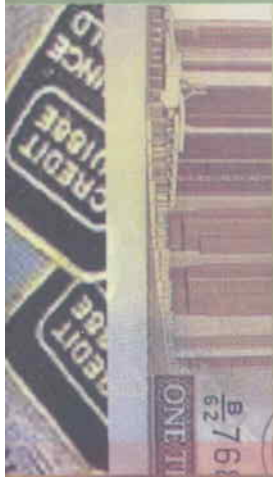




**THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND**  
**(ACGSF)**



**2004**

**ANNUAL REPORT**

**&**

**STATEMENT OF ACCOUNTS**

ACGSF  
REPORT  
OPERATIONAL  
2004  
RATIONAL  
ACGSF O  
PORT 20  
SF OPE  
RT 200

# >>> Inside this Report



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*Part A*  
~ Financial ~



::: ANNUAL REPORT & STATEMENT  
OF ACCOUNTS

**2004**

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER 2004

## THE FUND IN BRIEF

### ■ ENABLING INSTRUMENT:

The Fund was established by the Agricultural Credit Guarantee Scheme Fund Decree (No 20) of 1977

### ■ NATURE OF BUSINESS:

The Fund was established for the purpose of "providing guarantees in respect of loans granted for agricultural purposes by any bank with a view to encouraging banks to make advances to the agricultural sub-sector of the economy.

### ■ BOARD:

The Fund is managed by the Agricultural Credit Guarantee Scheme Fund Board. The "Board" constituted in accordance with S.2 of Decree No. 20 of 1977. The current (April 2005) composition of the Board is as follows:



**ALHAJI UMARU BABA**  
Chairman



**PROF. FEMI KAYODE**  
Member



**ALHAJI BABA GONI**  
Member  
Rep. Fed. Min. Of Agric. & Rural Dev.



**MR. B. O. ADELAJA**  
Member



**MR. MAMMAN ABDALLAH**  
Member



**ALHAJI ALIYU MOHAMMED**  
Member



**MR. GODSWILL E. UKPABIO**  
Member



**DR. FEMI POMARY**  
Secretary

■ **MANAGING AGENT:** \_\_\_\_\_

CENTRAL BANK OF NIGERIA  
CORPORATE HEAD QUARTERS  
GARKI, ABUJA.

■ **SECRETARIAT:** \_\_\_\_\_

DEVELOPMENT FINANCE DEPARTMENT  
CENTRAL BANK OF NIGERIA  
CORPORATE HEADQUARTERS  
GARKI, ABUJA.

■ **AUDITORS:** \_\_\_\_\_

A. B. AGBAJE & CO  
(CHARTERED ACCOUNTANTS)  
72 ADEKUNLE FAJUYI ROAD  
IBADAN, OYO STATE  
TEL: 02 -2414688, 2414842  
FAX: 02-2414842  
E-mail: abagbajeandco@yahoo.co.uk

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## STATEMENT BY THE CHAIRMAN

It is a pleasure for me to present the 2004 Annual Report and Statement of Accounts of the Agricultural Credit Guarantee Scheme Fund (ACGSF). As in previous years, the Statement by the Chairman reviews the performance of the Fund for the year not only in terms of the figures presented in the Statement of Accounts, but also in terms of the impact the Fund has made on the agricultural sector of the economy. The Report also reviews the expectations of the Board for the future of the Fund in the light of identified problems and opportunities. The Statement is therefore intended to assist the Shareholders of the Fund to correctly assess the extent to which the Fund is meeting and is likely to continue to meet the objectives for which it was created.

