Unaudited Interim Consolidated and Separate Financial Statements for the period ended

30 September 2023

access

ACCESS HOLDINGS PLC
Index to the consolidated and separate interim financial statements for the period ended 30 September 2023

Corporate information

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

Directors

Mr. Bababode Olukayode Osunkoya, FCA	Chairman/Independent Non-Executive Director
Dr. Herbert Onyewumbu Wigwe, FCA	Group Managing Director/Chief Executive Officer
Mr. Abubakar Aribidesi Jimoh, CFA	Independent Non-Executive Director
Mrs. Fatimah Bintah Bello-Ismail	Independent Non-Executive Director
Mrs. Ojinika Nkechinyelu Olaghere, FCA	Non-Executive Director
Mr. Olusegun Babalola Ogbonnewo	Non-Executive Director
Mr. Roosevelt Michael Ogbonna, FCA,CFA	Non-Executive Director
Mr. Oluseyi Kolawole Kumapayi, FCA	Non-Executive Director
Ms. Bolaji Olaitan Agbede	Executive Director
Mr. Lanre Babatunde Bamisebi	Executive Director

Company Secretary
Mr Sunday Ekwochi

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

Telephone: +234 (01) 4619264 - 9
+234 (01) 2773300-99

Company Registration Number: RC1755118

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

Corporate Governance Consultant
Ernst & Young
10th Floor UBA House
57, Marina, Lagos
Telephone: +234 (01) 6314500
FRC Number: FRC/2012/ICAN00000000187

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

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

For further information please contact:

Access Holdings Plc.
+234 (1) 236 4365

Consolidated and separate statement of comprehensive income

In millions of Naira	***Notes***	**Group September 2023**	**Group September 2022**	**Company September 2023**	**Company September 2022**
Interest income calculated using effective interest rate	8	953,374	497,230	-	-
Interest income on financial assets at FVTPL	8	95,089	74,508	-	-
Interest expense	8	(658,508)	(291,450)	(13,142)	-
Net interest income/(expenses)		389,955	280,288	(13,142)	-
Net impairment charge on financial assets	9	(61,825)	(52,953)	-	-
Net interest income after impairment charges		328,130	227,335	(13,142)	-
Fee and commission income	10 (a)	208,182	133,494	-	-
Fee and commission expense	10 (b)	(59,628)	(38,311)	-	-
Net fee and commission income		148,554	95,183	-	-
Fair value and foreign exchange gain/(loss)	11,12	314,601	184,126	(3,481)	-
Other operating income	13	22,109	17,219	68,231	25,225
Personnel expenses	14	(117,625)	(89,840)	(1,777)	(721)
Depreciation	28	(30,535)	(22,466)	(145)	(72)
Amortization and impairment	29	(12,631)	(10,277)	-	-
Other operating expenses	15	(358,570)	(254,341)	(1,821)	(1,093)
Share of profit of investment in associate	27 (a)	382	118	-	-
Profit before tax		294,416	147,056	47,865	23,339
Income tax	16	(43,972)	(10,289)	(574)	-
Profit for the period for continuing Operations		**250,444**	**136,766**	**47,291**	**23,339**
					-
Gain from Discontinued operations		-	148	-	-
Profit for the period		**250,444**	**136,914**	**47,291**	**23,339**
					-
Other comprehensive income/(Loss) (OCI):					
Items that will not be subsequently reclassified to income statement:					-
Gross actuarial (loss)/gain on retirement benefit obligations		212	(1,276)	-	-
Items that may be subsequently reclassified to the income statement:					
Unrealised foreign currency translation difference		279,435	(41,884)	-	-
Changes in fair value of FVOCI debt financial instruments		(32,829)	(60,372)	-	
Changes in allowance on FVOCI debt financial instruments		(6,244)	396	-	-
Income tax relating to these items		(69)	-	-	-
Other comprehensive gain/ (loss), net of related tax effects		240,505	(103,136)	-	-
Total comprehensive gain for the period		**490,949**	**33,630**	**47,291**	**23,339**
Profit attributable to:					-
Equity holders of the parent entity		246,061	134,027	47,291	23,339
Non-controlling interest	38	4,382	2,739	-	-
Profit for the period		**250,444**	**136,766**	**47,291**	**23,339**
Total comprehensive income attributable to:					
Equity holders of the parent entity		463,463	38,473	47,291	23,339
Non-controlling interest	38	27,486	(4,843)	-	-
Total comprehensive income for the period		**490,949**	**33,630**	**47,291**	**23,339**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	692	387	-	-
Diluted (kobo)	17	692	385	-	-

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

Consolidated and separate statement of comprehensive income

In millions of Naira	*Notes*	Group 3 Months to September 2023	Group 3 Months to September 2022	Company 3 Months to September 2023	Company 3 Months to September 2022
Interest income calculated using effective interest rate	8	357,238	154,941	-	-
Interest income on financial assets at FVTPL	8	84,388	44,733	-	-
Interest expense	8	(275,910)	(116,648)	(5,265)	-
Net interest income		165,716	83,026	(5,265)	-
Net impairment charge	9	(24,649)	(16,090)	-	-
Net interest income after impairment charges		141,066	66,936	(5,265)	-
Fee and commission income	10 (a)	83,160	52,394	-	-
Fee and commission expense	10 (b)	(22,632)	(12,648)	-	-
Net fee and commission income		60,528	39,745	-	-
Fair value and foreign exchange gain/(loss)	11,12	122,555	55,872	(173)	-
Other operating income	13	6,087	7,190	10,327	343
Personnel expenses	14	(52,499)	(31,566)	(635)	(59)
Depreciation	28	(11,940)	(7,518)	(51)	(52)
Amortization and impairment	29	(5,049)	(3,530)	-	-
Other operating expenses	15	(133,933)	(77,631)	(656)	88
Share of profit of investment in associate	27 (a)	-	-		
Profit before tax		126,816	49,500	3,547	322
Income tax	16	(11,812)	(1,237)	(156)	(232)
Profit for the period from continuing operations		**115,004**	**48,263**	**3,391**	**90**
Gain from Discontinued operations		-	-	-	
Profit for the period		**115,004**	**48,263**	**3,391**	**90**
Other comprehensive income (OCI) net of income tax :					
items that will not be subsequently reclassified to income statement:					
Gross Actuarial (loss)/gain on retirement benefit obligations		-	-	-	-
Items that may be subsequently reclassified to the income statement:			-		-
Unrealised foreign currency translation difference		(60,564)	(10,373)	-	-
Changes in fair value of FVOCI debt financial instruments		(121,078)	-		-
Changes in allowance on FVOCI debt financial instruments		805	(52,813)	-	-
Income tax relating to these items		-	-	-	-
Other comprehensive gain/(loss), net of related tax effects		(180,838)	(63,187)	-	-
Total comprehensive (loss)/income for the period		**(65,833)**	**(14,924)**	**3,391**	**90**
Profit attributable to:					
Equity holders of the parent entity		113,150	46,972	3,391	90
Non-controlling interest	38	1,854	1,291	-	-
Profit for the period		**115,004**	**48,263**	**3,391**	**90**
Total comprehensive income attributable to:					
Equity holders of the parent entity		(32,954)	(15,923)	3,391	90
Non-controlling interest	38	(32,879)	999	-	-
Total comprehensive (loss)/income for the period		**(65,833)**	**(14,924)**	**3,391**	**90**
Earnings per share attributable to ordinary shareholders					
Basic (kobo)	17	318	136	-	-
Diluted (kobo)	17	318	132	-	-

Consolidated and separate statement of financial position
as at 30 September 2023

In millions of Naira	*Notes*	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Assets					
Cash and balances with banks	18	3,083,809	1,969,783	20,927	2,488
Investment under management	19	48,733	39,502	42,907	35,760
Non pledged trading assets	20	208,306	102,690	-	-
Derivative financial assets	21	1,720,754	402,497	90,811	-
Loans and advances to banks	22	758,787	455,709	-	-
Loans and advances to customers	23	6,702,324	5,100,807	-	-
Pledged assets	24	1,327,512	1,265,279	-	-
Investment securities	25	4,007,160	2,761,072	-	-
Investment properties	31a	217	217	-	-
Restricted deposit and other assets	26	2,929,880	2,424,597	18,477	11,720
Statutory reserve investment	26	3,835	3,515	-	-
Pension protection fund investment	26	667	651	-	-
Investment in associates	27a	7,892	7,510	-	-
Investment in subsidiaries	27b	-	-	430,829	290,316
Property and equipment	28	357,073	298,351	833	845
Intangible assets	29	146,470	109,087	-	-
Deferred tax assets	30	31,106	15,095	-	72
		21,334,524	14,956,362	604,784	341,201
Asset classified as held for sale	31b	70,875	42,039	-	-
Total assets		**21,405,399**	**14,998,401**	**604,784**	**341,201**
Liabilities					
Deposits from financial institutions	32	3,425,202	2,005,316	-	-
Deposits from customers	33	12,746,373	9,251,238	-	-
Derivative financial liabilities	21	385,704	32,737	-	-
Current tax liabilities	16	15,917	5,594	526	224
Other liabilities	34	1,126,697	769,694	106,194	90,317
Deferred tax liabilities	30	14,240	1,872	142	-
Debt securities issued	35	478,083	307,253	-	-
Interest-bearing borrowings	36	1,569,021	1,390,029	246,179	-
Retirement benefit obligation	37	3,819	3,277	-	-
Total liabilities		**19,765,056**	**13,767,010**	**353,041**	**90,541**
Equity					
Share capital and share premium	38	251,811	251,811	251,811	251,811
Additional Tier 1 Capital	38	206,355	206,355	-	-
Retained earnings/ (Accumulated deficit)		531,720	408,702	(69)	(1,151)
Other components of equity	38	600,163	341,716	-	-
Total equity attributable to owners of the parent entity		**1,590,049**	**1,208,584**	**251,742**	**250,660**
Non controlling interest	38	50,293	22,807	-	-
Total equity		**1,640,342**	**1,231,391**	**251,742**	**250,660**
Total liabilities and equity		**21,405,399**	**14,998,401**	**604,784**	**341,201**

Signed on behalf of the Board of Directors on 25 October, 2023 by:

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

NON-EXECUTIVE DIRECTOR
Oluseyi Kumapayi
FRC/2013/ICAN/00000000911

CHIEF FINANCIAL OFFICER
Morounke Olufemi
FRC/2015/MULTI/00000011887

Consolidated and separate statement of changes in equity

In millions of Naira

Group	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
	Attributable to equity holders of the parent													
Balance at 1 January, 2023	17,773	234,039	206,355	78,556	158,305	3,513	(11,228)	3,489	78,960	30,122	408,702	**1,208,584**	22,807	**1,231,391**
Total comprehensive income for the period:														
Profit for the period	-	-	-	-	-	-	-	-	-	-	246,061	246,061	4,382	250,444
Other comprehensive income/(loss), net of tax												-		-
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-	-	273,226	-	273,226	6,209	279,435
Actuarial gain on retirement benefit obligations	-	-	-	-	-	-	-	-	-	-	144	144	-	144
Changes in fair value of FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(49,724)	-	-	(49,724)	16,895	(32,829)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-	-	-	-	(6,244)	-	-	(6,244)	-	10,651
Total other comprehensive (loss)/ income	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**(55,968)**	**273,226**	**144**	**217,402**	**23,104**	**240,503**
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(55,968)**	**273,226**	**246,205**	**463,463**	**27,486**	**490,949**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-		-	-	-	-	-	-	-	-	-	-	-
Reclassification of parent shares purchased for staff	-	-		-	-	(6,334)	-	-	-	-	-	(6,334)	-	(6,334)
Transfers between reserves	-	-	-	19,613	25,087	-	-	-	-	-	(44,700)	-	-	-
Transfers between equity owners on acquisitions	-	-	-	-	-	-	-	-	-	-	(32,278)	(32,278)	-	(32,278)
Scheme shares (See Note 14)	-	-	-	-	-	1,559		-	-	-		1,559	-	1,559
Vested shares	-	-	-	-	-	1,263	-	-	-	-	-	1,263	-	1,263
Finance Cost of additional Tier 1 Capital	-	-	-	-	-	-	-	-	-	-		-	-	-
Equity cost on share transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(46,209)	(46,209)	-	(46,209)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**19,613**	**25,087**	**(3,512)**	**-**	**-**	**-**	**-**	**(123,187)**	**(81,999)**	**-**	**(81,999)**
Balance at 30 September 2023	**17,773**	**234,039**	**206,355**	**98,169**	**183,392**	**1**	**(11,228)**	**3,489**	**22,992**	**303,347**	**531,720**	**1,590,052**	**50,293**	**1,640,344**

Consolidated statement of changes in equity

In millions of Naira

Group	Share capital	Share premium	Additional Tier 1 Capital	Regulatory risk reserve	Other regulatory reserves	Share scheme reserve	Treasury Shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non Controlling interest	Total Equity
	Attributable to equity holders of the parent													
Balance at 1 January 2022	17,773	234,039	206,355	6,714	136,728	3,217	(7,513)	3,489	(9,713)	38,191	397,273	1,026,549	23,477	1,050,026
Total comprehensive income for the period:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period											134,267	134,267	2,739	137,006
Other comprehensive income/(loss), net of tax	-	-	-	-	-	-	-	-	-	-		-		-
Unrealised foreign currency translation difference	-	-	-	-	-	-	-	-		(38,668)	-	(38,668)	(3,216)	(41,884)
Actuarial gain/(loss) on retirement benefit obligations	-	-		-	-	-	-	-	-	-	(1,276)	(1,276)	-	(1,276)
Changes in fair value of FVOCI debt financial instruments									(56,006)	-	-	(56,006)	(4,366)	(60,372)
Changes in allowance on FVOCI debt financial instruments	-	-	-	-	-		-	-	396	-	-	396	-	396
Cancelled fair value reserve from associates												-		
Total other comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(55,610)**	**(38,668)**	**(1,276)**	**(95,554)**	**(7,582)**	**(103,138)**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(55,610)**	**(38,668)**	**132,991**	**38,713**	**(4,843)**	**33,869**
Transactions with equity holders, recorded directly in equity:														
Additional Tier 1 (AT1) Capital issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuing Cost of additional Tier 1 Capital	-	-		-	-	-	-	-	-	-	(14,423)	(14,423)	-	(14,423)
Transfers during the period	-	-	-	47,186	10,801	-	-	-	-	-	(57,987)	-	-	-
Additional shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Scheme shares (See Note 14)	-	-	-	-	-	1,437	(186)	-	-	-	-	1,251	-	1,251
Vested shares	-	-	-	-	-	(1,067)	-	-	-	-	-	(1,067)	-	(1,067)
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deemed disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity cost on share transfer	-	-	-	-	-	-	-	-	-	-	(606)	(606)	-	(606)
Dividend paid to equity holders	-	-	-	-	-	-	-	-	-	-	(34,344)	(34,344)	-	(34,344)
Total contributions by and distributions to equity holders	**-**	**-**	**-**	**47,186**	**10,801**	**370**	**(186)**	**-**	**-**	**-**	**(107,361)**	**(49,189)**	**-**	**(49,189)**
Balance at 30 September 2022	**17,773**	**234,039**	**206,355**	**53,900**	**147,529**	**3,587**	**(7,699)**	**3,489**	**(65,324)**	**(477)**	**422,903**	**1,016,072**	**18,634**	**1,034,705**

Statement of changes in equity
In millions of Naira

Company	**Share capital**	**Share premium**	**Retained earnings**	**Total Equity**
Balance at 1 January, 2023	17,773	234,039	(1,151)	**250,661**
Total comprehensive income for the period:				
Profit for the period	-	-	47,291	47,291
Other comprehensive income, net of tax				
Changes in fair value of FVOCI debt financial instruments	-	-	-	-
Changes in allowance on FVOCI debt financial instruments			-	-
Total other comprehensive income	**-**	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**47,291**	**47,291**
Transactions with equity holders, recorded directly in equity:				
Dividend paid to equity holders	-	-	(46,209)	(46,209)
Additional shares	-	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**(46,209)**	**(46,209)**
Balance at 30 September 2023	**17,773**	**234,039**	**(69)**	**251,743**

In millions of Naira

Company	**Share capital**	**Share premium**	**Retained earnings**	**Total Equity**
Balance at 1 January, 2022	-	-	-	-
Total comprehensive income for the period:				
Profit for the period	-	-	23,339	23,339
Other comprehensive income, net of tax				
Changes in fair value of FVOCI debt financial instruments	-	-	-	-
Changes in allowance on FVOCI debt financial instruments	-	-	-	-
Total other comprehensive income	**-**	**-**	**23,339**	**23,339**
Transactions with equity holders, recorded directly in equity:				
Transfers for the period	-	-	-	-
Share transfer to Holding Company by virtue of change in structure	17,773	234,039	-	251,811
Dividend paid to equity holders	-	-	(24,882)	(24,882)
Additional shares	-	-	-	-
Equity on share transfer	-	-	(606)	(606)
Total contributions by and distributions to equity holders	**17,773**	**234,039**	**(25,488)**	**226,323**
Balance at 30 September 2022	**17,773**	**234,039**	**(2,149)**	**249,662**

Consolidated statement of cash flows

In millions of Naira	Note	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Cash flows from operating activities					
Profit before income tax including discountinued operations		294,416	147,296	47,709	23,339
Adjustments for:					
Depreciation	28	30,535	22,466	145	72
Amortisation	29	12,631	10,277	-	-
Gain on disposal of property and equipment	13	(143)	(74)	-	-
Loss on lease modification	28	(5,478)	334	-	-
Fair value gain on financial assets at FVPL	10b	(174,079)	1,204	-	-
Gain on disposal of investment securities	11	(75,984)	(116,466)	-	-
Impairment on financial assets	9	74,358	52,952	-	-
Additional gratuity provision	14	710	8,270	-	-
Restricted share performance plan expense	14	1,559	1,437	-	-
Write-off of property and equipment		406	408	-	-
Write-off of intangible assets	29	135	-	-	-
Share of profit from associate	27	(382)	(118)	-	-
Net interest (income)/expenses	8	(389,955)	(280,528)	13,142	-
Write-off of non-current asset held for sale		-	190	-	-
Foreign exchange loss/(gain) on revaluation	12	1,828,046	(84,765)	94,292	-
Loss on derecognition of ROU assets	28	-	5,905	-	-
Fair value of derivative financial instruments excluding hedged portion	11	76,839	36,827	(90,811)	-
Dividend income	13	(4,338)	(2,950)	(47,275)	(24,882)
Net gain on fair value hedge (Hedging ineffectiveness)	12b	(90,649)	(8,796)	-	-
Loss from discontinued operations	46	-	148	-	-
Change arising from goodwill reassessment	29	7,848	(83)	-	-
		1,586,473	(206,067)	17,201	(1,471)
Changes in operating assets					
Changes in non-pledged trading assets	20	(94,211)	387,161	-	-
Changes in pledged assets	24	(159,332)	69,592	-	-
Changes in other restricted deposits with central banks	26	(601,804)	(421,526)	-	-
Changes in loans and advances to banks and customers	23	(1,883,347)	(512,754)	-	-
Changes in restricted deposits and other assets	26	(1,784,509)	(495,553)	(6,757)	(27,466)
Changes in operating liabilities					
Changes in deposits from banks	32	429,363	50,952	-	-
Changes in deposits from customers	33	3,479,480	1,240,897	-	-
Changes in other liabilities	34	350,591	8,512	15,877	85,403
		1,322,703	121,213	26,321	56,466
Interest paid on deposits to banks and customers	32	(370,764)	(247,222)	-	-
Interest received on loans and advances to bank and customers	33	383,001	326,750	-	-
Interest received on non-pledged trading assets	20	95,701	76,767	-	-
		1,430,641	277,508	26,321	56,466
Payment out of retirement benefit obligation		-	(7,067)	-	-
Income tax paid	16	(24,313)	(21,418)	98	-
Net cash generated from operating activities		**1,406,329**	**249,023**	**26,420**	**56,466**
Cash flows from investing activities					-
Net acquisition of investment securities		(3,479,872)	(561,900)	-	-
Interest received on investment securities	25	433,842	126,381	-	-
Transfer from/additional investment in fund manager	26	(2,084)	(2,934)	-	(2,934)
Dividend received	13	4,338	2,950	47,275	24,882
Acquisition of property and equipment	28	(99,309)	(52,038)	(132)	(1,179)
Proceeds from the sale of property and equipment	28	21,522	11,612	-	-
Acquisition of intangible assets	29	(42,551)	(3,902)	-	-
Proceeds from disposal of asset held for sale		-	8,384	-	-
Proceeds from matured investment securities	25	2,475,147	433,754	-	-
Proceeds from disposal of sub-subsidiary		-		-	-
Additional investment in associate		-	(886)	-	-
Additional investment in subsidiaries	27c	-	-	(140,513)	(21,418)
Net cash generated from investing activities		**(688,967)**	**(38,579)**	**(93,370)**	**(651)**
Cash flows from financing activities					
Interest paid on interest bearing borrowings and debt securities issued	36	(80,924)	(54,034)	-	-
Proceeds from interest bearing borrowings	38	112,427	518,369	-	-
Proceeds from Additional Tier 1 capital issued	37	138,675	-	-	-
Payments on Issuing cost of Additional Tier 1 capital	36	(47,366)	(14,423)	-	-
Repayment of interest bearing borrowings	35	(607,615)	(425,558)	-	-
Increase in borrowings		138,745	-	138,745	-
Proceeds from debt securities issued		-	21,887	-	-
Lease payments	28	(3,375)	(10,146)	-	-
Purchase of own shares		528	(715)	-	-
Equity cost of share transfer		-	(606)	-	(606)
Dividends paid to owners	13	(47,275)	(34,344)	(46,209)	(24,882)
Net cash generated from/(used in) financing activities		**(396,179)**	**429**	**92,536**	**(25,488)**
Net increase in cash and cash equivalents		321,183	210,873	25,586	30,328
Cash and cash equivalents at beginning of period	40	1,933,427	1,528,923	38,248	-
Net increase in cash and cash equivalents		321,183	210,873	25,586	30,328
Effect of exchange rate fluctuations on cash held		118,124	15,598		-
Cash and cash equivalents at end of period	40	2,372,733	1,755,394	63,834	30,328

1.0 General information

Access Holdings Plc (“the company”) is domiciled in Nigeria. The address of the company’s registered office is No 14/15, Prince Alaba Oniru Road, Oniru, Lagos (formerly Plot 999c, Danmole Street, off Adeola Odeku/Idejo Street, Victoria Island, Lagos). The consolidated and separate interim financial statements of the Company for the period ended 30 September 2023 comprises of the Holding Company and its subsidiaries (together referred to as “the Group” and separately referred to as “Group entities”). The Corporation’s business segments include banking, consumer lending, payment services, insurance brokerage and pension funds administration . The Company is listed on Nigerian Exchange Limited.

These financial statements were approved and authorised for issue by the Board of Directors on 25 October 2023. The directors have the power to amend and reissue the financial statements.

As at the time of this report,the Banking Group, Payment services and Pension Funds Administration are in operation as a subsidiary of the Holding Company.

2.0 Statement of compliance with International Financial Reporting Standards

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

3.0 Basis of preparation

This Interim financial statement has been prepared in accordance with the guidelines set by International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. This consolidated and separate interim financial statement comprise the consolidated and separate statement of comprehensive income, the consolidated and separate statement of financial position, the consolidated and separate statements of changes in equity, the consolidated and separate cash flow statement and the notes.

The interim financial statements have been prepared in accordance with the going concern principle under the historical cost convention, modified to include fair valuation of particular financial instruments, non current assets held for sale and investment properties to the extent required or permitted under IFRS as set out in the relevant accounting policies.

3.1 Summary of significant accounting policies

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

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Naira, which is Access Holdings Plc's functional and presentation currency; except where indicated, financial information presented in Naira has been rounded to the nearest millions.

(b) Basis of measurement

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

- derivative financial instruments are measured at fair value.
- non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- financial instruments at fair value through OCI are measured at fair value.
- the liability for defined benefit obligations is recognised as the present value of the defined benefit obligation and related current service cost
- non-current assets held for sale measured at lower of carrying amount and fair value less costs to sell.
- share based payment at fair value or an approximation of fair value allowed by the relevant standard.
- Investment properties are measured at fair value.

(c) Use of estimates and judgments

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

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

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

3.2 Changes in accounting policy and disclosures

(a) New standards, amendments and interpretations adopted by the Group

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2023. The new reporting requirements as a result of the amendments and /or clarifications have been evaluated and their impact or otherwise are noted below:

IFRS 17 – Insurance Contracts
The IASB issued IFRS 17 in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. The new IFRS 17 standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard.

The objective of IFRS 17 is to ensure an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows. This standard does not impact the Group in anyway as the Bank and its subsidiary companies do not engage in insurance business.
This amendment did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

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

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense).

This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The amendment does not have any material impact on the Group.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

Standards and interpretations issued/amended but not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on 1 January 2023:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current effective Jan 1, 2024
In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendment clarify:

* What is meant by a right to defer settlement.
* That a right to defer must exist at the end of the reporting period.
* That classification is unaffected by the likelihood that an entity will exercise its deferral right.
* That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The Board also added two new paragraphs (Paragraph 76A and 76B) to IAS1 to clarify what is meant by "settlement" of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

The amendment does not have any material impact on the Group.

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback effective Jan 1, 2024
In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full terminaton of a lease.

The amendment is not expected to have any significant impact on the Group at the time it will take effect, as there is non-existent of such transaction as Sale and Leaseback within the Group or with external parties.

Amendments to IAS 7 & IFRS 7 – Supplier Finance Arrangements effective Jan 1, 2024
In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.

The amendment does not have any material impact on the Group.

3.3 Basis of consolidation

(a) Subsidiaries

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

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

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

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

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

The subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.
Subsidiaries are measured at cost less impairment in the separate financial statement.

(b) Business combinations

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

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

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

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

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

Transactions costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.
Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the income statement.

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

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

(c) Loss of control

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

(d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.
The gain/loss arising from disposal of subsidiaries is included in the profit/loss of discontinued operations in the statement of comprehensive income, if the disposal subsidiary meets the criteria specified in IFRS 5.
Foreign currency translation differences become realised when the related subsidiary is disposed.

