,927	1,989,662
Current tax liabilities	12,716,381	7,489,586	5,938,662	7,780,824	8,180,969
Other liabilities	133,141,911	253,914,174	113,571,240	69,355,947	21,689,079
Deferred tax liabilities	8,495,026	8,764,262	3,699,050	266,644	59,038
Debt securities issued	320,814,944	302,106,706	316,544,502	149,853,640	138,481,179
Interest-bearing borrowings	344,120,240	311,617,187	299,543,707	231,467,161	79,816,309
Retirement benefit obligations	2,784,487	2,495,274	3,075,453	5,567,800	3,269,100
Total liabilities	3,923,124,049	3,586,795,411	3,029,370,984	2,223,528,684	1,826,949,811
Equity					
Share capital and share premium	212,438,802	212,438,802	212,438,802	212,438,802	172,477,671
Retained earnings	90,287,489	117,653,169	93,614,030	51,730,369	34,139,453
Other components of equity	144,316,693	178,399,413	142,194,720	99,732,330	67,262,761
Non controlling interest	7,345,665	6,907,515	6,247,028	3,899,966	3,530,844
Total equity	454,388,650	515,447,409	454,494,580	367,801,467	277,410,729
Total liabiities and Equity	4,377,512,700	4,102,242,820	3,483,865,566	2,591,330,151	2,104,360,540
Gross earnings	137,534,790	459,075,779	381,320,783	337,404,230	245,383,536
Profit before income tax	27,438,919	80,072,482	90,339,456	75,038,117	52,022,290
Profit from continuing operations	22,116,086	61,990,852	71,439,347	65,868,773	43,063,479
Discontinued operations	-	-	-	-	(87,267)
Profit for the year	22,116,086	61,990,852	71,439,347	65,868,773	42,976,212
Non controlling interest	318,330	13,090	322,322	536,233	560,883
Profit attributable to equity holders	21,797,756	61,977,762	71,117,024	65,332,540	42,415,329
Dividend paid	-	18,803,180	15,910,384	15,241,014	13,729,777
Earning per share -Basic	76k	218k	249k	265k	189k
- Adjusted	75k	214k	245k	262k	189k
Number of ordinary shares of 50k	28,927,971,631	28,927,971,631	28,927,971,631	28,927,971,631	22,882,918,908

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

	March2018	December 2017	December 2016	December 2015	December 2014
Bank					
	3 months	**12 months**	**12 months**	**12 months**	**12 months**
In thousands of Naira	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Assets					
Cash and balances with banks	753,786,164	657,144,247	517,997,249	405,998,636	351,174,879
Investment under management	20,638,090	20,257,131	14,871,247	10,403,608	-
Non pledged trading assets	55,410,284	43,016,990	44,629,579	52,298,422	28,411,644
Pledged assets	398,471,813	440,503,327	314,947,502	200,464,624	85,183,353
Derivative financial assets	136,041,580	92,390,219	155,772,662	77,852,349	24,831,145
Loans and advances to banks	93,270,906	101,429,001	104,006,574	60,414,721	55,776,837
Loans and advances to customers	1,729,408,451	1,771,282,739	1,594,562,345	1,243,215,309	1,019,908,848
Investment securities	143,238,190	121,537,303	161,200,642	155,994,798	226,137,983
Other assets	56,125,516	65,189,798	50,594,480	78,623,381	48,246,307
Investment in subsidiaries	104,365,893	87,794,631	59,239,252	45,439,246	40,120,572
Property and equipment	86,769,073	83,676,722	71,824,472	65,900,384	64,160,327
Intangible assets	8,501,340	5,981,905	5,173,784	4,977,908	4,436,814
Deferred tax assets	-	-	-	10,180,832	10,128,537
Asset classified as held for sale	9,456,695	9,479,967	140,727	179,843	23,438,484
Total assets	3,595,483,994	3,499,683,979	3,094,960,515	2,411,944,061	1,981,955,730
Liabilities					
Deposits from financial institutions	390,978,898	276,140,835	95,122,188	63,343,785	134,509,662
Deposits from customers	2,017,044,188	1,910,773,713	1,813,042,872	1,528,213,883	1,324,800,611
Derivative financial liabilities	22,269,161	5,306,450	30,275,181	2,416,378	1,737,791
Debt securities issued	320,814,944	302,106,706	243,952,418	78,516,655	73,155,391
Current tax liabilities	8,461,165	4,547,920	5,004,160	6,442,311	7,113,226
Other liabilities	97,203,507	238,695,687	107,538,941	64,094,358	16,870,132
Retirement benefit obligation	2,767,054	2,481,916	3,064,597	5,567,800	3,267,364
Interest-bearing borrowings	319,036,152	282,291,141	372,179,785	302,919,987	146,345,767
Deferred tax liabilities	7,848,516	7,848,515	3,101,753	-	-
Total liabilities	3,186,423,585	3,030,192,883	2,673,281,895	2,051,515,157	1,707,799,944
Equity					
Share capital and share premium	212,438,802	212,438,802	212,438,802	212,438,802	172,477,671
Retained earnings	91,731,036	120,170,093	93,329,188	49,459,102	36,499,779
Other components of equity	104,890,571	136,882,202	115,910,630	98,531,000	65,178,336
Total equity	409,060,410	469,491,097	421,678,620	360,428,904	274,155,786
Total liabilities and Equity	3,595,483,994	3,499,683,979	3,094,960,515	2,411,944,061	1,981,955,730
Gross earnings	118,297,418	398,161,575	331,000,972	302,061,975	221,610,769
Profit before income tax	20,357,101	67,043,501	80,579,576	65,177,914	46,142,422
Profit for the year	22,116,086	53,238,822	71,439,347	65,868,773	39,941,126
Dividend paid	-	18,803,180	11,571,189	13,729,777	13,729,777
Earning per share -Basic	56k	184k	237k	174k	114k
-Adjusted	56k	184k	237k	174k	114k
Number of ordinary shares of 50k	28,927,971,631	28,927,971,631	28,927,971,631	22,882,918,908	22,882,918,908