Unaudited Consolidated and Separate Financial Statements

for the period ended 30 September, 2024

Access Bank Plc
Index to the consolidated and separate financial statements
For the period ended 30 September 2024

Corporate information

This is the list of Directors who served in the Bank during the period

Directors

Mr. Paul Usoro, SAN	Chairman/Non-Executive Director
Mr. Adeniyi Adedokun Adekoya	Independent Non-Executive Director
Mr. Iboroma Tamunoemi Akpana	Independent Non-Executive Director
Mrs. Ifeyinwa Yvonne Osime	Independent Non-Executive Director
Dr. Okey Vitalis Nwuke,FCA	Non-Executive Director
Mr. Hassan Tanimu Musa Usman,FCA	Independent Non-Executive Director
Mrs. Omosalewa Temidayo Fajobi	Non-Executive Director
Mrs. Titilayo Osuntoki, HCIB	Non-Executive Director
*Mr. Herbert Onyewumbu Wigwe, FCA	Non-Executive Director
Mr. Roosevelt Michael Ogbonna,FCA,CFA	Managing Director/Chief Executive Officer
**Mr. Victor Okenyenbunor Etuokwu, HCIB	Deputy Managing Director
Mrs. Chizoma Joy Okoli, HCIB	Deputy Managing Director
Dr. Gregory Ovie Jobome, HCIB	Executive Director
Ms. Hadiza Ambursa	Executive Director
Mr. Oluseyi Kolawole Kumapayi,FCA	Executive Director
Mrs. Iyabo Soji-Okusanya, FCA, FCIB	Executive Director

*Died on February 9, 2024
**Retired effective April 5, 2024

Company Secretary
Mr Sunday Ekwochi

Corporate Head Office
Access Bank Plc
Plot 14/15, Prince Alaba Oniru Street, Oniru Estate, Victoria Island, Lagos
Victoria Island, Lagos.

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Email: info@accessbankplc.com
Website: www.accessbankplc.com
Company Registration Number: RC125 384
FRC Number: FRC/2012/0000000000271

Independent Auditors
KPMG Professional Services
KPMG Tower, Bishop Aboyade Cole Street, Victoria Island, Lagos.
Telephone: (01) 271 8955
Website: www.kpmg.com/ng

Corporate Governance Consultant
Ernst & Young
10th Floor UBA House
57, Marina, Lagos
Telephone: +234 (01) 6314500
FRC Number: FRC/2023/COY/209403

Actuaries
Alexander Forbes Consulting Actuaries Nig. Ltd
Rio Plaza, 2nd Floor , Plot 235, Muri Okunola Street
Victoria Island, Lagos
Telephone: (01) 271 1081
FRC Number: FRC/2012/ICAN/0000000000504

Registrars
Coronation Registrars Limited
9, Amodu Ojikutu Street, Off Saka Tinubu
Victoria Island, Lagos
Telephone: +234 01 2272570

Investor Relations
Access Bank Plc has a dedicated investors' portal on its corporate website which can be accessed via this link https://www.accessbankplc.com/pages/investor-relations.aspx

For further information please contact:

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Consolidated and separate interim statements of comprehensive income

In millions of Naira	***Notes***	**Group September 2024**	**Group September 2023**	**Bank September 2024**	**Bank September 2023**
Interest income calculated using effective interest rate	8	2,154,294	953,374	1,373,923	722,999
Interest income on financial assets at FVTPL	8	242,296	95,089	231,602	88,270
Interest expense	8	(1,513,472)	(645,366)	(1,200,446)	(561,327)
Net interest income		883,118	403,097	405,079	249,941
Net impairment charge on financial assets	9	(144,949)	(61,825)	(128,654)	(56,607)
Net interest income after impairment charges		738,170	341,272	276,424	193,335
Fee and commission income	10 (a)	371,985	199,463	189,452	141,818
Fee and commission expense	10 (b)	(70,493)	(59,622)	(47,104)	(52,593)
Net fee and commission income		301,492	139,840	142,348	89,225
Net gains on financial instruments at fair value	11a,b	423,103	82,414	416,934	82,156
Net foreign exchange (loss)	12 a	(49,696)	144,858	(130,535)	118,339
Net (loss) on fair value hedge (Hedging effectiveness)	12 b	167,586	90,649	167,586	90,649
Other operating income	13 (a)	57,717	17,442	49,855	11,136
Gain on disposal of subsidiaries	46	-	-	8,553	-
Bargain purchase from Acquisition	44	3,301	-	-	-
Personnel expenses	14	(264,992)	(112,747)	(92,674)	(59,926)
Depreciation	28	(51,829)	(29,815)	(25,349)	(21,894)
Amortization	29	(21,052)	(12,242)	(7,417)	(7,498)
Other operating expenses	15	(720,443)	(353,301)	(534,046)	(302,138)
Share of profit of investment in Associate	27 (a)	480	382	-	-
Profit before tax		583,837	308,753	271,679	193,383
Income tax	16	(93,087)	(43,398)	(17,875)	(13,831)
Profit for the period from continuing operations		**490,751**	**265,355**	**253,804**	**179,553**
Profit for the period		**490,751**	**265,355**	**253,804**	**179,553**
Other comprehensive income/(loss) (OCI):					
Items that will not be subsequently reclassified to profit or loss:					
Gross Actuarial (loss) on retirement benefit obligations	37 (a) i	-	213	-	213
Income tax relating to these items		-	(69)	-	(69)
Items that may be subsequently reclassified to profit or loss:					
Unrealised foreign currency translation difference		673,388	279,435	-	-
Changes in fair value of FVOCI debt financial instruments	25	54,269	(32,828)	25,181	(79,820)
Changes in allowance on FVOCI debt financial instruments	25	1,178	(6,244)	(466)	(1,922)
Gain on partial disposal of subsidiary		4,448	-	-	-
Other comprehensive income/(lc		733,282	240,506	24,715	(81,598)
Total comprehensive income for the period		**1,224,033**	**505,861**	**278,519**	**97,955**
Profit attributable to:					
Owners of the bank		478,008	262,255	253,804	179,553
Non-controlling interest	38	12,743	3,100	-	-
Profit for the period		**490,751**	**265,355**	**253,804**	**179,553**
Total comprehensive income attributable to:					
Owners of the bank		1,159,806	479,657	278,519	97,955
Non-controlling interest	38	64,227	26,204	-	-
Total comprehensive income for the period		**1,224,033**	**505,861**	**278,519**	**97,955**
Total profit/(loss) attributable to owners of the bank:					
Continuing operations		478,008	262,255	253,804	179,553
		478,008	**262,255**	**253,804**	**179,553**
Total comprehensive income/(loss) attributable to owners of the bank:					
Continuing operations		1,159,806	479,657	278,519	97,955
		1,159,806	**479,657**	**278,519**	**97,955**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	1,345	738	714	505
Diluted (kobo)	17	1,345	738	714	505
Earnings per share from continuing operations attributable to owners of the bank					
Basic (kobo)	17(a)	1,345	738	714	505
Diluted (kobo)	17(b)	1,345	738	714	505
Earnings per share from discontinued operations attributable to owners of the bank					
Basic (kobo)	17(a)	-	-	-	-
Diluted (kobo)	17(b)	-	-	-	-

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

Consolidated and separate statement of comprehensive income

In millions of Naira	***Notes***	**Group 3 Months to September 2024**	**Group 3 Months to September 2023**	**Bank 3 Months to September 2024**	**Bank 3 Months to September 2023**
Interest income calculated using effective interest rate	8	867,093	357,238	569,397	245,188
Interest income on financial assets at FVTPL	8	58,190	84,388	52,094	83,132
Interest expense	8	(578,933)	(270,645)	(456,032)	(228,121)
Net interest income		346,351	170,980	165,459	100,199
Net impairment charge	9	(22,210)	(24,650)	(23,363)	(22,473)
Net interest income after impairment charges		324,141	146,331	142,096	77,728
Fee and commission income	10 (a)	139,449	79,639	67,240	51,404
Fee and commission expense	10 (b)	(24,573)	(22,631)	(16,094)	(19,396)
Net fee and commission income		114,876	57,008	51,146	32,006
Net gains on financial instruments	11a,b	(77,195)	30,465	(78,962)	30,324
Net foreign exchange loss	12	36,563	(13,611)	10,089	(25,702)
Net loss on fair value hedge (Hedging ineffectiveness)		180,190	105,873	180,190	105,873
Other operating income	13	1,022	4,418	4,295	1,284
Bargain purchase from Acquisition		-	-	-	-
Profit on disposal of subsidiaries	48 (b)	-	-	(8,553)	-
Personnel expenses	14	(114,474)	(50,708)	(49,132)	(24,721)
Depreciation	28	(18,751)	(11,734)	(8,760)	(7,855)
Amortization and impairment	29	(7,602)	(4,944)	(2,400)	(2,612)
Other operating expenses	15	(215,112)	(131,813)	(147,790)	(106,868)
Share of profit of investment in Associate		0	-		-
Profit before tax		223,660	131,285	92,220	79,458
Income tax	16	(31,800)	(12,512)	(12,137)	(1,785)
Profit for the period		**191,860**	**118,772**	**80,083**	**77,674**
Other comprehensive income (OCI) net of income tax :					
items that will not be subsequently reclassified to income statement:					
Remeasurements of post-employment benefit obligations		-	(0)	-	-
Items that may be subsequently reclassified to the income statement:					
Foreign currency translation differences for foreign subsidiaries:					
Unrealised foreign currency translation difference		264,914	(60,565)	-	-
Net changes in fair value of financial instruments:					
Net changes in fair value of financial instruments		65,188	(127,354)	34,775	(106,007)
Gain on partial disposal of subsidiary					
-Net changes in allowance on FVOCI financial instruments		(511)	805	197	(802)
Other comprehensive gain/(loss), net of related tax effects		329,591	(187,116)	34,971	(106,810)
Total comprehensive income for the period		**521,451**	**(68,344)**	**115,053**	**(29,136)**
Profit attributable to:					
Owners of the bank		186,027	117,356	80,083	77,674
Non-controlling interest	38	5,833	1,416	-	-
Profit for the period		**191,860**	**118,772**	**80,083**	**77,674**
Total comprehensive income attributable to:					
Owners of the bank		492,445	(28,750)	115,053	(29,136)
Non-controlling interest	38	29,006	(39,594)	-	-
Total comprehensive income for the period		**521,451**	**(68,344)**	**115,053**	**(29,136)**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	523	330	249	219
Diluted (kobo)	17	523	330	249	219

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

Consolidated and separate interim statements of financial position
as at 30 September 2024

In millions of Naira	*Notes*	Group Septemeber 2024	Group December 2023	Bank September 2024	Bank December 2023
Assets					
Cash and balances with banks	18	5,101,618	2,975,483	3,482,404	2,345,773
Investment under management	19	10,198	7,423	10,198	7,423
Non pledged trading assets	20	276,588	209,208	194,256	157,798
Derivative financial assets	21	2,213,188	2,050,432	2,184,343	2,033,286
Loans and advances to banks	22	2,067,712	880,534	1,062,049	659,546
Loans and advances to customers	23	11,861,771	8,037,723	6,649,181	5,369,154
Pledged assets	24	1,767,043	1,211,641	1,767,043	1,211,641
Investment securities	25	10,227,830	5,342,156	5,976,139	3,346,780
Investment properties	31a	437	437	437	437
Restricted deposit and other assets	26	6,199,042	5,076,419	5,124,635	4,693,995
Investment in associates	27a	8,906	8,424	6,904	6,904
Investment in subsidiaries	27b	-	-	412,169	390,325
Property and equipment	28	515,240	418,181	344,732	277,527
Intangible assets	29	151,992	128,148	82,421	73,105
Deferred tax assets	30	64,502	35,417	5,073	0
		40,466,063	26,381,626	27,301,983	20,573,694
Asset classified as held for sale	31b	110,544	75,418	110,544	75,418
Total assets		**40,576,607**	**26,457,044**	**27,412,526**	**20,649,112**
Liabilities					
Deposits from financial institutions	32	9,717,067	4,387,020	8,114,847	3,907,192
Deposits from customers	33	22,280,606	15,322,752	13,686,535	11,239,847
Derivative financial liabilities	21	64,566	475,997	61,007	471,819
Current tax liabilities	16	37,592	20,450	30,785	14,501
Other liabilities	34	1,836,697	1,695,404	1,176,368	1,503,893
Deferred tax liabilities	30	9,882	11,160	-	9,544
Debt securities issued	35	879,473	585,024	865,354	577,378
Interest-bearing borrowings	36	2,228,044	1,602,226	1,845,689	1,384,472
Retirement benefit obligation	37	7,803	8,577	7,543	8,480
Total liabilities		**37,061,730**	**24,108,611**	**25,788,128**	**19,117,126**
Equity					
Share capital and share premium	38	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	38	345,030	345,030	345,030	345,030
Retained earnings		1,157,745	737,133	634,285	605,619
Other components of equity	38	1,642,152	960,548	393,272	329,526
Total equity attributable to owners of the Bank		**3,396,738**	**2,294,522**	**1,624,398**	**1,531,986**
Non controlling interest	38	118,138	53,911	-	-
Total equity		**3,514,877**	**2,348,433**	**1,624,398**	**1,531,986**
Total liabilities and equity		**40,576,607**	**26,457,044**	**27,412,526**	**20,649,112**

Signed on behalf of the Board of Directors on 28 October, 2024 by:

MANAGING DIRECTOR
Roosevelt Ogbonna
FRC/2017/PRO/DIR/003/00000016638

EXECUTIVE DIRECTOR
Oluseyi Kumapayi
FRC/2013/PRO/DIR/003/00000000911

CHIEF FINANCIAL OFFICER
Taiwo Fowowe
FRC/2021/PRO/ICAN/001/00000024694

Consolidated and separate interim statement of changes in equity

In millions of Naira
Group

	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Gain on Partial Disposal of Parent Stake in subsidiary	Retained earnings	Total	Non Controlling interest	Total Equity
	Attributable to owners of the Bank														
Balance at 1 January 2024	17,773	234,038	345,030	146,966	328,960	-	-	3,489	(20,665)	501,795	-	737,133	**2,294,519**	53,911	**2,348,430**
Total comprehensive income for the period:															
Profit for the period	-	-	-	-	-	-	-	-	-	-		478,008	478,008	12,743	490,751
Other comprehensive income/(loss), net of tax															
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	655,487		-	655,487	22,349	677,836
Actuarial (loss) on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	25,134	-		-	25,134	29,135	54,269
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	1,178	-		-	1,178	-	1,178
Gain on Partial disposal of parent stake in subsidiaries	-	-		-	-		-	-	-	-	4,448	(4,448)	-	-	-
Total other comprehensive (loss)/ income	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**26,312**	**655,487**	**4,448**	**(4,448)**	**681,799**	**51,484**	**733,282**
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**26,312**	**655,487**	**4,448**	**473,560**	**1,159,806**	**64,227**	**1,224,033**
Transactions with equity holders, recorded directly in equity:															
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Dividend/Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-		(107,197)	(107,197)	-	(107,197)
Transfers between reserves	-	-	-	(17,597)	12,955	-	-	-	-	-		4,642	-	-	-
Effects of hyperinflation	-	-	-	-	-	-	-	-	-	-		128,516	128,516	-	128,516
Restructuring of parent shares purchased for staff	-	-	-	-	-	(7,563)	-	-	-	-		-	(7,563)		(7,563)
Scheme shares	-	-	-	-	-	2,893	-	-	-	-		-	2,893	-	2,893
Vested shares	-	-	-	-	-	4,669	-	-	-	-		-	4,669	-	4,669
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-		(78,910)	(78,910)	-	(78,910)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**(17,597)**	**12,955**	**-**	**-**	**-**	**-**	**-**	**-**	**(52,947)**	**(57,592)**	**-**	**(57,592)**
Balance at 30 September 2024	**17,773**	**234,038**	**345,030**	**129,369**	**341,915**	**-**	**-**	**3,489**	**5,647**	**1,157,282**	**4,448**	**1,157,745**	**3,396,731**	**118,138**	**3,514,877**

Consolidated and separate interim statement of changes in equity

In millions of Naira
Group

	Share capital	Share premium	Additional Tier 1 Capital	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
	Attributable to owners of the Bank													
Balance at 1 January 2023	**17,773**	**234,038**	**206,355**	**78,556**	**158,305**	**3,514**	**(11,228)**	**3,489**	**78,959**	**33,083**	**409,653**	**1,212,497**	**14,396**	**1,226,890**
Total comprehensive income for the period:														
Profit for the period	-	-	-	-	-	-	-	-		-	262,255	262,255	3,100	265,355
Other comprehensive income/(loss), net of tax														
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	273,226	-	273,226	6,209	279,435
Actuarial loss on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	144	144	-	144
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(49,724)	-	-	(49,724)	16,895	(32,828)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(6,244)	-	-	(6,244)	-	(6,244)
Total other comprehensive income/(loss)	-	-	-	-	-	-	-	-	(55,968)	273,226	144	217,402	23,104	240,504
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(55,968)**	**273,226**	**262,398**	**479,656**	**26,204**	**505,859**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	138,675	-	-	-	-	-	-	-	-	138,675	-	138,675
Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-	(47,366)	(47,366)	-	(47,366)
Transfers between reserves	-	-	-	19,613	25,283	-	-	-	-	-	(44,896)	-	-	-
Transfers under the scheme of merger	-	-	-	-	-		-	-	-	-	-	-	-	-
Shares issued under scheme of merger	-	-	-	-	-		-	-	-	-	-	-	-	-
Reclassification of parent shares purchased for staff	-	-	-	-	-	(6,334)	-	-	-	-	-	(6,334)	-	(6,334)
Additional shares				-	-	-	-	-	-	-	-	-	-	-
Scheme shares (See Note 14)	-	-	-	-	-	1,559	11,228	-	-	-	-	12,787	-	12,787
Vested shares				-	-	1,263	-	-	-	-	-	1,263	-	1,263
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from disposed subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(47,275)	(47,275)	-	(47,275)
Total contributions by and distributions to equity holders	**-**	**-**	**138,675**	**19,613**	**25,283**	**(3,514)**	**11,228**	**-**	**-**	**-**	**(139,537)**	**51,751**	**-**	**51,751**
Balance at 30 September 2023	**17,773**	**234,038**	**345,030**	**98,169**	**183,588**	**(0)**	**(0)**	**3,489**	**22,991**	**306,308**	**532,514**	**1,743,904**	**40,600**	**1,784,500**

Separate Interim Statement of changes in equity
In millions of Naira

Bank	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserve	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2024	17,773	234,038	345,030	124,720	217,119	-	3,489	(15,802)	605,619	**1,531,988**
Total comprehensive income for the period:										
Profit for the period	-	-		-	-	-	-	-	253,804	253,804
Other comprehensive income/(loss), net of tax										
Actuarial loss on retirement benefit obligations (net of tax)	-	-		-	-	-	-	-	-	-
Changes in fair value of FVOCI debt financial instruments	-	-		-	-	-	-	25,181	-	25,181
Changes in allowance on FVOCI debt financial instruments					-			(466)	-	(466)
Total other comprehensive (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24,715**	**-**	**24,715**
Total comprehensive (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**24,715**	**253,804**	**278,519**
Transactions with equity holders, recorded directly in equity:										
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-
Dividend/Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	(107,197)	(107,197)
Transfers between reserves	-	-	-	960	38,071	-	-	-	(39,031)	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	(78,910)	(78,910)
Reclassification of parent shares purchased for staff	-	-	-	-	-	(1,960)	-	-	-	(1,960)
Scheme shares	-	-	-	-	-	1,960	-	-	-	1,960
Vested shares	-	-		-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**960**	**38,071**	**-**	**-**	**-**	**(225,138)**	**(186,107)**
Balance at 30 September 2024	**17,773**	**234,038**	**345,030**	**125,680**	**255,189**	**-**	**3,489**	**8,914**	**634,285**	**1,624,400**

Separate Interim Statement of changes in equity
In millions of Naira

Bank	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share Scheme reserve	Capital Reserve	Fair value reserve	Retained earnings	Total Equity
Balance at 1 January, 2023	17,773	234,038	206,355	76,336	136,767	2,674	3,489	70,053	321,181	**1,068,667**
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	-	-	179,553	179,553
Other comprehensive income/(loss), net of tax										
Actuarial loss on retirement benefit obligations (net of tax)	-	-	-	-	-	-	-	-	144	144
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	(79,820)	-	(79,820)
Changes in allowance on FVOCI debt financial instruments					-			(1,922)	-	(1,922)
Total other comprehensive income(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(81,743)**	**144**	**(81,599)**
Total comprehensive income (loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(81,743)**	**179,697**	**97,955**
Transactions with equity holders, recorded directly in equity:										
Additional Tier 1 (AT1) Capital issued	-	-	138,675	-	-	-	-	-	-	138,675
Finance Cost of additional Tier 1 Capital	-	-	-			-	-	-	(47,366)	(47,366)
Transfers between reserves	-	-	-	19,570	15,281	-	-	-	(34,851)	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	(47,275)	(47,275)
Reclassification of parent shares purchased for staff	-	-	-	-	-	(3,885)	-	-	-	(3,885)
Scheme shares (See Note 14)	-	-	-	-	-	1,211	-	-	-	1,211
Vested shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**138,675**	**19,570**	**15,281**	**(2,674)**	**-**	**-**	**(129,492)**	**41,360**
Balance at 30 September 2023	**17,773**	**234,038**	**345,030**	**95,906**	**152,048**	**0**	**3,489**	**(11,690)**	**371,387**	**1,207,983**

Consolidated and separate interim statements of cashflows

In millions of Naira	Note	Group Septemeber 2024	Group September 2023	Bank September 2024	Bank September 2023
Cash flows from operating activities					
Profit before income tax		583,837	308,753	271,679	193,383
Adjustments for:					
Depreciation	28	51,829	29,815	25,349	21,894
Amortisation	29	21,052	12,242	7,417	7,498
Gain on disposal of property and equipment	13	(33)	(156)	(65)	(157)
Gain/(Loss) on lease modification	28	37	33	37	37
Fair value gain on financial assets at FVPL	11	(311,335)	(169,476)	(309,161)	(169,462)
Gain on disposal of investment securities and Non pledged trading assets	11	(111,769)	(80,589)	(107,772)	(80,344)
Impairment on financial assets	9	144,949	61,825	128,654	56,607
Additional gratuity provision	14	1,182	710	1,182	710
Restricted share performance plan expense	14	2,893	1,559	1,960	1,211
Write-off of property and equipment	28	-	406	-	143
Write-off of intangible assets	29	2,192	135	92	135
Share of profit from associate	27	(480)	(382)	-	-
Gain on modification of loans	8	(2,256)	-	(2,256)	-
Gain on disposal of subsidiaries		-	-	(8,553)	-
Bargain purchase from acquisition	44	(3,301)	-	-	-
Net interest income	8	(880,861)	(403,097)	(402,822)	(249,942)
Change arising from goodwill reassessment	29	-	-	-	-
Foreign exchange gain on revaluation	12	49,696	(103,238)	130,535	(118,339)
Loss on derecognition of ROU assets	28	4,941	-	-	-
Fair value of derivative financial instruments excluding hedged portion	11	-	167,651	-	167,651
Dividend income	13	(9,464)	(4,338)	(21,539)	(4,588)
Net gain on fair value hedge (Hedging ineffectiveness)	12(b)	(167,586)	(90,649)	(167,586)	(90,649)
		(624,478)	(268,797)	(452,849)	(264,212)
Changes in operating assets					
Changes in non-pledged trading assets	48 (i)	(166,888)	(94,211)	(138,500)	(72,573)
Changes in pledged assets	48 (ii)	(92,215)	(159,332)	(92,216)	(159,331)
Changes in other restricted deposits with central banks	48 (iii)	(164,655)	(601,804)	(156,056)	(578,313)
Changes in loans and advances to banks and customers	48 (iv)	(4,703,971)	(1,871,087)	(1,924,027)	(832,509)
Changes in restricted deposits and other assets	48 (v)	(1,709,280)	124,003	(1,154,773)	334,016
Changes in operating liabilities					
Changes in deposits from banks	48 (vi)	5,434,612	429,363	4,032,934	524,597
Changes in deposits from customers	48 (vii)	6,154,554	3,479,480	2,434,193	2,024,297
Changes in other liabilities	48 (viii)	255,656	340,007	(153,333)	266,229
		4,383,335	1,377,622	2,395,372	1,242,200
Interest paid on deposits to banks and customers	48 (ix)	(1,095,087)	(370,764)	(892,131)	(326,001)
Interest received on loans and advances to bank and customers	48 (x)	1,054,682	383,215	613,330	263,946
Interest received on non-pledged trading assets	48 (x)	306,444	95,701	294,166	87,086
		4,649,375	1,485,774	2,410,738	1,267,232
Payment out of retirement benefit obligation	37(i)	(3,158)	-	(3,158)	-
Income tax paid	16	(77,911)	(24,313)	(16,208)	(6,614)
Net cash generated from operating activities		**4,568,306**	**1,461,461**	**2,391,372**	**1,260,618**
Cash flows from investing activities					
Net acquisition of investment securities	48 (xi)	(6,009,461)	(3,459,058)	(3,711,581)	(2,707,381)
Interest received on investment securities	48 (x)	941,309	433,842	768,946	386,782
Transfer from/additional investment in fund manager	48 (xi)	(2,775)	(2,084)	(2,775)	(2,084)
Dividend received	13	9,464	4,338	21,539	4,588
Acquisition of property and equipment	28	(100,442)	(96,340)	(92,058)	(41,434)
Proceeds from the sale of property and equipment	48 (xiii)	30,745	21,522	381	350
Acquisition of intangible assets	29	(19,736)	(36,096)	(16,825)	(13,598)
Proceeds from disposal of asset held for sale	31 (b)	4,874	-	4,874	-
Proceeds from matured investment securities	48 (xiii)	852,128	2,475,147	821,428	1,846,216
Additional investment in subsidiaries	48 (xi)	-	-	(25,402)	(117,356)
Net cash acquired on business combination	48 (xiii)	182,559	-	-	-
Proceeds from sale of subsidiary and associates	46 (b)	3,557	-	3,557	-
					-
Net cash used in investing activities		**(4,107,779)**	**(658,727)**	**(2,227,916)**	**(643,918)**
Cash flows from financing activities					
Interest paid on interest bearing borrowings and debt securities issued	48 (ix)	(106,499)	(80,924)	(99,206)	(79,075)
Proceeds from interest bearing borrowings	36	449,963	112,427	250,732	7,995
Proceeds from Additional Tier 1 capital issued	38	-	138,675	-	138,675
Payments on Issuing cost of Additional Tier 1 capital	48 (xv)	(107,197)	(47,366)	(107,197)	(47,366)
Repayment of interest bearing borrowings	36	(429,845)	(607,615)	(372,100)	(572,861)
Repayment of debt securities issued	35	(84,943)	-	(84,943)	-
Lease payments	48 (xii)	(35,918)	(7,268)	(370)	(833)
Purchase of parent shares	48 (xii)	-	528	4,584	528
Dividends paid to owners	48 (xv)	(78,910)	(47,275)	(78,910)	(47,275)
Net cash generated from financing activities		**(393,349)**	**(538,818)**	**(487,410)**	**(600,211)**
Net increase in cash and cash equivalents		67,179	263,916	(323,954)	16,489
Cash and cash equivalents at beginning of period	40	3,388,457	1,894,934	2,764,423	1,365,144
Net increase in cash and cash equivalents		67,179	263,914	(323,954)	16,491
Effect of exchange rate fluctuations on cash held		2,360,730	128,582	1,770,547	127,622
Cash and cash equivalents at end of period	40	5,816,364	2,287,430	4,211,016	1,509,256

1.0 General information

Access Bank Plc (“the Bank”) is a bank domiciled in Nigeria. The address of the Bank’s registered office is No 14/15, Prince Alaba Oniru Road, Oniru, Lagos (formerly Plot 999c, Danmole Street, off Adeola Odeku/Idejo Street, Victoria Island, Lagos). The consolidated and separate financial statements of the Group for the period ended 30 September 2024 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. The Bank is listed on National Association of Securities Dealers (NASD).