According to the Federal Office of Statistics, the National Planning Commission and the Central Bank of Nigeria, the Gross Domestic Product (GDP) of Nigeria for 2004 stood at N8, 264.96 billion (2003 N 6,947.82 billion). At 1990 constant basic prices the reported GDP for 2004 is N416.7 billion (2003 N392.76 billion). This represents a growth of 6.1% over the 2003 figures. The rate of growth attained is however, significantly lower than the 10.2% growth rate achieved in 2003 even though it is marginally higher than the target rate of 6% set under the National Economic Empowerment and Development Strategy (NEEDS). Although all sectors of the economy recorded varying levels of growth in 2004, the growth achieved in the year was largely driven by the non-oil sector unlike in 2003 when GDP growth was oil sector driven. Indeed the decline in the growth rate for 2004 is attributable to the slower growth rate in the oil sector relative to 2003. Whilst the oil sector recorded a growth rate of 3.3% for 2004, the non-oil sector averaged a growth rate of 7.5%. Notably agricultural output (comprising crops, livestock, forestry, and fishery) in particular accounted for 34.8% of total GDP. The sector recorded a healthy growth rate of 6.2% in 2004 compared to the 5.6% achieved in 2003.

The improved performance of the agricultural sector in 2004 is largely attributable to the sustained government support for the sector. The support of government for the sector includes the contributions of the ACGSF as well as other initiatives particularly the subsidy on fertilizers and other agricultural inputs, produce purchases made under the Strategic Grains Reserve Programme, construction of new dams, the directive that 10% of cassava flour be included in

flour milling, the World Bank and ADB support for the Fadama II programme and funding support to the Nigeria Agricultural, Co-operative and Rural Development Bank (NACRDB). In 2004, while the NACRDB disbursed loans totaling N5.0 billion, the ACGSF guaranteed loans totaling N2.1 billion. These were the two major principal efforts of government to enhance the flow of credit to agriculture.

Permit me at this juncture to highlight the contributions of the ACGSF to the agricultural sector of the economy. The efforts and activities of the Fund in 2004 grew by nearly 100% over the attainments for 2003 with the total value of the loans guaranteed under the Scheme growing to N2.1 billion in 2004 from the N1.1 billion recorded for 2003. One of the factors, which made the ACGSF, the primary beacon for channeling credit to individuals and small-scale farmers for agricultural purposes is the limit placed on the loans that may be guaranteed under the Scheme. The guarantees issued by the Fund for 2004 analysed by category of borrowing shows that individuals as opposed to corporate borrowers dominated accounting for 34,912 (99.65%) out of the 35,035 loans guaranteed by the Fund and for N2.0 billion (96%) of the value of these loans. Table 1 below shows that over 87% of the guarantees issued during the year were in support of individuals borrowing N100, 000 and below. Since the Scheme does not cover guarantees in excess of N1 million, it is obvious that

**Table 1**  
**Distribution of Loans Under the ACGSF in 2004**

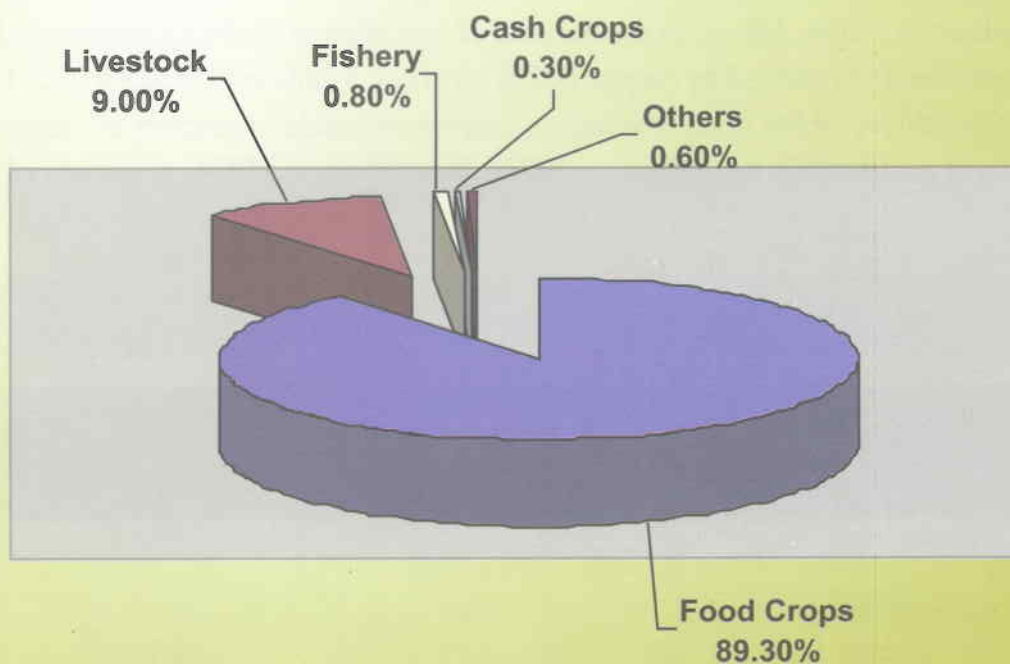
Value Category N	Volume	Value in N Million	Cumulative Value N Million
20,000 and below	10,443 (29.8%)	173.5 (8.3%)	173.5 (8.3%)
20,000 - 50,000	12,776 (36.5%)	474.3 (22.8%)	647.8 (31.1%)
50,001 - 100,000	7,320 (20.9%)	631.0 (30.3%)	1,278.8 (61.4%)
Above 100,000	4,189 (12.0%)	803.4 (38.6%)	2,082.2 (100%)

