STANBIC IBTC HOLDINGS PLC

UNAUDITED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2019

I.B.T.C. Place
Walter Carrington Crescent
P.O.Box 71707 Victoria Island Lagos Nigeria
Telephone: +234-1- 4227000. +234-1- 4488900 Facsimile: 234-1- 2806998

Stanbic IBTC Holdings PLC RC 1018051

Directors: Basil Omiyi CON (Chairman) Yinka Sanni (Chief Executive) Kunle Adedeji (Executive) F. Ajogwu (SAN) N. Edozien I. L. Esiri B.J. Kruger* B. Manu S. Suleiman N. Uwaje

*South African

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STANBIC IBTC HOLDINGS PLC

Consolidated and separate annual statements of financial position as at 31 December 2019

		Group		Company	
	Note	31 Dec. 2019 N'million	31 Dec. 2018 N'million	31 Dec. 2019 N'million	31 Dec. 2018 N'million
Assets					
Cash and cash equivalents	6	456,396	455,773	36,240	15,533
Pledged assets	7	231,972	142,543	-	-
Trading assets	8	248,909	84,351	-	-
Derivative assets	9	32,871	30,286	-	-
Financial investments	10	155,330	400,000	1,981	1,796
Loans and advances	11	535,170	441,261	-	-
Loans and advances to banks	11	3,046	8,548	-	-
Loans and advances to customers	11	532,124	432,713	-	-
Other assets	12	168,689	77,787	2,924	4,091
Equity investment in group companies		-	-	85,539	85,539
Property and equipment	14	27,778	21,652	131	993
ROU Assets	17	3,217	-	71	-
Intangible asset	16	5,232	827	-	-
Deferred tax assets	13	10,892	9,181	-	-
Total assets		1,876,456	1,663,661	126,886	107,952
Equity and liabilities					
Equity		302,229	239,667	122,385	102,210
Equity attributable to ordinary shareholders		296,302	235,406	122,385	102,210
Ordinary share capital		5,252	5,120	5,252	5,120
Ordinary share premium		88,181	76,030	88,181	76,030
Reserves		202,869	154,256	28,952	21,060
Non-controlling interest		5,927	4,261	-	
Liabilities		1,574,227	1,423,994	4,501	5,742
Trading liabilities	8	250,203	125,684	-	-
Derivative liabilities	9	4,343	4,152	-	-
Current tax liabilities		19,230	14,899	179	463
Deposits and current accounts	19	886,743	967,964	-	-
Deposits from banks	19	248,903	160,272	-	-
Deposits from customers	19	637,840	807,692	-	-
Other borrowings	20	92,165	69,918	-	-
Debt securities issued	21	106,658	60,595	-	-
Provisions	23	8,860	13,452	-	-
Other liabilities	22	206,025	167,193	4,322	5,279
Deferred tax liabilities		-	137	-	-
Total equity and liabilities		1,876,456	1,663,661	126,886	107,952

Yinka Sanni
Chief Executive
FRC/2013/CISN/00000001072
29 January 2020

Adekunle Adedeji
Chief Financial Officer
FRC/2013/ICAN/00000001137
29 January 2020

Basil Omiyi
Director
FRC/2016/IODN/00000014093
29 January 2020

The accompanying notes form an integral part of these financial statements.

STANBIC IBTC HOLDINGS PLC

Unaudited Consolidated and separate statement of profit or loss for the year ended 31 December 2019

		Group				Company			
	Note	**3 months 31-Dec-19 N'million**	**12 months 31-Dec-19 N'million**	3 months 31-Dec-18 N'million	12 months 31-Dec-18 N'million	**3 months 31-Dec-19 N'million**	**12 months 31-Dec-19 N'million**	3 months 31-Dec-18 N'million	12 months 31-Dec-18 N'million
Gross earnings		**57,651**	**233,808**	53,560	222,360	**3,754**	**37,882**	512	19,463
Net interest income		**19,159**	**77,831**	19,766	78,209	**2**	**148**	55	271
Interest income	28.1	**29,374**	**120,412**	30,495	118,382	**2**	**148**	55	271
Interest expense	28.2	**(10,215)**	**(42,581)**	(10,729)	(40,173)	**-**	**-**	-	-
Non-interest revenue		**26,816**	**108,755**	22,630	102,604	**3,752**	**37,734**	457	19,192
Net fee and commission revenue	28.3	**17,020**	**70,393**	16,929	69,845	**256**	**1,119**	452	2,171
Fee and commission revenue	28.3	**18,481**	**75,034**	17,364	71,219	**256**	**1,119**	452	2,171
Fee and commission expense	28.3	**(1,461)**	**(4,641)**	(435)	(1,374)	**-**	**-**	-	-
Trading revenue	28.4	**9,144**	**36,332**	5,591	31,311	**-**	**-**	-	-
Other revenue	28.5	**652**	**2,030**	110	1,448	**3,496**	**36,615**	5	17,021
Total income		**45,975**	**186,586**	42,396	180,813	**3,754**	**37,882**	512	19,463
Net impairment write-back/(loss) on financial assets	28.6	**(1,722)**	**(1,632)**	(1,196)	2,940	**-**	**-**	-	-
Income after credit impairment charges		**44,253**	**184,954**	41,200	183,753	**3,754**	**37,882**	512	19,463
Operating expenses		**(22,436)**	**(94,029)**	(23,428)	(95,601)	**(730)**	**(4,409)**	(2,275)	(3,463)
Staff costs		**(10,045)**	**(40,618)**	(11,690)	(43,027)	**(70)**	**(1,056)**	(1,053)	(1,662)
Other operating expenses	28.7	**(12,391)**	**(53,411)**	(11,738)	(52,574)	**(660)**	**(3,353)**	(1,222)	(1,801)
Profit before tax		**21,817**	**90,925**	17,772	88,152	**3,024**	**33,473**	(1,763)	16,000
Income tax	28.8	**(2,334)**	**(15,890)**	(3,089)	(13,712)	**289**	**254**	(132)	(501)
Profit for the period		**19,483**	**75,035**	14,683	74,440	**3,313**	**33,727**	(1,895)	15,499
Profit attributable to:									
Non-controlling interests		**555**	**2,373**	1,735	2,353	**-**	**-**	-	-
Equity holders of the parent		**18,928**	**72,662**	12,948	72,087	**3,313**	**33,727**	(1,895)	15,499
Profit for the period		**19,483**	**75,035**	14,683	74,440	**3,313**	**33,727**	(1,895)	15,499
Earnings per share									
Basic /diluted earnings per ordinary share (kobo)	29	**180**	**692**	126	704	**32**	**321**	(19)	151

The accompanying notes form an integral part of these financial statements.

STANBIC IBTC HOLDINGS PLC

Unaudited Consolidated and separate statements of other comprehensive income for the year ended 31 December 2019

		Group				Company			
		3 months	**12 months**	3 months	12 months	**3 months**	**12 months**	3 months	12 months
		31-Dec-19	**31-Dec-19**	31-Dec-18	31-Dec-18	**31-Dec-19**	**31-Dec-19**	31-Dec-18	31-Dec-18
	Note	**N'million**	**N'million**	N'million	N'million	**N'million**	**N'million**	N'million	N'million
Profit for the period		**19,483**	**75,035**	14,683	74,440	**3,313**	**33,727**	(1,895)	15,499
Other comprehensive income									
Items that will never be reclassified to profit or loss									
Movement in fair value reserve (equity instruments):		**224**	**2,188**	91	383				
Net change in fair value		**281**	**2,152**	69	356				
Related income tax		**(57)**	**36**	22	27				
Items that are or may be reclassified subsequently to profit or loss:									
Movement in debt instruments measured at fair value through other comprehensive income (OCI)		**(343)**	**(262)**	178	(3,063)	**-**	**-**	-	-
Net change in fair value of financial assets at FVOCI		**(197)**	**739**	(110)	(77)	**-**	**-**		-
Realised fair value adjustments on financial assets at FVOCI reclassified to income statement		**(280)**	**(1,245)**	256	(2,203)	**-**	**-**		-
Expected credit loss on debt financial assets at FVOCI		**134**	**244**	32	(783)	**-**	**-**		-
Income tax on other comprehensive income		**-**	**-**	-	-	**-**	**-**		-
Other comprehensive income for the period, net of tax		**(119)**	**1,926**	269	(2,680)	-	-	-	-
Total comprehensive income for the period		**19,364**	**76,961**	14,952	71,760	**3,313**	**33,727**	-1,895	15,499
Total comprehensive income attributable to:									
Non-controlling interests		**666**	**2,513**	532	2,279	**-**	**-**	-	-
Equity holders of the parent		**18,698**	**74,448**	14,420	69,481	**3,313**	**33,727**	(1,895)	15,499
		19,364	**76,961**	14,952	71,760	**3,313**	**33,727**	-1,895	15,499

The accompanying notes form an integral part of these financial statements.

STANBIC IBTC HOLDINGS PLC

Statement of changes in equity
for the year ended 31 December 2019

Group	Note	Ordinary share capital N'million	Share premium N'million	Merger reserve N'million	Statutory credit risk reserve N'million	Fair value through OCI reserve N'million	Share-based payment reserve N'million	AGSMEIS reserve N'million	Other regulatory reserves N'million	Retained earnings N'million	Ordinary shareholders' equity N'million	Non-controlling interest N'million	Total equity N'million
Balance at 1 January 2019		5,120	76,030	(19,123)	-	2,535	76	2,156	47,649	120,963	235,406	4,261	239,667
Total comprehensive income for the period						1,786			-	72,662	74,448	2,513	76,961
Profit for the period										72,662	72,662	2,373	75,035
Other comprehensive income after tax for the period						1,786			-		1,786	140	1,926
Net change in fair value on debt financial assets at FVOCI						599					599	140	739
Net change in fair value on equity financial assets at FVOCI						2,152					2,152		2,152
Realised fair value adjustments on financial assets at FVOCI						(1,245)					(1,245)		(1,245)
Expected credit loss on debt financial assets at FVOCI						244					244		244
Income tax on other comprehensive income						36					36		36
Transfer to statutory reserve									3,602	(3,602)			-
Transfer to AGSMIEIS								2,496		(2,496)			
Transactions with shareholders, recorded directly in equity		132	12,151				-			(25,835)	(13,552)	(847)	(14,399)
Equity-settled share-based payment transactions							-				-		-
Increase in paid-up capital (scrip issue)	18.2	132	12,151								12,283		12,283
Dividends paid to equity holders	18.2									(25,835)	(25,835)	(847)	(26,682)
Balance at 31 December 2019		**5,252**	**88,181**	**(19,123)**	**-**	**4,321**	**76**	**4,652**	**51,251**	**161,692**	**296,302**	**5,927**	**302,229**
Balance at 1 January 2018		5,025	66,945	(19,123)	-	5,192	29	749	40,162	83,081	182,060	3,158	185,218
Impact of IFRS 9 adjustments						(51)				(10,173)	(10,224)		(10,224)
Balance at 1 January 2018		5,025	66,945	(19,123)		5,141	29	749	40,162	72,908	171,836	3,158	174,994
Total comprehensive income/(loss) for the period						(2,606)				72,087	69,481	2,279	71,760
Profit for the period										72,087	72,087	2,353	74,440
Other comprehensive income/(loss) after tax for the period						(2,606)					(2,606)	(74)	(2,680)
Net change in fair value on financial assets at FVOCI						(2,129)					(2,129)	(74)	(2 203)
Net change in fair value on equity financial assets at FVOCI						356					356		356
Realised fair value adjustments on financial assets at FVOCI						(783)					(783)		(783)
Expected credit loss on debt financial assets at FVOCI						(77)					(77)		(77)
Income tax on other comprehensive income						27					27		27
Statutory credit risk reserve									7,487	(7,487)	-	-	-
Transfer to statutory reserves					-			1,407		(1,407)	-	-	-
Transactions with shareholders, recorded directly in equity		95	9,085	-	-	-	47		-	(15,138)	(5,911)	(1,176)	(7,087)
Equity-settled share-based payment transactions		-	-	-	-	-	47		-	-	47		47
Increase in paid-up capital (scrip issue)		95	9,085				-				9,180		9,180
Dividends paid to equity holders										(15,138)	(15,138)	(1,176)	(16,314)
Balance at 31 December 2018		5,120	76,030	(19,123)	-	2,535	76	2,156	40,162	120,963	235,406	4,261	239,667

The accompanying notes form an integral part of these financial statements.

STANBIC IBTC HOLDINGS PLC

Statement of changes in equity
for the year ended 31 December 2019

Company	Ordinary share capital N'million	Share premium N'million	Fair value through OCI reserve N'million	Share-based payment reserve N'million	Other regulatory reserves N'million	Retained earnings N'million	Ordinary shareholders' equity N'million
Balance at 1 January 2019	5,120	76,030	-	19	-	21,041	102,210
Total comprehensive income for the period			-			33,727	33,727
Profit for the period	-	-	-	-	-	33,727	33,727
							-
Transactions with shareholders, recorded directly in equity	132	12,151	-	-	-	(25,835)	(13,552)
Equity-settled share-based payment transactions	-	-	-	-	-	-	-
Increase in paid-up capital (scrip issue)	132	12,151					12,283
Dividends paid to equity holders						(25,835)	(25,835)
Balance at 31 December 2019	5,252	88,181	-	19	-	28,933	122,385
Balance at 1 January 2018	5,025	66,945	-	4	-	20,680	92,654
Total comprehensive income/(loss) for the period			-			15,499	15,499
Profit for the period	-	-	-	-	-	15,499	15,499
							-
Transactions with shareholders, recorded directly in equity	95	9,085	-	15	-	(15,138)	(5,943)
Equity-settled share-based payment transactions			-	15	-	-	15
Transfer of vested portion of equity settled share based payment to retained earnings	-	-	-	-	-	-	-
Increase in paid-up capital (scrip issue)	95	9,085	-	-	-	-	9,180
Dividends paid to equity holders	-	-	-	-	-	(15,138)	(15,138)
Balance at 31 December 2018	5,120	76,030	-	19	-	21,041	102,210

The accompanying notes form an integral part of these financial statements.

STANBIC IBTC HOLDINGS PLC

Unaudited Consolidated and separate annual statement of cash flows for the year ended 31 December 2019

	Note	Group		Company	
		31-Dec-19 N million	31-Dec-18 N million	31-Dec-19 N million	31-Dec-18 N million
Net cash flows from operating activities		**(262,525)**	120,908	**33,666**	14,939
Cash flows used in operations		**(332,508)**	44,167	**(3,065)**	(2,078)
Profit before tax		**90,925**	88,152	**33,473**	16,000
Adjusted for:		**(27,540)**	(57,014)	**(36,747)**	(16,851)
Credit impairment charges on loans and advances	28.6	**1,632**	(2,940)	**-**	-
Depreciation of non-current assets	28.7	**6,547**	4,432	**84**	346
Amortisation of intangible assets		**263**	45		
Amortisation of right of use assets	17	**1,634**	-	**36**	-
Dividends included in other revenue	28.5	**(456)**	(261)	**(36,613)**	(16,941)
Unobservable Valuation difference in derivatives		**(7,801)**	(8,827)		
Fair value adjustment for derivatives		**5,407**	(8,847)		
Opening transition adjustment of Right of use assets	17	**(3,455)**	-	**(106)**	
Equity-settled share-based payments		**-**	47	**-**	
Interest expense		**42,581**	(118,382)	**-**	15
Interest income		**(120,412)**	40,173	**(148)**	(271)
Non-cash flow movements to subordinated debt		**491**	31,549	**-**	-
Non-cash flow movements in other borrowings		**46,063**	6,068	**-**	-
Loss/(profit) on sale of property and equipment		**(34)**	(71)	**-**	-
Increase in income-earning assets	24.1	**(475,647)**	(184,997)	**1,168**	(1,943)
Increase in deposits and other liabilities	24.2	**79,754**	198,026	**(959)**	716
Dividends received		**410**	235	**36,613**	16,941
Interest paid		**(37,180)**	(41,169)	**-**	-
Interest received		**120,018**	129,016	**148**	271
Direct taxation paid		**(13,265)**	(11,341)	**(30)**	(195)
Net cash flows used in investing activities		**227,893**	(100,660)	**591**	(993)
Capital expenditure on - property		**(2,981)**	(1,228)	**-**	-
- equipment, furniture and vehicles		**(8,956)**	(3,210)	**(85)**	(829)
- right of use		**(1,396)**	-	**(1)**	-
- intangible assets		**(4,668)**	(267)	**-**	-
Proceeds from sale of property, equipment, furniture and vehicles		**(702)**	307	**862**	7
Sale of /(Investment in) financial investment securities, net		**246,596**	(96,262)	**(185)**	(171)
Net cash flows used in financing activities		**7,358**	(18,176)	**(13,550)**	(5,958)
Net increase/(decrease) in other borrowings		**39,509**	13,158	**-**	-
Net increase/(decrease) in debt securities issued		**(17,753)**	(24,200)	**-**	-
Cash dividends paid	18.2	**(14,398)**	(7,134)	**(13,550)**	(5,958)
Net increase in cash and cash equivalents		**(27,274)**	2,072	**20,707**	7,988
Effect of exchange rate changes on cash and cash equivalents		**(1,919)**	(4,880)	**-**	-
Cash and cash equivalents at beginning of the period		**227,201**	230,009	**15,533**	7,545
Cash and cash equivalents at end of the period	24.3	**198,008**	227,201	**36,240**	15,533

The accompanying notes form an integral part of these financial statements.

Notes to the condensed consolidated annual financial statements
for the year ended 31 December 2019

1 Reporting entity

Stanbic IBTC Holdings PLC (the 'company') is a company domiciled in Nigeria. The address of the company is IBTC Place, Plot 1C Walter Carrington Crescent, Victoria Island, Lagos. The condensed consolidated annual financial statements as at and for the year ended 31 December 2019 comprise the company and its subsidiaries (together referred to as the 'group'). The group is primarily involved in the provision of banking and other financial services to corporate and individual customers.

(a) Compliance with the Nigerian Stock Exchange's listing rule

Stanbic IBTC Holdings PLC ("SIBTC") has adopted a Personal Account Trading Policy ("PATP") for both employees and Directors which incorporates a code of conduct regarding securities transactions by Directors and employees. The PATP was circulated to all employees who in the course of the year had any insider or material information about SIBTC; it is also published in the company's internal communication on a regular basis and also hoisted on the company's website.

For the year ended 31 December 2019, the Company confirm that all Directors, complied with the PATP regarding their SIBTC securities transacted on their account during the year.

(b) Compliance with the Securities and Exchange Commission's code of corporate governance

As a public company, Stanbic IBTC Holdings PLC confirms that as at 31 December 2019 the company has complied with the principles set out in the Securities and Exchange Commission's code of corporate governance.

The company applies the code's principles of transparency, integrity and accountability through its own behaviour, corporate governance best practice and by adopting, as appropriate and proportionate for a company of its size and nature. The policies and procedures adopted by the Board and applicable to the company's businesses are documented in mandates, which also set out the roles and delegated authorities applying to the Board, Board Committees, and the Executive Committee.

2 Basis of preparation

(a) Statement of compliance

The condensed consolidated annual financial statements for the year ended 31 December 2019 have been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the last annual consolidated financial statements as at and for the year ended 31 December 2018.

This condensed consolidated annual financial statements for the year ended 31 December 2019 does not include all the information required for full annual financial statements prepared in accordance with International Financial reporting Standards (IFRS), and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2018.

Changes to significant accounting policies are described in note 3.

(b) Basis of measurement

The condensed consolidated annual financial statements for the year ended 31 December 2019 have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- derivative financial instruments are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value
- financial assets are measured at fair value through other comprehensive income
- liabilities for cash-settled share-based payment arrangements are measured at fair value
- trading assets and liabilities are measured at fair value

The group applies accrual accounting for recognition of its income and expenses.

(c) Functional and presentation currency

The condensed consolidated annual financial statements are presented in Nigerian Naira, which is the company's functional and presentation currency. All financial information presented in Naira has been rounded to the nearest million, except when otherwise stated.

(d) Use of estimates and judgement

The preparation of the condensed consolidated annual financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated annual financial statements, significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2018.

3 Statement of significant accounting policies

Except as described below, the accounting policies applied by the group in preparation of these condensed financial statements are consistent with those applied by the group in the preparation of its consolidated annual financial statements for the year ended 31 December 2018.

3.1 IFRS 16 Leases

This standard has replaced the existing standard IAS 17 Leases as well as the related interpretations and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, being the lessee (customer) and the lessor (supplier).

The core principle of this standard is that the lessee and lessor should recognise all rights and obligations arising from leasing arrangements on balance sheet.

The most significant change pertaining to the accounting treatment of operating leases is from the lessees' perspective. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and introduces a single lessee accounting model, where a right of use (ROU) asset together with a liability for the future payments is to be recognised for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The lessor accounting requirements in IAS 17 has not changed substantially in terms of this standard as a result a lessor continues to classify its leases as operating leases or finance leases and accounts for these as it currently done in terms of IAS 17. In addition, the standard requires lessor to provide enhanced disclosures about its leasing activities and in particular about its exposure to residual value risk and how it is managed.

The single lessee lease accounting model will have the following impacts:

- **Balance sheet gross up and volatility**: IFRS 16 will lead to an increase in leased assets and liabilities as well as increased volatility due to the requirements to reassess key estimates and judgements (such as remaining lease term, options to extend, restoration cost etc.) at each reporting date.
- **Change in financial metrics**: Financial metrics will be affected by the recognition of the leased asset and lease liability and the difference in the timing and classification of the lease expenses. The lease expenses will be sum of the depreciation of the leased asset (presented in operating expenses) and the interest expense on the leased liability (presented in net interest income).

The table below highlights the major changes between IAS 17 and IFRS 16

sn	Description	IAS 17	IFRS 16
1	Elimination of off-balance sheet financing	Lessees classify lease as either operating or finance lease. If the lease is classified as operating, the lessee would not show neither asset nor liability in the balance sheets – just the lease payment is expensed in the profit or loss. Non-cancellable leases represent a liability (and an asset) for the lessees but the liability is hidden and not presented in the financial statements	No classification of lease. Most leases are on-balance sheet as asset and liability.
2	Lease contract and service contract	There is no differentiation between operating lease contract and service contract as both are accounted for same way in the profit or loss statements	There is differentiation between lease contract and service contract and each is accounted for separately and/or differently. If the underlying asset is identifiable then it is a lease contract but where it is not identifiable, it is a service contract and not a lease contract
3	Lease payments in "combined" contracts	All operating lease payments which include lease rentals and some service cost such as maintenance, repairs, cleaning are charged to profit or loss statements	Lease payments is split into lease elements (lease rentals) and non-lease element (service cost). Lease element is accounted as lease under IFRS 16, while non-lease element is treated as expense in the profit or loss statement
4	Accounting for lease	Different accounting for operating and Finance lease	Single model of accounting for every lease for the lessee.

Definition of lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease. The Group now assesses whether a contract or contains a lease based on the new definition of a lease. Under IFRIC 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessments of which transitions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 are not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contract entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease components on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

3.1 IFRS 16 Leases (continues)

Scope, Recognition and Measurement

The scope of IFRS 16 applies to contracts meeting the definition of a lease, except for:

- Leases to explore for or use minerals, oil, natural gas and similar non-regenerative resources;
- Leases of biological assets within the scope of IAS 41 Agriculture held by a lessee;
- Service concession arrangements within the scope of IFRIC 12 Service Concession Arrangements;
- Licenses of intellectual property granted by a lessor within the scope of IFRS 15 Revenue from Contracts with Customers, and
- Rights held by a lessee under licensing agreements within the scope of IAS 38 Intangible Assets for such items as motion picture films, video recordings, plays, manuscripts, patents and copyrights.