These financial statements were approved and authorised for issue by the Board of Directors on 26 July 2024. The directors have the power to amend and reissue the financial statements.

2.0 Statement of compliance with IFRS Accounting Standards

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

3.0 Basis of preparation

This financial statement has been prepared in accordance with the guidelines set by International Financial Reporting Standards (IFRS Accounting Standard) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. This consolidated and separate financial statement comprise the consolidated and separate statement of comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statements of changes in equity, the consolidated and separate cash flow statement and the accompanying 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, non current assets held for sale and investment properties to the extent required or permitted under IFRS as set out in the relevant accounting policies.

(i) Summary of accounting policies

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

(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 and separate interim financial statements are presented in naira,which is Access Bank Plc's functional and presentation currency; except where indicated, financial information presented in Naira has been rounded to the nearest millions.

(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.
- financial instruments at fair value through OCI 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 lower of carrying amount and fair value less costs to sell.
- Balances for entities in hyper-inflation economies
- share based payment at fair value or an approximation of fair value allowed by the relevant standard.
- Investment properties are measured at fair value.

(c) Use of estimates and judgments
The preparation of the consolidated and separate 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 period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimation uncertainties and critical 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.

3.1 Changes in accounting policy and disclosures

Changes in accounting policies
Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2024. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Amendments to IAS 8 – Definition of Accounting Estimates
The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.
This amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

Changes in material accounting policies

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2024. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements
In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendment clarifies:
*What is meant by a right to defer settlement.
* That a right to defer must exist at the end of the reporting period.
* That classification is unaffected by the likelihood that an entity will exercise its deferral right.
* That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by "settlement" of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.
The amendment does not have any material impact on the Group.

(II) Material accounting policy information

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements
In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.
The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.
The amendment does not have any material impact on the Group.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases
In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full termination of a lease.
The amendment does not have any material impact on the Group.

3.2 Standards and interpretations issued/amended but not yet effective

The following standard have been issued or amended by the IASB but are yet to become effective for annual periods beginning on 1 January 2024:
Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates effective Jan 1, 2025
In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:
• when a currency is exchangeable into another currency; and
• how a company estimates a spot rate when a currency lacks exchangeability.
A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate.
A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate.
Therefore, when estimating a spot rate a company can use:
• an observable exchange rate without adjustment; or
• another estimation technique.
The amendment is not expected to have any material impact on the Group.

3.3 Summary of material accounting policies

Basis of consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group exercises control.
Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity:

[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. The 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 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) Investment Funds

The Group acts as a fund manager for the RSPP funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of the aggregate economic interest of the Group in the fund. The group has concluded that it acts as an agent for the investment in all cases, and therefore has not consolidated its funds.

(d) Loss of control

Upon 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.

(e) 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, if the disposal subsidiary meets the criteria specified in IFRS 5.
Foreign currency translation differences become realised when the related subsidiary is disposed.

(f) 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.

(g) 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 unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(h) Non controlling interest

The group recognises non-controlling interests in an acquired entity either at fair value or at the noncontrolling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

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 and the Bank'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 pass 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. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest, impairment and payments during the year, and the amortised cost in the foreign currency translated at the spot exchange rate at the end of the year. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are
recognised in OCI:
• equity investments in respect of which an election has been made to present subsequent changes in fair value in OCI;
• a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
• qualifying cash flow hedges to the extent that the hedges are effective.

(c) Foreign Operations

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency(except for Access Bank Ghana who has a currency of hyper-inflation) 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.

(d) Hyperinflationary Accounting

During the period, the Group continued to apply hyperinflationary accounting to a subsidiary operation in the country where the three-year cumulative inflation rate approached or exceeded 100% in accordance with the provisions of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29).
This affected the Group's operations in Ghana with a functional currency of Ghana Cedis where the three years cumulative inflation has reached over 100% as evidenced by the official Consumer Price Index (CPI) that moved from 162.80 in 2022 to 226.4 in September 2024.
The Group applies IAS 29 to the underlying financial information of relevant subsidiary to restate their local currency results and financial position to be stated in terms of the measuring unit current at the end of the reporting period. Those restated results are translated into the Group's presentation currency of Naira for consolidation at the closing rate at the balance sheet date. Group comparatives are not restated for inflation. The hyperinflationary gain or loss in respect of the net monetary position of the relevant subsidiary is included in profit or loss.

The restatement of transactions and balances for the Ghana subsidiary are as follows:
- Corresponding figures as of, and for, the prior year ended, are restated by applying the change in the index from the end of the prior year to the end of the current period.
- Monetary assets and liabilities for the current year, are not restated because they are already stated in terms of the measuring unit current at statement of financial position date;
- Non-monetary assets and liabilities, and components of shareholders equity/funds, are restated by applying the change in index from date/month of transaction or, if applicable, from the date of their most recent revaluation to the statement of financial position date;
- Property, plant and equipment and intangible assets are restated by applying the change in the index from the date of transaction, or if applicable from the date of their most recent/last revaluation, to the statement of financial position date. Depreciation and amortization amounts are based on the restated amounts;
- Profit or loss statement items/transactions, are restated by applying the change in index during the period to statement of financial position date;
- Consequential adjustments to the opening balance sheet in relation to hyperinflationary subsidiary are presented in other comprehensive income.
- Gains and losses arising from net monetary asset or liability positions are included in the profit or loss statement; and
- All items in the cash flow statement are expressed in terms of the measuring unit current at the statement of financial position date.

3.6 Operating income

It is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable.
Revenue is recognised when control of goods or services have been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset.

Principal versus Agency considerations
The Group is the principal in an arrangement where it obtains control of the goods or services of another party in advance of transferring control of those goods or services to a customer. The Group is the principal in its card services.

The Group is an agent where its performance obligation is to arrange for another party to provide the goods and services. The Group is the agent in its arrangement with mobile network providers, card vendors and insurance companies.

Where the group is acting as an agent, it recognises as revenue only the commission retained by the group (in other words, revenue is recognised net of the amounts paid to the principal). Where the group is the principal, it will recognise as revenue the gross amount paid and allocated to the performance obligation. It will also recognise an expense for the direct costs of satisfying the performance obligation.

(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 and separate income statement using the effective interest method.
The Group calculates interest income by applying the Effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets
When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

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 fair value through other comprehensive income investment securities calculated on an effective interest basis.

Interest income on fair value through profit or loss instruments is recognised using the contractual interest rate on investment securities.

(b) Fees and commission income and expense

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.

Fee and commission presented in the income statement includes:

- Credit related fees: This includes advisory, penal and commitment fees. These are fees charged for administration and advisory services to the customer up to the customer's acceptance of the offer letter. The advisory and commitment fees are earned at the point in time where the customer accepts the offer letter which is when the Bank recognises its income. These fees are not integral to the loan, therefore, they are not considered in determining the effective interest rate. The penal fee on default also forms part of the items warehoused in this line.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.

- Account maintenance fees: These are fees charged to current accounts. N1 on every N1,000 in respect of all customer induced debit transactions is charged on these accounts. These fees are earned by the Bank at the time of each transaction and the Bank recognises its income accordingly.

- Card maintenance fees: The Bank charges these fees to customers for maintaining their cards. The fees are earned and recognised by the Bank over the validity period of the card. The Bank charges the customers for this service on a monthly basis.

- Other fees and commission income, includes commission on bills and letters of credit, account handling charge, commissions on other financial services, commission on foreign currency denominated transactions, channel and other e-busiess income, and retail account charges. These fees and commissions are recognised as the related services are performed.

  Fees and commissions expenses are fees charged for the provision of services to customers transacting on alternate channels platform of the Bank and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Bank on services rendered on internet banking, mobile banking and online purchasing platforms. The corresponding income lines for these expenses include the income on cards (both foreign and local cards), online purchases and bill payments included in fees and commissions.

(c) Net loss/gains on financial instruments at fair value

Net loss/gains on financial instruments comprise of the following:

- Net gains/losses on financial instruments classified as fair value through profit or loss: This includes the gains and losses arising both on sale of trading instruments and from changes in fair value of derivatives instruments.

- Net gains on financial instruments held as Fair value through other comprehensive income: This relates to gains arising from the disposal of financial instruments held as Fair value through other comprehensive income as well as fair value changes reclassified from other comprehensive income upon disposal of debt instruments carried at fair value through other comprehensive income

(d) Net Foreign exchange gain and losses

Net foreign exchange gain and losses include realised and unrealised foreign exchange gains or losses on revaluation of the foreign currency denominated transactions

(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 Fair value through other comprehensive income equity securities: This is recognised when the right to receive payment is established. Dividends are reflected as a component of other operating income in the income statement.

3.7 Income tax

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

(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. It is recognized in the current tax liabilities caption in the statement of financial positions

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates 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 and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty

(b) Minimum Tax

Based on the provisions of The Finance Act 2019, minimum tax will be applicable at 0.5% of gross turnover less franked investment income. This is shown in note 16

(c) 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 statement of financial position. 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 tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.8 Financial assets and liabilities

Investments and other financial assets

Recognition and derecognition

The Group initially recognizes financial instruments (including regular-way purchases and sales of financial assets) on the settlement date, which is the date that the instrument is delivered to or by the Group.

(a) Financial assets

i *Classification*

The group classifies its financial assets in the following measurement categories:

● those to be measured subsequently at fair value (either through OCI or through profit or loss), and

● those to be measured subsequently at amortised cost.

The classification for debt financial assets depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The group reclassifies debt investments when and only when its business model for managing those assets changes. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Where the fair value is different from the transaction price, the resulting gain or loss is recognized in trading gains or losses on financial instruments only when the fair value is evidenced by a quoted price in an active market for an identical asset (i.e. level 1 input) or based on a valuation technique that uses only data from observable markets"

ii ***Debt instruments***

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the contractual cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

● Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in Net (loss)/gain on financial instruments at fair value together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

● FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating income. Interest income from these financial assets is included in interest income using the effective interest rate method. Foreign exchange gains and losses are presented in net gains/(loss) on financial instruments at fair value and impairment expenses are presented as separate line item in net impairment charge on financial assets

● FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within net gains/(loss) on financial instruments at fair value in the period in which it arises.

If in a subsequent period, the fair value of an impaired fair value through other comprehensive income 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.

The Group only measures cash and balances with banks, Loans and advances to banks and customers and other financial investments at amortised cost if both of the following conditions are met:
• The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
The details of these conditions are outlined below.

iii ***Equity instruments***

The group initially measures all equity investments at fair value through profit or loss. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.
Changes in the fair value of financial assets at FVPL are recognised in net gains/(loss) on financial instrument at fair value in the statement of profit or loss as applicable.

iv Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.
The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:
• How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
• The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
• How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
• The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

v The SPPI test

As a second step of its classification process, the Group assesses the contractual terms of financial instruments to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).
The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.
In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

(b) Financial Liabilities

Financial liabilities that are not classified at fair value through profit or loss are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date. Interest expense is included in 'Interest expense' in the Statement of comprehensive income.

Financial liabilities that are classified at fair value through profit or loss include derivatives, financial liabilities held for trading and other financial liabilities designated as such at initial recognition. Gains and losses attributable to changes in Group's credit risk are recognised in other comprehensive income and the fair value of the liability are recognised in profit or loss.
If recognition of own credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, all fair value gains/losses are recognised in profit or loss.

The table below reconciles classification of financial instruments to the respective IFRS 9 category.

Financial assets	Financial assets at fair value through profit or loss
	Financial assets at amortised cost
	Fair value through other comprehensive income
Financial liabilities	Financial liabilities at fair value through profit or loss
	Financial liabilities at amortised cost

(c) Classification of financial assets

[i] Fair value through profit or loss

This category comprises financial assets classified as hold to sell upon initial recognition.

A financial asset is classified as fair value through profit or loss 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 measured at fair value through profit or loss unless they are designated and effective as hedging instruments. Financial assets held for trading consist of debt instruments, including money-market instruments, as well as financial assets with embedded derivatives. They are recognised in the consolidated statement of financial position as 'non-pledged trading assets '.

Financial assets 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 (loss)/gain on financial instruments at fair value". Interest income and expense and dividend income on financial assets held for trading are included in 'Interest income', "Interest expense' or 'Other operating 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 is mandated to classify certain financial assets upon initial recognition as at fair value through profit or loss (fair value option) when the following conditions are met:

- The asset does not meet the solely principal and interest on the principal amount outstanding (SPPI) test

- The financial asset is held within a business model whose objective is achieved by selling financial assets.

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. The fair value option is only applied when the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.

[ii] Amortized cost

Amortized cost financial assets are assets that are held for collection of contractual cashflows, where those cashflows represent solely payments of principal and interest.

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 amortized cost investments not close to their maturity would result in a reassessment of the Bank's business model for managing the assets. 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 amortized cost 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'. Amortised cost investments include treasury bills and bonds.

[iv] Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are assets that are held for the collection of contractual cashflows and selling of the financial assets where the asset's cashflow represents solely payments of principal and interest.

Unquoted equity securities that have been elected as fair value through other comprehensive and other fair vlaue through other comprehensive income 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 such investments are recognised in the income statement.

Other fair value changes are recognised directly in other comprehensive income until the debt 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.

Fair value through other comprehensive income instruments include investment securities and equity investments that are so elected.

(d) Classification of 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

(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 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

(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.

(e) Measurement of financial asset and liabilities

[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.

Reclassification of financial assets and liabilities

(f) Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group changes its business model for managing a financial asset; the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

The following are not changes in business model;

a. change in intention related to particular financial assets (even in circumstances of significant changes in market conditions).
b. the temporary disappearance of a particular market for financial assets.
c. a transfer of financial assets between parts of the entity with different business models.

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 amortised cost categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Reclassification date
The first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.

A change in the objective of the Group's business model must be effected before the reclassification date. For example, if Group decides on 15 February to shut down its Corporate & investment Banking business and hence must reclassify all affected financial assets on 1 April (i.e. the first day of the Group's next reporting period), the Group must not accept new Corporate & investment Banking business or otherwise engage in activities consistent with its former business model after 15 February.

All reclassifications are applied prospectively from the reclassification date.
When the Group reclassifies a financial asset between the amortised cost measurement category and the fair value through other comprehensive income measurement category, the recognition of interest income is not changed and it continues to use the same effective interest rate.
However, when the Group reclassifies a financial asset out of the fair value through profit or loss measurement category, the effective interest rate is determined on the basis of the fair value of the asset at the reclassification date.

(g) Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset or liability, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition in the statement of comprehensive income, to the extent that an impairment loss has not already been recorded. The terms and conditions have been renegotiated substantially if the discounted cash flows under the new terms are at least 10 per cent different from the discounted remaining cash flows of the original terms. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated Credit Impaired (POCI).

When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:

• Change in currency of the loan
• Introduction of an equity feature
• Change in counterparty
• If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded. This is recognized in the statement of comprehensive income.

(i) Derecognition other than for substantial modification - Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

• The Group has transferred its contractual rights to receive cash flows from the financial asset or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:
• The Group has transferred substantially all the risks and rewards of the asset or
• The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.
When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.
If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Derecognition other than for substantial modification - Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms such as the beneficiary, tenor, prinicpal amount or the interest rate, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

(h) 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.

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 Net (loss)/gain on financial instruments at fair value.

(i) Measurement of specific financial assets

(i) 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.

(ii) Repossessed collateral

Repossessed collateral are equities, investment properties or other investments repossessed from a customer and used to settle the 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.

(iii) 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.

(iv) 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 carried at fair value through profit or loss 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 classified as fair value through profit or loss, Fair value through other comprehensive income or Amortized cost. Where the assets pledged as collateral are classified as fair value through profit or loss, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral classified as Fair value through other comprehensive income are measured at fair-value through equity. Assets pledged as collateral are measured at amortized cost.

[v] Investment 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 is within an agreed portfolio of high quality Nigerian fixed income and money market instruments which are usually short tenured.

The investments are carried at amortized cost.

3.9 Impairment of financial assets

Overview of the ECL principles

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

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.
Based on the above process, the Group categorises its financial instruments into Stage 1, Stage 2,Stage 3 , as described below. All POCI (Purchased or originated credit impaired) financial instruments are categorized under stage 3.

• Stage 1: When a financial instrument is first recognised, the Group recognises an allowance based on 12m Expected credit Loss. Stage 1 also includes financial instruments where the credit risk has improved (after review over a period of 90 days) and the financial instruments has been reclassified from Stage 2.

• Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the Lifetime ECLs. Stage 2 financial instruments also include instances, where the credit risk has improved (after review over a period of 90 days) and the financial instrument has been reclassified from Stage 3.

• Stage 3: Financial instruments considered credit-impaired.The Group records an allowance for the Lifetime ECLs.

POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(Initial Recognition) 12-months expected credit losses	(Initial Lifetime expected credit losses	(Credit-impaired assets) Lifetime expected credit losses

Measuring the Expected Credit Loss

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.

When estimating the ECLs, the Group considers three scenarios (optimistic, best-estimate and downturn) and each of these is associated with different PDs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure (i.e. be paid in full or no longer credit-impaired) and the value of collateral or the amount that might be received for selling the asset.
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, LGDs are typically set at product level due to the limitation in recoveries achieved across different borrower. These LGDs are influenced by collection strategies, including contracted debt sales and price.

The mechanics of the ECL method are summarised below:

• Stage 1: The 12 month ECL is calculated as the portion of Lifetime ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12 month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date.
These expected 12-month default probabilities are applied to a forecast 12 month EAD and multiplied by the expected 12 month LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.

• Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the Lifetime ECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

• Stage 3: For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

• POCI: Purchase or Originated Credit Impaired (POCI) assets are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the three scenarios, discounted by the credit adjusted EIR.

• Loan commitments and letters of credit: When estimating Lifetime ECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected
life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the three scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.
For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within net impairment charge on financial assets

• Financial guarantee contracts: The Group’s liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and the ECL provision. For this purpose, the Group estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting of the three scenarios. The ECLs related to financial guarantee contracts are recognised within net impairment charge on financial assets

• Sovereign Debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months’ expected losses. Management considers ‘low credit risk’ for such instruemnts to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

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 Group also considers accounts that meet the criteria to be put on the watchlist bucket in line with CBN prudential guidelines since they have significantly increased in credit risk.

The Bank continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Bank assesses whether there has been a significant increase in credit risk since initial recognition.

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information. The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:
• The remaining lifetime PD as at the reporting date, with
• The remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure
The Bank uses three criteria for determining whether there has been a significant increase in credit risk:
• A quantitative test based on movement in PD
• Qualitative indicators; and
• A backstop of 30 days past due for all financial assets (regardless of the change in internal credit grades

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.

For modified financial assets the Group assesses whether there has been a significant increase in credit risk of the financial instrument by comparing the risk of default occurring at the reporting date (based on the modified contractual terms) and the risk of default occurring at initial recognition (based on the original unmodified contractual terms)

Backstop
A backstop indicator is applied and the financial instrument is 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.

Incorporation of forward looking information and macroeconomic factors
In its ECL models, the Group relies on a broad range of forward looking information as economic inputs. The macroeconomic variables considered for the adjustment of the probabilities of default are listed below:

- Crude oil prices,
- Exchange rates (USD/NGN), and
- GDP growth rate

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The ECLs include forward-looking information which translates into an allowance for changes in macro-economic conditions and forecasts when estimating lifetime ECLs. It is important to understand the effect of forecasted changes in the macro-economic environment on ECLs, so that an appropriate level of provisions can be raised.

A regression model was built to explain and predict the impact of macro-economic indicators on default rates. Such regression models are usually built on a history of default rates and macro-economic variables covering at least one economic cycle, but preferable more.

Historical data on macro-economic indicators from a host of reliable sources, including the International Monetary Fund was gathered. As a proxy for default rates, the Group provided their non-performing loans as a percentage of gross loans ("NPL%") metric. The time series data extended from the first quarter of 2012 to the second quarter of 2020. Quarterly data was used to increase granularity.

The macro-economic model regressed historical NPL% (the target variable) on a list of candidate macro-economic indicators. The Bank's Economic Intelligence currently monitors and forecasts certain macro-economic indicators. These indicators are GDP growth rate, crude oil prices and the foreign exchange rate.The most predictive variables that were selected in the regression model (the most predictive indicators) were determined. The logic of the relationships between the indicators and the target variable was considered and assessed to ensure indicators are not highly correlated with one another.

The model produced best-estimate, optimistic and downturn forecasts of the selected macro-economic indicators, based on trends in the indicators and macro-economic commentary. This was done through stressing the indicator GDP, which in turn stressed the other indicators based on their assumed historical correlation with GDP. The regression formula obtained was applied to the forecasted macro-economic indicators in order to predict the target variable.

The best-estimate, optimistic and downturn scalars of predicted target variables were determined. In order to remove the impact of any historical trends included in the data, the scalar denominator was adjusted based on the estimation period used to derive the PDs. The scalars calculated were applied to the lifetime PDs. This process results in forward-looking best-estimate, optimistic and downturn lifetime PD curves, which are used in the ECL calculations.

Collateral valuation
To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodic basis.
To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as external valuers.

Collateral repossessed
The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Group's policy.

Write-offs
Financial assets are written off either partially or in their entirety only when the Group has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Either the counterparty can no longer pay the obligation or proceeds from the collateral will not be sufficient to pay back the exposure. As directed by CBN guideline on write-off, board approval is required before any write-off can occur. For insider-related loans, CBN approval is required. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount to derecognize the asset. The recovery department continues with recovery efforts and any subsequent recoveries are credited to bad debt recovered under other operating income

Expected credit loss on loans and receivables
The Group considers all loans and advances, financial assets at FVOCI and amortized cost investments at specific level for expected credit loss assessment.

In assessing expected credit loss, 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 and forecasted 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. The ECL on restricted deposits and other assets is calculated using the simplified model approach.

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.

Expected credit loss on fair value through other comprehensive income securities
Impairment losses on fair value through other comprehensive income investment securities are recognised in profit or loss and the impairment provision is not used to reduce the carrying amount of the investment but recognised in other comprehensive income.
For debt securities, the group uses the criteria referred above to assess impairment.

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.

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 fair value and revalued periodly 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/loss 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 other operating income or other operating expenses dependent on whether a loss or gain is recognized after the measurement

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 applicable to property and equipment

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 operating 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.

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:

Freehold 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
Plant and Equipment	5 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 within other operating income in the income statement in the period the asset is derecognised.

3.12 Leases

Group as the Lessee:
The Bank leases several assets including buildings and land. Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension options as described in the "extension and termination options header" below. The lease period ranges from 1 period to 40 periods. The lease agreements do not impose any covenants, however, leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Bank has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Bank. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities

At commencement date of a lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the Bank under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Bank exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Bank’s incremental borrowing rate is used, being the rate that the Bank would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions. The weighted average incremental borrowing rate applied to the lease liabilities as at 31 December 2023 was 15.79%. Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right of use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Short-term leases and leases of low value

The Bank applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. low value assets). Low-value assets are assets with lease amount of less than $5,000 or its equivalent in Naira when new. Lease payments on short-term leases and leases of low-value assets are recognised as expense in profit or loss on a straight-line basis over the lease term.

Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank.

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.

3.13 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 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.

Intangible assets are derecognized on disposal or when no economic benefits are expectedfrom their use or disposal

(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 four and half years (4.5). Amortisation methods, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate.

(c) Brand, Customer Relationships and Core Deposits
These are intangible assets related to acquisitions. At acquisition date, they are initially recorded at their fair value and subsequently at cost less accumulated amortization. Amortization expense is recorded in amortization of intangible assets in the Consolidated Statement of Profit or Loss. Intangible assets are amortized over the period during which the Group derives economic benefits from the assets, on a straight-line basis, over a period of 10 years.

The useful lives of the assets are reviewed annually for any changes in circumstances. The assets are tested annually for impairment or at such time where there is an impairment trigger, or changes in circumstances indicate that their carrying value may not be recoverable.

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 period 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 coordinated 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.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the reporting period in which the employees render the service are discounted to their present value at the reporting date.

The Bank operates a funded, defined contribution pension scheme for employees. Employees and the Bank contribute 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) Post employment defined benefit 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 profit and loss account, 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 non-market vesting and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a forfeiture, 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. The cost recognised as a result of shares granted in the period has been expensed within Personnel expenses, with a corresponding increase in the liability account as the scheme is cash-settled.

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) Additional Tier 1 Capital

The Group classifies financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Additional tier 1 securities issued by the Bank are not redeemable by the subscribers and bear an entitlement to coupons at the sole discretion of the board of directors of the Bank. Accordingly, they are presented within equity. Distributions thereon are recognized in Equity. Based on the Group’s assessment of the terms of the AT 1 securities, the coupon payments meet the definition of dividend. Therefore, the related tax impacts are recognized in profit or loss in accordance with IAS 12.See note 38c) for more details

(c) 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 period that are declared after the end of the reporting period are disclosed in the subsequent events note.

(d) Earnings per share
The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit 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) Regulatory risk 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. There are no restrictions to the distribution of these reserves

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 expected credit loss determined for these assets under IFRS 9 are compared. The IFRS 9 determined impairment charge is 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 IFRS 9 exected credit loss is greater, no appropriation is made and the amount of IFRS 9 expected credit loss 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 regulatory risk reserve.

(f) 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.

(g) Fair value reserve
The fair value reserve comprises the net cumulative change in the fair value of investments measured through other comprehensive income until the investment is derecognised or impaired.

(h) 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.

(i) Retained earnings
Retained earnings are the undistributable profit carried forward recognised income net of expenses plus current

period profit attributable to shareholders.

3.21 Levies

The Group recognizes liability to pay levies progressively if the obligating event occurs over a period. 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.

3.22 Derivatives and hedging activities

Access Bank Plc applies hedge accounting to manage its foreign exchange risk

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Bank designates certain derivatives as hedges of the fair value of recognised liabilities (fair value hedges).

At inception of the hedge relationship, the Bank documents the economic relationship between hedging instruments and hedged items, including whether changes in the fairvalue of the hedging instruments are expected to offset changes in the fair value of hedged items. The Bank documents its risk management objective and strategy for undertaking its hedge transactions. The Bank uses the actual ratio between the hedged item and hedging instruments to determine its hedge ratio.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in notes to the financial statements. The full fair value of a hedging derivative is presented as a non-current asset or liability when the remaining maturity is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months. Trading derivatives are classified as a current asset or liability.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.The Bank uses forward contracts to hedge the fair value changes attributable to foreign exchange risk on the hedged item. The Bank generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. The change in the forward element of the forward contract is not part of the hedging relationship and is recognised separately in the statement of profit or loss within Net gain on financial instruments at fair value through profit or loss. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the profit or loss within Net Foreign Exchange Gain/(Loss) together with the changes in the fair value of the hedged liabilities attributable to foreign exchange risk while the gains or losses relating to the ineffective portion are recognised within Net loss on fair value hedge (Hedging ineffectiveness) in the profit or loss.

Hedge effectiveness

The Bank determines hedge effectiveness at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. The hedge effectiveness is determined every reporting period.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments are not designated for hedge accounting. Changes in the fair value of any derivative instrument that are not designated for hedge accounting are recognised immediately in profit or loss and are included in Net gain on financial instruments at fair value through profit or loss.

3.23

Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. The group's investment in associates includes goodwill identified on acquisition. In the separate financial statements, investments in associates are carried at cost less impairment.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statement where appropriate.
The Group's share of post-acquisition profit or loss is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Associates are carried at cost.

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

Profits and losses resulting from transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

The cost of an associate acquired in stages is measured as the sum of the fair value of the interest previously held plus the cost of any additional consideration transferred as of the date when the investment became an associate. Changes in fair value of previously held interest are recognized in profit or loss.