the majority of the credit granted under the Scheme in 2004 went to the small holder farmers. Figure 1 shows the distribution of the loans under the ACGSF for 2004 by type of farm output. It is instructive to note that over 90% of the loans guaranteed by the Fund were applied to the production of Food Crops and Livestock which are produced almost

exclusively by small holder farmers. Invariably, this shows that the ACGSF has contributed immensely towards addressing the needs of small holders in the country. On the basis of the above, the contribution of the ACGSF to the reduction of inflationary pressure (given the importance of food in the basket of commodities used for the consumer price index), promotion of self-sufficiency in food production, reduction of the nation's food import bill, lowering of the pressure on Nigeria's balance of payments, the supply of raw materials for the agro-based industries and employment generation cannot be overemphasised.

**Figure 1**

**Distribution of Loans by Farm Output Under ACGSF in 2004**



The growth in the level of the activities of the Fund from N1.1 billion loans guaranteed in 2003 to N2.1 billion in 2004 was made possible by the dynamism of my colleagues on the board and the positive contributions of the Managing Agent - the CBN. The Board re-invigorated the sensitisation and awareness drive commenced in 2003. Consequently, the Scheme was able to increase the number of participating banks to eleven from eight in 2003. The Board also worked in conjunction with the CBN to secure the approval for the



participation of Community Banks under the Scheme. This is especially advantageous because these institutions are grassroots based and uniquely placed to enhance the access of small and rural farmers to financial services. The admission of Community Banks to the Scheme allowed the entry for the first time, of five out of the 669 eligible Community Banks. This initiative enhanced the access of farmers at the grassroots to the Scheme. In furtherance of this and to reinforce the capacity of the officials of Community Banks, training programmes and workshops were organized for 365 officers of Community Banks within the six geopolitical zones of the Federation. During the year, the Secretariat of the Fund signed four (4) new Memoranda of Understanding (MOU) under the Trust Fund Model (TFM) a programme introduced in 2001 to attract state government and private sector support for the Scheme as well as bolster the capacity of the Fund. The number of oil companies and state governments that have so far adopted the model is 13 as shown in Table 2 below.

A prudent management of the resources of the ACGSF as reflected in the Audited Accounts for the Fund for the year contributed significantly towards the realisation of the achievements of the Scheme for the year. The income of the Fund grew from N603.19 million in 2003 to N643.33 million in 2004. Although the volume of activities of the Fund (measured by value of loans guaranteed) increased by nearly 100% from N1.1 billion in 2003 to N2.1 billion in 2004, the expenditure of the Fund (excluding payments made in respect of claims for prior years) rose by a modest N2.97 million to N396.26 million in 2004 a growth of less than 1%.