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

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

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

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

3.4 Segment reporting

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

3.5 Foreign currency translation

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

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

(b) Transactions and balances

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

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

(c) Group Entities

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

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

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

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

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

3.6 Operating income

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

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

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

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

(a) Interest income and expense

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

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

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

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

- interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest rate basis.

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

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

(b) Fees and commission income and expense

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

Fee and commission presented in the income statement includes:

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

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

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

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

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

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

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

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

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

(d) Net Foreign exchange gain and losses

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

(e) Other operating income

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

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

3.7 Income tax

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

(a) Current tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty

(b) Minimum Tax

Based on the provisions of The Finance Act, minimum tax will be applicable at 0.25% of gross turnover less franked investment income. This is shown in note 16

(c) Deferred tax

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

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

3.8 Financial assets and liabilities

Investments and other financial assets

Recognition and derecognition

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

(a) Financial assets

i *Classification*

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

Measurement

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

ii *Debt instruments*

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

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

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

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

If in a subsequent period, the fair value of an impaired fair value through other comprehensive income debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through the income statement; otherwise, any increase in fair value is recognised through OCI.

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

iii *Equity instruments*

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

iv Business model assessment

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

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

v The SPPI test

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

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

(b) Financial Liabilities

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

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

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

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

(c) Classification of financial assets

[i] Fair value through profit or loss

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

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

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

The Group is mandated to classify certain financial assets upon initial recognition as at fair value through profit or loss (fair value option) when the following conditions are met:

- The asset does not meet the solely principal and interest on the principal amount outstanding (SPPI) test
- The financial asset is held within a business model whose objective is achieved by selling financial assets.

The Group may designate certain financial assets upon initial recognition as at fair value through profit or loss (fair value option). This designation cannot subsequently be changed. The fair value option is only applied when the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.

[ii] Amortized cost

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

These are initially recognised at fair value including direct and incremental transaction costs and measured subsequently at amortised cost, using the effective interest method. Any sale or reclassification of a significant amount of amortized cost investments not close to their maturity would result in a reassessment of the Group's business model for managing the assets. However, sales and reclassifications in any of the following circumstances would not trigger a reclassification:

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

Interest on amortized cost investments is included in the consolidated income statement and reported as ‘Interest income’. In the case of an impairment, the impairment loss is been reported as a deduction from the carrying value of the investment and recognised in the consolidated income statement as ‘net impairment loss on financial assets’. Amortised cost investments include treasury bills and bonds.

[iv] Fair value through other comprehensive income

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

Unquoted equity securities that have been elected as fair value through other comprehensive and other fair vlaue through other comprehensive income investments are carried at fair value.

Interest income is recognised in the income statement using the effective interest method. Dividend income is recognised in the income statement when the Group becomes entitled to the dividend. Foreign exchange gains or losses on such investments are recognised in the income statement.

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

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

(d) Classification of financial liabilities

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

[i] Financial liabilities at amortised cost

(i) Financial liabilities at amortised cost

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

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

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

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

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

[ii] Financial liabilities at fair value

(ii) Financial liabilities at fair value

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

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives are presented as financial assets or financial liabilities.

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

(e) Measurement of financial asset and liabilities

[i] Amortised cost measurement

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

[ii] Fair value measurement

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

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

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

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases, the fair value of a financial instrument on initial recognition may be different to its transaction price. If such fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in the income statement on initial recognition of the instrument.

In other cases the difference is not recognised in the income statement immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

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

Reclassification of financial assets and liabilities

(f) Reclassification of financial assets

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

The following are not changes in business model;

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

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

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

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

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

(g) Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions
The Group derecognises a financial asset or liability, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition in the statement of comprehensive income, to the extent that an impairment loss has not already been recorded. The terms and conditions have been renegotiated substantially if the discounted cash flows under the new terms are at least 10 per cent different from the discounted remaining cash flows of the original terms. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated Credit Impaired (POCI).
When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors:
• *Change in currency of the loan*
• *Introduction of an equity feature*
• *Change in counterparty*
• *If the modification is such that the instrument would no longer meet the SPPI criterion*

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

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

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.
The Group has transferred the financial asset if, and only if, either:
• The Group has transferred its contractual rights to receive cash flows from the financial asset or
• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
• The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
• The Group cannot sell or pledge the original asset other than as security to the eventual recipients
• The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay.
In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

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

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

(h) Offsetting

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

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

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

Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in Net (loss)/gain on financial instruments at fair value.

(i) Measurement of specific financial assets

(i) Cash and balances with banks

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

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

(ii) Repossessed collateral

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

(iii) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets (for example, for exchange-traded options), including recent market transactions, and valuation techniques (for example for swaps and currency transactions), including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.
The Group mitigates the credit risk of derivatives by holding collateral in the form of cash. Also see Note 3.22

(iv) Pledged assets

Financial assets transferred to external parties that do not qualify for de-recognition are reclassified in the statement of financial position from financial assets carried at fair value through profit or loss or investment securities to assets pledged as collateral, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms.
Initial recognition of assets pledged as collateral is at fair value, whilst subsequent measurement is based on the classification of the financial asset. Assets pledged as collateral are either classified as fair value through profit or loss, Fair value through other comprehensive income or Amortized cost. Where the assets pledged as collateral are classified as fair value through profit or loss, subsequent measurement is at fair value through profit and loss, whilst assets pledged as collateral classified as Fair value through other comprehensive income are measured at fair-value through equity. Assets pledged as collateral are measured at amortized cost.

[v] Investment under management

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

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

The investments are carried at amortized cost.

3.9 Impairment of financial assets

Overview of the ECL principles

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

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

Staging Assessment

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

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

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

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

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

Change in credit quality since initial recognition

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

Measuring the Expected Credit Loss

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

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

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

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

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

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

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

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

When estimating the ECLs, the Group considers three scenarios (optimistic, best-estimate and downturn) and each of these is associated with different PDs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure (i.e. be paid in full or no longer credit-impaired) and the value of collateral or the amount that might be received for selling the asset.
The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

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

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

The mechanics of the ECL method are summarised below:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Collateral valuation

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

Collateral repossessed

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

Write-offs

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

Expected credit loss on loans and receivables

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

In assessing expected credit loss, the Group uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current and forecasted economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate. The ECL on restricted deposits and other assets is calculated using the simplified model approach.

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

Expected credit loss on fair value through other comprehensive income securities

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

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

3.10 Investment properties

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

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in income statement inside other operating income or other operating expenses dependent on whether a loss or gain is recognized after the measurement

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

3.11 Property and equipment

(a) Recognition and measurement

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

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

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

(b) Subsequent costs

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

(c) Depreciation

Depreciation is recognised in the income statement on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives.

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

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

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

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

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

(d) De-recognition

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

3.12 Leases

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

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

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

Lease liabilities

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

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

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

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions. The weighted average incremental borrowing rate applied to the lease liabilities as at 30 September 2023 was 15.31%. Where the basis for determining future lease payments changes as required by interest rate benchmark reform, the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

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

Right of use assets

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

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

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

Short-term leases and leases of low value

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

Extension and termination options

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

A group company is the lessor;

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

3.13 Intangible assets

(a) Goodwill

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

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified in accordance with IFRS 3.

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

Intangible assets are derecognized on disposal or when no economic benefits are expected from their use or disposal.

(b) Software

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

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

Amortisation is recognised in the income statement on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. Software has a finite useful life, the estimated useful life of software is four and half years (4.5). Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(c) Brand, Customer Relationships and Core Deposits
These are intangible assets related to acquisitions. At acquisition date, they are initially recorded at their fair value and subsequently at cost less accumulated amortization. Amortization expense is recorded in amortization of intangible assets in the Consolidated Statement of Profit or Loss. Intangible assets are amortized over the period during which the Group derives economic benefits from the assets, on a straight-line basis, over a period of 10 years to 20 years.

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

Documentation on Final Assessment of Intangible Asset Relating to Access Pension

Valuation Guidelines

Overview	**Explanation**
Introduction	• Under the Standard, Access Holdings is required to apportion the purchase consideration between the tangible and intangible assets and liabilities (including contingent liabilities) of FGPL and Sigma Pensions. • The Standard provides general guidelines for assigning amounts to individual assets acquired and liabilities assumed. • IFRS 3 requires the application of the acquisition method for each business combination. The acquisition method requires inter alia that the acquirer is identified, the acquisition date is determined, and that the identifiable assets acquired, and that the liabilities assumed and any non-controlling interest in the acquiree are recognised and measured.
Recognition principle (IFRS 3)	• IFRS 3 states that as of the acquisition date, the acquirer shall recognise, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. • Recognition of identifiable assets acquired and liabilities assumed is subject to the conditions specified in paragraphs 11 and 12. These paragraphs state, inter alia, that the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements at the acquisition date, and that the identifiable assets acquired and liabilities assumed must be part of what the acquirer and the acquiree exchanged in the business combination transaction
Definition of identifiable asset (IFRS 3	• IFRS 3 states that an asset is identifiable if it either: a) is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
Measurement principle (IFRS 3)	• The acquirer shall measure the identifiable assets acquired and the liabilities assumed at their acquisition-date Fair Values.
Fair Value (IFRS 13)	• The identifiable assets are required under IFRS 3 to be recognised at their "Fair Value". Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement
Definition Intangible asset (IAS 38)	• Intangible assets are all the elements of a business enterprise that exist in addition to working capital and tangible assets. They are the elements, after working capital and tangible assets, that make the business work and are often the primary contributors to the earning power of the enterprise. Their existence is dependent on the presence, or expectation of earnings. • The definition of an intangible asset under IFRS is detailed in IAS 38 as 'an identifiable non-monetary asset without physical substance.
Definition of identifiable asset (IFRS 3)	• IAS 38 (Intangible asset) defines the useful life as "the period over which an asset is expected to be available for use by an entity; or the number of production or similar units expected to be obtained from the asset by an entity". • Under IAS 38 the factors which should be considered in assessing the useful lives of intangible assets include: i. The expected use and potential use by another management team; ii. Typical life cycles for the product and any public information on useful lives; iii. Technical, technological, commercial or other types of obsolescence; iv. Stability of the industry in which the asset operates and changes in the market demand; v. Expected actions by competitors; vi. Level of maintenance expenditure required to obtain the future economic benefits; and vii. The period of control over the asset and legal or similar limits on the use of the asset. • The estimated useful life of each identifiable asset identified will be based on the factors outlined above

Intangible assets description and methodology

Asset Considered	Brief Description	Recognition	Valuation
Customer contracts/ customer relationship	We understand that revenue in the pension industry is mainly driven by management fees earned from AuM (Assets Under Management) which are contributions from customers. Customer related intangibles will be valued as Access pension is expected to earn fees income from existing and future contributions made by Retirement Saving Account (RSA) I-VI holders, Defined benefit schemes holders and the informal sector/unfunded customers.	According to IAS 38 customers related intangibles can be recognized if future economic benefits are expected to flow to the entity from the use of that asset, and the cost can be reliably measured.	FGPL and Sigma Pensions customers list which consist of the RSA I-VI account PIN, defined benefit scheme PIN, informal sector and unfunded PIN will be valued using the Income approach model which is one of the identifiable model for valuing intangible asset according to IAS 38.
Company Brand	Both Sigma Pensions and FGPL are part of the top 10 pension companies in Nigeria with over 990,000 PIN contributors amongst them, thus having a strong presence and brand in the market. Sigma Pensions and FGPL will be merged to form Access Pension hence, none of the brands identified (Sigma & FGPL) will be retained. Access Pensions being the product of the merger between SIGMA and FGPL, offers the advantage of a strong parent (Access Holdings) with an established African presence and a globally connected financial ecosystem. The act of rebranding the acquired entities under the parent company's name aligns with the previous M&A transactions within the Pension Industry	According to IAS 38, the brand or any trademark should be recognized distinctly from goodwill if the separability criterion is met.	Since both Sigma Pensions and FGPL will be merged to form Access Pensions we will not be valuing any of the brands. The Access Pensions brand name is relatively new in the Pension Industry and there would be no significant benefit derived from valuing the brand. As such, we believe that brand does not have to be valued.
Licenses (SIGMA and FGPL	To operate in the pension industry, we understand that you must be granted a license of operation by PENCOM. SIGMA and FGPL both have a license and operate as a separate PFA's prior to the acquisition by Access Pension in 2022. License will be valued as an intangible asset as it is required to operate in the pension industry in Nigeria	The cost of the license can be measured reliably The firm is only able to operate because it was licensed. Hence, there is future economic benefit probable to the firm.	The licence will be valued using the replacement cost model which is one of the identifiable model for valuing intangible asset according to IAS38

Key valuation assumptions used in valuing customer relationships

Assumption	Key considerations
Valuation method	We used the Multi-Period Excess Earnings Method (MEEM) under the income approach to value customer relationship. In line with IFRS 3, the value of the business attributed to earnings from new customers should remain in goodwill, and accordingly the MEEM solely uses management's forecast revenue for existing customers.
Discount rate	We used a discount rate reflecting the risks associated with customer relationships arising from the fee income. We considered a discount rate equal to the CoE plus a premium of 1% for the non-contractual customer relationships.
Attrition rate and useful life	The contributory pension scheme in Nigeria operates under a B2B2C model. Typically, employees are at liberty to choose their preferred pension fund administrators. Organisations are mandated to make periodic payment on behalf of their employees into their preferred pension scheme, thus making the employees (pension contributors) retail customers. Contributions made by individual employers and employees into the scheme are combined and unitized, while the PFA forges ahead to invest the funds into various instruments within PenCom's approved regulatory limits. In addition, the nature of the Nigerian pension industry is such that employees and individual contributors rarely have to switch from one pension fund administrator to the other. We also understand from our analysis of trends in the industry and past transactions that most existing pension contributors mostly maintain their PFA until retirement as there are no incentive for moving from one pension fund administrator to the other, hence the low attrition rate.Based on the provisions of the pension law, customers contribution period is equivalent to the number of service years which is the earlier of 35 years or 60 years of age. We have adopted a useful life of 21.5 years which is the average useful life for customer relationship from previous transactions in the pension industry.Based on the trend in the pension industry and data collated from the Markable database, we have adopted an attrition rate of 4.6% (average attrition rate for recent transactions in the pension industry), hence having a retention rate of 95.4%. We have also assumed that the retention rate will be constant over the forecast period.

Contributory asset charges and required returns	To quantify the cash flows attributable solely to the subject intangible asset, Contributory Asset Charges ("CACs") were applied to account for the use of and/or required return on those assets necessary to realise the subject intangible assets cash flows. A CAC is defined as a hypothetical lease charge which assumes that the owner of the intangible asset would have to rent all other assets contributing to cash flow. The contributory assets identified includes fixed assets (PPE and ROU), intangible assets (software and license) and restricted minimum capital required. In calculating the applicable CACs, we have utilised the Gross Lease Method, where the CAC was calculated using the return on asset methodology. The required rate of return on the fixed assets (PPE and ROU) was assumed to be 16.37%, a blended debt and equity rate of 80% equity and 20% debt, as fixed assets cannot be financed with 100% debt. The required rate of return on the existing Intangible asset (software and license) was assumed to be 18.6%. This is arrived at by adding a premium of 0.5% to the CoE of 18.1%. The required rate of return on the restricted minimum capital required was assumed to be 18.6%. This is arrived at by adding a premium of 0.5% to the CoE of 18.1%. All CACs have been put relative to total projected fee income of Access Pensions, which has later been used to allocate these charges to different intangible assets. The allocation is provided in the accompanying valuation schedules
Tax	We applied the Nigerian corporate tax rate of 32.5% to the forecast cash flows.
Tax amortisation benefit ("TAB")	Tax amortisation benefits refer to the present value of income tax savings resulting from the tax deduction generated by the amortisation of intangible assets. In valuing the customer relationships, no tax amortisation benefit was calculated. This is because there is no provision for tax amortization benefit in the Nigerian tax law.

3.14 Impairment of non-financial assets

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

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

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

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

3.15 Discontinued operations

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

(a) Represents a separate major line of business or geographical area of operations;
(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
(c) Is a subsidiary acquired exclusively with a view to resale (for example, certain private equity investments).

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

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

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

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

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

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.
Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the year in which it arise.

3.17 Provisions

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

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

3.18 Financial guarantees

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

3.19 Employee benefits

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

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

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

(b) Termination benefits

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

(c) Post employment defined benefit plan

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

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

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

(d) Short-term employee benefits

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

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

(e) Share-based payment remuneration scheme

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

3.20 Share capital and reserves

(a) Share issue costs

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

(b) Additional Tier 1 Capital

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

(c) Dividend on the Company's ordinary shares

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

(d) Treasury shares

Where the subsidiaries within the Group purchased the shares of the Corporation, the transaction is accounted for as cash settled, a liability is recognized in the statement of financial position and expensed as other staff benefit in the statement of comprehensive income over the course of the minimum vesting period. The liability is remeasured at each reporting date with gains and loss recognised in the statement of comprehensive income. Should any employee within the scheme leave the Group within the vesting period, the shares maybe forfeited depending on whether the staff was relieved of his/her duties by the Bank or voluntarily resigned.

By the resolution of the Board and Shareholders, the Bank sets aside an amount not exceeding twenty (20) percent of the aggregate emoluments of the Bank's employees in each financial period to purchase shares of Access Holdings Plc's from the floor of the Nigerian Exchange Group(NGX) for the purpose of the plan. The Bank has also established a Structured Entity (SE) to hold shares of the Bank purchased. Upon vesting, the SE transfers the shares to employees.

(e) Earnings per share

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

(f) Regulatory risk reserve

In compliance with the Prudential Guidelines for Licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing losses in risk assets. Assets are classified as performing or non-performing. Non performing assets are further classed as substandard, doubtful or lost with attendant provisions. There are no restrictions to the distribution of these reserves

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

A more accelerated provision may be done using the subjective criteria. A 2% provision is taken on all risk assets that are not specifically provisioned.

The results of the application of Prudential Guidelines and the expected credit loss determined for these assets under IFRS 9 are compared. The IFRS 9 determined impairment charge is included in the income statement.

Where the Prudential Guidelines provision is greater, the difference is appropriated from retained earnings and included in a non - distributable 'Statutory credit reserve'. Where the IFRS 9 exected credit loss is greater, no appropriation is made and the amount of IFRS 9 expected credit loss is recognised in the income statement.

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

(g) Capital reserve

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

(h) Fair value reserve

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

(i) Foreign currency translation reserve

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

(j) Retained earnings

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

(k) Statutory Reserves Investment

* Statutory Reserves Investment – The Statutory Reserve in accordance with the provision of the Pension Reform Act (s.81 of PRA 2014) is used to recognise an annual transfer of 12.5% of profit after tax from retained earnings into Statutory Reserve Fund.
* Every Pensions Fund Administrator shall maintain a Statutory Reserve Fund as contingency fund to meet any claim for which the Pension Fund Administrator may be liable as may be determined by the Commission.

(l) Pensions Protection Fund Investment

* The Pension Commission shall establish and maintain a fund to be known as the Pension Protection Fund for the benefits of eligible pensioners covered by any pension scheme established , approved or recognized under this Act.
* The Pension Protection Fund shall consist of –
* An annual subvention of 1% of the total monthly wage bill payable to employees in the public service of the Federation towards the funding of the minimum guaranteed pension;
* Annual pension protection levy paid by the Commission and all licensed pension operators at a rate to be determined by the Commission from time to time

3.21 Levies

The Group recognizes liability to pay levies progressively if the obligating event occurs over a year. However, if the obligation is triggered on reaching a minimum threshold, the liability is recognised when that minimum threshold is reached. The Group recognizes an asset if it has paid a levy before the obligating event but does not yet have a present obligation to pay that levy. The obligating event that gives rise to a liability to pay a levy is the event identified by the legislation that triggers the obligation to pay the levy.

3.22 Derivatives and hedging activities

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

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

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

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

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

Hedge effectiveness

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

Derivatives that do not qualify for hedge accounting

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

3.23 Associates

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

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

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

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

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

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

Statement of prudential adjustments

Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the expected credit loss model required by IFRS 9. As a result of the differences in the methodology/provision regime, there will be variances in the impairments allowances required under the two methodologies.

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

a) Provisions for loans recognised in the profit or loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:
• Prudential Provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the retained earnings account to a "regulatory risk reserve".
• Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the retained earnings account

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

Access Bank Nigeria has complied with the requirements of the prudential guidelines as follows:

Statement of prudential adjustments *In millions of Naira*		**September 2023**	**December 2022**
Access Bank	Note		
Loans & advances:			
Expected credit loss (ECL) on loans to customers and banks			
- Loans to banks	22	671	341
- Loans to individuals	23(b)	11,651	8,152
- Loans to corporate	23(b)	84,817	56,910
Total impairment allowances on loans per IFRS		**97,139**	**65,403**
Total regulatory impairment based on prudential guidelines		**193,045**	**141,739**
Balance, beginning of the period		76,336	1,118
Additional transfers to/(from) regulatory risk reserve		19,570	75,218
Balance, end of the period		**95,906**	**76,336**

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

(ii) Assessment of impairment of goodwill on acquired subsidiaries

Goodwill on acquired subsidiaries were tested for impairment by comparing the value-in-use for the cash generating unit to the carrying amount of the goodwill based on cash flow projections. Projected cash flows for Kenya were discounted to present value using a discount rate of 23.77% and a cash flow terminal growth rate of 5.47%. Projected cash flows for Rwanda was discounted using a discount rate of 22.63% and terminal growth rate of 6.21%. Projected cash flows for Former Diamond Bank was discounted using a discount rate of 31.78% and terminal growth rate of 3.19%. Projected cash flows for Access Botswana was discounted using a discount rate of 8.8% and terminal growth rate of 4.16%. The Group determined the appropriate discount rate at the end of the year using the Capital Asset Pricing Model. See note 29b for further details.

(iii) Defined benefit plan

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

(iv) Valuation technique unquoted equity:

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

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

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

Description of valuation methodology and inputs:

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

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

Step 1: Identify quoted companies with similar line of business ,structure and size
Step 2: Obtain the EV/EBITDA or the P/B or P/E ratios of these quoted companies identified from Bloomberg, Reuters or Nigeria Stock Exchange

Step 3: Derive the average or median of EV/EBITDA or the P/B or P/E ratios of these identified quoted companies
Step 4: Apply the lower of average (mean) or median of the identified quoted companies ratios on the Book Value or Earnings of the investment company to get the value of the investment company

Step 5: Discount the derived value of the investment company by applying an Illiquidity discount and size adjustment/haircut to obtain the Adjusted Equity Value

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

a. Enterprise Value (EV):

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

b. Earnings Before Interest ,Tax Depreciation and Amortization (EBITDA):

EBITDA is earnings before interest, taxes, depreciation and amortization. EBITDA is one of the indicator's of a company's financial performance and is used as a proxy for the earning potential of a business.

