

Access Bank Plc and subsidiary companies

**Group Financial Statements – 31 March 2009
Together with Directors' and Auditor's Reports**

Directors' Report

For the year ended 31 March 2009

The directors have pleasure in presenting their report on the affairs of Access Bank Plc (the "Bank") together with its subsidiaries (the "Group"), and the Group and Bank audited financial statements and auditor's report for the financial year ended 31 March 2009.

Legal form and principal activity

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

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

The Bank has nine foreign and three local subsidiaries namely Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank Zambia Limited, The Access Bank UK Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Omni Finance Bank, Cote d'Ivoire, Access Bank (R.D. Congo), United Securities Limited, Access Investment and Securities Limited and Access Homes and Mortgages Limited. It also has one associated company, Marina Securities Limited.

The financial results of Access Bank (Gambia) Limited, Access Bank (Sierra Leone) Limited, Access Bank Zambia Limited, The Access Bank UK Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Omni Finance Bank, Cote d'Ivoire, Access Bank (R.D. Congo), United Securities Limited, Access Investment and Securities Limited and Access Homes and Mortgages Limited have been consolidated in these financial statements. Marina Securities Limited, the associated company has been accounted for using the equity method.

Operating results

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

	Group <u>2009</u> N'000	Group <u>2008</u> N'000	Bank <u>2009</u> N'000	Bank <u>2008</u> N'000
Profit before taxation	26,185,429	18,845,682	28,105,815	19,042,106
Taxation	(5,371,213)	(2,992,581)	(5,220,021)	(2,985,642)
Profit after taxation	<u>20,814,216</u>	<u>15,853,101</u>	<u>22,885,794</u>	<u>16,056,464</u>
Non controlling interests	219,931	28,575	-	-
Profit attributable to equity holders	<u>21,034,147</u>	<u>15,881,676</u>	<u>22,885,794</u>	<u>16,056,464</u>
Transfer to statutory reserve	(6,865,738)	(4,816,939)	(6,865,738)	(4,816,939)
Transfer to general reserve	<u>14,168,409</u>	<u>11,064,737</u>	<u>16,020,056</u>	<u>11,239,525</u>
Shareholders' funds	<u><u>185,188,123</u></u>	<u><u>171,860,665</u></u>	<u><u>184,830,757</u></u>	<u><u>172,002,026</u></u>
Earnings per share - Basic	130k	171k	141k	173k
Dividend per share (Declared)	<u>65k</u>	<u>40k</u>	<u>65k</u>	<u>40k</u>

Declared dividend represents final dividend proposed for the year ended 31 March 2008 and declared at the Annual General Meeting held on 5th August 2008.

Proposed dividends

The board of directors has recommended for the approval of the shareholders, the payment of a dividend of 70 kobo per share (65 kobo per share). The dividends are subject to deduction of withholding tax.

Directors and their interests

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

	<u>Number of Ordinary Shares of 50k each held as at</u>			
	<u>31 March 2009</u>		<u>31 March 2008</u>	
	<u>Direct</u>	<u>Indirect</u>	<u>Direct</u>	<u>Indirect</u>
G. Oyebode - Chairman	59,110,898	57,682,635	59,110,898	56,290,456
A.I Aig-Imoukhuede - Managing Director	51,325,880	806,433,902	51,325,880	600,577,685
H. O. Wigwe - Deputy Managing Director	51,325,879	806,433,902	50,825,879	600,577,685
C. M. Maduka	6,233,646	262,496,554	2,833,646	262,496,554
O. S. Otubu	37,305,333	18,814,178	12,682,317	24,410,234
T. E. Koroye - Executive Director	18,232,736	-	7,500,442	-
M. Isa-Dutse	2,316,214	-	2,316,214	-
E. Chiejina	5,316,192	-	5,316,192	-
O. Nwuke - Executive Director	6,696,377	-	5,370,400	-
T. Folawiyo	4,777,342	291,152,815	3,377,342	248,699,770
A. Desalu	4,003,326	638,236	4,440,711	175,000
O. Ohiwerei - Executive Director	8,919,400	-	450,000	-
E. Olufowose - Executive Director	1,000,000	-	2,280,000	-
M. Belo-Olusoga	302,000	-	-	-

Retirement of directors

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

Analysis of shareholding:

Range	2009			
	Number of Shareholders	% of Shareholders	Number of Holdings	% of Shareholding
1-1,000	126,021	27.78	113,241,586	0.70
1,001-5,000	180,879	39.86	476,462,613	2.94
5,001-10,000	62,295	13.73	453,043,123	2.79
10,001-50,000	61,188	13.49	1,382,916,471	8.53
50,001- 100,000	12,005	2.65	835,657,555	5.15
100,001-500,000	9,533	2.10	1,765,994,698	10.89
500,001-1,000,000	851	0.19	591,768,215	3.65
1,000,001-5,000,000	678	0.15	1,385,795,330	8.55
5,000,001-10,000,000	100	0.02	738,315,205	4.55
10,000,001 and above	140	0.03	8,471,063,641	52.25
	453,690	100.00	16,214,258,437	100.00

Range	2008			
	Number of Shareholders	% of Shareholders	Number of Holdings	% of Shareholding
1-1,000	126,282	27.48	113,218,892	0.70
1,001-5,000	181,154	39.42	473,502,906	2.93
5,001-10,000	62,269	13.55	448,376,341	2.78
10,001-50,000	64,238	13.98	1,482,417,822	9.18
50,001- 100,000	13,229	2.88	905,661,801	5.61
100,001-500,000	10,668	2.32	1,910,540,100	11.84
500,001-1,000,000	819	0.18	562,765,673	3.49
1,000,001-5,000,000	664	0.14	1,367,065,639	8.47
5,000,001-10,000,000	82	0.02	596,065,011	3.69
10,000,001 and above	127	0.03	8,282,887,662	51.31
	459,532	100.00	16,142,501,847	100.00

No individual shareholder held up to 10% of the issued share capital as at 31 March 2009 (2008: Nil).

Statement of directors' responsibilities in relation to the financial statements for the year ended 31 March 2009

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

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

The responsibilities include ensuring that:

- (a) appropriate internal controls are established both to safeguard the assets of the Group and to prevent and detect fraud and other irregularities;
- (b) the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group, and which have been prepared using suitable accounting policies that have been consistently applied and ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act of Nigeria and the Banks and Other Financial Institutions Act of Nigeria;
- (c) the Group has used suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and all applicable accounting standards have been followed; and
- (d) it is appropriate for the financial statements to be prepared on a going concern basis unless it is presumed that the Bank and its subsidiaries will not continue in business.

Fixed assets

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

Donations and charitable gifts

The Group identifies with the aspirations of the community and the environment in which it operates.

The Group made contributions to charitable and non-charitable organizations amounting to ₦255,210,000 (2008: ₦160,856,000) during the year, as listed below:

Beneficiary	Purpose	₦'000
Lagos State Government	Security Trust fund	100,000
Anambra State Government	Security Trust fund	20,000
Nigerian Maritime Administration and Safety Agency (NIMASA)	International Conference on Piracy and Robbery on the Seas	15,000
SEC/NSE/AIHN	2008 National Conference on financing the 7-Point Agenda of the Federal Government	15,000

Beneficiary	Purpose	₦'000
Friends of Africa	Project on Grassroots NGO Seminar	14,072
University of Nigeria, Enugu (UNEC)	Donation of a 10,000 litre water tanker for Bore Hole/Water Tanker project	12,375
The Nigerian Red Cross	The Nigerian Red Cross Clinic Project - Development of Medical Clinic Nationwide	12,000
Gwiwwa Pry School, Sokoto State	Renovation of Gwiwwa Pry School, Sokoto State - 4 Blocks of 15 Classrooms	10,891
Imo State Government	Security Trust fund	10,000
Nasarawa State Government	Sponsorship of 1st Education Summit	8,027
The Nigerian Economic Summit Group	Support for the 14th Nigerian Economic Summit	5,400
Chartered Institute of Bankers' of Nigeria	Annual Bankers' Dinner	5,000
UNICEF	Charity donation in respect of 5th Chukker charity Shield Polo tournament	5,000
EFCC	Launch of Anti-corruption revolution campaign	5,000
NIMAT Communications Limited	Police e-recruitment sponsorship	4,000
Convention on Business Integrity	Seminar on business integrity	2,500
Jigawa State Government	Computers for schools	2,415
Federal Ministry of Labour and Productivity	Support program on Safety and Health at work on for World Day	2,230
Abia state Local Government Councils	Infrastructural development project	1,700
The Joint Tax Board	Support for International Tax Conference	1,500
Others	1 million and below	3,100
		<u>255,210</u>

Health and safety at work

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

Employment of disabled persons

The Group has a non-discriminatory policy on the consideration of applications for employment, including those received from disabled persons. All employees are given equal opportunities to develop themselves. The Group's policy is that the highest qualified and most experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition. As at 31 March 2009, the Group had one staff with physical disability.

Employee involvement and training

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

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

Post balance sheet events

There were no post balance sheet events which could have a material effect on the state of affairs of the Group as at 31 March 2009 or the profit for the year ended on that date that have not been adequately provided for or disclosed.

Audit committee

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

1.	Mr Kayode Ayeni	Shareholder	Chairman
2.	Mr Emmanuel Eleoramo	Shareholder	Member
3.	Mr Idaere Gogo Ogan	Shareholder	Member
4.	Mr Oritsedere Otubu	Director	Member
5.	Dr Cosmas Maduka	Director	Member
6.	Mrs. Mosunmola Belo-Olusoga	Director	Member

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

Auditors

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

Plot 1665 Oyin Jolayemi Street,
Victoria Island,
Lagos.
12 May 2009

BY ORDER OF THE BOARD
Fatai Oladipo
Company Secretary

Report of the Audit Committee

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

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act of Nigeria, the members of the Audit Committee of Access Bank Plc hereby report on the financial statements for the year ended 31 March 2009 as follows:

- We have exercised our statutory functions under section 359(6) of the Companies and Allied Matters Act of Nigeria and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- We are of the opinion that the accounting and reporting policies of the Bank are in agreement with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 31 March 2009 were satisfactory and reinforce the Group's internal control systems.
- We are satisfied that the Bank has complied with the provisions of Central Bank of Nigeria Circular BSD/1/2004 dated 18 February 2004 on "Disclosure of insider related credits in the financial statements of banks". We hereby confirm that an aggregate amount of ₦45,998,610,723 (2008: ₦27,331,739,000) was outstanding as at 31 March 2009 of which ₦190,944,621 (2008: ₦333,405,000) was non performing. See Note 33.
- We have deliberated on the findings of the external auditors who have confirmed that necessary cooperation was received from management in the course of their statutory audit and we are satisfied with management's responses thereon and with the effectiveness of the Bank's system of accounting and internal control.

Kayode Ayeni
Chairman, Audit Committee
12 May 2009

Members of the Audit Committee are:

1.	Mr Kayode Ayeni	Shareholder	Chairman
2.	Mr Emmanuel Eleoramo	Shareholder	Member
3.	Mr Idaere Gogo Ogan	Shareholder	Member
4.	Mr Oritsedere Otubu	Director	Member
5.	Dr Cosmas Maduka	Director	Member
6.	Mrs. Mosunmola Belo-Olusoga	Director	Member

In attendance:
Fatai Oladipo – Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Access Bank Plc

Report on the Financial Statements

We have audited the accompanying financial statements of Access Bank Plc (“the Bank”) and its subsidiary companies (together “the Group”), which comprise the balance sheets as at 31 March, 2009, and the profit and loss accounts, statements of cash flows and value added statements for the year then ended, and the statement of accounting policies, notes to the financial statements and the five-year financial summaries, as set out on pages 11 to 64.

Directors' Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, these financial statements give a true and fair view of the state of the financial position of Access Bank Plc (“the Bank”) and its subsidiaries (together “the Group”) as at 31 March 2009, and of the Group and Bank’s financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars.

Report on Other Legal and Regulatory Requirements

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

In our opinion, proper books of account have been kept by the Group and the Bank, so far as appears from our examination of those books and (proper returns adequate for the purposes of our audit have been received from branches not visited by us.) the Group's and the Bank's balance sheet and profit and loss account are in agreement with the books of accounts (and returns).