Table 2: Participation Under the Trust Fund Model

	NAME OF STAKEHOLDER	AMOUNT PLACED N	PARTICIPATING BANK	DATE MOU WAS SIGNED
1.	Jigawa State Govt.	50.0	BON, FBN, HBN, IB, TEB	2002
2.	Kogi State Govt.	30.0	FBN	27/11/03
3.	Nassarawa State Govt.	10.0	FBN	19/02/04
4.	Katsina State Govt.	250.0	BON, FBN, HNB, IB	01/06/04
5.	Ondo State Govt.	100.0	OMEGA BANK	15/06/04
6.	Benue State Govt.	15.0		Yet to be sgd.
7.	Lagos State Govt.	8.0		Yet to be sgd.
8.	Kaduna State Govt.	100.0		Yet to be sgd.
9.	C. River State Govt.	15.0		Yet to be sgd
10.	Imo State Govt.	100.0	FBN	Yet to be sgd.
11.	SPDC MISCARD	5.0	FBN/CBD	2001
12.	Agip Green Card	5.0	UBA	2003
13.	Total Card	20.0	UBA	2004

The biggest area of increase in the expenditure of the Fund was recorded in the charges made by the Managing Agent for the wages and salaries of its staff engaged in ACGSF activities, which rose by N31.42 million (31.7%) to N130.48 million from the figure of N99.06 million recorded for 2003. The Board is currently engaged in meaningful dialogue with the Managing Agent with a view to moderating the wages and salaries cost chargeable to the Fund. The escalation in the wages and salaries bill has become worrisome, as it has nearly tripled since 2002 when the Managing Agent presented a bill of N57.95 million for wages and salaries for that year.

The achievements of the Fund and the impact of the Scheme have been constrained by certain considerations and problems facing the Fund. The Hon. Minister and members would recall that in my 2003 Statement, I expressed concern on behalf of the Board about a possible decline in the revenue of the Fund implied by an expected single digit interest rate regime. I appealed to the shareholders firstly to pay the outstanding Federal Government capital contribution of N750 million and secondly to consider increasing the aggregate equity of the Fund. Fortuitously for the Fund, the Minimum Re-discount Rate was retained at 15% for 2004 thereby maintaining the earnings capacity of the investment assets of the Fund for another year. I must however, appeal to the shareholders once again to consider these prayers made in 2003. This is not only to enable the Fund hedge against a possible decline in earnings, but also to provide the means to increase the level and scope of the activities of the Fund and position it to meet the identified needs of the agricultural sub-sector. The growing population of our country makes a substantial and sustained growth in food production imperative if we are not to return to the era of the rice armadas and chronic balance of payments deficits of the seventies and early eighties.

For the future, the Board plans to increase the volume of loans guaranteed under the Scheme by intensifying its sensitisation and awareness drive, broadening the access of farmers to the Scheme by eliciting the participation of more Commercial banks, Community Banks and similar micro-finance institutions. The Board has also adopted the strategy of expanding the scope of the coverage of the Scheme by making it relevant to the needs of the large-scale farmers and those engaged in the production of cash crops. I hasten to add that the adoption of this strategy will require that the shareholders consider raising the limit on the value of loans that can be guaranteed under the Scheme. The impact of inflation over the years has eroded the value of the current limit such that the Scheme is hardly relevant today to the needs of the large-scale farmers. It is anticipated that if the Board is able to implement these programmes, the value of the guarantee support provided by the Fund to farmers will triple with a corresponding increase in agricultural output.

I must point out that the Board is working on other initiatives aimed at increasing The Fund's financial resources, earnings and the capacity to support the increased volume expected from the implementation of these programmes. In this regard, the Honourable Minister will receive in due course a request from the Board for the approval of certain activities designed to shore-up the income of the Fund. This will complement increased earnings that will accompany a raised investment base, which will follow the receipt of the requested capital contributions from the shareholders. I must also point out that the auditors to the Fund Messrs A. B. Agbaje and Co. have noted in their report for the year the fact that the Board has not availed the Fund of the benefits of S. 2(9) of the ACGSF Decree No. 20 of 1977. The external auditors have also advised that the Board should seek appropriate advice on the correct interpretation of the provisions of that section of the enabling Act to guide the actions of the Board in respect of the expenditures of the Board to which the section refers.