EBITDA = Operating Profit + Depreciation Expense + Amortization Expense

c. Price to Book (P/B Ratio):

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

b. Price to Earning (P/E Ratio):

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

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

Valuation Assumptions :

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

Basis of valuation:

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

Method of Valuation

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

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

4.1 *Valuation of financial instruments*

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

4.1.1 Recurring fair value measurements

In millions of Naira

Group
September 2023

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	188,196	48,753	-	236,949
Government Bonds	18,130	-	-	18,130
Eurobonds	-	1,980	-	1,980
Derivative financial instrument	-	1,720,754	-	1,720,754
Pledged assets				
-Financial instruments at FVOCI				
Treasury bills	638,894	-	-	638,894
Government Bonds	74,127	-	-	74,127
-Financial instruments at FVPL				
Treasury bills	142,623	15,481	-	158,103
Government Bonds	5,353	-	-	5,353
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,455,510	-	-	1,455,510
Government Bonds	254,298	-	-	254,298
Commercial paper	-	-	-	-
State government bonds	-	52,437	-	52,437
Corporate bonds	-	17,388	-	17,388
Eurobonds	-	61,798	-	61,798
Promissory notes	-	19,004	-	19,004
-Financial assets at FVPL				-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Equity	-	7,056	282,967	290,023
Investment properties	-	-	217	217
Assets held for sale	-	-	70,875	70,875
	2,777,133	1,944,651	354,059	5,075,844
Liabilities				
Derivative financial instrument	-	385,704	-	385,704
	-	385,704	-	385,704

* There are no transfers between levels during the period

Group
December 2022

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasury bills	88,116	-	-	88,116
Government Bonds	12,280	-	-	12,280
Eurobonds	-	2,294	-	2,294
Derivative financial instrument	-	402,497	-	402,497
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	72,565	-	-	72,565
Government Bonds	2,567	-	-	2,567
Promissory Notes	-			-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	1,046,120	-	-	1,046,120
Government Bonds	168,293	-	-	168,293
Commercial paper	-	3,869	-	3,869
State government bonds	-	65,652	-	65,652
Corporate bonds	-	20,599	-	20,599
Eurobonds	-	41,695	-	41,695
Promissory notes	-	217,305	-	217,305
-Financial assets at FVPL				-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Equity	-	4,964	162,943	167,907
Investment properties	-	-	217	217
Assets held for sale	-	-	42,039	42,039
	1,841,419	758,876	205,200	2,805,496

Liabilities				
Derivative financial instrument	-	32,737	-	32,737
	-	32,737	-	32,737

* There are no transfers between levels during the period

Company
September 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Company	-	-	-	-
Assets				
Non pledged trading assets				
Treasury bills	-	-	-	
Government Bonds	-	-	-	
Eurobonds	-	-	-	-
Derivative financial instrument	-	90,811	-	90,811
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at FVPL				
Equity	-	-	-	-
Investment properties			-	-
Asset held for sale	-	-	-	-
	-	90,811	-	90,811
Liabilities				
Derivative financial instrument	-	-	-	-
	-	-	-	-

* There are no transfers between levels during the period

Company
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Non pledged trading assets				
Treasur Treasury bills	-	-	-	-
Govern Government Bonds	-	-	-	-
Eurobo Eurobonds	-	-	-	-
Derivative financial instrument	-	-	-	-
Pledged assets				
-Financial instruments at FVPL				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
Investment securities				
-Financial assets at FVOCI				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at FVPL				
Equity	-	-	-	-
Investment properties	-	-	-	-
Asset held for sale	-	-	-	-
	-	-	-	-
Liabilities				
Derivative financial instrument	-	-	-	-
	-	-	-	-

4.1.2 Financial instruments not measured at fair value

Group
September 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	3,083,809	3,083,809
Investment under management				
Government bonds	3,969	-	-	3,969
Placements	-	25,187	-	25,187
Commercial paper	-	5,597	-	5,597
Treasury bills	4,391	-	-	4,391
Mutual funds	-	1,170	-	1,170
Eurobonds	-	5,826	-	5,826
Corporate Bonds	-	2,592	-	2,592
Loans and advances to banks	-	-	758,787	758,787
Loans and advances to customers	-	-	6,702,324	6,702,324
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	25,473	-	-	25,473
Bonds	395,671	-	-	395,671
Promissory notes	30,226	-	-	30,226
Investment securities				
-Financial assets at amortised cost				
Treasury bills	190,014	-	-	190,014
Government Bonds	978,923	-		978,923
State government bonds	-	3,653	-	3,653
Corporate bonds	-	7,710	-	7,710
Eurobonds	723,272	-	-	723,272
Promissory notes	95,431	-	-	95,430
Other assets	-	-	2,844,903	2,844,903
	2,447,370	51,735	13,389,823	15,888,927
Liabilities				
Deposits from financial institutions	-	-	3,425,203	3,425,203
Deposits from customers	-	-	12,746,373	12,746,373
Other liabilities	-	-	1,109,055	1,109,055
Debt securities issued	478,085	-	-	478,085
Interest-bearing borrowings	-	-	1,569,021	1,569,021
	478,085	-	18,849,652	19,327,736

* There are no transfers between levels during the period

Group
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	1,969,783	1,969,783
Investment under management				
Government bonds	3,634	-	-	3,634
Placements	-	19,826	-	19,826
Commercial paper	-	3,796	-	3,796
Nigerian Treasury bills	2,784	-	-	2,784
Mutual funds	-	3,405	-	3,405
Eurobonds	-	-	-	-
Corporate Bonds	-	2,315	-	2,315
Loans and advances to banks	-	-	455,709	455,709
Loans and advances to customers	-	-	5,100,807	5,100,807
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	296	-	-	296
Bonds	412	-	-	412
Promissory notes	33	-	-	33
Investment securities				
-Financial assets at amortised cost				
Treasury bills	193	-	-	193
Government Bonds	438	-		438
State government bonds	-	5	-	5
Corporate bonds	-	8	-	8

Eurobonds	420	-	-	420
Total return notes	10	-	-	10
Promissory notes	38	-	-	37
Other assets	-	-	-	-
	-	-	2,392,817	2,392,817
	8,256	9,529	9,938,942	9,956,726

	Level 1	Level 2	Level 3	Total
Liabilities				
Deposits from financial institutions	-	-	2,005,317	2,005,317
Deposits from customers	-	-	9,251,238	9,251,238
Other liabilities	-	-	758,464	758,464
Debt securities issued	307,255	-	-	307,255
Interest-bearing borrowings	-	-	1,390,029	1,390,029
	307,255	-	13,405,048	13,712,302

Company
September 2023
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	20,927	20,927
Investment under management				
Government bonds	3,969	-	-	3,969
Placements	-	25,187	-	25,187
Commercial paper	-	5,597	-	5,597
Nigerian Treasury bills	4,391	-	-	4,391
Mutual funds	-	1,170	-	1,170
Eurobonds	-	-	-	-
Corporate Bonds	-	2,592	-	2,592
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities	-	-	-	
Financial assets at amortised cost	-	-	-	
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Promissory notes	-	-	-	-
Other Assets	-	-	18,477	18,477
	8,360	34,547	39,404	82,311
Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	106,194	106,194
Debt securities issued	-		-	-
Interest-bearing borrowings	-	-	246,179	246,179
	-	-	352,375	352,375

Company
December 2022
In millions of Naira

	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with banks	-	-	2,488	2,488
Investment under management				
Government bonds	3,634	-	-	3,634
Placements	-	19,826	-	19,826
Commercial paper	-	3,796	-	3,796
Nigerian Treasury bills	2,784	-	-	2,784
Mutual funds	-	3,405	-	3,405
Eurobonds	-	-	-	-
Corporate Bonds	-	2,315	-	2,315
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
-Financial instruments at amortized cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities				

Financial assets at amortised cost				
Treasury bills	-	-	-	-
Government Bonds	-	-	-	-
State government bonds	-	-	-	-
Corporate bonds	-	-	-	-
Eurobonds	-	-	-	-
Total return notes	-	-	-	-
Promissory notes	-	-	-	-
Other Assets	-	-	11,719	11,719
	6,418	29,342	14,207	49,967
Liabilities				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Other liabilities	-	-	90,316	90,316
Debt securities issued	-		-	-
Interest-bearing borrowings	-	-	-	-
	-	-	90,318	90,318

* There are no transfers between levels during the period

Financial instrument measured at fair value

(a) Financial instruments in level 1

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

(b) Financial instruments in level 2

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

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

(c) Financial instruments in level 3

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

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

For level 2 assets, fair value was obtained using a recent market transaction during the year under review. Fair values of unquoted debt securities were derived by interpolating prices of quoted debt securities with similar maturity profile and characteristics.

Transfers between fair value hierarchy

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

Determination of Control over Investees (Actis Golf) and Classification of Additional Tier 1 Capital and Equity

An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee requires a parent entity (an entity that controls one or more other entities) to present consolidated financial statements defines the principle of control, and establishes control as the basis for consolidation set out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee sets out the accounting requirements for the preparation of consolidated financial statements defines an investment entity and sets out an exception to consolidating particular subsidiaries of an investment entity*.

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

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

Description	Fair value at 30 September 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Relationship of observable inputs to fair value
Derivative financial assets	1,704,533	Forward and swap: Fair value through	Market rates from quoted market	1,191,432	1,195,658	The higher the market rate, the higher the fair value of the derivative financial instrument
Derivative financial liabilities	379,807					
Investment in CSCS	6,750	The market value is obtained from the National Association Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	6,413	7,088	The higher the share price, the higher the fair value
Nigerian Mortgage Refinance Company	306	The market value is obtained from the National Association Of Securities Dealers (NASD) as at the reporting year	Share price from NASD	290	321	The higher the share price, the higher the fair value

4.1 ***Valuation techniques used to derive Level 3 fair values***

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

Description	Fair value at 30 September 2023	Valuation Technique	Observable Inputs	Fair value if inputs increased by 5%	Fair value if inputs decreased by 5%	Fair value if unobservable inputs increased by 5%	Fair value if unobservable inputs decreased by 5%	Relationship of unobservable inputs to fair value
Investment in Africa Finance Corporation	231,745	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	243,333	220,158	230,641	232,850	The higher the illiquidity ratio, the control premium and the size adjustment/haircut, the higher the fair value
Investment in Unified Payment System Limited	9,435	Adjusted fair value comparison approach	Median PE ratios of comparable companies	9,030	8,170	9,310	9,559	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in NIBSS	18,019	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	18,920	17,118	17,781	18,257	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in Afrexim	793	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	833	753	789	797	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Investment in FMDQ	5,248	Adjusted fair value comparison approach	Average P/B multiples of comparable companies	5,510	4,985	5,148	5,347	The higher the illiquidity ratio and the earnings per share haircut adjustment the higher the fair value
Investment in CRC Bureau	329	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	346	313	325	334	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
Capital Alliance Equity Fund	5,296	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	5,560	7,710	8,521	7,710	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
NG Clearing	325	Adjusted fair value comparison approach	Median P/B multiples of comparable companies	342	310	324	328	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value
SANEF	50	Adjusted fair value comparison approach	Fair value of transactions at settlement date	53	48	53	48	The higher the illiquidity ratio and the size adjustment/haircut, the lower the fair value

4.1.5 Reconciliation of Level 3 Investments

The following tables presents the changes in Level 3 instruments for the period ended 30 September 2023

Financial assets at fair value through profit or loss (Equity)	**Group September 2023**	**Group December 2022**	**Company September 2023**	**Company December 2022**
Opening balance	156,167	152,105	-	-
Acquired from business combination	-	-	-	-
Total unrealised gains in P/L	126,801	4,061	-	-
Sales	-	-	-	-
Balance, period end	**282,967**	**156,167**	**-**	**-**

Assets Held for Sale	**Group September 2023**	**Group December 2022**	**Company September 2023**	**Company December 2022**
Opening balance	42,231	42,737	-	-
Acquired from business combination	-	-	-	-
Additions	28,835	7,878	-	-
Disposals	-	(8,384)	-	-
Write Off	-	-	-	-
Balance, period end	**71,067**	**42,231**	**-**	**-**

Investment under management	**Group September 2023**	**Group December 2022**	**Company September 2023**	**Company December 2022**
Opening balance	-	13,045	-	-
Additions	-	6,781	-	-
Reclassification	-	(19,826)		-
Balance, period end	-	-	-	-

4.20 Fair value of financial assets and liabilities not carried at fair value

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

(i) Cash

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

(ii) Loans and advances to banks and customers

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

(iii) Investment securities and pledged assets

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

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

(iv) Other assets

The bulk of these financial assets have short maturities and the amounts is a reasonable approximation of fair value.

(v) Deposits from banks and customers

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

(vi) Other liabilities

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

(vii) Interest bearing borrowings

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

(viii) Debt securities issued

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

Market risk management

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

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

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

September 2023	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	184,530	-	2,901,471	3,086,001
Non pledged trading assets	208,306	-	-	208,306
Derivative financial instruments	-	-	1,720,754	1,720,754
Loans and advances to banks	758,787	-	-	758,787
Loans and advances to customers	70,702	6,631,622	-	6,702,324
Pledged assets		-	-	-
Treasury bills	822,471	-	-	822,471
Bonds	475,151	-	-	475,151
Promissory notes	30,226	-	-	30,226
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,455,510	-	-	1,455,510
Bonds	385,921	-	-	385,921
Promissory notes	19,004	-	-	19,004
-Financial assets at amortised cost				
Treasury bills	190,014	-	-	190,014
Bonds	1,571,257	-	-	1,571,257
Promissory notes	95,431	-	-	95,431
TOTAL	**6,267,311**	**6,631,622**	**4,622,225**	**17,521,159**
LIABILITIES				
Deposits from financial institutions	3,425,202	-	-	3,425,202
Deposits from customers	5,076,709	7,669,665	-	12,746,374
Derivative financial instruments	-	-	385,704	385,704
Debt securities issued	478,083	-	-	478,083
Interest-bearing borrowings	731,216	837,806	-	1,569,021
TOTAL	**9,711,209**	**8,507,470**	**385,704**	**18,604,383**

December 2022	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	152,681	-	1,817,823	1,970,504
Non pledged trading assets	102,690	-	-	102,690
Derivative financial instruments	-	-	402,497	402,497
Loans and advances to banks	455,709	-	-	455,709
Loans and advances to customers	28,778	5,072,028	-	5,100,807
Pledged assets		-	-	-
Treasury bills	820,102	-	-	820,102
Bonds	414,150	-	-	414,150
Promissory notes	32,639	-	-	32,639
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	1,046,120	-	-	1,046,120
Bonds	300,109	-	-	300,109
Promissory notes	217,305	-	-	217,305
-Financial assets at amortised cost				
Treasury bills	192,795	-	-	192,795
Bonds	799,072	-	-	799,072
Promissory notes	37,762	-	-	37,762
TOTAL	**4,599,913**	**5,072,028**	**2,220,320**	**11,892,263**
LIABILITIES				
Deposits from financial institutions	2,005,316	-	-	2,005,316
Deposits from customers	3,462,402	5,788,837	-	9,251,239
Derivative financial instruments	-	-	32,737	32,737
Debt securities issued	307,253	-	-	307,253
Interest-bearing borrowings	716,184	673,845	-	1,390,029
TOTAL	**6,491,155**	**6,462,682**	**32,737**	**12,986,573**

Company

September 2023	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	-	-	20,927	20,927
Non pledged trading assets	-	-	-	-
Derivative financial instruments	-	-	90,811	90,811
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at amortised cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
TOTAL	**-**	**-**	**111,738**	**111,738**
LIABILITIES				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Derivative financial instruments	-	-	-	-
Debt securities issued	-	-	-	-
Interest-bearing borrowings	246,179	-	-	246,179
TOTAL	246,179	-	-	246,179

December 2022	**Fixed**	**Floating**	**Non-interest bearing**	**Total**
ASSETS				
Cash and balances with banks	-	-	2,488	2,488
Non pledged trading assets	-	-	-	-
Derivative financial instruments	-	-	-	-
Loans and advances to banks	-	-	-	-
Loans and advances to customers	-	-	-	-
Pledged assets				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
Investment securities:				
-Financial assets at FVOCI	-	-	-	-
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
-Financial assets at amortised cost				
Treasury bills	-	-	-	-
Bonds	-	-	-	-
Promissory notes	-	-	-	-
TOTAL	**-**	**-**	**2,488**	**2,488**
LIABILITIES				
Deposits from financial institutions	-	-	-	-
Deposits from customers	-	-	-	-
Derivative financial instruments	-	-	-	-
Debt securities issued	-	-	-	-
Interest-bearing borrowings	-	-	-	-
TOTAL	-	-	-	-

Derivative financial instruments include elements of interest rate differential between the applicable underlying currencies. Further details on the fair value of derivatives have been discussed in Note 21 of the financial statement.

(a) Regulatory capital

The regulatory capital requirement for entities within the group are as follows:

Name of Entity	Primary Regulator	Regulatory Requirement
Access Holdings Plc	Central Bank of Nigeria	(see note (i)below)
Access Bank Plc	Central Bank of Nigeria	50billion Naira
The Hydrogen Payment Services Company Ltd	Central Bank of Nigeria	2 billion Naira
Access Pensions Ltd	National Pensions Commission	5 billion Naira

(i) The Capital Requirement of Access Holdings Plc represents the sum of the minimum paid up capital of all its subsidiaries.

The Central Bank of Nigeria (CBN) on 29th August 2014 issued Guidelines for Licensing and Regulation of Financial Holding Companies in Nigeria ("Guidelines"). According to the Guidelines, a financial holding company shall have a minimum paid up capital which shall exceed the sum of the minimum paid up capital of all its subsidiaries, as may be prescribed from time to time by the sector regulators. A review of the capital level as at 30 September 2023 shows that Access Holdings Plc complies with paragraphs 7.1 and 7.3 of the regulation, which stipulates that a financial holding company should maintain a minimum paid up capital which exceeds the aggregate of the minimum paid up capital of all its subsidiaries;

Entity	Minimum Share Capital	% Holding	Holdco Share
	N'm		N'm
Access Bank Plc	50,000	100.00	50,000
The Hydrogen Payment Services Company Ltd	4,000	99.99	4,000
Access Pensions Ltd	5,000	51.51	2,576
Aggregated minimum paid up Capital of Subsidiaries	59,000		56,575
Holdco Company (Share Capital and Reserves)			251,742
Surplus/(Deficit)			**195,167**

(b) Capital adequacy ratio computation under Basel II guidelines

This is the presentation of the capital adequacy ratio under Basel II guidelines for the group

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Tier 1 capital without adjustment				
Ordinary share capital	17,773	17,773	17,773	17,773
Additional Tier 1 Capital	206,355	206,355	-	-
Share premium	234,039	234,039	234,039	234,039
Retained earnings	531,720	408,702	(69)	(1,151)
Other reserves	600,163	341,716	-	-
Non-controlling interests	50,293	22,817	-	-
	1,640,342	**1,231,391**	**251,743**	**250,661**

Add/(Less):				
Fair value reserve for fair value through other	(22,992)	(78,960)	-	-
Foreign currency translation reserves	(303,348)	(30,122)	-	-
Other reserves	-	(3,513)	-	-
Total Tier 1	**1,314,001**	**1,118,796**	**251,743**	**250,661**
Add/(Less):				
Deferred tax assets	(31,106)	(15,095)	-	(72)
Regulatory risk reserve	(98,169)	(78,556)	-	-
Intangible assets	(146,470)	(109,087)	-	-
Treasury shares	11,228	11,228	-	-
Adjusted Tier 1	**1,049,485**	**927,288**	**251,743**	**250,589**
50% Investments in subsidiaries	-	-	-	-
Eligible Tier 1	**1,049,485**	**927,288**	**251,743**	**250,589**
Tier 2 capital				
Debt securities issued	355,060	252,834	-	-
Fair value reserve for fair value through other comprehensive income instruments	22,992	78,960	-	-
Foreign currency translation reserves	303,348	30,122	-	-
Other reserves	-	3,513	-	-
Total Tier 2	**681,401**	**365,428**	**-**	**-**
Adjusted Tier 2 capital (33% of Tier 1)	**349,794**	**309,065**	**-**	**-**
50% Investments in subsidiaries	-	-	-	-
Eligible Tier 2	**349,794**	**309,065**	**-**	**-**
Total regulatory capital	**1,399,279**	**1,236,353**	**251,743**	**250,589**
Risk-weighted assets	**7,074,138**	**6,291,629**	**-**	**-**
Capital ratios				
Total regulatory capital expressed as a percentage of total risk-weighted assets	19.78%	19.65%		
Total tier 1 capital expressed as a percentage of risk-weighted assets	14.84%	14.74%		

Capital adequacy ratio computation under Basel III guidelines

According to the recent CBN circular on Basel III implementation guidelines for Banks in Nigeria, the recommendations contained therein will be implemented in a parallel run beginning November 2021 for a six-month period, which could be extended by another three months if supervisory expectations are achieved. According to the CBN, the Basel III Guidelines will run concurrently with the existing Basel II Guidelines during the parallel run, and the Basel Ill Guidelines will become completely effective after the parallel run is over.

7 Operating segments

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

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

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

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

- **Retail banking** – The retail banking division is the retail arm of the bank which provides financial products and services to individuals (personal and inclusive segments) and private banking segment. This division has now been categorized into 'Retail Banking North' and 'Retail Banking South'. The private banking segment focuses on offering bespoke services to High Net worth Individuals (HNI) and Ultra High Net worth Individuals (UHNI) by handling their wealth portfolio needs both locally and abroad.

- **Access Pensions Management:** Is a Pension Fund Administrator whose services includes the management and administration of pension funds such as Retirement Savings Accounts Fund I-VI and Transitional Contributions Fund (TCF); administration of retirement savings account; administration of voluntary savings schemes and the administration of approved existing schemes.

- **Hydrogen Payment Services Company Limited ("Hydrogen")** is a FinTech company which has started breaking grounds in the industry with the seamless and reliable solutions it offers to businesses in Nigeria. Hydrogen's vision is to build Africa's most powerful business services network. Hydrogen offers a wide range of products and services, including InstantPay, Payment gateway, POS, Card, and Switch, which have been well-received by customers and the industry as a whole. Our clientele base cuts across from mid-size to large private and public sectors of the economy, targeting organizations/businesses that perform and receive payments on a day-to-day basis.

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

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

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

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

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

Thus, in essence, unallocated segments reconcile segment balances to group balances. Material items comprising total assets and total liabilities of the unallocated segments have been outlined below;
Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive committee is measured in a manner consistent with that in the income statement.

Material total assets and liabilities	**Group September 2023**	**Group December 2022**
In millions of Naira		
Other Assets	2,929,880	2,424,597
Deferred tax asset	31,106	15,095
Non Current Assets Held for Sale	70,875	42,039
Goodwill	39,824	47,672
	3,071,686	**2,529,403**
Other liabilities	1,126,697	769,694
Deferred tax liability	14,240	1,872
Retirement Benefit Obligation	3,819	3,277
Total liabilities	**1,144,756**	**774,844**

7a Operating segments (continued)
Group
September 2023

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Retail Banking South	Retail Banking North	Payment Segment	PFA Segment	Holding Segment	Inter Segment	Unallocated Segments	Total continuing operations	Total
Revenue:											
Derived from external customers	641,215	416,008	355,032	171,200	923	8,569	68,231	(67,655)	-	1,593,524	1,593,524
Total Revenue	641,215	416,008	355,032	171,200	923	8,569	68,231		-	1,593,524	1,593,524
Interest Income	444,544	247,669	220,467	135,570	-	-	-		-	1,048,250	1,048,250
Interest expense	(300,881)	(163,023)	(112,576)	(68,887)	-	-	(13,142)		-	(658,508)	(658,508)
Impairment Losses	(28,070)	(26,364)	(7,330)	(62)	-	-	-	-	-	(61,825)	(61,825)
Profit/(Loss) on ordinary activities before	140,144	95,449	45,014	28,146	(883)	3,947	47,865	(65,266)	-	294,416	294,416
Income tax expense	(15,800)	(9,112)	(9,773)	(8,712)	-	(1,302)	(574)		-	(45,274)	(45,274)
Profit after tax	124,345	86,336	35,241	19,433	(883)	2,644	47,291		-	249,142	249,142
Assets and liabilities:											
Loans and Advances to banks and customers	2,615,081	4,032,371	501,853	311,534	-	-	-		-	7,460,838	7,460,838
Goodwill	-	-	-	-		-	-		39,824	39,824	39,824
Tangible segment assets	6,883,565	3,776,948	5,345,527	2,174,666	11,567	18,348	21,759	(511,335)	-	17,721,046	17,721,046
Unallocated segment assets	-	-	-	-			583,024		3,101,116	3,684,140	3,684,140
Total assets	6,883,565	3,776,948	5,345,527	2,174,666	11,567	18,348	604,784		3,101,116	21,405,185	21,405,186
Deposits from customers	4,628,278	3,009,981	3,588,005	1,520,109	-	-	-		-	12,746,373	12,746,373
Segment liabilities	6,674,472	3,764,158	5,973,108	1,961,826	9,779	8,088	353,041	(133,533)	-	18,610,939	18,610,939
Unallocated segment liabilities	-	-	-	-					1,153,903	1,153,903	1,153,903
Total liabilities	6,674,472	3,764,158	5,973,108	1,961,826	9,779	8,088	353,041		1,153,903	19,764,842	19,764,842
Net assets	209,093	12,790	(627,581)	212,840	1,788	10,260	251,743	-	1,947,212	1,640,342	1,640,342

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

September 2022
Operating segments (continued)

In millions of Naira	Corporate & Investment Banking	Commercial Banking	Business Banking	Retail Banking	Payment Segment	Asset Management Segment	Holding Segment		Unallocated Segments	Total continuing operations	Total
Revenue:											
Derived from external customers	360,388	250,962	224,875	69,507	-	1,201	-	-	-	906,933	906,933
Total Revenue	360,388	250,962	224,875	69,507	-	1,201	-	-	-	906,933	906,933
Interest Income	226,101	185,723	127,018	32,895	-	239	-	-	-	571,978	571,978
Interest expense	(127,693)	(100,809)	(50,414)	(12,533)	-	-	-	-	-	(291,448)	(291,448)
Impairment Losses	(21,888)	(21,451)	(6,713)	(2,901)	-	-	-	-	-	(52,952)	(52,952)
taxation	96,413	30,486	17,049	4,736	(488)	311	(1,211)	-	-	147,296	147,296
Income tax expense	(6,927)	(1,844)	(1,112)	(405)	-	-	-	-	-	(10,288)	(10,288)
Profit after tax	89,486	28,643	15,937	4,332	(488)	311	(1,211)	-	-	137,009	137,008
December 2022											
Assets and liabilities:											
Loans and Advances to banks and customers	2,182,734	2,306,017	404,088	58,298	-	-	-	-	-	4,951,137	4,951,137
Goodwill	-	-	-	-		-	-		12,747	12,747	12,747
Tangible segment assets	4,244,284	2,058,975	3,736,491	1,074,283	2,568	21,654	33,325	-	-	11,171,579	11,171,579
Unallocated segment assets	-	-	-	-					2,278,479	2,278,479	2,278,479
Total assets	4,244,284	2,058,975	3,736,491	1,074,283	2,568	21,654	33,325		-	13,450,058	13,450,058
Deposits from customers	3,097,339	1,607,133	2,730,037	754,753	-	-	-	-	-	8,189,263	8,189,263
Segment liabilities	4,521,449	2,193,432	3,980,496	1,144,436	3,017	830	(3,831)	-	-	11,839,829	11,839,829
Unallocated segment liabilities	-	-	-	-					575,625	575,625	575,625
Total liabilities	4,521,449	2,193,432	3,980,496	1,144,436	3,017	830	(3,831)		-	12,415,454	12,415,454
Net assets	(277,165)	(134,457)	(244,004)	(70,154)	(449)	20,824	37,156		-	1,034,604	1,034,604

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

7b Geographical segments

The Group operates in three geographic regions, being:
- Nigeria
- Rest of Africa
- Europe

September 2023

In millions of Naira	**Nigeria**	**Rest of Africa**	**Europe**	**Total Continuing Operations**	**Bargain purchase from acquisition**	**Profit from associate**	**Intercompany elimination**	**Total**
Derived from external customers	1,248,811	213,799	130,994	1,593,604			(249)	1,593,355
					-	382		382
Total revenue	1,248,811	213,799	130,994	1,593,604	-	382	(249)	1,593,737
Interest income	798,500	151,278	114,590	1,064,367	-	-	(15,904)	1,048,463
Impairment losses	(56,607)	(714)	(4,624)	(61,944)	-	-	120	(61,825)
Interest expense	(561,700)	(70,899)	(41,812)	(674,412)	-	-	15,904	(658,508)
Net fee and commission income	97,938	36,729	13,887	148,554	-	-	-	148,554
Operating income	687,111	142,900	89,182	919,192			(249)	935,229
Profit before income tax	179,046	53,055	62,063	294,163		382	(130)	294,416
Assets and liabilities:								
Loans and advances to customers and banks	5,226,840	947,479	2,173,551	8,347,871	-	-	(887,032)	7,460,838
Total assets	16,988,790	3,008,631	2,899,002	22,896,423	-	-	(1,491,024)	21,405,399
Deposit from customers	9,548,594	2,161,653	1,056,060	12,766,306	-	-	69,025	12,835,331
Total liabilities	15,942,397	2,550,529	2,378,604	20,871,530	-	-	(1,106,474)	19,765,056
Net assets	1,046,393	458,102	520,397	2,024,893	-	-	(384,551)	1,640,343

September 2022	Nigeria	Rest of Africa	Europe	Total Continuing Operations	Bargain purchase from acquisition	Profit from associate	Intercompany elimination	Total
Derived from external customers	747,209	141,810	46,428	910,671			(4,940)	905,731
						-		-
Total revenue	747,209	141,810	46,428	910,671	-	-	(4,940)	905,731
								-
Interest income	433,914	107,192	35,571	576,673	-	-	(4,940)	571,734
Impairment losses	(48,504)	(298)	(4,151)	(52,953)	-	-	-	(52,953)
Interest expense	(247,967)	(40,338)	(8,001)	(296,306)	-	-	4,940	(291,366)
Net fee and commission income	65,131	20,273	9,522	94,926	-	-	-	94,926
Operating income	499,243	101,473	38,426	614,365	-	-	-	614,365
Profit before income tax	93,947	32,730	22,006	148,683		-		148,683
Assets and liabilities:								
Loans and advances to customers and banks	3,967,302	472,875	883,403	5,323,579	-	-	(372,443)	4,951,137
Goodwill	-	-	-	681,007	-		-	-
Total assets	11,550,132	1,520,118	1,481,676	14,216,860	-	-	(836,290)	13,380,567
Deposit from customers	6,704,339	1,000,811	484,112	8,189,262	-	-	-	8,189,262
Total liabilities	10,431,589	1,289,958	1,284,222	12,920,363	-	-	(575,881)	12,344,482
Net assets	1,118,543	230,159	197,454	1,296,497	-	-	(260,412)	1,036,085

No revenue from transaction with a single external customer or a group of connected economic entities or counterparty amounted to 10% or more of the Group's total revenue in the period ended 30 September 2023 and for the period ended 30 September 2022.