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

- i. The Bank did not pay any penalties in respect of contravention of the provisions of the Banks and Other Financial Institutions Act of Nigeria and Central Bank Circulars during the year ended 31 March 2009.
- ii. Related party transactions and balances are disclosed in note 33 of the financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

18 May 2009
Lagos, Nigeria

Statement of Accounting Policies

A summary of the principal accounting policies, which have been applied consistently throughout the current and preceding years, is set out below:

(a) **Basis of accounting**

The financial statements are prepared under the historical cost convention except for trading bonds (see (f)) and derivatives (see (y)). The financial statements are presented in naira which is the Bank's functional currency.

(b) **Basis of consolidation**

(i) *Subsidiaries*

The consolidated financial statements comprise the financial statements of Access Bank Plc ("the Bank") and its subsidiaries ("the Group"). Subsidiary companies which are those companies in which the Group directly or indirectly has an interest of more than half of the voting rights or otherwise has power to control are consolidated. The accounting policies of the subsidiaries are consistent with the policies adopted by the Bank and all intercompany transactions, balances and unrealized gains or losses on transactions between group companies have been eliminated. The consolidated subsidiaries are Access Bank (Gambia) Limited and Access Bank (Sierra Leone) Limited, Access Bank Zambia Limited, The Access Bank UK Limited, Access Bank (Ghana) Limited, Access Bank Rwanda, FinBank Burundi, Omni Finance Bank, Cote d'Ivoire, Access Bank (R.D. Congo), United Securities Limited, Access Investment and Securities Limited and Access Homes and Mortgages Limited.

Investment in subsidiary and associated companies are recognized in the separate financial statements of the Bank at cost.

(ii) *Foreign entity*

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

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

(c) **Goodwill**

Goodwill represents the excess of the purchase consideration over the fair value of the Group's share of the separable net assets of subsidiaries acquired.

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or circumstances indicate that it might have been impaired. Impairment losses are recognised in the profit and loss account in the period in which they arise.

(d) Cash and short term funds

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

(f) Investments

Investments comprise investments in marketable securities such as bonds and treasury bills and investments in equity securities. Investments are classified as short or long term investments.

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

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

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

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

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

(g) Loans and advances

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

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

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

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

(h) Advances under finance lease

Advances under finance lease to customers under agreements which transfers substantially all the risks and rewards of ownership are classified as finance leases.

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

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

(i) Equipment on lease

Equipment on lease to customers under agreements which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Equipment on lease is depreciated at the same rate of depreciation applicable to the class of fixed assets. Rental income from equipment on lease to customers is credited to lease income on a systematic basis over the lease term.

(j) Leased assets - Lessee

Leases in terms of which the Group is the lessee and does not assume substantially all the risks and reward of ownership are classified as operating leases. Payments made under operating leases are recognized as an expense in the profit and loss account on a straight line basis over the lease term.

(k) Other assets

Prepayments, receivables and other sundry debit balances are classified as other assets and are stated at cost net of allowances for amounts doubtful of recovery.

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

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

(l) **Fixed assets**

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

Land and building	-	2%
Leasehold improvements	-	Over the lease period
Furniture, fixtures and equipment	-	20%
Computer hardware	-	33.33%
Motor vehicles	-	25%

Capital work in progress which represents fixed assets under construction is not depreciated. Upon completion, the attributable costs of each asset is transferred to the relevant asset category and depreciated from the time the asset is brought into use.

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

(m) **Taxation**

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

(n) **Deferred taxation**

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

(o) **Foreign currency items**

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

(p) **Retirement benefits**

The Group operates a defined contributory pension scheme. Obligations in respect of the Group's contributions to the scheme are recognized as an expense in the profit and loss account on an accrual basis.

(q) **Provisions**

A provision is recognized if, as a result of past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

(r) **Repurchase agreements**

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

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

(s) **Dividend**

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

(t) **Borrowings**

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

(u) **Off balance sheet transactions**

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

Acceptances:

Acceptances are undertakings by the Group to pay bills of exchange drawn on customers. Acceptances, which meet the conditions, set out in Central Bank of Nigeria (CBN) Guidelines on the treatment of Bankers Acceptances and Commercial Papers are accounted for and disclosed as contingent liabilities. The Group expects most acceptances to be settled simultaneously with the reimbursement from customers.

(w) Segment reporting

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

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

(x) Earnings per share

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

(y) Derivatives

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

The Group contracted cross currency swap and forward contract transactions with counterparties. The cross currency swaps are initially recognised in the balance sheet at fair value. Any changes in fair value are recognised immediately in the profit and loss account.

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.

(z) Forward contracts

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

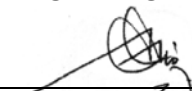
Balance Sheet

As at 31 March 2009

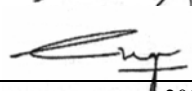
	Notes	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
ASSETS:					
Cash and short-term funds	1	153,028,969	585,706,024	135,323,258	585,809,897
Short-term investments	2	20,184,922	104,701,156	18,387,927	103,675,713
Loans and advances	3	418,194,487	245,836,040	391,688,687	244,595,621
On-lending facilities	4	5,092,026	5,096,061	5,092,026	5,096,061
Advances under finance lease	5	3,725,766	2,497,683	3,725,766	2,497,683
Other assets	6	17,846,304	13,188,296	15,841,206	13,275,063
Long-term investments	7	65,533,796	61,449,110	85,078,156	62,163,896
Equipment on lease	8	1,591,555	1,363,474	1,591,555	1,363,474
Fixed assets	9	23,390,108	14,107,593	18,132,114	13,364,613
Deferred tax asset	15b	-	-	4,346	-
Goodwill	10	1,738,148	-	-	-
TOTAL ASSETS		710,326,081	1,033,945,437	674,865,041	1,031,842,021
LIABILITIES:					
Deposits and other accounts	11	430,096,946	353,746,401	405,657,055	351,789,279
Due to banks	12	30,183,025	69,402,840	30,511,299	69,248,044
On-lending facilities	13	5,143,461	5,147,536	5,143,461	5,147,536
Other liabilities	14	44,156,931	415,851,544	33,289,918	415,725,624
Taxation payable	15a	6,586,353	2,659,923	6,471,362	2,659,923
Deferred taxation	15b	10,053	624,523	-	617,584
Borrowings	16	8,961,189	14,652,005	8,961,189	14,652,005
TOTAL LIABILITIES		525,137,958	862,084,772	490,034,284	859,839,995
NET ASSETS		185,188,123	171,860,665	184,830,757	172,002,026
CAPITAL AND RESERVES:					
Share capital	17	8,107,130	8,071,252	8,107,130	8,071,252
Capital reserve	18	3,489,080	3,489,080	3,489,080	3,489,080
Share premium	19	146,446,833	146,047,149	146,446,833	146,047,149
Other reserves	20	26,116,547	14,197,047	26,787,714	14,394,545
SHAREHOLDERS' FUNDS		184,159,590	171,804,528	184,830,757	172,002,026
Non controlling interest	21	1,028,533	56,137	-	-
		185,188,123	171,860,665	184,830,757	172,002,026
Acceptances, bonds, guarantees and other obligations for the account of customers	22	142,633,973	155,725,829	134,224,075	155,035,766

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:

Mr. Aigboje Aig-Imoukhuede


_____)

Mr. Herbert Wigwe


_____)

Directors

Approved by the Board of Directors on

2009

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

Profit and Loss Account

For the year ended 31 March 2009

	<u>Notes</u>	<u>Group 2009</u>	<u>Group 2008</u>	<u>Bank 2009</u>	<u>Bank 2008</u>
		N'000	N'000	N'000	N'000
GROSS EARNINGS		109,341,056	57,999,338	104,494,981	57,627,098
INTEREST AND DISCOUNT INCOME	23	82,710,020	40,676,744	80,023,255	40,535,737
INTEREST EXPENSE	24	(37,534,168)	(14,646,224)	(36,420,368)	(14,588,859)
INTEREST MARGIN		45,175,852	26,030,520	43,602,887	25,946,878
Allowance for risk assets	25(a)	(7,972,887)	(3,528,889)	(7,350,557)	(3,515,397)
NET INTEREST MARGIN		37,202,965	22,501,631	36,252,330	22,431,481
Allowance for other assets	25(b)	(469,241)	(368,539)	(450,683)	(368,539)
OTHER INCOME	26	26,631,036	17,322,594	24,471,726	17,091,361
		<u>63,364,760</u>	<u>39,455,686</u>	<u>60,273,373</u>	<u>39,154,303</u>
Operating expenses	27(b)	(37,684,878)	(20,610,004)	(32,167,558)	(20,112,197)
Share of post tax result of associate	7(d)	505,547	-	-	-
PROFIT BEFORE TAXATION	27(a)	26,185,429	18,845,682	28,105,815	19,042,106
Taxation	15(c)	(5,371,213)	(2,992,581)	(5,220,021)	(2,985,642)
PROFIT AFTER TAXATION		<u>20,814,216</u>	<u>15,853,101</u>	<u>22,885,794</u>	<u>16,056,464</u>
Non controlling interest		219,931	28,575	-	-
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS		<u>21,034,147</u>	<u>15,881,676</u>	<u>22,885,794</u>	<u>16,056,464</u>
APPROPRIATIONS:					
Transfer to statutory reserve	20(b)	6,865,738	4,816,939	6,865,738	4,816,939
Transfer to general reserve	20(c)	14,168,409	11,064,737	16,020,056	11,239,525
		<u>21,034,147</u>	<u>15,881,676</u>	<u>22,885,794</u>	<u>16,056,464</u>
Earnings per share - Basic	28	130k	171k	141k	173k
Dividend per share	29	65k	40k	65k	40k

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2009

	<u>Notes</u>	<u>Group 2009 N'000</u>	<u>Group 2008 N'000</u>	<u>Bank 2009 N'000</u>	<u>Bank 2008 N'000</u>
Operating activities:					
Net cash flow from operating activities before changes in operating assets	30	42,121,297	25,673,059	42,603,792	25,807,818
Changes in operating assets	31	(437,924,643)	329,926,815	(442,022,970)	329,904,274
Income tax paid	15	(2,113,559)	(1,975,776)	(2,030,512)	(1,975,776)
Net cash (outflow)/inflow from operating activities		<u>(397,916,905)</u>	<u>353,624,098</u>	<u>(401,449,690)</u>	<u>353,736,316</u>
Investing activities:					
Purchase of fixed assets	9	(11,490,455)	(7,740,646)	(7,626,675)	(6,949,493)
Proceeds from sale of fixed assets		457,990	64,432	106,901	64,432
Purchase of equipment on lease	8	(720,694)	(729,969)	(720,694)	(729,969)
Proceeds from disposal of long term investments		-	52,000	-	52,000
Purchase of long term investments		(4,084,686)	(57,116,128)	(22,914,261)	(57,830,914)
Acquisitions of subsidiaries, net of cash acquired		(1,307,034)	-	-	-
Net cash outflow from investing activities		<u>(17,144,879)</u>	<u>(65,470,311)</u>	<u>(31,154,729)</u>	<u>(65,393,944)</u>
Financing activities:					
Dividend paid	20	(10,492,625)	(2,791,263)	(10,492,625)	(2,791,263)
Interest paid on borrowings		(2,134,341)	(3,178,402)	(2,134,341)	(3,178,402)
Repayment of borrowings		(5,255,254)	-	(5,255,254)	-
Inflow from minority interests		266,949	84,712	-	-
Inflow from borrowings		-	14,652,005	-	14,652,005
Proceeds from share issue		-	136,548,681	-	136,548,681
Share issue expenses		-	(6,196,747)	-	(6,196,747)
Net cash (outflow)/inflow from financing activities		<u>(17,615,271)</u>	<u>139,118,986</u>	<u>(17,882,220)</u>	<u>139,034,274</u>
Net (decrease)/ increase in cash and short term funds		<u>(432,677,055)</u>	<u>427,272,773</u>	<u>(450,486,639)</u>	<u>427,376,646</u>
Cash and short term funds, beginning of year		585,706,024	158,433,251	585,809,897	158,433,251
Cash and short term funds, end of year		<u><u>153,028,969</u></u>	<u><u>585,706,024</u></u>	<u><u>135,323,258</u></u>	<u><u>585,809,897</u></u>

The statement of accounting policies and accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2009

1. Cash and short-term funds

(a) Cash and short-term funds comprise:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Cash on hand	10,611,605	6,349,649	7,576,416	6,274,073
Balances held with the Central Bank of Nigeria:				
- Current account	33,812,197	9,222,410	33,812,197	9,222,410
- Cash reserve	5,754,734	19,180,541	5,754,734	19,180,541
- Investment account (see note (b))	65,518	65,518	65,518	65,518
Balances held with other banks and financial institutions in Nigeria:				
- Clearing settlement account	14,388	4,193,991	14,388	4,193,991
- Placements (see note (c) below)	14,839,209	194,640,139	14,400,000	195,394,769
- Other current accounts	5,000	334,267,186	-	334,267,186
Balances held with banks outside Nigeria:				
- Balances held with central banks	8,310,208	316,952	-	-
- Other accounts (see note (d) below)	55,456,120	17,469,638	47,081,840	17,211,409
- Placements with foreign banks (see note (e))	24,159,990	-	26,618,165	-
	<u>153,028,969</u>	<u>585,706,024</u>	<u>135,323,258</u>	<u>585,809,897</u>

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

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Under 1 month	-	35,928,725	-	35,928,725
1 – 3 months	8,660,719	68,249,001	7,500,000	68,330,353
3 – 6 months	2,400,000	34,669,215	2,400,000	34,669,215
6 – 12 months	3,778,490	55,793,198	4,500,000	56,466,476
	<u>14,839,209</u>	<u>194,640,139</u>	<u>14,400,000</u>	<u>195,394,769</u>

(ii) Included in placements with other banks and financial institutions in Nigeria is an amount of ₦7,900,000,000 (2008: ₦166,578,313,000) secured by treasury bills.