Recognition exemptions

In addition to the above scope exclusions, a lessee can elect not to apply IFRS 16's recognition and requirements to:

- Short-term leases; and
- Leases for which the underlying asset is of low value

In the above cases, the lessee will recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

Leases of Low Value Assets

The assessment of 'low value' for a leased asset is to be made on the basis of the value of an asset when it is (or was) new, regardless of whether the actual asset being leased is new. An underlying asset in a lease can be of low value only if:

- The lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and
- The underlying asset is not highly dependent on, or highly interrelated with, other assets.

IFRS 16 provides examples of low value leases, which include tablets and personal computers, small items of office furniture and telephones.

Recognition and measurement

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability.

sn	Description	Initial measurement	Subsequent measurement
1	Right of Use assets	At cost (initial measurement of the lease liability) plus initial direct costs	Cost Model: Cost less accumulated depreciated and accumulated impairment. The ROU asset is depreciated over the shorter of the lease term and useful life, except if ownership transfers or cost reflects that the lessee will exercise a purchase option use useful life in these instances.
2	Lease liability	At the present value of the lease payments. Payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If not use the lessee's incremental borrowing rate.	Lessee shall measure the lease liability by: • increasing the carrying amount to reflect interest on the lease liability; • reducing the carrying amount to reflect the lease payments made.

In terms of IAS 1 Presentation of financial statements (IAS 1) the nature of these identified lease contract are aligned to tangible asset. Therefore, the Right of Use (ROU) assets are presented on the face of the statement of financial position. The depreciation on the ROU asset is presented as part of operating expenses. The lease liabilities are presented as part of the Other liabilities line on the face of the statement of financial position. The interest expense on the leased liability is presented in net interest income.

The group formed an IFRS 16 working group and detailed project plan, identifying key responsibilities and milestones of the project. The estimated impact on the annual financial statements was assessed and the transition balance passed in January 2019. Given the group pays in advance on most of its lease obligations, the transition adjustment was largely a reclassification between Prepaid Rent to Right-of-use assets.

The group has elected to apply IFRS 16, using the modfified retrospective approach, without restating comparative periods, which will continue to be presented in terms of IAS 17, with a transition adjustment as at 1 January 2019.

The single lessee accounting model, which comprises IFRS 16's most material impact for the group, resulted in an increase of approximately N127 million in total assets, N127 million in total liabilities and an increase in interest expenses of approximately N7 million.

3.1 IFRS 16 Leases (continues)

Adoption and transition

The group applied IFRS 16, using the modfified retrospective approach on 1 January 2019 without any adjustment to the group's opening 1 January 2019 reserves and, as permitted by IFRS 16, did not restate its comparative financial results. Accordingly, the group's previously reported financial results up to 31 December 2018 are presented in accordance with the requirements of IAS 17 and for 2019, and future reporting periods, are presented in terms of IFRS 16.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17. These liabilities were measured at the present value of the remaining lease payments, discounted using the group's incremental borrowing rate as of 1 January 2019. The Group's standardised funding transfer pricing rate is the base on which the incremental borrowing rate is calculated.

Right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

Practical expedients applied:

In applying IFRS 16 for the first time, the group used the following practical expedients permitted by the IFRS 16:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- The accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases provided there was no option to extend the term
- The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying IAS 17 and IFRIC 4 in determining whether an Arrangement contains a Lease.

The groups leases activities and how these are accounted for:

The group leases various offices, branch space and ATM space. Rental contracts are typically made for fixed average periods of between 3 - 10 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, all existing operating leases, which were either not less than 12 months or not deemed a low value asset, were recognised as a right-of-use asset and a corresponding lease liability.

Extension and termination options:

Extension and termination options are included in a number of building and branch space leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term when there is reasonable certainty that the option to extend or terminate will be exercised. The assessment of reasonable certainty is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

IFRS 16 key financial impacts

The single lessee accounting model which comprises IFRS 16's most material impact for the group resulted in an increase of N127 million gross up in total assets, N127 million gross up in total liabilities and no impact on reserves.

3.1 IFRS 16 Leases (continues)

Effect of IFRS 16 transition on the consolidated statement of financial position

Statement of financial position line items affected	Group IFRS 16 at 1 January 2019	Previously reported under IAS 17 31 December 2018	IFRS 16 transition adjustment at 1 January 2019	Note
	N'million	N'million	N'million	
Assets				
Other financial and non-financial assets	1,554,214	1,554,214	-	
Other assets	74,450	77,787	(3,337)	(a)
Property and equipment	21,652	21,652	-	
Intangible assets	827	827	-	
Right Of Use Assets	3,456	-	3,456	(b)
Deferred tax assets	9,181	9,181	-	
Total assets	**1,663,780**	**1,663,661**	**119**	
Liabilities				
Other financial and non-financial liabilities	1,256,664	1,256,664	-	
Other liabilities	167,312	167,193	119	(c)
Deferred tax liabilities	137	137	-	
Total liabilities	**1,424,113**	**1,423,994**	**119**	
Equity				
Share capital	5,120	5,120	-	
Share premium	76,030	76,030	-	
Reserves	154,256	154,256	-	
Non-controlling interest	4,261	4,261	-	
Total equity	**239,667**	**239,667**	**-**	
Total equity and liabilities	**1,663,780**	**1,663,661**	**119**	

*Other financial and non-financial assets: Included under this category is Cash and cash equivalent, Trading assets, Derivative assets, Pledged assets, Financial Investments and Loans advances

*Other financial and non-financial liabilities: Included under this category is Deposits, Other borrowings, Debt securities issued, Provisions, Trading liabilities and Derivatives liabilities.

Note

(a) The transition adjustment relating to Other Assets represents amount of prepaid lease previously captured under Other Assets.

(b) Right of Use Assets are the initial measurement of the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease;
initial direct costs incurred; and the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

(c) The transition adjustment relating to Other liabilities represents the Lease liabilities which are initially measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by applying the Group standardised funding rate on commencement of the lease as the rate implicit in the lease is not readily determinable.

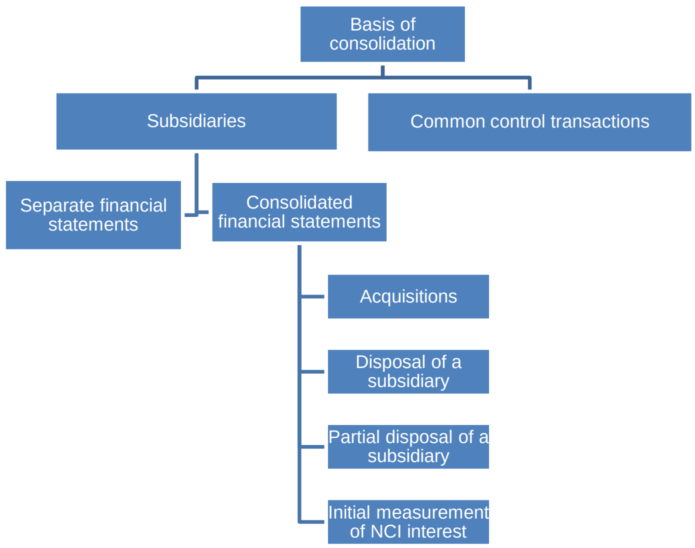
Explanation of any difference between operating lease commitments disclosed as at 31 December 2018 and the 1 January 2019 lease liability

	N'million
Operating lease commitment at 31 December 2018	119
Discounted using the incremental borrowing rate at 1 January 2019	8
Add Finance lease liabilities recognised as at 31 December 2018	-
Less recognition exemptions for leases	
Low-value assets	-
Short term leases	-
Add Extension options reasonable certainty to be exercised	-
Total lease liabilities recognised at 1 January 2019	**127**

4 Statement of significant accounting policies

Except for the changes explained in note 3, the group has consistently applied the following accounting policies to all periods presented in these consolidated and separate interim financial statements.

4.1 Basis of consolidation



Subsidiaries (including mutual funds, in which the group has both an irrevocable asset management agreement and a significant investment)

Separate financial statements

Investments in subsidiaries are accounted for at cost less accumulated impairment losses (where applicable) in the separate financial statements. The carrying amounts of these investments are reviewed annually for impairment indicators and, where an indicator of impairment exists, are impaired to the higher of the investment's fair value less costs to sell and value in use.

Consolidated financial statements

The accounting policies of subsidiaries that are consolidated by the group conform to the group's accounting policies. Intragroup transactions, balances and unrealised gains (losses) are eliminated on consolidation. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. The proportion of comprehensive income and changes in equity allocated to the group and non controlling interests (NCI) are determined on the basis of the group's present ownership interest in the subsidiary.

Acquisitions	Subsidiaries are entities controlled by the group and are consolidated from the date on which the group acquires control up to the date that control is lost. The group controls an entity if it is exposed to, or has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Control is assessed on a continuous basis. For mutual funds the group further assesses its control by considering the existence of either voting rights or significant economic power. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the group. The consideration transferred is measured as the sum of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The consideration includes any asset, liability or equity resulting from a contingent consideration arrangement. The obligation to pay contingent consideration is classified as either a liability or equity based on the terms of the arrangement. The right to a return of previously transferred consideration is classified as an asset. Transaction costs are recognised within profit or loss as and when they are incurred. Where the initial accounting is incomplete by the end of the reporting period in which the business combination occurs (but no later than 12 months since the acquisition date), the group reports provisional amounts.

4 Statement of significant accounting policies (continued)

Acquisitions (continued)	Where applicable, the group adjusts retrospectively the provisional amounts to reflect new information obtained about facts and circumstances that existed at the acquisition date and affected the measurement of the provisional amounts. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any NCI. The excess (shortage) of the sum of the consideration transferred (including contingent consideration), the value of NCI recognised and the acquisition date fair value of any previously held equity interest in the subsidiary over the fair value of identifiable net assets acquired is recorded as goodwill in the statement of financial position (gain on bargain purchase, which is recognised directly in profit or loss).When a business combination occurs in stages, the previously held equity interest is remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss. Increases in the group's interest in a subsidiary, when the group already has control, are accounted for as transactions with equity holders of the group. The difference between the purchase consideration and the group's proportionate share of the subsidiary's additional net asset value acquired is accounted for directly in equity.
Loss of control in a subsidiary	A disposal arises where the group loses control of a subsidiary. When the group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between the fair value of the consideration received (including the fair value of any retained interest in the underlying investee) and the carrying amount of the assets and liabilities and any non-controlling interest. Any gains or losses in OCI that relate to the subsidiary are reclassified to profit or loss at the time of the disposal. On disposal of a subsidiary that includes a foreign operation, the relevant amount in the FCTR is reclassified to profit or loss at the time at which the profit or loss on disposal of the foreign operation is recognised.
Partial disposal of a subsidiary	A partial disposal arises as a result of a reduction in the group's ownership interest in an investee that is not a disposal (i.e. a reduction in the group's interest in a subsidiary whilst retaining control). Decreases in the group's interest in a subsidiary, where the group retains control, are accounted for as transactions with equity holders of the group. Gains or losses on the partial disposal of the group's interest in a subsidiary are computed as the difference between the sales consideration and the group's proportionate share of the investee's net asset value disposed of, and are accounted for directly in equity.
Initial measurement of NCI	The group elects on each acquisition to initially measure NCI on the acquisition date at either fair value or at the NCI's proportionate share of the investees' identifiable net assets.

Common control transactions

Common control transactions, in which the company is the ultimate parent entity both before and after the transaction, are accounted for at book value.

Foreign currency translations

Foreign currency transactions are translated into the respective group entities' functional currencies at exchange rates prevailing at the date of the transactions.
Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period-end exchange rates, are recognised in profit or loss.
Non-monetary assets and liabilities denominated in foreign currencies that are measured at historical cost are translated using the exchange rate at the transaction date, and those measured at fair value are translated at the exchange rate at the date that the fair value was determined. Exchange rate differences on non-monetary items are accounted for based on the classification of the underlying items.

In the case of foreign currency gains and losses on debt instruments classified as FVOCI, a distinction is made between foreign currency differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Foreign currency differences related to changes in the amortised cost are recognised in profit or loss, and other changes in the carrying amount, except impairment, are recognised in equity. For FVOCI equity investments, foreign currency differences are recognised in OCI and cannot be reclassified to profit/loss.

Foreign currency gains and losses on intragroup loans are recognised in profit or loss except where the settlement of the loan is neither planned nor likely to occur in the foreseeable future.

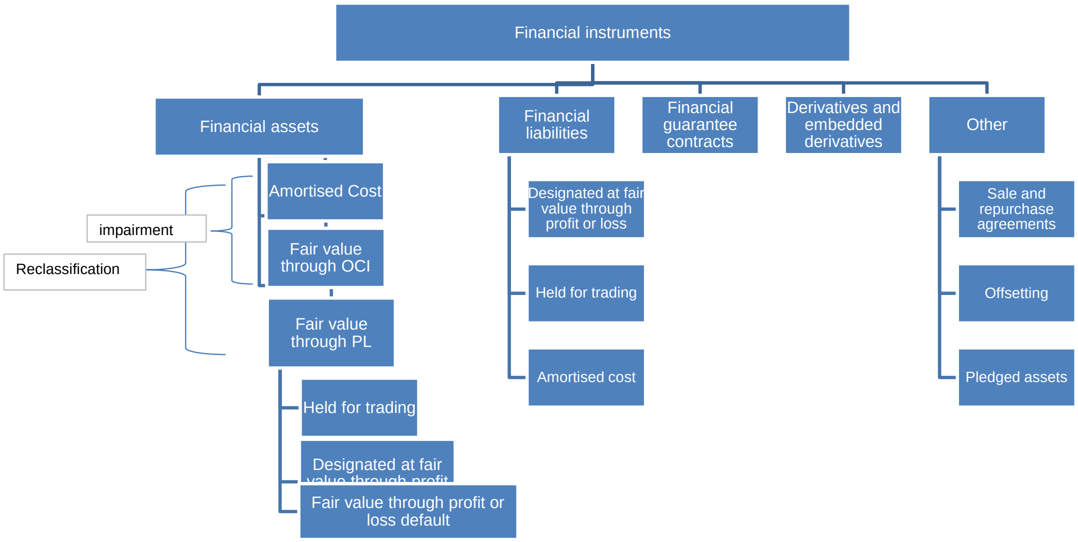
4.2 Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows consist of cash and balances with central banks (excluding cash reserve), and balances with other banks with original maturities of 3 months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair values and are used by management to fulfill short term commitments. Cash and balances with central banks comprise coins and bank notes, balances with central banks and other short term investments.

4 Statement of significant accounting policies (continued)

4.3 Financial instruments

The relevant financial instruments are financial assets classified at amortised cost, fair value through OCI, fair value through P/L and financial liabilities.



Recognition and initial measurement – financial instruments

All financial instruments are measured initially at fair value plus directly attributable transaction costs and fees, except for those financial instruments that are subsequently measured at fair value through profit or loss where such transaction costs and fees are immediately recognised in profit or loss. Financial instruments are recognised (derecognised) on the date the group commits to purchase (sell) the instruments (trade date accounting).

Financial assets

Amortised cost	A debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss): • held within a business model whose objective is to hold the debt instrument (financial asset) in order to collect contractual cash flows; and • The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss – default.
Fair value through OCI	Includes: • A debt instrument that meets both of the following conditions (other than those designated at fair value through profit or loss): — held within a business model in which the debt instrument (financial asset) is managed to both collect contractual cash flows and sell financial assets; and — the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment includes determining the objective of holding the asset and whether the contractual cash flows are consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are not considered de minimis and are inconsistent with a basis lending arrangement, the financial asset is classified as fair value through profit or loss – default. • Equity financial assets which are not held for trading and are irrevocably elected (on an instrument-by-instrument basis) to be presented at fair value through OCI.
Held for trading	Those financial assets acquired principally for the purpose of selling in the near term, those that form 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.
Designated at fair value through profit or loss	Financial assets are designated to be measured at fair value in the following instances: - to eliminate or significantly reduce an accounting mismatch that would otherwise arise - where the financial assets are managed and their performance evaluated and reported on a fair value basis - where the financial asset contains one or more embedded derivatives that significantly modify the financial asset's cash flows.
Fair value through profit or loss default	Financial assets that are not classified into one of the above-mentioned financial asset categories.

4 Statement of significant accounting policies (continued)

Subsequent measurement

Subsequent to initial measurement, financial assets are classified in their respective categories and measured at either amortised cost or fair value as follows:

Amortised cost	Amortised cost using the effective interest method with interest recognised in interest income, less any impairment losses which are recognised as part of credit impairment charges. Directly attributable transaction costs and fees received are capitalised and amortised through interest income as part of the effective interest rate.
Fair value through OCI	Debt instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When a debt financial asset is disposed of, the cumulative fair value adjustments, previously recognised in OCI, are reclassified to the other gains and losses on financial instruments within non-interest revenue. Interest income on debt financial asset is recognised in interest income in terms of the effective interest rate method. Dividends received are recognised in interest income within profit or loss. Equity instrument: Fair value, with gains and losses recognised directly in the fair value through OCI reserve. When equity financial assets are disposed of, the cumulative fair value adjustments in OCI are reclassified within reserves to retained income. Dividends received on equity instruments are recognised in other revenue within non-interest income.
Held for trading	Fair value, with gains and losses arising from changes in fair value) (including interest and dividends) recognised in trading revenue.
Designated at fair value through profit or loss	Fair value gains and losses (including interest and dividends) on the financial asset are recognised in the income statement as part of other gains and losses on financial instruments within non-interest revenue.
Fair value through profit or loss – default	Fair value gains and losses (including interest and dividends) on the financial asset are recognised in the income statement as part of other gains and losses on financial instruments within non-interest revenue.

Impairment

Expected credit losses (ECL) are recognised on debt financial assets classified as at either amortised cost or fair value through OCI, financial guarantee contracts that are not designated at fair value through profit or loss as well as loan commitments that are neither measured at fair value through profit or loss nor are used to provide a loan at a below market interest rate.

The measurement basis of the ECL of a financial asset includes assessing whether there has been a significant increase in credit risk (SICR) at the reporting date which includes forward-looking information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The measurement basis of the ECL, which is set out in the table that follows, is measured as the unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and forward looking information.

Stage 1	A 12-month ECL is calculated for financial assets which are neither credit-impaired on origination nor for which there has been a SICR.
Stage 2	A lifetime ECL allowance is calculated for financial assets that are assessed to have displayed a SICR since origination and are not considered low credit risk.
Stage 3	A lifetime ECL is calculated for financial assets that are assessed to be credit impaired. The following criteria are used in determining whether the financial asset is impaired: • default • significant financial difficulty of borrower and/or modification • probability of bankruptcy or financial reorganisation • disappearance of an active market due to financial difficulties.

4 Statement of significant accounting policies (continued)

The key components of the impairment methodology are described as follows:

Significant increase in credit risk (SICR)	At each reporting date the group assesses whether the credit risk of its exposures has increased significantly since initial recognition by considering the change in the risk of default occurring over the expected life of the financial asset. Credit risk of exposures which are overdue for more than 30 days are also considered to have increased significantly.
Low credit risk	Exposures are generally considered to have a low credit risk where there is a low risk of default, the exposure has a strong capacity to meet its contractual cash flow obligations and adverse changes in economic and business conditions may not necessarily reduce the exposure's ability to fulfil its contractual obligations.
Default	The group's definition of default has been aligned to its internal credit risk management definitions and approaches. A financial asset is considered to be in default when there is objective evidence of impairment. The following criteria are used in determining whether there is objective evidence of impairment for financial assets or groups of financial assets: • significant financial difficulty of borrower and/or modification (i.e. known cash flow difficulties experienced by the borrower) • a breach of contract, such as default or delinquency in interest and/or principal payments • disappearance of active market due to financial difficulties • it becomes probable that the borrower will enter bankruptcy or other financial reorganisation • where the group, for economic or legal reasons relating to the borrower's financial difficulty, grants the borrower a concession that the group would not otherwise consider. Exposures which are overdue for more than 90 days are also considered to be in default.
Forward-looking information	Forward looking information is incorporated into the group's impairment methodology calculations and in the group's assessment of SICR. The group includes all forward looking information which is reasonable and available without undue cost or effort. The information will typically include expected macro-economic conditions and factors that are expected to impact portfolios or individual counterparty exposures.
Write-off	Financial assets are written off when there is no reasonable expectation of recovery. Financial assets which are written off may still be subject to enforcement activities.

ECLs are recognised within the statement of financial position as follows:

Financial assets measured at amortised cost (including loan commitments)	Recognised as a deduction from the gross carrying amount of the asset (group of assets). Where the impairment allowance exceeds the gross carrying amount of the asset (group of assets), the excess is recognised as a provision within other liabilities.
Off-balance sheet exposures (excluding loan commitments)	Recognised as a provision within provisions.
Financial assets measured at fair value through OCI	Recognised in the fair value reserve within equity. The carrying value of the financial asset is recognised in the statement of financial position at fair value.

Reclassification

Reclassifications of financial assets are permitted only in the following instances:

Reclassifications of debt financial assets are permitted when, and only when, the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified. Reclassifications are accounted for prospectively from the date of reclassification as follows:
• Financial assets that are reclassified from amortised cost to fair value through profit or loss are measured at fair value at the date of reclassification with any difference in measurement basis being recognised in other gains and losses in the profit or loss amount.
• The fair value of a financial asset that is reclassified from fair value to amortised cost becomes the financial asset's new carrying value and calculate effective interest rate on the new carrying amount.
• Financial assets that are reclassified from amortised cost to fair value through OCI are measured at fair value at the date of reclassification with any difference in measurement basis being recognised in OCI
• The fair value of a financial asset that is reclassified from fair value through OCI to amortised cost becomes the financial asset's new carrying value with the cumulative fair value adjustment recognised in OCI being recognised against the new carrying value.
• The carrying value of financial assets that are reclassified from fair value through profit or loss to fair value through OCI remains at fair value and calculate effective interest rate on the new carrying amount.
• The carrying value of financial assets that are reclassified from fair value through OCI to fair value through profit or loss remains at fair value, with the cumulative fair value adjustment in OCI being recognised in the income statement at the date of reclassification.

4 Statement of significant accounting policies (continued)

Financial liabilities

Nature

Held for trading	Those financial liabilities incurred principally for the purpose of re-purchasing in the near term, those that form 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.
Designated at fair value through profit or loss	Financial liabilities are designated to be measured at fair value in the following instances: - to eliminate or significantly reduce an accounting mismatch that would otherwise arise - where the financial liabilities are managed and their performance evaluated and reported on a fair value basis - where the financial liability contains one or more embedded derivatives that significantly modify the financial asset's cash flows.
At amortised cost	All other financial liabilities not included the above categories.

Subsequent measurement

Subsequent to initial measurement, financial liabilities are classified in their respective categories and measured at either amortised cost or fair value as follows:

Held for trading	Fair value, with gains and losses arising from changes in fair value) (including interest and dividends) recognised in trading revenue.
Designated at fair value through profit or loss	Fair value, with gains and losses arising from changes in fair value (including interest and dividends) recognised in interest expense.
At amortised cost	Amortised cost using the effective interest method with interest recognised in interest expense.