8 Interest income

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Interest income				
Cash and balances with banks	20,737	8,029	-	-
Loans and advances to banks	37,478	12,381	-	-
Loans and advances to customers	458,409	352,007	-	-
Modification gain/ (loss) on loans	-	(1,298)	-	-
Investment securities				
-Financial assets at FVOCI	224,862	62,498	-	-
-Financial assets at amortised cost	211,889	63,612	-	-
	953,374	497,230	-	-
-Financial assets at FVPL	95,089	74,508	-	-
	1,048,463	**571,738**	**-**	**-**
Interest expense				
Deposit from financial institutions	232,447	63,500	-	-
Deposit from customers	338,166	175,833	-	-
Debt securities issued	33,987	17,003	-	-
Lease liabilities	836	780	-	-
Interest bearing borrowings and other borrowed funds	53,071	34,333	13,142	-
	658,508	**291,450**	**13,142**	**-**
Net interest income	**389,955**	**280,288**	**(13,142)**	**-**

9 Net impairment charge on financial assets

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
(Allowance) /Write Back for impairment on money market placement (note 18)	(989)	77	-	-
Write Back/(Allowance) for impairment on loans and advance to banks (note 22)	(304)	287	-	-
Allowance for impairment on loans and advance to customers (note 23)	(50,027)	(44,157)	-	-
Allowance for impairment on pledged assets (note 24)	1,666	-	-	-
Allowance for impairment on investment securities (note 25a)	(5,559)	567	-	-
Allowance on impairment on financial assets in other assets (note 26)	(11,723)	(3,838)	-	-
Allowance for impairment on Non current asset held for sale	-	-	-	-
(Allowance)/Write Back for impairment on off balance sheet items (note 34c)	5,110	(5,889)	-	-
	(61,825)	(52,953)	-	-

10 (a) Fee and commission income

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Credit related fees and commissions	83,634	41,724	-	-
Account maintenance charge and handling commission	21,848	18,705	-	-
Commission on bills and letters of credit	6,867	4,914	-	-
Commissions on collections	3,435	2,323	-	-
Commission on other financial services	17,890	13,230	-	-
Commission on virtual products	-	-	-	-
Commission on foreign currency denominated transactions	3,063	2,468	-	-
Channels and other E-business income	70,350	49,399	-	-
Retail account charges	1,093	731	-	-
	208,182	**133,494**	**-**	**-**

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

Fee and commission income	**Group September 2023**	**Group September 2022**	**Company September 2023**	**Company September 2022**
Point in Time	170,330	120,789	-	-
Over Time	37,852	12,704	-	-
	208,182	**133,494**	**-**	**-**

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

10 (b) Fee and commission expense

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Bank and electronic transfer charges	9,064	5,869	-	-
E-banking expense	50,564	32,443	-	-
	59,628	**38,311**	**-**	**-**

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

11 Net gains on financial instruments at fair value

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

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Trading gains on Fixed income securities	(51,388)	(42,902)	-	-
Fair value (loss)/gains on Fixed income securities	63,405	1,758	-	-
Fair value (loss)/gains on non-hedging derivatives	(76,839)	(36,827)	90,811	-
Fair value gains on equity investments	110,675	(2,962)	-	-
Total Net gain on financial instruments at fair value through profit or loss	**45,852**	**(80,933)**	**90,811**	**-**

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

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Debt instruments at FVOCI				
Fixed income securities	127,373	159,368	-	-
	127,373	**159,368**	**-**	**-**
Total	**173,224**	**78,434**	**90,811**	**-**

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

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

Gain on derivative instruments are from transactions to which the Group is a party in the normal course of business and are held at fair value. Derivative financial instruments consist of forward, swap and future contracts.

12 (a) Net foreign exchange gain

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Realised gain	-	97,921	-	-
Net realized and Unrealized Foreign exchange Gain/(loss) on items not hedged	50,728	(1,026)	(94,292)	-
Total Net Foreign Exchange Gain	**50,728**	**96,895**	**(94,292)**	**-**

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

Net (loss)/gain on fair value hedge (Hedging ineffectiveness)	90,649	8,796	-	-
	90,649	**8,796**	**-**	**-**
Fair Value and Foreign exchange gain/(loss)	**314,601**	**184,126**	**(3,481)**	**-**

FOR ACCESS BANK PLC

Sep-23 **Fair value hedges**	**Average strike price** ₦	**Nominal amount of hedging instrument** ₦'millons	**Carrying amount of hedging instrument (Assets)** ₦'millons	**Changes in fair value used for calculating hedge ineffectiveness** ₦'millons
Hedging instrument	459.65	1,541,441	1,153,707	1,030,458

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

	Carrying amount of hedged item		**Accumulated amount of fair value hedge**		**Line item in the statement of financial position where the hedging instrument is**
	Assets	**Liabilities**	**Assets**	**Liabilities**	
Sep-23	**₦'millions**	**₦'millions**	**₦'millions**	**₦'millions**	
Fair value hedges					
Foreign exchange risk on foreign currency loan - Interest bearing loan	-	1,041,048	-	133,481	Interest bearing borrowings
Foreign exchange risk on foreign currency loan - Deposit from financial institution	-	2,054,951	-	806,328	Deposit from financial institution

Sep-23	**Hedge ratio**	**Change in the value of the hedging instrument recognised in profit or loss**	**Hedge ineffectiveness recognised in profit or loss**	**Line item in profit or loss (that includes hedge ineffectiveness)**	**Amount reclassified from the cash flow hedge reserve to profit or loss**
Fair value hedge		₦'millions	₦'millions		
Fair value changes in hedging instrument (forward element)	90%	1,030,458	90,649		

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

Sep-23	**3 months**	**6 months**	**12 months**	**5 periods**	**More than 5 periods**
Fair value hedging	₦'millions	₦'millions	₦'millions	₦'millions	₦'millions
Hedging assets	-	456,471	697,236	-	-

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

13 Other operating income

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Dividends on equity securities	4,338	2,950	47,275	24,882
Gain on disposal of property and equipment	143	74	-	-
Rental income	16	11	-	-
Bad debt recovered	6,937	6,849	-	-
Cash management charges	340	489	-	-
Income from agency and brokerage	928	2,008	-	-
Income from asset management	3,889	1,770	3,889	343
Income from other investments	3,859	2,360	17,067	-
Gain on modification on Leases	64	132	-	-
Income from other financial services	1,595	576	-	-
	22,109	**17,219**	**68,231**	**25,225**

Included in income from agency and brokerage is an amount of N384.49Mn (Sept 2022: N198Mn) representing the referral commission earned from bancassurance products.
The Company's dividend on equity securities of N47.28Bn represents dividend received from its banking subsidiary (Access Bank Nigeria)

Other operating income

	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Point in Time	22,093	17,218	68,231	25,225
Over time	16	1	-	-
	22,109	**17,219**	**68,231**	**25,225**

14 Personnel expenses

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Wages and salaries	111,799	77,774	1,777	721
Increase in defined benefit obligation	710	8,270	-	-
(see note 37 (a) (i))			-	-
Contributions to defined contribution plans	3,557	2,359	-	-
Restricted share performance plan	1,559	1,437	-	-
	117,625	**89,840**	**1,777**	**721**

15 Other operating expenses

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Premises and equipment costs	24,130	17,085	2	21
Professional fees	17,756	11,771	704	406
Insurance	2,543	1,436	-	2
Business travel expenses	12,761	9,176	114	8
Asset Management Corporation of Nigeria (AMCON) surcharge	68,805	52,734	-	-
Bank charges	11,491	7,536	-	-
Deposit insurance premium	24,734	15,909	-	-
Auditor's remuneration	1,521	988	32	13
Administrative expenses	43,351	31,144	122	245
Board expenses	2,781	1,598	416	260
Communication expenses	11,528	7,855	-	-
IT and e-business expenses	52,690	34,523	-	-
Outsourcing costs	22,383	18,527	-	-
Advertisements and marketing expenses	12,057	8,075	231	87
Recruitment and training	7,961	5,715	-	-
Events, charities and sponsorship	10,341	7,532	1	50
Periodicals and Subscriptions	2,649	1,392	-	-
Security expenses	9,134	6,090	-	-
Cash processing and management cost	7,384	451	-	-
Stationeries, postage and printing	5,799	4,546.65	-	-
Office provisions and entertainment	1,658	3,426.27	103	-
Rent expenses	5,112	5,896	96	-
	358,570	**254,341**	**1,821**	**1,093**

17 Earnings per share

(a) Basic from continuing operations

Basic Earnings Per Share(EPS) is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period excluding ordinary shares purchased by the company and held as treasury shares.

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Profit for the period from continuing operations	246,061	134,027	47,291	23,339
Loss for the period from discontinued operations	-		-	-
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
Weighted average number of treasury Shares	(0)	(934)	-	-
	35,545	34,611	35,545	35,545
In kobo per share				
Basic earnings per share from continuing operations	692	387	-	-
Basic earnings per share from discontinuing operations	-	-	-	-

Diluted EPS

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

In millions of Naira	Group September 2023	Group September 2022	Company September 2023	Company September 2022
Total profit/(loss) attributable to owners:				
Continuing operations	246,061	136,766	47,291	23,339
Discontinued operations	-		-	-
Profit for the period	246,061	136,766	47,291	23,339
Weighted average number of Total shares in issue	35,545	34,611	35,545	35,545
Weighted average number of treasury shares in issue	(0)	(934)	-	-
Weighted average number of ordinary shares in issue	35,545	35,545	35,545	35,545
In kobo per share				
Diluted earnings per share from continuing operations	692	385	-	-
Diluted earnings per share from discontinuing operations	-	-	-	-

18 Cash and balances with banks

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Cash on hand and balances with banks (see note (i))	1,459,843	1,094,612	20,927	2,488
Unrestricted balances with central banks	320,532	186,534	-	-
Money market placements	184,530	152,682	-	-
Other deposits with central banks (see note (ii)	1,121,096	536,677	-	-
	3,086,001	**1,970,505**	**20,927**	**2,488**
ECL on Placements	(2,192)	(721)	-	-
	3,083,809	**1,969,783**	**20,927**	**2,488**

(i) Included in cash on hand and balances with banks is an amount of N83.60Bn(31 Dec 2022: N69.41Bn) representing the Naira value of foreign currencies held on behalf of customers to cover letter of credit transactions. The corresponding liability is included in customer's deposit for foreign trade reported under other liabilities (see Note 34). This has been excluded for cash flow purposes.

(ii) The balance of N981.9bn represents the nominal value of outstanding forward contracts entered on behalf of customers, with the Central Bank of Nigeria.

Movement in ECL on Placements

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance at beginning of the period	721	186	-	-
-(Write Back)/Charge for the period	989	600	-	-
Foreign translation reserve	483	(64)	-	-
Closing balance	**2,192**	**721**	**-**	**-**

19 Investment under management

Amortized cost

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Relating to unclaimed dividends:				
Government bonds	3,969	3,634	3,969	3,634
Placements	25,187	19,826	25,187	19,826
Commercial paper	5,597	3,796	5,597	3,796
Corporate Bond	2,592	2,315	2,592	2,315
Nigerian treasury bills	4,391	2,784	4,391	2,784
Mutual funds	1,170	3,405	1,170	3,405
Eurobonds	5,826	3,742	-	-
	48,733	**39,502**	**42,907**	**35,760**

The Group entrusted the sum transferred to it by the Registrars in respect of unclaimed dividends with select Asset Managers who will ensure safekeeping and manage the funds for the benefit of the Group. The investments by the Asset Managers are as listed above (the corresponding liability which is due to the Registrar is reported as "unclaimed dividend" in other liabilities. An impairment test was carried out on the assets under management and the resulting impairments were considered immaterial.

20 Non pledged trading assets

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Government bonds	18,130	12,280	-	-
Eurobonds	1,980	2,294	-	-
Treasury bills	188,196	88,116	-	-
	208,306	**102,690**	**-**	**-**

21 Derivative financial instruments

In millions of Naira	September 2023 Notional amount	September 2023 Fair Value Assets/ (Liabilities)	December 2022 Notional amount	December 2022 Fair Value Assets/ (Liabilities)
Group				
Foreign exchange derivatives				
Total derivative assets	**3,391,939**	**1,720,754**	**1,738,833**	**402,497**
Non-deliverable future contracts	-	40,757	-	1,730
Forward and swap contracts	3,391,939	1,589,186	1,738,833	400,767
Total derivative liabilities	**958,366**	**(385,704)**	**430,014**	**(32,737)**
Non-deliverable future contracts	-	(40,755)	-	(1,728)
Forward and swap contracts	958,366	(344,950)	430,014	(31,009)

	September 2023 Notional amount	September 2023 Fair Value Assets/ (Liabilities)	December 2022 Notional amount	December 2022 Fair Value Assets/ (Liabilities)
Company				
Foreign exchange derivatives				
Total derivative assets	**141,708**	**90,811**	**-**	**-**
Non-deliverable future contracts	141,708	90,811	-	-
Forward and swap contracts	-	-	-	-
Total derivative liabilities	**-**	**-**	**-**	**-**
Non-deliverable future contracts	-	-	-	-
Forward and swap contracts	-	-	-	-

	September 2023 Fair Value		December 2022 Fair Value	
Derivative Assets	**Group**	**Company**	**Group**	**Company**
Current (Hedging Instruments)	1,153,707	-	288,188	-
Non- Current (Hedging Instruments)	-	-	-	-
Current (Non-Hedging Instruments)	476,236	-	114,309	-
Non- Current (Non-Hedging Instruments)	-	-	-	-
Derivative Liabilities				
Current (Non-Hedging Instruments)	-	-	-	
Non- Current (Hedging Instruments)	-	-	-	-
Current (Non-Hedging Instruments)	(385,704)	90,811	(32,737)	-
Non- Current (Non-Hedging Instruments)	-	-	-	-

Derivative financial instruments consist of forward, swap and future contracts. These are held for day to day cash management rather than for trading purposes and are held at fair value. The contracts have intended settlement dates of between 30 days and a period. Derivative contracts are valued with reference to data obtained from sources such as Bloomberg and FMDQ.

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

22 Loans and advances to banks

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Loans and advances to banks	759,582	456,088	-	-
Less allowance for impairment losses	(795)	(378)	-	-
	758,788	**455,709**	-	-

Group

Impairment allowance for loans and advances to banks

In millions of Naira	September 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	639	-	-	639
Standard grade	125	-	-	125
Non Investment	-	-	31	31
Total	**763 #**	**-**	**31**	**795**

	September 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2023	493	9	117	620
-Charge for the period:				
Transfers to Stage 1	176	-	(176)	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the period	(18)	(9)	89	62
Foreign exchange revaluation	113	-	-	113
At 30 September 2023	**763 #**	**-**	**31**	**795**

Impairment allowance for loans and advances to banks

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade:				
Investment	345	-	-	345
Standard grade	6	-	-	6
Non Investment	-	-	28	28
Total	**351**	**-**	**28**	**378**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022	493	9	117	620
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the period	(143)	(9)	(90)	(241)
At 31 December 2022	**351**	**-**	**28**	**378**

Company

Loans to banks

In millions of Naira

	September 2023			
	Stage 1	Stage 2	Stage 3	Total ECL
Internal rating grade:				
Investment	-	-	-	-
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non Investment	-	-	-	-
Total	-	-	-	-

	September 2023			
	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2023	-	-	-	-
Acquired from Business Combination	-	-	-	-
-Charge for the period:		-		-
- Charge for the year	-	-	-	-
Total net P&L charge during the year	-	-	-	-
Unwindling of discount	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	
	-	-	-	-
Amounts written off	-	-	-	-
At 30 September 2023	-	-	-	-

	December 2022			
	Stage 1	Stage 2	Stage 3	Total ECL
ECL allowance as at 1 January 2022	-	-	-	-
Acquired from Business Combination	-	-	-	-
-Charge for the period:	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Total net P&L charge during the year	-	-	-	-
Unwindling of discount				-
Amounts written off	-	-	-	-
Foreign exchange revaluation				-
At 31 December 2022	-	-	-	-

23 Loans and advances to customers

a **Group**

In millions of Naira	**September 2023**
Loans to individuals	
Retail Exposures	
Auto Loan	2,134
Credit Card	29,201
Finance Lease (note 23c)	101
Mortgage Loan	100,200
Overdraft	36,122
Personal Loan	394,362
Term Loan	155,385
Time Loan	258,364
	975,871
Less allowance for expected credit loss	(21,190)
	954,681

Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan (note 23c)	6,723
Credit Card	2,084
Finance Lease (note 23c)	12,012
Mortgage Loan	49,718
Overdraft	264,945
Personal Loan	-
Term Loan	3,820,885
Time Loan	1,710,581
	5,866,948
Less allowance for expected credit loss	(119,304)
	5,747,644

Loans and advances to customers (Individual and corporate entities and other organizations)	6,842,819
Less allowance for expected credit loss	(140,494)
	6,702,325

ECL allowance on loans and advances to customers

Loans to Individuals
In millions of Naira

	September 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Standard grade	10,443	787	-	11,230
Non-Investment	-	-	9,960	9,960
Total	**10,443**	**787**	**9,960**	**21,190**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	6,928	1,095	11,016	19,039
- Charge for the period:				
Transfers to Stage 1	816	8	(824)	-
Transfers to Stage 2	955	454	(1,409)	-
Transfers to Stage 3	(72)	(68)	140	-
Total net P&L charge during the period	1,193	(985)	(1,745)	(1,537)
Amounts written off	-	-	(907)	(907)
Translation difference	623	283	3,690	4,595
At 30 September 2023	**10,443**	**788**	**9,960**	**21,190**

Loans to corporate entities and other organizations
In millions of Naira

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	16,282	-	-	16,282
Standard grade	25,160	16,394	-	41,555
Non-Investment	-	-	61,468	61,468
Total	**41,442**	**16,394**	**61,468**	**119,305**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	20,882	16,646	42,374	79,903
- Charge for the period:				-
Transfers to Stage 1	11,750	(3,088)	(8,662)	-
Transfers to Stage 2	11,088	(3,231)	(7,857)	-
Transfers to Stage 3	(2,866)	(8,326)	11,192	-
Total net P&L charge during the period	(226)	(7,410)	59,085	51,448
Amounts written off	-	-	(53,690)	(53,690)
Translation difference	847	21,802	18,994	41,643
At 30 September 2023	**41,472**	**16,394**	**61,438**	**119,305**

Group

In millions of Naira	December 2022
Loans to individuals	
Retail Exposures	
Auto Loan	1,329
Credit Card	18,909
Finance Lease (note 23c)	1,111
Mortgage Loan	78,254
Overdraft	27,834
Personal Loan	285,388
Term Loan	82,172
Time Loan	5,717
	500,713
Less Allowance for ECL/Impairment losses	(19,039)
	481,675
Loans to corporate entities and other organizations	
Non-Retail Exposures	
Auto Loan (note 23c)	5,556
Credit Card	1,306
Finance Lease (note 23c)	8,519
Mortgage Loan	31,713
Overdraft	286,183
Personal Loan	-
Term Loan	3,617,981
Time Loan	747,778
	4,699,036
Less Alowance for ECL/Impairment losses	(79,903)
	4,619,133
Loans and advances to customers (Individual and corporate entities and other organizations)	5,199,749
Less Allowance for ECL/Impairment losses	(98,942)
	5,100,807

ECL allowance on loans and advances to customers

Loans to Individuals

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	-	-	-	-
Standard grade	6,928	1,095	-	8,023
Non-Investment	-	-	11,016	11,016
Sub-standard grade	-	-	-	-
Total	**6,928**	**1,095**	**11,016**	**19,039**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	8,447	2,194	16,492	27,133
Transfers to Stage 1	468	(468)	(0)	0
Transfers to Stage 2	(1,544)	1,349	195	(0)
Transfers to Stage 3	(1)	(52)	53	-
Total net P&L charge during the period	(442)	(1,929)	(1,761)	(4,132)
Amounts written off	-	-	(3,978)	(3,978)
At 31 December 2022	**6,928**	**1,095**	**11,016**	**19,039**

Loans to corporate entities and other organizations

In millions of Naira	December 2022			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	1,931	-	-	1,931
Standard grade	18,951	16,646	-	35,598
Non-Investment	-		42,374	42,374
Total	**20,882**	**16,646**	**42,374**	**79,904**

	Stage 1	**Stage 2**	**Stage 3**	**Total ECL**
ECL allowance as at 1 January 2022	28,756	25,350	68,662	122,767
Transfers to Stage 1	10,176	(8,596)	(1,581)	-
Transfers to Stage 2	(7,113)	7,120	(7)	0
Transfers to Stage 3	(202)	(5,208)	5,410	-
Total net P&L charge during the period	(10,863)	(2,018)	90,666	77,785
Amounts written off	-	-	(121,014)	(121,014)
Translation difference	94	-	270	364
At 31 December 2022	**20,849**	**16,648**	**42,406**	**79,904**

Modified loans:

	Group September 2023	**Group December 2022**	**Company September 2023**	**Company December 2022**
Amortized Cost before modification	-	33,302	-	-
Modification gain/(loss)	-	162	-	-
Amortized Cost after modication	-	33,464	-	-

24 Pledged assets

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
-Financial instruments at FVOCI				
Treasury bills	638,894	451,476	-	-
Government bonds	74,127	-	-	-
Promissory note	-	-	-	-
	713,022	451,476	-	-
-Financial instruments at amortised cost				
Treasury bills	25,473	296,061	-	-
Government bonds	395,671	411,582	-	-
Promissory note	30,226	32,639	-	-
	451,370	740,282	-	-
ECL on financial assets at amortized cost	(336)	(1,612)	-	-
	451,034	738,670	-	-
-Financial instruments at FVPL				
Treasury bills	158,103	72,565	-	-
Government bonds	5,353	2,567	-	-
Promissory note	-	-	-	-
	163,456	75,133	-	-
	1,327,512	**1,265,279**	**-**	**-**

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

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

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance	880	-	-	-
Additional allowance	-	880	-	-
Allowance written back	(391)	-	-	-
Balance, end of period	**489**	**880**	**-**	**-**

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

ECL allowance on pledged assets at amortized cost

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance	1,612	23	-	-
Additional allowance	-	1,589	-	-
Allowance written back	(1,276)	-	-	-
Balance, end of period	**336**	**1,612**	**-**	**-**

The related liability for assets pledged as collateral include:

Central Bank of Nigeria (CBN)	267,080	541,476	-	-
Bank of Industry (BOI)	1,487	8,383	-	-
	268,568	**549,859**	**-**	**-**

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

(i) The assets pledged as collateral include assets pledged to third parties under secured borrowing with the related liability disclosed above(where borrowings can be seen in Note 36). The pledges have been made in the normal course of business. In the event of default, the pledgee has the right to realise the pledged assets. This disclosure in 24(i) is inclusive of only liabilities that actual cash has been received for.