(d) Included in balances held with banks outside Nigeria is the naira equivalent of foreign currencies held on behalf of customers in various foreign accounts amounting to ₦21,615,549,000 (March 2008: ₦5,367,721,000) to cover letters of credit transactions. The corresponding liability for this amount is included in other liabilities (see Note (14)).

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

	Group 2009 ₦'000	Group 2008 ₦'000	Bank 2009 ₦'000	Bank 2008 ₦'000
Under 1 month	11,567,189	-	10,509,826	-
1 – 3 months	1,384,673	-	1,384,673	-
3 – 6 months	11,059,462	-	14,575,000	-
Call	148,666	-	148,666	-
	<u>24,159,990</u>	<u>-</u>	<u>26,618,165</u>	<u>-</u>

(g) Included in cash and short term funds held in Nigeria is an amount of N2,248,340,000 (2008: N362,984,307) representing unclaimed dividend held in the account of the Registrars and included in other liabilities (see note 14)

2. Short term investments

(a) Short term investments comprise:

	Group 2009 ₦'000	Group 2008 ₦'000	Bank 2009 ₦'000	Bank 2008 ₦'000
Treasury bills (see note (b) below)	1,300,385	1,010,887	-	-
Trading securities (see note (c) below)	18,861,025	103,690,269	18,387,927	103,675,713
Stabilisation securities	23,512	-	-	-
	<u>20,184,922</u>	<u>104,701,156</u>	<u>18,387,927</u>	<u>103,675,713</u>

(b)(i) Treasury bills comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Face value	1,323,472	1,010,887	-	-
Unearned income	(23,087)	-	-	-
Net investment	<u>1,300,385</u>	<u>1,010,887</u>	<u>-</u>	<u>-</u>

(ii) Treasury bills valued at ₦7.8 billion (2008: ₦8.76 billion) have been pledged as collateral by the Bank.

(c) Trading securities comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Trading treasury bills	11,480,869	101,488,368	11,480,869	101,488,368
Trading bonds (see note (d) below)	6,907,058	2,187,345	6,907,058	2,187,345
Bankers acceptances	473,098	14,556	-	-
	<u>18,861,025</u>	<u>103,690,269</u>	<u>18,387,927</u>	<u>103,675,713</u>

(d) Trading bonds comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
12.50% 3rd FGN Bond Series 11	11,172	68,657	11,172	68,657
12.00% 3rd FGN Bond Series 12	-	263,825	-	263,825
12.99% 3rd FGN Bond Series 13	3,434,753	444,030	3,434,753	444,030
10.75% 4th FGN Bond Series 1	93,686	199,206	93,686	199,206
9.50% 4th FGN Bond Series 2	49,160	-	49,160	-
10.75% 4th FGN Bond Series 3	-	103,500	-	103,500
9.00% 4th FGN Bond Series 4	884,940	79,321	884,940	79,321
7.95% 4 th FGN Bond Series 7	99,000	-	99,000	-
9.85% 4th FGN Bond Series 8	-	293,670	-	293,670
9.35% 4th FGN Bond Series 9	725,617	39,077	725,617	39,077
9.50% 4th FGN Bond Series 10	147,720	49,670	147,720	49,670
7.00% 4th FGN Bond Series 12	-	95,880	-	95,880
9.20% 4th FGN Bond Series 13	49,765	49,910	49,765	49,910
8.99% 4th FGN Bond Series 14	593	500,599	593	500,599
9.45% 5 th FGN Bond Series 1	37,139	-	37,139	-
10.5% 5 th FGN Bond Series 3	199,160	-	199,160	-
10.5% 5 th FGN Bond Series 4	485,366	-	485,366	-
9.92% 6 th FGN Bond Series 1	688,987	-	688,987	-
	<u>6,907,058</u>	<u>2,187,345</u>	<u>6,907,058</u>	<u>2,187,345</u>

3. Loans and advances

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Secured against real estate	35,145,439	34,129,171	34,114,168	33,654,713
Otherwise Secured	391,319,547	223,006,302	371,231,511	222,241,312
Unsecured	6,260,937	14,463	-	-
	<u>432,725,923</u>	<u>257,149,936</u>	<u>405,345,679</u>	<u>255,896,025</u>
Allowances:				
- Specific (see note (b) below)	(5,211,247)	(4,852,204)	(4,393,483)	(4,851,265)
- Interest-in-suspense (see note (c) below)	(2,289,112)	(3,753,771)	(2,289,112)	(3,753,771)
- General (see note (d) below)	(7,031,077)	(2,707,921)	(6,974,397)	(2,695,368)
	<u>418,194,487</u>	<u>245,836,040</u>	<u>391,688,687</u>	<u>244,595,621</u>

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Balance, beginning of year	4,852,204	5,467,836	4,851,265	5,467,836
Opening balance of previously unconsolidated subsidiaries	551,794	-	-	-
Adjusted opening balance	<u>5,403,998</u>	<u>5,467,836</u>	<u>4,851,265</u>	<u>5,467,836</u>
Allowance during year (see note 25)	3,899,104	1,919,347	3,059,211	1,918,408
Allowance no longer required (see note 25)	(240,305)	-	-	-
Written-off during the year	(3,851,530)	(2,534,979)	(3,516,993)	(2,534,979)
Translation difference	(20)	-	-	-
	<u>5,211,247</u>	<u>4,852,204</u>	<u>4,393,483</u>	<u>4,851,265</u>

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Balance, beginning of year	3,753,771	3,946,391	3,753,771	3,946,391
Suspended during the year	3,477,969	2,680,597	3,477,969	2,680,597
Recovered during the year	-	(209,888)	-	(209,888)
Written-off during the year	(4,942,628)	(2,663,329)	(4,942,628)	(2,663,329)
	<u>2,289,112</u>	<u>3,753,771</u>	<u>2,289,112</u>	<u>3,753,771</u>

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Balance, beginning of year	2,707,921	1,131,844	2,695,368	1,131,844
Opening balance of previously unconsolidated subsidiaries	21,630	-	-	-
Adjusted opening balance	<u>2,729,551</u>	<u>1,131,844</u>	<u>2,695,368</u>	<u>1,131,844</u>
Allowance during the year (see note 25)	4,301,771	1,576,077	4,279,029	1,563,524
Translation difference	(245)	-	-	-
Balance, end of year	<u><u>7,031,077</u></u>	<u><u>2,707,921</u></u>	<u><u>6,974,397</u></u>	<u><u>2,695,368</u></u>

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Under 1 month	178,261,165	89,403,658	174,631,194	89,285,338
1 - 3 months	125,789,339	73,433,142	122,118,102	73,365,842
3 - 6 months	30,488,370	24,577,263	30,068,520	23,924,268
6 - 12 months	19,695,959	17,606,363	15,987,824	17,469,766
Over 12 months	78,491,090	52,129,510	62,540,039	51,850,811
	<u>432,725,923</u>	<u>257,149,936</u>	<u>405,345,679</u>	<u>255,896,025</u>

(f) The gross value of loans and advances by borrower is as follows:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Insider related loans (see note (f)(i) below)	46,105,021	27,331,739	45,998,611	27,331,739
Other loans	386,620,902	229,818,197	359,347,068	228,564,286
	<u>432,725,923</u>	<u>257,149,936</u>	<u>405,345,679</u>	<u>255,896,025</u>

(i) The non performing insider related loans as at the balance sheet date was N190,944,621 (2008: N333,405,000)

(g) The gross value of loans and advances by sector is as follows:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Agriculture	2,086,650	2,031,265	1,974,980	2,031,265
Oil and Gas	92,211,260	56,616,733	92,137,855	56,616,733
Manufacturing	56,266,675	37,125,224	55,925,172	37,125,224
Construction/Real estate	32,989,648	14,127,482	32,581,341	14,127,482
Public utilities/Government	175,171	7,550,004	56,481	7,550,004
Finance and insurance	34,883,681	40,711,107	28,526,769	40,711,107
Transportation and communication	71,574,951	34,076,440	70,562,335	34,076,440
General commerce	107,345,144	50,651,134	98,423,753	50,651,134
Individual	22,762,227	5,225,728	12,726,478	5,225,728
Others	12,430,516	9,034,819	12,430,515	7,780,908
	<u>432,725,923</u>	<u>257,149,936</u>	<u>405,345,679</u>	<u>255,896,025</u>

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Non-performing:				
Substandard	2,227,957	539,887	2,150,934	536,606
Doubtful	2,635,512	2,506,500	2,429,689	2,506,149
Lost	4,809,506	6,545,930	4,185,312	6,545,930
	<u>9,672,975</u>	<u>9,592,317</u>	<u>8,765,935</u>	<u>9,588,685</u>
Performing	423,052,948	247,557,619	396,579,744	246,307,340
	<u>432,725,923</u>	<u>257,149,936</u>	<u>405,345,679</u>	<u>255,896,025</u>

4. On-lending facilities

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Gross loans	5,143,461	5,147,536	5,143,461	5,147,536
General allowance (see note (b) below)	(51,435)	(51,475)	(51,435)	(51,475)
	<u>5,092,026</u>	<u>5,096,061</u>	<u>5,092,026</u>	<u>5,096,061</u>

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
Balance, beginning of year	51,475	32,894	51,475	32,894
Allowance during the year (see note 25)	10,096	18,581	10,096	18,581
Allowance no longer required (see note 25)	(10,136)	-	(10,136)	-
	<u>51,435</u>	<u>51,475</u>	<u>51,435</u>	<u>51,475</u>
Balance, end of year	<u>51,435</u>	<u>51,475</u>	<u>51,435</u>	<u>51,475</u>

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
1 – 3 months	29,757	-	29,757	-
3 – 6 months	63,241	-	63,241	-
6 – 12 months	194,921	-	194,921	-
Over 12 months	4,855,542	5,147,536	4,855,542	5,147,536
	<u>5,143,461</u>	<u>5,147,536</u>	<u>5,143,461</u>	<u>5,147,536</u>
	<u>5,143,461</u>	<u>5,147,536</u>	<u>5,143,461</u>	<u>5,147,536</u>

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
Performing	5,143,461	5,147,536	5,143,461	5,147,536
	<u>5,143,461</u>	<u>5,147,536</u>	<u>5,143,461</u>	<u>5,147,536</u>

5. Advances under finance lease

(a) Advances under finance lease comprise:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Gross investment in finance leases	4,365,683	2,917,090	4,365,683	2,917,090
Unearned income	(602,331)	(394,178)	(602,331)	(394,178)
	<hr/>	<hr/>	<hr/>	<hr/>
Net investment in finance leases	3,763,352	2,522,912	3,763,352	2,522,912
General allowance (see note (b) below)	(37,586)	(25,229)	(37,586)	(25,229)
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,725,766</u>	<u>2,497,683</u>	<u>3,725,766</u>	<u>2,497,683</u>

