



NIGERIA

**Annual Report and Accounts of the
Western Regional Development
Board, 1951-52**

*Laid on the Tables of the Western Legislative Houses
in July and August, 1952*

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THIRD ANNUAL REPORT OF THE WESTERN REGIONAL DEVELOPMENT BOARD, 1951-52

This report covers the third year's working of the Board, and it is therefore considered unnecessary to repeat the introductory paragraphs of the first two Annual Reports, wherein can be found the background to the establishment of the Board. The Board must not be confused with the Western Regional Production Development Board, which derives its funds from the Marketing Boards.

2. During the period under review the membership of the Board remained unchanged as follows :—

- Development Secretary, Western Region (*Chairman*).
- Director of Agriculture, Western Region.
- Mr T. A. Odutola, O.B.E., of Ijebu Province.
- Mr E. A. Sanda, O.B.E., of Ibadan Province.
- Mr P. A. Oladapo of Ondo Province.
- Chief W. E. Mowarin of Warri Province.
- Mr R. M. Barr, Manager of the Ibadan Branch of the Bank of British West Africa Limited.

3. The Assistant Secretary, Development, continued as Secretary to the Board. However, as foreshadowed in last year's report, the increasing volume of work involved makes the appointment of a full-time Secretary imperative, and action to fill the post is now well advanced.

4. The arrangement recorded in paragraph 7 of last year's report whereby the Director of Commerce and Industries made available to the Board the services of an Accountant continued until the officer concerned transferred to the staff of the Western Regional Production Development Board. The latter have kindly allowed the arrangement to continue until the full-time Secretary referred to in the preceding paragraph arrives. The administrative expenses of the Board have, therefore, remained low, and in 1951-52 were only £340.

5. The Board is grateful to the Legal Secretary, who has continued to act as the Board's Solicitor, and to the Regional Lands' Officer whose assistance in the preparation of mortgages has been invaluable.

Operations in 1951-52

6. The Board met three times during 1951-52—in June and October, 1951, and in March, 1952—and approved thirty-two loans. A schedule of loans approved since the establishment of the Board is attached as Appendix "A" to this report.

7. The transactions since the establishment of the Board may be summarised as follows :—

	To 31-3-50	1-4-50 to 31-3-51	1-4-51 to 31-3-52	Total
Number of loans approved	26	32	32	90
Value	£63,873	£91,405	£130,098	£285,376
Amount issued	£48,165	£53,275	£66,994	£166,434*

* This sum is considerably less than the total value of the loans approved, partly on account of the fact that loans totalling approximately £56,000 were authorised at the very end of the period under review, and partly due to reasons shown in the last column of Appendix "A".

These figures include eleven loans to a total of £28,715, granted by the Nigerian Local Development Board in respect of enterprises in the Western Region. The Board has, therefore, allocated £256,661 out of its total cash grant of £339,940. A Balance Sheet and a Revenue and Expenditure Account form Appendix "B" to this Report.

8. During the year four loans were approved to Native Authorities, and six to Co-operative Societies. It is of note that only two of the loans approved were to companies incorporated under the Companies Ordinance.

Progress made with loans issued

9. Last year's forecast that the success attending the private enterprises assisted by the Board would extend from conspicuous success to dismal failure has proved correct. Although during the period under review all repayments due except two have been promptly made, there are indications that several other borrowers are also steering towards the rocks. In one of the two cases where repayments are overdue the Board is instituting legal proceedings for recovery. In the other case an application for deferment is under consideration.

10. The most successful loans issued to date are undoubtedly those for the purchase of passenger buses. The Board has so far approved six such loans to a total of £64,900. In deciding whether or not to issue further advances for this purpose the Board will be guided largely by the volume of alternative projects requiring assistance.

11. Five loans totalling £41,800 have been approved for the purchase of imported passenger launches for service in the creek areas, the further development of which is largely dependent upon improved transport facilities. Experience so far has shown that most applicants for loans for launches will require a good deal of technical guidance if their schemes are to succeed. The first three launches purchased with the aid of the Board are at present lying idle due to faulty engines.

Agricultural Loans

12. The shortage of supervisory staff reported in paragraph 13 of last year's report continued. The first instalments of seven of the eight loans approved in March, 1951, in the Ondo Province, however, were issued after the first year's farming programme had been drawn up by the borrowers in consultation with the Agricultural Officer. Preliminary reports received indicate that the borrowers have met with varying degrees of success, but it is as yet too early to judge the results of the experiment. The eighth agricultural loan approved in the Ondo Province has not been a success and part of it has been recalled.

