

NIGERIA

Fourth
Annual Report
of the
Eastern Regional
Development Board
1952-53

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INTRODUCTION

The Eastern Regional Development Board was established 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 at least five members 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, 1952, the Board was composed of:—

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

and remained unchanged throughout the period under review.

3. For various reasons the Board was not able to meet every three months as required; but the following meetings were held:—

11th Meeting	13th June, 1952.
12th Meeting	30th July, 1952.
13th Meeting	27th November, 1952.

4. The Board's duties are laid down in section 22 (i) 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 product 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, 1952, the Board's assets totalled £341,780 : 8 : 6 made up as follows:—

	£	s	d
Value of loans outstanding	219,444	6	2
Sundry debtors	1,669	7	9
Accrued interest	874	12	10
Cash	119,792	1	9

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

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

The Accounts and Auditor's Report will be found in Part II of this report.

Policy

8. The Ordinance under which the Board operates (No. 14 of 1949) is entitled "An Ordinance to provide for the establishment of Regional Development Boards for the Purpose of Fostering the Economic Development of Nigeria by making Grants and Advances out of such Moneys as may be available, and for Purposes connected therewith." The use of the word "economic" is significant in the interpretation of the whole Ordinance and in particular of section 22 (1) (quoted at paragraph 4) which lays down the Board's power and duties.

9. The Board is therefore required to confine its activities to the assistance of ventures likely to contribute materially to the increase of the wealth of the Region, and may not concern itself with the development of social services or the encouragement of the arts.

10. From its first meeting, the Board has been obliged to give increasing consideration to an assessment of priorities within the Board's terms of reference, as the applications, which cover a very wide range, have been many times greater than the Board could possibly fulfil.

11. Following from this, it has become necessary to preclude certain types of business from receiving the Board's assistance. The decisions taken and the reasons may be summarised as follows:—

- (i) Rice Farming and small Sawyers Businesses (i.e. pit-sawing). Necessary development of these industries should be possible without the Board's assistance, since low initial capital is required for their development, while quick and comparatively high profits can be made.
- (ii) Palm Oil Hand Presses, Nut Crackers, Motor Lorries or Buses, the establishment of Building or Contracting businesses and wholesale or retail Trading. There is no shortage of private capital for any of these purposes.
- (iii) Furniture-making, Tailoring or Baking. These businesses have some economic significance but could not be considered to be of major importance to the Region. In addition they are already adequately represented in most areas.
- (iv) Rice milling in the Abakaliki Division and cornmills generally, as sufficient for economic purposes have now been established.
- (v) Poultry and Pig Keeping. It was with reluctance that the Board made this decision but disquieting reports had been received on the success of projects to which the Board had already given assistance. It was considered that greater skill and knowledge was required in the management of such businesses than had hitherto been thought necessary, and that before further assistance was given to this type of business, more must be known about the eventual outcome of existing investments.

These decisions of the Board are not hard and fast rules, and are kept constantly under review in the light of experience.

12. It has been suggested, that the Board might have done more to achieve its purpose, particularly in the agricultural field, if less emphasis were laid on the necessity for securing any loans made. Nigeria is a predominantly agricultural country and it has been the Board's experience in the Eastern Region that sound agricultural proposals do not lack support or security of some sort. The Board has, moreover, a clear duty to consider the preservation of its funds, which are public funds, to fulfil its purpose, it must adopt normal commercial practice to secure them against loss.

Investigation and Consideration of Applications

13. Prior to November, 1950, all applications were fully investigated by District Officers and other Government Officers before they were sent forward to the Board. The number of applications then became too great to continue to do this and the Board established a Committee to screen all applications on the basis of the original information supplied by the applicants.

Papers are circulated to members of this Committee and only those applications which the Committee considers show some promise of worthwhile development are fully investigated. The Committee advises the Board to reject the remaining applications.

14. It has been impossible for the Secretary to undertake the investigation of applications and this, as hitherto, has been done mainly by District Officers, Officers of the Agricultural Department, Department of Commerce and Industries and other departments of Government.

15. Details of Loans and Grants made will be found in the Appendix.

16. As stated in the last Report it is still not possible to assess the success or otherwise of the Board's activities as most of the advances made are repayable over a period as long as ten years. Owing to shortage of staff, the Board has not been able to follow up its advances with after-visits of any regularity, and it was therefore to a minority of probable failures that its attention had been drawn, rather than to the far larger number of businesses which by the promptitude of the repayments appear to be running successfully. Failures appear to be due not so much to inherent weaknesses in the schemes themselves, as to lack of supervision by the owners of the business, the employment of unqualified managers, the misuse of the loan, and in partnership disagreements left unresolved.