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Balance, beginning of year	25,229	10,345	25,229	10,345
Allowance during the year (see note 25)	12,357	14,884	12,357	14,884
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	<u>37,586</u>	<u>25,229</u>	<u>37,586</u>	<u>25,229</u>

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Under 1 month	11,029	10,727	11,029	10,727
1-3 months	11,505	15,011	11,505	15,011
3-6 months	103,788	40,223	103,788	40,223
6 - 12 months	530,660	232,316	530,660	232,316
Over 12 months	3,106,370	2,224,635	3,106,370	2,224,635
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,763,352</u>	<u>2,522,912</u>	<u>3,763,352</u>	<u>2,522,912</u>

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Performing	3,763,352	2,522,912	3,763,352	2,522,912
	<hr/>	<hr/>	<hr/>	<hr/>

6. Other assets

(a) Other assets comprise:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Prepayments (see note (b) below)	4,670,674	2,615,790	4,444,978	2,552,657
Interest receivable	2,253,903	2,427,137	2,200,815	2,436,838
Prepaid interest and discounts	1,927,142	1,591,434	1,784,560	1,591,434
Subscription for investment	-	1,000,000	-	1,000,000
Derivative asset (see note (c) below)	3,033,817	2,416,420	2,034,199	2,416,420
Other receivables	6,996,086	3,783,607	6,393,414	3,923,806
	<hr/>	<hr/>	<hr/>	<hr/>
	18,881,622	13,834,388	16,857,966	13,921,155
Allowance on other assets (see (d) below)	(1,035,318)	(646,092)	(1,016,760)	(646,092)
	<hr/>	<hr/>	<hr/>	<hr/>
	17,846,304	13,188,296	15,841,206	13,275,063
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(b) The maturity profile of prepayments is as follows:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Under one year	1,890,145	149,004	1,890,145	149,004
Over one year	2,780,529	2,466,786	2,554,833	2,403,653
	<hr/>	<hr/>	<hr/>	<hr/>
	4,670,674	2,615,790	4,444,978	2,552,657
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(c) The fair values of the derivative instruments held for risk management are as follows:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Forward exchange contract	3,033,817	2,416,420	2,034,199	2,416,420
	<hr/>	<hr/>	<hr/>	<hr/>
	3,033,817	2,416,420	2,034,199	2,416,420
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Group uses derivatives not designated in a qualifying hedge relationship, to manage its exposure to foreign currency risks. The instruments used include forward contracts and cross currency linked forward contracts.

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

	<u>Group</u> 2009 N'000	<u>Group</u> 2008 N'000	<u>Bank</u> 2009 N'000	<u>Bank</u> 2008 N'000
Balance, beginning of year	646,092	485,640	646,092	485,640
Allowance during the year (see note 25)	680,096	237,961	661,538	237,961
Allowance no longer required (see note 25)	(210,855)	-	(210,855)	-
Written off during the year	(80,015)	(77,509)	(80,015)	(77,509)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	1,035,318	646,092	1,016,760	646,092
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7. Long-term investments

(a) Long-term investments comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
<i>Quoted:</i>				
N15 billion Second Lagos State Government Floating Rate Redeemable Bond 2005/2009	-	130,000	-	130,000
N50 billion Lagos State Government Fixed rate Bond 2008/2013	2,000,000	-	2,000,000	-
Federal Government Bonds (see note (b))	55,106,908	49,820,060	55,106,908	49,820,060
Other bonds	262,100	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	57,369,008	49,950,060	57,106,908	49,950,060
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Investment in subsidiary companies:</i>				
The Access Bank UK (see note (c))	-	-	6,959,100	-
Access Bank Ghana (see note (c))	-	-	5,938,800	-
Omni Finance Bank Cote d'Ivoire (see note (c))	-	1,890,000	1,890,000	1,890,000
Access Bank Rwanda (see note (c))	-	1,578,825	1,578,825	1,578,825
Access Homes and Mortgages (see note (c))	-	-	1,000,000	-
Access Bank (R.D. Congo) (see note (c))	-	-	625,410	-
Access Bank Zambia (see note (c))	-	-	617,925	-
FinBank Burundi (see note (c))	-	526,274	526,274	526,274
Access Investment and Securities (see note (c))	-	4,490	504,490	4,490
Access Bank Sierra Leone (see note (c))	-	-	489,600	489,600
Access Bank Gambia (see note (c))	-	-	225,186	225,186
United Securities Limited (see note (c))	-	35,000	35,000	35,000
	<hr/>	<hr/>	<hr/>	<hr/>
	-	4,034,589	20,390,610	4,749,375
<i>Investment in associate:</i>				
Marina Securities Limited (see note (d))	650,547	145,000	145,000	145,000
<i>Other equity investments:</i>				
Nigerian Inter-Bank Settlement System Plc (see (e))	46,588	46,588	46,588	46,588
Central Security Clearing System Limited (see note (f))	175,000	175,000	175,000	175,000
IBTC Pension Managers (see note (g))	141,177	75,000	141,177	75,000
Consolidated Discount Limited (see (h))	10,000	10,000	10,000	10,000
Valucard Nigeria Plc (see note (i))	368,257	368,257	368,257	368,257
Africa Finance Corporation (see note (j))	6,400,000	6,400,000	6,400,000	6,400,000
Credit Reference Company (see note (k))	50,000	-	50,000	-
Other equity investments (see note (l))	112,155	-	-	-
Small & Medium Scale Investment (see note (m) below)	244,616	244,616	244,616	244,616
	<hr/>	<hr/>	<hr/>	<hr/>
	8,198,340	11,499,050	27,971,248	12,213,836
Impairment losses	(33,552)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total value of investment	65,533,796	61,449,110	85,078,156	62,163,896
	<hr/>	<hr/>	<hr/>	<hr/>

(b) Long term investment in Federal Government Bond comprises:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
2nd FGN Bond Series 1 2008 (10.75%)	-	-	-	-
2nd FGN Bond Series 1 (11.50%)	-	2,046,532	-	2,046,532
4th FGN Bond Series 1 (10.75%)	5,016,025	5,193,655	5,016,025	5,193,655
3rd FGN Bond Series 15 (10.98%)	1,500,000	500,000	1,500,000	500,000
3rd FGN Bond Series 13 (12.99%)	1,200,390	-	1,200,390	-
3rd FGN Bond Series 16 (11.99%)	1,000,000	-	1,000,000	-
4th FGN Bond Series 2 (9.50%)	3,190,810	3,256,231	3,190,810	3,256,231
2nd FGN Bond Series 3 (8.50%)	-	3,000,000	-	3,000,000
4th FGN Bond Series 4 (9.00%)	13,203,975	13,394,461	13,203,975	13,394,461
4th FGN Bond Series 5 (9.23%)	4,509,588	4,544,373	4,509,588	4,544,373
4th FGN Bond Series 11 (9.25%)	1,057,476	1,000,000	1,057,476	1,000,000
4th FGN Bond Series 3 (10.75%)	970,130	984,156	970,130	984,156
3rd FGN Bond Series 4 (12.50%)	-	103,901	-	103,901
4th FGN Bond Series 12 (7.00%)	1,796,020	1,796,020	1,796,020	1,796,020
4th FGN Bond Series 7 (7.95%)	2,204,023	2,207,241	2,204,023	2,207,241
4th FGN Bond Series 9 (9.35%)	8,216,590	8,230,384	8,216,590	8,230,384
4th FGN Bond Series 14 (8.99%)	2,627,437	1,589,967	2,627,437	1,589,967
4th FGN Bond Series 6 (9.20%)	982,957	979,711	982,957	979,711
4th FGN Bond Series 13 (9.20%)	200,058	200,094	200,058	200,094
5th FGN Bond Series 2 (10.70%)	2,000,000	-	2,000,000	-
5th FGN Bond Series 1 (9.45%)	3,256,527	793,334	3,256,527	793,334
Federal Mortgage Bank of Nigeria Bond	2,174,902	-	2,174,902	-
	<u>55,106,908</u>	<u>49,820,060</u>	<u>55,106,908</u>	<u>49,820,060</u>

(c) (i) Principal subsidiary undertakings.

Details of consolidated subsidiaries as at 31 March 2009 are shown below:

<i>Country of incorporation</i>	<i>Company name</i>	<i>Nature of business</i>	<i>Percentage of equity capital held %</i>		<i>Year end consolidated</i>
			2009	2008	
Gambia	Access Bank Gambia	Banking	75	75	31 December
Sierra Leone	Access Bank Sierra Leone	Banking	85	85	31 December
Nigeria	United Securities Limited	Securities dealing	100	100	31 December
Rwanda	Access Bank Rwanda	Banking	75	75	31 December
Burundi	FinBank Burundi	Banking	75	75	31 December
Cote d'Ivoire	Omni Finance Bank, Cote d' Ivoire	Banking	88	88	31 December
Zambia	Access Bank Zambia	Banking	75	-	31 December
United Kingdom	The Access Bank UK	Banking	100	-	31 December
Congo	Access Bank (R.D.Congo)	Banking	100	-	31 December
Ghana	Access Bank Ghana	Banking	75	-	31 December
Nigeria	Access Investment and Securities	Investment management and securities dealing	100	100	31 December
Nigeria	Access Homes and Mortgage	Mortgage services	100	-	31 December

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

<i>Company name</i>	<i>Total Assets</i>	<i>Total liabilities</i>	<i>Net assets</i>	<i>Gross earnings</i>	<i>Profit/(loss) before taxation</i>	<i>Cash and cash equivalents</i>
	N'000	N'000	N'000	N'000	N'000	N'000
Access Bank Plc	674,919,956	490,034,284	184,885,672	104,494,981	28,160,730	135,323,258
Access Bank Gambia	4,390,721	4,092,919	297,802	545,374	(172,114)	958,485
Access Bank Sierra Leone	2,080,045	1,763,201	316,844	137,105	(162,312)	237,782
United Securities Limited	5,411,840	5,154,416	257,424	277,341	150,349	4,906,182
Access Bank Rwanda	11,402,113	10,194,420	1,207,693	1,327,871	(131,617)	4,461,993
FinBank Burundi	4,303,920	3,718,715	585,205	620,450	152,566	1,719,904
Omni Finance Bank Cote d'Ivoire	17,095,539	13,867,273	3,228,266	1,371,250	(313,292)	3,878,035
Access Bank Zambia	1,455,390	1,285,481	169,909	31,612	(376,795)	724,206
The Access Bank UK	9,396,913	4,403,126	4,993,787	105,755	(1,309,578)	1,958,696
Access Bank (R.D. Congo)	2,358,741	1,788,620	570,121	409,660	(91,353)	893,388
Access Bank Ghana	6,104,669	6,243,212	(138,543)	-	(138,659)	5,940,062
Access Investment and Securities	480,132	21,915	458,217	12,311	(46,274)	4,490
Access Homes and Mortgage	1,148,064	134,919	1,013,145	13,146	13,146	1,006,701
<i>Eliminations</i>	(30,167,047)	(17,564,543)	(12,602,504)	(5,800)	505,547	(8,984,213)
<i>Consolidated total</i>	710,380,996	525,137,958	185,243,038	109,341,056	26,240,344	153,028,969

- (d) (i) This represents the Bank's investment in 145,000,000 (2008: 145,000,000) ordinary shares of N1 each in Marina Securities Limited incorporated in Nigeria, representing 29% (2008: 29%) equity interest in the company.