13. In March, 1952, the Board reconsidered its agricultural loan policy, and decided that, in view of the lack of supervisory staff, no further applications for agricultural loans in the Ondo Province (as from elsewhere) could be considered. Moreover the extent to which the individual peasant farmer can benefit from loans is limited by his lack of knowledge of improved methods, and frequently by the amount of land available for his use. In view therefore of the real progress in agricultural practice which would result from co-operative farming, the Board decided that it would consider applications from duly registered farmers' co-operatives, and the Registrar of Co-operative Societies, Western Region, offered to assist in the formation and supervision of such societies where the demand by the people for co-operative methods existed. One loan has already been approved to a co-operative society for the cultivation of rice.

14. The Board's policy, however, is not permanently to deprive the more progressive individual farmer of the opportunity of obtaining a loan, and it is hoped that a series of agricultural loan committees may be set up at District and Divisional level through which small loans can be made either to individuals, or to groups which do not wish to form Co-operative Societies. Investigations into the best method of establishing these committees are still being made but it is not expected that the difficulties to be encountered will be easily overcome.

Conclusion

15. The Board's reports for 1949-50 and 1950-51 stressed that applicants "with the knowledge, skill and energy to put the money to good use.....are at present rare." Experience in 1951-52 has shown that this deficiency still exists. Until it is made good, full advantage cannot be made of the facilities the Board can offer. The quickening pace of development everywhere, however, is now being felt, and whereas last year the Board saw "no need to despair", perhaps this year there are definite signs of hope. But the number of worthy projects put forward by knowledgeable applicants for assistance is still very limited.

Ibadan, 14th May, 1952.

H. Spottiswoode,
Chairman,
Western Regional Development Board

The Secretary,
Western Regional Development Board,
Ibadan.

WESTERN REGIONAL DEVELOPMENT BOARD

Audit Report on the Accounts for the year 1951-52

The accounts were examined in accordance with the provisions of section 34 of Ordinance No. 14 of 1949.

2. Subject to the comments below the accounts have been satisfactorily kept and in my opinion the Balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Board's affairs according to the best of my information and the explanations given to me and as shown by the books of the Board.

3. All advances made during the period under review were duly authorised by the Board and approved by His Honour the Lieutenant-Governor. Four loans each in excess of £10,000 were approved and the covering approval of the Standing Committee on Finance of the Western Region as required by section 22 of Ordinance 14 of 1949 was obtained.

4. Securities held by the Board were examined. Documents in respect of the loan to Messrs Oluwalowi Weaving Industry are not yet complete but the matter is receiving attention.

5. With reference to paragraph 6 of the 1950-51 audit report Lisabi (Fola) Footwear Limited have made no repayments to date. Accrued interest subsequent to 31st December, 1950 has not been brought into the accounts. The affairs of this venture are receiving the attention of the Board.

6. During the year it was discovered that in one case part of the moneys advanced by the Board had been utilised for purposes other than those for which the loan was granted. On the order of the Board an unspent balance of £1,996 12s 3d was repaid and the matter is under review.

7. Payments to Board members have been authorised by the Chairman in pursuance of a resolution of the Board delegating to the Chairman the Authority conferred on the Board by section 23 (b) of the Ordinance. It would appear that such allowances should have been authorised in accordance with section 12 of the Ordinance.

8. A few minor queries are under correspondence with the Secretary to the Board.

K. S. COLLINS,
for Director of Audit

SCHEDULE OF LOANS

APPENDIX "A"

