



1st Annual Report

OF THE

Western State

Agricultural Credit Corporation

1973-74

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OF THE
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WESTERN STATE AGRICULTURAL CREDIT CORPORATION

ANNUAL REPORT FOR

The Period 1st October, 1973 to 31st December, 1974

BACKGROUND

The Western State Agricultural Credit Corporation (WSACC) was formally established on 1st October, 1973 as a result of Western State Government Edict No. 8 entitled "Western State Agricultural Credit Corporation Edict, 1973". Up to 30th September, 1973, the State's Agricultural Credit Programme had been managed by the Western State Agricultural and Industrial Investment Corporation (WSAIIIC). The dissolution of the WSAIIC and the resultant creation of the WSACC stemmed from a decision by the Western State Government that the agricultural credit needs of the State could best be served through an autonomous Corporation devoted exclusively to the management of agricultural credit programmes. Consequently His Excellency the Military Governor of the Western State, Brigadier Oluwole Rotimi appointed the Shoga Committee in January 1973 to assign the assets and liabilities of the dissolved Corporations (Western State Agricultural and Industrial Investment Corporation and the Western Nigeria Development Corporation) to three newly created Corporations — Western State Industrial Investment Corporation, Western State Agricultural Investment Corporation and the Western State Agricultural Credit Corporation.

GOAL OF THE CORPORATION

The goal of the Corporation is to contribute to the development of viable agricultural and food production enterprises within the Western State by providing credit and technical guidance to the State's agricultural and food producing sectors. By providing credit for land clearing, mechanisation, new tools, improved seeds, fertilizers, chemicals, improved livestock breeds, better fishing equipment and other inputs as well as credit for storage and processing facilities, the Corporation seeks to encourage increased agricultural and food production. By providing technical guidance in farm enterprises, home and financial management, the Corporation endeavours to translate increased production into increased income for the State's primary producers.

STRUCTURE OF THE CORPORATION

Under the aegis of a Chairman and Board of Directors appointed by and responsible to the Military Governor of the State, the Corporation conducts its activities through its headquarters in Ibadan and thirty-four loan office locations throughout the Western State. The Corporation is organised into five departments: administration, agricultural credit, accounts, legal and internal audit. Departmental activities are directed and coordinated by the Corporation's General Manager who is also an ex-officio member of the Board

of Directors. The thirty-four field offices are organised under five circles offices to parallel the field organisation of the State Ministry of Agriculture and Natural Resources' (MANR) Extension Division. This parallel arrangement greatly facilitates mutual cooperation between the Corporation and the Ministry of Agriculture and Natural Resources. At present circle offices are located in Ibadan, Abeokuta, Oshogbo, Akure and Ado-Ekiti. See Annexure AI for Organisation Chart.

THE BOARD OF THE CORPORATION

During the month of October 1973 the Military Governor appointed the following persons to form the Corporation's new Board of Directors:

Mr. N. K. Adamolekun, J.P. (Chairman)

Mr. Adamolekun taught for many years in various secondary schools and Teacher Training Colleges before joining the University of Ibadan where he spent 19 years (1953-1972) on the Administrative Staff. He was appointed the Registrar of the University in 1960 and retired in 1972 into legal practice. Mr. Adamolekun served on various public bodies in the past, and he is currently Vice-Chairman of the West African Examinations Council; Chairman of Council of Yaba College of Technology; Member of the Council of the University of Ife; Member of the Governing Body of the Institute of Administration, University of Ife; and member of the Board of Governors of Christ's School, Ado-Ekiti.

Mr. A. A. Ogundepo (Member)

A product of the Government College, Ibadan (1930-33), and of the Higher College, Yaba (1934-36). Mr. Ogundepo taught Science in Agricultural Education Centres in Ibadan from 1937-1949, Umuahia-Umudike, 1949 and Bauchi 1951-1954. He thereafter joined the Inspectorate Division of the Ministry of Education until 1960 when he switched over from the professional branch to the Administrative service. He retired as Under-Secretary, Ministry of Works and Transport in 1968. He was thereafter appointed a full-time Member of the Statutory Corporations Service Commission on which he served until the dissolution of the Commission in 1973.

Chief Henry Akinola Akinloye (The Aruwajoye of Akure) (Member)

Chief Akinloye is a Chartered Secretary by profession.