Statement of prudential adjustments
In millions of Naira

Bank	Note	**Septemeber 2024**	**December 2023**
Expected credit loss (ECL) on Exposures and other provisions			
- Loans to banks	22	644	244
- Loans to individuals	23(b)	11,262	9,482
- Loans to corporate	23(b)	157,131	89,686
- Placement	18	1,853	961
- Contingents	34 (e)	1,413	3,318
- Investment Securities at Fair value through other comprehensive income (FVOCI)	25	2,255	2,721
- Investment Securities at Amortized cost (AMC)	25	226,259	116,788
- Pledged assets at Amortized cost (AMC)	24	2,789	921
- Pledged assets at Fair value through other comprehensive income (FVOCI)	24	262	189
- Other assets	26	59,246	22,125
- Litigation	34 (f)	8,118	3,838
Total impairment allowances on loans per IFRS		**471,232**	**250,273**
Total regulatory impairment based on prudential guidelines		**596,912**	**374,993**
Balance, beginning of the period		124,720	76,336
Additional transfers to/(from) regulatory risk reserve		960	48,384
Balance, end of the period		**125,680**	**124,720**

The Central Bank of Nigeria (CBN) via its circular BSD/DIR/GEN/LAB/08/052 issued on 11 November 2015, directed banks in Nigeria to increase the general provision on performing loans from 1 percent to 2 percent for prudential review of credit portfolios in order to ensure adequate buffer against unexpected loan losses.

(ii) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries were tested for impairment by comparing the value-in-use for the cash generating unit to the carrying amount of the goodwill based on cash flow projections. Projected cash flows for Kenya were discounted to present value using a discount rate of 27.77% and a cash flow terminal growth rate of 5.47%. Projected cash flows for Rwanda was discounted using a discount rate of 21.24% and terminal growth rate of 6.72%. Projected cash flows for Former Diamond Bank was discounted using a discount rate of 29.63% and terminal growth rate of 3.20%. Projected cash flows for Access Botswana was discounted using a discount rate of 8.72% and terminal growth rate of 4.29%. The Group determined the appropriate discount rate at the end of the period using the Capital Asset Pricing Model. See note 29b for further details.

	September 2024		**Dec 2023**	
Entity	**Discount Rate**	**Terminal Growth rate**	**Discount Rate**	**Terminal Growth rate**
Access Diamond	29.63%	3.20%	29.63%	3.20%
Access Botswana	8.72%	4.29%	8.72%	4.29%
Access Kenya	27.77%	5.41%	27.77%	5.41%
Access Rwanda	21.24%	6.72%	21.24%	6.72%

(iii) 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.

(iv) 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 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 of 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 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 P/BV 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 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 applying an Illiquidity discount and size adjustment/haircut to obtain the Adjusted Equity Value

Step 6: Multiply the adjusted equity value by the present exchange rate for foreign currency investment
Step 7: Compare the Adjusted 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 Amortization (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.

b. 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 Exchange

Valuation Assumptions :

i. Illiquidity discount of 25% is used to discount the value of the investments that 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

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 is used 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 peculiar 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.

(b) **Hyperinflationary accounting**
The restatement in respect of hyperinflationary accounting has been calculated by means of conversion factors derived from the consumer price index (CPI) published by International Monetary Fund (IMF). The conversion factors used to restate the financial statements at 30 June 2024 are as follows:
☐

Entity	Index☐	Conversion Factor
30 June 2024	226.40	1.00
31 December 2023	200.60	1.13
31 December 2022	162.80	1.39

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 millions of Naira
Group
Septemeber 2024

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	194,905	-	-	194,905
Government Bonds	29,664	-	-	29,664
Eurobonds	52,019	-	-	52,019
Derivative financial instrument	-	2,213,188	-	2,213,188
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	30,292	-	-	30,292
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	5,972	-	-	5,972
Government Bonds	10	-	-	10

	Level 1	Level 2	Level 3	Total
Investment securities				
-Financial assets at FVOCI				
Treasury bills	2,193,978	-	-	2,193,978
Government Bonds	261,828	-	-	261,828
State government bonds	-	20,431	25,385	45,816
Corporate bonds	-	17,247	-	17,247
Eurobonds	97,074	-	-	97,074
Commercial paper		-	-	-
Promissory notes	5,240	-	-	5,240
-Financial assets at FVPL				-
Equity	-	7,993	708,768	716,762
Investment properties			437	437
	2,870,981	2,258,859	734,591	5,864,435
Liabilities				
Derivative financial instrument	-	64,566	-	64,567
	-	64,566	-	64,567

* There are no transfers between levels during the period

Group
December 2023

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	197,120	-	-	197,120
Government Bonds	10,146	-	-	10,146
Eurobonds	1,942	-	-	1,942
Derivative financial instrument	-	2,050,432	-	2,050,432
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	445,262	-	-	445,262
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	32,235	-	-	32,235
Government Bonds	1,193	-	-	1,193
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,943,342	-	-	1,943,342
Government Bonds	239,630	-	-	239,630
State government bonds	-	20,431	31,945	52,376
Corporate bonds	-	18,059	-	18,059
Eurobonds	89,227	-	-	89,227
Commercial paper		-		-
Promissory notes	16,714	-	-	16,714
-Financial assets at FVPL				
Equity	-	7,746	398,409	406,155
Investment properties	-	-	437	437
	2,976,811	2,096,668	430,791	5,504,273
Liabilities				
Derivative financial instrument	-	475,997	-	475,998
	-	475,997	-	475,998

Bank
Septemeber 2024
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	118,523	-	-	118,523
Government Bonds	23,715	-	-	23,715
Eurobonds	52,019	-		52,019
Derivative financial instrument	-	2,184,343	-	2,184,343
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	30,292	-	-	30,292
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	5,972	-	-	5,972
Government Bonds	10	-	-	10
Promissory Notes	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	81,277	-	-	81,277
Government Bonds	17,729	-	-	17,729
State government bonds	-	45,816	-	45,816
Corporate bonds	-	17,247	-	17,247
Eurobonds	42,438	-	-	42,438
Commercial paper		-	-	-
Promissory notes	5,240	-	-	5,240
Bonds	-	-	-	-
Equity	-	7,993	701,864	709,857
Investment properties			437	437
	377,215	2,255,402	702,301	3,334,916

Liabilities				
Derivative financial instrument	-	61,007	-	61,007
* There are no transfers between levels during the period	-	61,007	-	61,007

Bank
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	150,038	-	-	150,038
Government Bonds	5,819	-	-	5,819
Eurobonds	1,942	-	-	1,942
Derivative financial instrument	-	2,033,286	-	2,033,286
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	445,262	-	-	445,262
Government Bonds	-	-	-	-
-Financial instruments at FVPL				
Treasury bills	32,235	-	-	32,235
Government Bonds	1,193	-	-	1,193
Investment securities				
-Financial assets at FVOCI				
Treasury bills	905,038	-	-	905,038
Government Bonds	68,321	-	-	68,321
State government bonds	-	52,376	-	52,376
Corporate bonds	-	18,059	-	18,059
Eurobonds	53,394	-	-	53,394
Commercial paper		-		-
Promissory notes	16,714	-	-	16,714
-Financial assets at FVPL				
Treasury bills	-	-		
Bonds				
Equity	-	7,746	394,966	402,712
Investment properties	-	-	437	437
	1,679,957	2,111,468	395,403	4,186,826
Liabilities				
Derivative financial instrument	-	471,819	-	471,819
	-	471,819	-	471,819

4.1.2

Financial instruments not measured at fair value
Group
Septemeber 2024
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	5,101,618	5,101,618
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	10,198	-	-	10,198
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	2,067,712	2,067,712
Loans and advances to customers	-	-	11,861,771	11,861,771
Pledged assets				
Treasury bills	940,859	-	-	940,859
Bonds	760,103	-	-	760,103
Promissory notes	32,596	-	-	32,596
Investment securities				
-Financial assets at amortised cost				
Treasury bills	2,486,543	-	-	2,486,543
Government Bonds	2,545,776	-		2,545,776
State government bonds	-	3,175	-	3,175
Corporate bonds	6,740	-	-	6,740
Eurobonds	1,897,586	-	-	1,897,586
Preferential Shares Note	-	-	-	-
Promissory notes	301,394	-	-	301,393
Equity	-	-	-	-
Other assets	-	-	5,945,866	5,945,866
	8,981,794	3,175	24,976,966	33,961,935
Liabilities				
Deposits from financial institutions	-	-	9,717,067	9,717,067
Deposits from customers	-	-	22,280,606	22,280,606
Other liabilities	-	-	1,759,142	1,759,142
Debt securities issued	879,473	-	-	879,473
Interest-bearing borrowings	-	-	2,228,044	2,228,044
* There are no transfers between levels during the period	879,473	-	35,984,858	36,864,331

Group
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,975,484	2,975,484
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	7,423	-	-	7,423
Eurobonds	-	-	-	-
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	880,534	880,534
Loans and advances to customers	-	-	8,037,723	8,037,723
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	80,286	-	-	80,286
Bonds	623,360	-	-	623,360
Promissory notes	30,226	-	-	30,226
Investment securities				
-Financial assets at amortised cost				
Treasury bills	754,810	-	-	754,810
Government Bonds	851,788	-	-	851,788
State government bonds	-	3,958	-	3,958
Corporate bonds	7,566	-	-	7,566
Eurobonds	1,067,418	-	-	1,067,418
Preferential Shares Note	-	-	-	-
Promissory notes	94,690	-	-	94,689
Other assets	-	-	4,940,239	4,940,239
	3,517,567	**3,958**	**16,833,980**	**20,355,505**

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	4,387,020	4,387,020
Deposits from customers	-	-	15,322,752	15,322,752
Other liabilities	-	-	1,679,174	1,679,174
Debt securities issued	585,024	-	-	585,024
Interest-bearing borrowings	-	-	1,602,226	1,602,226
	585,024	**-**	**22,991,172**	**23,576,196**

Bank
Septemeber 2024
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	3,482,404	3,482,404
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	10,198	-	-	10,198
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	1,062,049	1,062,049
Loans and advances to customers	-	-	6,649,181	6,649,181
Pledged assets				
-Financial instruments at amortized cost				
Bonds	760,103	-	-	760,103
Treasury bills	940,859	-	-	940,859
Promissory notes	32,596	-	-	32,596
Investment securities				
Financial assets at amortised cost				
Treasury bills	2,126,107	-	-	2,126,107
Government Bonds	1,063,595	-	-	1,063,595
State government bonds	-	3,175	-	3,175
Corporate bonds	-	6,740	-	6,740
Eurobonds	1,717,256	-	-	1,717,256
Preferential Shares Note	-	64,525	-	64,525
Promissory notes	301,394	-	-	301,394
Other Assets	-	-	4,930,778	4,930,778
	6,952,109	74,440	16,124,412	23,150,961

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	8,114,847	8,114,847
Deposits from customers	-	-	13,686,535	13,686,535
Other liabilities	-	-	1,110,957	1,110,957
Debt securities issued	865,354		-	865,354
Interest-bearing borrowings	-	-	1,845,689	1,845,689
	865,354	-	24,758,029	25,623,384

Bank
December 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,345,773	2,345,773
Investment under management				
Government bonds	-	-	-	-
Placements	-	-	-	-
Commercial paper	-	-	-	-
Nigerian Treasury bills	-	-	-	-
Mutual funds	-	-	-	-
Eurobonds	7,423	-	-	7,423
Corporate Bonds	-	-	-	-
Loans and advances to banks	-	-	659,546	659,546
Loans and advances to customers	-	-	5,369,154	5,369,154
Pledged assets				
-Financial instruments at amortized cost				
Bonds	326,741	-	-	326,741
Treasury Bills	127,240	-	-	127,240
Promissory notes	33,974	-	-	33,974
Investment securities				
Financial assets at amortised cost				
Treasury bills	585,470	-	-	585,470
Government Bonds	346,468	-	-	346,468
State government bonds	-	3,958	-	3,958
Corporate bonds	-	7,566	-	7,566
Eurobonds	901,666	-	-	901,666
Preferential Shares Note	-	7,138	-	7,138
Promissory notes	94,690	-	-	94,690
Other Assets	-	-	4,586,587	4,586,587
	2,423,672	18,662	12,961,060	15,403,394
Liabilities				
Deposits from financial institutions	-	-	3,907,192	3,907,192
Deposits from customers	-	-	11,239,847	11,239,847
Other liabilities	-	-	1,494,072	1,494,072
Debt securities issued	577,378		-	577,378
Interest-bearing borrowings	-	-	1,384,472	1,384,472
	577,378	-	18,025,583	18,602,963

*** There are no transfers between levels during the period**

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 of government bonds, corporate bonds, treasury bills and equity investments classified as trading securities or fair value through other comprehensive income 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 securities with similar maturity profile and characteristics.

Transfers between fair value hierarchy
The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

4.1 ***Valuation techniques used to derive Level 2 fair values***

Level 2 fair values of investments have been generally derived using the market approach. Below is a table showing sensitivity analysis of material unquoted investments categorised as Level 2 fair values.

Description	Fair value at 30 September 2024	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of observable inputs to fair value
Derivative financial assets	2,184,343	Forward and swap: Fair value through market rate from a quoted market Futures: Fair value through reference market rate	Market rates from quoted market	2,103,407	2,109,569	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	61,007					
Investment in CSCS	7,688	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	8,072	7,303	The higher the share price, the higher the fair value
Nigerian Mortgage Refinance Company	306	The market value is obtained from the National Assosciation Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	321	290	The higher the share price, the higher the fair value
State bonds measured at fair value	45,816	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	48,107	43,525	The higher the market price, the higher the fair value
Corporate bonds measured at fair value	17,247	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	18,110	16,385	The higher the market price, the higher the fair value
State bonds not measured at fair value	3,175	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	3,334	3,017	The higher the market price, the higher the fair value
Corporate bonds not measured at fair value	6,740	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	7,077	6,403	The higher the market price, the higher the fair value
Preferential Notes not measured at fair value	64,525	The market value is obtained from the Financial market dealers quotation (FMDQ) as at the reporting year	Market rates from quoted market	67,751	61,299	The higher the market price, the higher the fair value

4.1 ***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 30 September 2024	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 Africa Finance Corporation	636,088	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	667,893	604,284	627,685	644,492	The higher the illiquidity ratio, the control premium and the size adjustment/haircut, the higher the fair value
Investment in Unified Payment System Limited	8,520	Adjusted fair value comparison approach	Median PE ratios of comparable companies	8,154	7,378	8,408	8,633	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in NIBSS	36,109	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	37,915	34,304	35,632	36,587	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in Afrexim	1,744	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	1,831	1,657	1,735	1,752	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value

Investment in FMDQ	7,768	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	8,157	7,380	7,621	7,916	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC Bureau	274	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	288	261	271	278	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Capital Alliance Equity Fund	10,967	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	11,515	10,418	11,515	10,418	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
NG Clearing	343	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	360	326	341	345	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
SANEF	50	Adjusted fair value comparison approach	Fair value of transactions at settlement date	53	48	53	48	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value

4.1.5 Reconciliation of Level 3 Investments

The following tables presents the changes in Level 3 instruments for the period ended 30 September 2024

Financial assets at fair value through profit or loss (Equity)	**Group Septemeber 2024**	**Group December 2023**	**Bank Septemeber 2024**	**Bank December 2023**
Opening balance	390,626	156,166	387,183	155,879
Total unrealised gains in P/L	310,374	234,460	306,913	231,304
Balance, period end	**701,000**	**390,626**	**694,096**	**387,183**

Assets Held for Sale	**Group Septemeber 2024**	**Group December 2023**	**Bank Septemeber 2024**	**Bank December 2023**
Opening balance	75,611	42,231	75,417	42,039
Additions	40,002	35,337	40,000	35,335
Disposals	(4,874)	(1,957)	(4,874)	(1,957)
Write Off	-	-	-	-
Balance, period end	**110,738**	**75,611**	**110,542**	**75,417**

(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 and pledged assets

The fair values are 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.

The fair value comprises equity securities and debt instruments. The fair value for these assets are based on estimations using market prices and earning multiples of quoted securities with similar characteristics.

(iv) Other assets

The bulk of these financial assets have short maturities and the amounts 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.

(viii) Debt securities issued

The estimated fair value of floating interest rate debt securities quoted in an active market is based on the quoted market rates as listed on the irish stock exchange for these debts over their remaining maturity.

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.

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 millions of Naira

Septemeber 2024	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	279,753	-	4,825,007	5,104,760
Non pledged trading assets	276,588	-	-	276,588
Derivative financial instruments	-	-	2,213,188	2,213,188
Loans and advances to banks	2,067,712	-	-	2,067,712
Loans and advances to customers	113,885	11,747,885	-	11,861,771
Pledged assets		-	-	-
Treasury bills	977,123	-	-	977,123
Bonds	760,113	-	-	760,113
Promissory notes	32,596	-	-	32,596
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	2,193,978	-	-	2,193,978
Bonds	421,966	-	-	421,966
Promissory notes	5,240	-	-	5,240
-Financial assets at amortised cost				
Treasury bills	2,486,543	-	-	2,486,543
Bonds	4,101,947	-	-	4,101,947
Promissory notes	301,394	-	-	301,394
TOTAL	**14,018,839**	**11,747,885**	**7,038,195**	**32,804,919**
LIABILITIES				
Deposits from financial institutions	9,717,067	-	-	9,717,067
Deposits from customers	9,093,081	13,187,527	-	22,280,608
Derivative financial instruments	-	-	64,566	64,566
Debt securities issued	879,473	-	-	879,473
Interest-bearing borrowings	842,807	1,385,236	-	2,228,043
TOTAL	**20,532,428**	**14,572,763**	**64,566**	**35,169,757**

December 2023	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	220,222	-	2,756,611	2,976,833
Non pledged trading assets	209,208	-	-	209,208
Derivative financial instruments	-	-	2,050,432	2,050,432
Loans and advances to banks	880,534	-	-	880,534
Loans and advances to customers	79,186	7,958,537	-	8,037,723
Pledged assets		-	-	-
Treasury bills	557,783	-	-	557,783
Bonds	624,554	-	-	624,554
Promissory notes	30,226	-	-	30,226
Investment securities:				-
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,943,342	-	-	1,943,342
Bonds	399,292	-	-	399,292
Promissory notes	16,714	-	-	16,714
-Financial assets at amortised cost				-
Treasury bills	754,810	-	-	754,810
Bonds	1,727,154	-	-	1,727,154
Promissory notes	94,690	-	-	94,690
TOTAL	**7,537,717**	**7,958,537**	**4,807,043**	**20,303,297**
LIABILITIES				
Deposits from financial institutions	4,387,020	-	-	4,387,020
Deposits from customers	5,697,621	9,625,132	-	15,322,754
Derivative financial instruments	-	-	475,997	475,997
Debt securities issued	585,024	-	-	585,024
Interest-bearing borrowings	859,850	742,376	-	1,602,226
TOTAL	**11,529,515**	**10,367,508**	**475,997**	**22,373,020**

Bank

Septemeber 2024	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	211,136	-	3,271,267	3,482,404
Non pledged trading assets	194,256	-	-	194,256
Derivative financial instruments	-	-	2,184,343	2,184,343
Loans and advances to banks	1,062,049	-	-	1,062,049
Loans and advances to customers	47,254	6,601,927	-	6,649,181
Pledged assets		-	-	-
Treasury bills	977,123	-	-	977,123
Bonds	760,113	-	-	760,113
Promissory notes	32,596	-	-	32,596
Investment securities:				-
-Financial assets at FVOCI	-	-	-	-
Treasury bills	81,277	-	-	81,277
Bonds	123,229	-	-	123,229
Promissory notes	5,240	-	-	5,240
-Financial assets at amortised cost				-
Treasury bills	2,126,107	-	-	2,126,107
Bonds	2,629,033	-	-	2,629,033
Promissory notes	301,394	-	-	301,394
TOTAL	**8,550,809**	**6,601,927**	**5,455,611**	**20,608,346**
LIABILITIES				
Deposits from financial institutions	8,114,847	-	-	8,114,847
Deposits from customers	4,756,501	8,930,034	-	13,686,535
Derivative financial instruments	-	-	61,007	61,007
Debt securities issued	865,354	-	-	865,354
Interest-bearing borrowings	936,124	909,565	-	1,845,689
TOTAL	14,672,826	9,839,599	61,007	24,573,432

December 2023	Fixed	Floating	Non-interest bearing	Total
ASSETS				
Cash and balances with banks	309,541	-	2,036,232	2,345,773
Non pledged trading assets	157,798	-	-	157,798
Derivative financial instruments	-	-	2,033,286	2,033,286
Loans and advances to banks	659,546	-	-	659,546
Loans and advances to customers	46,978	5,322,176	-	5,369,154
Pledged assets		-	-	-
Treasury bills	557,783	-	-	557,783
Bonds	624,554	-	-	624,554
Promissory notes	30,226	-	-	30,226
Investment securities:				-
-Financial assets at FVOCI	-	-	-	-
Treasury bills	905,038	-	-	905,038
Bonds	192,149	-	-	192,149
Promissory notes	16,714	-	-	16,714
-Financial assets at amortised cost				-
Treasury bills	585,470	-	-	585,470
Bonds	1,150,008	-	-	1,150,008
Promissory notes	94,690	-	-	94,690
TOTAL	**5,330,495**	**5,322,176**	**4,069,518**	**14,722,188**
LIABILITIES				
Deposits from financial institutions	3,907,192	-	-	3,907,192
Deposits from customers	3,667,657	7,572,189	-	11,239,847
Derivative financial instruments	-	-	471,819	471,819
Debt securities issued	577,378	-	-	577,378
Interest-bearing borrowings	918,700	465,772	-	1,384,472
TOTAL	9,070,926	8,037,962	471,819	17,580,707

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 Note 21 of the financial statement.

Capital adequacy ratio computation under Basel II guidelines

This represents the capital adequacy ratio under basel II guidelines

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Tier 1 capital without adjustment				
Ordinary share capital	17,773	17,773	17,773	17,773
Additional Tier 1 Capital	345,030	345,030	345,030	345,030
Share premium	234,038	234,038	234,038	234,038
Retained earnings	1,157,745	737,133	634,285	605,619
Other reserves	1,642,152	960,548	393,272	329,526
Non-controlling interests	118,138	53,911	-	-
	3,514,876	**2,348,432**	**1,624,398**	**1,531,986**
Add/(Less):				
Fair value reserve for fair value through other comprehensive income instruments	(5,647)	20,665	(8,914)	15,802
Foreign currency translation reserves	(1,157,282)	(501,795)	-	-
Other reserves	-	-	-	-
Total Tier 1	**2,351,947**	**1,867,302**	**1,615,484**	**1,547,787**
Add/(Less):				
Deferred tax assets	(64,502)	(35,417)	(5,073)	-
Regulatory risk reserve	(129,369)	(146,966)	(125,680)	(124,720)
Intangible assets	(151,992)	(128,148)	(82,421)	(73,105)
Treasury shares	-	-	-	-
Adjusted Tier 1	**2,006,084**	**1,556,771**	**1,402,310**	**1,349,962**
50% Investments in Banking subsidiaries	-	-	(206,084)	(195,163)
Receivable from Parent Company	(103,797)	(81,425)	(103,797)	(81,425)
Eligible Tier 1	**1,902,286**	**1,475,346**	**1,092,428**	**1,073,374**
Tier 2 capital				
Subordinated Debts	350,193	409,225	350,193	409,225
Fair value reserve for fair value through other comprehensive income instruments	5,647	(20,665)	8,914	(15,802)
Foreign currency translation reserves	1,157,282	501,795	-	-
Other reserves	-	-	-	-
Total Tier 2	**1,513,122**	**890,355**	**359,107**	**393,424**
Adjusted Tier 2 capital (33% of Tier 1)	**668,695**	**518,924**	**359,107**	**393,424**
50% Investments in subsidiaries	-	-	(206,084)	(195,163)
Eligible Tier 2	**668,695**	**518,924**	**153,022**	**198,261**
Total regulatory capital	**2,570,981**	**1,994,270**	**1,245,451**	**1,271,635**
Risk-weighted assets	**12,589,693**	**9,457,963**	**6,988,165**	**6,501,194**
Capital ratios				
Total regulatory capital expressed as a percentage of total risk-weighted assets	20.42%	21.09%	17.82%	19.56%
Total tier 1 capital expressed as a percentage of risk-weighted assets	15.11%	15.60%	15.63%	16.51%

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.

Based on the market segment and extent of customer turnover, the group reformed the arrangement of segments from previous periods 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.

- **Retail banking** – The retail 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. This division has now been categorized into 'Retail Banking North' and 'Retail Banking South'. 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.

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	**Group Septemeber 2024**	**Group December 2023**
In millions of Naira		
Other Assets	6,199,042	5,076,416
Deferred tax asset	64,502	35,417
Non Current Assets Held for Sale	110,544	75,418
Goodwill	19,761	15,695
	6,393,849	**5,202,946**
Other liabilities	1,836,697	1,695,403
Deferred tax liability	9,882	11,160
Retirement Benefit Obligation	7,803	8,577
Total liabilities	**1,854,382**	**1,715,139**

7a Operating segments (continued)
Group
Septemeber 2024

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	1,371,714	787,661	680,919	530,773	-	3,371,067	3,371,067
Total Revenue	1,371,714	787,661	680,919	530,773	-	3,371,067	3,371,067
Interest Income	972,300	682,089	371,920	370,282		2,396,591	2,396,591
Interest expense	(801,757)	(326,967)	(241,942)	(142,807)		(1,513,472)	(1,513,472)
Impairment Losses	(126,428)	(30,395)	9,232	2,643	-	(144,949)	(144,949)
Profit/(Loss) on ordinary activities before	215,788	206,230	86,719	75,101	-	583,837	583,837
Income tax expense	(23,159)	(42,769)	(13,698)	(13,461)	-	(93,087)	(93,087)
Profit after tax	192,629	163,462	73,021	61,641		490,751	490,751
Assets and liabilities:							
Loans and Advances to banks and customers	5,675,595	4,447,114	2,102,907	1,703,866	-	13,929,483	13,929,483
Goodwill					19,761	19,761	19,761
Tangible segment assets	12,030,987	9,075,660	7,048,453	6,047,418	-	34,202,519	34,202,519
Unallocated segment assets					6,374,088	6,374,088	6,374,088
Total assets	12,030,987	9,075,660	7,048,453	6,047,418	6,374,088	40,576,606	40,576,606
Deposits from customers	8,921,354	6,599,428	3,377,217	3,382,606		22,280,606	22,280,606
	-	-	-	-			
Segment liabilities	12,136,068	9,051,816	7,491,535	6,527,931		35,207,349	35,207,349
Unallocated segment liabilities	-	-	-	-	1,854,382	1,854,382	1,854,382
Total liabilities	12,136,068	9,051,816	7,491,535	6,527,931	1,854,382	37,061,729	37,061,729
Net assets	(105,081)	23,845	(443,082)	(480,512)	4,519,706	3,514,876	3,514,878

The line"Derived from external customers" comprises of interest income, fees and commission income, net gain on investment securities and net foreign exchange income. The basis of accounting of transactions among reportable operating segments is on accrual basis.