In summary, the Board considers that the impact of the Scheme on agricultural output will in the future be significantly enhanced if the constraints militating against farmers' access to credit under the Scheme are removed

Finally, I wish to express my gratitude to my colleagues on the Board and to the Fund's secretariat for their untiring efforts and contribution during the year. Indeed it has been a busy year for the Fund. Since the inauguration of this Board, the volume of activities has increased yearly. The years ahead promise to be even busier. I look forward to the future with optimism and hope for the continued co-operation of my colleagues on the Board and the support of the Fund's secretariat, the Managing Agent and the shareholders. I have no doubt that the promise of the future and the dreams of the founders of the Fund will be amply realised.

Thank you

**ALHAJI UMARU BABA**

Chairman

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Chartered Accountants, Management & Financial Consultants

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## REPORT OF THE AUDITORS TO THE HONOURABLE MINISTER FOR FINANCE & MEMBERS OF THE AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

We have audited the Financial Statements of the Agricultural Credit Guarantee Scheme Fund ("The Fund") for the year ended 31<sup>st</sup> December 2004 as set out on pages 9 to 11 and of which the accompanying notes on pages 12 to 19 are integral parts. The statements have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 8.

### Respective Responsibilities of the Managing Agent/Board and Auditors.

By S.18 (1) of the enabling Act (Decree No. 20 of 1977) it is the duty and responsibility of the Managing Agent and the Board of the Fund to prepare the Accounts and Financial Statements of the Fund. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion.

### Basis of Opinion

We conducted our audit in accordance with the generally accepted standards on Auditing obtaining in Nigeria as well as the International Standards on Auditing issued by the International Federation of Accountants. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Board and Managing Agent in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the Fund, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements. In forming our opinion we also evaluated the over all adequacy of the presentation of information in the financial statements.

We have obtained all the information and explanations we required for the purpose of our audit and have received proper returns from all the branches.

### Opinion

In our opinion, the Financial Statements are in agreement with the accounting records kept by the Managing Agent. The Financial Statements which have been drawn up in conformity with the relevant Standards issued by the Nigerian Accounting Standards Board and International Accounting Standards issued by the International Accounting Standards Board, give a true and fair view of the State of the affairs of the Fund as at 31<sup>st</sup> December 2004 and of the Revenue and Expenditure Accounts for the year ended on that date. The Board of the Fund did not make any recourse to the Federal Government of Nigeria under S. 2(9) of the ACGSF Decree No. 20 of 1977 for the expenses of the Board for the year. The Fund therefore did not benefit under the section as it bore the administrative expenses of the Board in its entirety. There was a significant and substantial delay in preparing and presenting the accounts of the Fund contrary to the provisions of S. 18(1) of Decree No. 20 of 1977. This was due to the delay in the appointment of the Auditors occasioned by the absence of a Board for the Fund. In all other respect, the Financial Statements comply with the requirements of the Agricultural Credit Guarantee Scheme Fund Decree No. 20 of 1977.

*A. B. Agbaje & Co*  
A. B. Agbaje & Co  
(Chartered Accountants)  
Ibadan, Nigeria



12<sup>th</sup> March 2007

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2004

### STATEMENT OF ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention and comply with the Statements of Accounting Standards issued by the Nigerian Accounting Standards Board and Financial Reporting Standards issued by the International Accounting Standards Board.

b) Income from Investment & Investments

The income of the Fund for the year is wholly from its investment in Gilts (Treasury Bills and Treasury Certificates). The earnings recognized in the Income Statement have been computed on accruals basis. The value of investments are indicated in conformity with this policy and are stated in the accompanying schedule which shows the costs, accrued interest as well as face or maturity value of each tranche of investment.

c) Depreciation of Fixed Assets

Depreciation charges have been calculated to write off the cost of the relevant Fixed Assets on a straight line basis over the expected useful lives of the assets concerned. From 1<sup>st</sup> January 2002 the costs of fixed assets in excess of N10, 000= are taken into the appropriate Fixed Assets account and amortised over the useful life of the assets on the following basis.