Derecognition of financial assets and liabilities

Financial assets and liabilities are derecognised in the following instances:

Financial assets	Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired, or where the group has transferred its contractual rights to receive cash flows on the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability. The group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or a portion of the risks or rewards of the transferred assets. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with the retention of all or substantially all risks and rewards include securities lending and repurchase agreements. In transfers where control over the asset is retained, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. Any cummulative gain/loss recognised in OCI in respect of equity investment securities designated at FVOCI is not recognised in profit or loss on derecognition of such securities.
Financial liabilities	Financial liabilities are derecognised when the obligation of the financial liabilities are extinguished, that is, when the obligation is discharged, cancelled or expires.

Modification of financial assets and liabilities

Where an existing financial asset or liability is replaced by another with the same counterparty on substantially different terms, or the terms of an existing financial asset or liability are substantially modified, such an exchange or modification is treated as a derecognition of the original asset or liability and the recognition of a new asset or liability at fair value and recalculates a new effective interest rate, with the difference in the respective carrying amounts being recognised in other gains and losses on financial instruments within non-interest revenue. The date of recognition of a new asset is consequently considered to be the date of initial recognition for impairment calculation purposes.

If the terms are not substantially different for financial assets or financial liabilities, the group recalculates the new gross carrying amount by discounting the modified cash flows of the financial asset or financial liability using the original effective interest rate. The difference between the new carrying gross carrying amount and the original gross carrying amount is recognised as a modification gain or loss within credit impairments (for distressed financial asset modifications) or gains and losses on financial instruments within non-interest revenue (for all other modifications).

4 Statement of significant accounting policies (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the group (issuer) 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 original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at fair value, which is generally equal to the premium received, and then amortised over the life of the financial guarantee. Financial guarantee contracts are subsequently measured at the higher of the:

- the ECL calculated for the financial guarantee; and
- unamortised premium.

Derivatives and embedded derivatives

A derivative is a financial instrument whose fair value changes in response to an underlying variable, requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors and is settled at a future date. Derivatives are initially recognised at fair value on the date on which the derivatives are entered into and subsequently remeasured at fair value.

All derivative instruments are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative, subject to offsetting principles as described under the heading “Offsetting” below.

All gains and losses from changes in the fair values of derivatives are recognised immediately in profit or loss as trading revenue.

Other

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 investments or trading assets to pledged assets, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms. Initial recognition of pledged assets is at fair value, whilst subsequently measured at amortized cost or fair value as approriate. These transactions are performed in accordance with the usual terms of securities lending and borrowing.

Sale and repurchase agreements

Securities sold subject to linked repurchase agreements (repurchase agreements) are reclassified in the statement of financial position as pledged assets when the transferee has the right by contract or custom to sell or repledge the collateral. The liability to the counterparty is included under deposit and current accounts or trading liabilities, as appropriate.

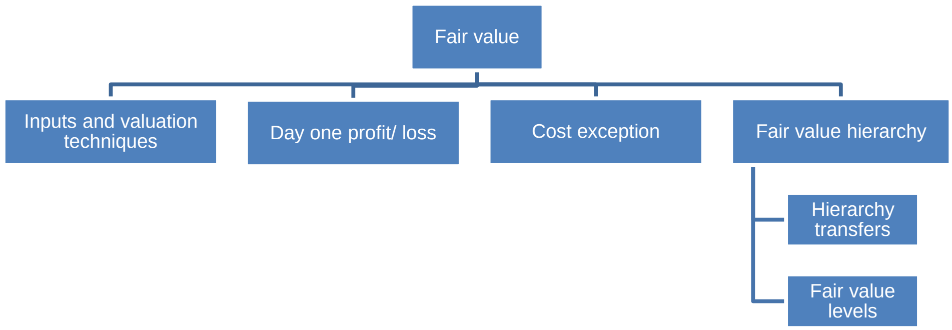
Securities purchased under agreements to resell (reverse repurchase agreements), at either a fixed price or the purchase price plus a lender’s rate of return, are recorded as loans and included under trading assets or loans and advances, as appropriate. For repurchase and reverse repurchase agreements measured at amortised cost, the difference between the purchase and sales price is treated as interest and amortised over the expected life using the effective interest rate method.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis, or to realise the asset and settle the liability simultaneously.

4 Statement of significant accounting policies (continued)

4.4 Fair value



In terms of IFRS, the group is either required to or elects to measure a number of its financial assets and financial liabilities at fair value. Regardless of the measurement basis, the fair value is required to be disclosed, with some exceptions, for all financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market between market participants at the measurement date under current market conditions. Fair value is a market based measurement and uses the assumptions that market participants would use when pricing an asset or liability under current market conditions. When determining fair value it is presumed that the entity is a going concern and is not an amount that represents a forced transaction, involuntary liquidation or a distressed sale. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date.

Inputs and valuation techniques

Fair value is measured based on quoted market prices or dealer price quotations for identical assets and liabilities that are traded in active markets, which can be accessed at the measurement date, and where those quoted prices represent fair value. If the market for an asset or liability is not active or the instrument is not quoted in an active market, the fair value is determined using other applicable valuation techniques that maximise the use of relevant observable inputs and minimises the use of unobservable inputs. These include the use of recent arm's length transactions, discounted cash flow analyses, pricing models and other valuation techniques commonly used by market participants.

Fair value measurements are categorised into level 1, 2 or 3 within the fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement.
Where discounted cash flow analyses are used, estimated future cash flows are based on management's best estimates and a market related discount rate at the reporting date for an asset or liability with similar terms and conditions.
If an asset or a liability measured at fair value has both a bid and an ask price, the price within the bid-ask spread that is most representative of fair value is used to measure fair value.

The group's valuation control framework governs internal control standards, methodologies, and procedures over its valuation processes, which include the following valuation techniques and main inputs and assumptions per type of instrument:

Item	Description	Valuation technique	Main inputs and assumptions (Level 2 and 3 fair value hierarchy items)
Derivative financial instruments	Derivative financial instruments comprise foreign exchange, and interest rate.	Standard derivative contracts are valued using market accepted models and quoted parameter inputs. More complex derivative contracts are modelled using more sophisticated modelling techniques applicable to the instrument. Techniques include: • Discounted cash flow model • Black-Scholes model	• Discount rate* • Spot prices of the underlying assets • Correlation factors • Volatilities • Dividend yields • Earnings yield • Valuation multiples
Trading assets and Trading liabilities	Trading assets and liabilities comprise instruments which are part of the group's underlying trading activities. These instruments primarily include sovereign and corporate debt, and collateral.	Where there are no recent market transactions in the specific instrument, fair value is derived from the last available market price adjusted for changes in risks and information since that date.	

4 Statement of significant accounting policies (continued)

Item	Description	Valuation technique	Main inputs and assumptions (Level 2 and 3 fair value hierarchy items)
Pledged assets	Pledged assets comprise instruments that may be sold or repledged by the group's counterparty in the absence of default by the group. Pledged assets include sovereign debt (government treasury bills and bonds) pledged in terms of repurchase agreements.	Where a proxy instrument is quoted in an active market, the fair value is determined by adjusting the proxy fair value for differences between the proxy instrument and the financial investment being fair valued. Where proxies are not available, the fair value is estimated using more complex modelling techniques. These techniques include discounted cash flow and Black-Scholes models using current market rates for credit, interest, liquidity, volatility and other risks. Combination techniques are used to value unlisted equity securities and include inputs such as earnings and dividend yields of the underlying entity.	• Discount rate* • Spot prices of the underlying • Correlation factors • Volatilities • Dividend yields • Earnings yield • Valuation multiples
Financial investments	Financial investments are non-trading financial assets and primarily comprise of sovereign and corporate debt, unlisted equity instruments, investments in mutual fund investments and unit-linked investments.		
Loans and advances to banks and customers	Loans and advances comprise: • Loans and advances to banks: call loans, loans granted under resale agreements and balances held with other banks. • Loans and advances to customers: mortgage loans (home loans and commercial mortgages), other asset-based loans, including collateralised debt obligations (instalment sale and finance leases), and other secured and unsecured loans (card debtors, overdrafts, other demand lending, term lending and loans granted under resale agreements).	For certain loans, fair value may be determined from the market price of a recently occurring transaction adjusted for changes in risks and information between the transaction and valuation dates. Loans and advances are reviewed for observed and verified changes in credit risk and the credit spread is adjusted at subsequent dates if there has been an observable change in credit risk relating to a particular loan or advance. In the absence of an observable market for these instruments, discounted cash flow models are used to determine fair value. Discounted cash flow models incorporate parameter inputs for interest rate risk, foreign exchange risk, liquidity and credit risk, as appropriate. For credit risk, probability of default and loss given default parameters are determined using the relevant terms of the loan and loan counterparty such as the industry classification and subordination of the loan.	• Discount rate. • Probability of default. • Loss given default.
Deposits from bank and customers	Deposits from banks and customers comprise amounts owed to banks and customers, deposits under repurchase agreements, negotiable certificates of deposit, credit-linked deposits and other deposits.	For certain deposits, fair value may be determined from the market price on a recently occurring transaction adjusted for all changes in risks and information between the transaction and valuation dates. In the absence of an observable market for these instruments discounted cash flow models are used to determine fair value based on the contractual cash flows related to the instrument. The fair value measurement incorporates all market risk factors including a measure of the group's credit risk relevant for that financial liability. The market risk parameters are valued consistently to similar instruments held as assets stated in the section above. For collateralised deposits that are designated to be measured at fair value through profit or loss, such as securities repurchase agreements, the credit enhancement is incorporated into the fair valuation of the liability.	• Discount rate. • Probability of default. • Loss given default.

** Discount rates, where applicable, include the risk-free rate, risk premiums, liquidity spreads, credit risk (own and counterparty as appropriate), timing of settlement, storage/service costs, prepayment and surrender risk assumptions and recovery rates/loss given default.*

4 Statement of significant accounting policies (continued)

Day one profit or loss

For financial instruments, where the fair value of the financial instrument differs from the transaction price, the difference is commonly referred to as day one profit or loss. Day one profit or loss is recognised in profit or loss immediately where the fair value of the financial instrument is either evidenced by comparison with other observable current market transactions in the same instrument, or is determined using valuation models with only observable market data as inputs.

Day one profit or loss is deferred where the fair value of the financial instrument is not able to be evidenced by comparison with other observable current market transactions in the same instrument, or determined using valuation models that utilise non-observable market data as inputs.

The timing of the recognition of deferred day one profit or loss is determined individually depending on the nature of the instrument and availability of market observable inputs. It is either amortised over the life of the transaction, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Any difference between the fair value at initial recognition and the amount that would be determined at that date using a valuation technique in a situation in which the valuation is dependent on unobservable parameters is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed.

Fair value hierarchy

The group's financial instruments that are both carried at fair value and for which fair value is disclosed are categorised by level of fair value hierarchy. The different levels are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement.

Hierarchy levels

The levels have been defined as follows:

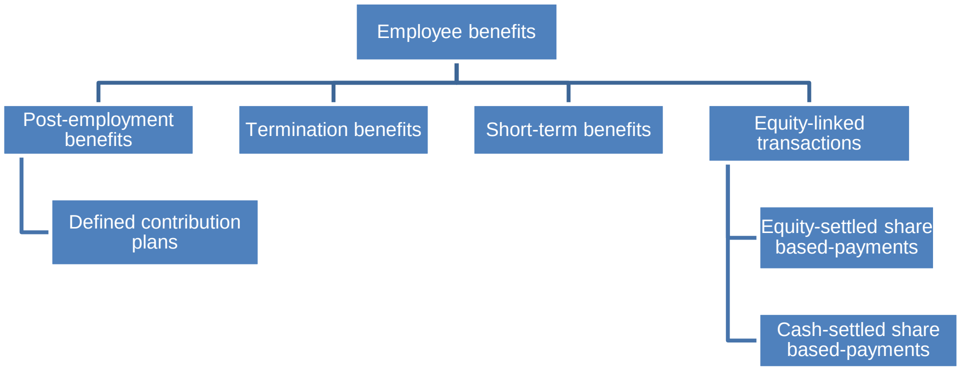
Level 1	Fair value is based on quoted market prices (unadjusted) in active markets for an identical financial asset or liability. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
Level 2	Fair value is determined through valuation techniques based on observable inputs, either directly, such as quoted prices, or indirectly, such as those derived from quoted prices. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
Level 3	Fair value is determined through valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instrument being valued and the similar instrument.

Hierarchy transfer policy

Transfers of financial assets and financial liabilities between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period during which change occurred.

4 Statement of significant accounting policies (continued)

4.5 Employee benefits



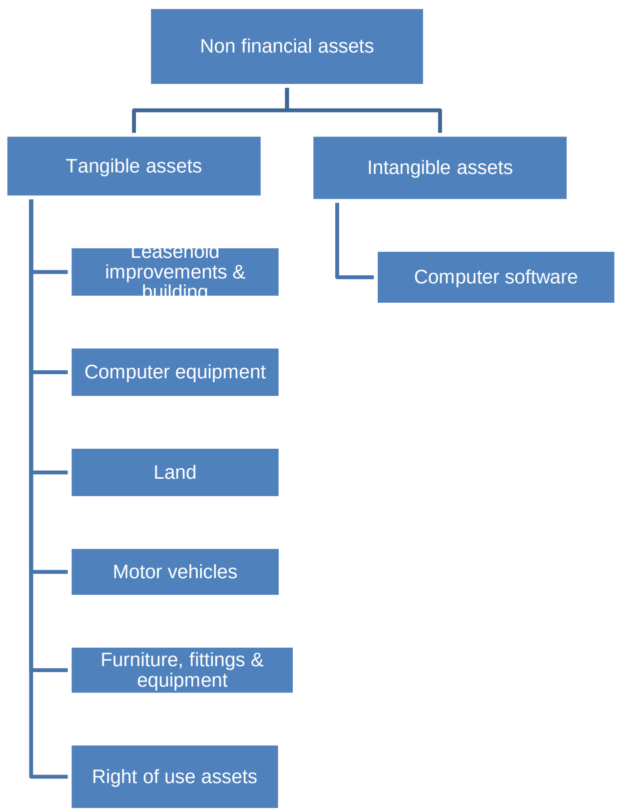
Type	Description	Statement of financial position	Statement of other comprehensive income	Income statement
Defined contribution plans	The group operates a contributory pension plan in line with the Pension Reform Act 2014. Employees and the Bank contribute 8% and 10% respectively of each of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2014.	Liability is recognised for unpaid contributions.	No impact.	Contributions are recognised as an expense in profit or loss in the periods during which services are rendered by employees.
Termination benefits	Termination benefits are recognised when the group is committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy when it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.	A liability is recognised for the termination benefit representing the best estimate of the amount payable.	No impact.	Termination benefits are recognised as an expense if the group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.
Short-term benefits	Short-term benefits consist of salaries, accumulated leave payments, profit share, bonuses and any non-monetary benefits such as medical aid contributions.	A liability is recognised for the amount expected to be paid under short-term cash bonus plans or accumulated leave 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.	No direct impact.	Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

4 Statement of significant accounting policies (continued)

Equity-linked transactions

Equity-settled share based payments	The fair value of the equity-settled share based payments are determined on grant date and accounted for within operating expenses - staff costs over the vesting period with a corresponding increase in the group's share-based payment reserve. Non-market vesting conditions, such as the resignation of employees and retrenchment of staff, are not considered in the valuation but are included in the estimate of the number of options expected to vest. At each reporting date, the estimate of the number of options expected to vest is reassessed and adjusted against profit or loss and equity over the remaining vesting period. On vesting of the equity-settled share based payments, amounts previously credited to the share-based payment reserve are transferred to retained earnings through an equity transfer.
Cash-settled share based payments	Cash-settled share based payments are accounted for as liabilities at fair value until the date of settlement. The liability is recognised over the vesting period and is revalued at every reporting date up to and including the date of settlement. All changes in the fair value of the liability are recognised in operating expenses – staff costs.

4.6 Non-financial assets (Intangible assets, Property and equipment, Right of Use assets)

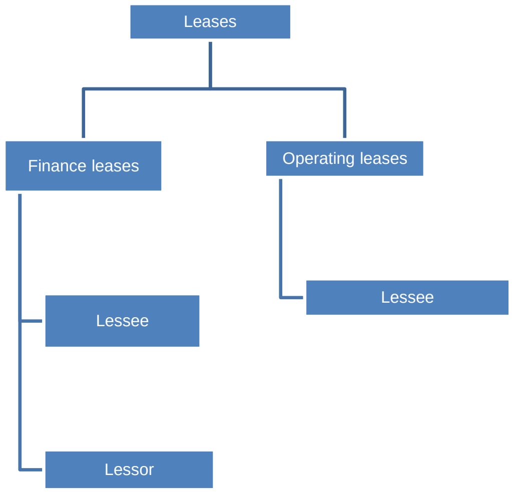


4 Statement of significant accounting policies (continued)

Type	Initial and subsequent measurement	Useful lives, depreciation/ amortisation method or fair value basis	Impairment	Derecognition
Tangible assets	Property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Land is measured at cost less accumulative impairment loss. Land is not depreciated. Costs that are subsequently incurred are included in the asset's related carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the group and the cost of the item can be measured reliably. Expenditure, which does not meet these criteria, is recognised in profit or loss as incurred. Where significant parts of an item of property or equipment have different useful lives, they are accounted for as separate major components of property and equipment.	Property and equipment are depreciated on the straight-line basis over estimated useful lives (see below) of the assets to their residual values. Land and Work-in progress are not depreciated. Land: N/A Buildings: 25 years Computer: 3-5 years Motor vehicles: 4 years Office: 6 years Furniture: 4 years Capitalised leased assets/ branch refurbishments: greater of 6 years or useful life of underlying asset The residual values, useful lives and the depreciation method applied are reviewed, and adjusted if appropriate, at each financial period end.	Intangible assets that have an indefinite useful life are tested annually for impairment and additionally when an indicator of impairment exists. Other non-financial assets are reviewed for impairment at each reporting date and tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is determined as the higher of an asset's fair value less costs to sell and value in use.	The non-financial assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The gain or loss on derecognition is recognised in profit or loss and is determined as the difference between the net disposal proceeds and the carrying amount of the non-financial asset.
Intangible assets/ Computer software	Costs associated with developing or maintaining computer software programmes and the acquisition of software licences are generally recognised as an expense as incurred. However, direct computer software development costs that are clearly associated with an identifiable and unique system, which will be controlled by the group and have a probable future economic benefit beyond one period, are recognised as intangible assets. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses from the date that the assets are available for use. Expenditure subsequently incurred on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.	Amortisation is recognised in profit or loss on a straight-line basis at rates appropriate to the expected lives of the assets (2 to 15 periods) from the date that the asset is available for use. Amortisation methods, useful lives and residual values are reviewed at each financial periodend and adjusted, if necessary.	Fair value less costs to sell is determined by ascertaining the current market value of an asset and deducting any costs related to the realisation of the asset. 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.	
Right of use assets	At cost (initial measurement of the lease liability) plus initial direct costs any lease payments made at or before the commencement date less any lease incentives received and estimate cost of demantling and removing underlying asset. Cost Model: Cost less accumulated depreciated and accumulated impairment. The ROU asset is depreciated over the shorter of the lease term and useful life, except if ownership transfers to the lessee at the end of the lease term or cost reflects that the lessee will exercise a purchase option use useful life of the asset is used in these instances.	**Depreciation on right-of-use assets:** Subsequent to initial measurement, the right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset should this term be shorter than the lease term unless ownership of the underlying asset transfers to the Group at the end of the lease term, whereby the right-of-use assets are depreciated on a straight-line basis over the remaining economic life of the asset. This depreciation is recognised as part of operating expenses.	**Termination of leases:** On derecognition of the right-of-use asset and lease liability, any difference is recognised as a derecognition gain or loss together with termination or cancelation costs in profit or loss. Payments made under these leases, net of any incentives received from the lessor, are recognised in operating expenses on a straight-line basis over the term of the lease. When these leases are terminated before the lease period has expired, any payment required to be made to the lessor by way of a penalty is recognised as operating expenses in the period in which termination takes place.	

4 Statement of significant accounting policies (continued)

4.7 Leases (Before January 1 2019)



Type	Description	Statement of financial position	Income statement
Finance lease - lessee	Leases, where the group assumes substantially all the risks and rewards incidental to ownership, are classified as finance leases.	The leased asset is capitalised at the inception of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments together with an associated liability to the lessor. Lease payments less the interest component, which is calculated using the interest rate implicit in the lease or the group's incremental borrowing rate, are recognised as a capital repayment which reduces the liability to the lessor.	A lease finance cost, determined with reference to the interest rate implicit in the lease or the group's incremental borrowing rate, is recognised within interest expense over the lease period
Finance lease - lessor	Leases, where the group transfers substantially all the risks and rewards incidental to ownership, are classified as finance leases.	Finance lease receivable, including initial direct costs and fees, are primarily accounted for as financing transactions in banking activities, with rentals and instalments receivable, less unearned finance charges, being included in loans and receivables.	Finance charges earned within interest income are computed using the effective interest method, which reflects a constant periodic rate of return on the investment in the finance lease.
Operating lease - lessee	All leases that do not meet the criteria of a financial lease are classified as operating leases.	Accruals for unpaid lease charges, together with a straight-line lease asset or liability, being the difference between actual payments and the straight-line lease expense) are recognised.	Payments made under operating leases, net of any incentives received from the lessor, are recognised in profit or loss on a straight-line basis over the term of the lease.Contingent rentals are expensed as they are incurred. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

4 Statement of significant accounting policies (continued)

Leases (After January 1, 2019)

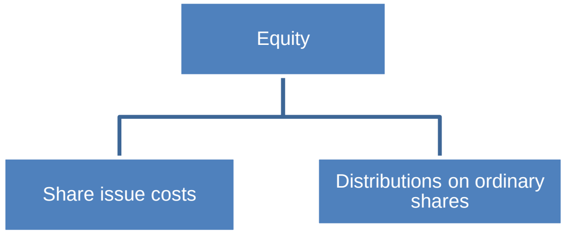
Type	Description	Statement of financial position	Income statement
Single lessee accounting model	All leases are accounted for by recognising a right-of-use asset and a lease liability except for: ● leases of low value assets; and ● leases with a duration of twelve months or less. All leases that meet the criteria as either a lease of a low value asset or a short term lease are accounted for on a straight-line basis over the lease term.	**Lease liabilities:** Initially measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate implicit in the lease unless (as is typically the case for the Group) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. The Group's standardised funding transfer pricing rate is the base on which the incremental borrowing rate is calculated. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. On initial recognition, the carrying value of the lease liability also includes: ● Amounts expected to be payable under any residual value guarantee; ● The exercise price of any purchase option granted in favour of the Group, should it be reasonably certain that this option will be exercised; ● Any penalties payable for terminating the lease, should the term of the lease be estimated on the basis of this termination option being exercised. Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets: Initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for: • lease payments made at or before commencement of the lease; • initial direct costs incurred; and • the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset. The Group applies the cost model subsequent to the initial measurement of the right-of-use assets. Termination of leases: When the Group or lessor terminates or cancels a lease, the right-of-use asset and lease liability are derecognised. Accruals for unpaid lease charges, together with a straight-line lease asset or liability, being the difference between actual payments and the straight-line lease expense are recognised.	**Interest expense on lease liabilities:** A lease finance cost, determined with reference to the interest rate implicit in the lease or the Group's incremental borrowing rate, is recognised within interest expense over the lease period. **Depreciation on right-of-use assets:** Subsequent to initial measurement, the right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset should this term be shorter than the lease term unless ownership of the underlying asset transfers to the Group at the end of the lease term, whereby the right-of-use assets are depreciated on a straight-line basis over the remaining economic life of the asset. This depreciation is recognised as part of operating expenses. **Termination of leases:** On derecognition of the right-of-use asset and lease liability, any difference is recognised as a derecognition gain or loss together with termination or cancelation costs in profit or loss. Payments made under these leases, net of any incentives received from the lessor, are recognised in operating expenses on a straight-line basis over the term of the lease. When these leases are terminated before the lease period has expired, any payment required to be made to the lessor by way of a penalty is recognised as operating expenses in the period in which termination takes place.
Reassessment and modification of leases	**Reassessment of lease terms and lease modifications that are not accounted for as a separate lease:** When the Group reassesses the terms of any lease (i.e. it re-assesses the probability of exercising an extension or termination option) or modifies the terms of a lease without increasing the scope of the lease or where the increased scope is not commensurate with the stand-alone price, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the applicable rate at the date of reassessment or modification. The carrying amount of lease liability is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. For reassessments to the lease terms, an equivalent adjustment is made to the carrying amount of the right-of-use asset, with the revised carrying amount being depreciated over the revised lease term. However, if the carrying amount of the right-of-use asset is reduced to zero any further reduction in the measurement of the lease liability, is recognised in profit or loss.		
Finance leases	Leases, where the Group transfers substantially all the risks and rewards incidental to ownership, are classified as finance leases.	Finance lease receivable, including initial direct costs and fees, are primarily accounted for as financing transactions in banking activities, with rentals and instalments receivable, less unearned finance charges, being included in loans and advances.	Finance charges earned within interest income are computed using the effective interest method, which reflects a constant periodic rate of return on the investment in the finance lease. The tax benefits arising from investment allowances on assets leased to clients are accounted for within direct taxation.
Operating leases	All leases that do not meet the criteria of a finance lease are classified as operating leases.	The asset underlying the lease continues to be recognised and accounted for in terms of the relevant group accounting policies. Accruals for outstanding lease charges, together with a straight-line lease asset or liability, being the difference between actual payments and the straight-line lease income are recognised.	Operating lease income net of any incentives given to lessees, is recognised on the straight-line basis, or a more representative basis where applicable, over the lease term and is recognised in operating income. When an operating lease is terminated before the lease period has expired, any payment received/(paid) by the group by way of a penalty is recognised as income/(expense) in the period in which termination takes place.