September 2023
Operating segments (continued)

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Unallocated Segments	Total continuing operations	Total
Revenue:							
Derived from external customers	641,429	416,008	355,032	171,200	-	1,583,670	935,261
Total Revenue	641,429	416,008	355,032	171,200	-	1,583,670	1,583,670
Interest Income	444,757	247,669	220,467	135,570	-	1,048,463	606,838
Interest expense	(300,881)	(163,023)	(112,576)	(68,887)	-	(645,366)	(374,720)
Impairment Losses	(28,070)	(26,364)	(7,330)	(62)	-	(61,825)	(37,175)
						-	
taxation	140,144	95,449	45,014	28,146	-	308,753	177,469
Income tax expense	(15,800)	(9,112)	(9,773)	(8,712)	-	(43,397)	(30,886)
Profit after tax	124,345	86,337	35,242	19,434	-	265,356	265,356

December 2023

	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Unallocated Segments	Total continuing operations	Total
Assets and liabilities:							
Loans and Advances to banks and customers	4,960,958	3,504,997	391,934	60,370	-	8,918,258	8,918,258
Goodwill					15,695	15,695	15,695
Tangible segment assets	8,434,194	6,407,938	4,332,504	2,079,463	-	21,254,098	21,254,098
Unallocated segment assets					5,202,945	5,202,945	5,202,945
Total assets	8,434,194	6,407,938	4,332,504	2,079,463	5,202,945	26,457,042	26,457,042
Deposits from customers	6,184,282	4,605,186	3,392,768	1,140,517	-	15,322,753	15,322,753
Segment liabilities	8,377,485	6,346,991	5,028,332	2,640,663	-	22,393,471	22,393,471
Unallocated segment liabilities					1,715,139	1,715,139	1,715,139
Total liabilities	8,377,485	6,346,991	5,028,332	2,640,663	1,715,139	24,108,609	24,108,609
Net assets	56,709	60,947	(695,829)	(561,200)	3,487,806	2,348,433	2,348,434

The line"Derived from external customers" comprises of interest income, fees and commission income, net gain on investment securities and net foreign exchange income. The basis of accounting of transactions among reportable operating segments is on accrual basis.

7b Geographical segments

The Group operates in three geographic regions, being:

- Nigeria
- Rest of Africa
- Europe

Septemeber 2024

In millions of Naira	**Nigeria**	**Rest of Africa**	**Europe**	**Total Continuing Operations**	**Bargain purchase from acquisition**	**Profit from associate**	**Intercompany elimination**	**Total**
Derived from external customers	2,298,816	752,911	381,876	3,433,604		-	(63,016)	3,370,587
					-	480		480
Total revenue	2,298,816	752,911	381,876	3,433,604	-	480	(63,016)	3,371,067
Interest income	1,605,524	487,176	386,334	2,479,034	-	-	(82,444)	2,396,589
Impairment losses	(128,654)	(4,155)	(12,139)	(144,949)	-	-	-	(144,949)
Interest expense	(1,200,446)	(233,230)	(162,240)	(1,595,917)	-	-	82,444	(1,513,472)
Net fee and commission income	142,348	130,440	28,705	301,492	-	-	-	301,492
Operating income	1,098,371	519,681	219,636	1,837,687	3,301	480	(17,328)	1,857,595
Profit before income tax	271,679	143,711	185,296	600,686		480	(17,328)	583,837
Assets and liabilities:								
Loans and advances to customers and banks	7,711,230	2,500,262	5,452,952	15,664,444	-	-	(1,734,962)	13,929,482
Total assets	27,412,526	8,648,718	8,380,639	44,441,884	-	-	(3,865,275)	40,576,606
Deposit from customers	13,686,535	6,234,688	2,359,384	22,280,607	-	-	-	22,280,607
Total liabilities	25,788,128	7,653,204	7,083,458	40,524,790	-	-	(3,432,470)	37,092,321
Net assets	1,624,398	995,514	1,297,181	3,917,093	-	-	(432,806)	3,484,287

September 2023	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Intercompany elimination	Total
Derived from external customers	1,255,366	213,799	130,994	1,600,159		-	(16,871)	1,583,288
					-	382		382
Total revenue	1,255,366	213,799	130,994	1,600,159	-	382		1,583,670
								-
Interest income	811,269	151,278	114,590	1,077,136	-	-	(28,673)	1,048,463
Impairment losses	(56,607)	(714)	(4,624)	(61,944)	-	-	120	(61,825)
Interest expense	(561,327)	(70,899)	(41,812)	(674,039)	-	-	28,673	(645,366)
Net fee and commission income	89,225	36,729	13,887	139,841	-	-	-	139,841
Operating income	694,039	142,900	89,182	926,120	-	382	(249)	938,305
Profit before income tax	193,383	53,055	62,063	308,501		382	(130)	308,754
Assets and liabilities:								
Loans and advances to customers and banks	5,227,112	947,479	2,173,551	8,348,143	-	-	(887,032)	7,461,110
								-
Total assets	16,834,888	3,008,631	2,900,137	22,743,657	-	-	(1,486,532)	21,257,122
Deposit from customers	9,548,594	2,161,653	1,056,060	12,766,306	-	-	(19,934)	12,746,372
Total liabilities	15,626,908	2,550,529	2,379,740	20,557,176	-	-	(1,084,556)	19,472,621
Net assets	1,207,981	458,102	520,397	2,186,480	2	-	(401,977)	1,784,503

The Group's segment reporting is based on IFRS which is same as that of the financial statement reporting hence no reconciliation is required.

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 the period ended 30 September 2024 and for the year ended 31 December 2023.

8 Interest income calculated using effective interest rate

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Interest income				
Cash and balances with banks	71,938	20,737	60,484	12,551
Loans and advances to banks	130,146	42,537	52,178	12,292
Loans and advances to customers	1,113,073	453,350	602,549	313,604
Modification gain on loans	2,256	-	2,256	-
Investment securities				
-Financial assets at FVOCI	341,359	224,862	298,378	204,335
-Financial assets at amortised cost	495,520	211,889	358,078	180,217
	2,154,294	953,374	1,373,923	722,999
-Financial assets at FVPL	242,296	95,089	231,602	88,270
	2,396,590	**1,048,463**	**1,605,524**	**811,269**
Interest expense				
Deposit from financial institutions	707,986	232,447	615,947	224,818
Deposit from customers	659,356	338,166	463,401	266,473
Debt securities issued	38,999	20,845	38,325	20,576
Lease liabilities	2,551	836	763	470
Interest bearing borrowings and other borrowed funds	104,581	53,071	82,010	48,989
	1,513,472	**645,366**	**1,200,446**	**561,327**
Net interest income	**883,117**	**403,097**	**405,079**	**249,942**

9 Net impairment charge on financial assets

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
(Impairment charge) for impairment on money market placement (note 18)	(1,300)	(989)	(892)	(937)
(Impairment charge) for impairment on loans and advance to banks (note 22)	(6,234)	(304)	(171)	(330)
(Impairment charge) for impairment on loans and advance to customers (note 23)	(76,153)	(50,027)	(67,062)	(45,142)
(Impairment charge)/writeback for impairment on pledged assets for FVOCI and AMC (note 24)	(1,941)	1,666	(1,941)	1,666
(Impairment charge) for impairment on investment securities for FVOCI and AMC (note 25a)	(21,360)	(5,559)	(20,897)	(5,257)
(Impairment charge) on impairment on financial assets in other assets (note 26)	(35,904)	(11,723)	(35,642)	(11,693)
(Impairment charge)/write back for impairment on off balance sheet items (note 34c)	(2,055)	5,110	(2,048)	5,087
	(144,948)	(61,825)	(128,654)	(56,607)

10 (a) Fee and commission income

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Credit related fees and commissions	151,086	83,634	64,719	56,769
Account maintenance charge and handling commission	46,844	21,848	37,603	19,996
Commission on bills and letters of credit	15,762	6,867	12,331	5,825
Commissions on collections	8,752	3,435	536	283
Commission on other financial services	26,980	10,093	1,297	1,745
Commission on foreign currency denominated transactions	5,974	3,063	165	155
Channels and other E-business income	114,329	69,428	72,022	56,500
Retail account charges	2,259	1,093	780	545
	371,985	**199,463**	**189,452**	**141,818**

Credit related fees and commissions are fees charged to customers other than fees included in determining the effective interest rates relating to loans and advances carried at amortized cost. These fees are accounted for in accordance with the Group's revenue accounting policy. The representation of all fees and commission recognised in the period and prior period at a point in time and over time is as shown below.

	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Point in Time	35,831	161,611	14,297	114,074
Over Time	336,154	37,852	175,154	27,744
	371,985	**199,463**	**189,452**	**141,818**

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

10 (b) Fee and commission expense

In millions of Naira	September 2024	September 2023	September 2024	September 2023
Bank and electronic transfer charges	13,288	9,064	4,874	5,238
E-banking expense	57,205	50,557	42,230	47,354
	70,493	59,622	47,104	52,593

Fees and commissions expenses are fees charged for the provision of services to customers transacting on alternate channels platform of the Bank and on the various debit and credit cards issued for the purpose of these payments. They are charged to the Bank on services rendered on internet banking, mobile banking and online purchasing platforms. The corresponding income lines for these expenses include the income on cards (both foreign and local cards), online purchases and bill payments included in fees and commissions. Fees and commissions expense includes the cost incurred to the bank for providing alternate platforms for the purposes of internet banking, mobile banking and online purchases. It also includes expenses incurred by the Bank on the various debit and credit cards issued.

11 Net gains on financial instruments at fair value

a Net gains or (losses) on financial instruments at fair value through profit or loss

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Trading gains on Fixed income securities	(39,551)	(46,784)	(41,494)	(46,551)
Fair value gain/ (loss) on Fixed income securities	4,189	58,801	2,016	58,788
Fair value gains on equity investments (see Note 25 (i))	307,146	110,675	307,146	110,675
Total Net gains on financial instruments at fair value through profit or loss	271,783	122,692	267,668	122,911

a (i) In order to maintain a fair presentation and comparability of information presented, the prior year balance for Fair value gain/(loss) on non-hedging derivatives was reclassified to Net foreign exchange gain in the current year

	As previously presented		Reclassification		Current year presentation	
	Group September 2023	Bank September 2023	Group September 2023	Bank September 2023	Group September 2023	Bank September 2023
Net gains or (losses) on financial instruments at fair value through profit or loss	(44,959)	(44,739)	167,651	167,651	122,692	122,911
Net foreign exchange gain	144,858	118,339	(167,651)	(167,651)	(22,793)	(49,312)

b (i) Net gains on disposal of financial instruments held as fair value through other comprehensive income

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Debt instruments at FVOCI				
Fixed income securities	151,320	127,373	149,266	126,896
	151,320	**127,373**	**149,266**	**126,896**
Total	**423,103**	**250,065**	**416,934**	**249,807**

(i) Net gains on financial instruments includes the gains and losses arising both on the purchase and sale of trading instruments and from changes in fair value.

(ii) Fair value gain on equity investments is from investments in which the Bank has interests. Based on IFRS 9, the Bank measures changes in fair value of equity investments through profit or loss.

12 (a) **Net foreign exchange gain**

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Net Realized and unrealized Foreign exchange Gain/(Loss) on items not hedged	(49,696)	144,858	(130,535)	118,339
Total Net Foreign Exchange gain/(loss)	**(49,696)**	**144,858**	**(130,535)**	**118,339**

12 (a)(i) See note 11 a (i) above

12 (b) **Net (loss)/gain on fair value hedge (Hedging effectiveness)**

Net gain on fair value hedge (Hedging effectiveness)	167,586	90,649	167,586	90,649
	167,586	**90,649**	**167,586**	**90,649**

Sep-24	**Average strike price**	**Nominal amount of hedging instrument**	**Carrying amount of hedging instrument (Assets)**	**Changes in fair value used for calculating hedge ineffectiveness**
Fair value hedges	**₦**	**₦'millions**	**₦'millions**	**₦'millions**
Hedging instrument	1,340.97	3,250,500	942,144	914,170

*The liabilities are interest bearing loans and deposits from financial institutions denominated in USD.
The hedging instrument is recognised within derivative financial assets on the statement of financial position.

	Carrying amount of hedged item		**Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item**		**Line item in the statement of financial position where the hedging instrument is located**
	Assets	**Liabilities**	**Assets**	**Liabilities**	
Sep-24	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	
Fair value hedges					
Foreign exchange risk on foreign currency loan - Interest bearing loan	-	1,297,717	-	477,086	Interest bearing borrowings
Foreign exchange risk on foreign currency loan - Deposit from financial institution	-	3,189,203	-	269,497	Deposit from financial institution

September-24	**Hedge ratio**	**Change in the value of the hedging instrument recognised in profit or loss**	**Hedge ineffectiveness recognised in profit or loss**	**Line item in profit or loss (that includes hedge ineffectiveness)**	**Amount reclassified from the cash flow hedge reserve to profit or loss**
Fair value hedge		**₦'millions**	**₦'millions**		
Fair value changes in hedging instrument (forward element)	90%	914,170	167,586		-

The following table shows the period in which the hedging contract ends:

September-24	3 months	6 months	12 months	5 years	More than 5 years
Fair value hedging	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**
Hedging assets	-	593,449	243,706	104,990	-

For hedges of foreign currency liabilities, the Bank enters into hedge relationships where the critical terms of the hedging instrument are closely aligned with the terms of the hedged item. The Bank therefore performs a qualitative assessment of effectiveness. Sources of ineffectiveness include timing differences between the settlement dates of the hedged item and hedging instruments, quantity or notional amount differences between the hedged item and hedging instrument and credit risk of the Bank and its counterparty to the forward contract.

13 (a) Other operating income

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Dividends on equity securities	9,464	4,338	21,539	4,588
Gain on disposal of property and equipment	33	156	65	157
Rental income	372	16	-	-
Bad debt recovered	28,679	6,937	24,661	4,243
Income from agency and brokerage (i)	1,990	928	790	747
Income from other investments	16,744	5,002	2,364	1,337
Gain on modification on leases	436	64	436	64
	57,717	**17,442**	**49,855**	**11,136**

(i) Included in income from agency and brokerage is an amount of N331.17Mn (Sep 2023: N384.49Mn) representing the referral commission earned from bancassurance products.

Other operating income	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Point in Time	372	17,426	-	11,136
Over time	57,345	16	49,855	-
	57,717	**17,442**	**49,855**	**11,136**

14 Personnel expenses

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Wages and salaries	251,630	106,920	87,356	56,591
Increase in defined benefit obligation (see note 37 (a) (i))	1,182	710	1,182	710
Contributions to defined contribution plans	9,287	3,557	2,175	1,413
Restricted share performance plan (See Note (a) below)	2,893	1,559	1,960	1,211
	264,992	**112,747**	**92,674**	**59,926**

15 Other operating expenses

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Premises and equipment costs	49,747	23,803	36,636	20,006
Professional fees	40,023	16,888	22,176	10,621
Insurance	8,028	2,445	3,086	1,117
Business travel expenses	31,724	12,547	24,413	10,074
Asset Management Corporation of Nigeria (AMCON) surcharge	112,225	68,805	112,225	68,805
Bank charges	19,744	11,491	14,874	9,870
Deposit insurance premium	35,995	24,734	35,168	24,275
Auditor's remuneration	3,127	1,488	649	434
Administrative expenses	94,303	41,565	71,765	34,768
Net Monetary Loss (ii)	22,378	-	-	-
Board expenses	4,549	2,286	1,693	1,313
Communication expenses	20,587	11,418	9,918	7,559
IT and e-business expenses	138,365	52,319	97,417	40,337
Outsourcing costs	36,768	22,383	32,327	20,979
Advertisements and marketing expenses	18,833	11,335	13,687	9,211
Recruitment and training	12,950	7,961	10,583	7,295
Events, charities and sponsorship	17,052	10,340	11,659	9,512
Periodicals and Subscriptions	5,757	2,635	2,693	1,661
Security expenses	14,945	9,126	10,833	7,916
Cash processing and management cost	9,531	7,384	8,436	7,146
Stationeries, postage and printing	10,972	5,798	7,662	4,819
Office provisions and entertainment	4,767	1,536	3,749	1,224
Rent expenses	8,074	5,016	2,395	3,197
	720,443	**353,301**	**534,046**	**302,138**

(ii) Other operating expense includes a loss on net monetary positions of N22.38Bn (2023:Nil) as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.

17 Earnings per share

(a) Basic earnings per share

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 millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	478,008	262,255	253,804	179,553
Profit for the period	478,008	262,255	253,804	179,553
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury shares in issue	-	-	-	-
	35,545	35,545	35,545	35,545
In kobo per share				
Basic earnings per share from continuing operations	1,345	738	714	505
Basic earnings per share from discontinuing operations	-	-	-	-

(b) Diluted earnings per share

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

In millions of Naira	Group September 2024	Group September 2023	Bank September 2024	Bank September 2023
Total profit/(loss) attributable to owners of the bank:				
Continuing operations	478,008	262,255	253,804	179,553
Discontinued operations	-	-	-	-
Profit for the period	478,008	262,255	253,804	179,553
Weighted average number of Total shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury shares in issue	-	-	-	-
Weighted average number of convertible additional tier bond (AT 1)*	3	3	3	3
Weighted average number of ordinary shares in issue	35,548	35,548	35,548	35,545
In kobo per share				
Basic earnings per share from continuing operations	1,345	738	714	505
Basic earnings per share from discontinuing operations	-	-	-	-

*The number of shares that would be issued in the event of conversion of the $300 million convertible additonal tier 1 bond has a dilutive effect on the ordinary shares of the Bank

18 Cash and balances with banks

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Cash on hand and balances with banks (see note (i))	4,146,655	2,037,109	3,244,893	1,621,347
Unrestricted balances with central banks	678,352	719,502	28,228	415,846
Money market placements	279,753	220,222	211,136	309,541
	5,104,760	**2,976,833**	**3,484,257**	**2,346,734**
ECL on Placements	(3,142)	(1,349)	(1,853)	(961)
	5,101,618	**2,975,483**	**3,482,404**	**2,345,773**

(i) Included in cash on hand and balances with banks is an amount of N285.37Bn (31 Dec 2023: N83.60Bn) 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.

Movement in ECL on Placements

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance at beginning of the period	1,349	721	961	563
Charge for the period	1,300	474	892	398
Foreign translation reserve	494	154	-	-
Closing balance	**3,142**	**1,349**	**1,853**	**961**

19 Investment under management

Amortized cost

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Eurobonds	10,198	7,423	10,198	7,423
	10,198	**7,423**	**10,198**	**7,423**

20 Non pledged trading assets

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Government bonds	29,664	10,146	23,715	5,819
Eurobonds	52,019	1,942	52,019	1,942
Treasury bills	194,905	197,120	118,522	150,037
	276,588	**209,208**	**194,256**	**157,798**

21 Derivative financial instruments

In millions of Naira	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	Septemeber 2024		**December 2023**	
Group				
Foreign exchange derivatives				
Total derivative assets	**5,615,019**	**2,213,188**	**3,399,040**	**2,050,432**
Non-deliverable future contracts	-	8,062	-	13,625
Forward and swap contracts	5,615,019	2,205,126	3,399,040	2,036,806
			-	-
Total derivative liabilities	**294,343**	**(64,566)**	**988,720**	**(475,997)**
Non-deliverable future contracts	-	(8,062)	-	(13,624)
Forward and swap contracts	294,343	(56,504)	988,720	(462,372)

	Notional amount	Fair Value Assets/ (Liabilities)	Notional amount	Fair Value Assets/ (Liabilities)
	Septemeber 2024		**December 2023**	
Bank				
Foreign exchange derivatives				
Total derivative assets	**5,581,153**	**2,184,343**	**3,365,174**	**2,033,286**
Non-deliverable future contracts	-	8,062	-	13,625
Forward and swap contracts	5,581,153	2,176,281	3,365,174	2,019,661
Total derivative liabilities	**239,374**	**(61,007)**	**933,752**	**(471,819)**
Non-deliverable future contracts	-	(8,062)	-	(13,624)
Forward and swap contracts	239,374	(52,945)	933,752	(458,195)

	Septemeber 2024 Fair Value		December 2023 Fair Value	
Derivative Assets	**Group**	**Bank**	**Group**	**Bank**
Current (Hedging Instruments)	837,154	837,154	1,905,743	1,905,743
Non- Current (Hedging Instruments)	104,989,834	104,989,834	89,658,733	89,658,733
Current (Non-Hedging Instruments)	(103,613,801)	(103,642,645)	(89,514,043)	(89,531,190)
	-			
Derivative Liabilities				
Current (Non-Hedging Instruments)	(64,566)	(61,007)	(475,997)	(471,819)

Derivative financial instruments consist of forward, swap and future 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 less than a year. Derivative contracts are valued with reference to data obtained from sources such as Bloomberg and FMDQ.

The movement in fair value is as a result of a depreciation of the reporting currency of the Group (Naira) within the period and volume of transactions.

22 Loans and advances to banks

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank September 2024	Bank December 2023
Loans and advances to banks	2,075,822	880,947	1,062,693	659,790
Less allowance for impairment losses	(8,110)	(413)	(644)	(244)
	2,067,712	**880,534**	**1,062,049**	**659,546**

Group

Impairment allowance for loans and advances to banks

In millions of Naira	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:	-	-	-	
Investment	676	-	-	676
Standard grade	97	-	-	97
Non Investment	-	-	7,337	7,337
Total	**773**	**-**	**7,337**	**8,110**

	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2024	413	-	0	413
-Charge for the period:				
Transfers to Stage 1	284	-	(284)	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the period	(339)	-	6,573	6,234
Foreign exchange revaluation	229	-	-	229
Amounts written off	-	-	-	-
Foreign exchange translation	187	-	1,048	1,235
At 30 September 2024	**773**	**-**	**7,337**	**8,110**

Impairment allowance for loans and advances to banks

In millions of Naira	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	396	-	-	396
Standard grade	17	-	-	17
Non Investment	-	-	-	-
Total	**413**	**-**	**-**	**413**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	351	-	28	378
Transfers to Stage 1	458	-	(458)	-
Total net P&L impact during the period	(923)	-	431	(492)
Foreign exchange revaluation	214	-	-	214
Foreign exchange translation	313	-	-	313
At 31 December 2023	**413**	**-**	**0**	**413**

Bank

Loans to banks

In millions of Naira	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
Internal rating grade:				
Investment	547	-	-	547
Standard grade	97	-	0	97
Total	**644**	**-**	**0**	**644**

	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2024	244	-	0	244
-Charge for the period:				-
Transfers to Stage 1	284	-	(284)	-
Total net P&L impact during the period	(113)	-	284	171
Foreign exchange revaluation	229	-	-	229
At 30 September 2024	**644**	**-**	**0**	**644**

Impairment allowance for loans and advances to banks

In millions of Naira

	December 2023			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade:				
Investment	228	-	-	228
Standard grade	17	-	-	17
Total	**244**	**-**	**-**	**244**

	December 2023			
	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2023	314	-	28	341
Transfers to Stage 1	176	-	(176)	-
Total net P&L impact during the period	(458)	-	148	(310)
Foreign exchange revaluation	214	-	-	214
At 31 December 2023	**244**	**-**	**0**	**244**

23 Loans and advances to customers

a Group

In millions of Naira	Septemeber 2024
Loans to individuals	
Retail Exposures	
Auto Loan	3,359
Credit Card	36,678
Finance Lease (note 23c)	45
Mortgage Loan	252,260
Overdraft	29,993
Personal Loan	772,971
Term Loan	90,250
Time Loan	151,211
	1,336,766
Less allowance for expected credit loss	(24,395)
	1,312,371
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	23,315
Finance Lease (note 23c)	56,901
Mortgage Loan	156,586
Overdraft	776,048
Term Loan	4,692,140
Time Loan	5,106,755
	10,811,745
Less allowance for expected credit loss	(262,345)
	10,549,399

Loans and advances to customers (Individual and corporate entities and other organizations)	12,148,510
Less allowance for expected credit loss	(286,740)
	11,861,771

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira

	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	17,033	1,070	-	18,104
Non-Investment			6,291	6,291
Total	**17,033**	**1,070**	**6,291**	**24,395**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2024	6,890	1,842	19,150	27,882
- Charge for the period:				
Transfers to Stage 1	4,695	(1,753)	(2,942)	-
Transfers to Stage 2	1,377	304	(1,681)	-
Transfers to Stage 3	(1,350)	374	976	-
Total net P&L impact during the period	1,089	303	(1,352)	41
Amounts written off	-	(0)	(8,726)	(8,726)
Foreign exchange revaluation	1,843	-	385	2,228
Translation difference	2,490	-	480	2,970
Septemeber 2024	**17,033**	**1,071**	**6,291**	**24,395**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	11,733	-	-	11,733
Standard grade	111,833	49,393	-	161,226
Non-Investment	-	-	89,387	89,387
Total	**123,566**	**49,393**	**89,387**	**262,345**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	41,971	26,485	60,152	128,608
- Charge for the period:				
Transfers to Stage 1	3,715	(3,713)	(2)	-
Transfers to Stage 2	846	12,790	(13,636)	-
Transfers to Stage 3	20,556	(41,945)	21,388	-
Total net P&L impact during the period	3,723	9,293	63,097	76,112
Amounts written off	-	-	(72,122)	(72,122)
Foreign exchange revaluation	15,119	24,565	13,474	53,158
Translation difference	37,602	21,919	17,068	76,589
Septemeber 2024	**123,533**	**49,394**	**89,419**	**262,345**

Group

In millions of Naira	December 2023
Loans to individuals	
Retail Exposures	
Auto Loan	2,734
Credit Card	31,567
Finance Lease (note 23c)	94
Mortgage Loan	175,619
Overdraft	39,177
Personal Loan	483,228
Term Loan	225,218
Time Loan	14,968
	972,604
Less Allowance for ECL/Impairment losses	(27,882)
	944,722
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	12,610
Credit Card	1,476
Finance Lease (note 23c)	32,734
Mortgage Loan	64,520
Overdraft	381,260

Personal Loan	-
Term Loan	3,833,293
Time Loan	2,895,716
	7,221,608
Less Allowance for ECL/Impairment losses	(127,143)
	7,094,465

Loans and advances to customers (Individual and corporate entities and other organizations)	8,194,213
Less Allowance for ECL/Impairment losses	(156,490)
	8,037,723

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	6,890	1,842	-	8,732
Non-Investment	-	-	19,150	19,150
Total	**6,890**	**1,842**	**19,150**	**27,882**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2023	6,928	1,095	11,016	19,039
Acquired from Business Combination				-
- Charge for the period				-
Transfers to Stage 1	(521)	2,079	(1,559)	-
Transfers to Stage 2	12	4	(17)	-
Transfers to Stage 3	(71)	36	35	-
Total net P&L impact during the year	(281)	(1,756)	6,234	4,197
Amounts written off	-	-	(1,249)	(1,249)
Foreign exchange revaluation	-	-	-	-
Translation difference	823	383	4,690	5,895
At 31 December 2023	**6,890**	**1,843**	**19,150**	**27,882**

Loans to corporate entities and other organizations
In millions of Naira

	December 2023			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	2,392	-	-	2,392
Standard grade	39,612	26,484	-	66,096
Non-Investment	-	-	60,120	60,120
Total	**42,004**	**26,484**	**60,120**	**128,609**

	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2023	20,849	16,648	42,406	79,903
Transfers to Stage 1	6,989	(6,919)	(70)	0
Transfers to Stage 2	2,546	1,594	(4,139)	-
Transfers to Stage 3	15,348	2,748	(18,097)	-
Total net P&L impact during the year	(61,273)	9,613	131,836	80,176
Amounts written off	-	-	(99,948)	(99,948)
Foreign exchange revaluation	26,665	1,283	3,748	31,696
Translation difference	30,847	1,518	4,415	36,780
At 31 December 2023	**41,971**	**26,485**	**60,152**	**128,609**

23 Loans and advances to customers

b Bank

In millions of Naira	Septemeber 2024
Loans to individuals	
Retail Exposures	
Auto Loan	2,279
Credit Card	35,416
Finance Lease (note 23c)	-
Mortgage Loan	37,200
Overdraft	12,815
Personal Loan	90,663
Term Loan	44,004
Time Loan	2,488
	224,865
Less Allowance for Expected credit loss	(11,262)
	213,602
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	12,316
Finance Lease (note 23c)	26,431
Mortgage Loan	160
Overdraft	414,403
Term Loan	3,692,155
Time Loan	2,447,244
	6,592,709

Less Allowance for Expected credit loss	(157,131)
	6,435,578
Loans and advances to customers (Individual and corporate entities and other organizations)	6,817,573
Less Allowance for Expected credit loss	(168,393)
	6,649,181

