

NIGERIA

Fifth
Annual Report
of the
Eastern Regional
Development Board
1953-54

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INTRODUCTION

The Eastern Regional Development Board was established with assets totalling £355,514 : 13s : 1d. on the 14th of May, 1949, under Ordinance No. 14 of 1949, as joint successor (with similar Boards in the Northern and Western Regions and in the Colony) to the Nigeria Local Development Board, which was wound up on the 31st of March in the same year.

Constitution

2. The Ordinance requires that the Board shall be composed of not less than five members appointed by the Lieutenant-Governor of whom three shall be unofficial Members of the Eastern House of Assembly, provided that if there are more than five members, the unofficial Members of the House shall be in the majority. On the 1st of April, 1953, the Board was composed of:—

The Honourable the Regional Development Secretary, *Chairman*.
The Director of Agriculture.
The Regional Treasurer.
The Chief Industrial Officer, Enugu.
Sir Francis Ibiam, K.B.E., M.H.A.
Mr. A. Ikoku, O.B.E., M.H.A.
Chief N. N. Anyika, M.H.A.
Mr. E. O. U. Eronini, M.H.R.
Mr. R. N. Charley, M.H.A.

and remained unchanged throughout the period under review

3. During the year the following meetings were held:—

14th Meeting	15th April, 1953.
15th Meeting	13th August, 1953.
16th Meeting	11th November, 1953.
17th Meeting	10th March, 1954.

4. The Board's lending powers are defined in section 22 (f) of the Ordinance which reads:—

"A Board with the approval of the appropriate authority may, out of its funds and resources make advances or grants or both advances and grants to any person for schemes—

- (i) connected with public work, public utilities, town, urban and village planning and other similar projects or class of project;
- (ii) for the promotion and development of village crafts and industries and the industrial development of the products of Nigeria;

(iii) for land settlement, land utilisation, forest and firewood plantations and other similar projects;

(iv) for the setting up and operation of any experimental undertaking by any public body, authority or public service for the purpose of testing industrial or processing development of any produce of Nigeria."

5. The approval of the Lieutenant-Governor is required before any loans may be made, while the approval of the Standing Committee on Finance of the House of Assembly is also required in the case of every grant and of all loans in excess of £10,000.

Funds

6. At the 1st April, 1953, the Board's assets totalled £342,807 15s. 6d. made up as follows:—

	£	s.	d.
Value of loans outstanding	242,760	9	2
Sundry debtors	707	13	1
Accrued interest	1,014	—	—
Cash Available	98,325	13	3
	<u>£342,807</u>	<u>15</u>	<u>6</u>

7. At the end of the period under review the assets were as follows:—

Value of loans outstanding	£273,467	10	9
Bicycle advance	72	—	—
Overdue interest	539	5	—
Cash available	62,847	6	9
	<u>£336,925</u>	<u>2</u>	<u>6</u>

The Balance Sheet and Income and Expenditure Account and Audit Report will be found as an Appendix to this report.

The rather larger fall in the Board's funds during the year under review was due to the payment of the balance of a grant to the B.C.C. Scheme amounting to £9,523:—:— which had actually been approved prior to 1949. So that, but for this factor, the Board would have ended the year in a stronger position than it started it.

Loans

8. Appendix III to the report is a summary of all loans which have been approved by the Board and have not yet been fully repaid:—

9. The Board's lending policy, which was set out fully in the last report, remained unchanged. There was however a decrease in the number of applications received and this enabled them to be dealt with in greater detail.

Administration

10. The Department of Commerce and Industries continued to provide a whole time Secretary. In November, the Board was successful in recruiting the services of a full time Accountant. This gave the Secretary the opportunity to devote more time to dealing with arrears of uncompleted loans and fresh applications and with the assistance of an additional typist clerk the day-to-day work of the Board has been brought as up-to-date as it can be. The Balance Sheet was submitted for audit during the first week of April, 1954.

C. A. L. Guise
Chairman

REPORT ON THE AUDIT OF THE ACCOUNTS OF THE EASTERN
REGIONAL DEVELOPMENT BOARD FOR THE YEAR
ENDED 31ST MARCH, 1954

The Balance Sheet as at the 31st March, 1953, of the Eastern Regional Development Board together with the Income and Expenditure Account for 1953-54 and the Schedule of Loans has been examined.