25 Investment securities

At fair value through profit or loss *In millions of Naira*	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Equity securities at fair value through profit or loss (see note (i) below)	290,023	167,906	-	-

At fair value through other comprehensive income *In millions of Naira*	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Debt securities				
Government bonds	254,298	168,293	-	-
Treasury bills	1,455,510	1,046,120	-	-
Eurobonds	61,798	41,695	-	-
Corporate bonds	17,388	20,599	-	-
State government bonds	52,437	65,652	-	-
Commercial Paper	-	3,869		
Promissory notes	19,004	217,305	-	-
	1,860,435	1,563,536	-	-
Changes in fair value of FVOCI instruments	(32,828)	61,904	-	-
Changes in allowance on FVOCI financial instruments	6,244	21,282	-	-
Net fair value changes in FVOCI instruments	**(26,584)**	**83,186**	**-**	**-**

At amortised cost *In millions of Naira*	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Debt securities				
Treasury bills	190,014	192,795	-	-
Credit Link Notes	-	9,752	-	-
Federal government bonds	978,923	437,679	-	-
State government bonds	3,653	4,734	-	-
FGN Promissory notes	95,431	37,762	-	-
Corporate bonds	7,710	7,579	-	-
Eurobonds	723,272	420,119	-	-
Preferential Shares Note	(11,228)	-		
Gross amount	1,987,774	1,110,420	-	-
ECL on financial assets at amortized cost	(131,071)	(80,791)	-	-
Carrying amount	1,856,702	1,029,630	-	-
Total	**4,007,160**	**2,761,072**	**-**	**-**

ECL allowance on investments at fair value through other comprehensive income

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance at 1 January	21,751	468	-	-
Additional allowance	74	23,541	-	-
Allowance written back	(2,163)	-	-	-
Foreign exchange adjustments	8,333	(2,259)	-	-
Balance, end of period	**27,995**	**21,751**	**-**	**-**

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

ECL allowance on investments at amortized cost

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance at 1 January 2022	80,791	2,005	-	-
Reclassification	(4,140)	-	-	-
-Charge for the period	8,259	84,676	-	-
Allowance written back	(611)	-	-	-
Revaluation difference	46,772	(5,891)	-	-
Balance, end of period	**131,071**	**80,791**	**-**	**-**
Total ECL charge on securities	5,559	108,218	-	-

(i) Equity securities at FVPL (carrying amount)

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Central securities clearing system limited	6,750	4,673	-	-
Nigeria interbank settlement system plc.	18,019	12,635	-	-
Unified payment services limited	9,435	5,653	-	-
Africa finance corporation	231,745	131,633	-	-
African export-import bank	793	176	-	-
FMDQ Holdings	5,248	7,068	-	-
Nigerian mortage refinance company plc.	306	291	-	-
Credit reference company	329	383	-	-
NG Clearing Limited	326	325	-	-
Capital Alliance Equity Fund	5,296	4,735	-	-
Investment in Parent's Shares	11,161	-	-	-
Shared agent network expansion facility	50	50	-	-
Others	565	285	-	-
	290,023	**167,907**	**-**	**-**

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

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

Group — **September 2023**

At fair value through other comprehensive income
In millions of Naira

Debt securities	Fair value	ECL
Government bonds	254,298	120
Treasury bills	1,455,510	1,341
Eurobonds	61,798	25,994
Corporate bonds	17,388	395
State government bonds	52,437	132
Promissory notes	19,004	13
Commercial Paper	-	-
Total	**1,860,435**	**27,995**

At amortised cost
In millions of Naira

Debt securities	Amortized cost	ECL	Carrying Amount
Government bonds	978,923	965	977,958
Treasury bills	190,014	662	189,352
Credit Link Notes	-	-	-
Eurobonds	723,272	129,214	594,056
Corporate bonds	7,710	158	7,551
State government bonds	3,653	2	3,651
FGN Promissory notes	95,431	70	95,362
Preferential Shares Note	(11,228)		(11,228)
Total	**1,987,774**	**131,071**	**1,856,701**

Group — **December 2022**

At fair value through other comprehensive income
In millions of Naira

Debt securities	Fair value	ECL
Government bonds	136,030	120
Treasury bills	987,663	919
Eurobonds	35,958	193
Corporate bonds	17,388	395
State government bonds	52,437	132
Promissory notes	-	-
Commercial Paper	19,004	13
Total	**1,248,480**	**1,772**

At amortised cost
In millions of Naira

Debt securities	Amortized cost	ECL	Carrying Amount
Government bonds	437,679	368	437,311
Treasury bills	192,795	460	192,335
Credit Link Notes	9,752	-	9,752
Eurobonds	420,117	79,550	340,566
Corporate bonds	7,579	318	7,261
State government bonds	4,734	10	4,723
FGN Promissory notes	37,762	84	37,679
Total	**1,110,418**	**80,791**	**1,029,627**

Company

At fair value through other comprehensive income
In millions of Naira

Debt securities	Fair value	ECL
Government bonds	-	-
Treasury bills	-	-
Eurobonds	-	-
Corporate bonds	-	-
State government bonds	-	-
Promissory notes	-	-
Total	**-**	**-**

At amortised cost
In millions of Naira

Debt securities	Amortized cost	ECL	Carrying Amount
Government bonds	-	-	-
Treasury bills	-	-	-
Eurobonds	-	-	-
Corporate bonds	-	-	-
State government bonds	-	-	-
Promissory notes	-	-	-
Total	**-**	**-**	**-**

Group

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

	September 2023			
	stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	591,577	-	-	591,577
Standard grade	-	-	-	-
Non-Investment	1,248,147	-	20,710	1,268,858
Total	**1,839,725**	**-**	**20,710**	**1,860,435**

	stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	4,434	-	17,317	21,751
- Charge for the period	-	-	74	74
Write Back	(2,163)	-	-	(2,163)
Foreign exchange adjustments	875	-	7,457	8,333
At 30 September 2023	**3,146**	**-**	**24,849**	**27,995**

Financial instruments at amortised cost
In millions of Naira

	stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				-
Investment	321,825	-	-	321,825
Standard grade	-	-	-	-
Non-Investment	1,053,422	-	623,755	1,677,177
Total	**1,375,247**	**-**	**623,755**	**1,999,002**

	stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2023	4,176	-	76,615	80,791
Reclassification	-	-	(4,140)	(4,140)
- Charge for the period	510	-	7,749	8,259
Foreign exchange adjustments	235	-	46,537	46,772
Write back	(611)	-	-	(611)
At 30 September 2023	**4,310**	**-**	**126,761**	**131,071**

Group

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

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	633,289	-	-	633,289
	-	-	-	-
Standard grade				
Non-Investment	878,204	-	52,041	930,245
Sub-standard grade	-	-	-	-
Total	**1,511,493**	**-**	**52,041**	**1,563,534**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022				
Acquired from business combination	468	-	-	468
Assets derecognised or matured (excluding write offs	3,568	-	19,973	23,541
Write Back	398	-	(2,656)	(2,259)
Foreign exchange adjustments				-
At 31 December 2022				-
	4,434	**-**	**17,317**	**21,751**

Financial instruments at amortised cost
In millions of Naira

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Internal rating grade				
Investment	204,040	-	-	204,040
Standard grade	-	-	-	-
Non-Investment	610,310	-	296,070	906,380
Total	**814,351**	**-**	**296,070**	**1,110,420**

	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance as at 1 January 2022	1,270	735	-	2,005
- Charge for the year	1,552	-	83,124	84,676
Assets derecognised or matured (excluding write offs			-	-
Transfers to Stage 1	735	(735)	-	-
Foreign exchange adjustments	618	-	(6,509)	(5,891)
At 31 December 2022	**4,176**	**4,176**	**76,615**	**80,791**

26 Restricted deposits and other assets

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Financial assets				
Accounts receivable (see note (a)below)	214,828	122,067	3,106	3,489
Receivable on E-business channels (see note (b)below)	102,965	111,678	-	-
Receivable from disposal of non-current asset	-	-	-	-
Deposit for investment in AGSMEIS (see note (c)below)	31,265	22,932	-	-
	-	-	3,884	-
Restricted deposits with Afrexim				
Subscription for investment (see note (d)below)	20,286	3,257	11,488	8,230
Restricted deposits with central banks (see note (e)below)	2,491,184	2,141,111	-	-
	2,860,528	2,401,045	18,477	11,719
Non-financial assets				
Prepayments	76,788	31,066	-	-
Inventory (see note (f)below)	12,691	4,879	-	-
	89,479	35,947	-	-
Gross other assets	2,950,006	2,436,992	18,477	11,719
Allowance for impairment on other assets				
Financial assets	(13,408)	(6,012)	-	-
Non-financial assets	(2,216)	(2,216)	-	-
	(15,624)	(8,228)	-	-
	2,934,382	**2,428,764**	**18,477**	**11,719**
Classified as:				
Current	393,863	263,679	3,106	3,489
Non current	2,540,519	2,165,085	15,371	8,230
	2,934,383	**2,428,764**	**18,477**	**11,719**

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Statutory Reserve Investment	3,835	3,515	-	-
Pension Protection Fund Investment	667	651	-	-
Total restricted deposits and other assets	**2,929,880**	**2,424,597**	**18,477**	**11,720**

Movement in allowance for impairment on other assets:

	Group	Company
In millions of Naira		
Balance as at 1 January 2022	4,471	-
ECL allowance for the period:		
Acquired from business combination	-	-
- Additional provision	8,143	-
- Provision no longer required	-	-
Net impairment	8,143	-
Allowance written back	-	-
Allowance written off	(4,258)	-
-Reclassification	-	-
-Transalation difference	(127)	-
Balance as at 31 December 2022/1 January 2023	8,228	-
ECL allowance for the period:		
- Additional provision	11,723	-
- Writeback		
Net ECL allowance	11,723	-
Acquired from business combination	-	-
Allowance written back	-	-
- Write Off	(4,760)	-
-Reclassification	-	-
-Translation difference	433	-
Balance as at 30 September 2023	15,624	-

(a) This represents the receivable from debtors to the Group that cuts across several services rendered in different capacities

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

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

Subscription for investment balance relates to deposits paid for the acquisition of equity investments for which shares have not been issued to the Bank. Included in this balance is an amount of N14.76Bn relating to consideration transferred for purchase of shares in Finibanco, Angola S.A. During the period, the Bank entered into a definitive agreement to invest in Finibanco, Angola S.A. The CBN granted the Bank the approval to acquire 100% of the shares, however as at September 2023, the Bank had only paid for 51% of the shares which was yet to be transferred.

(e) Restricted deposits with central banks comprise the cash reserve requirements of the Central Bank of Nigeria and other central banks of jurisdictions that the Group operates in as well as the special intervention fund with the Central Bank of Nigeria of N89.58Bn introduced in January 2016 as a reduction in the cash reserve ratio with a view of channeling the reduction to financing the real sector. These balances are not available for day to day operations of the Group.Restricted deposit with Afrexim comprise of $5m minimum balance expected to be maintained at all times for the duration of the $300m Afrexim term loan facility granted to the company.

(f) Inventory consists of blank debit cards, cheque leaves, computer consumables and other stationery held by the Group. Increase in prepayments resulted from services that have been paid in advance for the period for which the amortization will be over the relevant year of service. These include rents and advertisements.

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

27a Investments in associates

In millions of Naira	Group September 2023	Group December 2022
Balance, beginning of period	7,510	2,641
Acquisition cost of additional interest during the period	-	4,356
Share of Profit for the period	382	513
Balance, end of period	7,892	7,510

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

	E-tranzact	
	September 2023	December 2022
Assets		
Cash and balances with banks	11,870	9,510
Inventories	2,360	2,967
Trade and other receivables	719	883
Other assets	2,984	2,834
Deposit for shares	457	457
Intangible assets	73	96
Investment property	137	137
Property, plant and equipment	1,579	993
Total Assets	20,179	17,875
Financed by:		
Current tax liabilities	1,019	751
Trade and other payables	8,494	7,251
Long Term Loan	281	298
Deferred Grant Income	90	107
Deferred Tax Liabilities	90	-
Total Liabilities	9,975	8,408
Net Assets	**10,204**	**9,468**

Reconciliation to carrying amounts:

	September 2023
Opening Net Assets (1 January 2023)	9,468
	-
Additions through right issue	-
Irredeemable Convertible Debenture	-
Profit for the period	1,018
Impact of changes due to the net asset difference between 2022 Audited and Unaudited Financial statement*	(192)
Other comprehensive income	-
Closing net assets (30 September 2023)	10,294

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

Reconciliation of net asset in associate

Interest in Associate's net asset - (Etz: 37.56%)	3,867
Notional goodwill on investment in associate	2,919
Impact of changes in net assets	1,107
Impact of changes in Percentage Holding	1,417
Other comprehensive income	-
Carrying amount of investment in associates	9,310
Carrying value	7,892

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

The Group holds an equity interest of 3,455,729,217 ordinary shares of 50k each in E-tranzact International Plc as at 30 Jun 2023, representing 37.56% equity participation in the company. No dividend income was received from ETRAN during the period. The proportion of Access Bank's interest is the same as the proportion of voting rights. As at 30 June 2023, the fair value of Access Bank's investment was N22.2Bn.

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

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

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

27(b) Subsidiaries (with continuing operations)

(i) Group entities

Set out below are the group's subsidiaries as at 30 September 2023 Unless otherwise stated, the subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

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

Investment in subsidiaries comprises:

	Ownership interest	
	Company September 2023	**Company December 2022**
Access Bank Plc*	100%	100%
Access Pensions Limited**	31.19%	31.19%
Actis Golf (Indirect Share Holdings in Access Pensions)	29.97%	29.97%
Hydrogen Payment Services Company Limited	99.99%	99.99%

Access Bank Plc has investment in the following subsidiaries:

			Ownership interest	
	Nature of business	**Country of incorporation**	**September 2023**	**December 2022**
Access Bank Gambia Limited	Banking	Gambia	88.00%	88.00%
Access Bank Sierra Leone Limited	Banking	Sierra Leone	99.19%	99.19%
Access Bank Rwanda Limited	Banking	Rwanda	91.22%	91.22%
Access Bank Zambia	Banking	Zambia	80.98%	80.98%
The Access Bank UK	Banking	United Kingdom	100.00%	100.00%
Access Bank R.D. Congo	Banking	Congo	99.98%	99.98%
Access Bank Ghana	Banking	Ghana	93.40%	93.40%
Access Bank Guinea S.A	Banking	Guinea	100.00%	100.00%
Access Bank Mozambique	Banking	Mozambique	99.98%	99.98%
Access Bank Kenya	Banking	Kenya	99.98%	99.98%
Access Bank South Africa	Banking	South Africa	97.89%	97.89%
Access Bank Botswana	Banking	Botswana	78.15%	78.15%
Access Bank Cameroon	Banking	Cameroon	100.00%	100.00%
Access Bank Angola	Banking	Angola	99.80%	0.00%
Access Investors Services Nominees Limited	Asset Management	Nigeria	100.00%	0.00%

*On 29 March 2023, the Bank issued a $300m mandatory convertible Additional Tier 1 (AT1) capital fully subscribed by Access Holdings Plc. Based on the terms of the agreement, the securities meet the definition of an equity instrument and accounted as investment in subsidiary.

**Access Pension Limited includes 5.34% of Staff Investment Trust which is a staff scheme set up by the Company for the staff.

(ii) Structured entities:

			Ownership interest	
	Nature of business	**Country of incorporation**	**September 2023**	**December 2022**
Restricted Share Performance Plan (RSPP)	Financial services	Nigeria	100%	100%

27(c)(i) Investment in subsidiaries

	Company September 2023	Company December 2022
Access Bank Plc	390,324	251,811
Hydrogen Payment Services Company Limited	4,000	2,000
Actis Golf (Indirect Share Holdings in Access Pensions)	17,362	17,362
Access Pensions Limited	19,143	19,143
	430,829	**290,316**

Access Bank Plc investment value in its subsidiaries are stated below:

In millions of Naira	Group September 2023	Bank December 2022
Subsidiaries with continuing operations		
The Access Bank, UK	163,922	88,287
Access Bank, Ghana	32,196	32,196
Access Bank Rwanda	5,221	5,221
Access Bank, Congo	13,205	13,205
Access Bank, Zambia	8,411	8,411
Access Bank, Gambia	7,062	7,062
Access Bank, Sierra Leone	3,398	3,398
Access Bank, Guinea	10,067	5,441
Access Bank, Mozambique	20,693	15,310
Access Bank, Kenya	11,615	11,615
Investment in RSPP scheme	9,003	10,077
Access Bank, South Africa	38,320	38,320
Access Bank Botswana	34,111	34,111
Access Bank, Cameroon	10,557	10,392
Access Bank, Angola	31,547	-
Balance, end of period	**399,327**	**283,045**

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

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

Actis Golf Nigeria Ltd is an investing entity through which the company holds controlling interest in Access Pension Ltd. Access Holding company through its defunct subsidiary First Guarantee Pension Limited (FGPL) acquired indirect holding in Actis Golf. Upon liquidation of FGPL, its asset and liabilities were taken over by Sigma Pension Limited (Now Access Pension Limited) except FGPL's investments in Actis Golf, which was not transferred to Sigma Pensions Limited but was distributed to the shareholders of FGPL, on the Terminal Date, on a pro-rata basis. This resulted to Access Holding Plc have 30% stake in Actis Golf Nigeria Limited

The share capital of the Payment Services company Limited was increased from 2billion to 4billion by the creation of additional 4 billion Ordinary shares of 50kobo each ranking Parri-passu in all respects with existing Ordinary shares of the company

*On 29 March 2023, the Bank issued a $300m mandatory convertible Additional Tier 1 (AT1) capital fully subscribed by Access Holdings Plc. Based on the terms of the agreement, the securities meet the definition of an equity instrument and accounted as investment in subsidiary.

All investment in subsidiaries have been classified as non current with a closing balance of N430.83Bn

27 (d) Condensed results of consolidated entities

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

	Banking Subsidiaries														*Non-Banking Subsidiaries*			
Condensed profit and loss *In millions of naira*	**Access Bank Nigeria**	**The Access Bank UK** **Access UK**	**Access Bank Ghana** **Ghana**	**Access Bank Rwanda**	**Access Bank (R.D. Congo)** **Congo**	**Access Bank Zambia**	**Access Bank Gambia** **Gambia**	**Access Bank Sierra Leone** **Sierra Leone**	**Access Bank Guinea**	**Access Bank Mozambique**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**	**The Hydrogen Payment Service Ltd**	**Actis Golf**	**Access Pension Limited**	**Access Bank Angola**
Operating income	641,233	88,974	52,822	7,315	15,156	11,853	2,056	4,302	2,509	14,219	3,527	6,645	17,551	4,168	923	-	8,569	6,008
Operating expenses	(391,242)	(22,288)	(17,160)	(3,498)	(9,409)	(6,762)	(1,184)	(2,244)	(2,277)	(13,558)	(3,747)	(10,094)	(16,133)	(2,716)	(1,805)	-	(4,622)	(5,579)
Net impairment loss on financial assets	(56,607)	(4,624)	(523)	(165)	-	267	(10)	-	-	(44)	(44)	(169)	344	(124)	-	-	-	(246)
Profit before tax	193,383	62,063	35,139	3,651	5,746	5,357	862	2,059	232	617	(264)	(3,618)	1,762	1,329	(883)	-	3,947	183
Income tax expense	(13,831)	(15,992)	(7,406)	(1,095)	(1,724)	(1,607)	(10)	(515)	-	(624)	-	-	(421)	-	-	-	(1,302)	(172)
Profit for the period	**179,553**	**46,070**	**27,733**	**2,556**	**4,023**	**3,750**	**852**	**1,544**	**232**	**(7)**	**(264)**	**(3,618)**	**1,341**	**1,329**	**(883)**	**-**	**2,644**	**11**
Assets																		
Cash and cash equivalents	2,271,737	282,781	168,305	45,734	138,549	107,392	14,758	24,104	7,196	125,645	16,017	9,799	95,556	10,893	3,837	-	10,376	-
Non pledged trading assets	163,617	-	41,731	-	-	-	-	-	-	-	716	-	2,241	-	-	-	-	-
Pledged assets	1,327,512	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	1,613,722	(1,136)	-	11,466	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to banks	522,208	1,123,611	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	4,704,905	1,049,940	131,889	31,695	71,428	61,211	5,061	7,700	22,610	68,899	23,301	132,260	358,184	14,110	-	-	-	-
Investment securities	2,741,833	419,544	351,840	57,798	41,002	102,694	10,769	14,734	10,355	37,973	28,397	78,201	46,608	46,264	-	-		-
Investment properties	217	-	-	-	-	-	-	-	-	-	-	-	-		-		-	-
Other assets	2,679,169	17,386	76,090	7,541	9,349	16,013	13,856	650	1,734	25,077	3,775	7,428	4,975	1,154	3,999	-	3,679	-
Investment in associates	6,904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	399,327	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,039	-	-
Property and equipment	266,297	3,086	27,126	1,641	9,903	4,244	2,250	2,364	2,679	11,333	3,662	2,415	8,304	2,518	1,426	-	4,067	-
Intangible assets	65,330	3,790	3,144	891	1,157	585	1,073	273	667	823	889	3,760	2,951	967	2,305	-	225	-
Current tax assets	-	-	-	-	-	-	-	-	-	-	113	-	-	-	-	-	-	-
Deferred tax assets	1,237	-	21,448	-	-	-	-	-	-	5,216	1,322	-	-	-	-	-	-	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	70,875	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	16,834,889	2,899,002	821,573	156,767	271,389	292,141	47,768	49,826	45,242	274,966	78,194	233,863	518,820	75,906	11,567	17,039	18,348	-
Financed by:																		-
Deposits from banks	3,139,300	1,288,784	8,247	-	26,768	14,365	722	14,115	-	5,070	13,780	392	80	69	-	-	-	-
Deposits from customers	9,548,594	1,056,060	566,590	120,649	183,901	189,579	37,397	25,140	26,402	222,503	53,237	156,673	429,060	56,766	-	-	-	-
Derivative Liability	379,807	-	-	-	-	-	-	-	-	-	-	65	-	-	-	-	-	-
Debt securities issued	472,406	-	-	-	-	-	-	-	-	-	-	5,677	-	-	-	-	-	-
Retirement benefit obligations	3,759	3	39	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	7,262	406	-	1,045	2,052	-	(76)	142	-	-	-	-	-	(244)	-	-	3,976	-
Other liabilities	928,413	32,972	35,544	2,800	15,411	27,749	1,926	2,008	1,966	13,478	4,633	3,473	7	2,574	9,779	-	4,111	-
Interest-bearing loans and borrowings	1,147,155	-	72,563	11,164	1,598	29,065	-	-	-	-	-	30,899	30,399	-	-	-	-	-
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	378	5,456	396	-	572	80	7	-	-	-	-		-	-	-	-	-
Equity	1,208,195	520,398	133,135	20,714	41,660	30,793	7,718	8,416	16,874	33,914	6,543	36,685	59,276	16,741	1,788	17,039	10,260	-
	16,834,889	2,899,002	821,573	156,767	271,389	292,141	47,768	49,836	45,242	274,966	78,194	233,863	518,821	75,906	11,567	17,039	18,348	-

27 (e) Condensed results of consolidated entities

(i) The condensed financial data of the consolidated entities as at September 2022 are as follows:

	Banking Subsidiaries														*Non-Banking Subsidiaries*			
Condensed profit and loss *In millions of naira*	**Access Bank Nigeria**	**The Access Bank UK**	**Access Bank Ghana**	**Access Bank Rwanda**	**Access Bank (R.D. Congo)**	**Access Bank Zambia**	**Access Bank Gambia**	**Access Bank Sierra Leone**	**Access Bank Guinea**	**Access Bank Mozambique**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**	**Access Bank PFC**	**The Hydrogen Payment Service ltd**	**Access Bank Investment in RSPP**	**Access Pension Limited**
Operating income	440,480	38,304	44,832	4,601	10,343	7,971	1,566	3,209	703	10,563	3,774	4,504	12,341	51	148	-	-	593
Operating expenses	(298,025)	(12,150)	(12,608)	(2,515)	(6,202)	(4,357)	(806)	(1,744)	(1,421)	(8,596)	(2,776)	(9,304)	(10,759)	389	(148)	(488)	-	(326)
Net impairment loss on financial assets	(48,504)	(4,151)	(549)	(49)	-	(23)	(9)	(27)	-	11	-	(70)	417	-	-	-	-	-
Profit before tax	93,949	11,974	31,674	2,038	4,141	3,592	752	1,438	(718)	1,979	998	(4,870)	2,000	440	0	(488)	-	268
Income tax expense	(1,284)	(5,139)	-	(610)	(1,242)	(1,078)	(212)	-	-	(296)	-	-	-	-	-	-	-	-
Profit for the year	92,664	9,284	31,674	1,427	2,899	2,514	540	1,438	(718)	1,683	998	(4,870)	2,000	440	0	(488)	-	268

The condensed financial data of the consolidated entities as at December 2022 are as follows:

	Access Bank Nigeria	**The Access Bank UK**	**Access Bank Ghana**	**Access Bank Rwanda**	**Access Bank (R.D. Congo)**	**Access Bank Zambia**	**Access Bank Gambia**	**Access Bank Sierra Leone**	**Access Bank Guinea**	**Access Bank Mozambique**	**Access Bank Kenya**	**Access Bank South Africa**	**Access Bank Botswana**	**Access Bank Cameroon**	**Access Bank PFC**	**The Hydrogen Payment Service ltd**	**Access Bank Investment in RSPP**	**Access Pension Limited**
Assets																		
Cash and cash equivalents	1,449,401	294,179	138,679	19,950	70,876	44,600	6,808	13,879	3,109	38,353	10,486	21,499	51,988	6,498	-	1,136	-	9,223
Non pledged trading assets	77,624	-	22,721	-	-	-	-	-	-	-	882	-	1,463	-	-	-	-	-
Pledged assets	1,265,279	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	399,058	-	-	2,271	-	-	-	-	-	-	-	-	18	-	-	-	-	-
Loans and advances to banks	322,610	585,079	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances to customers	4,084,352	518,202	69,798	17,734	29,164	26,866	1,643	3,522	4,647	39,982	15,697	52,578	236,606	324	-	-	-	-
Investment securities	1,946,560	328,081	175,255	35,335	35,884	69,890	8,649	9,068	6,515	20,662	22,276	63,964	29,622	17,939	-	-	-	-
Investment properties	217	-	-	-	-	-	-	-	-	-	-	-	-		-	-		-
Other assets	2,346,050	10,266	15,466	6,329	4,081	6,094	8,112	802	657	15,175	2,382	3,834	3,301	339	-	78	-	2,880
Investment in associates	6,904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	283,045	1,152	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,228	-
Property and equipment	245,070	2,272	17,334	1,412	5,237	3,314	1,230	1,263	1,236	7,368	1,495	2,031	5,034	704	-	638	-	3,722
Intangible assets	59,365	1,776	2,564	666	148	558	214	181	472	910	630	2,342	3,217	86	-	73	-	304
Current tax assets	-	-	-	-	-	-	-	328	-	-	78	-	-	-	-	-		-
Deferred tax assets	7,707	-	745	-	2,694	748	-	-	-	3,096	491	-	1,317	-	-	-	-	-
Non - current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,397	-	-	-
Assets classified as held for sale	42,038	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	12,535,280	1,741,006	442,562	83,698	148,085	152,071	26,656	29,045	16,636	125,546	54,417	146,249	332,567	25,890	2,397	1,926	11,228	16,129
Financed by:																		
Deposits from banks	1,637,318	922,933	4,693	-	-	4,759	1,405	8,491	-	-	9,892	275	8	-	-	-	-	-
Deposits from customers	7,530,062	577,388	322,943	67,016	110,253	112,118	20,512	15,131	9,810	98,423	36,418	79,552	264,996	16,340	-	-	-	-
Derivative Liability	31,072	53	-	-	-	-	-	-	-	-	-	462	-	-	-	-	-	-
Debt securities issued	303,297	-	-	-	-	-	-	-	-	-	-	3,955	-	-		-	-	-
Retirement benefit obligations	3,244	0	24	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	7,556	-	-	594	1,749	-	39	-	-	-	-	-	-	82	-	-	-	869
Other liabilities	667,195	13,131	41,288	1,760	5,260	8,860	444	1,297	1,304	8,341	1,085	2,408	7,461	1,189	-	1,258	-	2,027
Interest-bearing loans and borrowings	1,286,869	-	38,023	2,182	2,083	5,027	-	-	-	-	-	29,310	21,931	-	-	-	-	4,604
Contingent settlement provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	-	223	1,753	186	283	1,072	43	14	-	-	-	-		-	-	-	-	77
Equity	1,068,667	227,278	33,837	11,961	28,457	20,228	4,214	4,114	5,522	18,782	7,023	30,286	38,171	8,279	2,397	668	11,228	8,552
	12,535,280	1,741,006	442,562	83,698	148,085	152,071	26,656	29,045	16,636	125,546	54,417	146,249	332,567	25,890	2,397	1,926	11,228	16,129
	0	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	