He served the Federal Government between 1946 and 1964, and also served as a member of the Western State Forestry Advisory Commission from 1968-1971. Since his retirement he has entered into the business world. He is currently Chairman/Managing Director of H. A. Akinloye and Sons Limited; Chairman and Managing Director, Akure Timber and Allied Industries Limited; Director, Akure Divisional Development Company Limited; Member, Management Committee of Akure Local Government Council; Member, Board of

Governors, St. Louis Secondary Grammar School, Akure and Hon. General Secretary, Western Nigeria Timber and Sawmills Association.

Mr. N. M. Oladapo (Member)

A Higher Elementary Certificated Teacher, Mr. Oladapo followed the teaching profession as a career for many years having been headmaster of various schools in the then Western and Northern Regions. On his retirement from teaching, he was appointed President of Aiyedade Grade 'B' Customary Court, Ikire, in which position he served for a period of fifteen years.

Mr. Oladapo was Chairman of the Board of Governors of Aiyedade District Grammar School, Ikire for the period 1959 to 1966. He is currently a private business man.

Mr. E. O. Olufunwa (Member)

Mr. Olufunwa is a product of Wesley College, Ibadan. After teaching for some years, he joined the Police Force in 1937 and had a distinguished career in the Force which culminated in his promotion as Commissioner of Police for the then Western Region. He had the privilege of serving in all parts of the country and of many duty visits abroad. Among his many distinctions are four medals (including the Colonial Police Medal) for meritorious service and the honour of being presented to Queen Elizabeth II. He has now retired from the public service.

Mr. R. O. Shoyinka (Member)

After topping his education with a Bachelor of Science in Business Administration in the United States of America, Mr. Shoyinka entered the private sector and served in turn in Texaco Africa Limited, Lagos (1963-66); Grudin Research Corporation, U.S.A. (1966-67), and Department of Social Services, New York, U.S.A. (1967-68). He has participated in various Management and Industrial Relations Seminars and has had the distinction of serving as Secretary/Member of the Job Evaluation Committee of all Statutory Corporations and Boards of the Western State (1971). He is currently the Personnel Manager in the Administration of the International Institute of Tropical Agriculture, Ibadan.

ACTIVITIES

The new Board met for the first time on November 16, 1973. During the period November 1973 to March, 1974, the Board set about familiarising itself with the agricultural credit activities and procedures employed by its predecessor organisation, determining the true financial and staffing position of the new Corporation, resolving issues relating to the division of assets occasioned by the dissolution of the WSAIIC, and addressing itself to pressing problems related to loans inherited from the WSAIIC. Although matters relating to the division of assets and to inherited loans consumed much of the

Board's time, the major problems concerned the Corporation's financial and staffing positions.

Finance of the Corporation:

It soon became apparent that the Corporation's financial position was barely tenable in that recurrent expenses had to be met by using an overdraft facility with the Standard Bank of Nigeria Limited and principal repayments received from borrowers, two sources of funds which should have been used to support loan programmes. Although a large number of approved loans inherited from WSAIIC had either not been disbursed at all or only partially disbursed, there were simply no funds available to meet these obligations. It was clearly not possible to entertain new loan applications under these circumstances.

As a short-term measure to alleviate this critical financial situation, the Corporation sought the immediate release of the remaining half of a ₦400,000 Western State Government Grant to its predecessor organisation. These funds were received in December 1973. To ensure over the long term that the Corporation's financial resources were adequate for its task, the Corporation approached the newly established Nigerian Agricultural Bank (NAB) for financial support of its lending schemes and also appealed to the Western State Government to make two types of annual appropriations to the Corporation; one appropriation to provide for the fact that due to the nature of the Corporation's activities, recurrent expenditure would always exceed recurrent income, and the other appropriation to provide, on the basis of demonstrated need, loan funds for on-lending to the State's agricultural and food producing sectors.

During March 1974, a clearer picture of the Corporation's short-term cash needs together with the release of the aforementioned ₦200,000 by the Government revealed that a modicum of funds would be available for new loan approvals. This fact together with the completion of the staffing study by the Ministry of Establishments and Training's O. & M. experts and promising results from the Corporation's overtures to both the Western State Government and N.A.B. regarding future financial support, marked the beginning of a more productive period for the Corporation in terms of goal achievement. In an extraordinary session on 15th March, 1974, the Board reviewed and approved nineteen loan applications from groups involved in maize production.