Share of net assets:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Balance, beginning of year	145,000	145,000	145,000	145,000
Previously unrecognised reserve	546,885	-	-	-
Share of loss for the year	(41,338)	-	-	-
	<u>650,547</u>	<u>145,000</u>	<u>145,000</u>	<u>145,000</u>
Balance, end of year	<u>650,547</u>	<u>145,000</u>	<u>145,000</u>	<u>145,000</u>

- (ii) The summarized financial information of the Group's associate is set out below:

	Associate 2009 N'000	Associate 2008 N'000
Total assets	14,670,064	13,660,612
Total liabilities	(12,426,797)	(11,417,898)
Net assets	<u>2,243,267</u>	<u>2,242,714</u>
Gross income	<u>1,928,684</u>	<u>2,649,063</u>
(Loss)/profit after taxation	<u>(142,545)</u>	<u>999,671</u>

- (e) This represents the Bank's investment in 52,583,291 (2008: 52,583,291) ordinary shares of N1 each in Nigerian Inter-Bank Settlement System Plc, representing 7% equity interest.
- (f) This represents the Bank's investment in 50,000,000 (2008: 50,000,000) ordinary shares of ₦1 each in Central Securities Clearing System, representing 5% equity interest.
- (g) This represents the Bank's investment in 75,000,000 (2008: 75,000,000) ordinary shares of N1 each in IBTC Pension Managers, representing 15% equity interest.
- (h) This represents the Bank's investment in 10,000,000 (2008: 10,000,000) ordinary shares of N1 each in Consolidated Discount Limited, representing 5% equity interest.
- (i) This represents the Bank's investment in 368,256,737 (2008: 368,256,737) units of Valucard Nigeria Plc representing 10% equity interest.
- (j) This represents the Bank's investment in 50,000,000 (2008: 50,000,000) ordinary shares of US\$1 each in Africa Finance Corporation, representing 5% equity interest.

- (k) This represents the Bank's investment in 100,000,000 (2008: Nil) units of Credit Reference Company representing 7.5% equity interest.
- (l) This represents a Group entity's investment in unquoted equities.
- (m) This represents the Bank's investment in Small and Medium Scale Investments under the SMEEIS. The SME companies and the Bank's investments are as follows:

SME Company	Industry	2009	2008
		Investment ₦'000	Investment ₦'000
First SMI Consortium Company	Investment management	13,750	13,750
Midland Sugar Limited	Agro-Allied	21,991	21,991
Channel House Limited	Funeral Services	15,000	15,000
Masdeladel Industries	Agro-Allied	30,600	30,600
Radmed Diagnostics	Health	37,100	37,100
Vic Lawrence Associates	Advisory Services	26,175	26,175
Tinapa Business Resort	Travel and Tourism	100,000	100,000
		244,616	244,616
		244,616	244,616

In the opinion of the directors, there has been no permanent diminution in the carrying value of unquoted investments.

**8. Equipment on lease
Group and Bank**

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

	<u>Motor Vehicles</u>	<u>Equipment</u>	<u>Total</u>
	N'000	N'000	N'000
Cost:			
Beginning of year	190,548	3,759,438	3,949,986
Additions	-	720,694	720,694
End of year	<u>190,548</u>	<u>4,480,132</u>	<u>4,670,680</u>
Accumulated depreciation:			
Beginning of year	153,709	2,432,803	2,586,512
Charge for the year	16,468	476,145	492,613
End of year	<u>170,177</u>	<u>2,908,948</u>	<u>3,079,125</u>
Net book value:			
End of year	<u>20,371</u>	<u>1,571,184</u>	<u>1,591,555</u>
Beginning of year	<u>36,839</u>	<u>1,326,635</u>	<u>1,363,474</u>

9. Fixed assets

(a) Group

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

	<u>Capital work in progress</u> N'000	<u>Freehold land, & Building and leasehold imp.</u> N'000	<u>Furniture fixtures & Equipment</u> N'000	<u>Computer hardware</u> N'000	<u>Motor vehicles</u> N'000	<u>Total</u> N'000
COST:						
Beginning of year	3,516,916	5,511,221	5,213,601	2,588,117	3,225,775	20,055,630
Opening balance of previously unconsolidated subsidiaries	-	1,974,879	67,949	96,945	68,165	2,207,938
Additions	3,989,035	2,214,660	2,414,355	1,711,992	1,160,413	11,490,455
Disposals	(32,706)	(436,667)	(31,656)	-	(255,084)	(756,113)
Write off	(1,244)	-	-	(250)	-	(1,494)
Transfers	(1,533,546)	1,208,716	242,428	7,142	75,260	-
Translation difference	12,092	(845)	11,495	(976)	922	22,688
End of year	<u>5,950,547</u>	<u>10,471,964</u>	<u>7,918,172</u>	<u>4,402,970</u>	<u>4,275,451</u>	<u>33,019,104</u>
ACCUMULATED DEPRECIATION:						
Beginning of year	-	663,659	2,415,943	1,560,420	1,308,015	5,948,037
Opening balance of previously unconsolidated subsidiaries	-	305,333	35,988	71,855	42,595	455,771
Charge for the year	-	437,795	1,212,458	907,161	908,126	3,465,540
Disposals	-	(42,257)	(22,444)	-	(176,030)	(240,731)
Translation difference	-	158	651	(257)	(173)	379
End of year	<u>-</u>	<u>1,364,688</u>	<u>3,642,596</u>	<u>2,539,179</u>	<u>2,082,533</u>	<u>9,628,996</u>
NET BOOK VALUE:						
End of year	<u>5,950,547</u>	<u>9,107,276</u>	<u>4,275,576</u>	<u>1,863,791</u>	<u>2,192,918</u>	<u>23,390,108</u>
Beginning of year	<u>3,516,916</u>	<u>4,847,562</u>	<u>2,797,658</u>	<u>1,027,697</u>	<u>1,917,760</u>	<u>14,107,593</u>

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

(ii) Authorized and contracted capital commitments as at the balance sheet date amounted to ₦1,518,019,427 (2008: ₦777,722,022).

(b) **Bank**

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

	<u>Capital work in progress</u> N'000	<u>Freehold land, & Building and leasehold imp.</u> N'000	<u>Furniture fixtures & Equipment</u> N'000	<u>Computer hardware</u> N'000	<u>Motor vehicles</u> N'000	<u>Total</u> N'000
COST:						
Beginning of year	3,210,101	5,325,132	5,069,267	2,542,308	3,119,067	19,265,875
Additions	2,280,876	1,322,732	1,953,747	1,069,302	1,000,018	7,626,675
Disposals	-	-	(31,656)	-	(255,085)	(286,741)
Transfers	(1,053,430)	939,294	109,358	4,778	-	-
End of year	<u>4,437,547</u>	<u>7,587,158</u>	<u>7,100,716</u>	<u>3,616,388</u>	<u>3,864,000</u>	<u>26,605,809</u>
ACCUMULATED DEPRECIATION:						
Beginning of year	-	658,887	2,402,737	1,548,377	1,291,261	5,901,262
Charge for the year	-	383,862	989,712	592,239	805,095	2,770,908
Disposals	-	-	(22,444)	-	(176,031)	(198,475)
End of year	<u>-</u>	<u>1,042,749</u>	<u>3,370,005</u>	<u>2,140,616</u>	<u>1,920,325</u>	<u>8,473,695</u>
NET BOOK VALUE:						
End of year	<u>4,437,547</u>	<u>6,544,409</u>	<u>3,730,711</u>	<u>1,475,772</u>	<u>1,943,675</u>	<u>18,132,114</u>
Beginning of year	<u>3,210,101</u>	<u>4,666,245</u>	<u>2,666,530</u>	<u>993,931</u>	<u>1,827,806</u>	<u>13,364,613</u>

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

(ii) Authorized and contracted capital commitments as at the balance sheet date amounted to ₦1,518,019,427 (2008: ₦768,328,704).

10. Goodwill

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Cost:				
Balance, beginning of the year	-	-	-	-
Addition during the year	1,738,148	-	-	-
Balance, end of year	1,738,148	-	-	-
Impairment	-	-	-	-
Carrying value	1,738,148	-	-	-

(b) Goodwill arising during the year is attributable to the following subsidiaries:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Access Bank Rwanda	681,007	-	-	-
FinBank Burundi	369,714	-	-	-
Omni Finance Bank, Cote d' Ivoire	687,427	-	-	-
	1,738,148	-	-	-

Goodwill is reviewed annually or more frequently for impairment when there are objective indications that impairment may have occurred by comparing the carrying value to its recoverable amount. No impairment was identified in 2009.

11. Deposits and other accounts

(a) Deposits and other accounts comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Demand:				
- Local	122,722,958	120,271,347	127,461,891	120,271,347
- Domiciliary	56,174,366	31,968,832	39,024,456	30,672,165
Savings	10,669,435	6,650,388	9,303,753	6,548,578
Term and call	240,530,187	194,855,834	229,866,955	194,297,189
	430,096,946	353,746,401	405,657,055	351,789,279

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Under 1 month	236,186,236	218,216,791	226,312,637	216,818,341
1 - 3 months	183,220,968	133,671,404	177,842,323	133,378,331
3 - 6 months	1,417,480	1,275,210	1,164,559	1,224,483
6 - 12 months	9,272,262	582,996	337,536	368,124
	430,096,946	353,746,401	405,657,055	351,789,279
	430,096,946	353,746,401	405,657,055	351,789,279

12. Due to banks

(a) Balances due to banks comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Foreign borrowing (see note (b) below)	13,233,510	45,975,044	13,227,889	45,975,044
Inter-bank takings	6,953,605	23,427,796	7,287,500	23,273,000
Due to multilateral agencies (see note (c) below)	9,995,910	-	9,995,910	-
	30,183,025	69,402,840	30,511,299	69,248,044
	30,183,025	69,402,840	30,511,299	69,248,044

(b) Foreign borrowing represents trade related loans from foreign correspondent banks in respect of letters of credit negotiated on the behalf of customers. The corresponding receivables from these customers are included in loans and advances.

(c) Due to multilateral agencies represents outstanding obligation in respect of on-lending facilities not yet disbursed as at year end.

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Under 1 month	8,333,402	45,975,043	4,430,250	45,975,044
1 – 3 months	11,853,713	5,966,297	16,085,139	5,811,500
3 – 6 months	9,995,910	5,811,500	9,995,910	5,811,500
6 – 12 months	-	11,650,000	-	11,650,000
	30,183,025	69,402,840	30,511,299	69,248,044
	30,183,025	69,402,840	30,511,299	69,248,044

13. On-lending facilities

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
European Investment Bank (see note (b))	2,556,487	2,290,426	2,556,487	2,290,426
European Investment Bank (see note (c))	55,144	183,820	55,144	183,820
Due to Belgian Investment Company (see note (d))	309,915	348,690	309,915	348,690
Due to African Development Bank (see note (e))	2,221,915	2,324,600	2,221,915	2,324,600
	<u>5,143,461</u>	<u>5,147,536</u>	<u>5,143,461</u>	<u>5,147,536</u>

- (b) The amount of ~~N~~2,556,487,000 (USD 17,540,221) represent outstanding balance on on-lending facilities granted to the Bank by EIB (European Investment Bank) in September 2005 for a period of 9 years. Principal and interest are repayable quarterly and semi annually based on the terms of the facilities with the obligor. Interest is reset every 90 days at 2.2% - 2.9% above LIBOR.
- (c) The amount of ~~N~~55,143,749 (EUR 284,216.83) represent outstanding balance on facility granted to the Bank by EIB (European Investment Bank) in September 2005 for a period of 9 years. The principal amount is repayable semi annually while interest is reset every 90 days at 2.2% - 2.9% above LIBOR.
- (d) The amount of ~~N~~309,915,000 (USD 2,126,343) represents the outstanding balance on facility granted to the Bank by BIO (Belgian Investment Company) in May 2007 for a period of 7 years. The principal amount is repayable semi annually from 2012 while interest is paid semi annually at 3% above LIBOR.
- (e) The amount of ~~N~~2,221,915,000 (USD 15,244,700) represents the outstanding balance on facility granted to the Bank by ADB (African Development Bank) for a period of 9 years commencing in August 2007 and a moratorium of 2 years. The principal amount is repayable semi annually after the moratorium period while interest is payable semi annually at 3% above LIBOR.
- (f) The maturity profile of amounts due to the foreign multilateral agencies stated above for on-lending is as follows:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
1 – 3 months	72,770	-	72,770	-
3 – 6 months	377,109	-	377,109	-
Over 12 months	4,693,582	5,147,536	4,693,582	5,147,536
	<u>5,143,461</u>	<u>5,147,536</u>	<u>5,143,461</u>	<u>5,147,536</u>