17. As from the 1st April, 1952, the duties of Secretary to the Board have been carried out by an Industrial Officer of the Department of Commerce and Industries, Enugu. He has been able to spend his full time on the Board's affairs and after getting level with the arrears of work will, it is hoped, be able to devote time to more visits, particularly to the smaller industrial borrowers who are most in need of guidance.

Part II

REPORT ON THE AUDIT OF THE ACCOUNTS OF THE EASTERN REGIONAL DEVELOPMENT BOARD FOR THE YEAR ENDED 31ST MARCH, 1953

The Balance Sheet as at the 31st March, 1953 of the Eastern Regional Development Board together with the Income and Expenditure Account for 1952/53 and the schedule of Loans has been examined.

2. *Assets:*

(i) Of the thirty-four instalmental repayments shown as overdue on the 31st March, 1953, the following remain outstanding:—

<i>Name</i>	<i>Principal</i>			<i>Interest</i>		
	<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>	<i>s.</i>	<i>d.</i>
P. E. Uwem and Sons	80	—	—	8	11	6
J. V. Clinton	120	—	—	20	13	8
Ibeneme and Sons, Plantations	100	—	—	17	4	8
T. N. Nwachuku Sawmills Ltd.	250	—	—	34	18	4
E. W. M. Epelle	133	6	8	14	6	10
Industry and Service Agency	80	—	—	9	1	2
Oyibo Imegi	60	—	—	6	8	10
M. E. Ezezezi (Part)	25	—	—	1	16	6
C. Anadu	189	8	—	32	12	8
R. N. Ayuk	40	—	—	3	13	5
T. A. Lele	40	—	—	3	13	5
Chionye Anihus Co. (Part)	15	—	—	4	11	9
A. E. Ihejirika	43	6	8	2	12	6
Sampson B. Atulomah	30	—	—	2	15	1
Servicemen's General Repair Co.	100	—	—	17	4	7
David Jacob Asirim	50	—	—	3	16	1
J. C. Okeke and Brothers	250	—	—	43	1	6
Mark Nwadike (Part)	53	6	8	8	1	7
	£1,659	8	—	235	4	1

(ii) The interest free loan of £750 made to the Ikot Ekpene Co-operative Raffia Marketing Society, which was shown as outstanding as at 31st March, 1953, was repaid in full on 27th October, 1953.

(iii) The loans detailed in paragraph 2 (iii) of the 1951/52 Audit Report remain without security. Principal outstanding in respect of such loans amounted to £10,335 as at 31st March, 1953.

3. *Sundry Debtors:*

(i) Of the sum of £707. 13s. 1d. shown as owing to the Board in respect of Interest, £235 4s. 1d. as detailed in paragraph 2 (i) of this report, is outstanding.

(ii) It has transpired that the amount of £1,365 15s. 5d. to which reference was made in paragraph (ii) of the previous Audit Report, was not in fact advanced to the Ibez Trading Company, but related to the amount by which the cost of a mill erected by the Commerce and Industries Department for the Company exceeded £4,000, being the amount loaned to the Company by the Nigeria Local Development Board. The latter had erroneously brought the amount of £1,365 15s. 5d. into its books by credit to Grant Account. Adjustment has been made in the accounts of this Board for 1952/53 (see footnote to Balance Sheet). All amounts owing by the Ibez Trading Company (*vide* item 9 in the Schedule of Loans) have since been settled in full.

4. *Cash with Regional Treasurer (Eastern Region).*

The balance of £52,503 14s. 7d. on deposit with the Regional Treasurer (Eastern Region), has been agreed with the amount as recorded in the Eastern Regional Treasury accounts.

Liabilities

5. *Sundry Creditors:*

Included in the sum of £1,123 16s. 4d. shown as owing by the Board is an instalmental repayment of £1,060 15s. 10d. which has been received by the Board from the Onitsha Town Native Authority although not due until the 22nd of February, 1954.

Authorities

6. All loans issued up to the 31st March, 1953, have been duly authorised by the Board and approved by His Honour the Lieutenant Governor.

7. As regards paragraph 7 of the Audit Report on the accounts for the year 1951/52 retrospective approval has yet to be obtained from the Eastern Regional Standing Finance Committee, for the grant of £9,012 that was made in April, 1951 to the Calabar Mamfe Road Area Planning Authority: Section 22 (2) of Ordinance No. 14 of 1949 has reference.