IFRS 16 - Lessor lease modifications

Finance leases	When the Group modifies the terms of a lease resulting in an increase in scope and the consideration for the lease increases by an amount commensurate with a stand-alone price for the increase in scope, the Group accounts for these modifications as a separate new lease. All other lease modifications that are not accounted for as a separate lease are accounted for in terms of IFRS 9, unless the classification of the lease would have been accounted for as an operating lease had the modification been in effect at inception of the lease. These lease modifications are accounted for as a separate new lease from the effective date of the modification and the net investment in the lease becomes the carrying amount of the underlying asset.
Operating leases	Modifications are accounted for as a new lease from the effective date of the modification.

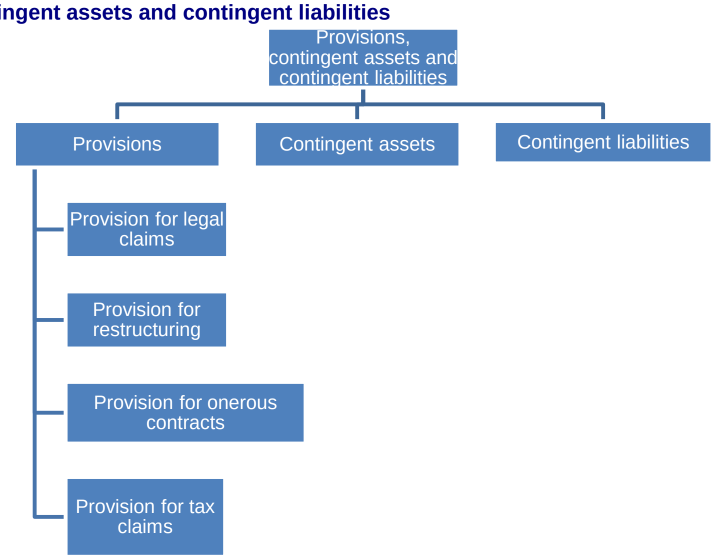
4 Statement of significant accounting policies (continued)

4.8 Equity



Share issue costs	Incremental external costs directly attributable to a transaction that increases or decreases equity are deducted from equity, net of related tax. All other share issue costs are expensed.
Distributions to owners	Distributions are recognised in equity in the period in which they are declared. Distributions declared after the reporting date are disclosed in the distributions note to the financial statements.

4.9 Provisions, contingent assets and contingent liabilities

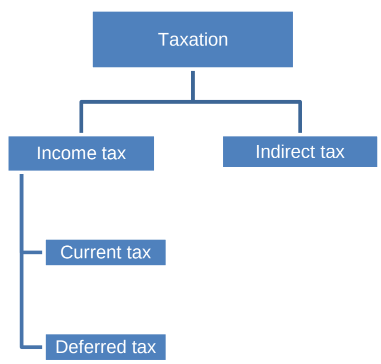


Provisions	Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The group's provisions typically (when applicable) include the following:

4 Statement of significant accounting policies (continued)

Provisions (continued)	**Provisions for legal claims** Provisions for legal claims are recognised on a prudent basis for the estimated cost for all legal claims that have not been settled or reached conclusion at the reporting date. In determining the provision management considers the probability and likely settlement (if any). Reimbursements of expenditure to settle the provision are recognised when and only when it is virtually certain that the reimbursement will be received. **Provision for restructuring** A provision for restructuring is recognised when the group has approved a detailed formal plan, and the restructuring either has commenced or has been announced publicly. Future operating costs or losses are not provided for. **Provision for onerous contracts** A provision for onerous contracts is recognised when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the group recognises any impairment loss on the assets associated with that contract. **Provision for tax claims** Provisions for taxes claims relates to additional assessment on taxes, including withholding tax, value added tax, PAYE tax.
Contingent assets	Contingent assets are not recognised in the interim financial statements but are disclosed when, as a result of past events, it is probable that economic benefits will flow to the group, but this will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the group's control.
Contingent liabilities	Contingent liabilities include certain guarantees (other than financial guarantees) and letters of credit and are not recognised in the interim financial statements but are disclosed in the notes to the interim financial statements.

4.10 Taxation

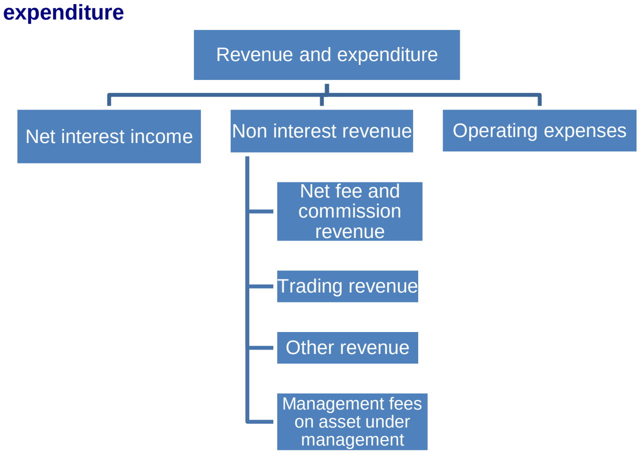


Type	Description, recognition and measurement	Offsetting
Current tax- determined for current period transactions and events	Current tax represents the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous periods. Current tax also includes any tax arising from dividend. Current tax is recognised as an expense for the period and adjustments to past periods except to the extent that current tax related to items that are charged or credited in OCI or directly to equity. Nigerian tax laws mandates a minimum tax assessment for companies having no taxable profits for the period or where the tax on profits is below the minimum tax. Minimum tax is computed as 0.125% of turnover in excess of N500,000 plus the highest of: (i) 0.5% of gross profits; (ii) 0.5% of net assets; (iii) 0.25% of paid-up capital; or (iv) 0.25% of turnover. Further, the Nigerian tax laws mandates that where a dividend is paid out of profit on which no tax is payable due to either: (a) no total profit; or (b) the total profit is less than the amount of dividend paid, the company paying the dividend will be subjected to tax at 30% of the dividends paid, as if the dividend is the total profits of the company for the period of assessment to which the accounts, out of which the dividends paid relates. When applicable, minimum tax is recorded under current income tax in profit or loss.	

4 Statement of significant accounting policies (continued)

Type	Description, recognition and measurement	Offsetting
Deferred tax-determined for future tax consequences	Deferred tax is recognised in profit or loss except to the extent that it relates to a business combination (relating to a measurement period adjustment where the carrying amount of the goodwill is greater than zero), or items recognised directly as part of OCI. Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax is not recognised for the following temporary differences: • the initial recognition of goodwill; • the initial recognition of assets and liabilities in a transaction that is not a business combination, which affects neither accounting nor taxable profits or losses; and • investments in subsidiaries, associates and jointly controlled arrangements (excluding mutual funds) where the group controls the timing of the reversal of temporary differences and it is probable that these differences will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the asset or liability and is not discounted. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the unused tax losses can be utilised. 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.	Current tax assets and liabilities, deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.
Indirect taxation	Indirect taxes are recognised in profit or loss, as part of other operating expenses.	N/A
Dividend tax	Taxes on dividends declared by the group are recognised as part of the dividends paid within equity as dividend tax represents a tax on the shareholder and not the group.	N/A

4.11 Revenue and expenditure



Description	Recognition and measurement
Net interest income	Interest income and expense (with the exception of borrowing costs that are capitalised on qualifying assets, that is assets that necessarily take a substantial period of time to get ready for their intended use or sale and which are not measured at fair value) are recognised in profit or loss using the effective interest method for all interest-bearing financial instruments.

4 Statement of significant accounting policies (continued)

4.11 Revenue and expenditure (continued)

Description	Recognition and measurement
Net interest income	In terms of the effective interest method, interest is recognised at a rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. Direct incremental transaction costs incurred and origination fees received, including loan commitment fees, as a result of bringing margin- yielding assets or liabilities into the statement of financial position, are capitalised to the carrying amount of financial instruments that are not at fair value through profit or loss and amortised as interest income or expense over the life of the asset or liability as part of the effective interest rate. Where the estimates of payments or receipts on financial assets or financial liabilities are subsequently revised, the carrying amount of the financial asset or financial liability is adjusted to reflect actual and revised estimated cash flows. The carrying amount is calculated by computing the present value of the adjusted cash flows at the financial asset or financial liability's original effective interest rate. Any adjustment to the carrying value is recognised in net interest income. When a financial asset is classified as Stage 3 impaired, interest income is calculated on the impaired value (gross carrying value less specific impairment) based on the original effective interest rate. **Interest expense on lease liabilities:** A lease finance cost, determined with reference to the interest rate implicit in the lease or the Group's incremental borrowing rate, is recognised within interest expense over the lease period. Dividends received on preference share investments classified as debt form part of the group's lending activities and are included in interest income.
Net fee and commission revenue	Fee and commission revenue, including transactional fees, account servicing fees, investment management fees, sales commissions and placement fees are recognised as the related services are performed. Loan commitment fees for loans that are not expected to be drawn down are recognised on a straight-line basis over the commitment period. Loan syndication fees, where the group does not participate in the syndication or participates at the same effective interest rate for comparable risk as other participants, are recognised as revenue when the syndication has been completed. Syndication fees that do not meet these criteria are capitalised as origination fees and amortised as interest income. The fair value of issued financial guarantee contracts on initial recognition is amortised as income over the term of the contract. Fee and commission expenses, included in net fee and commission revenue, are mainly transaction and service fees relating to financial instruments, which are expensed as the services are received. Expenditure is recognised as fee and commission expenses where the expenditure is linked to the production of fee and commission revenue.
Trading revenue	Trading revenue comprises all gains and losses from changes in the fair value of trading assets and liabilities, together with related interest income, expense and dividends.
Other revenue	Other revenue includes dividends on equity financial assets, underwriting profit from the group's short-term insurance operations and related insurance activities and re- measurement gains and losses from contingent consideration on disposals and purchases. Gains and losses on equity instruments designated at fair value through profit or loss are recognised within other revenue. Gains and losses on equity instruments classified as available-for-sale financial assets are reclassified from OCI to other revenue on derecognition or impairment.
Dividend income	Dividends are recognised in profit or loss when the right to receipt is established. Scrip dividends are recognised as dividends received where the dividend declaration allows for a cash alternative.
Management fees on assets under management	Fee income includes management fees on assets under management and administration fees. Management fees on assets under management are recognised over the period for which the services are rendered, in accordance with the substance of the relevant agreements.
Operating expenses	Expenses are recognized on an accrual bases regardless of the time of cash outflows. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming periods. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statements as assets.

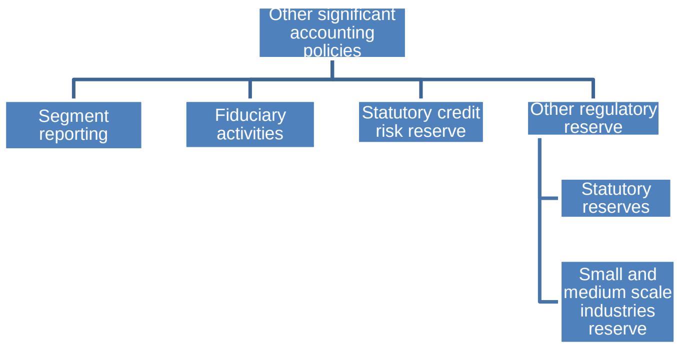
4 Statement of significant accounting policies (continued)

Interest in suspense (IIS) (refers to contractual interest which accrues on financial assets which are classified as non-performing) is presented as follows:

IFRS 9 accounting treatment

IFRS 9 requires that interest for financial assets classified as stage 3 (i.e. in default) only be calculated on the gross carrying amount less impairments (i.e. amortised cost balance). The group has applied this requirement by suspending all contractual interest on such financial assets and recognising interest on the amortised cost balance utilising the financial assets' effective interest rate. IFRS 9 requires that the suspended contractual interest be recognised as part of the financial assets' gross carrying amount and be deducted as part of the reconciliation to the net carrying amount which is reported in the balance sheet. Whilst the IIS is recognised in the gross carrying amount it does not impact the net carrying amount of the financial asset as presented on the face of the statement of financial position. Given the IFRS 9 requirement that the gross carrying amount would include the contractual suspended interest on financial assets classified as stage 3, the group will, report the balance sheet interest in suspense account as part of stage 3 impairment when calculating the financial assets' net carrying amount. The group has elected to continue to present upon the curing of the non-performing financial asset, this suspended contractual interest (previously unrecognised interest) within credit impairment line in the income statement.

4.12 Other significant accounting policies



Segment reporting	An operating segment is a component of the group engaged in business activities, whose operating results are reviewed regularly by management in order to make decisions about resources to be allocated to segments and assessing segment performance. The group's identification of segments and the measurement of segment results is based on the group's internal reporting to management. Transactions between segments are priced at market-related rates.
Fiduciary activities	The group commonly engages in trust or other fiduciary activities that result in the holding or placing of assets on behalf of individuals, trusts, post-employment benefit plans and other institutions. These assets and the income arising directly thereon are excluded from these annual financial statements as they are not assets of the group. However, fee income earned and fee expenses incurred by the group relating to the group's responsibilities from fiduciary activities are recognised in profit or loss.
Statutory credit risk reserve	The statutory credit risk reserve represents a reserve component created when credit impairment on loans and advances as accounted for under IFRS using the expected loss model differ from the Prudential Guidelines set by the Central Bank of Nigeria.
Statutory reserve	Nigerian banking and pension industry regulations require the banking and pension subsidiaries to make an annual appropriation to a statutory reserve. For the banking subsidiary, 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. The pension subsidiary is required to transfer 12.5% of its profit after tax to a statutory reserve. Statutory reserve is not available for distribution to shareholders. See note 20.4 (b)(i).

4 Statement of significant accounting policies (continued)

4.13 Non-current assets held for sale and disposal groups

Type	Description	Statement of financial position	Income statement
Non-current assets/disposal groups that are held for sale	Comprising assets and liabilities that are expected to be recovered primarily through sale rather than continuing use (including regular purchases and sales in the ordinary course of business).	Immediately before classification, the assets (or components of a disposal group) are remeasured in accordance with the group's accounting policies and tested for impairment. Thereafter, the assets are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities (or components of a disposal group) are presented separately in the statement of financial position.	Impairment losses on initial classification as well as subsequent gains and losses on remeasurement of these assets or disposal groups are recognised in profit or loss. Property and equipment and intangible assets are not depreciated or amortised.

4 Statement of significant accounting policies

4.14 New standards and interpretations not yet effective

Pronouncement	
Title	**IFRS 17 Insurance Contracts** This standard replaces the existing accounting standard IFRS 4 Insurance Contracts which gave entities dispensation to account for insurance contracts (particularly measurement) using local actuarial practice, resulting in a multitude of different approaches. The overall objective of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts among entities issuing insurance contracts globally. The standard requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. A general measurement model (GMM) will be applied to long-term insurance contracts, and is based on a fulfilment objective (risk-adjusted present value of best estimate future cash flows) and uses current estimates, informed by actual trends and investment markets. IFRS 17 establishes what is called a contractual service margin (CSM) in the initial measurement of the liability which represents the unearned profit on the contract and results in no gain on initial recognition. The CSM is released over the life of the contract, but interest on the CSM is locked in at inception rates. The CSM will be utilised as a “shock absorber” in the event of changes to best estimate cash flows. On loss making (onerous) contracts, no CSM is set up and the full loss is recognised at the point of contract inception. The GMM is modified for contracts which have participation features. An optional simplified premium allocation approach (PAA) is available for all contracts that are less than 12 months at inception. The PAA is similar to the current unearned premium reserve profile over time. The requirement to eliminate all treasury shares has been amended such that treasury shares held as underlying items for a group of direct participating contracts or investment funds are not required to be eliminated and can be accounted for as financial assets. These requirement will provide transparent reporting about an entities’ financial position and risk and will provide metrics that can be used to evaluate the performance of insurers and how that performance changes over time. An entity may re-assess its classification and designation of financial instruments under IFRS 9, on adoption of IFRS 17. The standard will be applied retrospectively. The impact on the financial statements has not yet been fully determined.
Effective date	1 January 2021 earlier application permitted
Title	**Amendments to IAS 39, IFRS 9 and IFRS 7 (Interest Rate Benchmark Reform)** This amendment seek to address uncertainties related to the market-wide reform of interbank offered rates (IBOR reform). The amendments provide targeted relief for financial instruments qualifying for hedge accounting under IAS 39 or IFRS 9. They are effective for annual periods beginning on or after 1 January 2020 . The impact on the annual financial statements not expected to be significant.
Effective date	1 January 2020 earlier application permitted
Title	**Amendments to IFRS 3 (Definition of Business)** This amendment provides more guidance on the definition of a business. The amendments will be applied retrospectively. The amendment is not expected to have a significant impact on the annual financial statements.
Effective date	1 January 2020 earlier application permitted
Title	**Amendments to IAS 1 and IAS 8 (Definition of Material)** This amendment provides more guidance on the definition of a materiality. The purpose of the amendment is to end the ‘checklist’ mentality by encouraging companies to use greater judgement. The amendments will be applied retrospectively. The amendment is not expected to have a significant impact on the annual financial statements.
Effective date	1 January 2020 earlier application permitted

5 Segment reporting

The group is organised on the basis of products and services, and the segments have been identified on this basis. The principal business units in the group are as follows:

Business unit	
Personal & Business Banking	Banking and other financial services to individual customers and small-to-medium-sized enterprises. Mortgage lending – Provides residential accommodation loans to mainly personal market customers. Instalment sale and finance leases – Provides instalments finance to personal market customers and finance of vehicles and equipment in the business market. Card products – Provides credit and debit card facilities for individuals and businesses. Transactional and lending products – Transactions in products associated with the various points of contact channels such as ATMs, internet, telephone banking and branches. This includes deposit taking activities, electronic banking, cheque accounts and other lending products coupled with debit card facilities to both personal and business market customers.
Corporate & Investment Banking	Corporate and investment banking services to larger corporates, financial institutions and international counterparties. Global markets – Includes foreign exchange, fixed income, interest rates, and equity trading. Transactional and lending products – Includes corporate lending and transactional banking businesses, custodial services, trade finance business and property-related lending. Investment banking – Include project finance, structured finance, equity investments, advisory, corporate lending, primary market acquisition, leverage finance and structured trade finance.
Wealth	The wealth group is made up of the company's subsidiaries, whose activities involve investment management, pension management, portfolio management, unit trust/funds management, and trusteeship.

An operating segment is a component of the group engaged in business activities from which it can earn revenues, whose operating results are regularly reviewed by the group's executive management in order to make decisions about resources to be allocated to segments and assessing segment performance. The group’s identification of segments and the measurement of segment results is based on the group’s internal reporting to management. Segment results include customer-facing activities and support functions.

5 Segment reporting

Operating segments

	Personal & Business Banking		Corporate & Investment Banking		Wealth		Eliminations		Group	
	31 Dec. 2019 N million	31 Dec. 2018 N million	31 Dec. 2019 N million	31 Dec. 2018 N million	31 Dec. 2019 N million	31 Dec. 2018 N million	31 Dec. 2019 N million	31 Dec. 2018 N million	31 Dec. 2019 N million	31 Dec. 2018 N million
Net interest income	**36,071**	32,176	**35,247**	40,952	**6,513**	5,081	**-**	-	**77,831**	78,209
Non-interest revenue	**16,254**	16,720	**53,094**	48,422	**43,992**	42,284	**(4,557)**	(4,822)	**108,783**	102,604
Total income	**52,325**	48,896	**88,341**	89,374	**50,505**	47,365	**(4,557)**	(4,822)	**186,614**	180,813
Credit impairment charges	**(2,191)**	(618)	**535**	3,594	**24**	(36)		-	**(1,632)**	2,940
Income after credit impairment charges	**50,134**	48,278	**88,876**	92,968	**50,529**	47,329	**(4,557)**	(4,822)	**184,982**	183,753
Operating expenses in banking activities	**(47,669)**	(47,435)	**(33,254)**	(37,963)	**(17,699)**	(15,025)	**4,557**	4,822	**(94,065)**	(95,601)
Staff costs	**(23,702)**	(24,831)	**(9,507)**	(11,097)	**(7,409)**	(7,099)	**-**	-	**(40,618)**	(43,027)
Other operating expenses	**(23,967)**	(22,604)	**(23,747)**	(26,866)	**(10,290)**	(7,926)	**4,557**	4,822	**(53,447)**	(52,574)
Profit before direct taxation	**2,465**	843	**55,622**	55,005	**32,830**	32,304	**-**	-	**90,917**	88,152
Direct taxation	**(197)**	(262)	**(5,874)**	(3,787)	**(9,819)**	(9,663)	**-**	-	**(15,890)**	(13,712)
Profit for the period	**2,268**	581	**49,748**	51,218	**23,011**	22,641	**-**	-	**75,027**	74,440

		Group		Company	
		31 Dec. 2019 N'million	31 Dec. 2018 N'million	**31 Dec. 2019 N'million**	31 Dec. 2018 N'million
6	**Cash and cash equivalents**				
	Coins and bank notes	**26,660**	102,334	**-**	-
	Balances with central bank	**317,354**	230,679	**-**	-
	Current balances with banks within Nigeria	**9,845**	4,108	**36,240**	15,533
	Current balances with banks outside Nigeria	**102,537**	118,652	**-**	-
		456,396	455,773	**36,240**	15,533

Balances with central bank include cash reserve of N237,572 million (Dec. 2018: N207,755 million) and special intervention fund of N20,817 million (Dec. 2018: N20,817) that are not available for use by the group on a day to day basis. These restricted cash balances are held with Central Bank of Nigeria (CBN).