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	Septemeber 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	-	-	-	-
Standard grade	7,908	51	-	7,959
Non-Investment	-	-	3,303	3,303
Total	**7,908**	**51**	**3,303**	**11,262**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2024	4,071	27	5,383	9,482
- Charge for the period:				
Transfers to Stage 1	4,203	(2,261)	(1,942)	-
Transfers to Stage 2	1,439	192	(1,631)	-
Transfers to Stage 3	(1,224)	272	952	-
Total net P&L impact during the period	(2,423)	1,821	5,840	5,238
Amounts written off	-	-	(5,684)	(5,684)
Foreign exchange revaluation	1,843	-	385	2,228
Septemeber 2024	**7,908**	**51**	**3,303**	**11,262**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	3,691	-	-	3,691
Standard grade	57,792	49,242	-	107,033
Non-Investment	-	-	46,406	46,406
Total	**61,483**	**49,242**	**46,406**	**157,131**

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	38,179	25,138	26,368	89,685
- Charge for the period:				
Modification of contractual cash flows of financial assets				
Transfers to Stage 1	3,363	(3,361)	(2)	-
Transfers to Stage 2	637	22,582	(23,219)	-
Transfers to Stage 3	21,932	(35,526)	13,594	-
Total net P&L impact during the period	(17,748)	15,844	63,728	61,824
Amounts written off	-	-	(47,537)	(47,537)
Foreign exchange revaluation	15,119	24,565	13,474	53,158
Septemeber 2024	**61,483**	**49,242**	**46,406**	**157,131**

23 Loans and advances to customers

b Bank

In millions of Naira	December 2023
Loans to individuals	
Retail Exposures	
Auto Loan	1,438
Credit Card	31,213
Finance Lease (note 23c)	94
Mortgage Loan	21,600
Overdraft	18,612
Personal Loan	78,845
Term Loan	23,541
Time Loan	2,002
	177,345
Less Allowance for ECL/Impairment losses	(9,481)
	167,865
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan	10,945
Credit Card	1,476
Finance Lease (note 23c)	21,880
Mortgage Loan	179
Overdraft	216,405
Term Loan	3,059,407
Time Loan	1,980,683

	5,290,974
Less Allowance for ECL/Impairment losses	(89,685)
	5,201,289

Loans and advances to customers (Individual and corporate entities and other organizations)	5,468,319
Less Allowance for ECL/Impairment losses	(99,166)
	5,369,154

Impairment allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2023			
	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	4,071	27	-	4,098
Non-Investment	-	-	5,383	5,384
Total	**4,071**	**27**	**5,383**	**9,483**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	5,260	21	2,869	8,152
Transfers to Stage 1	(527)	2,086	(1,559)	0
Transfers to Stage 2	13	3	(16)	-
Transfers to Stage 3	(72)	36	35	-
Amounts written off	-	-	(907)	(907)
At 31 December 2023	**4,071**	**27**	**5,383**	**9,483**

Loans to corporate entities and other organizations
In millions of Naira

	December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	2,067	-	-	2,067
Standard grade	36,113	25,138	-	61,251
Non-Investment	-	-	26,369	26,369
Sub-standard grade	-	-	-	-
Total	**38,179**	**25,138**	**26,369**	**89,686**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2023	18,623	15,851	22,436	56,910
- Charge for the year				-
Transfers to Stage 1	6,988	(6,918)	(69)	(0)
Transfers to Stage 2	2,545	1,594	(4,139)	0
Transfers to Stage 3	13,138	4,626	(17,764)	0
Total net P&L impact during the year	(29,779)	8,703	94,710	73,634
Amounts written off	-	-	(72,555)	(72,555)
Foreign exchange revaluation	26,665	1,283	3,748	31,696
At 31 December 2023	**38,179**	**25,138**	**26,368**	**89,686**

24 Pledged assets

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
-Financial instruments at FVOCI				
Treasury bills	30,292	445,262	30,292	445,262
Government bonds	-	-	-	
Promissory note	-	-	-	-
	30,292	445,262	30,292	445,262
-Financial instruments at amortised cost				
Treasury bills	940,859	80,286	940,859	80,286
Government bonds	760,103	623,360	760,103	623,360
Promissory note	32,596	30,226	32,596	30,226
	1,733,558	733,872	1,733,558	733,872
ECL on financial assets at amortized cost	(2,789)	(921)	(2,789)	(921)
	1,730,769	732,951	1,730,769	732,951
-Financial instruments at FVTPL				
Treasury bills	5,972	32,235	5,972	32,235
Government bonds	10	1,193	10	1,193
Promissory note	-	-	-	-
	5,981	33,428	5,981	33,428
	1,767,043	**1,211,641**	**1,767,043**	**1,211,641**

The Financial instruments at FVTPL have been designated at fair value through profit or loss by the Group

ECL allowance on pledged assets at fair value through other comprehensive income (FVOCI)

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance	188	880	188	880
Additional allowance(see Note 9)	73	-	73	-
Allowance written back	-	(691)	-	(691)
Balance, end of period	**262**	**189**	**262**	**189**

ECL on financial assets at fair value through OCI are presented in statement of changes in equity.

ECL allowance on pledged assets at amortized cost (AMC)

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance	921	1,612	921	1,612
Additional allowance(see note 9)	1,868	-	1,868	-
Allowance written back	-	(691)	-	(691)
Balance, end of period	**2,789**	**921**	**2,789**	**921**

The related liability for assets pledged as collateral include:

Central Bank of Nigeria (CBN)	241,924	541,476	241,924	541,476
Bank of Industry (BOI)	71,483	8,383	1,093	8,383
	313,407	**549,859**	**243,017**	**549,859**

The other counterparties included in this category of pledged assets include FIRS, Valucard, Interswitch, NIBSS and others.

(i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above (where borrowings can be seen in Note 36). 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. This disclosure in 24(i) is inclusive of only liabilities that actual cash has been received for.

Classified as:				
Current	977,123	557,783	977,123	557,783
Non current	789,920	653,858	789,920	653,858

25 (a) Investment securities

At fair value through profit or loss	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
In millions of Naira				
Equity securities at fair value through profit or loss (see note (i) below)	716,761	406,154	709,857	402,711

At fair value through other comprehensive income (FVOCI)
In millions of Naira

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Debt securities				
Government bonds	261,828	239,630	17,729	68,321
Treasury bills	2,193,978	1,943,342	81,277	905,038
Eurobonds	97,074	89,227	42,438	53,394
Corporate bonds	17,247	18,059	17,247	18,059
State government bonds	45,816	52,376	45,816	52,376
Commercial Paper	-	-	-	-
Promissory notes	5,240	16,714	5,240	16,714
	2,621,184	2,359,348	209,747	1,113,902
Changes in fair value of FVOCI instruments	54,269	(93,439)	25,181	(84,881)
Changes in allowance on FVOCI financial instruments	(1,177)	(16,696)	(466)	(973)
Net fair value changes in FVOCI instruments	**53,092**	**(110,135)**	**24,715**	**(85,854)**

At amortised cost (AMC)
In millions of Naira

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Debt securities				
Treasury bills	2,486,543	754,810	2,126,107	585,470
Federal government bonds	2,545,776	851,788	1,063,595	346,468
State government bonds	3,175	3,958	3,175	3,958
FGN Promissory notes	301,394	94,690	301,394	94,690
Corporate bonds	6,740	7,566	6,740	7,566
Eurobonds	1,897,586	1,067,418	1,717,256	901,666
Preferential Shares Note	-	-	64,525	7,138
Gross amount	7,241,213	2,780,230	5,282,794	1,946,956
ECL on financial assets at amortized cost	(351,329)	(203,576)	(226,260)	(116,788)
Carrying amount	6,889,884	2,576,654	5,056,534	1,830,168
Total	**10,227,830**	**5,342,156**	**5,976,139**	**3,346,780**

ECL allowance on investments at fair value through other comprehensive income (FVOCI)

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance at 1 January	5,055	21,750	2,721	3,694
Additional allowance as seen in Note 9	51	73	51	73
Allowance written back as seen in Note 9	(542)	(1,372)	(1,288)	(1,151)
Revaluation difference	(686)	(15,396)	772	105
Balance, end of period	**3,879**	**5,055**	**2,255**	**2,721**

ECL allowance on investments at amortized cost (AMC)

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance at 1 January	203,574	80,790	116,788	39,308
Reclassification	-	(4,140)	-	-
-Charge for the period as seen in Note 9	21,851	44,899	22,134	36,539
Allowance written back	-	-	-	-
Revaluation difference	125,904	82,026	87,337	40,941
Balance, end of period	**351,329**	**203,574**	**226,259**	**116,788**
Total ECL charge on securities	21,360	43,600	20,897	35,461

(i) Equity securities at FVPL (carrying amount)

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Central securities clearing system limited	7,688	7,440	7,688	7,440
Nigeria interbank settlement system plc.	36,109	36,109	36,109	36,109
Unified payment services limited	8,520	8,247	8,520	8,247
Africa finance corporation	636,088	333,769	636,088	333,769
African export-import bank	1,744	1,108	1,744	1,108
FMDQ Holdings	7,768	7,783	7,768	7,783
Nigerian mortage refinance company plc.	306	306	306	306
Credit reference company	274	311	274	311
NG Clearing Limited	343	434	343	434
Capital Alliance Equity Fund	10,967	7,154	10,967	7,154
Investment in Parent's Shares	6,226	2,755	-	-
Shared agent network expansion facility	50	50	50	50
Others	678	688	-	-
	716,761	**406,154**	**709,857**	**402,711**
Classified as:				
Current	4,686,431	2,700,745	2,211,258	1,492,000
Non current	6,258,160	3,047,565	4,474,738	2,257,492

25 (b) Debt instruments other than those designated at fair value through profit or loss

The table below shows the analysis of the Bank's debt instruments measured at FVOCI and amortized cost by credit risk, based on the Bank's internal credit rating system and period end- stage classificaton.

Group — **Septemeber 2024**

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	261,828	369
Treasury bills	2,193,978	1,559
Eurobonds	97,074	938
Corporate bonds	17,247	866
State government bonds	45,816	134
Promissory notes	5,240	12
Total	**2,621,184**	**3,879**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	2,545,776	2,962	2,542,814
Treasury bills	2,486,543	4,351	2,482,192
Eurobonds	1,897,586	342,986	1,554,600
Corporate bonds	6,740	328	6,412
State government bonds	3,175	2	3,172
FGN Promissory notes	301,394	697	300,696
Total	**7,241,214**	**351,329**	**6,889,887**

Bank

At fair value through other comprehensive income
In millions of Naira

	Fair value	ECL
Debt securities		
Government bonds	17,729	369
Treasury bills	81,277	187
Eurobonds	42,438	687
Corporate bonds	17,247	866
State government bonds	45,816	134
Promissory notes	5,240	12
Total	**209,747**	**2,255**

At amortised cost
In millions of Naira

	Amortized cost	ECL	Carrying Amount
Debt securities			
Government bonds	1,063,595	3,232	1,060,363
Treasury bills	2,126,107	3,686	2,122,421
Eurobonds	1,717,256	218,314	1,498,943
Corporate bonds	6,740	328	6,412
State government bonds	3,175	2	3,173
Promissory notes	301,394	697	300,696
Preferential Shares Note	64,525	-	64,525
Total	**5,282,793**	**226,260**	**5,056,533**

Group

Debt instruments at fair value through other comprehensive income — **Septemeber 2024**
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	2,356,935	-	-	2,356,935
Standard grade	-	-	-	-
Non-Investment	208,227	-	56,021	264,249
Total	**2,565,163**	**-**	**56,021**	**2,621,184**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	3,307	-	1,749	5,056
- Charge for the period	-	-	51	51
Write Back	(542)	-	-	(542)
Foreign exchange adjustments	321	-	(1,007)	(686)
At 30 Septemeber 2024	**3,086**	**-**	**793**	**3,879**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				-
Investment	1,462,344	-	-	1,462,344
Standard grade	-	-	-	-
Non-Investment	4,717,623	-	1,061,246	5,778,869
Total	**6,179,968**	**-**	**1,061,246**	**7,241,214**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	10,026	-	193,550	203,576
Reclassification	-	-	-	-
- Charge for the period	6,569	-	15,282	21,851
Foreign exchange adjustments	14,843	-	111,058	125,904
Write back	-	-	-	-
At 30 Septemeber 2024	**31,438**	**-**	**319,890**	**351,331**

Septemeber 2024

Bank

Financial instruments at fair value through other comprehensive income
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	-	-	-	-
Non-Investment	208,227	-	1,520	209,748
Total	**208,227**	**-**	**1,520**	**209,748**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	2,440	-	280	2,720
- Charge for the period	-	-	51	51
Write back	(1,288)	-	-	(1,288)
Foreign exchange adjustments	561	-	211	772
At 30 Septemeber 2024	**1,713**	**-**	**542**	**2,255**

Financial instruments at amortised cost
In millions of Naira

	stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Investment	-	-	-	-
Standard grade	-	-	-	-
Non-Investment	4,717,623	-	565,170	5,282,793
Total	**4,717,623**	**-**	**565,170**	**5,282,793**

	stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2024	8,912	-	107,876	116,789
- Charge for the period	6,851	-	15,282	22,134
Write back	-	-	-	-
Foreign exchange adjustments	5,424	-	81,913	87,337
At 30 Septemeber 2024	**21,189**	**-**	**205,071**	**226,260**

26 Restricted deposits and other assets

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Financial assets				
Accounts receivable (see note (a)below)	900,703	308,600	438,404	177,151
Receivable from Parent company (see note (g) below)	103,797	81,425	103,797	81,425
Receivable on E-business channels (see note (b) below)	76,462	205,297	46,651	192,376
FX forwards receivable (see note (h) below)	1,193,003	1,220,988	1,193,003	1,220,988
Deposit for investment in AGSMEIS (see note (c)below)	31,265	31,265	31,265	31,265
Subscription for investment (see note (d)below)	17,072	8,692	17,072	8,692
Restricted deposits with central banks (see note (e) below)	3,688,990	3,107,883	3,159,832	2,896,816
	6,011,291	4,964,150	4,990,025	4,608,713
Non-financial assets				
Prepayments	229,108	116,264	172,098	89,093
Inventory (see note (f) below)	24,067	19,909	21,758	18,314
	253,176	136,173	193,857	107,407
Gross other assets	6,264,467	5,100,323	5,183,881	4,716,119
Allowance for impairment on other assets				
Financial assets	(58,710)	(16,465)	(52,531)	(14,680)
Non-financial assets	(6,715)	(7,445)	(6,715)	(7,445)
	(65,425)	(23,910)	(59,246)	(22,125)
	6,199,042	**5,076,416**	**5,124,635**	**4,693,995**
Classified as:				
Current	2,468,430	1,936,018	1,923,181	1,764,668
Non current	3,730,612	3,140,394	3,201,454	2,929,327
	6,199,042	**5,076,412**	**5,124,635**	**4,693,995**

Movement in allowance for impairment on other assets:

In millions of Naira	Group	Bank
Balance as at 1 January 2023	8,229	7,092
ECL allowance for the year:		
- Additional provision	19,789	20,072
- Writeback	-	-
Net ECL Allowance	19,789	20,072
Acquired from business combination	-	-
Allowance written back	-	-
Allowance written off	(7,008)	(7,008)
-Reclassification	500	500
Foreign exchange revaluation	1,470	1,470
-Transalation difference	931	-
Balance as at 31 December 2023/1 January 2024	23,912	22,125
ECL allowance for the period:		
- Additional provision	35,904	35,642
- Writeback	-	-
Net ECL allowance	35,904	35,642
Acquired from business combination	-	-
Allowance written back	-	-
- Write Off	(105)	(105)
-Reclassification	-	-
Foreign exchange revaluation	1,582	1,582
-Translation difference	4,132	-
Balance as at 30 September 2024	65,425	59,246

(a) This represents the receivable from debtors to the Group that cuts across several services rendered in different capacities. Majority of the balance relates to settlement balances due from settlement platform.

(b) E-banking receivables represent settlements due from other banks use of the Bank's electronic channels by their customers. The Group's payables to other banks is contained in Note 34.

(c) 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 period's Profit After Tax as equity investment in the scheme.

(d) Subscription for investment balance relates to deposits paid for the acquisition of equity investments for which shares have not been issued to the Bank. This dsposits relates to investment in etranzact, an associate of the Bank and Namibia, an acquisition in the works.

(e) 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 as well as the special intervention fund with the Central Bank of Nigeria introduced in January 2016 as a reduction in the cash reserve ratio with a view of channeling the reduction to financing the real sector. These balances are not available for day to day operations of the Group.

(f) 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.

In determining the ECL for other assets, the Group applies the simplified model in estimating the ECLs, adopting a provision matrix, where the receivables are grouped based on the nature of the transactions, aging of the balances and different historical loss patterns to determine the lifetime ECLs. Receivables relate to amount due for the provision of services to the Bank's customers. The provision matrix estimates ECLs on the basis of historical default rates adjusted for current and forward looking macroeconomic factors without undue cost and effort

(g) Included in the Receivable from Parent balance are shares of the parent due to employees of the Bank that were previously settled by the Bank with a value of N9.02Bn

(h) The balance of N1,094.08Bn represents the transaction value of matured forward contracts with the Central Bank of Nigeria.

27a Investments in associates

In millions of Naira	Group September 2024	Group December 2023	Bank September 2024	Bank December 2023
Balance, beginning of period	8,424	7,510	6,904	6,904
Acquisition cost of additional interest during the period	-	-	-	-
Share of profit for the period	480	914	-	-
Balance, end of period	8,906	8,424	6,904	6,904

Set out below are the summarised financial information for associates which are accounted for using the equity method.

	E-tranzact	
	September 2024	December 2023
Assets		
Cash and balances with banks	21,713	11,850
Inventories	2,031	2,345
Trade and other receivables	263	428
Other assets	5,884	3,716
Deposit for shares	457	457
Intangible assets	36	52
Investment property	137	137
Property, plant and equipment	1,369	1,500
Total Assets	31,890	20,485
Financed by:		
Current tax liabilities	646	1,161
Trade and other payables	18,178	7,283
Long Term Loan	237	242
Deferred Grant Income	73	90
Deferred Tax Liabilities	-	-
Total Liabilities	19,134	8,777
Net Assets	**12,756**	**11,709**

Reconciliation to carrying amounts:

	September 2024	December 2023
Opening Net Assets (1 January 2024)	11,709	9,468
Profit for the period	1,279	2,433
Impact of changes due to the net asset difference between 2023 Audited and Unaudited Financial statement*	(232)	(192)
Closing net assets (30 September 2024)	12,756	11,709

Summary statement of comprehensive income	**September 2024**	**June 2023**
Revenue	14,041	17,379
Cost of sales	(9,425)	(14,029)
Interest Expense using the effective interest method	(171)	(13)
Interest Income using the effective interest method	(2,724)	-
Selling and marketing costs	-	(83)
Adminsitrative expenses	-	(1,906)
Other income	119	1
Finance cost	(14)	-
Investment income	-	148
Taxation	(548)	(479)
Profit for the period	1,279	1,018

Reconciliation of net asset in associate

Interest in Associate's net asset - (Etz: 37.56%)	4,791	4,398
Notional goodwill on investment in associate	2,851	2,919
Impact of changes in net assets	1,261	1,107
Carrying amount of investment in associates	8,905	8,424
Carrying value	8,906	8,424

E-tranzact (ETRAN), a fully integrated fintech platform in Africa was founded in 2003 and is one of the leading independent players in Lagos, Nigeria with a diversified license and product capabilities. The company has enjoyed continuous and consistent growth in top line revenue and subscriber base and activity for a while now

The Group holds an equity interest of 3,455,729,217 ordinary shares of 50k each in E-tranzact International Plc as at 30 September 2024, representing 37.56% equity participation in the company. No dividend income was received from ETRAN during the year. . The proportion of the Bank's interest is the same as the proportion of voting rights. As at 30 September 2024, the fair value of the Bank's investment was N17.3Bn

There are published price quotations for the associate on the Nigerian Stock Exchange. There are no significant restrictions on the ability of the associates to transfer funds to the group in the form of cash dividends, or repayments of loans or advances. The associate was accounted for using the equity method.

The Group exercises significant influence in E-tranzact International Limited by virtue of its more than 20% shareholding in the entity and the representation of one director on the board of the company and significant participation in the company's operating and financial policies.

The exisiting investment the Bank had in Etranzact was initially recognized in the books under equity instruments measured at Fair value through profit or loss. At the point of increasing the stakes of the Bank in Etranzact by means of the Right issue, the existing shares were reclasified to investment in associates at their fair value.

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

Set out below are the group's subsidiaries as at 30 September 2024. 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**	**Septemeber 2024**	**December 2023**
Access Bank Gambia Limited	Banking	Gambia	88.00%	88.00%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	99.19%	99.19%
Access Bank Rwanda Limited	Banking	Rwanda	91.22%	91.22%
Access Bank Zambia	Banking	Zambia	80.98%	80.98%
The Access Bank UK	Banking	United Kingdom	100.00%	100.00%
Access Bank R.D. Congo	Banking	Congo	99.98%	99.98%
Access Bank Ghana	Banking	Ghana	93.40%	93.40%
Access Bank Guinea S.A	Banking	Guinea	100.00%	100.00%
Access Bank Mozambique	Banking	Mozambique	99.98%	99.98%
Access Bank Kenya	Banking	Kenya	99.98%	99.98%
Access Bank South Africa	Banking	South Africa	97.89%	97.89%
Access Bank Botswana	Banking	Botswana	70.00%	78.15%
Access Bank Cameroon	Banking	Cameroon	100.00%	100.00%
Access Bank Angola	Banking	Angola	99.20%	99.20%
Access Bank Tanzania	Banking	Tanzania	97.00%	0.00%
Access Investors Services Nominees Limited	Asset Management	Nigeria	100.00%	100.00%

27(c)(i) Investment in subsidiaries

In millions of Naira	**Bank Septemeber 2024**	**Bank December 2023**
Subsidiaries with continuing operations		
The Access Bank, UK	163,922	163,922
Access Bank, Ghana	32,196	32,196
Access Bank Rwanda	5,221	5,221
Access Bank, Congo	13,205	13,205
Access Bank, Zambia	8,411	8,411
Access Bank, Gambia	7,062	7,062
Access Bank, Sierra Leone	16,832	3,398
Access Bank, Guinea	10,067	10,067
Access Bank, Mozambique	20,693	20,693
Access Bank, Kenya	11,615	11,615
Access Bank, South Africa	38,320	38,320
Access Bank, Angola	31,547	31,547
Access Bank Botswana	30,554	34,111
Access Bank, Cameroon	10,557	10,557
Access Bank, Tanzania	11,968	-
The Access Africa Office	-	-
Balance, end of period	**412,169**	**390,325**

Deferred consideration for Acquisition of African Banking Corporation Holdings limited (ABC)	18,575	-

Based on the contractual arrangements between the Bank and the shareholders in each of the entities, the Bank 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 Bank concluded that the Bank has control over each of the above listed entities and were consolidated in the Bank financial statements.

There was a partial disposal of the parent's stake in Access Botswana during the period. This is disclosed in Note 46 under partial disposal of subsisdiary without loss of control.

The acquisition of Tanzania incldues a deferred consideration amount payable in 3 years time. This is disclosed in Note 44 under business combination.

All investment in subsidiaries have been classified as non current

27 (d) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at September 2024 are as follows:

Condensed profit and loss *In millions 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 Guinea	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola	Access Bank Tanzania
Operating income	261,697	135,443	18,880	40,523	103,302	6,143	11,568	9,497	34,463	6,677	15,747	48,901	14,032	23,595	13,666
Operating expenses	(64,262)	(69,468)	(8,723)	(26,619)	(58,059)	(3,886)	(6,051)	(7,642)	(35,013)	(12,791)	(31,099)	(38,829)	(9,756)	(14,095)	(12,538)
Net impairment loss on financial assets	(12,139)	(1,598)	(752)	-	(15)	(4)	-	(19)	308	(6)	(2,042)	76	(96)	901	(907)
Profit before tax	185,296	64,377	9,404	13,904	45,228	2,252	5,517	1,837	(242)	(6,120)	(17,395)	10,148	4,180	10,400	221
Income tax expense	(47,925)	-	(2,821)	(4,171)	(14,214)	(340)	-	(289)	(1,569)	1,002	-	(3,378)	(335)	(1,088)	(85)
Profit for the period	**137,371**	**64,377**	**6,583**	**9,733**	**31,014**	**1,912**	**5,517**	**1,548**	**(1,811)**	**(5,117)**	**(17,395)**	**6,770**	**3,845**	**9,312**	**136**

The condensed financial data of the consolidated entities as at September 2024 are as follows:

(ii) Assets

	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 Guinea	Access Bank Mozambique	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola	Access Bank Tanzania
Cash and cash equivalents	987,078	537,710	101,677	348,258	645,932	39,166	52,921	33,191	296,579	38,952	72,995	305,386	53,175	136,449	45,776
Non pledged trading assets	-	56,385	-	-	14,492	-	-	-	-	934	-	10,521	-	-	-
Pledged assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	25,009	-	-	-	-	-	-	-	-	911	-	-	-
Loans and advances to banks	2,740,595	-	-	-	-	-	-	-	-	29	-	-	-	-	-
Loans and advances to customers	2,712,357	375,576	81,281	137,025	351,748	12,646	19,541	114,483	135,782	50,404	331,879	710,565	41,925	43,107	94,271
Investment securities	1,869,017	698,360	114,766	73,380	455,309	14,326	28,914	16,794	106,932	67,803	169,940	326,289	300,917	53,299	20,172
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	52,276	138,182	9,184	26,295	147,033	38,530	1,908	3,754	45,446	11,855	13,457	20,719	2,860	2,550	4,777
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment	11,929	89,444	3,902	26,724	33,670	5,164	6,632	6,280	25,124	6,710	5,442	20,019	4,868	11,085	3,516
Intangible assets	7,386	5,352	1,666	1,514	32,456	2,078	411	1,345	795	2,486	8,481	6,178	2,192	40,228	3,315
Current tax assets	-	-	-	-	-	-	1,614	-	-	-	-	-	-	102	-
Deferred tax assets	-	35,680	33	-	-	-	-	-	11,242	6,998	-	-	-	5,394	144
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	8,380,639	1,936,689	337,519	613,196	1,680,640	111,910	111,940	175,848	621,900	186,173	602,194	1,400,587	405,938	292,214	171,970
Financed by:															
Deposits from banks	4,600,472	113	-	59,137	88,463	1,634	18,692	-	-	19,856	70,957	25,364	3,658	-	30,760
Deposits from customers	2,359,384	1,397,080	259,417	411,098	1,065,170	87,453	59,917	127,663	520,614	141,645	402,818	1,088,567	352,810	215,419	105,017
Derivative Liability	-	-	-	-	-	-	-	-	-	-	-	62	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	14,120	-	-	-	-
Retirement benefit obligations	183	75	-	-	2	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	2,640	9,533	2,305	4,769	-	340	-	-	-	-	-	679	-	-	-
Other liabilities	118,752	126,115	4,814	31,968	373,121	4,838	529	6,454	18,960	20,544	4,089	43,581	4,743	5,962	2,176
Interest-bearing loans and borrowings	-	136,578	23,419	1,171	70,627	-	-	-	21,252	-	48,884	106,281	-	-	4,036
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	2,027	4,522	780	-	1,029	163	10	-	-	-	-	-	-	1,351	-
Non - current liabilities held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity	1,297,181	262,674	46,783	105,050	82,227	17,482	32,793	41,731	61,074	4,127	61,326	136,053	44,727	69,482	29,981
	8,380,639	1,936,689	337,519	613,196	1,680,640	111,910	111,940	175,848	621,900	186,173	602,194	1,400,587	405,938	292,214	171,970

27 (e) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at September 2023 are as follows:

Condensed profit and loss *In millions 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 Guinea	Access Bank Mozambiqu	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola
Operating income	88,974	52,822	7,315	15,156	11,853	2,056	4,302	2,509	14,219	3,527	6,645	17,551	4,168	6,008
Operating expenses	(22,288)	(17,160)	(3,498)	(9,409)	(6,762)	(1,184)	(2,244)	(2,277)	(13,558)	(3,747)	(10,094)	(16,133)	(2,716)	(5,579)
Net impairment loss on financial assets	(4,624)	(523)	(165)	-	267	(10)	-	-	(44)	(44)	(169)	344	(124)	(246)
Profit before tax	62,063	35,139	3,651	5,746	5,357	862	2,059	232	617	(264)	(3,618)	1,762	1,329	183
Income tax expense	(15,992)	(7,406)	(1,095)	(1,724)	(1,607)	(10)	(515)	-	(624)	-	-	(421)	-	(172)
Profit for the period	46,070	27,733	2,556	4,023	3,750	852	1,544	232	(7)	(264)	(3,618)	1,341	1,329	11

(ii) The condensed financial data of the consolidated entities as at December 2023 are as follows:

Assets	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 Guinea	Access Bank Mozambiqu	Access Bank Kenya	Access Bank South Africa	Access Bank Botswana	Access Bank Cameroon	Access Bank Angola
Cash and cash equivalents	447,845	210,629	51,194	193,023	126,455	23,257	31,930	7,508	145,045	35,308	36,964	131,411	10,369	84,829
Non pledged trading assets	-	47,982	-	-	-	-	-	-	-	549	-	2,879	-	-
Pledged assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	14,256	-	-	-	-	-	-	-	-	119	-	-
Loans and advances to banks	1,307,418	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	1,465,167	192,598	46,824	94,573	58,488	4,964	9,210	37,178	82,839	27,027	162,598	445,879	17,860	23,366
Investment securities	972,330	400,218	67,322	37,352	102,368	11,361	14,692	15,304	46,478	32,879	99,858	51,723	118,341	32,269
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	13,198	74,511	7,797	12,157	7,222	14,710	1,280	1,074	28,669	2,735	5,078	6,755	2,539	1,733
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment	3,432	69,580	2,423	11,725	4,361	2,717	3,147	3,407	14,078	3,909	2,950	10,340	3,226	5,359
Intangible assets	4,433	6,327	1,139	1,223	518	1,255	322	986	833	1,217	4,926	3,478	1,266	23,432
Deferred tax assets	-	32,495	-	-	-	-	-	-	6,392	1,531	-	172	-	2,314
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,213,823	1,034,340	190,955	350,053	299,414	58,264	60,582	65,456	324,334	105,155	312,373	652,756	153,602	173,302
Financed by:														-
Deposits from banks	2,146,981	11,031	-	48,510	2,045	5,353	16,703	-	4	29,622	140	101	778	-
Deposits from customers	1,381,638	716,864	147,120	229,943	211,860	41,869	32,298	40,108	258,640	60,107	187,251	525,482	126,405	130,459
Derivative Liability	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-	-	-	-	-	7,646	-	-	-
Retirement benefit obligations	-	55	-	-	41	-	-	-	-	-	-	-	-	-
Current tax liabilities	1,120	1,589	1,861	3,629	-	-	138	-	-	-	-	430	-	(85)
Other liabilities	13,509	56,581	2,383	12,963	47,926	1,625	827	2,631	18,257	9,178	5,465	17,849	3,409	5,723
Interest-bearing loans and borrowings	-	86,550	13,610	2,022	5,398	-	-	-	8,807	-	67,455	33,911	-	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	473	7,307	473	-	569	95	7	-	-	-	-	-	-	180
Non - current liabilities held for sale	-		-	-	-	-	-		-	-	-	-	-	-
Equity	670,103	154,364	25,507	52,987	31,572	9,321	10,608	22,717	38,626	6,248	44,415	74,983	23,010	37,024
	4,213,823	1,034,340	190,955	350,053	299,414	58,264	60,582	65,456	324,334	105,155	312,373	652,756	153,602	173,302

28 (a) Property and equipment
Group
In millions of Naira

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Cost							
Balance at 1 January 2024	196,586	34,834	99,066	145,676	50,731	66,755	593,647
Acquired from business combination	13,034	-	2,593	3,926	565	-	20,118
Acquisitions	15,434	1,004	9,220	24,357	5,246	46,636	101,898
Disposals	(7,366)	(808)	(8,942)	(15,488)	(7,646)	-	(40,250)
Write-offs	-	-	-	-	-	-	-
Reversals/Reclassification from(to) others	-	-	-	-	-	(49)	(49)
Transfers	11,316	-	5,502	12,781	2,975	(32,574)	-
Translation difference	53,039	-	35,186	40,493	7,562	32,338	168,619
Balance at 30 September 2024	**282,044**	**35,031**	**142,625**	**211,745**	**59,432**	**113,107**	**843,982**
Balance at 1 January 2023	145,473	34,112	56,439	105,223	32,532	34,465	408,243
Acquired from business combination	-	709	-	-	-	-	709
Acquisitions	33,235	-	29,043	27,058	14,001	46,308	149,644
Disposals	(6,993)	(1,248)	(3,413)	(8,266)	(7,714)	(3,316)	(30,950)
Reclassifications							-
Write-offs	-	-	-	-	-	(444)	(444)
Reversals/Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Reclassifications							-
Transfers	7,785	-	562	3,204	228	(11,779)	-
Transfers to assets held for sale							
Translation difference	17,086	1,261	16,435	18,457	11,684	1,620	66,543
Balance at 31 December 2023	196,586	34,834	99,066	145,676	50,731	66,755	593,646

Depreciation and impairment losses	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Balance at 1 January 2024	43,329	-	57,012	98,553	29,217	-	228,110
Charge for the period (a)	6,906	-	13,857	14,607	6,542	-	41,912
Impairment Charge	-	-	-	-	-	-	-
Disposal	(2,953)	-	(794)	(4,121)	(1,670)	-	(9,538)
Translation difference	55,483	-	39,409	46,208	7,605	-	148,704
Balance at 30 September 2024	**102,766**	**-**	**109,486**	**155,246**	**41,693**	**-**	**409,188**

Balance at 1 January 2023	30,436	-	38,201	71,679	20,336	-	160,650
Acquired from business combination							-
Charge for the year (a)	3,128	-	10,526	16,494	5,147	-	35,294
Impairment Charge	-	-	-	-	-	-	-
Disposal	(89)	-	(210)	(67)	(1,363)	-	(1,729)
Write-Offs	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Translation difference	9,854	-	8,495	10,449	5,097	-	33,893
Balance at 31 December 2023	43,329	-	57,012	98,553	29,217	-	228,108
Carrying amounts	**179,278**	**35,031**	**33,140**	**56,499**	**17,738**	**113,107**	**434,794**
Right of use assets (see 28(b) below)	**80,445**	**-**	**-**	**-**	**-**	**-**	**80,445**
Balance at 30 September 2024	**259,723**	**35,031**	**33,140**	**56,499**	**17,738**	**113,107**	**515,240**
Balance at 31 December 2023	205,900	34,834	42,054	47,123	21,514	66,755	418,181

Depreciation charge on property plant and equipment and right of use assets

Total Depreciation charge (a+b)	**16,823**	**-**	**13,857**	**14,607**	**6,542**	**-**	**51,829**

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

(b) The leasehold improvements do not represent lessor's asset

The total balance for non current property and equipment for the period is N549.51Bn

Classified as:

Current	-	-	-	-	-	-	-
Non current	**259,723**	**35,031**	**33,140**	**56,499**	**17,738**	**113,107**	**515,237**
	259,723	**35,031**	**33,140**	**56,499**	**17,738**	**113,107**	**515,237**

28 (b) Leases
Group

This note provides information for leases where the Group is a lessee.

i Right-of-use assets

	Land N'millions	Building and Equipment N'millions	Total N'millions
Opening balance as at 1 January 2024	-	84,968	84,968
Acquired from business combination	-	-	-
Additions during the period	-	37,072	37,072
Disposals during the period	-	(4,941)	(4,941)
*Derecognition due to lease modifications	-	(348)	(348)
Translation difference	-	7,922	7,922
Closing balance as at 30 September 2024	**-**	**124,672**	**124,672**
Opening balance as at 1 January 2023	-	62,465	62,465
Acquired from business combination	-	1,243	1,243
Additions during the year	-	7,278	7,278
Disposals during the year	-	-	-
*Derecognition due to lease modifications	-	(45)	(45)
Translation difference	-	14,027	14,027
Closing balance as at 31 December 2023	-	84,968	84,968
Depreciation			
Opening balance as at 1 January 2024	-	32,325	32,325
Acquired from business combination		-	-
Charge for the period (b)	-	9,917	9,917
Disposals during the period	-	-	-
*Derecognition due to lease modifications	-	(312)	(312)
Translation difference		2,296	2,296
Closing balance as at 30 September 2024	**-**	**44,227**	**44,227**
Net book value as at 30 September 2024	**-**	**80,445**	**80,445**
Opening balance as at 1 January 2023		16,905	16,905
Acquired from business combination	-	813	813
Charge for the year (b)	-	8,810	8,810
Disposals during the period		-	-
*Derecognition due to lease modifications	-	0	0
Translation difference	-	5,797	5,797
Closing balance as at 31 December 2023	-	32,325	32,325
Net book value as at 31 December 2023	-	52,643	52,643

ii Amounts recognised in the statement of profit or loss

	N'millions
Depreciation charge of right-of-use assets	9,917
Interest expense (included in finance cost)	1
Expense relating to short-term leases (included in other operating expenses)	-
Expense relating to leases of low-value assets (included in other operating expenses)	-
	-
Total cash outflow for leases as at September 2024	7,129

*This relates to lease contracts that were modified during the period, subsequently derecognized and new contracts were drawn up to represent the new leases

28 (c) Property and equipment
Bank

In millions of Naira	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in -progress	Total
Cost							
Balance at 1 January 2024	117,061	32,321	64,205	110,122	32,895	44,477	401,081
Acquisitions	15,475	-	5,435	10,670	1,815	58,663	92,058
Disposals	(280)	-	(9)	(21)	(724)	-	(1,034)
Reclassification from(to) others	-	-	-	-	-	(49)	(49)
Transfers	7,310	-	597	4,954	269	(13,180)	-
Write-Offs	-	-	-	-	-	-	-
Balance at 30 September 2024	**139,566**	**32,321**	**70,228**	**125,726**	**34,254**	**89,911**	**492,056**
Balance at 1 January 2023	113,832	32,321	45,439	94,304	27,560	28,389	341,844
Acquired from business combination							-
Fixed asset revaluation							-
Acquisitions	1,817	-	18,294	12,956	6,766	22,004	61,837
Disposals	(6)	-	(90)	(306)	(1,580)	(75)	(2,057)
Reclassification	-	-	-	-	-	-	-
Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Transfers	1,418	-	562	3,168	149	(5,298)	(0)
Write-Offs	-	-	-	-	-	(444)	(444)
Balance at 31 December 2023	117,061	32,321	64,205	110,122	32,895	44,477	401,081

Depreciation and impairment losses	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Balance at 1 January 2024	21,072	-	39,227	75,949	20,454	-	156,702
Acquired from business combination							
Charge for the period (a)	1,754	-	6,858	9,704	3,215	-	21,531
Disposal	(1)	-	(9)	(18)	(689)	-	(717)
Balance at 30 September 2024	**22,825**	**-**	**46,076**	**85,636**	**22,980**	**-**	**177,516**
Balance at 1 January 2023	19,134	-	31,557	65,398	18,053	-	134,143
Acquired from business combination							
Charge for the year (a)	1,939	-	7,760	10,850	3,764	-	24,312
Impairment charge	-	-	-	-	-	-	-
Disposal	(1)	-	(90)	(299)	(1,363)	-	(1,753)
Balance at 31 December 2023	21,072	-	39,227	75,949	20,454	-	156,702
Carrying amounts	**116,741**	**32,321**	**24,152**	**40,090**	**11,274**	**89,911**	**314,489**
Right of use assets (see 28(d) below)	30,240	-	-	-	-	-	30,240

Balance at 30 September 2024	**146,981**	**32,321**	**24,152**	**40,090**	**11,274**	**89,911**	**344,733**
Balance at 31 December 2023	129,137	32,321	24,978	34,173	12,441	44,477	277,527
Depreciation charge on property and equipment and right of use assets							
Total Depreciation/Impairment charge (a+b)	**5,573**	**-**	**6,858**	**9,704**	**3,215**	**-**	**25,349**

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

The total balance for non current property, plant and equipment for the period is N344.62Bn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	**116,741**	**32,321**	**24,152**	**40,090**	**11,274**	**89,911**	**314,489**
	116,741	**32,321**	**24,152**	**40,090**	**11,274**	**89,911**	**314,489**

28 (d) Leases
Bank

This note provides information for leases where the Bank is a lessee.

i) Right-of-use assets

	Land N'millions	**Building and Equipment N'millions**	**Total N'millions**
Opening balance as at 1 January 2024	-	47,370	47,370
Additions during the period	-	947	947
Disposals during the period		-	-
*Reversals due to lease modifications		(348)	(348)
Closing balance as at 30 September 2024	**-**	**47,968**	**47,968**
Opening balance as at 1 January 2023	-	46,403	46,403
Acquired from business combination	-		-
Additions during the year	-	1,012	1,012
Disposals during the year	-	-	-
*Reversals due to lease modifications	-	(45)	(45)
Closing balance as at 31 December 2023	-	47,370	47,370
Depreciation			
Opening balance as at 1 January 2024	-	14,222	14,222
Charge for the period (b)		3,819	3,819
Disposals during the period	-	-	-
*Reversals due to lease modifications	-	(312)	(312)
Closing balance as at 30 September 2024	**-**	**17,728**	**17,728**

Net book value as at 30 September 2024	**-**	**30,240**	**30,240**
Opening balance as at 1 January 2023	-	9,036	9,036
Charge for the year (b)	-	5,185	5,185
Disposals during the year	-	-	-
*Reversals due to lease modifications		0	0
Closing balance as at 31 December 2023	-	14,222	14,222
Net book value as at 31 December 2023	-	33,148	33,148

ii) Amounts recognised in the statement of profit or loss

	N'millions
Depreciation charge of right-of-use assets (buildings)	3,819
Interest expense (included in finance cost)	763
Expense relating to short-term leases (included in other operating expenses)	107
Expense relating to leases of low-value assets (included in other operating expenses)	-
	-
Total cash outflow for leases as at Septembere 2024	862

*This relates to lease contracts that were modified during the period, subsequently derecognized and new contracts were drwan up to represent the new leases

29 Intangible assets
Group

In millions of Naira	Goodwill	WIP	Purchased Software	Core deposit intangible	Customer relationship	Brand	Total Intangible
Cost							
Septemeber 2024							
Balance at 1 January 2024	15,695	28,957	130,343	28,665	12,652	4,725	221,037
Arising from business combination (See note 44)	4,066	-	42,438	-	-	-	46,504
Acquisitions	-	13,653	6,083	-	-	-	19,736
Reclassification	-	310	(310)	-	-	-	-
Write off	-	(2,192)	-	-	-	-	(2,192)
Translation difference	-	6,377	33,364	-	-	-	39,740
Balance at 30 September 2024	**19,761**	**47,106**	**211,918**	**28,665**	**12,652**	**4,725**	**324,823**
December 2023							
Balance at 1 January 2023	12,747	10,729	61,000	28,665	12,652	4,725	130,517
Arising from business combination	2,948	-	23,225	-	-	-	26,173
Changes Arising from final assessment	-	-	-	-	-	-	-
Acquisitions	-	19,296	27,791	-	-	-	47,087
Transfer	-			-	-	-	-
Disposal	-			-	-	-	-
Reclassification	-	(957)	957	-	-	-	(0)
Write off	-	(135)		-	-	-	(135)
Translation difference	-	24	17,370	-	-	-	17,394
Balance at 31 December 2023	15,695	28,957	130,343	28,665	12,652	4,725	221,036
Amortization and impairment losses							
Balance at 1 January 2024	-	-	71,017	13,616	6,009	2,244	92,885
Amortization for the period	-	-	17,599	2,150	949	354	21,052
Write off	-	-		-	-	-	-
Translation difference	-	-	58,893	-	-	-	58,893
Balance at 30 September 2024	-	-	147,509	15,766	6,958	2,599	**172,831**
Balance at 1 January 2023	-	-	39,471	10,749	4,744	1,772	56,735
Reclassification (a)	-	-	-	-	-	-	-
Amortization for the period	-	-	13,467	2,866	1,265	472	18,071
Impairment charge							-
Disposals							-
Write off	-	-		-	-	-	-
Reclassification	-	-					-
Translation difference	-	-	18,079	-	-	-	18,079
Balance at 31 December 2023	-	-	71,017	13,616	6,009	2,244	92,885
Net Book Value							
Balance at 30 September 2024	**19,761**	**47,106**	**64,409**	**12,899**	**5,693**	**2,126**	**151,992**
Balance at 31 December 2023	15,695	28,957	59,326	15,050	6,641	2,481	128,150

*Changes Arising from final assessment: This relates to the changes recognized in the goodwill acquired from former BancABC by Access Botswana post audit of the acquired net asset. The original goodwill recognized was provisional as the net assets were still being audited. The final net asset led to a change in the purchase consideration based on the share purchase agreement leading to the changes observed in the goodwill initially recognized from the previous period.

Intangible assets
Bank

In millions of Naira	**Goodwill**	**WIP**	**Purchased Software**	**Core deposit intangible**	**Customer relationship**	**Brand**	**Total**
Cost							
Septemeber 2024							
Balance at 1 January 2024	11,148	26,569	47,098	28,665	12,652	4,725	130,857
Acquisitions	-	12,538	4,286	-	-	-	16,825
Reclassification	-	(216)	216				-
Write off	-	(92)					(92)
Balance at 30 September 2024	**11,148**	**38,801**	**51,599**	**28,665**	**12,652**	**4,725**	**147,590**
December 2023							
Balance at 1 January 2023	11,148	9,670	40,083	28,665	12,652	4,725	106,943
Arising from business combination							-
Acquisitions	-	17,730	6,319	-	-	-	24,049
Reclassification	-	(696)	696				-
Transfers	-	-					-
Write off	-	(135)					(135)
Balance at 31 December 2023	11,148	26,569	47,098	28,665	12,652	4,725	130,857
Amortization and impairment losses							
Balance at 1 January 2024	-	-	35,882	13,615	6,009	2,244	57,752
Amortization for the period	-	-	3,964	2,150	949	354	7,417
Balance at 30 September 2024	**-**	**-**	**39,846**	**15,764**	**6,958**	**2,599**	**65,169**
Balance at 1 January 2023	-	-	30,312	10,749	4,744	1,772	47,578
Arising from business combination	-	-	-				-
Amortization for the period	-	-	5,570	2,866	1,265	472	10,174
Reclassification	-	-					-
Write off	-	-	-				-
Impairment charge	-	-	-				-
Balance at 31 December 2023	-	-	35,882	13,615	6,009	2,244	57,752
Carrying amounts							
Balance at 30 September 2024	**11,148**	**38,801**	**11,753**	**12,901**	**5,694**	**2,127**	**82,421**
Balance at 31 December 2023	11,148	26,569	11,216	15,050	6,642	2,481	73,105

Amortization method used is straight line.

	Group Septemeber 2024	**Group December 2023**	**Bank Septemeber 2024**	**Bank December 2023**
Classified as:				
Current	-	-	-	-
Non current	151,992	128,150	82,421	73,105

29(b) Intangible assets

(i) **Goodwill is attributable to the acquisition of Diamond Bank Plc and the following subsidiaries:**

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Diamond Bank Plc (see (a) below)	4,555	4,555	11,149	11,148
Access Bank Rwanda (see (b) below)	681	681	-	-
Access Bank Kenya (see (c) below)	6,545	6,545	-	-
Access Bank Botswana (see (d) below)	965	965	-	-
Access Bank Angola (see (e) below)	2,948	2,948		
Access Bank Zambia (see (f) below)	4,066	-		
	19,761	**15,695**	**11,150**	**11,149**

(a) Diamond bank:
The recoverable amount of Goodwill as at 30 September 2024 was greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N1,515Bn.

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 year and no losses on goodwill were recognized as at 30 September 2024 (31 December 2023: Nil)

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Retail (Personal) Banking.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 3.20%. A discount rate of 29.63% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the period are as follows:

Terminal growth rate (i)	3.20%
Discount rate (ii)	29.63%

(i) Weighted average growth rate used to extrapolate cash flows beyond the budget period.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 29.63% was applied in determining the recoverable amounts for Diamond Bank Plc. This discount rate was estimated using the a proxy of the average of thge beta for similar companies, the risk-free rate and the equity risk premium of the sovereign of the reporting entity.

Terminal growth rate
The terminal growth rate applied was based on the long term growth rate in GDP of Nigeria.

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 entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(205,631)	264,073
Impact of change in growth rate on value-in-use computation (increase/(decrease)	25,049	(21,561)

There were no write-downs of goodwill due to impairment during the period

(b) Access Bank Rwanda:
The recoverable amount of Goodwill as at 30 September 2024 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N57.60bn.

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 and no losses on goodwill were recognized as at 30 September 2024 (31 December 2023: Nil)

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Rwanda.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 6.7%. A discount rate of 21.2% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the period are as follows:

	Septemeber 2024
Terminal growth rate (i)	6.72%
Discount rate (ii)	21.24%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget period.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 21.24% was applied in determining the recoverable amounts for the goodwill of Access Bank Rwanda. This discount rate was estimated using beta, risk-free rate and the equity risk premium for Rwanda.

Terminal growth rate
Terminal 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.

Sensitivity analysis of key assumptions used

	10% increase	**10% decrease**
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(8,030)	10,847
Impact of change in growth rate on value-in-use computation (increase/(decrease)	1,510	(1,376)

(c) Access bank Kenya:

The recoverable amount of Goodwill as at 30 September 2024 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N25.25bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred.

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Kenya.

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 5.41%. A discount rate of 27.77% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU’s declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the period are as follows:

Terminal growth rate (i)	5.41%
Discount rate (ii)	27.77%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget period.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 27.77% was applied in determining the recoverable amounts for the goodwill of Access Bank Kenya. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium for Kenya.

Terminal growth rate

The terminal growth rate applied was based on the long term growth rate in GDP of Kenya.

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 entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(3,761)	4,936
Impact of change in growth rate on value-in-use computation (increase/(decrease)	324	(308)

There were no write-downs of goodwill due to impairment during the period.

(d) Access bank Botswana:

The recoverable amount of Goodwill as at 30 September 2024 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N239.78bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. This is the first impairment assessment.

Goodwill is monitored by the Group on cash generating units (CGU) basis. For the purpose of impairment testing, the goodwill has been allocated to Access Bank Botswana .

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 4.29%. A discount rate of 8.7% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the year. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU’s declining below their carrying amounts.

The key assumption used in computing the value-in-use for goodwill in during the period are as follows:

Terminal growth rate (i)	4.29%
Discount rate (ii)	8.72%

(i) Terminal growth rate used to extrapolate cash flows beyond the budget period.
(ii) Pre-tax discount rate applied to the cash flow projections.

Cash Flow Forecast
Cash flows were projected based on past experience and actual operating results. These cashflows are based on the expected revenue growth for the entity over this 5-year period.

Discount Rate
Pre-tax discount rate of 8.7% was applied in determining the recoverable amounts for the goodwill of Access Bank Botswana. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium for Botswana.

Terminal growth rate

The terminal growth rate applied was based on the long term growth rate in GDP of Botswana.

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 entity (from which the goodwill arose) to decline below their carrying amount.

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(42,403)	63,304
Impact of change in growth rate on value-in-use computation (increase/(decrease)	17,361	(14,302)

There were no write-downs of goodwill due to impairment during the period.

(e) Access bank Angola:

Goodwill represents the value derived from a larger branch network and combined synergies of operations. The Goodwill recognized from former Finibanco Bank is provisional as the Bank is yet to complete all assessments as relates to the acquisition . Goodwill is not deductible for tax purposes.

The goodwill N2.95Bn arising from the acquisition of former Finibanco (now Access Bank Angola) is provisional.

(f) Access bank Zambia:

Goodwill represents the expected to be value derived from a larger branch network and combined synergies of operations. The Directors are yet to conclude the Purchase Price Allocation (PPA) for the acquisition as at the reporting date. In line with the requirement of the standards, the PPA will be concluded and final goodwill recognised within 12 months from the acquisition date. Goodwill is not deductible for tax purposes.

The goodwill N4.07Bn arising from the acquisition of former Atlas Mara sold by Fairfax limited is provisional.

31a Investment properties

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Balance at 1 January	437	217	437	217
Valuation gain/(loss)	-	220	-	220
Balance, end of period	**437**	**437**	**437**	**437**

Investment property of N217 million for the Group, represents the value of landed properties which are carried and measured at fair value. There was no rental income from such properties during the period and no restrictions on the realisability of the property.

Valuation technique used for fair valuation of investment properties
Investment properties are stated at fair value, which has been determined based on valuations performed by various Estate Surveyors and Valuers . The valuers are industry specialists in valuing these types of investment properties. The fair value is supported by market evidence and represents the amount that would be received to sell the properties in an orderly transaction between market participants at the measurement date in the principal market to which the Group has access at the date of valuation, in accordance with standard issued by the International Valuation Standards Committee. Valuations are performed on an annual basis and the fair value gains and losses are reported in valuation gain on investment properties under other operating income (see note 13) . The profits or losses on disposal are also reported in the profit or loss as they occur.

The professional valuers engaged for the preparation of the valuation reports is Paul Osaji and Company (FRC/2013/00000000001098)

All investment properties have been classified as non current with a carrying amount of N437 million for Group and N437 million for Bank

31b Assets classified as held for sale

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Balance at 1 January	75,417	42,039	75,417	42,039
Additions	40,000	35,335	40,000	35,335
Disposals	(4,874)	(1,957)	(4,874)	(1,957)
Transfers from assets held for sale	-	-	-	-
	110,544	**75,417**	**110,544**	**75,417**

The total balance for non current financial assets held for sale for the period is N110.54Bn for Group and N110.54Bn for Bank

Classified as:				
Current	110,544	75,417	110,544	75,417
Non current	-	-	-	-

The professional valuers engaged for the preparation of the valuation reports are: Ubosi Eleh and Company (FRC/2014/00000003997), Odudu and Company (FRC/2012/NIESV/00000000198), Paul Osaji and Company (FRC/2013/00000000001098), Banjo Adeleke and Company (FRC/2013/NIESV/00000003314); and Osas and Oseji (FRC/2012/000000000522). This largely comprises of Land and buildings. The items in non-current asset held for sale are repossessed collateral and this is seen in Note 5.1.3 (g)

32 Deposits from financial institutions

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Money market deposits	3,772,640	2,189,528	2,869,197	1,641,990
Trade related obligations to foreign banks	5,944,427	2,197,492	5,245,650	2,265,202
	9,717,067	**4,387,020**	**8,114,847**	**3,907,192**
Current	9,712,380	4,383,138	8,111,502	3,905,188
Non-current	4,687	3,882	3,345	2,003
	9,717,067	**4,387,020**	**8,114,847**	**3,907,192**

33 Deposits from customers

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Term deposits	9,093,081	5,697,621	4,756,501	3,667,657
Demand deposits	9,363,904	6,828,142	5,635,321	5,001,100
Saving deposits	3,823,622	2,796,989	3,294,713	2,571,090
	22,280,606	**15,322,752**	**13,686,535**	**11,239,847**
Current	22,211,667	15,264,698	13,627,492	11,191,689
Non-current	68,939	58,053	59,043	48,158
	22,280,606	**15,322,752**	**13,686,535**	**11,239,847**

34 Other liabilities

In millions of Naira		Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Financial liabilities					
Certified and bank cheques		7,642	7,392	4,901	5,329
E-banking payables	(see (a) below)	158,111	56,418	71,320	50,285
Collections account balances	(see (b) below)	564,127	1,028,890	539,254	985,479
Due to subsidiaries		-	-	3,496	1,904
Accruals		62,522	25,912	8,001	3,539
Contribution to Industrial Training Fund (ITF)	(see (c) below)	271	510	271	510
Creditors		305,466	54,405	52,726	14,746
Payable on AMCON		20	20	20	20
Customer deposits for foreign exchange	(see (d) below)	374,693	142,140	374,627	142,140
Restricted shares performance plan payable (RSPP)		5,176	1,843	5,176	1,843
Payable to Financial institutions	(see (i) below)	-	249,125	-	249,125
ECL on off-balance sheet	(see (e) below)	2,161	3,928	1,413	3,318
Lease liabilities	(see (g) below)	31,782	16,604	7,698	7,261
Other financial liabilities	(see (h) below)	247,170	91,987	42,053	28,572
		1,759,142	1,679,176	1,110,957	1,494,072
Non-financial liabilities					
Litigation claims provision	(see (f) below)	8,118	3,838	8,118	3,838
Other non-financial liabilities		69,437	12,387	57,293	5,982
Total other liabilities		**1,836,697**	**1,695,402**	**1,176,368**	**1,503,893**
Classified as:					
Current		1,815,862	1,682,711	1,171,762	1,497,778
Non current		20,835	12,688	4,606	6,115
		1,836,697	**1,695,400**	**1,176,368**	**1,503,893**

(a) E-banking payables represent settlements due to other banks use of their electronic channels by the Group's customers. The Group's Receivables from other banks is contained in Note 26.