8. No claims for additional interest in cases where instalmental repayments are effected after the due dates have so far been made. It is considered that any such waiver of interest requires the authority of the Board.

20th February, 1954.

J. H. HIGGINS
for Director of Audit

EASTERN REGIONAL DEVELOPMENT BOARD

BALANCE SHEET : 31ST MARCH, 1953

	£	s	d	£	s	d	£	s	d
DEVELOPMENT GRANT AT 1-4-52	329,143	13	1						
Less Adjustment	1,365	15	5	327,777	17	8			242,760
SUNDY CREDITORS				1,123	16	4			9
EXCESS OF INCOME OVER EXPENDITURE	13,906	1	6				707	13	1
							1,014	--	--
							45,821	18	8
							52,903	14	7
				£342,807	15	6			£342,807
									15
									6

*Amount shown in Balance Sheet as at 31-3-52 as sundry debtor now transferred. The advance was not paid out.

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 20th February, 1954, the Balance Sheet is correct and is in accordance with the Books of Account of the Board.

LAGOS
20th February, 1954.

J. K. BUCHANAN
Director of Audit

J U. WEBB,
Secretary

C. A. L. GUISE, M.B.E.
Chairman.

INCOME AND EXPENDITURE ACCOUNT—1952-53

DEBIT

Allowances to Board Members	214	4	--
Office Administration	116	3	4
Stamp Duties and Registration Fees	10	--	--
Transport and Travelling	106	12	--
Salaries—Clerical Staff	187	4	--
Bank Charges	1	2	6
Stationery	54	2	11
Miscellaneous Expenditure	77	17	2
Excess of Income over Expenditure (Transferred to Balance Sheet)	13,906	1	6
	£14,673	7	5

CREDIT

Excess of Income over Expenditure at 31-3-52	£	s	d
	11,024	11	2
Interest accrued on Deposit with Accountant-General	1,953	4	2
Interest accrued on Loans	2,595	12	1
	£14,673	7	5

SCHEDULE OF LOANS up to 31-3-53

APPENDIX

No.	Borrower	Date of first Repayment	Amount of Loan	Rate of Interest	Loan out-standing at 31-3-52	Loan out-standing at 31-3-53	Purpose of Loan
1	Calabar Mamfe Road Area Planning Authority	31-3-48	£ 13,040	1 per cent for 2 yrs. & then 2 per cent	7,438	6,498	Resettlement
2	ditto.	31-3-48	240	Free	192	168	ditto.
3	ditto.	31-3-48	182	2 per cent	145	12	ditto.
4	ditto.	31-3-48	8,620	Free	6,896	6,034	
5	Ikot Ekpen Co-operative Raflia						Raflia
6	Marketing Society, Port Harcourt, Town Planning Authority	1-1-51	750	Free	780	750	Township Development
7	ditto.	14-6-51	2,000	3 per cent	1,800	1,800	ditto.
8	P. E. Uweri & Sons	17-7-51	16,500	3 per cent	6,175	5,850	Sawmill
9	Ibeju Trading Co.	2-8-50	400	3-2 per cent	100	160	Pioneer Oil Mill, Amansi
10	E. U. O. Moody	26-11-49	4,000	3-2 per cent	3,200	3,200	Poultry
11	Galega Fon of Ball	1-11-51	200	3 per cent	160	120	Piggery
12	J. V. Clinton	1-11-50	200	3 per cent	120	120	Fishing
13	Calabar Mamfe Rd. Area P. Authority	1-11-51	600	3 per cent	600	600	Resettlement
14	United Ex-Smen's Motor Repair & Training W/shop	1-11-51	5,150	2 per cent	4,866	4,463	8
15	Industry & Service Agency	1-11-50	300	3 per cent	200	200	Motor Repairing
16	A. A. Geli	1-1-52	400	2 per cent	400	400	Farming
17	Ibenerne & Sons Plantations	1-2-52	200	3 per cent	160	120	Dairy
18	T. N. Nwachuku Saw Mills Ltd.	1-2-52	500	3 per cent	500	500	Mixed Farming
19	E. W. M. Ipelle	1-2-51	1,000	3 per cent	875	875	Sawmill
20	Outisha Town Native Authority	1-2-52	400	3 per cent	400	400	Fishing
21	Local Authority, Emugu	22-2-51	5,000	2 per cent	3,000	2,000	Market Scheme
22	G. N. MacOlive	33-3-51	12,000	2 per cent	10,400	96,000	Township Development
23	Ovibo Imegi	15-4-51	560	3 per cent	504	448	Cornmill
24	Port Harcourt Town Council	1-5-51	2,800	3 per cent	300	300	Piggery
25	Martin N. N. Eke	1-5-51	300	3 per cent	2,240	1,680	Market Scheme
26	Manday A. Nwoaguwu (alias Atagbom)	14-5-51	300	3 per cent	270	240	Farming & Palm Oil Production
27	J. B. Onwusanya	1-5-51	750	3 per cent	675	600	Poultry
28	Awka Co-operative Carvers Union Ltd.	1-5-51	1,000	2 per cent	360	320	Woodworking
29	J. W. Eboh	1-5-51	120	3 per cent	95	90	Poultry
30	Solomon I. Major	10-5-51	100	3 per cent	80	72	Fish & Crocodile Fonds
31	N. M. Bebe	10-5-53	5,000	3 per cent	5,000	5,000	Farming
32	D. E. S. Jumbo	1-5-52	800	3 per cent	660	594	Mixed Farming
33	Okolbo Farming Society	10-5-51	200	3 per cent	160	120	Piggery
34	V. F. O. Briggs and Partners	21-5-51	654	3 per cent	588	523	Piggery & Poultry