		Group		Company	
		31 Dec. 2019 N million	31 Dec. 2018 N million	**31 Dec. 2019 N million**	31 Dec. 2018 N million
7	**Pledged assets**				
7.1	**Pledged assets**				
	Financial assets that may be repledged or resold by counterparties				
	Treasury bills - Trading	**64,650**	106,524	**-**	-
	Treasury bills - FVOCI	**167,322**	36,019	**-**	-
		231,972	**142,543**	**-**	**-**

The growth in pledged assets relates to additional T-bill pledged on the back of $150m repo transaction with SBSA to fund CBN forward transaction and other various clients for the period.

8 Trading assets and trading liabilities

Trading assets and trading liabilities mainly relates to client-facilitating activities carried out by the Global Markets business. These instruments are managed on a combined basis and should therefore be assessed on a total portfolio basis and not as stand-alone assets and liability classes.

	Group		Company	
	31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
	N million	N million	**N million**	N million
8.1 Trading assets				
Classification				
Listed	**245,314**	81,826	**-**	-
Unlisted	**3,595**	2,525	**-**	-
	248,909	84,351	**-**	-
Comprising:				
Government bonds	**14,448**	1,390	**-**	-
Treasury bills	**230,866**	80,436	**-**	-
Placements	**3,595**	2,525	**-**	-
	248,909	84,351	**-**	-

Increase in trading assets was driven by additional long positions in treasury bills.

	Group		Company	
	31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
	N million	N million	**N million**	N million
8.2 Trading liabilities				
Classification				
Listed	**55,343**	116,712	**-**	-
Unlisted	**194,860**	8,972	**-**	-
	250,203	125,684	**-**	-
Comprising:				
Government bonds (short positions)	**7,899**	934	**-**	-
Repurchase agreements	**75,612**	79,928	**-**	-
Deposits	**119,248**	8,972	**-**	-
Treasury bills (short positions)	**47,444**	35,850	**-**	**-**
	250,203	125,684	**-**	-

Growth in trading liabilities relates to repurchase agreement

9	Derivative assets and liabilities	Group		Company	
		31 Dec. 2019 N'million	31 Dec. 2018 N'million	**31 Dec. 2019 N'million**	31 Dec. 2018 N'million
9.1	**Derivative assets**				
	Foreign exchange derivatives	**11,207**	5,170	**-**	-
	Forwards	**11,207**	5,170	**-**	-
	Options	**-**	-	**-**	-
	Interest rate derivatives	**21,664**	25,116	**-**	-
	Forwards	**-**	-	**-**	-
	Swaps	**21,664**	25,116	**-**	-
	Total derivative assets	**32,871**	30,286	**-**	-

Growth in derivative assets was driven by increase in volume of transactions during the period.

9.2	**Derivative liabilities**				
	Foreign exchange derivatives	**4,335**	4,118	**-**	-
	Forwards	**4,335**	4,118	**-**	-
	Options	**-**	-	**-**	-
	Interest rate derivatives	**8**	34	**-**	-
	Forwards	**-**	-	**-**	-
	Swaps	**8**	34	**-**	-
	Total derivative liabilities	**4,343**	4,152	**-**	-

		Group		Company	
		31 Dec. 2019 N million	31 Dec. 2018 N million	**31 Dec. 2019 N million**	31 Dec. 2018 N million
10	**Financial investments**				
		155,382	400,067	**1,981**	1,796
	Short - term negotiable securities	**96,231**	376,917	**-**	-
	Listed	**96,231**	376,917	-	-
	Unlisted	**-**	-	-	-
	Other financial investments	**59,151**	23,150	**1,981**	**1,796**
	Listed	**56,460**	13,320	1,981	1,796
	Unlisted	**2,691**	9,830	-	-
	Gross financial investments	**155,382**	400,067	**1,981**	**1,796**
	Expected credit loss on financial investment				
	12-month ECL	**(52)**	(67)	**-**	-
	Lifetime ECL not credit-impaired	**-**	-	**-**	-
	Lifetime ECL credit-impaired	**-**	-	**-**	-
	Total expected credit loss on financial investment	**(52)**	(67)	**-**	-
	Net financial investments	**155,330**	400,000	**1,981**	1,796

Included in financial investment is N1.25bn (Dec 2018 N1.25bn) investment in mutual fund for Unclaimed dividend (see note) while the decrease in financial investments relates to treasury bills maturities during the year.

10.1	**Comprising:**				
	Government bonds	**4,917**	2,290	**-**	-
	Treasury bills	**89,759**	376,917	**-**	-
	Corporate bonds	**15,900**	6,735	**-**	-
	Unlisted equities	**2,685**	2,815	**-**	-
	Mutual funds and unit-linked investments	**34,973**	11,030	**1,981**	1,796
	Listed equities	**670**			
	Promissory notes	**1,532**	-	**-**	**-**
	Commerical papers	**4,940**	280	**-**	**-**
	Deposit	**6**	11,030	**1,981**	1,796
		155,382	400,067	**1,981**	1,796

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
11	**Loans and advances**				
	Loans and advances net of impairments				
11.1	**Loans and advances to banks**	**3,046**	8,548	**-**	-
	Placements with banks	**3,049**	8,605	**-**	-
	Expected credit losses	**(3)**	(57)		
11.2	**Loans and advances to customers**	**532,124**	432,713	**-**	-
	Gross loans and advances to customers	**556,383**	458,946	**-**	-
	Personal and business banking (PBB)	**198,775**	179,813		
	Mortgage loans	**4,488**	5,801	**-**	-
	Instalment sale and finance leases	**8,073**	8,671	**-**	-
	Card debtors	**1,029**	1,155	**-**	-
	Others loans and advances	**185,185**	164,186	**-**	-
	Corporate and Investment banking (CIB)	**357,608**	279,133		
	Corporate loans	**357,608**	279,133		
	Credit impairments for loans and advances	**(24,259)**	(26,233)	**-**	-
	12-month ECL	**(4,947)**	(4,245)	**-**	-
	Lifetime ECL not credit-impaired	**(5,552)**	(8,823)		
	Lifetime ECL credit-impaired	**(13,760)**	(13,165)	**-**	-
	Net loans and advances	**535,170**	441,261	**-**	-

The increase in loans and advances to customers relates to new originations during the year under review

11.3 Analysis of gross loans and advances to customers by performance

31 December 2019

Gross carrying value- *In Nmillions*	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
PBB	**171,410**	**8,488**	**18,877**	**198,775**
Mortgage loans	2,587	1,265	636	4,488
Instalment sale and finance leases	5,276	798	1,999	8,073
Card debtors	690	160	179	1,029
Others term loans	162,857	6,265	16,063	185,185
CIB	**339,928**	**14,963**	**2,717**	**357,608**
Corporate lending	339,928	14,963	2,717	357,608
	511,338	**23,451**	**21,594**	**556,383**

31 Dec 2018

Gross carrying value- *In Nmillions*	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
PBB	**146,980**	**16,695**	**16,138**	**179,813**
Mortgage loans	3,365	1,577	859	5,801
Instalment sale and finance leases	5,476	686	2,509	8,671
Card debtors	672	160	323	1,155
Others term loans	137,467	14,272	12,447	164,186
CIB	**240,319**	**37,239**	**1,575**	**279,133**
Corporate lending	240,319	37,239	1,575	279,133
	387,299	**53,934**	**17,713**	**458,946**

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
12		**N million**	N million	**N million**	N million
	Other assets				
	Trading settlement assets	**94,040**	25,210	**-**	-
	Due from group companies	**208**	543	**1,502**	2,464
	Accrued income	**1,285**	1,204	**-**	-
	Indirect / withholding tax receivables	**2,370**	1,709	**347**	236
	Accounts receivable	**52,921**	40,719		49
	Receivable in respect of unclaimed dividends	**1,472**	441	**1,472**	441
	Deposit for investment	**4,652**	2,156	**-**	-
	Prepayments	**4,542**	7,318	**169**	943
	Other debtors	**9,578**	2,581	**-**	-
		171,068	81,881	**3,490**	4,133
	Impairment on doubtful recoveries	**(2,379)**	(4,094)	**(566)**	(42)
		168,689	**77,787**	**2,924**	4,091

The increase in other assets is mainly due to increase in unsettled trades on financial investment. By their nature, these receivables are transit items and have been settled subsequent to year end.

		Group		Company	
13		**31 Dec. 2019**	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
	Deferred tax analysis				
	Deferred tax liabilities	**-**	137	**-**	-
	Deferred tax asset	**10,892**	9,181	**-**	-
	Deferred tax closing balance	**10,892**	9,318	**-**	-

14 Property and equipment Group	Leasehold improvements and building N million	Land N million	Motor vehicles N million	Furniture, fittings & equipment N million	Computer equipment N million	Work in progress N million	Total N million
14.1 Cost							
Balance at 1 January 2019	**20,739**	**3,666**	**1,056**	**9,464**	**14,420**	**14**	**49,359**
Additions	29	2,952	212	657	7,066	1,021	**11,937**
Disposals / expensed	-	-	(85)	(141)	(1,544)	-	**(1,770)**
Impairments	-	(4)	-	(14)	(3)	-	**(21)**
Transfers / reclassifications	-	12	-	84	164	(260)	**-**
Balance at 31 December 2019	**20,768**	**6,626**	**1,183**	**10,050**	**20,103**	**775**	**59,505**
Balance at 1 January 2018	20,572	2,620	1,059	11,480	17,306	50	53,087
Additions	182	1,046	44	638	2,524	4	4,438
Disposals	-	-	(48)	(99)	(107)	-	(254)
Impairments	(15)		(41)	(2,551)	(5,305)		(7,912)
Transfers/ reclassifications	-	-	42	(4)	2	(40)	-
Balance at 31 December 2018	20,739	3,666	1,056	9,464	14,420	14	49,359
14.2 Accumulated depreciation							
Balance at 1 January 2019	**10,643**	**-**	**610**	**7,583**	**8,871**	**-**	**27,707**
Charge for the period	634	342	222	688	2,995	-	**4,881**
Disposals	-	-	(80)	(135)	(646)	-	**(861)**
Transfers/ reclassifications	-	-	-	-	-	-	**-**
Balance at 31 December 2019	**11,277**	**342**	**752**	**8,136**	**11,220**	**-**	**31,727**
Balance at 1 January 2018	9,468	-	486	9,318	11,932	-	31,204
Charge for the year	1,190	-	210	771	2,262	-	4,433
Disposals	-	-	(47)	(95)	(93)	-	(235)
Impairments	(15)	-	(39)	(2,411)	(5,230)	-	(7,695)
Balance at 31 December 2018	10,643	-	610	7,583	8,871	-	27,707
Net book value:							
31 December 2019	**9,491**	**6,284**	**431**	**1,914**	**8,883**	**775**	**27,778**
31 December 2018	10,096	3,666	446	1,881	5,549	14	21,652

There were no capitalised borrowing costs related to the acquisition of property and equipment during the period (2018: Nil).

15 Property and equipment **Company**	**Leasehold improvements and building N million**	**Motor vehicles N million**	**Furniture, fittings & equipment N million**	**Computer equipment N million**	**Work in progress N million**	**Total N million**
15.1 Cost						
Balance at 1 January 2019	-	-	**195**	**2,024**	-	**2,219**
Additions	-	-	6	79	-	**85**
Disposals / expensed	-	-	(2)	(1,322)	-	**(1,324)**
Impairments	-	-	-	(4)	-	**(4)**
Transfers / reclassifications	-	-	-	-	-	-
Balance at 31 December 2019	-	-	**199**	**777**	-	**976**
Balance at 1 January 2018	-	-	186	1,221	-	1,407
Additions	-	-	14	815	-	829
Disposals	-	-	(5)	(12)	-	(17)
Transfers/ reclassifications	-	-	-	-	-	-
Balance at 31 December 2018	-	-	195	2,024	-	2,219
15.2 Accumulated depreciation						
Balance at 1 January 2019			**139**	**1,087**	-	**1,226**
Charge for the period	-	-	9	44	-	**53**
Disposals	-	-	(2)	(432)	-	**(434)**
Balance at 31 December 2019	-	-	**146**	**699**	-	**845**
Balance at 1 January 2018	-	-	119	771	-	890
Charge for the year	-	-	25	321	-	346
Disposals	-	-	(5)	(5)	-	(10)
Impairments	-	-	-	-	-	-
Balance at 31 December 2018	-	-	139	1,087	-	1,226
Net book value:						
31 December 2019	-	-	**53**	**78**	-	**131**
31 December 2018	-	-	56	937	-	993

There were no capitalised borrowing costs related to the acquisition of property and equipment during the period (2018: Nil).

16 Intangible assets

Group		Purchased Software N million	Total N million
16.1	**Cost**		
	Balance at 1 January 2019	**951**	**951**
	Additions	**4,668**	**4,668**
	Impairments	**-**	**-**
	Balance at 31 December 2019	**5,619**	**5,619**
	Balance at 1 January 2018	684	684
	Additions	267	267
	Impairments	-	-
	Balance at 31 December 2018	951	951
16.2	**Accumulated depreciation**		
	Balance at 1 January 2019	**124**	**124**
	Amortisation for the period	**263**	**263**
	Balance at 31 December 2019	**387**	**387**
	Balance at 1 January 2018	79	79
	Amortisation for the period	45	45
	Balance at 31 December 2018	124	124
	Net book value:		
	31 December 2019	**5,232**	**5,232**
	31 December 2018	827	827

There were no capitalised borrowing costs related to the internal development of software during the period (Dec 2018: Nil).

17	**Right of Use Assets**	**ROU Building Leases**	**ROU ATM Spaces Leases**	**ROU Branch Leases**	**ROU Other Leases**	**Total**
Group		**N million**	**N million**	**N million**	**N million**	**N million**
17.1	**Cost**					
	Balance at 1 January 2019-Transition Adjustment	**1,372**	**95**	**1,987**	**1**	**3,455**
	Additions	**361**	**264**	**771**	**-**	**1,396**
	Disposals / expensed	**-**	**-**	**-**	**-**	**-**
	Impairments	**-**	**-**	**-**	**-**	**-**
	Transfers / reclassifications	**-**	**-**	**-**	**-**	**-**
	Balance at 31 December 2019	**1,733**	**359**	**2,758**	**1**	**4,851**
17.2	**Accumulated depreciation**					
	Balance at 1 January 2019	**-**	**-**	**-**	**-**	**-**
	Charge for the period	**643**	**112**	**879**	**-**	**1,634**
	Disposals	**-**	**-**		**-**	**-**
	Expense/writeoff	**-**	**-**	**-**	**-**	**-**
	Balance at 31 December 2019	**643**	**112**	**879**	**-**	**1,634**
	Net book value:					
	31 December 2019	**1,090**	**247**	**1,879**	**1**	**3,217**

	Right of Use Assets	**ROU Building Leases**	**ROU ATM Spaces Leases**	**ROU Branch Leases**	**ROU Other Leases**	**Total**
Company		**N million**	**N million**	**N million**	**N million**	**N million**
17.3	**Cost**					
	Balance at 1 January 2019-Transition Adjustment	**6**	**-**	**100**	**-**	**106**
	Additions	**94**	**-**	**(93)**	**-**	**1**
	Disposals / expensed	**-**	**-**	**-**	**-**	**-**
	Impairments	**-**	**-**	**-**	**-**	**-**
	Transfers / reclassifications	**-**	**-**	**-**	**-**	**-**
	Balance at 31 December 2019	**100**	**-**	**7**	**-**	**107**
17.4	**Accumulated depreciation**					
	Balance at 1 January 2019	**-**	**-**	**-**	**-**	**-**
	Charge for the period	**30**	**-**	**6**	**-**	**36**
	Disposals	**-**	**-**		**-**	**-**
	Expense/writeoff	**-**	**-**	**-**	**-**	**-**
	Balance at 31 December 2019	**30**	**-**	**6**	**-**	**36**
	Net book value:					
	31 December 2019	**70**	**-**	**1**	**-**	**71**

*No corresponding figure for 2018 as the standard became effective in 2019

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
18	**Share capital and reserves**				
18.1	**Authorised**				
	13,000,000,000 Ordinary shares of 50k each				
	(Dec 2018: 13,000,000,000 Ordinary shares of 50k each)	**6,500**	6,500	**6,500**	6,500
18.2	**Issued and fully paid-up**				
	10,473,451,958 Ordinary shares of 50k each				
	(Dec 2018: 10,240,552,945 Ordinary shares of 50k each)	**5,252**	5,120	**5,252**	5,120
	Ordinary share premium	**88,181**	**76,030**	**88,181**	**76,030**

There was no increase in authorised share capital during the year.
All issued shares are fully paid up.

Reconciliation of shares issued	**Number of ordinary shares million**	**Value of ordinary shares N'million**	**Ordinary share premium N'million**
Balance as at 31 December 2018	**10,240**	**5,120**	**76,030**
Shares issued in terms of the interim scrip distribution declared in respect of 2018 final dividend*	233	116	11,037
Shares issued in terms of the interim scrip distribution declared in respect of 2019 interim dividend**	32	16	1,114
Total scrip	**265**	**132**	**12,151**
Balance as at 31 December 2019	**10,505**	**5,252**	**88,181**

*The scrip was issued at N47.89 per share. 50k (i.e nominal value of the shares) was applied to share capital while N47.39 was applied to share premium.
**The scrip was issued at N35.86 per share. 50k (i.e nominal value of the shares) was applied to share capital while N35.36 was applied to share premium.

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
18.3	**Dividend Payment**				
	2017 Final Dividend				
	Scrip dividend	**-**	3,122	**-**	3,122
	Cash dividend	**-**	1,903	**-**	1,903
	2018 Interim Dividend				
	Scrip dividend	**-**	6,058	**-**	6,058
	Cash dividend	**-**	4,055	**-**	4,055
	Minority Interest	**-**	1,176	**-**	-
	2018 Final Dividend				
	Scrip dividend	**11,154**	-	**11,154**	-
	Cash dividend	**4,207**	-	**4,207**	-
	2019 Interim Dividend				
	Scrip dividend	**1,130**	-	**1,130**	-
	Cash dividend	**9,343**	-	**9,343**	-
	Minority Interest	**848**	-	**-**	-
	Total dividend paid	**26,682**	16,314	**25,834**	15,138

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
19	**Deposits and current accounts**				
	Deposits from banks	**248,903**	160,272	**-**	-
	Other deposits from banks	**248,903**	160,272	**-**	-
	Deposits from customers	**637,840**	807,692	**-**	-
	Current accounts	**366,031**	391,195	**-**	-
	Call deposits	**30,429**	73,627	**-**	-
	Savings accounts	**87,401**	67,340	**-**	-
	Term deposits	**153,979**	275,530	**-**	-
	Total deposits and current accounts	**886,743**	967,964	**-**	-

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
20	**Other borrowings**				
	On-lending borrowings	**92,165**	69,918	**-**	**-**
	FMO - Netherland Development Finance Company	**-**	10,090	**-**	-
	African Development Bank	**455**	641	**-**	-
	Nigeria Mortgage Refinance Company	**3,851**	3,139	**-**	
	Bank of Industry	**1,875**	2,509	**-**	-
	Standard Bank Isle of Man	**54,164**	43,825	**-**	-
	Development Bank of Nigeria	**9,804**	-	**-**	-
	Real Sector Support Financing	**11,701**	-	**-**	-
	CBN Commercial Agricultural Credit Scheme (CACS)	**10,315**	9,714	**-**	-
		92,165	69,918	**-**	-

The increase in other borrowings represents new real sector support fund during the year from the CBN, disbursement from DBN and increased on-lending deposits from Standard Bank Isle of Man.

The group has not had any default of principal, interest or any other breaches with respect to its other borrowings during the period (2018: Nil).

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
21	**Debts Securities Issued**				
(i)	Senior unsecured debt Naira (see (i) below)	**30,350**	30,181		
(ii)	Subordinated fixed rate notes- Naira denominated	**15,772**	15,668	**-**	-
(iii)	Subordinated floating rate notes -Naira denominated	**103**	103	**-**	-
(iv)	Subordinated debt - US dollar denominated	**14,588**	14,643	**-**	-
(v)	Commercial paper	**45,845**	-	**-**	-
		106,658	60,595	**-**	-

(i) This represents Naira denominated Unsecured senior debt issued on 17 December 2018 at a fixed interest rate of 15.75% per annum payable semi-annually. It has a tenor of 5 years.

(ii) This represents Naira denominated subordinated debt issued on 30 September 2014 at an interest rate of 13.25% per annum payable semi-annually. It has a tenor of 10 periods and is callable after 5 periods from the issue date. The debt is unsecured.

(iii) This represents Naira denominated subordinated debt issued on 30 September 2014. Interest is payable semi-annually at 6-month Nigerian Treasury Bills yield plus 1.20%. It has a tenor of 10 periods and is callable after 5 periods from the issue date. The debt is unsecured.

(iv) This represents US dollar denominated term subordinated non-collaterised facility of USD40 million obtained from Standard Bank of South Africa effective 31 May 2013. The facility expires on 31 May 2025 and is repayable at maturity. Interest on the facility is payable semi-annually at LIBOR (London Interbank Offered Rate) plus 3.60%.

(v) The Commercial paper is a N100bn multicurrency programme established by the Bank under which Stanbic IBTC Bank may from time to time issue Commercial Paper Notes (“CP Notes” or “Notes”), denominated in NGN or USD or in such other currency as may be agreed between the Arranger and the Issuer, in separate series or tranches. The current issuance is in four tranches of $76 million and N37,461 million.

The group has not had any default of principal, interest or any other convenant breaches with respect to its debt securities during the period ended 30 September 2019 (2018: Nil).

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
22	**Other liabilities**				
	Trading settlement liabilities	**25,711**	15,232	**-**	-
	Cash-settled share-based payment liability	**1,616**	4,286	**257**	613
	Accrued expenses - Staff	**5,046**	5,815	**585**	1,287
	Deferred revenue (iii)	**6,671**	5,482	**-**	-
	Accrued expenses - Others	**5,430**	4,748	**791**	1,181
	Due to group companies	**4,992**	5,892	**15**	32
	Collections / remmitance payable	**90,203**	68,098	**52**	96
	Customer deposit for letters of credit	**19,366**	24,344	**-**	-
	Unclaimed balance (i)	**2,546**	2,019	**-**	-
	Payables to suppliers and asset management clients	**2,150**	1,878	**1**	13
	Draft & bank cheque payable	**1,548**	1,737	**-**	-
	Electronic channels settlement liability	**5,461**	2,725	**-**	-
	Unclaimed dividends liability (ii)	**2,180**	1,647	**2,180**	1,647
	Clients cash collateral for derivative transactions (iv)	**25,521**	15,975	**-**	-
	Lease liability (v)	**132**	-	**-**	-
	Sundry liabilities	**7,452**	7,315	**441**	410
		206,025	167,193	**4,322**	5,279

Increase in other liabilities is majorly on account of growth in (intercompany) unsettled dealing balance at month-end.