14. Other liabilities

(a) Other liabilities comprise:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Foreign currency denominated liabilities (see note 1(d))	21,615,549	5,367,721	21,426,812	5,367,721
Interest payable	1,675,516	976,620	950,842	984,582
Accrued expenses	1,677,544	956,733	1,534,668	956,733
Managers' cheques	4,384,335	22,634,681	4,380,316	22,634,681
Unearned income	136,191	123,598	-	123,598
Staff pension fund	28,675	22,385	28,675	22,385
Share proceeds collection account	162,078	384,303,984	-	384,303,984
Derivative liabilities (see note (b) below)	1,959,759	-	935,289	-
Unclaimed dividend (see note 1(g))	2,248,340	-	-	-
Due to customers	2,525,964	-	-	-
Others	7,742,980	1,465,822	4,033,316	1,331,940
	<u>44,156,931</u>	<u>415,851,544</u>	<u>33,289,918</u>	<u>415,725,624</u>

(b) The fair values of the derivative instruments (liability) held for risk management are as follows:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Forward exchange contract (see note 6 (c))	1,959,759	-	935,289	-
	<u>1,959,759</u>	<u>-</u>	<u>935,289</u>	<u>-</u>

15. Taxation payable

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
Balance, beginning of year	2,659,923	1,751,833	2,659,923	1,751,833
Opening balance of previously unconsolidated subsidiaries	54,306	-	-	-
Adjusted opening balance	<u>2,714,229</u>	<u>1,751,833</u>	<u>2,659,923</u>	<u>1,751,833</u>
Charge for the year (see note (c) below)	5,985,683	2,883,866	5,841,951	2,883,866
Payments during the year	<u>(2,113,559)</u>	<u>(1,975,776)</u>	<u>(2,030,512)</u>	<u>(1,975,776)</u>
Balance, end of year	<u><u>6,586,353</u></u>	<u><u>2,659,923</u></u>	<u><u>6,471,362</u></u>	<u><u>2,659,923</u></u>

The current tax charge has been computed at the current company income tax rate of 30% (March 2008: 30%) plus 2% (March 2008: 2%) Education Levy for the year on the profit for the year after adjusting for certain items of income and expenditure, which are not deductible or chargeable for tax purposes. Current income tax charge includes statutory corporate income tax of subsidiary companies.

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
Balance, beginning of year	624,523	515,808	617,584	515,808
(Credit)/ charge for the year (see note (c) below)	<u>(614,470)</u>	<u>108,715</u>	<u>(621,930)</u>	<u>101,776</u>
Balance, end of year	<u><u>10,053</u></u>	<u><u>624,523</u></u>	<u><u>(4,346)</u></u>	<u><u>617,584</u></u>

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

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

	Group 2009 <u>N'000</u>	Group 2008 <u>N'000</u>	Bank 2009 <u>N'000</u>	Bank 2008 <u>N'000</u>
Fixed assets	2,129,084	1,455,118	2,114,669	1,448,179
General provision	<u>(2,119,031)</u>	<u>(830,595)</u>	<u>(2,119,015)</u>	<u>(830,595)</u>
	<u><u>10,053</u></u>	<u><u>624,523</u></u>	<u><u>(4,346)</u></u>	<u><u>617,584</u></u>

(c) The tax charge for the year comprises:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Income tax:				
- Charge for the year	5,523,488	2,411,070	5,379,756	2,411,070
- Prior year under-provision	-	223,942	-	223,942
	<u>5,523,488</u>	<u>2,635,012</u>	<u>5,379,756</u>	<u>2,635,012</u>
Education tax	462,195	248,844	462,195	248,844
Capital gains tax	-	10	-	10
	<u>5,985,683</u>	<u>2,883,866</u>	<u>5,841,951</u>	<u>2,883,866</u>
Deferred tax (credit)/ charge	(614,470)	108,715	(621,930)	101,776
	<u>5,371,213</u>	<u>2,992,581</u>	<u>5,220,021</u>	<u>2,985,642</u>

16. Borrowings

(a) Borrowings comprise:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Access Bank Bond Holders (see note (b) below)	8,961,189	11,947,500	8,961,189	11,947,500
International Finance Corporation	-	1,743,450	-	1,743,450
European Investment Bank	-	961,055	-	961,055
	<u>8,961,189</u>	<u>14,652,005</u>	<u>8,961,189</u>	<u>14,652,005</u>

(b)(i) The movement in the convertible bond during the year is as follows:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Balance, beginning of the year	11,947,500	-	11,947,500	-
Issued during the year	-	11,947,500	-	11,947,500
Redemption during the year	(2,986,311)	-	(2,986,311)	-
Conversion to ordinary shares	-	-	-	-
	<u>8,961,189</u>	<u>11,947,500</u>	<u>8,961,189</u>	<u>11,947,500</u>

- (ii) This represents the outstanding balance of the Bank's 14% naira denominated redeemable convertible bond with a 3 year tenor due to expire in June 2010. The bond is convertible to ordinary shares of the Bank at the instance of the bondholders on a pre-determined conversion formula subject to a maximum of 25% of the units held. The conversion option is available at any time during the tenor of the bond subject to a conversion premium of 60% up to 18 months from the date of financial close in May 2007 and 80% conversion premium after 18 months from the date of financial close.

The coupon is payable semi-annually in arrears starting from the 15th day of the 6th month after the financial close. In the event of a partial conversion or non conversion, the amount of the convertible bond outstanding is redeemable in four equal semi annual instalments with the first repayment of 25% in December 2008 being the 18th month after financial close.

17. Share capital

Share capital comprises:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
(a) Authorized:				
Ordinary shares:				
18,000,000,000 ordinary shares of 50k each	9,000,000	9,000,000	9,000,000	9,000,000
Preference shares:				
2,000,000,000 preference shares of 50k each	1,000,000	1,000,000	1,000,000	1,000,000
	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>
Issued and fully paid:				
16,214,258,437 (2008: 16,142,501,847) ordinary shares of 50k each	8,107,130	8,071,252	8,107,130	8,071,252

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Balance, beginning of year	8,071,252	3,489,081	8,071,252	3,489,081
Issue of shares (see note (c))	35,878	4,582,171	35,878	4,582,171
Balance, end of year	<u>8,107,130</u>	<u>8,071,252</u>	<u>8,107,130</u>	<u>8,071,252</u>

- (c) In October 2008, the International Finance Corporation (IFC) exercised its option to convert 25% of the USD15,000,000 unsecured, subordinated, convertible loan into ordinary shares of the Bank. An amount of ₦435,562,000 was converted into 71,756,590 ordinary shares at ₦6.07 per share.

The proceed was accounted for as follows:

	₦'000
Conversion proceeds	435,562
Transfer to share capital account (see note (b) above)	(35,878)
Transfer to share premium account (see note 19)	(399,684)
	-
	-

- (d) The holder of ordinary shares are entitled to receive dividends as declared and are entitled to vote at meetings of the Bank. All ordinary shares rank pari passu with the same right and benefits.

18. Capital reserve

Amount 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 50k each of the Bank in issue to 6,978,160,860 ordinary shares of 50k each by the creation of 1 ordinary share for 2 ordinary shares previously held.

19 Share premium

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

	<u>Group</u> <u>2009</u>	<u>Group</u> <u>2008</u>	<u>Bank</u> <u>2009</u>	<u>Bank</u> <u>2008</u>
	₦'000	₦'000	₦'000	₦'000
Balance, beginning of year	146,047,149	20,277,386	146,047,149	20,277,386
Issue of shares (see note 17 (c) above)	399,684	131,966,510	399,684	131,966,510
Share issue expenses	-	(6,196,747)	-	(6,196,747)
	146,446,833	146,047,149	146,446,833	146,047,149
	146,446,833	146,047,149	146,446,833	146,047,149

20. Other reserves

(a) Other reserves comprise:

	Group <u>2009</u> N'000	Group <u>2008</u> N'000	Bank <u>2009</u> N'000	Bank <u>2008</u> N'000
Statutory reserve (see (b) below)	14,367,094	7,501,356	14,367,094	7,501,356
Small and Medium industries reserve	945,009	945,009	945,009	945,009
General reserve (see (c) below)	9,449,176	5,773,392	11,475,611	5,948,180
Foreign currency translation reserve (see (d) below)	1,355,268	(22,710)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	26,116,547	14,197,047	26,787,714	14,394,545
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	Group <u>2009</u> N'000	Group <u>2008</u> N'000	Bank <u>2009</u> N'000	Bank <u>2008</u> N'000
Balance, beginning of year	7,501,356	2,684,417	7,501,356	2,684,417
Transfer from profit and loss account	6,865,738	4,816,939	6,865,738	4,816,939
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	14,367,094	7,501,356	14,367,094	7,501,356
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In accordance with existing legislation, the Bank transferred 30% (March 2008: 30%) of its profit after taxation to statutory reserve.

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

	Group <u>2009</u> N'000	Group <u>2008</u> N'000	Bank <u>2009</u> N'000	Bank <u>2008</u> N'000
Balance, beginning of year	5,773,392	(2,500,082)	5,948,180	(2,500,082)
Transfer from profit and loss account	14,168,409	11,064,737	16,020,056	11,239,525
Dividend paid during the year	(10,492,625)	(2,791,263)	(10,492,625)	(2,791,263)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	9,449,176	5,773,392	11,475,611	5,948,180
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(d) The movement on the foreign currency translation reserve during the year was as follows:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Balance, beginning of year	(22,710)	-	-	-
Translation gain/ (loss) during the year	1,377,979	(22,710)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance, end of year	1,355,269	(22,710)	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21 Non controlling interest

The movement in non controlling interest during the year is shown below:

	Group 2009 N'000	Group 2008 N'000
Balance, beginning of the year	56,137	-
Non controlling interest in previously unconsolidated subsidiaries	925,378	-
	<hr/>	<hr/>
	981,515	-
Capital contributed by minorities during the year	266,949	84,712
Share of loss for the year	(219,931)	(28,575)
	<hr/>	<hr/>
	1,028,533	56,137
	<hr/> <hr/>	<hr/> <hr/>

22 Acceptances, bonds, guarantees and other obligations

These comprise:

(a) Amounts for the account of customers

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Guaranteed BAs/CPs	186,732	22,000,000	-	22,000,000
Transaction-related bonds and guarantees (see note (b) below)	91,909,404	83,228,994	89,794,698	82,901,204
Letters of Credit	46,382,827	50,496,835	44,429,377	50,134,562
Guaranteed facilities	4,155,010	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	142,633,973	155,725,829	134,224,075	155,035,766
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(b) Included in transaction related bonds are cash collateralised bonds and guarantees amounting to N34,803,001,006 (March 2008: N12,474,649,298)

23. Interest and discount income

Interest and discount income comprise:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
(a) Source:				
Lending to financial institutions	2,218,534	1,555,660	1,788,862	1,562,591
Lending to non-bank customers	51,554,106	22,915,546	49,430,709	22,833,446
Interest income on treasury bills & securities trading	28,937,380	16,205,538	28,803,684	16,139,700
	<u>82,710,020</u>	<u>40,676,744</u>	<u>80,023,255</u>	<u>40,535,737</u>
(b) Geographical location:				
Earned in Nigeria	80,128,724	39,665,815	79,953,921	39,665,815
Earned outside Nigeria	2,581,296	1,010,929	69,334	869,922
	<u>82,710,020</u>	<u>40,676,744</u>	<u>80,023,255</u>	<u>40,535,737</u>

24. Interest expense

Interest expense comprises:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
(a) Source:				
Borrowing from financial institutions	2,776,398	1,555,485	2,670,355	1,562,681
Borrowing from non-bank depositors	12,889,335	5,757,821	11,895,343	5,693,260
Interest expense on securities trading	21,868,435	7,332,918	21,854,670	7,332,918
	<u>37,534,168</u>	<u>14,646,224</u>	<u>36,420,368</u>	<u>14,588,859</u>
(b) Geographical location:				
Paid in Nigeria	34,494,066	14,223,367	34,494,066	14,223,367
Paid outside Nigeria	3,040,102	422,857	1,926,302	365,492
	<u>37,534,168</u>	<u>14,646,224</u>	<u>36,420,368</u>	<u>14,588,859</u>

25. Allowance for risk and other assets

(a) Allowance for risk assets comprise:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Loans and advances:				
- Specific (see note 3(b))	3,899,104	1,919,347	3,059,211	1,918,408
- General (see note 3(d))	4,301,771	1,576,077	4,279,029	1,563,524
- No longer required	(240,305)	-	-	-
Other facilities:				
- General (see note 4(b))	10,096	18,581	10,096	18,581
- No longer required	(10,136)	-	(10,136)	-
Advances under finance leases:				
- General (see note 5(b))	12,357	14,884	12,357	14,884
	<u>7,972,887</u>	<u>3,528,889</u>	<u>7,350,557</u>	<u>3,515,397</u>