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

	Leasehold improvement and building	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital Work-in - progress	Total
Cost							
Balance at 1 January 2023	146,247	34,112	57,077	105,987	34,053	34,466	411,943
Acquisitions	16,804	90	26,815	16,721	9,344	29,535	99,309
Disposals	(3,893)	(1,248)	(1,205)	(2,485)	(1,317)	(2,136)	(12,285)
Write-offs	-	-	-	-	-	(406)	(406)
Reversals/Reclassification from(to) others	-	-	-	-	-	(99)	(99)
Transfers	2,250	-	2,038	566	1,284	(6,139)	-
Translation difference	5,929	113	587	5,156	378	1,067	13,229
Balance at 30 September 2023	**167,336**	**33,067**	**85,312**	**125,944**	**43,742**	**56,287**	**511,691**
Balance at 1 January 2022	137,621	32,985	45,393	86,838	30,367	21,461	354,665
Acquired from business combination	685	-	289	596	472	-	2,041
Acquisitions	10,756	919	13,336	15,905	7,767	28,738	77,422
Disposals	(8,046)	(384)	(2,144)	(1,781)	(3,904)	(4,396)	(20,655)
Reclassifications	62	-	127	729	-	(919)	-
Write-offs	(72)	-	-	-	-	(132)	(203)
Transfers	993	-	777	5,122	-	(6,892)	-
Translation difference	4,248	592	(701)	(1,422)	(649)	(3,394)	(1,327)
Balance at 31 December 2022	**146,247**	**34,112**	**57,077**	**105,987**	**34,053**	**34,466**	**411,943**

Depreciation and impairment losses	**Leasehold improvement and building**	**Land**	**Computer hardware**	**Furniture & fittings**	**Motor vehicles**	**Capital Work-in - progress**	**Total**
Balance at 1 January 2023	30,471	-	38,270	71,707	20,480	-	160,926
Charge for the period (a)	1,626	-	10,471	10,104	3,826	-	26,028
Disposal	(89)	-	(152)	(67)	(458)	-	(766)
Translation difference	1,987	-	3,974	7,947	5,960	-	19,867
Balance at 30 September 2023	**33,995**	**-**	**52,561**	**89,690**	**29,808**	**-**	**206,054**
Balance at 1 January 2022	21,062	-	33,919	62,537	19,448	-	136,965
Charge for the period	5,936	-	5,256	10,468	4,123	-	25,783
Disposal	(491)	-	(662)	(1,077)	(2,801)	-	(5,031)
Translation difference	3,965	-	(244)	(221)	(290)	-	3,208
Balance at 31 December 2022	**30,471**	**-**	**38,270**	**71,707**	**20,480**	**-**	**160,925**
Carrying amounts	**133,341**	**33,067**	**32,750**	**36,255**	**13,934**	**56,287**	**305,638**
Right of use assets (see 28(b) below)	**51,435**	**-**	**-**	**-**	**-**	**-**	**51,435**
Balance at 30 September 2023	**184,776**	**33,067**	**32,750**	**36,255**	**13,934**	**56,287**	**357,072**
Balance at 31 December 2022	163,109	34,112	18,808	34,281	13,574	34,466	298,351

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

Total Depreciation charge (a+b)	**6,037**	**-**	**10,471**	**10,104**	**3,826**	**-**	**30,438**

(a) Estimates of useful life and residual value, and the method of depreciation, are reviewed at a minimum at each reporting period. Any changes are accounted for prospectively as a change in estimate.
(b) The leasehold improvements do not represent lessor's asset

(c) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period September 30 2023.

(d) There were no restrictions on title of any property and equipment during the period September 30 2023.

(e) There were no property and equipment pledged as security for liabilities during the period.

(f) There were no contractual commitments for the acquisition of property and equipment during the period.

(g) There were no impairment losses on any class of property and equipment during the period.

(h) All items in the property and equipment are non-current.

28 (b) Leases
Group

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

i Right-of-use assets

	Land N'000	Building N'm	Total N'm
Opening balance as at 1 January 2023	-	63,365	63,365
Additions during the period	-	4,640	4,640
*Derecognition due to lease modifications	-	(37)	(37)
Translation difference	-	8,560	8,560
Closing balance as at 30 September 2023	-	**76,529**	**76,529**
Opening balance as at 1 January 2022		42,405	42,405
Acquired from business combination (Note 44)	-	900	900
Additions during the period	-	27,240	27,240
Disposals during the period	-	(6,546)	(6,546)
*Derecognition due to lease modifications		(550)	(550)
Translation difference		(84)	(84)
Closing balance as at 31 December 2022	-	63,365	63,365
Depreciation			
Opening balance as at 1 January 2023	-	16,449	16,449
Charge for the period (b)	-	4,410	4,410
Translation difference		4,235	4,235
Closing balance as at 30 September 2023	-	**25,094**	**25,094**
Net book value as at 30 September 2023	-	**51,435**	**51,435**
Opening balance as at 1 January 2022		11,902	11,902
Charge for the period	-	4,801	4,801
*Derecognition due to lease modifications	-	(221)	(221)
Translation difference	-	(33)	(33)
Closing balance as at 31 December 2022	-	16,449	16,449
Net book value as at 31 December 2022	-	46,916	63,365

ii Amounts recognised in the statement of profit or loss

	N'm N'millions
Depreciation charge of right-of-use assets	4,410
Interest expense (included in finance cost)	836
Expense relating to short-term leases (included in other operating expenses)	-
Expense relating to leases of low-value assets (included in other operating expenses)	
Total cash outflow for leases as at September 2023	20,673

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

28 (c) Property and equipment
Company

In millions of Naira	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in -progress	Total
Cost							
Balance at 1 January 2023	-	-	27	105	811	-	944
Acquisitions	-	-	2	10	120	-	132
Disposals	-	-	-	-	-	-	-
Reclassification from(to) others	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Write-Offs	-	-	-	-	-	-	-
Balance at 30 September 2023	**-**	**-**	**29**	**116**	**931**	**-**	**1,076**
Balance at 1 January 2022	-	-	-	-	-	-	-
Acquisitions	-	-	27	105	811	-	944
Disposals	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Write-Offs	-	-	-	-	-	-	-
Balance at 31 December 2022	**-**	**-**	**27**	**105**	**811**	**-**	**944**

Depreciation and impairment losses	Leasehold improvement and buildings	Land	Computer hardware	Furniture & fittings	Motor vehicles	Capital work-in - progress	Total
Balance at 1 January 2023	-	-	5	14	79	-	98
Charge for the period (a)	-	-	5	14	126	-	145
Disposal	-	-	-	-	-	-	-
Balance at 30 September 2023	**-**	**-**	**9**	**29**	**205**	**-**	**243**
Balance at 1 January 2022	-	-	-	-	-	-	-
Charge for the period (a)	-	-	5	14	79	-	98
Impairment charge	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance at 31 December 2022	**-**	**-**	**5**	**14**	**79**	**-**	**98**
Carrying amounts	**-**	**-**	**19**	**87**	**726**	**-**	**833**
Right of use assets (see 28(d) below)	-	-	-	-	-	-	-
Balance at 30 September 2023	**-**	**-**	**19**	**87**	**726**	**-**	**833**
Balance at 31 December 2022	**-**	**-**	**22**	**91**	**732**	**-**	**845**

Depreciation charge on property and equipment and right of use assets

Total Depreciation/Impairment charge (a+b)	**-**	**-**	**5**	**14**	**126**	**-**	**145**

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

The total balance for non current property, plant and equipment for the period is N762Mn

Classified as:							
Current	-	-	-	-	-	-	-
Non current	-	-	19	87	726	-	833
	-	-	19	87	726	-	833

(b) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period September 30 2023.

(c) There were no restrictions on title of any property and equipment during the period September 30 2023.

(d) There were no property and equipment pledged as security for liabilities during the period.

(e) There were no contractual commitments for the acquisition of property and equipment during the period.

(f) There were no impairment losses on any class of property and equipment during the period.

(g) All items in the property and equipment are non current.

29 Intangible assets
Group

In millions of Naira	Goodwill	WIP	Purchased Software	Core deposit intangible	Customer relationship	Brand	Total Intangible
Cost							
September 2023							
Balance at 1 January 2023	47,672	9,777	62,347	28,665	12,652	4,725	165,837
Arising from business combination (See note 44)	-	-	-	-	-	-	-
*Changes Arising from final assessment	(7,848)	-	-	-	11,289	-	3,441
Acquisitions	-	5,174	37,378	-	-	-	42,551
Transfer		-	-	-	-	-	-
Disposal		-	-	-	-	-	-
Reclassification	-	(634)	634	-	-	-	(0)
Write off	-	(135)	-	-	-	-	(135)
Translation difference	-	1,083	13,724	-	-	-	14,808
Balance at 30 September 2023	**39,824**	**15,265**	**114,083**	**28,665**	**23,940**	**4,725**	**226,501**
December 2022							
Balance at 1 January 2022	12,664	3,487	51,360	28,665	12,652	4,725	113,552
Arising from business combination (See note 44)	34,925	-	-	-	-	-	34,925
*Changes Arising from final assessment	83	-	-	-	-	-	83
Acquisitions	-	10,318	7,989	-	-	-	18,307
Transfer		-	-	-	-	-	-
Disposal		-	-	-	-	-	-
Reclassification	-	(4,001)	4,001	-	-	-	(0)
Write off	-	(35)	(1,933)	-	-	-	(1,967)
Translation difference	-	7	930	-	-	-	937
Balance at 31 December 2022	**47,672**	**9,777**	**62,347**	**28,665**	**12,652**	**4,725**	**165,836**
Amortization and impairment losses							
Balance at 1 January 2023	-	-	39,485	10,749	4,744	1,772	56,749
Amortization for the period	-	-	10,034	1,433	633	236	12,336
Write off	-	-	-	-	-	-	-
Translation difference	-	-	10,946	-	-	-	10,946
Balance at 30 September 2023	-	-	60,465	12,183	5,377	2,008	**80,031**
Balance at 1 January 2022	-	-	30,559	7,883	3,479	1,299	43,219
Amortization for the period	-	-	9,235	2,866	1,265	472	13,839
Impairment charge	-	-	-	-	-	-	-
Write off	-	-	(928)	-	-	-	(928)
Translation difference	-	-	619	-	-	-	619
Balance at 31 December 2022	-	-	39,485	10,749	4,744	1,772	56,749
Net Book Value							
Balance at 30 September 2023	**39,824**	**15,265**	**53,618**	**16,482**	**18,562**	**2,717**	**146,470**
Balance at 31 December 2022	47,672	9,777	22,862	17,915	7,906	2,953	109,087

Intangible assets
Company

In millions of Naira	**Goodwill**	**WIP**	**Purchased Software**	**Core deposit intangible**	**Customer relationship**	**Brand**	**Total**
Cost							
September 2023							
Balance at 1 January 2023	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-
Reclassification	-	-	-				-
Write off	-	-	-				-
Balance at 30 September 2023	-	-	-	-	-	-	-
December 2022							
Balance at 1 January 2022	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	-	-	-	-
Amortization and impairment losses							
Balance at 1 January 2023	-	-	-	-	-	-	-
Amortization for the period	-	-	-	-	-	-	-
Balance at 30 September 2023	-	-	-	-	-	-	-
Balance at 1 January 2022	-	-	-	-	-	-	-
Amortization for the period	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	-	-	-	-
Carrying amounts							
Balance at 30 September 2023	-	-	-	-	-	-	-
Balance at 31 December 2022	-	-	-	-	-	-	-

Amortization method used is straight line.

	Group September 2023	**Group December 2022**	**Company September 2023**	**Company December 2022**
Classified as:				
Current	-	-	-	-
Non current	146,470	109,087	-	-

29(b) Intangible assets

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

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Diamond Bank Plc (see (a) below)	4,555	4,555	-	-
Access Bank Rwanda (see (b) below)	681	681	-	-
Access Bank Kenya (see (c) below)	6,545	6,545	-	-
Access Bank Botswana (see (d) below)	965	965	-	-
Access Pensions Limited and Actis Golf	27,077	34,925		
	39,824	**47,671**	**-**	**-**

(a) Diamond bank:
The recoverable amount of Goodwill as at 30 September 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N194.79bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the period and no losses on goodwill were recognized as at 30 September 2023 (31 December 2022: Nil)

Goodwill is monitored by the Group on an entity by entity basis
Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 3.19%. A discount rate of 31.78% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the period. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

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

Terminal growth rate (i)	3.19%
Discount rate (ii)	31.78%

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

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

Discount Rate
Pre-tax discount rate of 31.78% was applied in determining the recoverable amounts for Diamond Bank Plc. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium of Access Bank.

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

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

Sensitivity analysis of key assumptions used

	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(23,262)	29,545
Impact of change in revenue growth on value-in-use computation (increase/(decrease)	921	(901)

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

(b) Access Bank Rwanda:
The recoverable amount of Goodwill as at 30 September 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N12.99bn.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. Impairment assessment has been performed for the period and no losses on goodwill were recognized as at 30 September 2023 (31 December 2022: Nil)

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

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. The approach is based on estimating the free cash flow to equity to determine the value in use. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 6.6%. A discount rate of 22.44% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the period. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

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

Terminal growth rate (i)	6.60%
Revenue Growth	22.44%

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

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

Discount Rate
Pre-tax discount rate of 22.44% was applied in determining the recoverable amounts for the goodwill of Access Bank Rwanda. This discount rate was estimated using beta, risk-free rate and the equity risk premium for Rwanda.

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

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

Sensitivity analysis of key assumptions used

	10% increase	**10% decrease**
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(1,601)	2,127
Impact of change in revenue growth on value-in-use computation	204	(188)

(c) Access bank Kenya:

The recoverable amount of Goodwill as at 30 September 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N20.71bn.

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

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

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 5.47%. A discount rate of 23.22% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the period. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

Terminal growth rate (i)	5.47%
Discount rate (ii)	23.22%

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

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

Discount Rate
Pre-tax discount rate of 23.22% was applied in determining the recoverable amounts for the goodwill of Access Bank Kenya. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium of Kenya.

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

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

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(2,881)	3,797
Impact of change in growth rate on value-in-use computation (increase/(decrease)	372	(350)

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

(d) Access bank Botswana:

The recoverable amount of Goodwill as at 30 September 2023 is greater than its carrying amount and is thus not impaired. The recoverable amount was determined using a value-in-use computation as N271.73bn.

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

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

Goodwill impairment test was done by comparing the value-in-use for the CGU to the carrying amount of the goodwill based on cash flow projections. Cash flows were projected for the first 5 years based on operating results, expected future financial performance and past experience. Beyond 5 years, cash flows were assumed to grow at terminal growth rate of of 4.16%. A discount rate of 8.8% was applied based on estimate of cost of capital. This was estimated using the Capital Asset Pricing Model. There were no write-downs of goodwill due to impairment during the period. All assumptions are subject to market and economic conditions. However, we do not see possible changes in these assumptions adversely causing the recoverable amounts of the CGU's declining below their carrying amounts.

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

Terminal growth rate (i)	4.16%
Discount rate (ii)	8.80%

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

Cash Flow Forecast

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

Discount Rate
Pre-tax discount rate of 8.8% was applied in determining the recoverable amounts for the goodwill of Access Bank Botswana. This discount rate was estimated using the Bank's beta, the risk-free rate and the equity risk premium for Botswana.

Terminal growth rate

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

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

Sensitivity analysis of key assumptions used

In thousands of Naira	10% increase	10% decrease
Impact of change in discount rate on value-in-use computation (increase/(decrease)	(47,785)	70,391
Impact of change in growth rate on value-in-use computation (increase/(decrease)	22,461	(18,762)

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

(e) Access Pensions Limited:

In 2022, the Group acquired 80.23% interest in First Guarantee Pensions Ltd (FGPL) and interest of 51.5% (direct and indirect) in Sigma Pensions Ltd. A Goodwill of N34.9 billion was recognised in that year. during the period, this Goodwill was reassessed based on the updated financial information of the investee companies at the date of the execution of the Purchase Price Allocation (PPA) for the acquisition and elected to record the acquisition related acquisition-related entries as provisional as at 31 December 2022 as permitted under IFRS 3 Business Combinations.

In June 2023, the Company's PPA for the acquisition of First Guarantee Pensions Ltd and Sigma Pensions Ltd was concluded and executed. The Goodwill of N34.94 billion previously recognized was revised to N27.07 billion as a result of the final financial information available as at the date of execution of the PPA. The previously Recognised Goodwill of N34.9bn was separated into customer relationship of N11.29bn, Deferred Tax Impact of (N3.3bn) and Goodwill of N27.07bn.

Under the Standard, Access Holdings is required to apportion the purchase consideration between the tangible and intangible assets and liabilities (including contingent liabilities) of FGPL and Sigma Pensions.
• The Standard provides general guidelines for assigning amounts to individual assets acquired and liabilities assumed.
• IFRS 3 requires the application of the acquisition method for each business combination. The acquisition method requires inter alia that the acquirer is identified, the acquisition date is determined, and that the identifiable assets acquired, and that the liabilities assumed and any non-controlling interest in the acquiree are recognised and measured.

IFRS 3 states that as of the acquisition date, the acquirer shall recognise, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree.
• Recognition of identifiable assets acquired and liabilities assumed is subject to the conditions specified in paragraphs 11 and 12. These paragraphs state, inter alia, that the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements at the acquisition date, and that the identifiable assets acquired and liabilities assumed must be part of what the acquirer and the acquiree exchanged in the business combination transaction

IFRS 3 states that an asset is identifiable if it either:

a) is separable, i.e., capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the entity intends to do so; or
b) arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The acquirer shall measure the identifiable assets acquired and the liabilities assumed at their acquisition-date Fair Values. The identifiable assets are required under IFRS 3 to be recognised at their "Fair Value". Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Revenue in the pension industry is mainly driven by management fees earned from AuM (Assets Under Management) which are contributions from customers.
Customer related intangibles will be valued as Access pension is expected to earn fees income from existing and future contributions made by Retirement Saving Account (RSA) I-VI holders, Defined benefit schemes holders and the informal sector/unfunded customers.

According to IAS 38 customers related intangibles can be recognized if future economic benefits are expected to flow to the entity from the use of that asset, and the cost can be reliably measured. FGPL and Sigma Pensions customers list which consist of the RSA I-VI account PIN, defined benefit scheme PIN, informal sector and unfunded PIN will be valued using the Income approach model which is one of the identifiable model for valuing intangible asset according to IAS 38.

Both Sigma Pensions and FGPL are part of the top 10 pension companies in Nigeria with over 990,000 PIN contributors amongst them, thus having a strong presence and brand in the market.
Sigma Pensions and FGPL will be merged to form Access Pension hence, none of the brands identified (Sigma & FGPL) will be retained. Access Pensions being the product of the merger between SIGMA and FGPL, offers the advantage of a strong parent (Access Holdings) with an established African presence and a globally connected financial ecosystem. The act of rebranding the acquired entities under the parent company's name aligns with the previous M&A transactions within the Pension Industry.

To operate in the pension industry, a license of operation must be granted by PENCOM. SIGMA and FGPL both have a license and operate as a separate PFA's prior to the acquisition by Access Pension in 2022. License will be valued as an intangible asset as it is required to operate in the pension industry in Nigeria

31a Investment properties

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Balance at 1 January	217	217	-	-
Balance, end of period	**217**	**217**	**-**	**-**

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

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

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

All investment properties have been classified as non current with a carrying amount of N217 million for Group and Nil for Company

31b Assets classified as held for sale

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Balance at 1 January	42,039	42,737	-	-
Additions	28,835	7,876	-	-
Disposals	-	(8,384)	-	-
Impairment	-	-	-	-
Transfers from assets held for sale	-	(190)		
	70,875	**42,039**	**-**	**-**
	70,875	**42,039**	**-**	**-**

The total balance for non current financial assets held for sale for the period is N61.48Bn for Group and Nil for Company

Classified as:				
Current	70,875	42,039	-	-
Non current	-	-	-	-

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

32 Deposits from financial institutions

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Money market deposits	2,012,500	960,476	-	-
Trade related obligations to foreign banks	1,412,701	1,044,841	-	-
	3,425,202	**2,005,316**	**-**	**-**
Current	3,421,320	2,002,106	-	-
Non-current	3,882	3,211	-	-

33 Deposits from customers

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Term deposits	5,076,709	3,462,402	-	-
Demand deposits	5,270,752	3,891,111	-	-
Saving deposits	2,398,911	1,897,725	-	-
	12,746,373	**9,251,238**	**-**	**-**
Current	12,689,110	9,203,871	-	-
Non-current	57,262	47,367	-	-

34 Other liabilities

In millions of Naira		Group September 2023	Group December 2022	Company September 2023	Company December 2022
Financial liabilities					
Certified and bank cheques		5,514	5,242	-	-
E-banking payables	(see (a) below)	223,661	74,892	-	-
Collections account balances	(see (b) below)	571,167	452,177	107	107
Due to subsidiaries		-	340	-	-
Accruals		22,496	9,143	226	-
Contribution to Industrial Training Fund (ITF)		375	573	-	-
Creditors		76,641	32,840	84,021	71,656
Payable on AMCON		20	441	-	-
Customer deposits for foreign exchange Agency services	(see (c) below)	90,786	88,623	-	-
Unclaimed dividend	(see (d) below)	21,840	18,553	21,840	18,553
Lease liabilities		16,479	12,075	-	-
Other financial liabilities		74,003	56,694	-	-
ECL on off-balance sheet	(see (e) below)	6,073	6,871	-	-
		1,109,055	758,464	106,194	90,316
Non-financial liabilities					
Litigation claims provision	(see (f) below)	3,377	2,821	-	-
Other non-financial liabilities		14,265	8,411	-	-
Total other liabilities		**1,126,697**	**769,695**	**106,194**	**90,316**
Classified as:					
Current		1,114,242	759,788	106,194	90,316
Non current		12,455	9,908	-	-
		1,126,697	**769,695**	**106,194**	**90,316**

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

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

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

(d) Unclaimed dividend is the balance of dividend declared by the Company but yet to be claimed by shareholders. The amount relates to the portion that has been transferred to the Company by the Registrar in accordance with Securities and Exchange Commission guidelines on Return of Unclaimed Dividends (See Note 19) for the corresponding assets with Asset Managers. The amount is payable on demand to shareholders.

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

(e) Movement in ECL on contingents	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance at 1 January 2023/31 December 2022	6,871	1,932	-	-
(Write back)/Charge for the period	(5,110)	4,949	-	-
Reclassification	4,140	-	-	-
Revaluation difference	172	(10)	-	-
Balance, end of period	6,073	6,871	-	-

(f) Movement in litigation claims provision	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Opening balance	2,821	2,537	-	-
Additions	603	284	-	-
Translation difference	(47)	-	-	-
Closing balance	**3,377**	**2,821**	**-**	**-**

ii Lease liabilities

	Group N'm	Company N'm
Opening balance as at 1 January 2023	11,650	-
Acquired from business combination	-	-
Additions	2,649	-
Interest expense	836	-
Lease payments	(1,406)	-
Leases terminations in the period	-	-
*Derecognition due to lease modifications	(101)	-
Translation difference	2,848	-
Closing balance as at 30 September 2023	**16,479**	**-**
Current lease liabilities	4,023	-
Non-current lease liabilities	12,455	-
	16,479	**-**

ii **Lease liabilities**

	Group N'm	Company N'm
Opening balance as at 1 January 2022	15,306	-
Acquired from business combination	-	-
Additions	1,196	-
Interest expense	1,424	-
Lease payments	(4,899)	-
Leases terminations in the period	-	-
*Derecognition due to lease modifications	(562)	-
Translation difference	(816)	-
Closing balance as at 31 December 2022	**11,650**	**-**
Current lease liabilities	2,167	-
Non-current lease liabilities	9,483	-
	11,650	**-**

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

	Group N'm	Company N'm
Less than 6 months	1,231	-
6-12 months	2,451	-
Between 1 and 2 years	3,067	-
Between 2 and 5 years	4,500	-
Above 5 years	5,230	-
Closing balance as at 30 September 2023	**16,479**	**-**
Carrying amount	16,479	-

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

35 **Debt securities issued**

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Debt securities at amortized cost:				
Eurobond debt security (see (i) below)	386,529	232,651	-	-
Green Bond (see (ii) below)	55,225	38,871	-	-
Local Bond (see (iii) below)	32,374	35,730	-	-
Debentures (see (iv) below)	3,955	0	-	-
	478,083	**307,253**	**-**	**-**

Movement in Debt securities issued:

In millions of Naira	Group September 2023	Company September 2023
Net debt as at 1 January 2023	307,253	-
Debt securities issued	-	-
Repayment of debt securities issued	-	-
Total changes from financing cash flows	307,254	-
The effect of changes in foreign exchange rates	161,355	-
Other changes		
Interest expense	20,845	-
Interest paid	(11,369)	-
Balance as at 30 September 2023	**478,083**	**-**

In millions of Naira	Group December 2022	Company December 2022
Net debt as at 1 January 2022	264,495	-
Arising from business combination	-	-
Debt securities issued	21,887	-
Total changes from financing cash flows	**286,382**	-
The effect of changes in foreign exchange rates	18,852	-
Other changes		
Interest expense	22,816	-
Interest paid	(20,797)	-
Balance as at 31 December 2022	**307,253**	**-**

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

(ii)The Bank issued an unsecured green bond of N15bn on March, 18, 2019 with a coupon rate of 15.5% payable semi-annually. The bond has a tenor of 5 periods and is due on March, 2024. In 2022, the Bank issued a puttable Senior unsecured USD$50,000,000 Step-Up Green Notes on May 3, 2022 with a coupon rate of 5.50% and 7.25% at put option date (May 3, 2024) payable semi-annually. The bond has a tenor of 5 periods and is due on May, 2027.