(i) Unclaimed balances include demand drafts not yet presented for payment by beneficiaries.

(ii) Amount represents liability in respect of unclaimed dividends as at 31 December 2019. The assets held for the liability are presented in note 10 and 12.

(iii) Deferred revenue include unrecognised gains on swaps transaction with the Central Bank

(iv) Amount represents margin cash collateral for FX futures

(v) Lease liabilities represents the Lease liabilities which are initially measured at the present value of the contractual payments due to the lessor over the lease term,

23 Provisions

30 September 2019	Legal N million	Taxes & levies N million	Expected credit loss for off balance sheet exposures N million	Penalties & fines N million	Total N million
Balance at 1 January 2019	7,539	5,249	664	-	**13,452**
Provisions made during the year	378	2,758	(772)		**2,364**
Provisions used during the year	(2,737)	(5,362)	1143		**(6,956)**
Provisions reversed during the year	-	-	-		**-**
Balance at 31 December 2019	**5,180**	**2,645**	**1,035**	**-**	**8,860**

31 December 2018	Legal N million	Taxes & levies N million	Expected credit loss for off balance sheet exposures N million	Penalties & fines N million	Total N million
Balance at 1 January 2018	7,293	5,686	-	-	12,979
Provisions made during the year	629	1,392	664	-	2,685
Provisions used during the year	(383)	(1,829)	-	-	(2,212)
Balance at 31 December 2018	**7,539**	**5,249**	**664**	**-**	**13,452**

(a) Legal

In the conduct of its ordinary course of business, the group is exposed to various actual and potential claims, lawsuits. The group makes provision for amount that would be required to settle obligations that may crystallise in the event of unfavourable outcome of the lawsuits. Estimates of provisions required are based on management judgment.

(b) Taxes & levies

Provisions for taxes and levies relates to additional assessment on taxes, including withholding tax, value added tax, PAYE tax.

(c) Expected credit loss for off balance sheet exposures

This relates to expected credit loss on off balance sheet exposures in accordance with IFRS 9.

	Group		Company	
	31 Dec. 2019 N million	31 Dec. 2018 N million	**31 Dec. 2019 N million**	31 Dec. 2018 N million
24 Statement of cash flows notes				
24.1 Decrease/(increase) in income-earning assets				
Trading assets	**(164,558)**	67,128	**-**	-
Pledged assets	**(89,429)**	(99,303)	**-**	-
Loans and advances	**(100,942)**	(67,244)	**-**	-
Other assets	**(90,902)**	(28,345)	**1,168**	(1,943)
Restriced balance with the Central Bank	**(29,816)**	(57,233)	**-**	-
	(475,647)	(184,997)	**1,168**	(1,943)
24.2 Increase/(decrease) in deposits and other liabilities				
Deposit and current accounts	**(80,827)**	153,597	**-**	-
Trading liabilities	**124,519**	63,235	**-**	-
Other liabilities and provisions	**34,143**	(18,806)	**(959)**	716
Effect of exchange rate on cash and cash equivalents	**1,919**		**-**	
	79,754	198,026	**(959)**	716

24.3 Cash and cash equivalents - Statement of cash flows

	Group 31 Dec. 2019 N million	Group 31 Dec. 2018 N million	Company 31 Dec. 2019 N million	Company 31 Dec. 2018 N million
Cash and cash equivalents (note 5)	**456,396**	455,773	**36,240**	15,533
Less: restricted balance with the Central Bank of Nigeria	**(258,388)**	(228,572)	**-**	-
Cash and cash equivalents at end of the year	**198,008**	227,201	**36,240**	15,533

25 Classification of financial instruments

Accounting classifications and fair values

The table below sets out the group's classification of assets and liabilities, and their fair values.

	Note	Fair Value Through P&L			Amortised cost	Fair-value through other comprehensive income		Other amotised cost	Total carrying amount	Fair value [1]
		Held for trading	Designated at fair value	Fair value through P/L - default		Debt Instrument	Equity Instrument			
		N million	N million	N million	N million	N million	N million	N million	N million	N million
31 December 2019										
Assets										
Cash and cash equivalents	6	-	-	317,354	139,042		-	-	456,396	456,396
Derivative assets	9	32,871	-	-	-	-	-	-	32,871	32,871
Trading assets	8	248,909	-	-	-	-	-	-	248,909	248,909
Pledged assets	7	64,650	-	-	-	167,322	-	-	231,972	231,972
Financial investments	10	-	-	-	11,031	141,581	2,685	-	155,297	155,297
Loans and advances to banks	11	-	-	-	3,046	-	-	-	3,046	3,046
Loans and advances to customers	11	-	-	-	532,124	-	-	-	532,124	470,398
Other assets (see note a below)		-	-	-	164,156	-	-	-	164,156	164,156
		346,430	-	317,354	849,399	308,903	2,685	-	1,824,771	1,763,045
Liabilities										
Derivative liabilities	9	4,343	-	-	-	-	-	-	4,343	4,343
Trading liabilities	8	250,203	-	-	-	-	-	-	250,203	250,203
Deposits from banks	19	-	-	-	-	-	-	248,903	248,903	248,903
Deposits from customers	19	-	-	-	-	-	-	637,840	637,840	642,624
Debt securities issued		-	-	-	-	-	-	106,658	106,658	97,059
Other borrowings		-	-	-	-	-	-	92,165	92,165	86,635
Other liabilities (see note b below)		-	-	-	-	-	-	187,262	187,262	187,262
		254,546	-	-	-	-	-	1,074,005	1,328,551	1,333,335

(a) Other assets presented in the table above comprise financial assets only. The following items have been excluded: prepayment and indirect/withholding tax receivable.

(b) Other liabilities presented in the table above comprise financial liabilities only. Deferred revenue was excluded.

25 Classification of financial instruments continued

	Note	Fair Value Through P&L			Amortised cost	Fair-value through other comprehensive income		Other amotised cost	Total carrying amount	Fair value [1]
		Held for trading	Designated at fair value	Fair value through P/L - default		Debt Instrument	Equity Instrument			
		N million	N million	N million	N million	N million	N million	N million	N million	N million
31 December 2018										
Assets										
Cash and cash equivalents	6	-	-	-	455,773	-	-	-	455,773	455,773
Derivative assets	9	30,286	-	-	-	-	-	-	30,286	30,286
Trading assets	8	84,351	-	-	-	-	-	-	84,351	84,351
Pledged assets	7	-	-	-		142,543	-	-	142,543	142,543
Financial investments	10	-	-	2,322	45,047	349,883	2,815	-	400,067	400,067
Loans and advances to banks	11	-	-		8,548	-	-	-	8,548	8,815
Loans and advances to customers	11	-	-		432,713	-	-	-	432,713	382,526
Other assets		-	-		68,760	-	-	-	68,760	68,760
		114,637	-	2,322	1,010,841	492,426	2,815	-	1,623,041	1,573,121
Liabilities										
Derivative liabilities	9	4,152	-	-	-	-	-		4,152	4,152
Trading liabilities	8	125,684	-	-	-	-	-		125,684	125,684
Deposits from banks	19	-	-	-	-	-	-	160,272	160,272	160,272
Deposits from customers	19	-	-	-	-	-	-	807,692	807,692	782,524
Debt securities issued		-	-	-	-	-	-	60,595	60,595	29,259
Other borrowings		-	-	-	-	-	-	69,918	69,918	63,270
Other liabilities		-	-	-	-	-	-	161,711	161,711	161,711
		129,836	-	-	-	-	-	1,260,188	1,390,024	1,326,872

[1] Carrying value has been used where it closely approximates fair values. Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, the most suitable measure for fair value is the quoted market price. In the absence of organised secondary markets for financial instruments, such as loans, deposits and unlisted derivatives, direct market prices are not always available. The fair value of such instruments was therefore calculated on the basis of well-established valuation techniques using current market parameters. The fair value is a theoretical value applicable at a given reporting date, and hence can only be used as an indicator of the value realisable in a future sale.

26 Financial instruments measured at fair value

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, fair values are determined using other valuation techniques.

26.1 Valuation models

The group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 - fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2 - fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as quoted prices) or indirectly (i.e. derived from quoted prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, bonds and equity prices, foreign exchange rates, equity pricess and expected volatilities and correlations.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- 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;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

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. For measuring derivatives that might change classification from being an asset to a liability or vice versa such as interest rate swaps, fair values take into account both credit value adjustment (CVA) when market participants take this into consideration in pricing the derivatives.

26.2 Valuation framework

The group has an established control framework with respect to the measurement of fair values. This framework includes a *market risk function* , which has overall responsibility for independently verifying the results of trading operations and all significant fair value measurements, and a *product control function* , which is independednt of front office management and reports to the Chief Financial Officer. The roles performed by both functions include:

- verification of observable pricing
- re-performance of model valuations;
- review and approval process for new models and changes to models
- calibration and back-testing pf models against observed market transactions;
- analysis and investigation of significant daily valuation movements; and
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of level 3 instruments.

Significant valuation issues are reported to the audit committee.

25 Classification of financial instruments continued

	Note	Fair Value Through P&L			Amortised cost	Fair-value through other comprehensive income		Other amotised cost	Total carrying amount	Fair value [1]
		Held for trading	Designated at fair value	Fair value through P/L - default		Debt Instrument	Equity Instrument			
		N million	N million	N million	N million	N million	N million	N million	N million	N million
31 December 2018										
Assets										
Cash and cash equivalents	6	-	-	-	455,773	-	-	-	455,773	455,773
Derivative assets	9	30,286	-	-	-	-	-	-	30,286	30,286
Trading assets	8	84,351	-	-	-	-	-	-	84,351	84,351
Pledged assets	7	-	-	-		142,543	-	-	142,543	142,543
Financial investments	10	-	-	2,322	45,047	349,883	2,815	-	400,067	400,067
Loans and advances to banks	11	-	-		8,548	-	-	-	8,548	8,815
Loans and advances to customers	11	-	-		432,713	-	-	-	432,713	382,526
Other assets		-	-		68,760	-	-	-	68,760	68,760
		114,637	-	2,322	1,010,841	492,426	2,815	-	1,623,041	1,573,121
Liabilities										
Derivative liabilities	9	4,152	-	-	-	-	-		4,152	4,152
Trading liabilities	8	125,684	-	-	-	-	-		125,684	125,684
Deposits from banks	19	-	-	-	-	-	-	160,272	160,272	160,272
Deposits from customers	19	-	-	-	-	-	-	807,692	807,692	782,524
Debt securities issued		-	-	-	-	-	-	60,595	60,595	29,259
Other borrowings		-	-	-	-	-	-	69,918	69,918	63,270
Other liabilities		-	-	-	-	-	-	161,711	161,711	161,711
		129,836	-	-	-	-	-	1,260,188	1,390,024	1,326,872

[1] Carrying value has been used where it closely approximates fair values. Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, the most suitable measure for fair value is the quoted market price. In the absence of organised secondary markets for financial instruments, such as loans, deposits and unlisted derivatives, direct market prices are not always available. The fair value of such instruments was therefore calculated on the basis of well-established valuation techniques using current market parameters. The fair value is a theoretical value applicable at a given reporting date, and hence can only be used as an indicator of the value realisable in a future sale.

26 Financial instruments measured at fair value

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, fair values are determined using other valuation techniques.

26.1 Valuation models

The group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 - fair values are based on quoted market prices (unadjusted) in active markets for an identical instrument.

Level 2 - fair values are calculated using valuation techniques based on observable inputs, either directly (i.e. as quoted prices) or indirectly (i.e. derived from quoted prices). This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - fair values are based on valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, bonds and equity prices, foreign exchange rates, equity pricess and expected volatilities and correlations.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- 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;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

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. For measuring derivatives that might change classification from being an asset to a liability or vice versa such as interest rate swaps, fair values take into account both credit value adjustment (CVA) when market participants take this into consideration in pricing the derivatives.

26.2 Valuation framework

The group has an established control framework with respect to the measurement of fair values. This framework includes a *market risk function* , which has overall responsibility for independently verifying the results of trading operations and all significant fair value measurements, and a *product control function* , which is independednt of front office management and reports to the Chief Financial Officer. The roles performed by both functions include:

- verification of observable pricing
- re-performance of model valuations;
- review and approval process for new models and changes to models
- calibration and back-testing pf models against observed market transactions;
- analysis and investigation of significant daily valuation movements; and
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of level 3 instruments.

Significant valuation issues are reported to the audit committee.

26.3 Financial instruments measured at fair value - fair value hierarchy

The tables below analyze financial instruments carried at fair value at the end of the reporting period, by level of fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

Group	**Fair value N million**	**Level 1 N million**	**Level 2 N million**	**Level 3 N million**	**Total N million**
31 December 2019					
Assets					
Cash and cash equivalents	**317,354**	**-**	**317,354**	**-**	**317,354**
Derivative assets	**32,871**	**-**	**6,728**	**26,143**	**32,871**
Trading assets	**248,909**	**245,314**	**3,595**	**-**	**248,909**
Pledged assets	**231,972**	**231,972**	**-**	**-**	**231,972**
Financial investments	**155,330**	**117,672**	**34,973**	**2,685**	**155,330**
	986,436	**594,958**	**362,650**	**28,828**	**986,436**
Comprising:					
Fair Value Through P&L	**599,134**	**245,314**	**327,677**	**26,143**	**599,134**
Fair Value Through OCI	**387,302**	**349,644**	**34,973**	**2,685**	**387,302**
	986,436	**594,958**	**362,650**	**28,828**	**986,436**
Liabilities					
Derivative liabilities	**4,343**	**-**	**4,343**	**-**	**4,343**
Trading liabilities	**250,203**	**55,343**	**194,860**	**-**	**250,203**
	254,546	**55,343**	**199,203**	**-**	**254,546**
Comprising:					
Fair Value Through P&L	**254,546**	**55,343**	**199,203**	**-**	**254,546**
Designated at fair value	**-**				**-**
	254,546	**55,343**	**199,203**	**-**	**254,546**

There have been no transfers between Level 1 and Level 2 during the period. No reclassifications were made in or out of level 3 during the period.

Group	Fair value N million	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 December 2018					
Assets					
Derivative assets	30,286	-	5,322	24,964	30,286
Trading assets	84,351	81,826	2,525	-	84,351
Pledged assets	142,543	142,543	-	-	142,543
Financial investments	400,000	397,185	-	2,815	400,000
	657,180	621,554	7,847	27,779	657,180
Comprising:					
Held-for-trading	114,637	81,826	7,847	24,964	114,637
Amortised Cost	45,047	45,047	-	-	45,047
Fair Value Through OCI	497,496	494,681	-	2,815	497,496
	657,180	621,554	7,847	27,779	657,180
Liabilities					
Derivative liabilities	4,152	-	4,152	-	4,152
Trading liabilities	125,684	36,784	88,900	-	125,684
	129,836	36,784	93,052	-	129,836
Comprising:					
Held-for-trading	129,836	36,784	93,052	-	129,836
	129,836	36,784	93,052	-	129,836

There have been no transfers between Level 1 and Level 2 during the period. No reclassifications were made in or out of level 3 during the period.

26.3 Level 3 fair value measurement

(i) The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurments in level 3 of the fair value hierarchy.

	31 Dec. 2019		31 Dec. 2018	
	Derivative assets	**Financial investments**	Derivative assets	Financial investments
	N million	**N million**	N million	N million
Balance at 1 January	**24,964**	**2,815**	6,247	1,817
Day one profit / (loss) recognised	**(5,834)**		23,256	
Gains/(losses) included in profit or loss - Trading revenue	**31,976**		1,708	
Sales and settlements	**(24,963)**		(6,247)	
Unrealised gain/(loss) recognised in other comprehensive income		**(130)**	-	998
Balance at period end	**26,143**	**2,685**	24,964	2,815

Gain or loss for the period in the table above are presented in the statement of other comprehensive income as follows:

	Derivative assets	**Financial investments**	Derivative assets	Financial investments
	N million	**N million**	N million	N million
Trading revenue	**31,976**	**-**	1,708	-
Other comprehensive income	**-**	**(130)**	-	998

(ii) Unobservable inputs used in measuring fair value

The information below describes the significant unobservable inputs used at period end in measuring financial instruments categorised as level 3 in the fair value hierarchy.

Type of financial instrument	**Valuation technique**	**Significant unobservable input**	**Fair value measurement sensitivity to unobservable input**
Unquoted equities	Discounted cash flow	- Risk adjusted discount rate	A significant increase in the spread above the risk-free rate would result in a lower fair value.
Derivative assets	Discounted cash flow	- Own credit risk (DVA) - Counterparty credit risk (CVA, basis risk and country risk premium) - USD / NGN quanto risk - Implied FX volatility	A significant move (either positive or negative) in the unobservable input will result in a significant move in the fair value.

26.4 Financial instruments not measured at fair value - fair value hierarchy

The following table set out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierachy into which each fair value measurement is categorised.

Group	**Fair value N million**	**Level 1 N million**	**Level 2 N million**	**Level 3 N million**	**Total N million**
31 December 2019					
Assets					
Cash and cash equivalents	**139,042**	**-**	**139,042**		**139,042**
Loans and advances to banks	**3,046**	**-**	**-**	**3,046**	**3,046**
Loans and advances to customers	**470,398**	**-**	**-**	**470,398**	**470,398**
Other financial assets	**164,156**	**-**	**164,156**	**-**	**164,156**
					-
	776,642	**-**	**303,198**	**473,444**	**776,642**
Liabilities					
Deposits from banks	**248,903**		**248,903**	**-**	**248,903**
Deposits from customers	**637,840**	**-**	**642,624**	**-**	**642,624**
Other borrowings	**92,165**	**-**	**86,635**	**-**	**86,635**
Senior debt issued	**106,658**	**-**	**97,059**	**-**	**97,059**
Other financial liabilities	**187,262**	**-**	**187,262**	**-**	**187,262**
	1,272,828	**-**	**1,262,483**	**-**	**1,262,483**

Group	Fair value N million	Level 1 N million	Level 2 N million	Level 3 N million	Total N million
31 December 2018					
Assets					
Cash and cash equivalents	455,773	-	455,773	-	455,773
Loans and advances to banks	8,548	-	-	8,815	8,815
Loans and advances to customers	432,713	-	-	382,526	382,526
Other financial assets	68,760	-	68,760	-	68,760
	965,794	-	524,533	391,341	915,874
Liabilities					
Deposits from banks	160,272	-	160,272	-	160,272
Deposits from customers	807,692	-	782,524	-	782,524
Other borrowings	69,918	-	63,270	-	63,270
Subordinated debt	60,595	-	29,259	-	29,259
Other financial liabilities	161,711	-	161,711	-	161,711
	1,260,188	-	1,197,036	-	1,197,036

Fair value of loans and advances is estimated using discounted cash flow techniques. Input into the valuation techniques includes interest rates and expected cash flows. Expected cash flows are discounted at current market rates to determine fair value.

Fair value of deposits from banks and customers is estimated using discounted cash flow techniques, applying the rates offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

		Group		Company	
		31 Dec. 2019	31 Dec. 2018	**31 Dec. 2019**	31 Dec. 2018
		N million	N million	**N million**	N million
27	**Contingent liabilities and commitments**				
27.1	**Contingent liabilities**				
	Letters of credit	**93,753**	83,199	**-**	-
	Guarantees	**79,502**	63,282	**-**	-
		173,255	146,481	**-**	-

Guarantees and letters of credit are given to third parties 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. The expected credit loss of N1,035 million on this has been included in provisions (see note 23).

27.2 Legal proceedings

In the ordinary course of business the Group is exposed to various actual and potential claims, lawsuits and other proceedings that relate to alleged errors, omissions, breaches. The Directors are satisfied, based on present information and the assessed probability of such existing claims crystallising that the group has adequate insurance cover and / or provisions in place to meet such claims.

There were a total of 344 legal proceedings outstanding as at 31 December 2019 (December 2018: 336 cases). 263 (December 2018: 247) of these were against the group with claims amounting to N118,152,451,498.96, USD$7,039.15 & GB £74,284.64 (December 2018: 151.9bn), while 108 other cases (December 2018: 95) were instituted by the group with claims amounting to N25.7bn (December 2018: N21.2bn).

Included in the total number of litigations above is a case involving Stanbic IBTC Bank Plc ("the Bank") and a clamaint.. On 31 July 2017, the Lagos State High Court awarded general damages of N50 billion jointly and severally against Stanbic IBTC Bank PLC (the Bank) and another defendant. The claimant in this legal proceeding asserted that the Bank and the other defendant acted maliciously by filing an erroneous report on the claimant's indebtedness to the Bank to a credit bureau. On 1 August 2017, the Bank filed a Notice of Appeal and an application for an injunction against the enforcement of the judgement pending the hearing and determination of the Appeal. The Appeal is still pending and is currently adjourned to 26 March 2020 for hearing.

These claims against the group are generally considered to have a low likelihood of success and the group is actively defending these claims. Management believes that the ultimate resolution of any of the proceedings will not have a significantly adverse effect on the group. Where the group envisages that there is a more than average chance that a claim against it will succeed, adequate provisions are raised in respect of such claim. See note 23 for details of provisions raised.

Management, after consideration of all information available, assessed that this appeal has a high likelihood of success in Appeal and/or further legal proceedings and will be actively pursuing the same. Based on this assessment, management believes that the ultimate resolution will not have a significantly adverse effect on the financial position of the group.

*Included in the claims above are foreign currency denominated claims converted at the Group's closing exchange rates.

28 Supplementary income statement information

		Group				Company			
		3 months 31 Dec. 2019 N million	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018 N million	12 months 31 Dec. 2018 N million	**3 months 31 Dec. 2019 N million**	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018	12 months 31 Dec. 2018 N million
28.1	**Interest income**								
	Interest on loans and advances to banks	**428**	**3,037**	871	3,455			-	-
	Interest on loans and advances to customers	**18,028**	**66,523**	17,504	64,083	**-**	**-**	-	-
	Interest on investments	**10,918**	**50,852**	12,120	50,844	**2**	**148**	55	271
		29,374	**120,412**	30,495	118,382	**2**	**148**	55	271

The amount reported above include interest income calculated using the effective interest rate method that relates to financial assets measured at amortised cost. Increase in interest income is mainly on the back of growth in the average volume of loans and advances during the year.

		Group				Company			
28.2	**Interest expense**								
	Savings accounts	**554**	**2,067**	447	1,611	**-**	**-**		-
	Current accounts	**1,737**	**5,146**	1,133	3,796	**-**	**-**		-
	Call deposits	**(621)**	**144**	462	2,254	**-**	**-**		-
	Term deposits	**3,582**	**16,430**	5,693	20,208	**-**	**-**		-
	Interbank deposits	**1,515**	**5,110**	706	3,431	**-**	**-**		-
	Borrowed funds	**3,447**	**13,671**	2,288	8,873	**-**	**-**		-
		10,215	**42,581**	10,729	40,173	**-**	**-**	-	-

The amount reported above include interest income calculated using the effective interest rate method that relates to financial assets measured at amortised cost. Growth in interest expense is largely driven by average increase other borrowings and deposits in addition to debt securities issued (Senior unsecured bond of N30bn raised in December 2018, Commercial papers).