Motor Vehicles	---	20% p.a
Office Equipment	—	20% p.a

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## BALANCE SHEET AS AT 31ST DECEMBER 2004

	NOTES	2004		2003	
		₦	₦	₦	₦
<b>Fixed Assets at cost</b>					
Less Depreciation	1		11,620,885		17,014,016
Investments in Gilts & Accrued Int. thereon	2		4,553,618,104		4,212,309,359
<b>Current Assets</b>					
Bank Balance		564,768		583,652	
<b>Current Liabilities</b>	3	<u>3,304,900</u>		<u>26,260,169</u>	
Net Current Assets			<u>(2,740,132)</u>		<u>(25,676,517)</u>
<b>Total Net Assets</b>			<b><u>4,562,498,857</u></b>		<b><u>4,203,646,858</u></b>
<b>Financed By</b>					
Capital Funds			2,251,340,000		2,251,340,000
Reserves & Accumulated Funds			<u>1,359,118,029</u>		<u>1,024,466,850</u>
			3,610,458,029		3,275,806,850
<b>Loaned Funds</b>					
CBN's Current (ACGSF Recoverable) A/C	4		952,040,828		927,840,008
Capital Funds & Long - Term Liability			<b><u>4,562,498,857</u></b>		<b><u>4,203,646,858</u></b>

The Financial Statements were approved by the Board of the Fund on .....  
and signed on its behalf by



**ALHAJI UMARU BABA**  
**CHAIRMAN**



**MR. PAUL N. ELUHAIWE**  
**SECRETARY**

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004

	NOTES	2004		2003	
		₦	₦	₦	₦
Income					
From Investments	2		643,327,176		603,188,114
Less:					
<b>Operating Expenses:</b>					
Claims		11,575,000		9,236,314	
Salaries & Wages		130,481,787		99,064,332	
Hotel & Traveling Exp		89,670,790		73,833,848	
Stationery Postages & Com		272,230		397,503	
Conference & Seminar Exp		1,017,376		2,283,593	
Newspapers & Periodicals		524,609		351,050	
Entertainment		3,075,812		406,890	
Medical Expenses		452,230		115,800	
Repairs, Maintenance. & Motor Running Expenses		616,416		147,235	
Training Expenses		556,080		-	
Advertising & Publicity		-		12,301,835	
Directors Emoluments		2,104,332		5,218,318	
Audit Fees		525,000		525,000	
Traveling Expenses For Audit Inspection of Branches		798,400		465,750	
Depreciation		5,393,131		5,446,908	
			<u>247,063,193</u>		<u>209,794,376</u>
<b>Surplus/(Deficit) for the yr.</b>			<b>396,263,983</b>		<b>393,393,738</b>
Reserves/Accumulated Funds b/f		1,024,466,850		631,073,112	
Prior Yr. Adjustments	5	<u>(61,612,804)</u>	<u>962,854,046</u>	Nil	<u>631,073,112</u>
Reserves/Accumulated Funds c/f			<b><u>1,359,118,029</u></b>		<b><u>1,024,466,850</u></b>