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

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Allowance for other assets (see note 6(d))	680,096	237,961	661,538	237,961
Allowance no longer required (see note 6(d))	(210,855)	-	(210,855)	-
	<u>469,241</u>	<u>237,961</u>	<u>450,683</u>	<u>237,961</u>

26. Other banking income

(a) This comprises:

	<u>Group 2009</u> N'000	<u>Group 2008</u> N'000	<u>Bank 2009</u> N'000	<u>Bank 2008</u> N'000
Income from foreign exchange transactions (see note (b) below)	11,387,014	(90,088)	10,680,103	(223,270)
Commissions and similar income	6,052,513	7,045,632	4,806,779	7,045,525
Fees	9,284,765	7,389,140	9,270,487	7,298,868
Lease rental	535,779	456,791	535,779	456,791
Revaluation (loss)/ gain	(1,342,360)	2,416,420	(1,317,509)	2,416,420
Other income	713,325	104,699	496,087	97,027
	<u>26,631,036</u>	<u>17,322,594</u>	<u>24,471,726</u>	<u>17,091,361</u>

(b) Income from foreign exchange transactions comprise:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Transaction gain	8,405,535	289,627	7,698,624	156,445
Revaluation difference	2,981,479	(379,715)	2,981,479	(379,715)
	<u>11,387,014</u>	<u>(90,088)</u>	<u>10,680,103</u>	<u>(223,270)</u>

27. Profit before taxation

(a) General:

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

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Depreciation on fixed assets	3,465,540	1,742,066	2,770,908	1,695,276
Depreciation on equipment on lease	492,613	437,835	492,613	437,835
Auditor's remuneration	125,047	63,575	89,500	60,000
Deposit insurance premium	1,573,574	988,452	1,573,574	988,452
(Profit)/loss on disposal of fixed assets	57,391	(13,317)	(18,635)	(13,317)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(b) Analysis of operating expenses:

	Group 2009 N'000	Group 2008 N'000	Bank 2009 N'000	Bank 2008 N'000
Staff salaries and allowances	10,936,463	4,117,185	9,086,778	4,048,316
Other staff costs	417,497	1,296,797	276,168	1,296,797
Depreciation	3,958,153	2,179,901	3,263,521	2,133,111
Administration and general expenses	10,871,767	7,388,565	9,862,295	7,240,507
Repairs and maintenance	1,437,023	798,866	1,317,064	780,652
Insurance	2,160,078	1,301,911	2,149,528	1,298,301
Professional fees	1,853,837	1,105,592	1,753,275	1,085,570
Rent and rates	778,960	575,594	675,911	559,666
Traveling and accommodation	1,263,769	596,594	1,230,911	556,358
Business combination expenses	-	191,533	-	191,533
IT levy	192,325	190,421	192,325	190,421
Other operating expenses	3,815,006	867,045	2,359,782	730,965
	<u>37,684,878</u>	<u>20,610,004</u>	<u>32,167,558</u>	<u>20,112,197</u>

(c) Staff and executive directors' costs:

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

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Wages and salaries	10,726,337	4,019,559	8,936,234	3,951,852
Pension costs	210,126	97,626	150,544	96,464
	<hr/>	<hr/>	<hr/>	<hr/>
	10,936,463	4,117,185	9,086,778	4,048,316
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	<u>Group</u> <u>2009</u> Number	<u>Group</u> <u>2008</u> Number	<u>Bank</u> <u>2009</u> Number	<u>Bank</u> <u>2008</u> Number
Managerial	184	137	153	127
Other staff	1,718	1,082	1,281	940
	<hr/>	<hr/>	<hr/>	<hr/>
	1,902	1,219	1,434	1,067
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	<u>Group 2009</u> Number	<u>Group 2008</u> Number	<u>Bank 2009</u> Number	<u>Bank 2008</u> Number
Below N900,001	203	152	-	-
N 900,001 - N 910,000	26	6	-	6
N 910,001 - N 1,000,000	102	-	-	-
N 1,200,001 - N 1,440,000	7	-	7	-
N 1,490,001 - N1,500,000	19	-	-	-
N 1,540,001 - N 1,550,000	4	-	-	-
N 1,650,001 - N 1,660,000	10	-	-	-
N 1,990,001 - N 2,010,000	29	1	-	1
N 2,340,001 - N 2,370,000	11	-	-	-
N 2,370,001 - N 2,380,000	9	-	-	-
N 2,610,001 - N 2,620,000	-	447	-	447
N 2,990,001 - N 3,000,000	8	-	-	-
N 3,100,001 - N 3,300,000	4	-	-	-
N 3,490,001 - N 3,500,000	6	-	-	-
N 3,501,001 - N 3,910,000	743	163	737	163
N 3,910,001 - N 3,920,000	1	-	-	-
N 3,980,001 - N 3,990,000	2	-	-	-
N 4,310,001 - N 4,320,000	2	-	-	-
N 4,700,001 - N 4,740,000	5	-	-	-
N 4,740,001 - N 4,750,000	1	107	-	107
N 4,930,001 - N 4,940,000	1	-	-	-
N 4,941,001 - N 5,229,000	165	-	159	-
N 5,430,001 - N 5,440,000	1	-	-	-
N 5,530,001 - N 5,740,000	4	97	-	97
N 6,300,001 - N 6,750,000	113	-	110	-
N 6,750,001 - N 6,760,000	2	-	-	-
N 6,900,001 - N 7,200,000	3	67	-	67
N 7,431,001 - N 7,489,000	119	-	119	-
N 7,900,001 - N 8,750,000	-	52	-	52
N 9,180,001 - N 9,190,000	-	-	-	-
N 9,350,001 - N10,810,000	88	43	88	43
N11,000,001 - N11,350,000	60	-	60	-
N 11,350,001- N11,360,000	-	36	-	36
N13,250,001 - N13,260,000	-	17	-	17
N13,261,001 - N14,949,000	58	-	58	-
N14,950,001 - N15,100,000	-	23	-	23
N15,101,001 - N17,949,000	43	-	43	-
N17,950,001 - N18,100,000	-	8	-	8
N18,101,001 - N21,940,000	25	-	25	-
N22,101,001 - N26,250,000	13	-	13	-
N26,251,001 - N30,260,000	14	-	14	-
N30,261,001 - N45,329,000	1	-	1	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,902	1,219	1,434	1,067
	<hr/>	<hr/>	<hr/>	<hr/>

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

	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Fees as directors	7,900	7,350
Other emoluments:		
Executive directors	154,825	167,155
Other directors	83,479	66,390
	<u>246,204</u>	<u>240,895</u>

The directors' remuneration shown above includes:

	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Chairman	<u>7,585</u>	<u>7,063</u>
Highest paid director	<u>36,250</u>	<u>38,435</u>

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

	<u>Group 2009</u>	<u>Group 2008</u>	<u>Bank 2009</u>	<u>Bank 2008</u>
	Number	Number	Number	Number
N 750,001- N 1,500,000	-	1	-	1
N 4,000,001- N 9,000,000	1	1	1	1
N 9,000,001- N 9,500,000	-	1	-	1
N 10,000,001- N13,000,000	4	4	4	4
N 13,000,001- N14,500,000	2	-	2	-
N14,500,001 - N16,000,000	-	-	-	-
N 16,000,001- N19,500,000	3	-	3	-
N19,500,001 - N24,500,000	1	2	1	2
N24,500,001 - N29,500,000	-	2	-	2
N 29,500,001- N34,500,000	1	-	1	-
N34,500,001 - N36,500,000	-	1	-	1
	<hr/>	<hr/>	<hr/>	<hr/>
	12	12	12	12
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

28. Earnings and dividend per share

Basic earnings per share is based on the profit after taxation and the weighted average number of ordinary shares outstanding during the year ended 31 March 2009 of 16,178,380,142 (2008: 9,269,246,107).

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

29. Proposed dividend

On 30 April 2009, the board of directors, pursuant to the power vested in it by the provision of section 379 of the Companies and Allied Matters Act of Nigeria, proposed a dividend of 70 kobo per share (2008: 65 kobo per share) from general reserve as at 31 March 2009 on the issued share capital of 16,214,258,437 (2008:16,142,501,847) shares of 50 kobo each subject to declaration by the shareholders at the next annual general meeting and deduction of withholding tax at applicable rates.

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

This comprises:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
Profit after taxation	20,814,216	15,853,101	22,885,794	16,056,464
Add: - taxation	5,371,213	2,992,581	5,220,021	2,985,642
	<u>26,185,429</u>	<u>18,845,682</u>	<u>28,105,815</u>	<u>19,042,106</u>
Adjustments to reconcile profit before taxation to net cash flow from operations:				
- depreciation on fixed assets (see note 9)	3,465,540	1,742,066	2,770,908	1,695,276
- depreciation on equipment on lease (see note 8)	492,613	437,835	492,613	437,835
- profit on disposal of fixed assets	57,391	(13,317)	(18,635)	(13,317)
- provision for risk assets (see note 25a)	7,972,887	3,528,889	7,350,557	3,515,397
- provision for other assets (see note 25b)	469,241	368,539	450,683	368,539
- fixed assets written off	1,494	1,383	-	-
- interest paid on borrowings	2,134,342	3,178,402	2,134,342	3,178,402
- revaluation loss/(gain)	1,342,360	(2,416,420)	1,317,509	(2,416,420)
	<u>42,121,297</u>	<u>25,673,059</u>	<u>42,603,792</u>	<u>25,807,818</u>

31. Changes in operating assets

This comprises:

	<u>Group</u> <u>2009</u> N'000	<u>Group</u> <u>2008</u> N'000	<u>Bank</u> <u>2009</u> N'000	<u>Bank</u> <u>2008</u> N'000
(Increase)/decrease in operating assets:				
- Short-term investments	84,208,141	(65,689,738)	85,287,786	(64,664,295)
- Loans and advances	(166,910,482)	(141,580,886)	(154,431,306)	(140,326,975)
- On lending facilities	4,075	(1,858,078)	4,075	(1,858,078)
- Advances under finance lease	(1,240,440)	(1,488,382)	(1,240,440)	(1,488,382)
- Other assets	(3,996,971)	(5,619,050)	(4,334,335)	(5,705,817)
Increase/(decrease) in operating liabilities:				
- Deposits and other accounts	58,126,328	148,511,667	53,867,776	146,554,545
- Due to banks	(39,040,839)	62,786,122	(38,736,745)	62,631,326
- On lending facilities	(4,075)	1,858,078	(4,075)	1,858,078
- Other liabilities	(369,070,380)	333,007,082	(382,435,706)	332,903,872
	<u>(437,924,643)</u>	<u>329,926,815</u>	<u>(442,022,970)</u>	<u>329,904,274</u>

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

The Bank did not pay any penalties in respect of contravention of the provisions of the Banks and Other Financial Institutions Act of Nigeria and Central Bank Circulars during the year ended 31 March 2009.

33. Related party transactions

During the year, the Bank granted various credit facilities to companies whose directors are also directors of Access Bank Plc at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of ₦45,998,610,723 (2008: ₦27,331,739,000) was outstanding on these various facilities at the end of the year, of which ₦190,944,621 (2008: ₦333,405,000) were non-performing .

Non performing insider credits as at 31 March 2009.

Name of the Borrower	Relationship	Name of the Directors	Date Granted	Expiry Date	Outstanding Credit	Nature of security	Security Value
DotDot Nig. Ltd.	Ex-Director	Hon Dotun Animashaun	30-Apr-03	30-Jul-03	15,793,101	Mortgage PG Legal Mortgage	11,500,000 NA 15,000,000
Access Investment & Sec. Ltd. (AISEC).	Subsidiary	Pastor A.W Odunaiya, Kayode Sufianu	8-Dec-04	15-Feb-05	150,206,208	NA	NA
Alh. Ahmed B.H	Ex-Director	Alh. Ahmadu Haruna	17-Sep-03	17-Sep-04	6,337,408.38	Legal Mortgage	NA
Alamac	Ex-Director	Alhaji Ahmed	12-Oct-98	23-Aug-01	18,607,903.24	Lien on Shares Deposit of title documents Deposit of deed of assignment	NA
					190,944,621		

34. Claims and litigation:

There are litigation claims against the Bank as at 31 March 2009 amounting to ₦10,467,853,299 (2008: ₦2,039,046,020). These claims arose in the normal course of business and are being contested by the Bank. The Directors having sought the advice of professional legal counsel are of the opinion that based on the advice received, no significant liability will crystallize from these cases. No provisions are therefore deemed necessary for these claims.