		Group				Company			
28.3	**Net fee and commission revenue**								
	Fee and commission revenue	**18,481**	**75,034**	17,364	71,219	256	1,119	452	2,171
	Account transaction fees	**1,205**	**4,164**	831	3,530	**-**	**-**		-
	Card based commission	**992**	**3,792**	991	3,459	**-**	**-**		-
	Brokerage and financial advisory fees	**1,210**	**7,349**	1,250	6,624	-	-		-
	Asset management fees	**11,574**	**42,358**	10,179	41,154	**-**	**-**		-
	Custody transaction fees	**932**	**3,775**	783	3,826	**-**	**-**		-
	Electronic banking	**901**	**3,394**	690	2,062	**-**	**-**		-
	Foreign currency service fees	**1,046**	**6,529**	1,923	7,325	**-**	**-**		-
	Documentation and administration fees	**265**	**2,139**	248	1,906	**-**	**-**		-
	Others	**356**	**1,534**	469	1,333	256	1,119	452	2,171
	Fee and commission expense	**(1,461)**	**(4,641)**	(435)	(1,374)	**-**	**-**		-
		17,020	**70,393**	16,929	69,845	256	1,119	452	2,171

Increase in fee and commission revenue is mainly attributable to increase in cards, financial advisory deals and electronic banking related transactions while fees and commission expense growth is on the back of reclassification of Remote-on-Us fee expense from operating expense to fee and commission expense.

		Group				Company			
28.4	**Trading revenue**								
	Foreign exchange	**944**	**5,596**	(423)	9,306	**-**	**-**		-
	Fixed income	**11,094**	**35,662**	6,403	23,878	**-**	**-**		-
	Interest rates	**(2,894)**	**(4,926)**	(389)	(1,872)	**-**	**-**		-
	Equities	**-**	**-**	-	(1)	**-**	**-**	-	-
		9,144	**36,332**	5,591	31,311	**-**	**-**	-	-

28 Supplementary income statement information continued

	Group				Company			
	3 months 31 Dec. 2019 N million	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018 N million	12 months 31 Dec. 2018 N million	**3 months 31 Dec. 2019 N million**	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018 N million	12 months 31 Dec. 2018 N million
28.5 Other revenue								
Dividend income	**190**	**456**	17	261	**3,496**	**36,613**	-	16,941
Others	**462**	**1,574**	93	1,187		**2**	5	80
	652	**2,030**	110	1,448	**3,496**	**36,615**	5	17,021
28.6 Net impairment write-back/(loss) on financial assets								
Net expected credit loses raised and released for financial investments	**10**	**91**	125	191	**-**	**-**	-	-
12 month ECL	**10**	**91**	125	191	**-**	**-**	-	-
Lifetime ECL not credit impaired	**-**	**-**			**-**	**-**	-	-
Lifetime ECL credit impaired	**-**	**-**			**-**	**-**	-	-
Net expected credit loses raised and released for Loan and advances	**4,180**	**2,006**	1,581	(69)	**-**	**-**	-	-
12 month ECL	**722**	**(640)**	(176)	(2,279)	**-**	**-**	-	-
Lifetime ECL not credit impaired	**(9)**	**3,642**	200	(5,183)	**-**	**-**	-	-
Lifetime ECL credit impaired	**3,467**	**(996)**	1,557	7,393	**-**	**-**	-	-
Net expected credit loses raised and released on off balance sheet exposures	**(276)**	**(542)**	(100)	(11)	**-**	**-**	-	-
12 month ECL	**(257)**	**(572)**	(149)	76	**-**	**-**	-	-
Lifetime ECL not credit impaired	**(19)**	**30**	49	(87)	**-**	**-**	-	-
Lifetime ECL credit impaired	**-**	**-**			**-**	**-**	-	-
Recoveries on loans and advances previously written off	**(5,636)**	**(3,187)**	(410)	(3,051)	**-**	**-**	-	-
	(1,722)	**(1,632)**	1,196	(2,940)	**-**	**-**	-	-

Increase in net impairment mainly related from lower recoveries made from deliquent and previously written-off loans compared to prior period

	Group				Company			
28.7 Other operating expenses								
Information technology	**3,146**	**7,956**	1,542	6,933	**-**	**-**	-	-
Communication expenses	**458**	**1,622**	291	1,310	**-**	**-**	-	-
Premises Expenses	**886**	**3,035**	1,120	4,170	**-**	**-**	-	-
Depreciation Expenses	**1,727**	**6,547**	1,060	4,432	**18**	**84**	89	346
Amortisation of intangible asset	**163**	**245**	45	45	**-**	**-**	-	-
Deposit insurance premium	**1,056**	**4,247**	1,114	4,212	**-**	**-**	-	-
AMCON expenses	**-**	**8,729**	405.00	7,836	**-**	**-**	-	-
Other insurance premium	**443**	**1,782**	228	929	**-**	**-**	-	-
Auditors remuneration	**95**	**411**	94	387	**14**	**59**	14	56
Non-audit service fee	**21**	**57**	1	44	**5**	**27**	(16)	4
Professional fees	**543**	**1,404**	514	1,181	**-**	**-**	-	-
Administration and membership fees	**404**	**1,806**	123	2,820	**-**	**-**	-	-
Training expenses	**258**	**1,370**	585	1,643	**-**	**-**	-	-
Security expenses	**463**	**1,721**	442	1,676	**-**	**-**	-	-
Travel and entertainment	**503**	**1,731**	639	1,897	**-**	**-**	-	-
Stationery and printing	**343**	**870**	99	586	**-**	**-**	-	-
Marketing and advertising	**1,004**	**2,842**	1,239	3,336	**-**	**-**	-	-
Pension administration expense	**105**	**315**	144	377	**-**	**-**	-	-
Penalties and fines	**256**	**262**	1,890	1,902	**-**	**-**	-	-
Donations	**175**	**318**	52	233	**167**	**309**	26	175
Operational losses	**268**	**273**	(1,838)	196	**-**	**-**	-	-
Directors fees & expenses	**67**	**599**	91	429	**25**	**326**	41	243
Provision for legal costs and levies	**(1,807)**	**(1,664)**	-	300	**-**	**-**	-	-
Impairment of other financial assets	**495**	**653**	(69)	(232)	**-**	**-**	-	-
Motor vehicle maintenance expense	**448**	**1,731**	445	1,950	**-**	**-**	-	-
Bank Charges	**362**	**2,220**	285	1,982	**-**	**-**	-	-
Indirect tax (VAT)	**557**	**1,376**	(165)	950	**45**	**109**	39	117
Others	**(48)**	**953**	1,362	1,050	**386**	**2,439**	1,029	860
	12,391	**53,411**	11,738	52,574	**660**	**3,353**	1,222	1,801

Growth in other operating expenses mainly reflects the effect of inflation, in addition to increase in AMCON charges on the back of increase asset base.

	Group				Company			
28.8 Income tax								
Current tax	**2,558**	**15,851**	3,388	14,008	**(289)**	**(254)**	132	501
Deferred tax	**(224)**	**39**	(299)	(296)	**-**	**-**	-	-
	2,334	**15,890**	3,089	13,712	**(289)**	**(254)**	132	501

	Group				Company			
	3 months 31 Dec. 2019 N million	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018 N million	12 months 31 Dec. 2018 N million	**3 months 31 Dec. 2019 N million**	**12 months 31 Dec. 2019 N million**	3 months 31 Dec. 2018 N million	12 months 31 Dec. 2018 N million
29 Earnings per ordinary share								
The calculation of basic earnings per ordinary share and diluted earnings per ordinary share are as follows:								
Earnings based on weighted average shares in issue								
Earnings attributable to ordinary shareholders (N million)	**18,928**	**72,662**	12,948	72,087	**3,313**	**33,727**	(1,895)	15,499
Weighted average number of ordinary shares in issue (number of shares)								
Weighted average number of ordinary shares in issue	**10,505**	**10,505**	10,240	10,240	**10,505**	**10,505**	10,240	10,240
Basic earnings per ordinary share (kobo)	**180**	**692**	126	704	**32**	**321**	(19)	151

30 Related party transactions

30.1 Parent and ultimate controlling party

The company is 65.70% owned by Stanbic Africa Holdings Limited, which is incorporated in the United Kingdom. The ultimate parent and controlling party of the group/ company is Standard Bank Group Limited, incorporated in South Africa. Stanbic IBTC Holdings PLC has 9 direct subsidiaries and 2 indirect subsidiaries as listed below.

Stanbic IBTC Holdings PLC (Holdco) is related to other companies that are fellow subsidiaries of Standard Bank Group Limited. These include Standard Bank Isle of Man Limited, Standard Bank of South Africa (SBSA), Stanbic Bank Ghana Limited, CfC Stanbic Bank Kenya Limited, Stanbic Bank Botswana, Stanbic Bank Uganda Limited, Liberty Holdings Limited and Standard Bank (Mauritius) Limited. ICBC Standard Bank PLC, which is an associate of Standard Bank Group Limited, is also a related party.

30.2 Subsidiaries

Details of effective interest in subsidiaries are disclosed below.

Stanbic IBTC Bank PLC	100%
Stanbic IBTC Ventures Limited	100%
Stanbic IBTC Capital Limited	100%
Stanbic IBTC Asset Management Limited	100%
Stanbic IBTC Pension Managers Limited	88.24%
Stanbic IBTC Stockbrokers Limited	100%
Stanbic IBTC Trustees Limited	100%
Stanbic IBTC Insurance Brokers Limited	Direct 75%, Indirect 25%
Stanbic IBTC Investments Limited	100%
Stanbic IBTC Bureau De Change Limited - Indirect subsidiary	100%
Stanbic IBTC Nominees Limited - Indirect subsidiary	100%

30.3 Key management personnel

Key management personnel includes: members of the Stanbic IBTC Holdings PLC board of directors and Stanbic IBTC Holdings PLC executive committee. Non-executive directors are included in the definition of key management personnel as required by IAS 24 Related Party Disclosure. The definition of key management includes the close members of family of key management personnel and any entity over which key management exercise control, joint control or significant influence. Close members of family are those family members who may be expected to influence, or be influenced by that person in their dealings with Stanbic IBTC Holdings PLC. They include the person's domestic partner and children, the children of the person's domestic partner, and dependents of the person or the person's domestic partner.

	31 Dec. 2019 N million	31 Dec. 2018 N million
Key management compensation		
Salaries and other short-term benefits	**678**	566
Post-employment benefits	**27**	25
Value of share options and rights expensed	**52**	52
	757	643

The transactions below are entered into in the normal course of business.	**31 Dec. 2019 N million**	31 Dec. 2018 N million
Loans and advances		
Loans outstanding at the beginning of the year	**124**	191
Net movement during the year	**(29)**	(67)
Loans outstanding at the end of the period	**95**	124

Loans include mortgage loans, instalment sale and finance leases and credit cards. No specific impairments have been recognised in respect of loans granted to key management (2018: nil). The mortgage loans and instalment sale and finance leases are secured by the underlying assets. All other loans are unsecured.

31 Related party transactions continued

	31 Dec. 2019 N million	31 Dec. 2018 N million
Deposit and current accounts		
Deposits outstanding at beginning of the year	**245**	277
Net movement during the year	**(65)**	(32)
Deposits outstanding at end of the year	**180**	245

Deposits include cheque, current and savings accounts.

31.1 Service contracts with related parties

In the normal course of business, current accounts are operated and placements of foreign currencies and trades between currencies are made between the parent company and other group companies at interest rates that are in line with the market.

The relevant balances are shown below:

		31 Dec. 2019 N million	31 Dec. 2018 N million
(i)	**Due from group companies**		
	Loans to banks	**54,164**	8,546
	Current account balances	**13,555**	10,586
	Derivatives	**460**	169
	Other assets	**208**	543
		68,387	19,844
(ii)	**Due to group companies**		
	Deposits and current accounts	**20,630**	36,207
	Derivatives	**450**	87
	Subordinated debt	**14,588**	14,643
	Other borrowings	**54,164**	43,825
	Other liabilities	**4,992**	5,892
		94,824	100,654

		31 Dec. 2019 N million	31 Dec. 2018 N million
(iii)	**Profit or loss impact of transactions with group entities**		
	Interest income earned	**598**	734
	Interest expense paid	**(2,987)**	(1,923)
	Trading revenue	**538**	41
	Fee and commission income		68
	Operating expense incurred		-

31 Summarised financial statements of the consolidated entities

	Stanbic IBTC Holdings PLC Company N'million	Stanbic IBTC Bank PLC N'million	Stanbic IBTC Capital Ltd N'million	Stanbic IBTC Pension Managers Ltd N'million	Stanbic IBTC Asset Mgt Ltd N'million	Stanbic IBTC Ventures Ltd N'million	Stanbic IBTC Trustees Ltd N'million	Stanbic IBTC Stockbrokers Ltd N'million	Stanbic IBTC Investment Ltd N'million	Stanbic IBTC Insurance Brokers Ltd N'million	Consolidations / Eliminations N'million	Stanbic IBTC Holdings PLC Group N'million
Income statement												
Net interest income	148	69,846	817	6,078	272	153	64	354	-	99	-	**77,831**
Non interest revenue	37,734	60,420	4,633	34,296	8,154	82	670	1,068	-	871	(39,173)	**108,755**
Total income	**37,882**	**130,266**	**5,450**	**40,374**	**8,426**	**235**	**734**	**1,422**	**-**	**970**	**(39,173)**	**186,586**
Staff costs	(1,056)	(30,100)	(1,606)	(4,931)	(1,927)	-	(266)	(447)	-	(285)	-	**(40,618)**
Operating expenses	(3,353)	(40,760)	(1,301)	(7,162)	(2,725)	(17)	(144)	(251)	-	(258)	2,560	**(53,411)**
Credit impairment charges	-	(1,664)	-	26	(2)	4	-	4	-	-	-	**(1,632)**
Total expenses	**(4,409)**	**(72,524)**	**(2,907)**	**(12,067)**	**(4,654)**	**(13)**	**(410)**	**(694)**	**-**	**(543)**	**2,560**	**(95,661)**
Profit before tax	**33,473**	**57,742**	**2,543**	**28,307**	**3,772**	**222**	**324**	**728**	**-**	**427**	**(36,613)**	**90,925**
Tax	254	(5,232)	(834)	(8,129)	(1,438)	(93)	(113)	(165)	-	(140)	-	**(15,890)**
Profit for the period	**33,727**	**52,510**	**1,709**	**20,178**	**2,334**	**129**	**211**	**563**	**-**	**287**	**(36,613)**	**75,035**
At 31 December 2018	15,499	50,794	1,593	20,002	2,316	105	156	166	(1)	751	(16,941)	**74,440**

32 Directors and staff related exposures

The group has some exposures in terms of loans and advances to employees and to customers that are affiliated to its present and past Directors. Loans granted to customers that are affiliated to Directors are granted at commercial rates while those granted to executive Directors and employees are granted at below-the market rates. There were no non-performing director related exposures as at balance sheet date (2018: Nil). In cases where outstanding balance exceeds approved credit limit, no principal payment was due on the facility and the excess therefore relates to accrued interest.

Schedule of Directors and staff related credits

Name of Company/Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Unilever Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Overdraft	NGN	26-Jun-19	25-Jun-20	1,000,000,000	-	Performing	18	UNSECURED
Seplat Petroleum Development C	CHAIRMAN (HOLDCO)	BASIL OMIYI	Term Loan	USD	20-Dec-19	29-Dec-23	7,294,000,000	7,313,226,984.00	Performing	8	ALL ASSET DEBENTURE AND BORROWER PERSONAL GUARANTEE (CASH COLLATERAL ON THE LC/ADVANCE)
Seplat Petroleum Development Company Plc	CHAIRMAN (HOLDCO)	BASIL OMIYI	Term Loan	USD	27-Dec-19	29-Dec-23	7,294,000,000	7,302,011,244.55	Performing	8	ALL ASSET DEBENTURE AND BORROWER PERSONAL GUARANTEE (CASH COLLATERAL ON THE LC/ADVANCE)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-13	12-Nov-20	1,066,070,000	179,382,098.24	Performing	7	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	22-Jun-17	30-Jun-22	2,000,000,000	1,250,498,302.46	Performing	15	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	17-Jul-17	30-Jun-22	1,700,000,000	1,062,923,557.10	Performing	15	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	26-Jul-17	30-Jun-22	10,000,000	6,231,770.16	Performing	15	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Nov-17	30-Jun-22	1,290,000,000	806,571,405.09	Performing	15	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Mar-18	28-Feb-25	2,000,000,000	1,879,611,457.05	Performing	16	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	26-Jun-18	20-Jan-20	535,379,600	45,124,108.53	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	12-Sep-18	22-Jan-20	69,685,042	14,865,339.76	Performing	7	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	20-Sep-18	20-Jan-20	39,686,050	40,750,129.81	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	22-Oct-18	20-Jan-20	41,172,960	43,632,058.45	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	6-Nov-18	11-Jan-20	97,444,340	31,928,612.44	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	14-Nov-18	20-Jan-20	244,449,109	80,879,064.24	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	29-Nov-18	20-Jan-20	281,720,255	214,201,644.59	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	7-Dec-18	20-Jan-20	121,131,516	37,929,660.71	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	13-Dec-18	12-Jan-20	49,272,747	41,208,081.36	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	23-Jan-19	20-Jan-20	95,226,416	81,815,382.96	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	23-Jan-19	20-Jan-20	41,775,134	2,915,006.49	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	24-Jan-19	20-Jan-20	95,226,416	102,257,707.83	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	25-Jan-19	20-Jan-20	98,888,970	106,167,707.59	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	25-Jan-19	20-Jan-20	95,226,416	102,235,570.54	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	25-Jan-19	20-Jan-20	95,226,416	102,235,570.54	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)

32 Directors and staff related

Schedule of Directors and staff related credits (continued)

Name of Company/Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	28-Jan-19	22-Jan-20	115,551,548	88,896,365	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	1-Feb-19	20-Jan-20	95,226,416	102,061,313	Performing	8	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	22-Feb-19	20-Jan-20	103,734,962	108,182,776	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	22-Feb-19	20-Jan-20	47,987,202	30,606,571	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	13-Mar-19	20-Jan-20	35,646,851	7,349,223	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	5-Apr-19	20-Jan-20	180,735,295	35,416,845	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	10-Apr-19	20-Jan-20	20,551,531	11,309,284	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	10-Apr-19	20-Jan-20	24,414,536	25,304,162	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	25-Apr-19	12-Jan-20	63,440,114	65,621,410	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	6-May-19	20-Jan-20	32,541,369	22,587,209	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	6-May-19	11-Jan-20	23,694,287	10,195,487	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	USD	6-May-19	1-Jan-20	4,699,889	4,928,640	Performing	7	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	16-May-19	11-Jan-20	7,520,120	7,757,057	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Overdraft	NGN	5-Nov-19	3-Nov-20	1,500,000,000	336,044,871	Performing	15	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	8-Nov-19	6-Feb-20	95,116,943	95,820,549	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	15-Nov-19	13-Feb-20	46,218,452	46,516,022	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Presco Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	EUR	26-Nov-19	24-Feb-20	57,299,970	57,582,546	Performing	5	NEGATIVE PLEDGE (Letter of Comfort from SIAT)
Nigerian Breweries Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Overdraft	NGN	16-Dec-19	15-Jan-20	4,000,000,000	0	Performing	14	NEGATIVE PLEDGE
Nigerian Breweries Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	15-Oct-19	13-Jan-20	8,000,000,000	8,196,602,740	Performing	12	NEGATIVE PLEDGE
Nigerian Breweries Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	15-Oct-19	13-Jan-20	5,000,000,000	5,122,876,712	Performing	12	NEGATIVE PLEDGE
Nigerian Breweries Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	12-Nov-19	10-Feb-20	2,000,000,000	2,036,468,219	Performing	13	NEGATIVE PLEDGE
Nigerian Bottling Co Plc	EX CHIEF EXECUTIVE (HOLDCO)	OLUSOLA DAVID-BORHA	Overdraft	NGN	29-Nov-19	28-Feb-20	750,000,000	0	Performing	20	UNSECURED
MTN Nigeria Communications Ltd	EX-NON EXECUTIVE DIRECTOR	AHMED I DASUKI	Term Loan	NGN	21-Jan-19	15-Aug-25	10,200,000,000	9,457,690,177	Performing	15	SHARES
MTN Nigeria Communications Ltd	EX-NON EXECUTIVE DIRECTOR	AHMED I DASUKI	Term Loan	NGN	2-May-19	15-Aug-25	10,200,000,000	10,208,300,508	Performing	15	SHARES
INT TOWERS LIMITED	EX-NON EXECUTIVE DIRECTOR	AHMED I DASUKI	Term Loan	USD	15-Jul-15	13-Dec-21	4,283,055,650	0	paid off	7	NEGATIVE PLEDGE
GOLDEN SUGAR COMPANY LIMITED (A Subsidiary of Flour Mills)	NON-EXECUTIVE DIRECTOR (HOLDCO) EX-CHAIRMAN (HOLDCO)	SALAMATU SULEIMAN ATEDO PETERSIDE	Term Loan	NGN	13-Jul-12	15-Jun-22	1,854,000,000	546,977,807	Performing	7	ALL ASSET DEBENTURE ON FIXED AND FLOATING ASSETS
GOLDEN SUGAR COMPANY LIMITED (A Subsidiary of Flour Mills)	NON-EXECUTIVE DIRECTOR (HOLDCO) EX-CHAIRMAN (HOLDCO)	SALAMATU SULEIMAN ATEDO PETERSIDE	Term Loan	USD	30-Sep-19	29-Dec-19	2,190,321,825	29,769,462	Performing	6	ALL ASSET DEBENTURE ON FIXED AND FLOATING ASSETS
GOLDEN SUGAR COMPANY LIMITED (A Subsidiary of Flour Mills)	NON-EXECUTIVE DIRECTOR (HOLDCO) EX-CHAIRMAN (HOLDCO)	SALAMATU SULEIMAN ATEDO PETERSIDE	Overdraft	NGN	19-Dec-19	18-Jan-20	2,300,000,000	1,989,220,370	Performing	14	ALL ASSET DEBENTURE ON FIXED AND FLOATING ASSETS