Serial No.	Purpose of Loan	Total Loan Approved	Rate of Interest	Period of repayment	Amount of loan issued to 31-3-52	Repayments Made			Balance of Capital Outstanding at 31-3-52	Remarks
						Capital	Interest	Total		
		£	%	Years	£ s d	£ s d	£ s d	£ s d	£ s d	
1	The erection of a produce store.	1,600	2	8	1,600 0 0	570 10 2	84 14 10	655 5 0	1,029 9 10	
2	The erection of a produce store.	2,000	2	8	2,000 0 0	713 2 8	105 18 7	819 1 3	1,286 17 4	
3	Market reconstruction ...	7,500	2	15	7,500 0 0	1,327 5 5	423 16 1	1,751 1 6	6,172 14 7	
4	The purchase of tools, machinery and timber.	800	2	8	800 0 0	472 5 5	16 15 9	489 1 2	327 14 7	
5	The purchase of shoe-making tools and machinery.	200	2	6	200 0 0	97 0 7	10 1 8	107 2 3	102 19 5	
6	Market reconstruction ...	12,715	2	15	12,715 0 0	2,250 3 2	718 9 10	2,968 13 0	10,464 16 10	
7	Sawmill development ...	300	5	5	300 0 0	171 3 2	36 14 4	207 17 6	128 16 10	
8	The establishment of a piggery	600	3	7	600 0 0	158 19 0	33 14 2	192 13 2	441 1 0	
9-11	The establishment of a shoe-factory.	7,000	3	12	4,000 0 0	—	—	—	4,165 1 8	Accrued interest of £165 1s 8d transferred to capital.
12	For re-issue to students leaving Oyo Farm School	500	Free	{ To be repaid at the end of 5 years }	500 0 0	—	—	—	500 0 0	
13	Textile development ...	500	Free		500 0 0	—	—	—	500 0 0	
14	Agriculture ...	200	2½	4	200 0 0	48 3 3	5 0 0	53 3 3	151 16 9	
15	The erection of a produce store and office.	2,000	2	8	2,000 0 0	470 14 0	75 6 10	546 0 10	1,529 6 0	
16-17	The development of a piggery	2,750	2½	10	2,750 0 0	—	68 15 0	68 15 0	2,750 0 0	
18	Erection of a cold store at Warri.	1,500	3	10	1,500 0 0	—	—	—	1,500 0 0	
19	The erection of a produce store.	3,000	3	8 years reduced to 2 years	3,000 0 0	2,492 12 3	103 14 6	2,596 6 9	507 7 9	
20	Market development ...	8,670	4	20	8,670 0 0	593 19 1	681 19 1	1,275 18 2	8,076 0 11	
21	The installation of a corn-mill	430	4	4	430 0 0	101 5 2	17 4 0	118 9 2	328 14 10	
22	The installation of corn-mills	400	4	8	400 0 0	43 8 3	16 0 0	59 8 3	356 11 9	
23	The erection of school buildings.	2,000	2½	10	2,000 0 0	—	86 8 10	86 8 10	2,000 0 0	
24	The erection of a produce store.	3,000	3	8	3,000 0 0	337 7 5	90 0 0	427 7 5	2,662 12 7	
25	Agricultural ...	158	3	5	158 0 0	29 15 2	4 14 10	34 10 0	128 4 10	
26	The improvement and tarring of town roads.	10,000	2½	7	10,000 0 0	2,683 0 8	466 17 6	3,149 18 2	7,316 19 4	
27	Establishment of a tyre-retreading factory.	15,000	5	7	15,000 0 0	—	—	—	15,000 0 0	

Serial No.	Purpose of Loan	Total Loan Approved	Rate of Interest	Period of repayment	Amount of loan issued to 31-3-52	Repayments Made			Balance of Capital Outstanding at 31-3-52	Remarks
						Capital	Interest	Total		
		£	%	Years	£ s d	£ s d	£ s d	£ s d	£ s d	
28	Purchase of vehicles and additional working capital for tyre-retreading business	7,500	5	2	5,790 0 0	—	—	—	5,790 0 0	
29	The purchase of four passenger buses.	10,000	5	4	10,000 0 0	2,320 2 4	500 0 0	2,820 2 4	7,679 17 8	
30	To purchase and instal textile machinery.	1,000	3	8	854 6 0	—	—	—	854 6 0	
31-32	Agricultural	100	2½	8	100 0 0	—	—	—	100 0 0	No repayment to be made until end of sixth year.
33	The establishment of a piggery with poultry and vegetable sidelines.	1,100	3	10	1,000 0 0	—	—	—	1,000 0 0	
34	The establishment of a rice-mill and tile-making business.	2,350	4	10	1,589 2 6	—	—	—	1,589 2 6	Balance of loan to be issued on installation of mill. Approved at last meeting.
35	The purchase of one lorry and one land-crete machine for use in the above business.	1,358	5	3	—	—	—	—	—	
36	The establishment of a rice-mill.	2,000	4	10	700 0 0	—	—	—	700 0 0	} Balance of loan to be issued on receipt and installation of mill.
37	The purchase of a lorry and other equipment for the above business.	1,400	4	2	—	—	—	—	—	
38	The purchase of three passenger launches.	10,000	4½	12	9,934 19 7	—	—	—	9,934 19 7	
39	Agricultural	5,985	4	10	5,985 0 0	1,996 12 3	—	1,996 12 3	3,988 7 9	} Applicant no longer requires loan.
40	The installation of a corn-mill	300	4	4	—	—	—	—	—	
41	The purchase of textile equipment.	50	3	4	50 0 0	11 19 0	1 10 0	13 9 0	38 1 0	
42	Extension of sawmill ...	7,500	5	7	—	—	—	—	—	Negotiations on security still continuing.
43	Erection of a rice-mill ...	1,300	4	10	1,300 0 0	—	—	—	1,300 0 0	} Repayable at end of five years.
44	Cattle-rearing	200	3	5	200 0 0	—	—	—	200 0 0	
45	Erection of a corn-mill ...	250	4	4	—	—	—	—	—	Negotiations on security continuing.