From the modest beginning the Board was able to devote increasing attention to developing, promoting and managing agricultural credit schemes. At the same time, the Board endeavoured to organize and staff the Corporation so as to ensure that all departments contributed to goal achievement.

Loan Policy:

During the year the Corporation set a number of general and specific policies regarding its lending programmes. As a matter of general policy, the Corporation gives priority to those agricultural endeavours which promise

the greatest contribution to the economic development of the State and Nation. In pursuance of this policy loan funds and technical expertise are largely directed towards increasing the production of rice and maize and maintaining the State's leading position in cocoa production. Another general policy is to emphasize group rather than individual loans because of the inherent efficiency and security in dealing with groups.

A number of specific policies relating to loan applications were established during the year: First, and perhaps foremost, the Board set the policy that all loan applications would be dealt with promptly and all applicants timely notified of the Corporation's decisions. Appropriate administrative procedures were introduced to ensure that this policy is executed. Secondly, the Board established the policy that the main criterion for approving loan applications would be the ability of the borrowers to effect full repayment. Following directly from this, the Board decided that barring exceptionally circumstance, the Corporation would not lend more than seventy per cent of the total cost of a project.

In addition to these specific policies, the Board initiated a review of the various types of loans to determine appropriate approval guidelines based on such factors as the nature and scale of the enterprise, expected investment and return per unit of production, borrower's past history, if any, etc. Guidelines for rice and maize loans were worked out in cooperation with the State MANR and the Corporation established guidelines for cassava, cocoa and poultry loans. Reviews of other livestock and fishing loans are currently in progress.

In an effort to improve the Corporation's image in the eyes of the public, the Corporation published in June 1974 a full page article in the "*Daily Times*" of Nigeria and "*Daily Sketch*" outlining the Corporation's lending policies and procedures. The article concluded with a statement inviting applicants or potential applicants who experience any difficulties in their dealings with representatives of the Corporation to write directly to the Corporation's General Manager. This illustrates the Board's determination to make the Corporation responsive to the needs of the State's agricultural and food producing sectors.

Corporation Solvency

Soon after the inauguration of the Corporation, the Board decided that funds for lending and funds for recurrent expenditures should be accounted for and funded separately. As mentioned earlier in this report, the Corporation approached the Western State Government for immediate assistance in solving the initial financial difficulties and for long term assistance in ensuring that the Corporation had adequate loan and recurrent expenditure funds. The Western State Government made ₦500,000 available to the Corporation in July 1974 and another ₦1.01 million in September; however, these funds were in the form of a loan to the Corporation and carried a five per cent interest charge. Although these funds permitted the Corporation to carry on its lending

schemes, the problem of funds for recurrent expenditures was not satisfactorily resolved. Finally, in October, the Western State Government agreed in principle that the Corporation required an annual subvention to meet its recurrent obligations and it made over ₦250,000 available for this purpose. Additional release as contained in the Corporation's approved 1974/75 Estimate was promised. Thus the Board's plea for a policy of separation of loan funds from recurrent funds as mentioned above was successfully implemented in 1974. During the year, the Corporation made additional progress towards ensuring that adequate loan funds are available to it in good time to enable it meet its obligations to the farmers. In April the Corporation was the beneficiary of a ₦1.43 million loan from the Federal Military Government as part of the latter's Emergency Food Production Programme. ₦900,000 of these funds were to be devoted to long-term loan for the stumping and clearing of land in ten of the State's farm settlements and the remaining funds used to finance actual rice and maize production for groups which agreed to farm the cleared sites. As April is the beginning of the planting season, it was not possible to organise many participating groups for the 1974 crop year, thus the major impact of these funds will be felt in 1975.

The year's major event as regards loan funds was the Corporation's acceptance of a ₦4.37 million credit offer from the Nigerian Agricultural Bank Limited (NAB). In April 1974 the Corporation in close collaboration with the State's MANR submitted a proposal to the N.A.B. requesting financial support of over ₦7 million for a broad programme of food production and storage as well as cocoa maintenance. The NAB responded in June with a ₦4.37 million credit offer to support the following:—

- (i) 2,000 acres of cassava production including land development
- (ii) 10,000 acres of maize production including land development
- (iii) 10,000 acres of rice production including land development
- (iv) the construction of silos for storing 7,500 tons of maize
- (v) the construction of warehouses for storing 7,500 tons of maize
- (vi) the storage of 7,500 tons of rice and 7,500 tons of maize.