SCHEDULE OF LOANS (Contd.)

No.	Borrower	Date of first Repayment	Amount of Loan	Rate of Interest	Loan out-standing at 31-3-52	Loan out-standing at 31-3-53	Purpose of Loan
35	J. J. Ekpiken	1-6-52	£ 500	3 per cent	£ 500	—	Piggery & Poultry
36	J. H. Ngu	1-6-51	1,000	3 per cent	900	—	Brick & Tilemaking
37	L. N. Obioha & Bros.	1-6-51	4,000	3 per cent	3,600	—	Pioneer Oil Mill
38	F. F. Okiya	1-6-51	1,000	3 per cent	800	—	Piggery
39	L. Y. Nkenderum	5-7-51	300	3 per cent	257	2 10	Piggery & Poultry
40	A. Nwabueze	10-7-51	200	3 per cent	160	120	Sawmill
41	T. M. O. Eruba	10-7-51	300	3 per cent	270	240	Farming
42	M. E. Ezezezi	12-7-51	150	2 per cent	120	120	Market Gardening
43	Nigerian Eastern Wealth	2-8-51	5,250	3 per cent	4,725	4,305	Pioneer Oil Mill
44	C. Anadu	15-8-51	947	3 per cent	947	—	Weaving
45	Ikot Ekpene Ex's Men's Mechanic & Transport Association	1-8-51	300	3 per cent	250	200	Garage and blacksmith
46	K. J. Dagogo-Jack	Subject to further discussion	300	3 per cent	300	—	Launch Service
47	J. A. Mukete	12-9-51	500	3 per cent	450	400	Piggery & Poultry
48	Hawkins O. Okeke	20-8-53	350	3 per cent	350	—	Farming
49	A. O. Udeornah	1-2-53	600	3 per cent	600	540	Weaving
50	Erime Agwu Agwu	1-10-51	2,000	3 per cent	1,800	1,600	Farming
51	Bassay Akpan	1-11-51	150	3 per cent	120	90	Ferry Service
52	Obigwi Industrial Company	1-6-51	3,000	3 per cent	2,400	2,400	Pioneer Oil Mill
53	R. N. Ayuk	1-11-51	200	3 per cent	160	160	Mixed Farming (including piggery)
54	B. A. Aiose	18-10-52	3,500	3 per cent	3,500	3,150	Electrical Workshop
55	Local Authority, Enugu	20-10-51	100,000	2 per cent	95,000	90,000	Township Development
56	F. A. Lefe	1-12-51	200	2 per cent	160	160	Fishing
57	Catobar-Mamfe Road Area Planning Authority	1-11-51	9,980	Free	9,436	8,592 12	Resettlement
58	Nigerian Eastern Wealth	1-12-51	700	5 per cent	700	266 14 2	Pioneer Oil Mill
59	Chionye Anihus Co.	1-12-51	250	3 per cent	250	206	Poultry
60	L. O. Okoro & Co.	1-12-51	4,900	3.5 per cent	4,410	4,410	Pioneer Oil Mill
61	M. A. Abasah	15-12-51	650	3 per cent	585	—	Livestock
62	S. H. Igbellna	20-12-52	1,420	3 per cent	1,420	1,183 6 8	Rice Mill
63	G. E. Ukpabio & Partnership	20-12-51	300	3 per cent	300	—	Acrated Waters
64	G. O. Ejimofor & Partners	1-1-52	500	3 per cent	450	400	Mechanical Workshop
65	A. E. Ihejirika	25-6-52	130	3 per cent	130	130	Tiles and Terrazo
66	Gabriel D. Oparaugo	5-7-52	200	3 per cent	180	180	Market Garden
67	Jas. Egbuniche & Sons	30-8-52	1,215	3 per cent	1,215	—	Rice Mill
68	Sampson B. Atulomah	10-2-52	150	3 per cent	150	120	Poultry
69	Eastern Technical Company	1-2-52	1,230	3 per cent	1,107	984	Motor Repairing
70	Service-men's General Repair Company	1-1-52	1,000	3 per cent	900	900	Motor Repairing