(b) Collections are balances held in trust on behalf of customers for various transactions. These include escrows, collection for remittances, payments, etc.

(c) The contribution to the Industrial training fund scheme is being shown as a separate line under other liabilities. This has been stripped out of the accrual line where it was previously warehoused. The amount here represents 1% of the personnel cost of the employer according to the ITF amendment ACT 2011 , Act No 19 section 6, subsection 1

(d) Customer deposits for foreign exchange represents deposits that customers have made to fulfil foreign currency obligations. The Group's process requires that customers with foreign currency obligations deposit foreign currency to back the transactions. The corresponding balance is in Other deposits with central banks - Cash and balances with banks.

(e) Movement in ECL on contingents	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance at 1 January 2024/31 December 2023	3,928	6,871	3,318	10,848
Acquired from business combination	-	-	-	-
(Write back)/Charge for the period	2,055	(6,827)	2,048	(6,803)
Additional provisions				
Foreign exchange revaluation	-	(727)	-	(727)
Reclassification	(3,953)	-	(3,953)	-
Translation difference	132	4,611	-	-
Balance, end of period	2,161	3,928	1,413	3,318

(f) Movement in litigation claims provision	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Opening balance	3,838	2,821	3,838	2,770
Additions	4,326	1,064	4,279	1,068
Payment	-	-	-	-
Translation difference	(47)	(47)	-	-
Closing balance	**8,118**	**3,838**	**8,118**	**3,838**

(g(i)) Lease liabilities

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2024	15,297	7,261
Additions	15,787	181
Interest expense	2,551	763
Lease payments	(1,396)	(186)
*Derecognition due to lease modifications	(475)	(475)
Translation difference	2,446	-
Closing balance as at 30 September 2024	**34,210**	**7,544**
Current lease liabilities	10,947	3,092
Non-current lease liabilities	23,263	4,452
	34,210	**7,544**

(g(ii)) **Lease liabilities**

	Group N'millions	Bank N'millions
Opening balance as at 1 January 2023	11,649	6,256
Additions	3,811	201
Interest expense	1,477	1,054
Lease payments	(1,577)	(180)
*Derecognition due to lease modifications	(70)	(70)
Translation difference	5	-
Closing balance as at 31 December 2023	**15,297**	**7,261**
Current lease liabilities	3,916	1,146
Non-current lease liabilities	11,381	6,115
	15,297	**7,261**

(g(iii)) **Liquidity risk (maturity analysis of undiscounted lease liabilities)**

	Group N'millions	Bank N'millions
Less than 6 months	2,497	233
6-12 months	5,816	430
Between 1 and 2 years	5,474	512
Between 2 and 5 years	7,184	1,696
Above 5 years	9,579	566
Closing balance as at 30 September 2024	**30,550**	**3,438**
Carrying amount	31,782	7,698

*This relates to lease contracts that were modified during the period, subsequently derecognized and new contracts were drawn up to represent the new leases

(h) Other financial liabilities is comprised of items unclaimed items due to customers, other tax payables, staff payables and payables due to counterparties in the ordinary course of business

Included in the payable to financial institutions are amounts due to financial institution that matured during the reporting period. These funds were subsequently rolled over after the reporting period.

(i)

35 **Debt securities issued**

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	834,622	481,138	834,622	481,138
Green Bond (see (ii) below)	-	64,382	-	64,382
Local Bond (see (iii) below)	30,732	33,827	30,732	31,858
Debentures (see (iv) below)	14,120	5,677	-	-
	879,473	**585,024**	**865,354**	**577,378**

Movement in Debt securities issued:

In millions of Naira	Group Septemeber 2024	Bank Septemeber 2024
Net debt as at 1 January 2024	585,024	577,378
Debt securities issued	-	-
Repayment of debt securities issued	(84,943)	(84,943)
Total changes from financing cash flows	500,081	492,435
The effect of changes in foreign exchange rates	371,503	365,530
Other changes		
Interest expense	38,999	38,325
Interest paid	(31,110)	(30,936)
Balance as at 30 September 2024	**879,473**	**865,354**

In millions of Naira	Group December 2023	Bank December 2023
Net debt as at 1 January 2023	307,253	303,297
Arising from business combination	-	-
Additions		
Debt securities issued	-	-
Repayment of debt securities issued	-	-
Total changes from financing cash flows	307,253	303,297
The effect of changes in foreign exchange rates	275,167	271,888
Other changes		
Interest expense	30,364	29,779
Interest paid	(27,760)	(27,586)
Balance as at 31 December 2023	**585,024**	**577,378**

(i) This refers to US$500,000,000 notes of 6.13% interest issued on 21 September 2021 with a maturity date of 21 September 2026. The principal amount is payable at maturity, whilst coupon due is payable on a semi-annual basis.

(ii)The unsecured green bond issued by the Bank on March, 18, 2019 with a coupon rate of 15.5% payable semi-annually, and a tenor of 5 years due March, 2024 has matured and been fully settled

(iii) Access Bank Plc issued a local bond of N30bn on July, 4, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 7 years and is due on July, 2026. The principal amount on the notes are payable at maturity, whilst interest is payable on a semi-annual basis at their respective interest rates.

(iv) Access South Africa issued a Tier II subordinated convertible debenture of 183mn South African Rand on June, 30, 2021 with a coupon rate of 2% above 6 months JIBAR payable semi-annually. The bond has a tenor of 5 years and is due on September, 2026. The Bonds have a call option date of 1st July, 2026 and the issuer's call is subject to supervisory's approval.

(v) The Bank issued a puttable Senior unsecured USD$50,000,000 Step-Up Green Notes on May 3, 2022 with a coupon rate of 5.50% and 7.25% at put option date (May 3, 2024) payable semi-annually. The Investors exercised their put option on the 3rd of May 2024. There is no outstanding obligations from Access Bank to the investors as at the reporting date.

36 Interest bearing borrowings

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
African Development Bank (see note (a))	-	6,385	-	6,385
Netherlands Development Finance Company (see note (b))	227,345	296,311	215,299	282,458
Citi Bank (see note (c))	18,694	18,513	18,694	18,513
European Investment Bank (see note (d))	90,498	44,633	90,498	44,633
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	4,036	23,956	4,036	3,346
International Finance Corporation (see note (f))	345,772	83,402	345,772	83,402
Invest International (see note (i))	26,105	16,085	26,105	16,085
US Development Finance Corporation (see note (j))	338,500	191,926	336,918	191,926
Overseas Private Investment Corporation (OPIC) (see note (k))	-	-	-	-
Botswana Development Corporation Limited (see note (l))	56,246	12,589	-	-
Norfund Private Equity Company (see note (m))	-	17,059	-	-
Anchor Borrowers Programme (ABP)	-	60	-	60
Société De Promotion Et De Participation Pour La Coopératio Économique S.A	-	5,772	-	-
Central Bank of Rwanda (see note (r))	23,419	13,610	-	-
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see	1,649	2,957	1,649	2,957
Central Bank of Nigeria - Shared Agent Network Expansion Facility (SANEF) (	1,093	1,405	1,093	1,405
Special Refinancing & Restructuring Intervention fund (SRRIF) (see note (v))	-	644	-	644
Central Bank of Nigeria - Salary Bailout facilities (see note (w))	54,694	57,596	54,694	57,596
Central Bank of Nigeria - Excess Crude Account (see note (x))	91,567	96,156	91,567	96,156
Real Sector And Support Facility (RSSF) (see note (y))	3,593	8,119	3,593	8,119
Development Bank of Nigeria (DBN) (see note (z))	83,950	93,303	83,950	93,303
Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement	285,901	313,840	285,901	313,840
Nigeria Mortgage Refinance Company (NMRC) (see note (ab))	4,939	5,136	4,939	5,136
Ghana International Bank (see note (ad))	70,389	14,176	-	-
BOI Power and steel (PAIF) (see note (ae))	1,903	4,679	1,903	4,679
Creative Industry Financing Initiative Fund (CIFI) (see note (af))	728	781	728	781
Accelerated Agricultural Development Scheme (AADS) (see note (ag))	83	494	83	494
Non-Oil Export Stimulation Facility (NESF) (see note (ah))	7,351	8,111	7,351	8,111
Health Sector Intervention (HSI) Differentiated Cash Reserve Requirement S	16,404	16,377	16,404	16,377
Lagos State Employment Trust Fund (LESTF) W Initiative (see note (aj))	144	144	144	144
ECOWAS Bank for Investment and Development (EBID) (see note (ak))	55,129	22,155	-	-
Bank of Zambia - (TMTRF) (see note (ar))	5,003	3,852	-	-
SBSA(see note (at))	39,110	18,530	-	-
Japan International Cooperation Agency(JICA) (see note au)	128,291	70,818	128,291	70,818
British International Investment plc (BII) (see note av)	100,460	57,104	100,460	57,104
Medium Term Note Programme(MTNP) (see note aw)	16,327	4,268	-	-
OFID (see note ax)	33,709	11,283	-	-
INPS (Commercial Paper) (see note ay)	21,252	7,412	-	-
IFAD Funding Line - Moza(see note az)	-	1,395	-	-
Blue Orchard Micro Finance Fund	25,618		25,618	
Other loans and borrowings	47,993	51,190	-	-
	2,228,043	**1,602,226**	**1,845,689**	**1,384,472**

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

(a) The on-lending facility granted to the Bank by AFDB (Africa Development Bank) in three 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 period of 10years, while the third tranche came in June 2016 for (USD 10m) for a period of 9 years has been fully settled.From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(b) The amount of N227,344,678,520 (USD 135,813,303) represents the outstanding balance in the facility granted to the Bank by the Netherlands Development Finance Company effective from August 2020 (USD 93.8m) and October 2022 (USD 45m) for a period of 5 years and 6 years respectively. The principal amount is repayable quarterly and semi-annually from January 2026 and May 2023 respectively while interest is paid quarterly at 9.61% and Semi-Annually at 6 months SOFR + 450bp.

(c) The amount of N18,693,979,936 (USD 11,167,586) represents the outstanding balance on facility was granted to the Bank by CITI Bank in November 2022 (USD 20M) for a period of 3 years. The princiapl amount is repayable quarterly from january 2024, while the interest portion is payable quarterly at 3.30% above 3 months SOFR and 330bps.From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(d) The amount of N90,498,047,284 (USD 54,062,575) represents the outstanding balance on three on facilities granted to the Bank by the European Investment Bank (EIB) in July 2020 (USD 68.7m), and Dec 2023(USD16.3m) for a period of 5 years and 12 years respectively. Interest is paid semi-annually at 3.038% and 7.298% respectively..

(e) The amount of N4,036,471,987 (USD 2,411,346) represents the outstanding balance on the facility of USD 15mn granted to the Bank by the Deutsche Investitions- und Entwicklungsgesellschaft (DEG) in December 2017 (USD 15m) for a period of 7 and a half years. The principal amount will be repayable semi-annually from May 2019 while interest is paid semi annually at 6months SOFR. It also includes the ZAR 250,000,000 facility granted to South Africa in December 2022 for a period of 7 years with the principal and interest amount repayable quarterly. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(f) The amount of N345,771,624,922 (USD 206,560,306) represents the outstanding balance on the facility of USD 157.5mn granted to the Bank by International Finance Corporation. The first tranche of USD 87.5mn was disbursed in June 2019 for a period of 10 years.The principal amount will be repayable quarterly from September 2024, while interest is paid quarterly at 7.65% above 3 months SOFR.There has been a transition from SOFR to SOFR effective May 2023 for the interest payable. The second Tranche of USD 70mn was disbursed in March 2024 for a period of 1 year, The principal will be repayable at the end of the tenure while interest will be paid quarterly at 3.75%+ 3 Months SOFR. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(g) The facility of USD 30mn granted to the Bank by French Development Agency for a period of 8 years.has been settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(h) The on-lending facility in three tranches granted to the Bank by the MashreqBank PSC. The first tranche of USD 634.5m has matured and was fully paid out in July 2022. The second and third tranche were disbursed in August 2022 (USD 462.5m and USD 160m), for a period of 1 year and 2 years respectively has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(i) The amount of N26,104,696,505 (USD 15,594,669) represents the outstanding balance on the on-lending facility of USD 20mn granted to the Bank by Invest International in September 2022 for 6 years. The principal amount will be paid in 10 equal installments from November 2022, while interest is paid semi-annually at 4.5% above 6 months SOFR.There has been a transition from SOFR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(j) The amount of N338,449,930,059 (USD 202,216,273) represents the outstanding balance on the on-lending facility of USD 200mn granted to Access Bank by the US Development Finance Corporation in November 2022 for 10 years. The principal amount will be repayable quarterly from January 2025 while interest is paid quarterly at 3.90% above 3 moths SOFR. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(k) On 7 March 2017 BancABC Botswana (now Access Bank Botswana) finalised a USD 40 million Fintech and Financial Inclusion Debt Facility. The loan had a 7 year tenure with a 3 year moratorium on Capital. The on-lending facility of USD 40mn granted has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(l) The amount of N56,245,610,257 (USD 33,600,532) represents the outstanding balance on the on-lending facility of BWP 150mn granted to Access Bank Botswana by the Botswana Development Corporation Ltd (BDC) in 2018. The loan has a 10 year tenure (maturing 3 August 2028) at an interest rate of bank rate (currently 4.75%) and a margin of 4%. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(m) The amount of USD15,047,697 represents the outstanding balance on the on-lending facility granted to Access Bank Ghana by Norfund in November 2022. The principal and interest amount has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(n) The on-lending facility of USD 12mn was granted to Access Bank Botswana by the Microfinance Enhancement Facility SA, SICAV-SIF in January 2019 for 3 years. The principal and interest amount has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(o) The amount of N113,000,852 represents the balance on the on-lending facility granted to Access Bank Botswana by the Botswana Building Society in January 2008 for 14 years. The principal amount is paid monthly and interest is also paid monthly at 4.5%. The principal amount and interest have been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(p) The amount of N10m) represents the outstanding balance on the on-lending facility granted to Access Bank Botswana. The principal and interest amount has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024

(q) The on-lending facility granted to Access Bank Botswana by the Kgori Capital Proprietary Limited, Botswana Insurance fund Management Proprietary Limited, Vunani Fund Managers and Morula Capital Partners in October 2016 for 7 years, the principal and interest has been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(r) The amount of N23,419,377,891 (USD 13,990,488) represents the outstanding balance on the on-lending facility granted to Access Bank Rwanda by the Central Bank of Rwanda in 2021 for a year. The principal amount will be bullet at maturity in 2023 while interest is paid at maturity at 8%. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(s) The amount of N1,648,601,852 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 year of 7 years at a zero percent interest rate to the Bank. The Bank did not provide security for this facility. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(t) The 1,093,187,901 on-lending facility granted to the Bank by Central Bank of Nigeria, to facilitate the rapid rollout of agent networks across Nigeria supporting the expansion of a shared Agent Network to deepen financial inclusion in Nigeria. The total facility has a tenor of 10 years at a 5% interest rate and the facility is meant for CBN Licensed Mobile Money Operators and Super Agents. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(u) The onlending facility 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 was paid by the Bank under the on-lending agreement and the Bank was under obligation to on-lend to customers at an all-in interest rate of 7% per annum. The principal and Interest have been fully settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(v) The facility 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 24 April 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 30 September 2024.The principal and Interest have been fully settled.

(w) The amount of N54,694,392,345 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 30 September 2024.

(x) The amount of N91,567,024,788 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 30 September 2024.

(y) The amount of N3,953,096,571 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) established by CBN. The facility tenor is for a range of 7 to 10 years inclusive of 24 months moratorium at a 3% interest rate to the Bank. An additional facility of NGN2bn was disbursed under the scheme for a period of 7 years inclusive of 1 year moratorium at a 3% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(z) The amount of N83,949,591,466 represents the outstanding balance on four on-lending facilities granted to the Bank by the Development Bank of Nigeria in two series in respect of the Micro, Small and Medium Scale Enterprises (MSMEs) and Small Corporates. The facilities are for a maximum of 3 years at a 9.6% interest rate to the Bank. A third series of about 1.68bn was disbursed for a period of 10 years. The fourth facility of about 70bn was disbursed for a period of 10 years at an interest rate of 10%. It also includes the 20bn disbursed in August 2022, for a maximum of 3 years. Principal repayment will began in February 2024 while interest is at a rate of 12%. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(aa) The amount of N285,900,589,923 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) established by CBN supporting Reddington Multi-specialist Hospital, Dana Motors, Lafarge Africa PLC. The facility is for a maximum period of 7 years inclusive of 12 months moratorium for Reddington and Dana and a 24 months moratorium for Lafarge at a 0% interest rate to the Bank. Additional amounts were disbursed between July 2019 and November 2019 in favor of 5 other beneficiaries amounting to 34.58bn for a period of 7 years with 2 years moratorium at 2% interest rate on a quarterly basis for the first 4 counterparties and 10 years with no moratorium at 1% interest rate on a quarterly basis for the last counterparty. There were additional facilities disbursed in 2020 in favor of 16 other beneficiaries amounting to about N59bn for a period of 4 to 10 years inclusive of 6 months to 2 years moratorium at 2% interest rate on a quarterly basis. Additionally, facility worth 149bn was disbursed in 2022 to for mangal, BUA, retail supermarket etc for a period of 7.5 to 10 years at 2% interest rate on a quarterl basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ab) The amount of N4,939,414,102 represents the outstanding balance on the on-lending facility granted to the Bank by Nigeria Mortgage Refinance Company. The facility is for a maximum period of 15 years commencing from the date of execution of this agreement at a 14.5% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ac) The on-lending facility of USD 25mn granted to the Bank by Africa Export and Import Bank (AFREXIM) in May 2018 for a period of 3 years has fully matured and has been settled. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ad) The amount of N70,389,425,571 (USD42,049,897) represents the outstanding balance on the on-lending facility granted to Access Bank Ghana by Ghana International Bank in October 2022. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ae) The amount of N1,902,820,687 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria. The total facility has a maximum tenor of 15 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7%. 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 30 September 2024

(af) The amount of N727,972,592 represents the outstanding balance on the on-lending facility granted to the Bank by the Central Bank of Nigeria under the Creative Industry Financing Initiative established by the CBN. The initiative is on a request by request basis. The tenor of the facilities granted ranges from 3 to 10 years inclusive of a maximum of 24 months moratorium. There are currently 14 beneficiaries under the initiative. The Bank is under obligation to on-lend to customers at an all-in interest rate of 9% with 2% remitted to CBN. The Bank remains the primary obligor to CBN and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ag) The amount of N82,631,096 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Accelerated Agricultural Development Scheme (AADS) on behalf of Bayelsa State Government. The facility is for a period of 3 years inclusive of 24 months moratorium at a 4% interest rate repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ah) The amount of N7,350,916,583 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Non-Oil Export Stimulation Facility (NESF) supporting Leaf Tobacco and Commodities Nigeria Limited in acquiring additional machinery for expansion of their facilities. The facility is for a period of 6 years inclusive of 12 months moratorium at a 1% interest rate repayable on a quarterly basis which will increase to 2% effective March 1, 2022. It also includes an additional N5bn disbursed in september 2022 for a period of 7 years at 2% interest repayable on a quarterly basiss. Principal repayment will start in October 2024, payable on a quarterly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ai) The amount of N16,404,054,705 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria through the Health Sector Intervention Facility (HSIF) window of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) supporting 8 beneficiaries (N7.6bn). The tenor of the facility ranges from 4 to 10 years inclusive of maximum moratorium of 12 months. The interest is set at 1% repayable on a quarterly basis which will increase to 2% effective March 2022. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(aj) The amount of N144,197,215 represents the outstanding balance on the on-lending facility granted to the Bank by Lagos State Employment Trust Fund (LESTF) to support financial inclusion of women in Lagos state. The tenor of the facility is 2 years. The interest is set at 5% repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ak) The amount of N55,129,400,094 (USD 32,933,720) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Ghana by ECOWAS Bank for Investment and Development (EBID) for two different facilities which attracts an interest rate of 4.75% for 90 days and 2.75% for 63 days respectively disbursed on 29 June 2022 and 6 June 2022 all with principal and interest payable at maturity. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(al) This on-lending facility was granted to the Group's Subsidiary in Ghana by Standard Chartered Bank GH. Ltd. Two tranches were disbursed on 29 June 2021 and 3 June 2021 at an interest rate of 2.97% for 9 months and 1 year respectively where principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(am) The facility was granted to the Group's Subsidiary in Ghana by Bunge SA which attracts an interest rate of 5.24% for 175 days was disbursed on 1 June 2022. The principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(an) The facility was granted to the Group's Subsidiary in Ghana by Cargill, Inc. which attracts an interest rate of 3.16% for 357 days was disbursed on 15 October 2021. The principal and interest are payable semi-annually. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ao) The facility was granted to the Group's Subsidiary in Ghana by JP Morgan Chase Bank N.A. which attracts an interest rate of 3.18% for 374 days was disbursed on 26 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ap) The facility was granted to the Group's Subsidiary in Ghana by FCC Securities which attracts an interest rate of 3.18% for 371 days was disbursed on 29 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(aq) The facility was granted to the Group's Subsidiary in South Africa by Norsad Finance Limited disbursed 30 January 2020 which attracts an interest rate of 5.5% plus 3 months JIBAR for 3 years with interest and principal paid quarterly. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ar) The amount of N5,002,654,345 (USD 2,988,533) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Zambia by Bank of Zambia - (TMTRF) which attracts an interest rate ranging from 9.5% to 10.25% with tenors ranging from 30 days to 7 years with eight different facilities disbursed on 31 July 2020, 10 March 2021, 3 December 2021 and 16 December 2021. Interest is payable quarterly after 12 months moratorium and principal is paid at maturity. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(as) This on-lending facility granted to the Group's Subsidiary in Mozambique by ABC Holdings Ltd for two facilities disbursed on 1 Dec 2017 and 31 Dec 2016 for a period of 5 and 10 years respectively which attracts an interest rate of 8.5% and 14.25% respectively with Semi- annual repayment of interest and Principal on maturity. The balances for this facility has been paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(at) The amount of N39,109,751,778 (USD23,363,751 represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in South Africa by SBSA which attracts an interest rate ranging from 9.012% to 9.89% with tenors ranging from 30 days to 1 year . Principal and Interest is payable quarterly within 12 months. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(au) The amount of N128,290,507,159 (USD 76,639,390) represents the outstanding balance on the on-lending facility granted to the Bank by the Japan international Cooperation Agency(JICA) on the 22nd of December 2023 which attracts an interest rate of 2.9% plus 6months SOFR for a tenor of 7 years . Principal and Interest is payable semiannually with a principal moratorium of 3 years. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(av) The amount of N100,460,028,706 (USD 60,013,757) represents the outstanding balance on the on-lending facility granted to the Bank by the British International Investment Plc (BII) on the 29th of September 2023 which attracts an interest rate of 3% plus 3months SOFR for a tenor of 1 years . Interest is payable Quarterly with principal payment at the end of the contract. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(aw) The amount of N16,326,780,751 (USD 9,753,446) represents the outstanding balance on the on-lending facility granted to Access Bank Bostwana. on 29 November 2023 Access Bank Botswana finalised a BWP 101 million drawdown on the BWP 2 billion Medium Term Note Programme. The notes purchasers had options to purchase securities of either a 3 year or 5 year tenure and are repayble in full at maturity. Interest is paid bi annually throughout the term of the bond. The rate for the bonds are fixed at 8.50% and 9,25% for the 3 year and 5 year notes respectively. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ax) The amount of N33,708,642,261 (USD 20,137,186) represents the outstanding balance on the on-lending facility granted to Access Bank Bostwana. On 19 June 2023 Access Bank Botswana finalised a USD 20 million Term loan Facility provided by the OPEC Fund for International Development ("OFID"). The loan was drawndown on the 18th December 2023. The loan has a 5 year tenure with a 2 year moratorium on Capital after which it repayable in 6 equal bi annual installments. Interest is paid quarterly during the three years and the Capital is paid in 16 equal instalments after year 3. The rate is six month SOFR plus a margin of 2.75%. . The loan was disbured in one tranche. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(ay) The amount of N21,251,984,591 (USD 12,695,711) represents the outstanding balance on the on-lending facility granted to Access Bank Mozambique from INPS which attract an interest rate of 15%,tenor of 1year with repayment of Principal and interest on maturity. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(az) The amount of N1,913,018,062 represents the outstanding balance on the on-lending facility granted to Access Bank Mozambique from the International Fund for Agricultural Development(IFAD) which attract an interest rate of 4%,tenor of 4year with repayment of Principal on maturity and interest on a monthly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.The principal and interest amount has been fully settled.

(ba) The amount of N25,617,802,823 (USD 15,303,804) represents the outstanding balance on the on-lending facility granted to the Bank from Blue Orchard Micro Finance Fund which attract an interest rate of 3.80% Plus 6 Months SOFR payable semi annually ,tenor of 5year with repayment of Principal effective March 2026 on a semi annual basis. From this creditor, the bank has nil undrawn balance as at 30 September 2024.

(bb) All borrowings are unsecured

Reconciliation of interest bearing borrowings

In millions of Naira	**Group** **Septemeber 2024**	**Bank** **Septemeber 2024**
Balance as at 1 January 2023	1,602,227	1,384,472
Proceeds from interest bearing borrowings	449,963	250,732
Repayment of interest bearing borrowings	(429,845)	(372,100)
Total changes from financing cash flows	1,622,345	1,263,104
The effect of changes in foreign exchange rates	576,508	568,844
Other changes		
Interest expense	104,581	82,010
Interest paid	(75,389)	(68,269)
Balance as at 30 September 2024	**2,228,044**	**1,845,689**

	Group **December 2023**	**Bank** **December 2023**
Balance as at 1 January 2023	1,385,587	1,286,871
Proceeds from interest bearing borrowings	310,975	152,003
Arising from business combination (Note 44)	-	-
Repayment of interest bearing borrowings	(763,774)	(723,837)
Total changes from financing cash flows	932,788	715,037
The effect of changes in foreign exchange rates	668,128	671,398
Other changes		
Interest expense	79,303	72,314
Interest paid	(77,992)	(74,277)
Balance as at 31 December 2023	**1,602,227**	**1,384,472**

38 Capital and reserves

A Share capital

In millions of Naira	**Bank Septemeber 2024**	**Bank December 2023**
(a) Issued and fully paid-up :		
35,545,225,622 Ordinary shares of 50k each	17,773	17,773

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 millions of Naira	**Bank Septemeber 2024**	**Bank December 2023**
Balance, beginning of the period	17,773	17,773
Balance, end of the period	17,773	17,773

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

In millions of units	**Group Septemeber 2024**	**Group December 2023**
Balance, beginning of the period	35,545	35,545
Balance, end of the period	35,545	35,545

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

In millions of Naira	**Group Septemeber 2024**	**Group December 2023**
Balance, beginning of the period	234,039	234,039
Balance, end of the period	234,039	234,039

C (i) Additional Tier 1 Capital
The Bank issued a U.S.$500,000,000 Perpetual Fixed Rate Resettable Non callable prior to 5.25 years Additional Tier 1 (AT1) Subordinated Notes under its U.S.$1,500,000,000 Global Medium Term Note Programme listed on the London Stock Exchange.