Corporation and State M.A.N.R. joint efforts to negotiate the inclusion of funds for cocoa maintenance were unsuccessful and the credit offer as outlined above was accepted in December 1974 for use during the 1975 crop year.

Organisation and Staffing

The major organisational developments during the year were the re-organisation of the Accounts Department to reflect the policy of accounting separately for loan and for operating funds, the assignment of accounting officers to the Circle Offices to supervise loan disbursements and the drafting of an Organisation Manual which depicts the Corporation's organisational structure and explicitly defines major job responsibilities.

Another major reorganisation was the adoption in principle of the State's new Local Government's 335 Local Advisory Committees in the selection of the Corporation's LAC members. This is to further ensure that credit reaches the grass-root level of the State's farming community.

On staffing matters, the Corporation had absorbed virtually the entire staff of the dissolved WSAIIC and the Board urgently desired to rationalise this level of staffing with the Corporation's exclusive focus on agricultural credit. In particular, the Board noted that the grading of positions within the Agricultural Credit Department as inherited from the WSAIIC did not reflect this department's key importance. To assist the Board make appropriate staffing decisions, the Corporation requested that the Organisation, Methods and Complementing Division of the State Ministry of Establishments and Training undertake a study of the Corporation with a view to advising the Board on the quality and adequacy of existing staff.

The most significant change during the year was the assignment in July of Mr. T. O. Olotu as the Corporation's General Manager, and by virtue of this appointment, he became an ex-officio member of the Board. Mr. Olotu was formerly an agricultural economist in the Planning Division of the State Ministry of Agriculture and Natural Resources and this assignment has availed the Corporation the technical know-how of a professional General Manager. Other staffing high-lights include:

- (i) The Board's decision to fill the vacant position of Secretary and thereby relieve the General Manager of various duties and responsibilities which had devolved on him since the existence of the vacancy;
- (ii) The creation of the post of Planning, Evaluation and Research Officer to assist the General Manager in these crucial areas;
- (iii) The addition of a Senior Internal Auditor to the Corporation's establishment to upgrade the quality and performance of the Internal Audit Department;
- (iv) The up-grading of various positions in the Agricultural Credit Department. The position of Loans Officer was added to this Department's establishment to provide additional expertise in handling the large future loan volumes.

Loan Portfolio

The loan portfolio inherited from the WSAIIC was grossly distorted by the inclusion of some ₦5 million worth of borrowers' accounts stemming from the activities of the loan defunct Western Regional Finance Corporation during the period 1949 to 1965. Of this amount, about ₦1.8 million represents principal and the remainder largely represents interest which has accrued over the years. The Corporation has formally requested permission from the Western State Executive Council to write off these bad debts and the Board

had resolved that the amount in question should no longer enter the Corporation's Books of Account.

The key measure of the Corporation's performance is the loan portfolio it has itself generated. In spite of the Corporation's initial financial, organisational and other teething problems, the Board approved during 1974 more than ₦1.3 million in loans to more than 8,000 primary producers. This is by far the largest supervised agricultural credit effort ever undertaken in the Western State. About ₦590,000 was lent to over 1,800 cocoa producers cultivating more than 34,500 acres of cocoa and, loans in excess of ₦350,000 were extended to cover 5,400 rice and maize farmers cultivating about 9,000 acres of maize and 3,100 acres of rice. A complete breakdown of the 1974 loan portfolio according to type of loan and area is shown in Annexure I.

Since the Corporation loaned out little or nothing between October 1973 and March 1974, the bulk of its disbursements were carried out in the 1974 cropping season, repayments of which are not due until about December 1974 and therefore fall outside the period covered by this report.

AUDITED ACCOUNTS

Audited Accounts for the Corporation consist of a balance sheet as at 1st October, 1973 the date the Corporation was formally created, and statements of accounts as at 31st March, 1974, the latter covering the six months period 1st October, 1973 to 31st March, 1974. These audited accounts are reproduced in this First Annual Report as Annexures II and III respectively.

REPORT OF THE AUDITORS PERTAINING TO BALANCE SHEET AS AT 1ST OCTOBER, 1973

We certify that the annexed Balance Sheet of the Western State Agricultural Credit Corporation as at 1st October, 1973 is in agreement with the Books and records which we have examined.