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2004

	NOTE	2004	2003
		£	£
<b>1. Cash Flow from Operating Activities</b>			
Surplus (Deficit) for year		396,263,983	393,393,738
Depreciation charges for year		5,393,131	5,446,908
Prior Years Claims Paid		(61,612,804)	Nil
Increase (Decrease) In Current Liabilities		22,955,269	2,371,338
		401,657,114	398,840,646
		(84,568,072)	2,371,338
<b>Net Cash Inflow from Operating Activities</b>		<b>317,089,041</b>	<b>401,211,984</b>
<b>2. Cash Flow From Investment Activities</b>			
Purchase of Fixed Assets		-	(8,261,100)
(See Statement of Accounting Policy C)			(594,749,972)
Increase in Investment in Gilt Edge Securities	1	(341,308,745)	(603,011,072)
<b>Net Cash used in Investment Activities</b>		<b>(341,308,745)</b>	<b>(603,011,072)</b>
<b>3. Cash Flow From Financing Activities</b>			
Increase in CBN's Current (ACGSF Recoverable) A/C		24,200,820	202,381,504
<b>Net Cash inflow from Financing Activities</b>		<b>24,200,820</b>	<b>202,381,504</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents [ 1 + (2) + 3 ] in year</b>		<b>(18,884)</b>	<b>582,416</b>
Cash & Cash Equivalents as at 1 <sup>st</sup> January		583,652	1,236
Closing Cash & Cash Equivalents as at 31 <sup>st</sup> December		<b>564,768</b>	<b>583,652</b>



# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2004  
 NOTE 1: SCHEDULE OF FIXED ASSETS AND DEPRECIATION CHARGES

## a) MOTOR VEHICLES

SNO	MAKE & REGISTRATION NO.	LOCATION	YR OF PURCHASE	COST 1/1/2004	ADDITIONS DURING YR	COST 31/12/04	DEP CHG 01/01/04	DEP CHG FOR YR	CUMM. DEP CHG. 31/12/04	NET BOOK VALUE
1	LANDROVER JEEP (KD6650KD) NEW NO. AP 303 PHC	PH	1991	N/A	NIL	N/A	N/A	NIL	N/A	NIL
2	504 SW AN8980ED	PH	1989	N/A	NIL	N/A	N/A	NIL	N/A	NIL
3	NISSAN PATROL JEEP FC 9108 C (NOW AP 319 PHC)	PH	1994	N/A	NIL	N/A	N/A	NIL	N/A	NIL
4	504 SW LA 2874 AP	PH	1987	N/A	NIL	N/A	N/A	NIL	N/A	NIL
5	2 UNITS 85HP YAMAHA OUTBOARD ENGINE NO 417218 & 417221	PH	1987	251,678	0	251,678	251,678	NIL	251,678	NIL
6	LAND ROVER JEEP LA 8163 SE	PH	1982	N/A	NIL	N/A	N/A	NIL	N/A	NIL
7	504 SW AE 61 MAP	IB	1994	N/A	NIL	N/A	N/A	NIL	N/A	NIL
8	504 SW AE 188DA	IB	1995	N/A	NIL	N/A	N/A	NIL	N/A	NIL
9	504 SW	PH	1982	N/A	NIL	N/A	N/A	NIL	N/A	NIL
10	MITSUBISHI PICK-UP AM 671 BDJ	IB	2001	N/A	NIL	N/A	N/A	NIL	N/A	NIL
11	NISSAN PATROL JEEP AG 809 AKD	ABEOKUTA	1995	N/A	NIL	N/A	N/A	NIL	N/A	NIL
12	504 SW AG 953 YAB	ABEOKUTA	1998	N/A	NIL	N/A	N/A	NIL	N/A	NIL
13	MITSUBISHI PICK-UP AP 934 AAB	ABEOKUTA	2001	N/A	NIL	N/A	N/A	NIL	N/A	NIL
14	LANDROVER JEEP AA 228 GBA	AKURE	1991	N/A	NIL	N/A	N/A	NIL	N/A	NIL
15	LANDROVER DISCOVERY AA 228 GBA FORMERLY LA 5361 SN	AKURE	1993	N/A	NIL	N/A	N/A	NIL	N/A	NIL
16	504 SW OD 7524 AA	AKURE	1987	N/A	NIL	N/A	N/A	NIL	N/A	NIL
17	504 SW AJ 772 AAA	AKURE	1995	N/A	NIL	N/A	N/A	NIL	N/A	NIL
18	504 SW OD 7385 AA C/F	AKURE	1985	N/A	NIL	N/A	N/A	NIL	N/A	NIL
							251,678		251,678	