2. *Assets:*

Of the thirty-one instalmental repayments amounting to £4,366 19s. 3d. shewn as overdue on 31st March, 1954 the following were outstanding on 31st July, 1954:—

<i>Name</i>	<i>Principal</i>			<i>Interest</i>		
	£	s.	d.	£	s.	d.
P. E. Uwem & Sons	160	—	—	17	3	—
Clinton J. V.	160	—	—	31	—	6
Ibeneme & Sons	150	—	—	25	17	—
T. Nwachuku Sawmills	375	—	—	52	7	6
Epelle, Emmanuel Moses W.	200	—	—	21	10	3
Industry Service Agency	75	—	—	13	11	9
Oyibo Imegi	—	—	—	—	17	8
F. K. Okiya	100	—	—	17	4	7
L. Y. Nkemdurum	42	17	2	5	5	10
M. E. Ezenezi	52	10	—	3	13	—
C. Anadu	284	2	—	48	19	—
Chief Dagogo-Jack F.	300	—	—	18	3	6
Bassey Akpan	—	—	—	—	15	1
R. N. Ayuk	80	—	—	7	6	10
F. A. Lele	80	—	—	7	6	10
J. N. Wachuku	33	6	—	23	14	—
Chionye Ani Hus Co.	55	11	9	4	11	9
M. A. Abassah	32	—	—	6	2	—
A. E. Ihejirika	86	13	4	5	5	—
Servicemen's General Repair Co.	200	—	—	34	9	2
Eastern Press Syndicate	90	—	—	68	17	3
Felix Dibia	10	—	—	5	3	4
David Jacob Asirim	100	—	—	7	12	2
J. C. Okke	140	—	—	40	—	—
Mark Nwadike	186	13	4	16	3	2
H. E. Nwalusi	9	—	—	9	3	7
A. O. Ejidike	210	—	—	19	5	5
	3,212	13	7	511	9	2

3. Three of the four loans mentioned in paragraph 2 (ii) of the Audit Report for 1951/52 as having been made without security are still unsecured. One of the borrowers, the Eastern Press Syndicate, is in arrears with the instalments due the extent of £158 17s.3d.

4. Evidence of security having been taken was not seen in the case of the following loans issued since April, 1953:—

E. A. Chime £590; Eastern Rivercraft Co., £10,000.
B. A. Duru £25; J. N. Igwebuike £1,000

I am informed, however, by the Board's Accountant, that security has in fact been taken and that the documents are in course of preparation or registration.

Loans, various

5. In February 1954, E. O. Habor was granted a loan of £2,500 repayable over 10 years with 3% interest. The equated annuity, which the borrower undertook to pay, was £282 1s. 6d. To fulfil the terms of the loan as approved, however, the equated annuity should in fact be £293 1s. 6d.

6. No instalments of principal or interest have been paid on the loan of £300 made to T. N. Otu. An extension of time appears to have been granted by the Board at its meeting on the 11th November, 1953, but it is not clear how long the extension was intended to last.

7. It is observed that of the loan of £590 made to E. A. Chime in June 1953 £298 10s. 10d. *i.e.* more than half, was utilized to pay the instalments of principal and interest due on three previous loans.

8. The balance of £58,798 13s. 8d. shewn as being on deposit with the Regional Treasurer, Eastern Region, agrees with the amount recorded in the books of the Eastern Regional Treasury.

Authorities

9. All loans issued during the year ended 31st March, 1954 have been duly authorised by the Board and approved by His Honour the Lieutenant-Governor.

Repayments overdue

10. In cases where instalment payments are made after the due date it is not customary to charge interest for the period, during which the instalments were overdue. The Board at its thirteenth meeting approved this procedure in general terms.

Repayments before the due time

11. When a borrower wishes, and is permitted, to repay his loan in toto before the normal expiration of the loan period, the amount of the lump sum repayment should be the then present value of the instalments not yet paid, at the appropriate rate of interest. It is observed, however, that in the instances that have occurred of repayments before the due time the correct method of calculating the lump sum repayment has not always been applied.

Expenditure

12. The Income and Expenditure Account includes an expenditure item of £81 5s. 6d. "Stamp Duties and Registration Fees". It appears that these charges might more properly have been borne by the borrowers concerned than by the Board.

13. It is observed that cheque No.—381 for an amount of £100, which was drawn on the 10th November, 1953, is still outstanding in the Bank Reconciliation Statement.

(Signed) R. N. Seeman
for Director of Audit

31st August, 1954.