Ibadan, Nigeria
8th January, 1975

Farinde, Ogunleye & Co.
Chartered Accountants

REPORT OF THE AUDITORS PERTAINING TO THE STATEMENTS OF ACCOUNTS AS AT 31ST MARCH, 1974

We have examined the annexed Balance Sheet and the Income and Expenditure Account and have obtained all the information and explanations which we considered necessary for the purpose of our audit.

In our opinion, the accounts give respectively, a true and fair view of the state of affairs of the Corporation as at 31st March, 1974, and of the Income and Expenditure for the six months ended on that date.

Ibadan, Nigeria
8th January, 1975

Farinde, Ogunleye & Co.
Chartered Accountants.

FUTURE

The availability of loan funds from the N.A.B. for the 1975 crop year together with the Federal Government's Emergency Food Production Loan and continued support of loan programmes by the Western State Government, provide every indication that the Corporation will be able to greatly improve on 1974's record year. The NAB loan is of especial significance for it will permit the Corporation to provide for the first time a truly integrated loan programme covering all aspects of rice and maize production from initial land development to the storage and subsequent sale of the crops produced.

In addition to the sources of funds mentioned above, the Corporation has been involved in discussion with World Bank officials regarding lending schemes for oil palm development and a second cocoa project. As the State's oil palm production has been decreasing for some years past, the Corporation hopes that from 1975 it can play a role in the establishment, rehabilitation and maintenance of small holders oil palm plantations. As shown in Annexure I, the Corporation is already heavily involved in the maintenance of mature cocoa in the State.

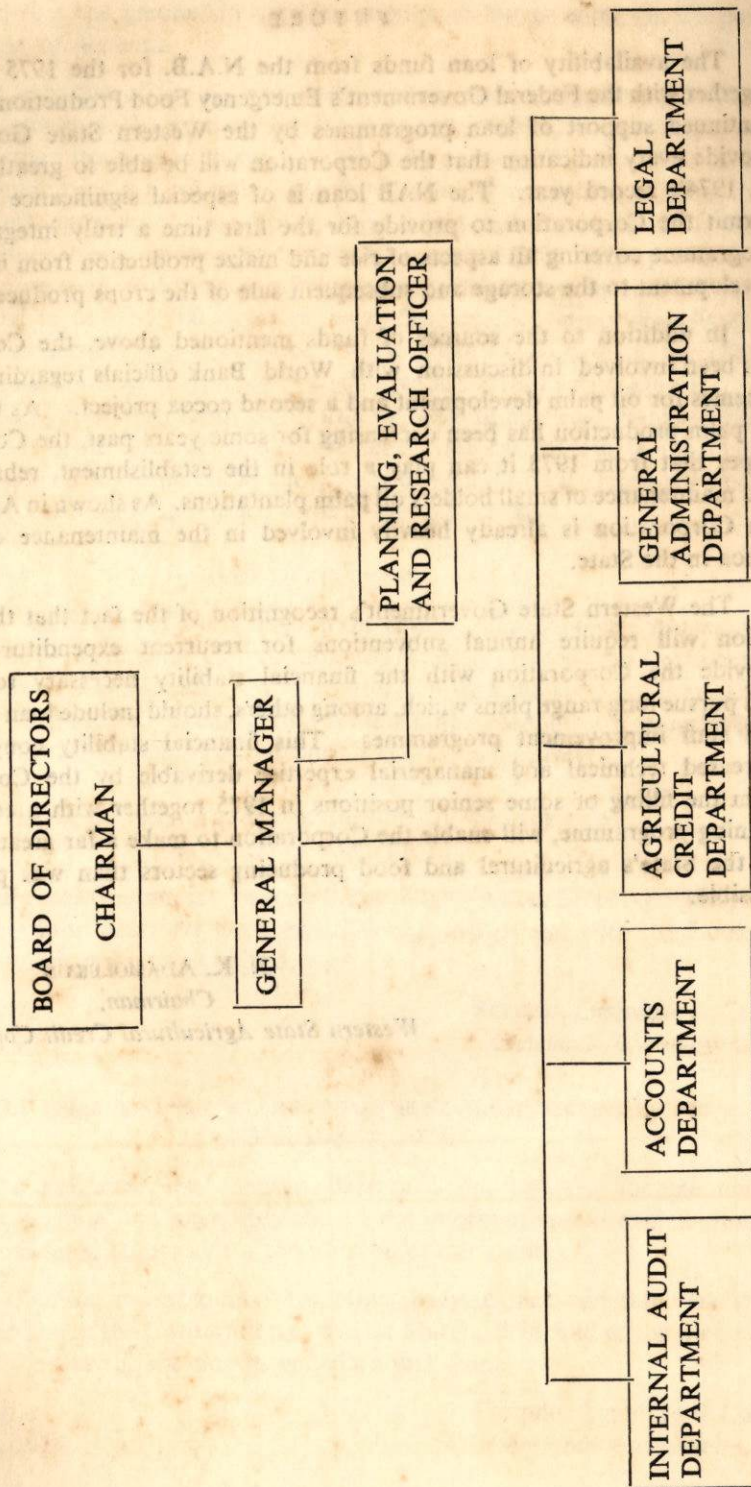
The Western State Government's recognition of the fact that the Corporation will require annual subventions for recurrent expenditure, should provide the Corporation with the financial stability necessary to develop and pursue long range plans which, among others, should include loan operation and staff improvement programmes. This financial stability coupled with increased technical and managerial expertise derivable by the Corporation from the filling of some senior positions in 1975 together with a continuous training programme, will enable the Corporation to make a far greater impact on the State's agricultural and food producing sectors than was previously possible.