SCHEDULE OF LOANS (Contd.)

No.	Borrower	Date of first Repayment	Amount of Loan	Rate of Interest	Loan outstanding at 31-3-52	Loan outstanding at 31-3-53	Purpose of Loan
71	Eastern Press Syndicate	16-2-54	£ 4,000	3 per cent	4,000	—	Community Development
72	Felix Dibia	20-3-52	300	3 per cent	270	270	Poultry
73	David Jacob Asirim	10-3-52	200	3 per cent	200	200	Poultry
74	Nigerian Food Supply Company	25-6-52	250	3 per cent	250	200	Market Garden
75	E. A. Chime	18-6-52	900	3 per cent	900	810	Palm Plantation
76	G. N. MacOliver	2-7-52	560	3 per cent	560	448	Cornmill
77	Edwin Ohanyere	5-9-52	40	3 per cent	40	20	Weaving
78	S. N. Oflachi	3-9-52	40	3 per cent	40	40	Weaving
79	J. C. Okeke Bios.	26-10-52	2,500	3 per cent	2,500	2,500	Sawmill
80	Ofo Okoji	1-12-52	300	3 per cent	300	240	Cornmill
81	Trio Milling Co.	1-12-52	300	3 per cent	300	240	Cornmill
82	M. Mba	1-1-53	200	3 per cent	200	200	Cornmill
83	N. O. Oji	1-1-53	150	3 per cent	150	120	General Farming
84	Meccoa Eastern Nigeria Farmers' Association	1-3-53	1,435	3 per cent	1,435	—	General Farming
85	Alala Industrial Co.	1-3-54	8,000	3 per cent	8,000	—	Rice Mill
86	I. N. Otu	1-2-54	300	3 per cent	300	—	Pioneer Oil Mill
87	Mark Nwadike	11-3-53	400	3 per cent	400	300	Shoemaking
88	H. E. Nwalusi	31-3-54	500	3 per cent	500	—	General Farming
89	Meccoa Eastern Nigeria Farmers' Association	1-3-53	900	3 per cent	900	—	Rice Mill
90	Nigeria Poultry and Livestock Farm	1-4-53	500	3 per cent	500	—	Palm Plantation
91	E. A. Chime	27-10-53	135	3 per cent	135	—	Poultry
92	B. A. Duru & Partners	1-5-53	24,000	3 per cent	24,000	—	Palm Plantation
93	Port Harcourt Town Council	21-7-53	590	3 per cent	590	—	Lamp-making & Metal turning
94	E. A. Chime	28-7-53	590	3 per cent	590	—	Lock-up Market Shops
95	Mr. Prince A. Albi	1-5-54	4,500	3 per cent	4,500	—	Palm Plantation
96	Nigerian Ex men's Transport, Wood & Clay Industries	30-1-54	2,000	4 per cent	2,000	—	Pioneer Oil Mill
97	P. I. Okechukwu	17-2-54	1,000	4.5 per cent	1,000	—	Brick and Tile Making
98	C. O. Wabara	1-4-54	400	4.5 per cent	400	—	Rice Mill at Igbakwu
99	Rose D. Odror	4-5-54	1,500	4 per cent	1,500	—	Oil, Palm Plantation
100	S. A. Fresman	21-2-54	400	4.5 per cent	400	—	Weaving
101	Bernard Sona	7-4-55	1,000	4.5 per cent	1,000	—	River Transport
102	D. N. Elangwe	19-4-54	140	3 per cent	140	—	Cocoa Drying Shed
103	Meccoa Eastern Nigeria Farmers' Association		4,000	3 per cent	900	—	Cassava Graters
			293,338		219,444	6 2	Palm Plantation
					242,760	9 2	

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