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

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

36 Interest bearing borrowings

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
African Development Bank (see note (a))	5,017	8,909	-	-
Netherlands Development Finance Company (see note (b))	248,855	158,564	-	-
Citi Bank (see note (c))	14,412	8,386	-	-
European Investment Bank (see note (d))	31,573	23,995	-	-
Deutsche Investitions- und Entwicklungsgesellschaft (DEG) (see note (e))	20,010	9,473	-	-
International Finance Corporation (see note (f))	67,080	40,620	-	-
French Development Agency (see note (g))	-	10,901	-	-
Mashreq Bank PSC Syndicated Trade Finance Facility (see note (h))	-	312,417	-	-
Invest International (see note (i))	14,646	9,284	-	-
US Development Finance Corporation (see note (j))	156,317	91,904	-	-
Overseas Private Investment Corporation (OPIC) (see note (k))	1,909	4,591	-	-
Botswana Development Corporation Limited (see note (l))	19,106	10,649	-	-
Norfund Private Equity Company (see note (m))	15,450	7,812	-	-
Microfinance Enhancement Facility SA, SICAV-SIF (MEF) (see note (n))	-	-	-	-
Botswana Building Society - long term loan (see note (o))	37	71	-	-
Société De Promotion Et De Participation Pour La Coopératio Économique S.A. ('Proparco') (see note (p))	719	4,637	-	-
Kgori Capital Proprietary Limited (see note (q))	8,394	793	-	-
Central Bank of Rwanda (see note (r))	11,164	2,182	-	-
Central Bank of Nigeria under the Commercial Agriculture Credit Scheme (see n	3,168	4,275	-	-
Central Bank of Nigeria - Shared Agent Network Expansion Facility (SANEF) (s	1,487	1,737	-	-
Bank of Industry-Power & Airline Intervention Fund (see note (u))	782	1,150	-	-
Special Refinancing & Restructuring Intervention fund (SRRIF) (see note (v))	859	1,503	-	-
Central Bank of Nigeria - Salary Bailout facilities (see note (w))	58,225	59,963	-	-
Central Bank of Nigeria - Excess Crude Account (see note (x))	97,612	101,808	-	-
Real Sector And Support Facility (RSSF) (see note (y))	8,791	11,983	-	-
Development Bank of Nigeria (DBN) (see note (z))	91,579	93,521	-	-
Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement S	321,655	333,108	-	-
Nigeria Mortgage Refinance Company (NMRC) (see note (ab))	5,195	5,366	-	-
Africa Export and Import Bank (AFREXIM) (see note (ac))	246,179	(0)	246,179	-
Ghana International Bank (see note (ad))	-	7,995	-	-
BOI Power and steel (PAIF) (see note (ae))	4,824	7,233	-	-
Creative Industry Financing Initiative Fund (CIFI) (see note (af))	852	1,213	-	-
Accelerated Agricultural Development Scheme (AADS) (see note (ag))	815	1,978	-	-
Non-Oil Export Stimulation Facility (NESF) (see note (ah))	8,365	9,130	-	-
Health Sector Intervention (HSI) Differentiated Cash Reserve Requirement Sch	17,015	19,054	-	-
Lagos State Employment Trust Fund (LESTF) W Initiative (see note (aj))	383	383	-	-
ECOWAS Bank for Investment and Development (EBID) (see note (ak))	24,653	1,050	-	-
Standard Chartered Bank GH. Ltd (see note (al))	-	-	-	-
Bunge SA (see note (am))	-	-	-	-
Cargill, Inc (see note (an))	-	-	-	-
JP Morgan Chase Bank N.A. (see note (ao))	-	-	-	-
FCC Securities (see note (ap))	-	-	-	-
Norsad Finance Limited (see note (aq))	-	-	-	-
Bank of Zambia - (TMTRF) (see note (ar))	5,572	3,499	-	-
ABC Holdings Ltd (see note (as))	-	-	-	-
Other loans and borrowings	41,691	14,452	-	-
SBSA(see note (at))	14,631	-		
	1,569,021	**1,385,587**	**246,179**	**-**

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

(a) The amount of N5,017,206,640 (USD 6,458,897) represents the outstanding balance in the on-lending facility granted to the Bank by AFDB (Africa Development Bank) in three tranches. The first tranche of USD35 million has matured and was fully paid out in August 2016. The second tranche was disbursed in August 2014 (USD 90m) for a period of 10years, while the third tranche came in June 2016 for (USD 10m) for a period of 9 years. The principal amount is repayable semi-annually starting from February 2017 for both tranches. Interest is paid semi annually at 3% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable.From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(b) The amount of N248,854,539,302 (USD 320,362,697) represents the outstanding balance in the on-lending facility granted to the Bank by the Netherlands Development Finance Company effective from March 2018 (USD 100m), Feb 2019 (USD 162.5m), August 2020 (USD 93.8m) and October 2022 (USD 45m) for a period of 5 years, 10 years, 10 years and 6 years respectively. The principal amount is repayable semi-annually from July 2019, quarterly from May 2019, January 2026, semi-annually from November 2023 respectively while interest is paid semi annually at 5.5% above 6 months LIBOR, quarterly at 7.83% above 3 months LIBOR for the first 5 years and 12% above 3 months LIBOR for the last 5 years, quarterly at 9.61% and semi annually at 4.5% above 6 months LIBOR. There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. It also includes the facility granted to Ghana in December 2022 for a period of 7 years at 8.67% with interest (starting June 2023) and principal (starting June 2025) payable semi-annually. Two facilities were also granted to Congo in Dec 2019 for a period of 5 and 3 years respectively with the principal amount repayale semi-annually from Jan 2022 and Jan 2021 respectively while interest is paid semi annually at 4.2% above LIBOR and 4% above LIBOR respectively. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(c) The amount of N14,412,140,893 (USD 18,553,458) represents the outstanding balance in on-lending facility was granted to the Bank by CITI Bank in November 2022 (USD 20M) for a period of 3 years. The princiapl amount is repayable quarterly from january 2024, while the interest portion is payable quarterly at 3.30% above 3 months SOFR and 330bps.From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(d) The amount of N31,572,674,992 (USD 40,645,058) represents the outstanding balance on three on-lending facilities granted to the Bank by the European Investment Bank (EIB) in September 2015 (USD 27.9m), March 2016 (USD 27.1m) and July 2020 (USD 68.7m) for a period of 8 years each for the first two and a period of 5 years for the last one. Interest is paid semi-annually at 2.6%, 2.6% respectively above 6 months LIBOR and 3.04% for the last one. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(e) The amount of N20,010,438,271 (USD 25,760,422) represents the outstanding balance on the on-lending facility of USD 15mn granted to the Bank by the Deutsche Investitions- und Entwicklungsgesellschaft (DEG) in December 2017 (USD 15m) for a period of 7 and a half years. The principal amount will be repayable semi-annually from May 2019 while interest is paid semi annually at 7.69% above 6months LIBOR. It also includes the ZAR 250,000,000 facility granted to South Africa in December 2022 for a period of 7 years with the principal and interest amount repayable quarterly at 11.27%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(f) The amount of N67,080,412,234 (USD 86,355,916) represents the outstanding balance on the on-lending facility of USD 87.5mn granted to the Bank by International Finance Corporation for a period of 10 years. The principal amount will be repayable quarterly from September 2024, while interest is paid quarterly at 7.65% above 3 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(g) The amount of N14,645,737,249 (USD 18,854,178) represents the outstanding balance on the on-lending facility of USD 30mn granted to the Bank by French Development Agency for a period of 8 years. The principal amount will be repayable semi annually from November 2020 while interest is paid quarterly at 3.57%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(h) This facility was granted to the Bank by the MashreqBank PSC in three tranches. The first tranche of USD 634.5m has matured and was fully paid out in July 2022. The second and third tranche were disbursed in August 2022 (USD 462.5m and USD 160m), for a period of 1 year and 2 years respectively. There will be a bullet repayment of principal at maturity in August 2023 and August 2024, while interest is paid semi annually from February 2023 at 1.95% above 6 months SOFR. It also includes the facility granted to South Africa in June 2022 for a period of 1 year. Interest is paid quarterly at currently 5.9023% which includes (3m SOFR + 2.75% Margin + 0.26% CAS (Credit Adjustment Spread)) and Principal is to be paid in bullet at the end of term. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(i) The amount of N14,645,737,249 (USD 18,854,178) represents the outstanding balance on the on-lending facility of USD 20mn granted to the Bank by tInvest International in September 2022 for 6 years. The principal amount will be paid in 10 equal installments from November 2022, while interest is paid semi-annually at 4.5% above 6 months LIBOR.There has been a transition from LIBOR to SOFR effective May 2023 for the interest payable. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(j) The amount of N156,316,870,029 (USD 201,234,401) represents the outstanding balance on the on-lending facility of USD 200mn granted to Access Bank by the US Development Finance Corporation in November 2022 for 10 years. The principal amount will be repayable quarterly from January 2025 while interest is paid quarterly at 3.90% above 3 moths SOFR. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(k) The amount of N1,908,593,165 (USD 2,457,026) represents the outstanding balance on the on-lending facility of USD 40mn granted to Access Bank Botswana by the Overseas Private Investment Corporation ("OPIC"). On 7 March 2017 BancABC Botswana (now Access Bank Botswana) finalised a USD 40 million Fintech and Financial Inclusion Debt Facility. The loan has a 7 year tenure with a 3 year moratorium on Capital. Interest is paid quarterly during the three years and the Capital is paid in 16 equal instalments after year 3. The rate is three month Libor plus a margin of 4.45%. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(l) The amount of N19,106,162,738 (USD 24,596,304) represents the outstanding balance on the on-lending facility of BWP 150mn granted to Access Bank Botswana by the Botswana Development Corporation Ltd (BDC) in 2018. The loan has a 10 year tenure (maturing 3 August 2028) at an interest rate of bank rate (currently 4.75%) and a margin of 4%. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(m) The amount of N15,450,057,819 (USD 19,889,620) represents the outstanding balance on the on-lending facility granted to Access Bank Ghana by Norfund in November 2022. The loan has a 5 year tenure (maturing November 2027) at an interest rate of 8.94%. Interest is to be paid semi-annually beginning in June 2023. Principal repayment is semi-annually for the next 4 years. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(n) The on-lending facility of USD 10mn was granted to Access Bank Botswana by the Microfinance Enhancement Facility SA, SICAV-SIF in January 2019 for 3 years. The principal amount was bullet which was paid at maturity in January 2022 while interest is paid semi annually at 4.25% above 6 months LIBOR. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(o) The amount of N36,693,033 (USD 47,237) represents the outstanding balance on the on-lending facility granted to Access Bank Botswana by the Botswana Building Society in January 2008 for 14 years. The principal amount is paid monthly and interest is also paid monthly at 4.5%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(p) The amount of N718,585,352 (USD 925,070) represents the outstanding balance on the on-lending facility of USD 10mn granted to Access Bank Botswana by the Société De Promotion Et De Participation Pour La Coopératio Économique S.A. ('Proparco') in 2020 for 10 years. The principal amount will be bullet at maturity in April 2030 while interest is paid semi annually at 6.65% above 6 months LIBOR. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(q) The amount of N8,392,992,740 (USD 10,806,000) represents the outstanding balance on the on-lending facility granted to Access Bank Botswana by the Kgori Capital Proprietary Limited, Botswana Insurance fund Management Proprietary Limited, Vunani Fund Managers and Morula Capital Partners in October 2016 for 7 years. The principal amount will be bullet at maturity in October 2023 while interest is paid semi annually at 8%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(r) The amount of N11,163,902,847 (USD 14,371,842) represents the outstanding balance on the on-lending facility granted to Access Bank Rwanda by the Central Bank of Rwanda in 2021 for a year. The principal amount will be bullet at maturity in 2023 while interest is paid at maturity at 8%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(s) The amount of N3,167,610,262 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in collaboration with the Federal Government of Nigeria (FGN) in respect of Commercial Agriculture Credit Scheme (CACS) established by both CBN and the FGN for promoting commercial agricultural enterprises in Nigeria. The facility is for a maximum year of 7 years at a zero percent interest rate to the Bank. The Bank did not provide security for this facility. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(t) The amount of N1,487,456,201 represents an outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria, to facilitate the rapid rollout of agent networks across Nigeria supporting the expansion of a shared Agent Network to deepen financial inclusion in Nigeria. The total facility has a tenor of 10 years at a 5% interest rate and the facility is meant for CBN Licensed Mobile Money Operators and Super Agents. The principal amount will be repayable quarterly after the 1 year interest moratorium and the 2 years principal moratorium. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(u) The amount of N781,811,262 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria, to be applied to eligible power and airline projects. The total facility has a maximum tenor of 13.5 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers within the power and aviation sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(v) The amount of N858,716,243 represents the outstanding balance on intervention credit granted to the bank by the Bank of Industry (BOI) under the Special refinancing and Restructuring intervention fund, with a 10 year tenor which is due on the 24 April 2024. The bank has a 36 months moratorium on the facility after which principal repayment will be charged quarterly. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(w) The amount of N58,224,609,197 represents the outstanding balance on the state salary bailout facilities granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments for payments of salary of workers of the states. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(x) The amount of N97,611,510,281 represents the outstanding balance on the excess crude account loans granted to the bank by the Central Bank of Nigeria for onward disbursements to state governments. The facility has a tenor of 20 years with a 2% interest payable to the CBN. The Bank is under obligation to on-lend to the states at an all-in interest rate of 9% per annum. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(y) The amount of N8,791,340,066 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) established by CBN. The facility tenor is for a range of 7 to 10 years inclusive of 24 months moratorium at a 3% interest rate to the Bank. An additional facility of NGN2bn was disbursed under the scheme for a period of 7 years inclusive of 1 year moratorium at a 3% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(z) The amount of N91,579,393,587 represents the outstanding balance on four on-lending facilities granted to the Bank by the Development Bank of Nigeria in two series in respect of the Micro, Small and Medium Scale Enterprises (MSMEs) and Small Corporates. The facilities are for a maximum of 3 years at a 9.6% interest rate to the Bank. A third series of about 1.68bn was disbursed for a period of 10 years. The fourth facility of about 70bn was disbursed for a period of 10 years at an interest rate of 10%. It also includes the 20bn disbursed in August 2022, for a maximum of 3 years. Principal repayment will begin in February 2024 while interest is at a rate of 12%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(aa) The amount of N321,655,186,876 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) established by CBN supporting Reddington Multi-specialist Hospital, Dana Motors, Lafarge Africa PLC. The facility is for a maximum period of 7 years inclusive of 12 months moratorium for Reddington and Dana and a 24 months moratorium for Lafarge at a 0% interest rate to the Bank. Additional amounts were disbursed between July 2019 and November 2019 in favor of 5 other beneficiaries amounting to 34.58bn for a period of 7 years with 2 years moratorium at 2% interest rate on a quarterly basis for the first 4 counterparties and 10 years with no moratorium at 1% interest rate on a quarterly basis for the last counterparty. There were additional facilities disbursed in 2020 in favor of 16 other beneficiaries amounting to about N59bn for a period of 4 to 10 years inclusive of 6 months to 2 years moratorium at 2% interest rate on a quarterly basis. Additionally, facility worth 149bn was disbursed in 2022 to for mangal, BUA, retail supermarket etc for a period of 7.5 to 10 years at 2% interest rate on a quarterl basis. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ab) The amount of N5,194,839,653 represents the outstanding balance on the on-lending facility granted to the Bank by Nigeria Mortgage Refinance Company. The facility is for a maximum period of 15 years commencing from the date of execution of this agreement at a 14.5% interest rate to the Bank. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(aci) The on-lending facility of USD 25mn granted to the Bank by Africa Export and Import Bank (AFREXIM) in May 2018 for a period of 3 years has fully matured and has been settled. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(acii) The amount N234,771,187,196 represents the term loan facility of USD 300mn granted to the Company by Africa Export and Import Bank (AFREXIM) in March 2023 for Access Bank's Intra-African Trade Expansion. This facility is for 7 years at 6 months SOFR + 6%. Access Holdings has injected the entire $300m as capital into Access Bank as permanent Tier 1 capital.

(ad) The facility granted to Access Bank Ghana by Ghana International Bank in October 2022. The principal amount was being paid at maturity in 2023 while interest is paid at maturity at 7.59%. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ae) The amount of N4,823,586,355 represents the outstanding balance on intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria. The total facility has a maximum tenor of 15 years. A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7%. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 30 September 2023

(af) The amount of N852,490,335 represents the outstanding balance on the on-lending facility granted to the Bank by the Central Bank of Nigeria under the Creative Industry Financing Initiative established by the CBN. The initiative is on a request by request basis. The tenor of the facilities granted ranges from 3 to 10 years inclusive of a maximum of 24 months moratorium. There are currently 14 beneficiaries under the initiative. The Bank is under obligation to on-lend to customers at an all-in interest rate of 9% with 2% remitted to CBN. The Bank remains the primary obligor to CBN and therefore assumes the risk of default of customers. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ag) The amount of N815,066,573 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Accelerated Agricultural Development Scheme (AADS) on behalf of Bayelsa State Government. The facility is for a period of 3 years inclusive of 24 months moratorium at a 4% interest rate repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ah) The amount of N8,365,404,459 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria in respect of the Non-Oil Export Stimulation Facility (NESF) supporting Leaf Tobacco and Commodities Nigeria Limited in acquiring additional machinery for expansion of their facilities. The facility is for a period of 6 years inclusive of 12 months moratorium at a 1% interest rate repayable on a quarterly basis which will increase to 2% effective March 1, 2022. It also includes an additional N5bn disbursed in september 2022 for a period of 7 years at 2% interest repayable on a quarterly basiss. Principal repayment will start in October 2024, payable on a quarterly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ai) The amount of N17,014,942,791 represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria through the Health Sector Intervention Facility (HSIF) window of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCCR) supporting 8 beneficiaries (N7.6bn). The tenor of the facility ranges from 4 to 10 years inclusive of maximum moratorium of 12 months. The interest is set at 1% repayable on a quarterly basis which will increase to 2% effective March 2022. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(aj) The amount of N382,617,374 represents the outstanding balance on the on-lending facility granted to the Bank by Lagos State Employment Trust Fund (LESTF) to support financial inclusion of women in Lagos state. The tenor of the facility is 2 years. The interest is set at 5% repayable on a monthly basis. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ak) The amount of N24,653,316,310 (USD 31,737,428) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Ghana by ECOWAS Bank for Investment and Development (EBID) for two different facilities which attracts an interest rate of 4.75% for 90 days and 2.75% for 63 days respectively disbursed on 29 June 2022 and 6 June 2022 all with principal and interest payable at maturity. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(al) This on-lending facility was granted to the Group's Subsidiary in Ghana by Standard Chartered Bank GH. Ltd. Two tranches were disbursed on 29 June 2021 and 3 June 2021 at an interest rate of 2.97% for 9 months and 1 year respectively where principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(am) The facility was granted to the Group's Subsidiary in Ghana by Bunge SA which attracts an interest rate of 5.24% for 175 days was disbursed on 1 June 2022. The principal and interest were payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(an) The facility was granted to the Group's Subsidiary in Ghana by Cargill, Inc. which attracts an interest rate of 3.16% for 357 days was disbursed on 15 October 2021. The principal and interest are payable semi-annually. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ao) The facility was granted to the Group's Subsidiary in Ghana by JP Morgan Chase Bank N.A. which attracts an interest rate of 3.18% for 374 days was disbursed on 26 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ap) The facility was granted to the Group's Subsidiary in Ghana by FCC Securities which attracts an interest rate of 3.18% for 371 days was disbursed on 29 November 2021. The principal and interest are payable at maturity. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(aq) The facility was granted to the Group's Subsidiary in South Africa by Norsad Finance Limited disbursed 30 January 2020 which attracts an interest rate of 5.5% plus 3 months JIBAR for 3 years with interest and principal paid quarterly. The Facility has fully matured with the balances paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(ar) The amount of N5,572,375,685 (USD 7,173,593) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in Zambia by Bank of Zambia - (TMTRF) which attracts an interest rate ranging from 9.5% to 10.25% with tenors ranging from 30 days to 7 years with eight different facilities disbursed on 31 July 2020, 10 March 2021, 3 December 2021 and 15 December 2021. Interest is payable quarterly after 12 months moratorium and principal is paid at maturity. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(as) This on-lending facility granted to the Group's Subsidiary in Mozambique by ABC Holdings Ltd for two facilities disbursed on 1 Dec 2017 and 31 Dec 2016 for a period of 5 and 10 years respectively which attracts an interest rate of 8.5% and 14.25% respectively with Semi- annual repayment of interest and Principal on maturity. The balances for this facility has been paid off. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

(at) The amount of N14,630,995,008 (USD 18,835,200) represents the outstanding balance on the on-lending facility granted to the Group's Subsidiary in South Africa by SBSA which attracts an interest rate ranging from 9.012% to 9.89% with tenors ranging from 30 days to 1 year . Principal and Interest is payable quarterly within 12 months. From this creditor, the bank has nil undrawn balance as at 30 September 2023.

The above borrowings are unsecured

Reconciliation of interest bearing borrowings

In millions of Naira	Group September 2023	Company September 2023
Balance as at 1 January 2023	1,385,587	-
Proceeds from interest bearing borrowings	345,464	233,037
Repayment of interest bearing borrowings	(607,615)	-
Total changes from financing cash flows	1,123,436	233,037
The effect of changes in foreign exchange rates	435,372	-
Other changes		
Interest expense	66,214	13,142
Interest paid	(56,001)	
Closing balance as at 30 September 2023	**1,569,021**	**246,179**

	Group December 2022	Company December 2022
Balance as at 1 January 2022	1,171,260	-
Proceeds from interest bearing borrowings	678,377	-
Arising from business combination (Note 44)	-	-
Repayment of interest bearing borrowings	(509,479)	-
Total changes from financing cash flows	1,340,158	-
The effect of changes in foreign exchange rates	41,693	-
Other changes		
Interest expense	51,900	-
Interest paid	(48,164)	-
Balance as at 31 December 2022	**1,385,587**	**-**

38 Capital and reserves

A Share capital

In millions of Naira	Company September 2023	Company December 2022
(a) Issued and fully paid-up :		
35,545,225,622 Ordinary shares of 50k each	17,773	17,773

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

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

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

In millions of Naira	Company September 2023
Balance, beginning of the period	-
Additions through Share transfer to Holding Company by virtue of change in structure	17,773
Balance, end of the period	17,773

In millions of Naira	Company December 2022
	-
Balance, beginning of the period	17,773
Balance, end of the period	17,773

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

In millions of units	Company September 2023	Company December 2022
Balance, beginning of the period	-	-
Additions through Share transfer to Holding Company by virtue of change in structure	35,545	35,545
Balance, end of the period	35,545	35,545

B Share premium

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

In millions of Naira	Company September 2023
Balance, beginning of the period	-
Additions through Share transfer to Holding Company by virtue of change in structure	234,039
Balance, end of the period	234,039

In millions of Naira	Company December 2022
	-
Balance, beginning of the period	234,039
Balance, end of the period	234,039

C Additional Tier 1 Capital

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

The principal terms of the issue are described below:

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

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

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

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

C (ii) Mandatory Convertible Notes

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

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

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

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

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

In millions of Naira	Initial call date	Group September 2023	Group December 2022
U.S.$500,000,000 Perpetual Fixed Rate Resettable NC 5.25 Additional Tier 1 Subordinated Notes	2026	206,355	206,355
U.S.$300,000,000 Non cumulative Fixed Rate Resettable NC 8 Mandatory convertible Preference shares	2031	138,675	-
Balance, end of the period		**345,030**	**206,355**

D Retained earnings

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Retained earnings	531,720	408,702	(69)	(1,150)

E Other components of equity

	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Other regulatory reserves (see i(a) below)	183,392	158,305	-	-
Share Scheme reserve	-	3,513	-	-
Treasury Shares	(11,228)	(11,228)	-	-
Capital Reserve	3,489	3,489	-	-
Fair value reserve	22,992	78,960	-	-
Foreign currency translation reserve	303,348	30,122	-	-
Regulatory risk reserve	98,169	78,556	-	-
	600,163	**341,715**	**-**	**-**

(i) Other reserves

Other regulatory reserves

Statutory reserves

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

SMEEIS Reserves

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

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

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

i(a)

	Statutory reserves		SMEEIS Reserves		Total	
	September 2023	December 2022	September 2023	December 2022	September 2023	December 2022
Group						
In millions of Naira						
Opening	157,479	135,902	827	827	158,306	136,728
Transfers during the period	25,087	21,577	-	-	25,087	21,577
Closing	182,566	157,479	827	827	183,392	158,306
Company						
In millions of Naira						
Opening	-	-	-	-	-	-
Transfers during the period	-	-	-	-	-	-
Closing	-	-	-	-	-	-

(ii) Share scheme reserve

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

(iii) Treasury shares

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

(iv) Capital reserve

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

(v) Fair value reserve

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

(vi) Foreign currency translation reserve

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

(vii) Regulatory risk reserve

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

(viii) Retained earnings

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

F Non-controlling interest

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

In millions of Naira	Group September 2023	Group December 2022
Access Bank, Gambia	1,319	546
Access Bank, Sierra Leone	107	31
Access Bank Zambia	8,163	4,846
Access Bank, Rwanda	2,560	1,289
Access Bank, Congo	11	9
Access Bank, Ghana	9,732	(1,629)
Access Bank, Mozambique	9	6
Access Bank, Kenya	2	2
Access Bank, South Africa	1,002	523
Access Bank, Botswana	17,527	8,773
Access Bank, Cameroon	168	-
Access Pensions Limited	9,693	4,147
Access Bank, Angola	-	-
	50,293	**18,544**

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

In millions of Naira	Group September 2023	Group September 2022
Access Bank, Gambia	102	76
Access Bank, Sierra Leone	13	14
Access Bank Zambia	713	933
Access Bank, Rwanda	224	171
Access Bank, Congo	1	12
Access Bank, Ghana	1,830	(2,145)
Access Bank, Mozambique	(0)	0
Access Bank, Kenya	(0)	0
Access Bank, South Africa	(76)	(130)
Access Bank, Botswana	293	414
Access Pensions Limited	2,644	477
Access Bank, Angola		-
	5,744	**(177)**

	Group September 2023	Group December 2022
Proportional Interest of NCI in subsidiaries	%	%
Access Bank, Gambia	12.00%	12.00%
Access Bank, Sierra Leone	0.81%	0.81%
Access Bank Zambia	19.02%	19.02%
Access Bank, Rwanda	8.78%	8.78%
Access Bank Congo	0.02%	0.02%
Access Bank, Ghana	6.60%	6.60%
Access Pensions	48.49%	48.49%
Access Bank, Kenya	0.02%	0.02%
Access Bank, South Africa	2.11%	4.80%
Access Bank, Botswana	21.85%	21.85%
Access Bank, Angola		

39 Contingencies

Claims and litigation

The Group is a party to numerous legal actions arising out of its normal business operations. The Directors believe that, based on currently available information and advice of counsel, none of the outcomes that result from such proceedings will have a material adverse effect on the financial position of the Group, either individually or in the aggregate. N3.46Bn provision has been made as at 30 June 2023.