N. K. ADAMOLEKUN

Chairman,

Western State Agricultural Credit Corporation.

ORGANIZATION CHART OF THE A.C.C.



WESTERN STATE AGRICULTURAL CREDIT CORPORATION

LOANS APPROVED DURING PERIOD
1ST OCTOBER, 1973-31ST DECEMBER, 1974

	ABEOKUTA CIRCLE				AKURE CIRCLE				EKITI CIRCLE			
	No.	Parti- cipants	Production Units	Amount	No.	Parti- cipants	Production Units	Amount	No.	Parti- cipants	Production Units	Amount
INDIVIDUAL LOANS												
Cocoa	14	14	187 acres	5,151	59	59	1,557 acres	22,756	128	128	2,138 acres	29,650
Maize	2	2	25 acres	786	9	9	157 acres	2,537	—	—	—	—
Rice	3	3	30 acres	11,355	1	1	45 acres	440	2	2	17 acres	500
Rice/Maize Mixed	6	6	30M/36R acres	1,895	—	—	—	—	—	—	—	—
Cocoa/Maize Mixed	—	—	—	—	—	—	—	—	—	—	—	—
Poultry	2	2	3,150 day-old chicks	6,900	—	—	—	—	—	—	—	—
Fishing	—	—	—	—	42	42	Not applicable	16,885	—	—	—	—
Cattle	—	—	—	—	—	—	—	—	—	—	—	—
Vegetables	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL INDIVIDUAL LOANS	27	27	308 acres	16,087	111	111	1,759 acres	42,618	130	130	2,155 acres	30,150
GROUP LOANS			3,150 day-old chicks									
Cocoa	5	172	5,026 acres	84,223	41	888	17,263 acres	123,073	18	524	5,012 acres	88,673
Maize	34	291	560 acres	15,750	12	123	254 acres	6,743	1	10	40 acres	300
Rice	42	508	507 acres	81,455	2	20	75 acres	1,193	70	989	1,974 acres	27,247
Rice/Maize (Mixed)	—	—	—	—	1	16	30 acres	600	—	—	—	—
Farm Settlement (Maize)	23	110	387 acres	9,030	—	—	—	—	6	39	286 acres	6,454
Farm Settlement (Rice)	—	—	—	—	—	—	—	—	—	—	—	—
Farm Settlement (Rice/Maize Mixed)	—	—	—	—	—	—	—	—	1	8	10M/20R acres	916
Poultry	—	—	—	—	—	—	—	—	—	—	—	—
Storage (Maize)	—	—	—	—	—	—	—	—	—	—	—	—
Cassava/Gari Production	—	—	—	—	—	—	—	—	1	n.a.*	4,130 acres	296,000
TOTAL GROUP LOANS	104	1,081	6,480 acres	190,458	56	1,047	17,622 acres	131,609	97	1,570	11,472 acres	419,590
TOTAL ALL LOANS	131	1,108	6,788 acres	206,545	167	1,158	19,381 acres	174,227	227	1,700	13,627 acres	449,740

3,150 day-old chicks.

*Cassava/Gari Production Loan made
to Limited Liability Company.

*120 tons of maize refers to Storage capacity.