EASTERN REGIONAL DEVELOPMENT BOARD

BALANCE SHEET AS AT 31ST OF MARCH, 1954

31:3:53			31:3:53		
Liabilities			Assets		
£	s.	d.	£	s.	d.
DEVELOPMENT GRANT AT 1:4:53	327,777	17 8	SUNDRY DEBTORS:		
Less Adjustments	8,418	11 4	LOANS OUTSTANDING ON Principal accounts	273,467	10 9
INCOME & EXPENDITURE ACCOUNT:			Interest Overdue	539	5 —
Balance at 1:4:53	13,906	1 6	Bicycle Advances	72	— —
Add excess of Income over expenditure			Deposit:		
1953-4 accounts	3,382	19 6	Regional Treasurer	52,503	14 7
SUNDRY CREDITORS	1,123	16 4	CASH IN BANK	45,821	18 8
			Less unrepresented cheques	577	18 —
Contingent liabilities at 31st March amount to £2,5050 (Loans approved not yet paid).					
342,867 15 6	TOTAL	£336,926 2 6	£342,807 15 6	TOTAL	£335,926 2 6

Of the loans outstanding £269,639 16s. 6d. is not yet due for repayment within the current accounting period.

A. E. Cook }
 J. U. Webb } For the Board
 G. I. M. Orubu }
Chairman
Secretary
Accountant

The above Balance Sheet has been examined under my direction. I have obtained all the information and explanations that I have required and I certify as a result of this audit that subject to the observations contained in the Report dated the 31st August, 1954, the Balance Sheet is correct and is in accordance with the Books of Account of the Board.

(Signed) R. N. Secman.
for Director of Audit.

31st August, 1954.

EASTERN REGIONAL DEVELOPMENT BOARD

INCOME & EXPENDITURE ACCOUNT FOR THE PERIOD 1/4/53-31/3/54

DR.

1952-3

CR.

		1952-3				1953-3				
		£	s.	d.	£	s.	d.	£	s.	d.
	To									
214	Allowances to members	333	18	—						
187	Salaries	459	12	—	2,595	12	1			
116	Office Administration	185	13	—	1,053	4	2			
106	Transport & Travelling	164	10	1						
54	Stationery	152	5	7						
10	Stamp duties and Registration fees	81	5	6						
—	Bad Debts	2	—	3						
77	Bad Debt	4	8	3						
2,881	Miscellaneous	76	16	6						
	Balance: Surplus	3,392	19	6						
£3,648	TOTAL	£5,153	9	5	£3,648	16	3	£5,153	9	5

A. E. Cook
Chairman,
J. U. Webb
Secretary,
G. I. M. Otubu
Accountant.

	Onitsha Province		Owerri Province		Rivers Province		Calabar Province		Ogoja Province		Cameroons		Total
	No. of loans	Amount	No. of loans	Amount	No. of loans	Amount	No. of loans	Amount	No. of loans	Amount	No. of loans	Amount	
Agriculture	9	£12,060	27	£18,730	6	£2,204	5	£3,000	2	£8,500	10	£11,850	59
Fisheries	—	—	—	—	3	900	2	1,000	—	—	—	—	5
Pioneer Oil Mills	—	—	6	25,850	1	4,500	1	8,000	—	—	—	—	8
Bricks And Tiles	3	4,300	2	3,130	1	300	—	—	—	—	—	—	5
Textiles	3	2,097	3	3,875	—	—	—	—	—	—	—	—	6
Sawmills	1	200	2	2,875	—	—	2	700	—	—	—	—	7
River Transport	2	10,400	2	2,900	2	2,000	1	400	—	—	—	—	8
Cassava Grater	1	150	2	300	—	—	3	850	—	—	—	—	7
Rice Mills	7	7,270	2	1,000	—	—	—	—	1	150	1	140	5
Corn Mills	4	1,770	—	—	—	—	—	—	1	1,050	—	—	10
Soap Manufacturing	—	—	2	3,000	—	—	—	—	—	300	—	—	5
Mechanical Workshop	8	8,100	3	810	—	—	—	—	—	1	300	—	2
Woodworking	—	—	—	—	—	—	—	—	—	—	—	—	2
Line Manufacturing	2	500	—	—	—	—	—	—	—	—	—	—	2
Shoe Repair	—	—	—	—	—	—	—	—	—	—	—	—	2
Copra Industries	—	—	—	—	1	5,000	—	—	—	—	—	—	1
Community Dev.	3	116,000	1	5,000	2	3,800	—	—	—	—	—	—	1
							5	37,224					11
							20	51,974					14
							6	10,300					152
													351,510



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