32 Directors and staff related exposures (continued)
Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Aptics Nigeria Ltd (Subsidiary of Novare Africa Fund Pcc)	NON- EXECUTIVE DIRECTOR (HOLDCO)	FABIAN AJOGWU (SAN)	Term Loan	USD	27-Mar-14	30-Sep-21	4,741,100,000	2,287,514,706	Performing	10	ALL ASSET MORTGAGE DEBENTURE
Urshday Limited (Subsidiary of Novare Africa Fund Pcc)	NON- EXECUTIVE DIRECTOR (HOLDCO)	FABIAN AJOGWU (SAN)	Term Loan	NGN	23-Dec-16	30-Jun-22	2,500,000,000	63,907,387	Performing	16	ALL ASSET MORTGAGE DEBENTURE
Urshday Limited (Subsidiary of Novare Africa Fund Pcc)	NON- EXECUTIVE DIRECTOR (HOLDCO)	FABIAN AJOGWU (SAN)	Term Loan	NGN	28-Mar-17	30-Jun-22	450,000,000	475,635,706	Performing	16	ALL ASSET MORTGAGE DEBENTURE
GRAY-BAR ALLIANCE LTD	NON- EXECUTIVE DIRECTOR (HOLDCO)	FABIAN AJOGWU (SAN)	Term Loan	NGN	2-Jan-18	30-Jun-21	1,400,000,000	368,647,431	Performing	22	ALL ASSET MORTGAGE DEBENTURE
Elysium Diem (Nigeria) Ltd	NON- EXECUTIVE DIRECTOR (HOLDCO)	FABIAN AJOGWU (SAN)	Term Loan	NGN	3-Sep-18	31-Dec-21	250,000,000	300,003,471	Performing	22	ALL ASSET MORTGAGE DEBENTURE
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Overdraft	NGN	5-Dec-19	2-Dec-20	900,000,000	0	Performing	16	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	13,351,010	13,351,010	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	140,000	140,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	209,500	209,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	3,348,750	3,348,750	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	72,500	72,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	678,134	678,134	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	1,536,000	1,536,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	65,000	65,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	288,700	288,700	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	135,600	135,600	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	6,100,000	6,100,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	2-Oct-19	3-Jan-20	353,400	353,400	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	996,160	996,160	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	3,462,545	3,462,545	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	3,379,815	3,379,815	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	91,000	91,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	1,172,333	1,172,333	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	124,000	124,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	880,000	880,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	91,000	91,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	13,300	13,300	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	3,408,961	3,408,961	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	108,063	108,063	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	12,065	12,065	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	346,610	346,610	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	3,446,851	3,446,851	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	3,392,670	3,392,670	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	10-Oct-19	9-Jan-20	72,000	72,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	13,371,749	13,371,749	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	5,490,550	5,490,550	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	4,030,892	4,030,892	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	80,000	80,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	5,432,050	5,432,050	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	236,000	236,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	134,650	134,650	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	605,325	605,325	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	269,325	269,325	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	1,333,000	1,333,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	769,000	769,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	1,460,000	1,460,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	11-Oct-19	16-Jan-20	92,895	92,895	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	90,000	90,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	1,206,038	1,206,038	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	111,150	111,150	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	377,500	377,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	100,000	100,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	5,729,414	5,729,414	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	679,010	679,010	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	4,301,018	4,301,018	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	900,000	900,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	87,000	87,000	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	24-Oct-19	23-Jan-20	6,678,850	6,678,850	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	476,250	476,250	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	259,524	259,524	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	3,500,000	3,500,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	259,524	259,524	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	243,711	243,711	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	6,092,450	6,092,450	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	380,952	380,952	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	91,000	91,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	91,000	91,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	291,136	291,136	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	259,524	259,524	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	2,327,000	2,327,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	91,000	91,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	6,714,530	6,714,530	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	1,766,100	1,766,100	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	75,000	75,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	1,144,500	1,144,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	78,000	78,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	30-Oct-19	30-Jan-20	1,776,770	1,776,770	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	62,700	62,700	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	270,000	270,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	756,900	756,900	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	124,000	124,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	76,950	76,950	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	19,500	19,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	19,029	19,029	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	844,365	844,365	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	3,525,000	3,525,000	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)
Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	197,500	197,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	350,000	350,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	467,850	467,850	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	43,000	43,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	4-Nov-19	6-Feb-20	57,000	57,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	157,675	157,675	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	232,500	232,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	1,152,000	1,152,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	160,100	160,100	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	413,763	413,763	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	199,050	199,050	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	13,402,300	13,402,300	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	303,101	303,101	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	435,305	435,305	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	150,000	150,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	1,333,000	1,333,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	8-Nov-19	13-Feb-20	100,000	100,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	87,000	87,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	1,940,750	1,940,750	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	673,257	673,257	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	191,900	191,900	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	1,180,000	1,180,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	439,850	439,850	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	2,000,000	2,000,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	682,240	682,240	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	447,000	447,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	490,500	490,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	385,000	385,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	1,195,000	1,195,000	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	178,000	178,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	149,880	149,880	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	1,940,750	1,940,750	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	130,000	130,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	150,000	150,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	13,375,540	13,375,540	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	7,298,200	7,298,200	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	653,175	653,175	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	19-Nov-19	20-Feb-20	87,000	87,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	16,000	16,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	21,771	21,771	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	800,000	800,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	542,857	542,857	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	248,250	248,250	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	45,000	45,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	1,269,735	1,269,735	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	402,000	402,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	7,848,784	7,848,784	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	2,502,818	2,502,818	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	1,720,000	1,720,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	1,306,630	1,306,630	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	679,226	679,226	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	21-Nov-19	27-Feb-20	111,150	111,150	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	25-Nov-19	27-Feb-20	1,547,268	1,547,268	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	152,000	152,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	15,675	15,675	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	85,899	85,899	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	179,100	179,100	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	19,081	19,081	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	702,000	702,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	58,340	58,340	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	900,000	900,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	19,000	19,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	119,500	119,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	119,700	119,700	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	157,106	157,106	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	6,650	6,650	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	67,500	67,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	224,438	224,438	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	56,240	56,240	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	29-Nov-19	6-Mar-20	15,400	15,400	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	6-Dec-19	13-Mar-20	176,675	176,675	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	6-Dec-19	13-Mar-20	41,750	41,750	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	6-Dec-19	13-Mar-20	17,700	17,700	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	6-Dec-19	13-Mar-20	522,460	522,460	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	200,200	200,200	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	1,000,000	1,000,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	36,908	36,908	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	87,000	87,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	7,334,600	7,334,600	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	220,000	220,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	111,150	111,150	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	612,856	612,856	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	467,100	467,100	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	2,393,800	2,393,800	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	19,635	19,635	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	5,480,000	5,480,000	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	40,166	40,166	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	209,966	209,966	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	243,711	243,711	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	550,000	550,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	585,012	585,012	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	57,500	57,500	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	716,110	716,110	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	780,000	780,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	540,000	540,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	32,950	32,950	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	250,000	250,000	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	3,619,048	3,619,048	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	226,397	226,397	Performing	17	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	23-Dec-19	26-Mar-20	4,000,000	4,000,000	Performing	17	UNSECURED
ANAP BUSINESS JETS LIMITED (ANAP HOLDINGS LIMITED)	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Card	NGN	23-Aug-18	31-Aug-21	1,500,000	53	Performing	30	SHARES
ANAP HOLDINGS LIMITED	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Card	NGN	25-Jan-17	31-Jan-20	1,500,000	105	Performing	30	SHARES
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN FABIAN AJOGWU (SAN)	Term Loan	USD	31-Oct-19	29-Jan-20	251,854,891	204,108,159	Performing	6	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	EUR	17-Jul-19	13-Jan-20	51,906,934	53,340,418	Performing	6	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	EUR	20-Aug-19	17-Jan-20	7,345,522	7,507,325	Performing	6	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	EUR	20-Aug-19	17-Jan-20	29,700,773	30,355,005	Performing	6	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	GBP	22-Aug-19	19-Jan-20	76,230,536	78,094,289	Performing	7	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	USD	27-Aug-19	24-Jan-20	251,854,891	259,091,075	Performing	8	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	EUR	28-Aug-19	25-Jan-20	16,345,879	16,684,440	Performing	6	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	USD	29-Aug-19	26-Jan-20	12,011,934	12,350,496	Performing	8	UNSECURED
Cadbury Nigeria Plc	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Term Loan	NGN	16-Dec-19	21-Mar-20	679,283	679,283	Performing	17	UNSECURED

32 Directors and staff related exposures (continued)

Schedule of Directors and staff related credits (continued)

Name of Company/ Individual	Relationship	Name of related interest	Facility type	Currency	Date granted	Expiry date	Approved credit limit N'	Outstanding plus Accrued Interest N'	Status	Interest Rate %	Security nature
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	NGN	28-Oct-19	26-Jan-20	2,000,000,000	2,048,082,192	Performing	14	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Term Loan	NGN	30-Dec-19	28-Feb-20	2,000,000,000	2,001,095,890	Performing	10	UNSECURED
Guinness Nigeria Plc	NON-EXECUTIVE DIRECTOR (HOLDCO) NON- EXECUTIVE DIRECTOR (HOLDCO)	NGOZI EDOZIEN (DIAGGEO GUINNESS) FABIAN AJOGWU (SAN)	Overdraft	NGN	1-Dec-19	29-Jan-20	1,415,494,939	-	Performing	15	UNSECURED
Makon Engineering and Technical Services Ltd	NON EXECUTIVE DIRECTOR (BANK)	MIANNAYA ESSIEN (SAN)	Term Loan	USD	18-Apr-19	22-Jan-20	167,314,353	8,109,852	Performing	11	UNSECURED
Makon Engineering and Technical Services Ltd	NON EXECUTIVE DIRECTOR (BANK)	MIANNAYA ESSIEN (SAN)	Term Loan	NGN	3-Jun-19	28-Feb-20	47,404,310	53,461,672	Performing	22	UNSECURED
Makon Engineering and Technical Services Ltd	NON EXECUTIVE DIRECTOR (BANK)	MIANNAYA ESSIEN (SAN)	Term Loan	USD	3-Jun-19	28-Feb-20	119,795,040	127,234,206	Performing	11	UNSECURED
Nampak Bevcan Nigeria Limited	NON EXECUTIVE DIRECTOR (BANK)	SIMON RIDLEY	Overdraft	NGN	20-Dec-19	19-Jan-20	60,200,000	-	Performing	19	UNSECURED (120% naira cover for LCs at the time of issuance)
ATEDO .N.APETERSIDE	EX-CHAIRMAN (HOLDCO)	ATEDO PETERSIDE	Card	NGN	24-Oct-19	31-Oct-22	20,000,000	596,871	Performing	30	SHARES
OLAYINKA OMOTOSHO SANNI	CEO (HOLDCO)	OLAYINKA OMOTOSHO SANNI	VAF	NGN	16-Jul-18	20-Feb-21	58,520,000	-	paid off	18	FINANCED ASSET (VEHICLE)
BABATUNDE MACAULAY	FORMER EXECUTIVE DIRECTOR (BANK)	BABATUNDE MACAULAY	Term Loan	NGN	6-Jun-19	20-May-23	10,000,000	8,592,215	Performing	18	UNSECURED
OLUWOLE ADELAJA ADENIYI	DEPUTY CHIEF EXECUTIVE (BANK)	ADENIYI OLUWOLE	Card	NGN	10-Oct-18	31-Oct-21	2,916,000	1,145,533	Performing	30	EURO BOND
OLUWOLE ADELAJA ADENIYI	DEPUTY CHIEF EXECUTIVE (BANK)	ADENIYI OLUWOLE	Card	USD	12-Jul-19	31-Jul-22	9,117,500	3,931,951	Performing	30	EURO BOND
DR AAE AND MRS JAO SOGUNLE	CEO (BANK)	DEMOLA SOGUNLE	Term Loan	NGN	28-Nov-17	20-Nov-22	60,000,000	41,133,956	Performing	18	CASH (DOLLAR FUND) /LEGAL MORTGAGE
DR AAE AND MRS JAO SOGUNLE	CEO (BANK)	DEMOLA SOGUNLE	VAF	NGN	8-Nov-18	20-Jan-20	26,702,949	768,672	Performing	18	CASH (DOLLAR FUND) /LEGAL MORTGAGE
DR AAE AND MRS JAO SOGUNLE	CEO (BANK)	DEMOLA SOGUNLE	Card	USD	4-Nov-19	30-Nov-22	9,117,500	404,219	Performing	30	CASH (DOLLAR FUND)
ADEKUNLE RAIMI ADEDEJI	EXECUTIVE DIRECTOR (HOLDCO)	ADEKUNLE RAIMI ADEDEJI	Card	NGN	11-Dec-18	31-Dec-21	1,879,200	1,435,610	Performing	30	UNSECURED
ADEKUNLE RAIMI ADEDEJI	EXECUTIVE DIRECTOR (HOLDCO)	ADEKUNLE RAIMI ADEDEJI	VAF	NGN	24-Jul-19	20-Jun-22	3,000,000	2,672,560	Performing	18	FINANCED ASSET (GENERATOR)
OLUBUNMI ONAJITE DAYO-OLAGUNJU	EXECUTIVE DIRECTOR (BANK)	OLUBUNMI ONAJITE DAYO-OLAGUNJU	Card	NGN	17-Apr-18	30-Apr-21	1,080,000	615,735	Performing	30	UNSECURED
OLUBUNMI ONAJITE DAYO-OLAGUNJU	EXECUTIVE DIRECTOR (BANK)	OLUBUNMI ONAJITE DAYO-OLAGUNJU	Overdraft	NGN	6-Dec-19	5-Jan-20	1,000,000	1,019,629	Performing	36	UNSECURED
VARIOUS STAFF	STAFF	VARIOUS STAFF	STAFF LOAN				8,495,788,435	4,393,757,507			
			Total-Insider related credits				104,576,518,008	72,582,485,200			

Off balance sheet engagements

Name of Company	Name of Related Interest	Relationship	Facility type	Currency	Outstanding N'000	Status
CADBURY NIG PLC	ATEDO PETERSIDE	EX-CHAIRMAN (HOLDCO)	Letter of Credit	USD	1,447,780	Performing
FLOUR MILLS OF NIGERIA PLC	SALAMATU SULEIMAN ATEDO PETERSIDE	NON-EXECUTIVE DIRECTOR (HOLDCO) EX-CHAIRMAN (HOLDCO)	Letter of Credit	USD	2,188,200	Performing
GOLDEN SUGAR COMPANY LIMITED	SALAMATU SULEIMAN ATEDO PETERSIDE	NON-EXECUTIVE DIRECTOR (HOLDCO) EX-CHAIRMAN (HOLDCO)	Letter of Credit	USD	2,381,773	Performing
MAKON ENGINEERING & TECHNICAL SERVICES	MIANNAYA ESSIEN (SAN)	NON EXECUTIVE DIRECTOR (BANK)	Bonds & Guarantees	USD	450,782	Performing
MTN NIGERIA COMMUNICATIONS LTD	AHMED I DASUKI	EX-NON EXECUTIVE DIRECTOR	Letter of Credit (Cash Backed)	USD	2,305,824	Performing
NAMPAK NIGERIA PLC	SIMON RIDLEY	NON EXECUTIVE DIRECTOR (BANK)	Letter of Credit	USD	465,062	Performing
NIGERIAN BOTTLING COMPANY LTD	OLUSOLA DAVID-BORHA	EX CHIEF EXECUTIVE (HOLDCO)	Bonds & Guarantees Letter of Credit	NGN EUR	628,361	Performing
NIGERIAN BREWERIES PLC	ATEDO PETERSIDE	EX-CHAIRMAN (HOLDCO)	Letter of Credit	EUR	1,988,577	Performing
PRESCO PLC	ATEDO PETERSIDE	EX-CHAIRMAN (HOLDCO)	Letter of Credit	EUR	72,572	Performing
PZ CUSSONS NIGERIA PLC	NGOZI EDOZIEN (formerly on the Board of PZ Cussons)	NON EXECUTIVE DIRECTOR (HOLDCO)	Letter of Credit	USD	374,243	Performing
UNILEVER NIGERIA PLC	ATEDO PETERSIDE	EX-CHAIRMAN (HOLDCO)	Letter of Credit	EUR USD	69,443	Performing
Total					12,372,619	

Risk management

Risk management is at the core of the operating and management structures of the group. The group seeks to limit adverse variations in earnings and equity by managing the balance sheet and capital within specified levels of risk appetite. Managing and controlling risks, and in particular avoiding undue concentrations of exposure and limiting potential losses from stress events are essential elements of the group’s risk management and control framework, which ultimately leads to the protection of the group’s reputation and brand.

The most important types of risk arising from financial instruments are credit risk, liquidity risk and market risk. The management of these risks is discussed in the consolidated financial statements of the group as at and for the year ended 31 December 2018.

There have been no significant change in the group's risk factors and uncertainties relative to those described in the consolidated financial statements as at and for the year ended 31 December 2018.

Capital management

Capital adequacy

The group manages its capital base to achieve a prudent balance between maintaining capital ratios to support business growth and depositor confidence, and providing competitive returns to shareholders. The capital management process ensures that each group entity maintains sufficient capital levels for legal and regulatory compliance purposes. The group ensures that its actions do not compromise sound governance and appropriate business practices and it eliminates any negative effect on payment capacity, liquidity and profitability.

The Central Bank of Nigeria (CBN) adopted the Basel II capital framework with effect from 1 October 2014 and revised the framework in June 2015. Stanbic IBTC Bank has been compliant with the requirements of Basel II capital framework since it was adopted.

Regulatory Capital

The group's regulatory capital is split into two:

Tier 1 capital includes ordinary share capital, share premium, retained earnings, statutory reserves, other reserves and non controlling interest less deferred tax asset.

Tier 2 capital includes subordinated debts and revaluation reserves.

Investment in unconsolidated subsidiaries are deducted from Tier 1 and 2 capital to arrive at total regulatory capital.

Capital management - BASEL II regulatory capital

Stanbic IBTC Group	Basel II **Group** **31 Dec. 2019** **N'million**	*Basel II - Adjusted for impact of IFRS 9 transitional adjustment **Group** **31 Dec. 2019** **N'million**	Basel II **Group** **31 Dec. 2018** **N'million**	*Basel II - Adjusted for impact of IFRS 9 transitional adjustment **Group** **31 Dec. 2018** **N'million**
Tier 1				
	276,898	280,969	214,285	220,391
Paid-up share capital	5,252	5,252	5,120	5,120
Share premium	88,181	88,181	76,030	76,030
General reserve (retained profit)	146,780	146,780	105,602	105,602
SMEEIS reserve	1,039	1,039	1,039	1,039
AGSMEIS reserve	4,652	4,652	2,156	2,156
Statutory reserve	24,991	24,991	20,000	20,000
Other reserves	76	76	76	76
IFRS 9 Transitional Adjustment Relief	-	4,071	-	6,106
Non controlling interests	5,927	5,927	4,261	4,261
Less: regulatory deduction	16,124	16,124	10,008	10,008
Goodwill				
Deferred tax assets	10,892	10,892	9,181	9,181
Other intangible assets	5,232	5,232	827	827
Current period losses	-	-	-	-
Under impairment	-	-	-	-
Reciprocal cross-holdings in ordinary shares of financial institutions	-	-	-	-
Investment in the capital of banking and financial institutions	-	-	-	-
Excess exposure(s) over single obligor without CBN approval	-	-	-	-
Exposures to own financial holding company	-	-	-	-
Unsecured lending to subsidiaries within the same group	-	-	-	-
Eligible Tier I capital	260,774	264,845	204,277	210,383
Tier II				
	31,610	31,805	32,949	32,949
Hybrid (debt/equity) capital instruments	-	-	-	-
Subordinated term debt	27,289	27,289	30,414	30,414
Other comprehensive income (OCI)	4,321	4,516	2,535	2,535
Less: regulatory deduction	-	-	-	-
Reciprocal cross-holdings in ordinary shares of financial institutions	-	-	-	-
Investment in the capital of banking and financial institutions	-	-	-	-
Investment in the capital of financial subsidiaries	-	-	-	-
Exposures to own financial holding company	-	-	-	-
Unsecured lending to subsidiaries within the same group	-	-	-	-
Eligible Tier II capital	31,610	31,805	32,949	32,949
Total regulatory capital	**292,384**	**296,650**	**237,226**	**243,332**
Risk weighted assets:				
Credit risk	835,460	835,460	635,860	635,860
Operational risk	337,664	337,664	299,944	299,944
Market risk	16,082	16,082	24,185	24,185
Total risk weighted asset	**1,189,206**	**1,189,206**	**959,989**	**959,989**
Total capital adequacy ratio	24.6%	24.9%	24.7%	25.3%
Tier I capital adequacy ratio	21.9%	22.3%	21.3%	21.9%

*Capital adequacy ratio will decrease by 36bps from 24.9% to 24.6% without the transitional adjustment relief given by the CBN to Banks. The transitional adjustment relief is in adherence to the CBN circular on "Transitional Arrangements - Treatment of IFRS 9 Expected Credit Loss for Regulatory Purposes by Banks in Nigeria", dated 18 October 2018. The transitional adjustment is a 20% discount on excess IFRS 9 day one impact over regulatory risk reserve (RRR) on day one 01 January 2018, and which is further discounted over a four year period at annual discount rate of 20%.
IFRS 9 day one impact amounted to N10.18bn as at 01 January 2018.

Capital management - BASEL II regulatory capital

Stanbic IBTC Bank PLC	Basel II 31 Dec. 2019 N'million	*Basel II - Adjusted for impact of IFRS 9 transitional adjustment 31 Dec. 2019 N'million	Basel II 31 Dec 2018 N'million	*Basel II - Adjusted for impact of IFRS 9 transitional adjustment 31 Dec 2018 N'million
	183,237	187,355	153,824	160,002
Paid-up share capital	1,875	1,875	1,875	1,875
Share premium	42,469	42,469	42,469	42,469
General reserve (Retained Profit)	91,460	91,460	72,386	72,386
SMEEIS reserve	1,039	1,039	1,039	1,039
AGSMEEIS reserve	4,652	4,652	2,156	2,156
Statutory reserve	41,706	41,706	33,863	33,863
Other reserves	36	36	36	36
IFRS 9 Transitional Adjustment Relief	-	4,118	-	6,177
Non controlling interests	-	-	-	-
Less: regulatory deduction	15,470	15,470	9,190	9,190
Goodwill	-	-	-	-
Deferred tax assets	10,188	10,188	8,321	8,321
Other intangible assets	5,232	5,232	819	819
Investment in the capital of financial subsidiaries	50	50	50	50
Excess exposure(s) over single obligor without CBN approval	-	-	-	-
Exposures to own financial holding company	-	-	-	-
Unsecured lending to subsidiaries within the same group	-	-	-	-
Unsecured lending to subsidiaries within the same group	-	-	-	-
Eligible Tier I capital	167,767	171,885	144,634	150,812
Tier II	29,706	29,694	31,958	31,958
Hybrid (debt/equity) capital instruments	-	-	-	-
Subordinated term debt	27,289	27,289	30,414	30,414
Other comprehensive income (OCI)	2,417	2,405	1,544	1,544
	50	50	50	50
Reciprocal cross-holdings in ordinary shares of financial institutions	-	-	-	-
Investment in the capital of banking and financial institutions	-	-	-	-
Investment in the capital of financial subsidiaries	50	50	50	50
Exposures to own financial holding company	-	-	-	-
Unsecured lending to subsidiaries within the same group	-	-	-	-
Eligible Tier II capital	29,656	29,644	31,908	31,908
Total regulatory capital	**197,423**	**201,529**	**176,542**	**182,720**
Risk weighted assets:				
Credit risk	761,350	761,350	598,610	598,610
Operational risk	240,982	240,982	215,971	215,971
Market risk	16,082	16,082	24,185	24,185
Total risk weight asset	**1,018,414**	**1,018,414**	**838,766**	**838,766**
Total capital adequacy ratio	19.4%	19.8%	21.0%	21.8%
Tier I capital adequacy ratio	16.5%	16.9%	17.2%	18.0%

Capital adequacy ratio will decrease by 40bps from 19.8% to 19.4% without the transitional adjustment relief given by the CBN to Banks. The transitional adjustment relief is in adherence to the CBN circular on "Transitional Arrangements - Treatment of IFRS 9 Expected Credit Loss for Regulatory Purposes by Banks in Nigeria", dated 18 October 2018. The transitional adjustment is a 20% discount on excess IFRS 9 day one impact over regulatory risk reserve (RRR) on day one 01 January 2018, and which is further discounted over a four year period at annual discount rate of 20%.
IFRS 9 day one impact amounted to N10.30bn as at 01 January 2018.