Contingent liability and commitments

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

Nature of instruments

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

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

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

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

a. These comprise:

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Contingent liabilities:				
Transaction related bonds and guarantees	724,259	693,915	-	-
Commitments:				
Clean line facilities for letters of credit, unconfirmed letters of credit and other commitments	1,615,505	842,563	-	-
	2,339,763	**1,536,476**	**-**	**-**

40 Reconciliation to the Cash and cash equivalents

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

In millions of Naira	Group September 2023	Group December 2022	Company September 2023	Company December 2022
Cash on hand and balances with banks	1,378,505	1,025,202	20,927	2,488
Unrestricted balances with central banks	320,532	186,533	-	-
Money market placements	184,530	152,682	-	-
Investment under management	48,733	29,812	42,907	35,760
Treasury bills with original maturity of less than 90days	440,433	539,198	-	-
	2,372,733	**1,933,427**	**63,834**	**38,248**

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

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

	Debt securities issued		Interest bearing borrowings	
	Group September 2023	Company September 2023	Group September 2023	Company September 2023
Net debt	307,253	-	1,385,587	-
Acquired from business combinations	-	-	-	-
Proceeds from interest bearing borrowings	-	-	345,464	233,037
Repayment of interest bearing borrowings	-	-	(607,615)	-
Debt securities issued	-	-	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	307,253	-	1,123,436	233,037
The effect of changes in foreign exchange rates	161,355	-	435,372	-
Other changes				
Interest expense	20,845	-	66,214	13,142
Interest paid	(11,369)	-	(56,001)	-
Balance	**478,083**	**-**	**1,569,021**	**246,179**

	Debt securities issued		Interest bearing borrowings	
	Group December 2022	Company December 2022	Group December 2022	Company December 2022
Net debt	264,495	-	1,171,260	-
Proceeds from interest bearing borrowings	-	-	682,981	-
Arising from business combination	-	-	-	-
Repayment of interest bearing borrowings	-	-	(509,479)	-
Debt securities issued	21,887	-	-	-
Repayment of debt securities issued	-	-	-	-
Total changes from financing cash flows	286,382	-	1,344,762	-
The effect of changes in foreign exchange rates	18,852	-	40,164	-
Other changes				
Interest expense	22,816	-	52,084	-
Interest paid	(20,797)	-	(46,819)	-
Balance	**307,253**	**-**	**1,390,192**	**-**

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

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

41 Contraventions of the Banks and Other Financial Institutions Act of Nigeria and CBN circulars

During the period, the Banking subsidiary was fined by its Regulator for contravention of the Banks and Financial Institutions Act of Nigerua and the CBN circulars as listed below:

S/N	Regulatory Body		Date
(i)	Central Bank of Nigeria	Sum of N2m penalty for the delayed to customer as directed by the CBN	30 Mar 2023
(ii)	Central Bank of Nigeria	Sum of N10m in respect of Employment of Prospective Employees without CBN approval.	20 Mar 2023

44 Business Combination

(a) Business Combination with Grobank South Africa

The Bank recently acquired Grobank in South Africa with effect from 4th May 2021. As part of the acquisition, Grobank issued additional units of shares to the Bank. The acquisition involved the Bank acquiring 90.35% of the net assets in exchange for cash of N11,411,682,891 (Eleven billion, four hundred and eleven thousand, six hundred and eighty two thousand, eight hundred and ninety one Naira). The cash consideration is considered as the fair value of the shares acquired. The bargain purchase has been computed by comparing the fair value of the net asset of former Grobank to the present value of the cash consideration paid for the acquisition.

In millions of Naira	**Bank April 2021**
Considerations:	
Cash payment	11,412
Total Consideration	**11,412**
Fair value of NCI (non-controlling interests) at acquisiton	1,329
Fair Value of Net assets/ (liabilities) acquired from business combination (see note 44 (f) below)	13,770
Fair value adjustment	-
Bargain Purchase	**(1,029)**

The fair value of the net assets/(liabilities) acquired include:

(b)

	Group April 2021
Assets	
Cash and balances with banks	34,738
Non pledged trading assets	-
Derivative financial assets	-
Pledged assets	-
Loans to banks	-
Loans and advances to customers	49,302
Investment securities	8,007
Investment properties	-
Other assets	-
Investment in subsidiaries	-
Investment in associates	-
Property and equipment	288
Intangible assets	1,682
Deferred tax assets	-
	94,017
Asset classified as held for sale and discontinued operations	-
Total assets	**94,017**
Liabilities	
Deposits from financial institutions	3,516
Deposits from customers	70,230
Derivative Liabilities	90
Current tax liabilities	-
Other liabilities	6,410
Deferred tax liabilities	-
Debt securities issued	-
Interest-bearing borrowings	-
	80,247
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**80,247**
Net assets/ (liabilities)	**13,770**
Non controlling interest	1,329
Owners of the Company equity	**12,441**

(c) Business Combination with Cavmont Bank Zambia

Access Bank Zambia recently acquired Cavmont Bank in Zambia with effect from 4th January 2021. The acquisition involved the Bank acquiring 100% issued share capital of Cavmont Bank. The net asset acquired has been recognized as a bargain purchase and is shown as a separae line item in the statement of comprehensive income.

In millions of Naira	**Bank January 2021**
Considerations:	
Cash payment	-
Total Consideration	**-**
Net assets/ (liabilities) acquired from business combination (see	1,454
Fair value adjustment	-
Bargain Purchase	**(1,454)**

The fair value of the net assets/(liabilities) acquired include:

		Group January 2021
(d)	**Assets**	
	Cash and balances with banks	9,582
	Non pledged trading assets	-
	Derivative financial assets	-
	Pledged assets	-
	Loans to banks	-
	Loans and advances to customers	12,963
	Investment securities	10,457
	Investment properties	-
	Other assets	1,846
	Investment in subsidiaries	-
	Investment in associates	-
	Property and equipment	793
	Intangible assets	-
	Deferred tax assets	-
		35,640
	Asset classified as held for sale and discontinued operations	-
	Total assets	**35,640**
	Liabilities	
	Deposits from financial institutions	10,302
	Deposits from customers	22,813
	Derivative Liabilities	-
	Current tax liabilities	-
	Other liabilities	1,070
	Deferred tax liabilities	-
	Debt securities issued	-
	Interest-bearing borrowings	-
		34,185
	Liabilities classified as held for sale and discontinued operations	-
	Total liabilities	**34,185**
	Net assets/ (liabilities)	**1,454**
	Non controlling interest	-
	Owners of the Company equity	**1,454**

(e) Business Combination with ABC Mozambique

Access Bank Mozambique recently acquired BancABC Bank in Mozambique with effect from 14th May 2021. The acquisition involved the Bank acquiring 99.997% issued share capital of BancABC in exchange for cash of N9,259,068,053 (Nine billion, two hundred and fifty nine million, sixty eight thousand and fifty three naira) used to pay off the shareholders of former BancABC.

The consideration for the acquisition comprises of (i) a cash consideration payment of N5,171,476,925 (Five billion, one hundred and seventy one million, four hundred and seventy six thousand, nine hundred and twenty five Naira) (ii) a deferred payment of N5,164,813,558 (Five billion one hundred and sixty-four million, eight hundred and thirteen thousand, five hundred and fifty-eight naira) to be made to shareholders at the expiration of 2 periods. For the purpose of the goodwill computation , this deferred consideration has been carried at its present value of N4,087,591,127 using a discount rate of 12.4% . This discount rate was estimated using a financial instrument close to cash in liquidity and the country risk premium for Mozambique. The bargain purchase has been computed by comparing the fair value of the net asset of former BancABC to the present value of the cash consideration paid for the acquisition.

In millions of Naira	Bank May 2021
Considerations:	
Cash payment	5,171
Consideration deferred	3,645
Total Consideration	**8,817**
Net assets/ (liabilities) acquired from business combination (see	9,071
Fair value adjustment	-
Adjusted Net assets/(liabilities) acquired from business combination (see note 44 (h) below)	9,071
Bargain Purchase	**(254)**

The fair value of the net assets/(liabilities) acquired include:

(f)

	Bank May 2021
Assets	
Cash and balances with banks	19,195
Non pledged trading assets	-
Derivative financial assets	-
Pledged assets	-
Loans to banks	19,638
Loans and advances to customers	37,517
Investment securities	8,607
Investment properties	2,567
Other assets	2,122
Investment in subsidiaries	-
Investment in associates	-
Property and equipment	3,350
Intangible assets	171
Deferred tax assets	1,838
	95,005
Asset classified as held for sale and discontinued operations	-
Total assets	**95,005**
Liabilities	
Deposits from financial institutions	765
Deposits from customers	79,068
Derivative Liabilities	-
Current tax liabilities	-
Other liabilities	3,338
Deferred tax liabilities	-
Debt securities issued	-
Interest-bearing borrowings	2,763
	85,934
Liabilities classified as held for sale and discontinued operations	-
Total liabilities	**85,934**
Net assets/ (liabilities)	**9,071**
Non controlling interest	-
Owners of the Company equity	**9,071**

(g) Business Combination with ABC Botswana

Access Bank Plc recently acquired BancABC Bank in Botswana with effect from 7th OCtober 2021. The acquisition involved the Bank acquiring 78.15% issued share capital of BancABC in exchange for cash of N34,341,408,120 (Thirty four billion, three hundred and forty one million, four hundred and eight thousand, one hundred and twenty naira) used to pay off the shareholders of former BancABC.

The consideration for the acquisition comprises of (i) an upfront cash consideration payment of N22,699,050,000 (Twenty two billion, six hundred and ninety-nine million and fifty thousand Naira) (ii) a second tranche payment of N11,642,358,120 (Eleven billion, six hundred and forty-two million, three hundred and fifty-eight thousand, one hundred and twenty naira) to be made to shareholders in April, 2022. The goodwill has been computed by comparing the fair value of the net asset of former BancABC to the present value of the cash consideration paid and payable for the acquisition. The goodwill computation is provisional at the time of this report.

In millions of Naira	**Bank October 2021**
Considerations:	
Cash payment	22,699
Consideration payable at a future date	11,412
Total Consideration	**34,111**
Net assets/ (liabilities) acquired from business combination (see note 44 (j) below)	33,146
Fair value adjustment	-
Adjusted Net assets/(liabilities) acquired from business combination (see note 44 (j) below)	33,146
Goodwill	**965**

The fair value of the net assets/(liabilities) acquired include:

		Bank October 2021
(h)	**Assets**	
	Cash and balances with banks	34,830
	Non pledged trading assets	-
	Derivative financial assets	2,414
	Pledged assets	-
	Loans to banks	-
	Loans and advances to customers	231,423
	Investment securities	18,669
	Investment properties	-
	Other assets	2,931
	Investment in subsidiaries	19,643
	Investment in associates	-
	Property and equipment	3,882
	Intangible assets	2,944
	Current tax assets	580
	Deferred tax assets	1,161
		318,477
	Asset classified as held for sale and discontinued operations	-
	Total assets	**318,477**
	Liabilities	
	Deposits from financial institutions	7,068
	Deposits from customers	235,731
	Derivative Liabilities	2,337
	Current tax liabilities	-
	Other liabilities	5,606
	Deferred tax liabilities	-
	Debt securities issued	-
	Interest-bearing borrowings	25,321
		276,063
	Liabilities classified as held for sale and discontinued operations	-
	Total liabilities	**276,063**
	Net assets/ (liabilities)	**42,414**
	Non controlling interest	9,267
	Owners of the Company equity	**33,146**

h) Business combinations and Goodwill with FGPL

The Group expanded its investment portfolio to include pension fund administration business through the acquisition of controlling interests in First Guarantee Pension Limited ("FGPL") on 26th of August 2022

Access Holdings acquired 68.54% of the issued share capital of FGPL for a cash consideration of N18.4 billion. Subsequently, through a rights issue in exchange for cash consideration of N17.79bn, the Holding's equity interest in FGPL was increased to 80.23%.

The goodwill arising on the acquisition of FGPL has been computed by comparing the proportionate share of the fair value of the net assets acquired and the fair value of cash consideration paid by Access Holdings.

The goodwill arising on initial acquisition and recognized in the financial statements is presented below:

The merger was executed via a Scheme of Merger in accordance with Section 711 of CAMA. The Scheme involved the combination of all First Guarantee Pension Limited's assets , liabilities and business undertakings with Sigma Pensions Limited, except for FGPL's investments in Actis Golf , which shall not be transferred to Sigma Pensions Limited but shall be distributed to the shareholders of First Guarantee Pension Limited , on the Terminal date , on a pro- rata basis.

Consequently, the entire issued share capital of First Guarantee Pension Limited shall be cancelled. First Guarantee Pension Limited shall be dissolved without being wound up and the shareholders of Access Pensions Limited shall be Access Holdings Plc, former First Guarantee Pension Limited minority shareholders and Actis Golf Nigeria Limited

In June 2023, the Company's PPA for the acquisition of First Guarantee Pensions Ltd and Sigma Pensions Ltd was concluded. The provisional Goodwill of N34.94 billion previously recognized was revised to N23.63 billion as a result of the completion of the purchase price allocation from the business combination.. Based on the revised PPA, additional intangible assets of N11.29bn relating to customer relationships and pension license were identified and recognized separately from the previously reconginsed Goodwill.

In millions of Naira	**FGPL December 2022**
Fair value of consideration paid	18,714
Add: Non-controlling interests	2,708
Less: Fair value of net assets of subsidiary acquired	(8,611)
Goodwill	**12,811**

FGPL	**Acquisition date net assets**
Assets	
Intangible Assets	
Property, Plant & Equipment	7,774
ROU assets	2,711
Statutory reserve deposit	96
Other assets	1,527
Cash and cash equivalents	218
	9
	12,337
Liabilities	
Lease liabilities	52
Other liabilities	1,274
Income tax liabilities	-
Deferred Tax Liabilities	2,401
	3,726
Net assets	**8,611**

Business combinations and Goodwill with SIGMA

The Group expanded its investment portfolio to include pension fund administration business through the acquisition of controlling interests in Sigma Pensions limited (Sigma) on 4th November 2022

On 4th November 2022, FGPL acquired 37.36% equity interests (including preference shares) of Actis Golf Limited (parent of Sigma Pensions Limited - "Actis") for a cash consideration of N21.64billion.

The goodwill arising on the acquisition of Actis Golf Limited has been computed by comparing the proportionate share of the fair value of the net assets acquired (effective interest of Access Holdings in the sub-subsidiary - Actis), and the fair value of Access Holding's share of the cash consideration paid by FGPL.

Non-controlling interest has been measured at the proportionate share of the net assets for ordinary shares, while the non-controlling interest portion of the preference shares has been measured at fair value.

The goodwill (provisional) arising on initial acquisition and recognized in the financial statements is presented below:

In millions of Naira	**SIGMA December 2022**
Fair value of consideration paid	17,362
Add: Non-controlling interests	15,599
Less: Fair value of net assets of subsidiary acquired	(18,695)
Goodwill	**14,266**

The non-controlling interest for Sigma includes preference shares measured at fair value and the proportionate share of the net assets for common equity holders.

Access Holdings controls both entities through majority voting rights and the power and practical ability to direct their principal activities.

Subsequently, the two entities (FGPL, Sigma) were merged on 1 December 2022. Following the merger, First Guarantee Pension Limited was dissolved without being wound up, and Sigma Pensions emerged as the 'surviving entity', and renamed to 'Access Pensions Limited'.

Sigma	**Net assets at acquisition date**
Assets	
Cash and Cash equivalents	4,147
Loans and Receivables	947
Other Assets	882
Deferred Tax Assets	44
Statutory Reserve Investment	1,745
PPF Investment	592
Property Plant and Equipment	1,069
Intangible Assets	16,100
Total Assets	**25,525**
Liabilities	
Trade and other payables	1,253
Income tax liabilities	838
Deferred Tax Liabilities	4,739
Total Liabilities	**6,831**
Net assets	**18,695**

Access Pensions Limited Merger Details

The merger was executed via a Scheme of Merger in accordance with Section 711 of CAMA. The Scheme involved the combination of all First Guarantee Pension Limited's assets , liabilities and business undertakings with Sigma Pensions Limited, except for FGPL's investments in Actis Golf , which shall not be transferred to Sigma Pensions Limited but shall be distributed to the shareholders of First Guarantee Pension Limited , on the Terminal date , on a pro- rata basis.

In consideration for the merger, First Guarantee Pension Limited shareholders shall receive share consideration in Sigma Pensions Limited on the basis of the agreed share exchange ratio, as follows : 234 ordinary shares of N1 each in Sigma Pensions Limited for every 1,000 ordinary shares of 50k each held by First Guarantee Pension Limited shareholders in FGPL as at the Terminal Date.

Consequently, the entire issued share capital of First Guarantee Pension Limited shall be cancelled. First Guarantee Pension Limited shall be dissolved without being wound up and the shareholders of Access Pensions Limited shall be Access Holdings Plc, former First Guarantee Pension Limited minority shareholders and Actis Golf Nigeria Limited.

45 Director-related exposures

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

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

b. Full compliance with the relevant CBN policies on insider-related lending.

c. All affected Directors are precluded from taking part in the approval process of credit request wherein they have interest.

d. The related Director is required to execute a document authorizing the Group to use their accruable dividends to defray any related-obligor's delinquent exposures.

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

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

The Group's principal exposure to all its directors as at 30 September 2023 is N975Mn. However, the relevant obligors under this category also have credit balances and deposits maintained in their bank accounts which mitigate the risks to the Group.

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

S/N	Name of borrower	Relationship to reporting institution	Name of related Directors	Facility type	Outstanding Principal N'millions	Status	Nature of security
1	Herbert Wigwe	Managing Director/CEO	Herbert Wigwe	Mortgage	312	Performing	Mortgage
2	Herbert Wigwe	Executive director	Herbert Wigwe	Credit Card	518	Performing	Cash Collateral
3	Bolaji O. Agbede	Executive director	Bolaji O. Agbede	Credit Card	8	Performing	Cash Collateral
4	Ojinika Olaghere	Non-executive director	Ojinika Olaghere	Credit Card	7	Performing	Cash Collateral
5	Herbert Wigwe	Non-executive director	Herbert Wigwe	Overdraft	3	Performing	Cash Collateral
	Balance, end of period				**847**		

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira

	Group September 2023	%	Group September 2022	%
Gross earnings	1,593,737		906,934	
Interest expense				
Foreign	(77,281)		(68,963)	
Local	(494,169)		(171,151)	
	1,022,288		666,820	
Net impairment (loss) on financial assets	(50,102)		(47,064)	
Net impairment loss on non financial assets	(11,723)		(5,889)	
Bought-in-materials and services				
Foreign	(37,706)		(35,465)	
Local	(380,492)		(257,187)	
Value added	**542,265**		**321,215**	
Distribution of Value Added				
To Employees:				
Employees costs	117,625	22%	89,840	28%
To government				
Government as taxes	43,972	8%	10,289	3%
To providers of finance				
Interest on borrowings	87,059	16%	51,336	16%
Dividend to shareholders	46,209	9%	34,344	11%
Retained in business:				
For replacement of property and equipment and intangible assets	43,165	8%	32,743	10%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	204,235	38%	102,662	32%
	542,265	**100%**	**321,214**	**100%**

OTHER NATIONAL DISCLOSURES

Value Added Statement

In millions of Naira	**Company September 2023**	%	**Company September 2022**	%
Gross earnings	64,751		25,225	
Interest expense				
Foreign	-		-	
Local	-		-	
	64,751		25,225	
Net impairment (loss) on financial assets	-		-	
Net impairment loss on other financial assets	-		-	
Bought-in-materials and services				
Foreign	-		(16,513)	
Local	(1,821)		15,421	
Value added	**62,929**		**24,132**	
Distribution of Value Added				
To Employees:				
Employees costs	1,777	3%	721	3%
To government				
Government as taxes	574	1%	-	-1%
To providers of finance				
Interest on borrowings	13,142	21%	-	0%
Dividend to shareholders	46,209	73%	-	105%
Retained in business:				
For replacement of property and equipment	145	0%	72	0%
For replacement of equipment on lease	-	0%	-	0%
Retained profit (including Statutory and regulatory risk reserves	1,082	2%	23,339	97%
	62,929	**100%**	**24,132**	**100%**

Other financial Information
Five-year Financial Summary

Group	September 2023	December 2022
In millions of Naira		
Assets		
Cash and balances with banks	3,083,809	1,969,783
Investment under management	48,733	39,502
Non pledged trading assets	208,306	102,690
Pledged assets	1,327,512	1,265,279
Derivative financial instruments	1,720,754	402,497
Loans and advances to banks	758,787	455,709
Loans and advances to customers	6,702,324	5,100,807
Current tax assets	-	-
Statutory Reserve Investment	3,835	3,515
PPF Investment	667	651
Investment securities	4,007,160	2,761,072
Investment properties	217	217
Other assets	2,929,880	2,424,597
Investment in associates	7,892	7,510
Investment in subsidiary	-	-
Property and equipment	357,073	298,351
Intangible assets	146,470	109,087
Deferred tax assets	31,106	15,095
Assets classified as held for sale	70,875	42,039
Total assets	21,405,398	14,998,401
Liabilities		
Deposits from financial institutions	3,425,202	2,005,316
Deposits from customers	12,746,373	9,251,238
Derivative financial instruments	385,704	32,737
Current tax liabilities	15,917	5,594
Other liabilities	1,126,697	769,694
Deferred tax liabilities	14,240	1,872
Debt securities issued	478,083	307,253
Interest-bearing borrowings	1,569,021	1,390,029
Retirement benefit obligations	3,819	3,277
Liabilities classified as held for sale and discontinued operations	-	-
Total liabilities	19,765,056	13,767,010
Equity		
Share capital and share premium	251,811	251,811
Additional Tier 1 Capital	206,355	206,355
Retained earnings	531,720	408,692
Other components of equity	600,163	341,716
Non controlling interest	50,293	22,817
Total equity	1,640,342	1,231,391
Total liabilities and Equity	21,405,398	14,998,401
Gross earnings	1,593,737	1,387,911

Profit before income tax	294,416	167,680
Profit from continuing operations	250,444	152,902
Profit for the period	250,444	152,902
Non controlling interest	4,382	(878)
Profit attributable to equity holders	246,061	153,780
Dividend declared	30k	150k
Earning per share - Basic	693k	445k
- Adjusted	692k	428k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622

***Financial summary-This is the second year of consolidation and operation. The Group's numbers are as displayed on the primary financial statements.

OTHER NATIONAL DISCLOSURES

Other financial Information
Five-year Financial Summary

Company	**September 2023**	**December 2022**
In millions of Naira		
Assets		
Cash and balances with banks	20,927	2,488
Investment under management	42,907	35,760
Non pledged trading assets	-	-
Pledged assets	-	-
Derivative financial instruments	90,811	-
Loans and advances to banks	-	-
Loans and advances to customers	-	-
Investment securities	-	-
Other assets	18,477	11,720
Investment properties	-	-
Investment in associates	-	-
Investment in subsidiary	430,829	290,316
Property and equipment	833	845
Intangible assets	-	-
Deferred tax assets	-	72
Assets classified as held for sale	-	-
Total assets	604,784	341,202
Liabilities		
Deposits from banks	-	-
Deposits from customers	-	-
Derivative financial instruments	-	-
Debt securities issued	-	-
Current tax liabilities	526	224
Other liabilities	106,194	90,317
Retirement benefit obligations	-	-
Interest-bearing borrowings	246,179	-
Deferred tax liabilities	142	-
Total liabilities	353,041	90,540

Equity		
Share capital and share premium	251,811	251,811
Additional Tier 1 Capital	-	-
Retained earnings	(69)	(1,151)
Other components of equity	-	-
Total equity	251,742	250,660
Total liabilities and Equity	604,784	341,202
Gross earnings	64,751	36,679
Profit before income tax	47,865	31,684
Profit for the period	47,291	31,532
Dividend declared	30k	150k
Earning per share - Basic	0k	89k
- Adjusted	0k	89k
Number of ordinary shares of 50k	35,545,225,622	35,545,225,622

***Financial summary-This is the second year of consolidation and operation. The Company's numbers are as displayed on the primary financial statements.