WESTERN STATE AGRICULTURAL CREDIT CORPORATION

LOANS APPROVED DURING PERIOD
1st October, 1973— 31st December, 1974

	IBADAN CIRCLE				OSUN CIRCLE				TOTAL ALL CIRCLES			
	No.	Parti- cipants	Production Unit	Amount	No.	Parti- cipants	Production Unit	Amount	No.	Parti- cipants	Production Unit	Amount
INDIVIDUAL LOANS												
Cocoa	127	127	1,902 acres	37,010	321	321	6,539 acres	116,758	649	649	12,323 acres	211,325
Maize	8	8	143 acres	3,886	—	—	—	—	19	19	325 acres	7,209
Rice	—	—	—	—	—	—	—	—	6	6	92 acres	2,295
Rice/Maize Mixed	—	—	—	—	—	—	—	—	6	6	30M/36R acres	1,895
Cocoa/Maize Mixed	2	2	35C/12M acres	933	—	—	—	—	2	2	35C/12M acres	933
Poultry	15	15	5,920 day-old chicks	12,134	1	1	1,000 day-old chicks	3,165	18	18	10,070 day-old chicks	22,199
Fishing	—	—	—	—	—	—	—	—	42	42	Not applicable	16,885
Cattle	1	1	20 head	600	—	—	—	—	1	1	20 head	600
Vegetables	1	1	4 acres	600	—	—	—	—	1	1	4 acres	600
TOTAL INDIVIDUAL LOANS	154	154	2,096 acres	55,163	322	322	6,539 acres	119,923	744	744	12,857 acres	263,941
GROUP LOANS	14	31	5,920 day-old chicks	2,350	14	250	1,000 day-old chicks	81,581	79	1,865	10,070 day-old chicks	379,900
			20 head				—				20 head	
			237 acres				6,973 acres				34,511 acres	
			3,184 acres				2,466 acres				6,504 acres	
			30 acres				115 acres				2,701 acres	
			96M/39R acres				80M/18R „				196M/67R acres	
			847 acres				506 acres				2,011 acres	
			—				190 acres				190 acres	
			—				—				10M/20R acres	
			—				—				—	
			5,000 day-old chicks				—				120 tons maize	
			120 tons maize				—				4,130 acres	
			—				—				—	
			—				—				—	
TOTAL GROUP LOANS	215	2,421	4,433 acres	150,820.50	158	1,200	10,348 acres	158,971	630	7,319	50,355 acres	1051,448.50
	369	2,575	5,000 day-old chicks	205,983.50	480	1,522	16,886 acres	278,894	1,374	8,063	5,000 day-old chicks	1315,389.50
			120 tons maize								120 tons maize*	
			6,529 acres								63,212 acres	
			10,920 day-old chicks								15,070 day-old chicks	
			30 head								20 head	
			—								—	

1/10/73	CAPITAL	<i>Note</i>	31/3/74	1/10/75	FIXED ASSETS	<i>Note</i>	31/3/74
N			N	N			N
—	Capital		200,000	41,091	Freehold and Leasehold Buildings	2	40,579
299,607	General Reserve	1	255,023	11,310	Office Machinery and Equipment		13,850
340,000	Loan Capital		188,457	4,889	Furniture, Fixtures and Fittings		5,277
				787	Cash Safes		748
639,607			643,480	7,418	Motor Vehicles		12,225
				3,191	Library Books		3,169
				563	Living Barges		493
				433	Partitioning of Office		712
				69,682			77,055
	Current Liabilities			Current Assets			
613	Staff Account		3,970	530,71	Sundry Debtors on Loan	3	533,837
116,842	Sundry Creditors and Accrued Charges		21,669	(20,365)	Less Provision for Bad Debts		(20,365)
131,875	Staff Pension Fund		145,827	510,350	Net Sundry Debtors Loans		513,472
1,791	Special Cocoa Loan		2,091	1,623	Other Sundry Debtors		13,993
885	Interest on Bank Loan		—	—	Judgement Debtors		14,169
252,006			173,557	104,639	Staff Advances		110,833
				2,624	Stock of Stationery		1,102
				199,980	Balances at Bank and in Safes		84,680
				2,715	Cash in Hand		1,735
				821,931			739,984
891,613			817,037	891,613			817,037