The principal terms of the issue are described below:

1) The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations

2) The AT1 security is undated and are redeemable, at the option of Access Bank PLC in whole at (i)any time from 7 October 2026 up to and including the First Reset Date of January 7, 2027 and (ii)every Interest Payment Date thereafter (Issuer Call Date). In addition,the AT1 security is redeemable, at the option of the Bank, in whole in the event of certain changes in the tax or regulatory treatment of the securities

3) AT1 security will bear a fixed rate of interest of 9.125 percent until the initial call date or the initial reset date, as the case may be. After the initial call date or the initial reset date, as the case may be, in the event that they are not redeemed, the AT1 security will bear interest at a rate per annum equal to the aggregate of (i) the Reset Margin of 8.07 per cent. per annum and (ii) the then prevailing U.S. Treasury Rate

4) Interest on the AT1 security will be due and payable only at the sole discretion of the Bank, and it has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date. Interest on the Notes will be payable semi-annually in arrears commencing on 7 July 2022. The amount paid during the period is

C (ii) Mandatory Convertible Notes

On the 29 March 2023, the Bank issued a $300Mn Additional Tier 1 (AT1) capital through a mandatory convertible note to Access Holdings.
The principal terms of the additional tier 1 security are as follows:

• The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations.

• The AT 1 security will bear a fixed interest rate of 15% per annum payable to the Subscriber in two equal semi-annual installments, in US Dollars net of any fees and taxes. The Issuer (Access Bank Plc) shall have full discretion at all times to vary, cancel, or postpone the Interest payments.

• The AT 1 security is undated and convertible (i) on the date falling 8 (eight) years(29 March 2031) after the Closing Date being the Conversion Date but shall be converted at the discretion of the Issuer (Access Bank Plc), subject to the approval of the CBN, into ordinary shares of the Company. (ii) a trigger event where the tier 1 capital of the Bank (inclusive of the Notes), is below the requirements of the Central Bank of Nigeria.

• The subscriber shall mandatorily deliver a conversion notice to the issuer(Access Bank Plc) seeking to convert the Notes but the ultimate conversion right is retained with the issuer (Access Bank Plc).

In millions of Naira	Initial call date	Bank Septemeber 2024	Bank December 2023
U.S.$500,000,000 Perpetual Fixed Rate Resettable NC 5.25 Additional Tier 1 Subordinated Notes	2026	206,355	206,355
U.S.$300,000,000 Non cumulative Fixed Rate Resettable NC 8 Mandatory convertible Preference shares	2031	138,675	138,675
Balance, end of the year		345,030	345,030

D Retained earnings

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Retained earnings	1,157,745	737,133	634,285	605,619

E Other components of equity

	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Other regulatory reserves (see i(a) below)	341,915	328,960	255,189	217,119
Share Scheme reserve	-	-	-	-
Treasury Shares	-	-	-	-
Capital Reserve	3,489	3,489	3,489	3,489
Fair value reserve	5,647	(20,665)	8,914	(15,802)
Foreign currency translation reserve	1,157,282	501,795	-	-
Regulatory risk reserve	129,369	146,966	125,680	124,720
	1,637,702	960,546	393,272	329,526

(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 used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by a CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 periods 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.

i(a)

	Statutory reserves Septemeber 2024	Statutory reserves December 2023	SMEEIS Reserves Septemeber 2024	SMEEIS Reserves December 2023	Total Septemeber 2024	Total December 2023
Group						
In millions of Naira						
Opening	328,135	157,479	827	827	328,961	158,306
Transfers during the year	12,955	170,656	-	-	12,955	170,656
Closing	341,090	328,135	827	827	341,917	328,962
Bank						
In millions of Naira						
Opening	216,292	135,940	827	827	217,119	136,767
Transfers during the year	38,071	80,352	-	-	38,071	80,352
Closing	254,363	216,292	827	827	255,190	217,120

(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. This has been reclassified in line with the transfer of the scheme to the Holding company (Please refer to Note 14 (a))

(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 investments measured through other comprehensive income 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 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 IFRS.

(viii) Retained earnings
Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders. An amount of N47.88Bn relating to the impact of IAS 29 assessment for Hyperinflationary economies has been recognized through retained earnings as relates to one of the Group's subsidiaries, Access Bank Ghana.

F Non-controlling interest

This represents the Non-controlling interest's (NCI) portion of the net assets of the Group. A partial disposal was done on Access Botswana during the period. Please refer to Note 46 for more details of this

In millions of Naira	Group Septemeber 2024	Group December 2023
Access Bank, Gambia	3,574	1,682
Access Bank, Sierra Leone	313	141
Access Bank Zambia	25,394	8,460
Access Bank, Rwanda	5,634	3,427
Access Bank, Congo	26	16
Access Bank, Ghana	26,478	14,329
Access Bank, Mozambique	18	13
Access Bank, Kenya	1	1
Access Bank, South Africa	2,321	1,318
Access Bank, Botswana(see note 46)	52,693	24,095
Access Bank, Cameroon	-	-
Access Bank, Angola	780	430
Access Bank, Tanzania	906	-
	118,138	**53,912**

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

In millions of Naira	Group Septemeber 2024	Group September 2023
Access Bank, Gambia	229	12
Access Bank, Sierra Leone	45	0.8
Access Bank Zambia	5,899	19.0
Access Bank, Rwanda	578	8.8
Access Bank, Congo	2	0.0
Access Bank, Ghana	4,249	6.6
Access Bank, Mozambique	(0.36)	0.0
Access Bank, Kenya	(1.02)	0.0
Access Bank, South Africa	(367)	2.1
Access Bank, Botswana	2,031	21.9
Access Bank, Cameroon	-	-
Access Bank, Angola	74	0.2
Access Bank, Tanzania	4	-
	12,743	**71**

	Group Septemeber 2024	Group December 2023
Proportional Interest of NCI in subsidiaries	%	%
Access Bank, Gambia	12.00%	12.00%
Access Bank, Sierra Leone	0.81%	0.81%
Access Bank Zambia	19.02%	19.02%
Access Bank, Rwanda	8.78%	8.78%
Access Bank Congo	0.02%	0.02%
Access Bank, Ghana	6.60%	6.60%
Access Bank, Mozambique	0.02%	0.02%
Access Bank, Kenya	0.02%	0.02%
Access Bank, South Africa	2.11%	2.11%
Access Bank, Botswana	30.00%	21.85%
Access Bank, Angola	0.80%	-
Access Bank, Tanzania	3.00%	-

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. N8.12billion provision has been made as at 30 September 2024.

The bank's litigation portfolio as at 30 September 2024 consisted of 1,809 cases and the aggregate value of monetary claims against the Bank is N12.93trillion while the total amount claimed by the bank is N51.78billion.

The claims against the Bank are generally considered to have a low likelihood of success and the Bank is actively defending same. Management believes that the ultimate resolution of any of the proceedings will not have a significantly adverse effect on the Bank.

Contingent liability and commitments

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

Nature of instruments

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

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

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed year, 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 millions of Naira	**Group** **Septemeber 2024**	**Group** **December 2023**	**Bank** **Septemeber 2024**	**Bank** **December 2023**
Contingent liabilities:				
Transaction related bonds and guarantees	1,812,443	744,454	1,346,709	735,514
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	2,019,899	1,645,678	1,312,743	1,060,454
Swap and forward contracts	-	-	-	-
	3,832,342	**2,390,132**	**2,659,452**	**1,795,968**

40 Reconciliation to the Cash and cash equivalents

(a) *Cash and cash equivalents include the following for the purposes of the statement of cash flows:*

In millions of Naira	Group Septemeber 2024	Group December 2023	Bank Septemeber 2024	Bank December 2023
Cash on hand and balances with banks	3,851,960	1,907,562	2,965,355	1,497,866
Unrestricted balances with central banks	678,351	719,501	28,228	415,846
Money market placements	279,754	220,223	211,135	309,540
Investment under management	-	-	-	-
Treasury bills with original maturity of less than 90 days	1,006,299	541,171	1,006,299	541,171
	5,816,364	**3,388,457**	**4,211,016**	**2,764,423**

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.

(b) *Reconciliation of movements of liabilities to cash flows arising from financing activities*

	Debt securities issued		Interest bearing borrowings	
	Group Septemeber 2024	Bank Septemeber 2024	Group September 2024	Bank September 2024
Net debt	585,024	577,378	1,602,227	1,384,472
Proceeds from interest bearing borrowings	-	-	449,963	250,732
Repayment of interest bearing borrowings	-	-	(429,845)	(372,100)
Repayment of debt securities issued	(84,943)	(84,943)	-	-
Total changes from financing cash flows	500,081	492,435	1,622,345	1,263,104
The effect of changes in foreign exchange rates	371,503	365,530	576,508	568,844
Other changes				
Interest expense	38,999	38,325	104,581	82,010
Interest paid	(31,110)	(30,936)	(75,389)	(68,269)
Balance	**879,473**	**865,354**	**2,228,043**	**1,845,689**

	Debt securities issued		Interest bearing borrowings	
	Group December 2023	Bank December 2023	Group December 2023	Bank December 2023
Net debt	307,253	303,297	1,385,587	1,286,871
Acquired from business combinations	-	-	-	-
Proceeds from interest bearing borrowings	-	-	310,975	152,003
Arising from business combination	-	-	-	-
Repayment of interest bearing borrowings	-	-	(763,774)	(723,837)
Debt securities issued	-	-	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	307,253	303,297	932,788	715,038
The effect of changes in foreign exchange rates	275,167	271,888	668,128	671,398
Other changes				
Interest expense	30,364	29,779	79,300	72,316
Interest paid	(27,760)	(27,586)	(77,992)	(74,277)
Balance	**585,024**	**577,378**	**1,602,224**	**1,384,474**

(C) *Non-cash investing activities and financing activities:*
The following activities as listed below are the items that have been identified as non cash investing and financing activities arising from the merger

Acquisition of Right of use assets-(see note 28 (b)
Partial settlement of a business combination through the issuance of shares (see note 44(a)i

44 Business Combination

(a) Business Combination with Atlas Mara

Access Bank Zambia recently acquired Atlas Mara Bank in Zambia effective on the 5th of January 2024. The acquisition involved the Bank acquiring 100% of the issued share capital of Atlas Mara in exchange for consideration of N24,706,062,683. 20 (Twenty four billion, seven hundred and six million, sixty two thousand, six hundred and eighty three naira. Twenty kobo the equivalent of 427,535, 252 kwacha)

The goodwill has been computed based on the fair value of the net asset of former Atlas Mara to the consideration paid for the acquisition. The goodwill computation is provisional based on the requirement of IFRS 3

In millions of Naira	**Bank January 2024**
Considerations:	
Cash payment	24,706
Contingent settlement consideration	-
Total Consideration	**24,706**
Net assets acquired from business combination (see note 44 (j)	20,641
Fair value adjustment	-
Adjusted Net assets acquired from business combination (see	20,641
Goodwill	**4,066**

The fair value of the net assets acquired include:

	Bank January 2024
Assets	
Cash and balances with banks	199,228
Loans and advances to customers	339,620
Investment securities	241,437
Investment properties	2,254
Other assets	21,642
Investment in subsidiaries	48
Property and equipment	20,118
Intangible assets	23,651
Current tax assets	12,237
Non current asset held for sale	3,520
Total assets	**863,754**
Liabilities	
Deposits from customers	634,377
Other liabilities	54,974
Interest-bearing borrowings	153,762
	843,112
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**843,112**
Net assets	**20,641**

(b) Business Combination with African Banking Corporation Holdings Limited (ABC)

Access Bank Plc acquired African Banking Corporation Holdings limited (ABC) in Tanzania on the 31st of May 2024. The acquisition involved the Bank acquiring 97% of the issued share capital of ABC in exchange for a deferred consideration of N23,328,520,362.58 (Twenty three billion, three hundred and twenty eight million, five hundred and twenty thousand, three hundred and sixty two naira. fifty eight kobo) to be used to pay the sellers Fairfax financial Holdings at an agreed date in 3 years time. This is a deferred consideration as payment is not due until 3 years time.

The bargain purchase has been computed based on the fair value of the net asset of former BancABC to the consideration paid for the acquisition. The goodwill computation is provisional at the time of this report.

In millions of Naira	**Bank January 2024**
Considerations:	
Deferred consideration	23,329
	-
Total Consideration	**23,329**
Net assets acquired from business combination (see note 44 (j)	26,630
Fair value adjustment	-
Adjusted Net assets acquired from business combination (see	26,630
Bargain Purchase	**(3,301)**

The fair value of the net assets acquired include:

	Bank January 2024
Assets	
Cash and balances with banks	31,366
Loans and advances to customers	77,498
Investment securities	21,804
Other assets	5,064
Property and equipment	1,456
Intangible assets	2,863
Total assets	**140,050**
Liabilities	
Deposits from financial institutions	12,928
Deposits from customers	93,168
Other liabilities	2,818
Interest-bearing borrowings	3,682
	112,595
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**112,595**
Net assets	**27,454**
Non controlling interest	824
Owners of the Bank equity	**26,630**

45 Director-related exposures

Access Bank has some exposures that are related to its Directors. The Bank however follows a strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

a. Complete adherence to the requirements for granting insider-related exposure as stated in the Bank's Credit Policy Guidelines, the Insider-related Policy as well as the Bank's duly approved Standard Operating Procedure for managing insider-related exposures.

b. Full compliance with the relevant CBN policies on insider-related lending.
c. All affected Directors are precluded from taking part in the approval process of credit request wherein they have interest.
d. The related Director is required to execute a document authorizing the Bank to use their accruable dividends to defray any related-obligor's delinquent exposures.

e. The Directors are required to execute documents for the transfer of their shares to the Bank's nominated broker to ensure effective control as required by the CBN policy to enhance the bank's Corporate Governance structure.

f. Section 89 of the Bank's Article of Association also reiterated that "a related Director shall vacate office or cease to be a Director, if the Director directly or indirectly enjoys a facility from the Bank that remains non-performing for a period of more than 12months."

The Bank's principal exposure to all its directors as at 30 September 2024 is N461Mn. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the bank.

Below is a schedule showing the details of the Bank's director-related lending:

September 2024

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal	Status	Nature of security
					N'millions		
1	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Credit Card	1	Performing	Cash collateral
2	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Overdraft	3	Performing	Cash collateral
3	Osuntoki Akinwunmi	Non-executive director	Osuntoki Akinwunmi	Credit Card	2	Performing	Cash collateral
4	Titilayo Osuntoki	Non-executive director	Osuntoki Akinwunmi	Credit Card	2	Performing	Cash collateral
5	MFON AND PAUL USORO	Non-executive director	Mr Paul Usoro	Credit Card	38	Performing	Legal Mortgage
6	Usoro E Mfon	Non-executive director	Mr Paul Usoro	Credit Card	0	Performing	Cash Collateral
7	Paul Usoro & Company	Non-executive director	Mr Paul Usoro	Overdraft	368	Performing	Cash Collateral
8	Paul Usoro	Non-executive director	Mr Paul Usoro	Credit Card	1	Performing	Cash Collateral
9	Ajoritsedere Josphin Awosika	Non-executive director	Ajoritsedere Awosika	Credit Card	46	Performing	Cash Collateral
	Balance, end of period				**461**		

December 2023

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal	Status	Nature of security
					N'millions		
1	Paul Usoro & Company	Non-executive director	Mr Paul Usoro	Overdraft	170	Performing	Cash collateral
					-		
2	Paul and Mfon Usoro	Non-executive director	Mr Paul Usoro	Credit Card	2	Performing	Cash collateral
3	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Overdraft	5	Performing	Cash collateral
4	Okey Nwuke	Non-executive director	Mr Okey Nwuke	Credit Card	12	Performing	Cash collateral
5	Ajoritsedere Josephine Awosika	Non-executive director	Ajoritsedere Awosika	Credit Card	21	Performing	Cash collateral
6	Herbert Wigwe	Non-executive director	Herbert Wigwe	Mortgage	253	Performing	Legal Mortgage
7	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	370	Performing	Cash Collateral
8	Herbert Wigwe	Non-executive director	Herbert Wigwe	Credit Card	19	Performing	Cash Collateral
9	Herbert Wigwe	Non-executive director	Herbert Wigwe	Overdraft	-	Performing	Cash Collateral
	Balance, end of year				**851**		

46 Partial Disposal of a subsidiary without the loss of control

(a) During the year, the Bank disposed off 8.15% of it investment in Access Bank Botswana in order to comply with the Botswana Stock Exchange Equity Listing requirements to meet the minimum of 30% Free float requirements.
The gain/loss arising from the disposal is recognised in equity by the group. The effect of the changes on the equity attributable to the parent/group is set out below: 2024

	Group 30 September 2024	Bank 30 September 2024
Assets		
Cash and balances with banks	305,386	-
Investment under management	-	-
Non pledged trading assets	8,826	-
Derivative financial assets	13	-
Loans and advances to banks	-	-
Loans and advances to customers	626,263	-
Pledged assets	-	-
Investment securities	280,720	-
Investment properties	-	-
Restricted deposit and other assets	15,480	-
Investment in associates	-	-
Investment in subsidiaries	-	34,111
Property and equipment	17,237	-
Intangible assets	4,726	-
Current tax assets	-	-
Deferred tax assets	745	-
	1,259,396	**34,111**
Liabilities		
Deposits from financial institutions	152	-
Deposits from customers	977,471	-
Derivative financial liabilities	-	-
Current tax liabilities	-	-
Other liabilities	68,938	-
Deferred tax liabilities	43	-
Debt securities issued	-	-
Interest-bearing borrowings	91,254	-
Retirement benefit obligation	-	-
Total liabilities held for sale	**1,137,857**	**-**
Net Assets	**121,539**	**34,111**

(b) **Disposal of subsidiary**

	Group 30 September 2024	Bank 30 September 2024
Proceeds Received	12,290	12,290
Cost of sale	(179)	(179)
Net proceeds	**12,110**	**12,110**
Parent share of Net assets and Goodwill		
Parent share of Net assets (78.15%)	94,983	34,111
Goodwill at acqusition	(965)	-
	94,018	**34,111**
Net realizable value (8.15%)		
Stake disposed (8.15%)	8.15%	8.15%
Parent share of disposed Net assets	7,741	3,557
Disposed stake of Goodwill at acqusition	(79)	-
Total	7,662	3,557
Gain on Disposal	**4,448**	**8,553**
Number of shares owned by parent	567	567
Number of shares sold by parent	59	59
Parent disposed cost of investment	7,662	3,557

Other National Disclosures

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira

	Note	Group September 2024	%	Group September 2023	%
Gross earnings		3,371,067		1,583,670	
Interest expense	8				
Foreign		(863,167)		(68,963)	
Local		(506,726)		(502,487)	
		2,001,174		1,012,221	
Net impairment loss on financial assets	9	(109,045)		(50,102)	
Net impairment loss on non financial assets	9	(35,904)		(11,723)	
Bought-in-materials and services					
Foreign		(172,546)		(35,746)	
Local		(613,943)		(377,177)	
Value added		**1,069,738**		**537,472**	
Distribution of Value Added					
To Employees:					
Employees costs	14	264,992	25%	112,747	21%
To government					
Government as taxes	16	93,087	9%	43,398	8%
To providers of finance					
Interest on borrowings	8	143,579	13%	73,916	14%
Dividend to shareholders		78,910	7%	47,275	9%
Retained in business:					
For replacement of property and equipment and intangible assets		72,881	7%	42,057	8%
For replacement of equipment on lease		-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves		416,289	39%	218,080	41%
		1,069,739	**100%**	**537,473**	**100%**

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira		**Bank September 2024**	%	**Bank September 2023**	%
Gross earnings		2,307,369		1,255,366	
Interest expense	8				
Foreign		(822,520)		(66,223)	
Local		(257,591)		(425,538)	
		1,227,258		763,604	
Net impairment (loss) on financial assets	9	(93,012)		(44,913)	
Net impairment loss on other financial assets	9	(35,642)		(11,693)	
Bought-in-materials and services					
Foreign		(77,456)		(28,472)	
Local		(503,694)		(326,259)	
Value added		**517,454**		**352,267**	
Distribution of Value Added					
To Employees:					
Employees costs	14	92,674	18%	59,926	17%
To government					
Government as taxes	16	17,875	3%	13,831	4%
To providers of finance					
Interest on borrowings	8	120,335	23%	69,566	20%
Dividend to shareholders		78,910	15%	47,275	13%
Retained in business:					
For replacement of property and equipment and intangible assets		32,766	6%	29,392	8%
For replacement of equipment on lease		-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves		174,891	34%	132,278	38%
		517,454	**100%**	**352,267**	**100%**

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

	Septemeber 2024	December 2023	December 2022	December 2021	December 2020
Group					
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	5,101,618	2,975,484	1,961,100	1,487,665	723,873
Investment under management	10,198	7,423	3,742	34,942	30,451
Non pledged trading assets	276,588	209,208	102,690	892,508	207,952
Pledged assets	1,767,043	1,211,641	1,265,279	344,537	228,546
Derivative financial instruments	2,213,188	2,050,432	402,497	171,332	251,113
Loans and advances to banks	2,067,712	880,534	455,710	284,548	392,821
Loans and advances to customers	11,861,771	8,037,723	5,100,807	4,161,364	3,218,107
Current tax assets	-	-	-	-	-
Investment securities	10,227,830	5,342,156	2,761,070	2,270,338	1,749,549
Investment properties	437	437	217	217	217
Other assets	6,199,042	5,076,405	2,487,691	1,707,290	1,548,891
Investment in associates	8,906	8,424	7,510	2,641	-
Investment in subsidiary	-	-	-	-	-
Property and equipment	515,240	418,181	293,152	247,734	226,479
Intangible assets	151,992	128,148	73,782	70,332	69,190
Deferred tax assets	64,502	35,417	15,023	13,781	4,240
Assets classified as held for sale	110,544	75,418	42,039	42,737	28,318
Total assets	40,576,607	26,457,034	14,972,310	11,731,965	8,679,748
Liabilities					
Deposits from financial institutions	9,717,067	4,387,020	2,005,316	1,696,521	958,397
Deposits from customers	22,280,606	15,322,752	9,251,238	6,954,827	5,587,418
Derivative financial instruments	64,566	475,997	32,737	13,953	20,881
Current tax liabilities	37,592	20,450	4,501	4,643	2,160
Other liabilities	1,836,697	1,695,403	753,875	560,709	379,417
Deferred tax liabilities	9,882	11,160	1,796	11,652	14,877
Debt securities issued	879,473	585,024	307,253	264,495	169,160
Interest-bearing borrowings	2,228,044	1,602,226	1,385,424	1,171,260	791,455
Retirement benefit obligations	7,803	8,577	3,277	3,877	4,941
Total liabilities	37,061,728	24,108,607	13,745,417	10,681,936	7,928,706
Equity					
Share capital and share premium	251,811	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	345,030	345,030	206,355	206,355	-
Retained earnings	1,157,745	737,133	409,653	397,273	252,397
Other components of equity	1,642,152	960,548	344,677	171,113	239,494
Non controlling interest	118,138	53,911	14,395	23,477	7,339
Total equity	3,514,877	2,348,433	1,226,892	1,050,029	751,041
Total liabilities and Equity	40,576,606	26,457,034	14,972,310	11,731,965	8,679,748
Gross earnings	3,371,067	2,589,874	1,382,773	971,885	764,717
Profit before income tax	583,837	751,086	170,402	176,701	125,922
Profit from continuing operations	490,751	645,462	155,873	160,216	106,010
Discontinued operations	-	-	-	-	-
Profit for the period	490,751	645,462	155,873	160,216	106,010
Non controlling interest	12,743	4,290	(665)	1,888	1,327
Profit attributable to equity holders	478,008	641,173	156,539	158,328	104,683
Dividend declared	2.80k	2.80k	1.60k	100k	80k
Earning per share - Basic	1345k	1804k	453k	459k	300k
- Adjusted	1344k	1803k	436k	445k	294k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

Bank	**Septemeber 2024**	**December 2023**	**December 2022**	**December 2021**	**December 2020**
In millions of Naira	**N'millions**	**N'millions**	**N'millions**	**N'millions**	**N'millions**
Assets					
Cash and balances with banks	3,482,404	2,345,773	1,445,659	1,068,976	589,812
Investment under management	10,198	7,423	3,742	34,942	30,451
Non pledged trading assets	194,256	157,798	77,624	803,806	110,283
Pledged assets	1,767,043	1,211,641	1,265,279	344,537	228,546
Derivative financial instruments	2,184,343	2,033,286	399,058	161,439	244,564
Loans and advances to banks	1,062,049	659,546	322,610	322,259	231,788
Loans and advances to customers	6,649,181	5,369,154	4,084,352	3,256,073	2,818,876
Current tax assets	-	-	-	-	-
Investment securities	5,976,139	3,346,780	1,946,560	1,553,458	1,428,040
Other assets	5,124,635	4,693,999	2,346,048	1,601,379	1,490,633
Investment properties	437	437	217	217	217
Investment in associates	6,904	6,904	6,904	2,548	-
Investment in subsidiary	412,169	390,325	283,045	215,775	164,252
Property and equipment	344,732	277,527	245,070	194,071	191,893
Intangible assets	82,421	73,105	59,365	58,734	67,496
Deferred tax assets	5,073	-	7,707	-	-
Assets classified as held for sale	110,544	75,418	42,038	42,547	28,128
Total assets	27,412,527	20,649,112	12,535,279	9,660,761	7,624,980
Liabilities					
Deposits from banks	8,114,847	3,907,192	1,637,318	1,422,707	831,632
Deposits from customers	13,686,535	11,239,847	7,530,062	5,517,069	4,832,744
Derivative financial instruments	61,007	471,819	31,072	9,943	20,776
Debt securities issued	865,354	577,378	303,297	260,644	169,160
Current tax liabilities	30,785	14,501	7,556	3,132	2,547
Other liabilities	1,176,368	1,503,893	667,195	495,161	342,460
Retirement benefit obligations	7,543	8,480	3,244	3,846	4,584
Interest-bearing borrowings	1,845,689	1,384,472	1,286,869	1,072,435	755,254
Deferred tax liabilities	-	9,544	-	4,374	11,926
Total liabilities	25,788,128	19,117,123	11,466,613	8,789,310	6,971,084
Equity					
Share capital and share premium	251,811	251,811	251,810	251,811	251,811
Additional Tier 1 Capital	345,030	345,030	206,355	206,355	-
Retained earnings	634,285	605,619	321,181	304,778	206,896
Other components of equity	393,272	329,526	289,319	108,506	195,188
Total equity	1,624,399	1,531,987	1,068,665	871,450	653,896
Total liabilities and Equity	27,412,526	20,649,112	12,535,279	9,660,761	7,624,980
Gross earnings	2,307,369	2,048,912	1,125,012	734,283	634,864
Profit before income tax	271,679	569,140	162,709	106,483	90,196
Profit for the year	253,804	535,678	166,658	111,326	80,039
Dividend declared	2.80k	2.80k	1.60k	100k	80k
Earning per share - Basic	715k	1508k	469k	314k	225k
- Adjusted	714k	1507k	469k	314k	225k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622	35,545,225,622