Serial No.	Purpose of Loan	Total Loan Approved	Rate of Interest	Period of repayment	Amount of loan issued to 31-3-52	Repayments Made			Balance of Capital Outstanding at 31-3-52	Remarks
						Capital	Interest	Total		
		£	%	Years	£ s d	£ s d	£ s d	£ s d	£ s d	
46	The purchase of welder, battery charger and engine pump.	340	4	5	—	—	—	—	—	Negotiations on security continuing.
47	To develop factory for the manufacture of farming implements, etc.	600	4	6	600 0 0	—	—	—	600 0 0	
48	The establishment of teak plantations.	4,000	2% for 10 years. Then 3½%	20	330 0 0	—	—	—	330 0 0	Loan being issued in ten instalments.
49	The purchase of a passenger launch.	4,000	4½	12	3,943 3 3	—	—	—	3,943 3 3	
50	Extra cost of above passenger launch.	500	4½	10	—	—	—	—	—	
51	Pig-keeping	800	3½	10	—	—	—	—	—	Loan no longer required.
52	Pig-keeping	720	3½	10	720 0 0	—	—	—	720 0 0	
53	The installation of a rice-mill	700	4	7	700 0 0	—	—	—	700 0 0	
54	Agricultural	500	2½	5	200 0 0	—	—	—	200 0 0	Loans being issued in instalments.
55	Agricultural	500	2½	10	200 0 0	—	—	—	200 0 0	
56	Agricultural	2,000	2½	10	750 0 0	—	—	—	750 0 0	
57	Agricultural	3,000	2½	10	1,004 0 0	—	—	—	1,004 0 0	
58	Agricultural	1,500	2½	10	750 0 0	—	—	—	750 0 0	
59	Agricultural	2,000	2½	10	750 0 0	—	—	—	750 0 0	
60	Agricultural	600	2½	10	250 0 0	—	—	—	250 0 0	
61	Agricultural	2,600	2½	10	800 0 0	—	—	—	800 0 0	
62	The development of a rubber plantation.	1,500	5	2	1,500 0 0	—	—	—	1,500 0 0	
63	The erection of four produce stores.	7,500	4	8	5,500 0 0	500 0 0	4 19 9	504 19 9	5,000 0 0	£2,000 of loan not being taken up.
64	Agricultural	1,000	1% for 5 years. Thereafter 4%	8	—	—	—	—	—	Loan not now required.
65	The purchase of four passenger buses.	14,000	5	3	8,000 0 0	—	—	—	8,000 0 0	
66	The installation of two corn-mills.	580	4	4	580 0 0	—	—	—	580 0 0	
67	The establishment of a piggery	800	3½	10	800 0 0	—	—	—	800 0 0	
68	The purchase of four passenger buses.	8,500	5	3	4,230 0 0	—	—	—	4,230 0 0	
69	The installation of a corn-mill	560	4	4	—	—	—	—	—	Loan will be issued on completion of documents.