NOTE 1

WESTERN STATE AGRICULTURAL CREDIT CORPORATION

GENERAL RESERVE

		N
Balance B/F		299,607
ADD:		
Posting in Arrears on Loan		26,571
Sundry Creditors on Bank Account (1961-1970)		6,241
Money owed to defunct firms		95,500
		<u>427,919</u>
LESS:		
Payment by Oluga	91	
Payment due to Opayemi	1,600	
Deficit for the Period	169,525	171,216
		<u>256,703</u>
LESS:		
New Provisions	1,680	1,680
		<u>N255,023</u>

NOTE 2

WESTERN STATE AGRICULTURAL CREDIT CORPORATION
SCHEDULE OF FIXED ASSETS AS AT 31ST MARCH, 1974

	Cost as at 1/10/73	Addition 1/10/73- 31/3/74	Sales or Transfer	Cost 31/3/74	Rate	Depreciation 1/10/73- 31/3/74	Net Book value as at 31/3/74
	₦	₦		₦		₦	₦
STAFF QUARTERS							
(i) Plot 107	7,230	—	—	7,230	2½%	90	7,141
(ii) Plot 11	4,350	—	—	4,350	2½%	54	4,296
(iii) Plot 7	29,511	—	—	29,511	2½%	368	29,142
Machinery & Equipment	11,310	3,268	—	14,578	10%	728	13,850
Furniture & Fittings	4,889	665	—	5,554	10%	277	5,277
Motor Vehicles	7,418	6,165	—	13,583	20%	1,358	12,225
Cash Safes	787	—	—	787	10%	39	748
Library Books	3,191	144	—	3,335	10%	166	3,169
Living Barges	563	—	—	563	25%	70	493
Office Partitioning	433	316	—	749	10%	37	712
	₦69,682	₦10,558	—	₦80,240	—	₦3,187	₦77,053

NOTE 3

WESTERN STATE AGRICULTURAL CREDIT CORPORATION
SUNDRY DEBTORS ON LOAN AS AT 31/3/74

Balance as at 1/10/73		N 530,715
ADD:		
Postings in arrears	26,571	
Interest 1/10/73—31/10/74	53,350	79,921
		610,636
LESS:		
Repayment during period	69,368	
Transfer to J/D A/C	13,464	82,832
		527,804
ADD:		
Loan Issued during period		6,033
Balance as at 31/3/74		533,837
LESS:		
Provision for Bad Debt		20,365
		N513,472

WESTERN STATE AGRICULTURAL CREDIT CORPORATION
INCOME AND EXPENDITURE FOR THE SIX MONTHS
ENDED 31ST MARCH, 1974

INCOME:

INTEREST RECEIVABLE	<i>Note 8</i>	₦	₦
Agricultural Loans		53,350	53,350

SUNDRY INCOME

Sale of application	1,522	
Interest on Staff Advances	1,507	
Processing Fees	75	
Legal Charges Receivable	1,146	
Sundry Income	1	
Rent Receivable	1,240	
Amount Recovered from bad debts	12,693	18,184
		<u>₦71,534</u>

EXPENDITURE:

Establishment Charges	Schedule I	11,774
Administration Expenses	Schedule II	229,285
		<u>₦241,059</u>

Excess of Expenditure over Income	<u>₦169,525</u>
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WESTERN STATE AGRICULTURAL CREDIT CORPORATION
SCHEDULE OF EXPENDITURE FOR THE SIX MONTHS
ENDED 31ST MARCH, 1974

ESTABLISHMENT CHARGES	Schedule I	₦
Rent and rates		1,516
Insurances		1,417
Repairs and Maintenance of Premises, Furniture & Fittings		6,077
Electricity		2,764
		11,774

ADMINISTRATION EXPENSES	Schedule II	₦
Board Members, Expenses and allowances	5,431	
Local Advisory Committee Members' Allowance	47	5,478
Travelling Expenses	23,505	
Staff Salaries, Wages and Allowances	161,924	
Medical Expenses	905	
Pension and Gratuity	15,536	201,870
Motor Running Costs	3,504	
Printing & Stationery	6,697	
Postages, Telegrams and Telephone	3,384	
Advertisements	742	
Audit Fees	1,320	
Bank Charges	1,249	
Depreciation on Fixed Assets	3,187	
Hospitality	505	
Boat Expenses	49	
Legal Fees and Expenses	1,192	
Periodicals	68	
Agric Show	40	21,937
		₦229,285