35. Prior-year corresponding balances

Certain prior period balances have been reclassified to conform with current period presentation as presented below:

(i) *Other assets*

	<u>Group</u> <u>2008</u>	<u>Bank</u> <u>2008</u>
	N'000	N'000
Balance as previously reported	24,811,296	24,898,063
Reclassification from other liabilities	(11,623,000)	(11,623,000)
	13,188,296	13,275,063
	13,188,296	13,275,063

(ii) *Other liabilities*

	<u>Group</u> <u>2008</u>	<u>Bank</u> <u>2008</u>
	N'000	N'000
Balance as previously reported	427,474,544	427,348,624
Reclassification to other assets	(11,623,000)	(11,623,000)
	415,851,544	415,725,624
	415,851,544	415,725,624

36. Segment information

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

Business segments

The Group operates the following main business segments:

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

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

Investment banking – The Investment Banking Group provide innovative financing and risk management solutions and advisory services for the bank's corporate and institutional customers. The group is also responsible for formulation and implementation of financial market products for the Bank's customers.

Retail banking – includes loans, deposits and other transactions and balances with retail and public sector customers

Geographical segments

The Group operates in Nigeria, United Kingdom and other countries in the rest of Africa. Geographical segment information is therefore presented in respect of the Group for Nigeria, the rest of Africa and Europe.

Business reporting

2009

	<u>Institutional Banking</u>	<u>Commercial Banking</u>	<u>Investment Banking</u>	<u>Retail Banking</u>	<u>Unallocated segments</u>	<u>Total</u>
Revenue:	N'000	N'000	N'000	N'000	N'000	N'000
Derived from external customers	50,348,118	43,051,094	9,532,587	6,106,460	302,797	109,341,056
Derived from other segments	(2,919,554)	2,430,122	479,747	9,685	-	-
	47,428,564	45,481,216	10,012,334	6,116,145	302,797	109,341,056
Interest expenses	(22,348,736)	(11,280,238)	(2,386,916)	(1,518,278)	-	(37,534,168)
	25,079,828	34,200,978	7,625,418	4,597,867	302,797	71,806,888
Depreciation	991,747	2,518,282	96,464	347,849	3,811	3,958,153
Share of associate's profit	-	-	-	-	505,547	505,547
Profit on ordinary activities before taxation	11,409,190	6,998,528	5,982,959	1,171,985	622,767	26,185,429
Total assets	305,516,484	334,858,854	41,835,015	27,919,312	196,416	710,326,081
Net assets/(liabilities)	128,708,533	72,456,479	2,328,534	(18,494,720)	189,297	185,188,123

The business segment result for 2008 is as follows:

	<u>Institutional Banking</u> N'000	<u>Commercial Banking</u> N'000	<u>Investment Banking</u> N'000	<u>Retail Banking</u> N'000	<u>Unallocated segments</u> N'000	<u>Total</u> N'000
Revenue:						
Derived from external customers	26,316,498	20,751,389	8,310,986	2,620,465	-	57,999,338
Derived from other business segments	(2,919,554)	2,439,807	479,747	-	-	0
	<u>23,396,944</u>	<u>23,191,196</u>	<u>8,790,733</u>	<u>2,620,465</u>	<u>-</u>	<u>57,999,338</u>
Interest expenses	(6,596,121)	(5,735,921)	(1,593,257)	(720,925)	-	(14,646,224)
Depreciation	418,837	1,674,186	40,088	46,790	-	2,179,901
Profit on ordinary activities before taxation	<u>8,209,535</u>	<u>4,886,463</u>	<u>5,032,631</u>	<u>717,053</u>	<u>-</u>	<u>18,845,682</u>
Total assets	424,545,943	512,421,846	88,837,019	8,140,629	-	1,033,945,437
Net assets/(liabilities)	<u>96,716,335</u>	<u>54,377,056</u>	<u>29,931,608</u>	<u>(9,164,334)</u>	<u>-</u>	<u>171,860,665</u>

Geographical reporting

	<u>Nigeria</u>		<u>Europe</u>		<u>Rest of Africa</u>		<u>Total</u>	
	2009	2008	2009	2008	2009	2008	2009	2008
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Revenue	104,797,778	57,627,098	105,755	-	4,437,523	372,240	109,341,056	57,999,338
Interest Expenses	(36,420,368)	(14,588,859)	(4)	-	(1,113,796)	(57,365)	(37,534,168)	(14,646,224)
Net revenue	68,377,410	43,038,239	105,751	-	3,323,727	314,875	71,806,888	43,353,114
Depreciation	3,267,331	2,133,111	8,220	-	682,602	46,790	3,958,153	2,179,901
Share of associate's profit	505,547	-					505,547	
Profit/(loss) on ordinary activities before taxation	28,728,583	19,042,106	(1,309,578)	-	(1,233,576)	(196,424)	26,185,429	18,845,682
Total assets	665,657,881	1,030,130,717	9,396,913	-	35,271,287	3,814,720	710,326,081	1,033,945,437
Net assets	178,566,501	170,296,550	4,861,526	-	1,760,096	1,564,115	185,188,123	171,860,665

Value Added Statement

For the year ended 31 March 2009

Group

	<u>2009</u>		<u>2008</u>	
	N'000	%	N'000	%
Gross earnings	109,341,056		57,999,338	
Interest expense:				
- Local	(32,359,724)		(11,044,965)	
- Foreign	(3,040,102)		(422,857)	
	<u>73,941,230</u>		<u>46,531,516</u>	
Group's share of associate's loss	505,547		-	
Loan loss expense	(7,972,887)		(3,528,889)	
Allowance for other assets and doubtful bank balances	(469,241)		(368,539)	
Bought-in materials and services				
- Local	(22,183,843)		(13,864,903)	
- Foreign	(606,419)		(448,015)	
Value added	<u>43,214,387</u>	<u>100</u>	<u>28,321,170</u>	<u>100</u>
Distribution of value added				
<i>To employees:</i>				
Employee cost	10,936,463	25	4,117,185	15
<i>To government:</i>				
Government as taxes	5,371,213	12	2,992,581	10
<i>To providers of finance:</i>				
Interest on borrowings	2,134,341	5	3,178,402	11
<i>Retained in the business:</i>				
For replacement of fixed assets and equipment on lease (depreciation)	3,958,153	9	2,179,901	8
To pay proposed dividend	11,349,981	26	10,492,626	37
To augment reserve	9,464,236	23	5,360,475	19
	<u>43,214,387</u>	<u>100</u>	<u>28,321,170</u>	<u>100</u>

Value Added Statement

For the year ended 31 March 2009

Bank

	<u>2009</u>		<u>2008</u>	
	N'000	%	N'000	%
Gross earnings	104,494,981		57,627,098	
Interest expense:				
- Local	(32,359,725)		(11,044,965)	
- Foreign	(1,926,302)		(365,492)	
	<u>70,208,954</u>		<u>46,216,641</u>	
Loan loss expense	(7,350,557)		(3,515,397)	
Allowance for other assets and doubtful bank balances	(450,683)		(368,539)	
Bought-in materials and services				
- Local	(19,210,840)		(13,482,755)	
- Foreign	(606,419)		(448,015)	
Value added	<u>42,590,455</u>	<u>100</u>	<u>28,401,935</u>	<u>100</u>
Distribution of value added				
<i>To employees:</i>				
Employee cost	9,086,778	21	4,048,316	14
<i>To government:</i>				
Government as taxes	5,220,021	12	2,985,642	10
<i>To providers of finance:</i>				
Interest on borrowings	2,134,341	5	3,178,402	11
<i>Retained in the business:</i>				
For replacement of fixed assets and equipment on lease (depreciation)	3,263,521	8	2,133,111	8
To pay proposed dividend	11,349,981	27	10,492,626	37
To augment reserve	11,535,813	27	5,563,838	20
	<u>42,590,455</u>	<u>100</u>	<u>28,401,935</u>	<u>100</u>

Five-Year Financial Summary

Bank

	<u>31 Mar 2009</u>	<u>31 Mar 2008</u>	<u>31Mar 2007</u>	<u>31 Mar 2006</u>	<u>31 Mar 2005</u>
	N'000	N'000	N'000	N'000	N'000
ASSETS:					
Cash and short-term funds	135,323,258	585,809,897	158,433,251	46,263,777	11,811,850
Short-term investments	18,387,927	103,675,713	39,011,418	38,242,133	7,990,980
Loans and advances	391,688,687	244,595,621	107,750,578	54,111,173	16,183,353
Other facilities	5,092,026	5,096,061	3,256,564	1,634,579	-
Advances under finance lease	3,725,766	2,497,683	1,024,185	295,834	150,188
Other assets	15,841,206	13,275,063	5,521,365	16,611,122	27,213,502
Long-term investments	85,078,156	62,163,896	4,384,982	5,724,873	394,500
Equipment on lease	1,591,555	1,363,474	1,071,340	1,124,780	756,517
Fixed assets	18,132,114	13,364,613	8,161,511	3,953,161	2,417,425
Deferred tax asset	4,346	-	-	-	-
Goodwill	-	-	-	6,592,434	-
	<u>674,865,041</u>	<u>1,031,842,021</u>	<u>328,615,194</u>	<u>174,553,866</u>	<u>66,918,315</u>
LIABILITIES:					
Deposits and other accounts	405,657,056	351,789,279	205,234,734	110,879,330	32,607,703
Due to banks	30,511,299	69,248,044	6,616,718	7,210,170	2,790,319
Other facilities	5,143,461	5,147,536	3,289,458	1,651,090	-
Other liabilities	33,289,918	415,725,624	82,821,752	24,939,089	16,956,822
Taxation payable	6,471,362	2,659,923	1,751,833	699,109	216,284
Deferred taxation	-	617,584	515,808	281,192	275,263
Long term liabilities	8,961,189	14,652,005	-	-	-
	<u>490,034,284</u>	<u>859,839,995</u>	<u>300,230,303</u>	<u>145,659,980</u>	<u>52,846,391</u>
NET ASSETS:	<u>184,830,757</u>	<u>171,002,026</u>	<u>28,384,891</u>	<u>28,893,886</u>	<u>14,071,924</u>
CAPITAL AND RESERVES:					
Share capital	8,107,130	8,071,252	3,489,081	6,978,161	4,055,607
Bonus issue reserve	-	-	-	-	579,373
Capital reserve	3,489,080	3,489,080	3,489,080	-	-
Share premium	146,446,833	146,047,149	20,277,386	20,277,386	8,535,754
Other reserves	26,787,714	14,394,545	1,129,344	1,638,339	901,190
	<u>184,830,757</u>	<u>171,002,026</u>	<u>28,384,891</u>	<u>28,893,886</u>	<u>14,071,924</u>
Commitments and contingents	<u>134,224,075</u>	<u>155,169,565</u>	<u>80,130,170</u>	<u>30,090,825</u>	<u>14,763,107</u>
Gross earnings	<u>104,494,981</u>	<u>57,627,098</u>	<u>27,881,451</u>	<u>13,360,358</u>	<u>7,494,855</u>
Profit before taxation	<u>28,105,815</u>	<u>19,042,106</u>	<u>8,043,165</u>	<u>1,119,449</u>	<u>751,033</u>
Profit after taxation	<u>22,885,794</u>	<u>16,056,464</u>	<u>6,083,439</u>	<u>737,149</u>	<u>501,515</u>
Dividend paid	10,492,625	2,791,263	-	-	300,000
Earnings per share	141k	173k	87k	7k	12k
Dividend per share	65k	40k	-	-	-
Number of ordinary shares of 50k	16,214,258	16,142,502	6,978,161	13,956,322	8,111,215

* Declared dividend represents the dividend declared and paid during the year.

** This is the second year of presenting group financial statements hence a Group five year financial summary cannot be prepared.