Serial No.	Purpose of Loan	Total Loan Approved	Rate of Interest	Period of repayment	Amount of loan issued to 31-3-52	Repayments Made			Balance of capital outstanding at 31-3-52	Remarks
						Capital	Interest	Total		
		£	%	Years	£ s d	£ s d	£ s d	£ s d	£ s d	
70	The purchase of two passenger launches.	9,500	4½	12	—	—	—	—	—	Launches not yet arrived.
71	The erection of a produce warehouse.	5,000	4	8	—	—	—	—	—	Loan will be issued on completion of documents.
72	Market development ...	3,000	4	10	3,000 0 0	—	—	—	3,000 0 0	
73	Sea-fishing	200	3	4	200 0 0	—	—	—	200 0 0	
74	Sea-fishing	300	3	6	—	—	—	—	—	Loan will be issued on completion of documents.
75	The purchase of two passenger launches.	11,000	4½	10	2,500 0 0	—	—	—	2,500 0 0	Launches not yet arrived.
76	The purchase of four passenger buses.	10,000	5	3	6,000 0 0	—	—	—	6,000 0 0	
77	Development of leatherwork	1,000	2	3	300 0 0	—	—	—	300 0 0	Loan being issued in instalments.
78	The establishment of teak plantations.	3,900	2% for first 10 years. Thereafter 3½%	20	—	—	—	—	—	
79	The establishment of teak plantations.	1,960		20	—	—	—	—	—	
80	The establishment of teak plantations.	4,500		20	—	—	—	—	—	
81	Rice cultivation	500	3½	1	500 0 0	—	—	—	500 0 0	
82	The construction of a produce store.	2,500	4½	8	—	—	—	—	—	Loans approved at last meeting. Documents in course of preparation.
83	The erection of woodwork shop and store, and the purchase of machinery.	3,000	4	10	—	—	—	—	—	
84	Sea-fishing	300	3½	5	—	—	—	—	—	
85	Cabinet making	300	4	4	—	—	—	—	—	
86	The purchase of four passenger buses and the erection of a garage and office.	16,000	5	3	—	—	—	—	—	
87	The purchase of two passenger buses.	6,400	5	3	—	—	—	—	—	
88	The purchase of two passenger launches.	6,800	4½	10	—	—	—	—	—	
89	The installation of a corn-mill	200	4	4	—	—	—	—	—	
90	Market development ...	5,000	4	3	5,000 0 0	5,000 0 0	61 18 4	5,061 18 4	—	Loan repaid in full.
	TOTAL	£285,376	—	—	£166,433 11 4	22,389 8 5	3,614 13 11	26,004 2 4	144,209 4 7	

APPENDIX "B"

WESTERN REGIONAL DEVELOPMENT BOARD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH, 1952

<i>Dr</i>	£	s	d	<i>Cr</i>	£	s	d	£	s	d
To Printing and Stationery	58	6	5	By Interest :						
„ Travelling Expenses	172	17	6	From Loans	1,016	0	0			
„ Salaries	108	19	3	From Deposits	3,832	15	9			
„ Excess of Revenue over Expenditure transferred to capital	4,508	14	4	From Bicycle Advances	1	9				
	<u>£4,848</u>	<u>17</u>	<u>6</u>					<u>4,848</u>	<u>17</u>	<u>6</u>
								<u>£4,848</u>	<u>17</u>	<u>6</u>

BALANCE SHEET AS AT 31ST MARCH, 1952

LIABILITIES				ASSETS						
	£	s	d	£	s	d	£	s	d	
∞ Capital at 31-3-51	378,047	14	4	Debtors Sundry :						
Plus Surplus to 31-3-52	4,508	14	4	Loans (Principal)... ..	144,209	4	7			
				Loans (Interest accrued)	60	13	4			
Provident Fund—L. Ladipo				Western Regional Production Development Board	34	13	10			
Stamp Duties				Cocoa Marketing Board	58	13	8			
				Cotton Marketing Board	14	13	5			
								144,377	18	10
				L. Ladipo Provident Fund Investment				17	16	0
				L. Ladipo Bicycle Advance				14	7	6
				Cash :						
				Deposit with Accountant-General	227,044	1	5			
				Bank	11,136	14	1			
								238,180	15	6
								<u>£382,590</u>	<u>17</u>	<u>10</u>
								<u>£382,590</u>	<u>17</u>	<u>10</u>

EXAMINED :
J. E. BARKER,
Acting Director of Audit
2nd June, 1952

P. S. G. FLINT,
Secretary,
Western Regional Development Board
21st April, 1952