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2004

## NOTE 1

### SCHEDULE OF FIXED ASSETS AND DEPRECIATION CHARGES

#### a). MOTOR VEHICLES

SINO	MAKE & REGISTRATION NO.	LOCATION	YR OF PURCHASE	COST 1/1/2004	ADDITIONS DURING YR	COST 31/12/04	DEP CHG 01/01/04	DEP CHG FOR YR	CUM DEP 31/12/04	NET BK VALUE
19	BIF 504 SW OD 6470 AA	AKURE	1989	251,678	N/A	251,678	251,678	NIL	251,678	NIL
20	LANDROVER 110 AE 907 MNA	MINNA	1993	N/A	NIL	N/A	N/A	NIL	N/A	NIL
21	LANDROVER DISCOVERY AE 789 MNA	MINNA	1993	N/A	NIL	N/A	N/A	NIL	N/A	NIL
22	504 SW AH 431 YAB	ILORIN	1998	1,972,389	0	1,972,389	1,972,389	0	1,972,389	NIL
23	TOYOTA PICK-UP HILUX AJ 528 LRN	ILORIN	2001	3,410,000	NIL	3,410,000	1,705,000	682,000	2,387,000	1,023,000
24	TOYOTA PICK-UP JHILUX AJ 529 LRN	ILORIN	2001	3,410,000	NIL	3,410,000	1,705,000	682,000	2,387,000	1,023,000
25	LANDROVER AG 762 WER FORMERLY KD 8574 KD	OWERRI	1990	N/A	NIL	N/A	N/A	NIL	N/A	NIL
26	LANDROVER JEEP CA 193 ABC	OWERRI	29/1/02	4,550,000	NIL	4,550,000	1,744,167	910,000	2,654,167	1,895,833
27	TOYOTA HILUX PICK-UP CA 185 ABC	OWERRI	28/1/02	3,567,690	NIL	3,567,690	1,367,615	713,538	2,081,153	1,486,537
28	504 SW AH 138 WER	OWERRI	N/A	1,492,975	NIL	1,492,975	1,492,975	0	1,492,975	NIL
29	504 SW AA 358 KUJ	BENIN	1998	N/A	NIL	N/A	N/A	NIL	N/A	NIL
30	504 SW AE 721 KUJ	BENIN	1999	N/A	NIL	N/A	N/A	NIL	N/A	NIL
31	TOYOTA HILUX AS 997 RBC	UYO	2001	2,970,000	NIL	2,970,000	1,485,000	594,000	2,079,000	891,000
32	TOYOTA JEEP 4 X 4 AH 521 BAU	BAUCHI	N/A	N/A	NIL	N/A	N/A	NIL	N/A	NIL
33	504 SW AH 170 BAU	BAUCHI	N/A	N/A	NIL	N/A	N/A	NIL	N/A	NIL
34	TOYOTA LAND CRUISER AE 127 MKD	MAKURDI	1982	696,200	NIL	696,200	696,200	0	696,200	NIL
35	504 SW AE 468 YLA	YOLA	1985	N/A	NIL	N/A	N/A	NIL	N/A	NIL
36	PEUGEOT 406 2.0 PRESTIGE		24/01/03	3,989,600	NIL	3,989,600	747,640	797,920	1,545,560	2,444,040
37	PEUGEOT 406 2.0 SW		14/03/03	4,271,500	NIL	4,271,500	685,760	854,300	1,540,080	2,731,420
				30,582,032	0	30,582,032	13,863,444	6,233,768	19,087,202	11,494,830

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2004

## NOTE 1

### SCHEDULE OF FIXED ASSETS AND DEPRECIATION CHARGES

#### b. OFFICE EQUIPMENT

S/NO	DESCRIPTION, MAKE & ID NO	LOCATION	YR OF PURCHASE	COST 1/1/2004	ADDITIONS DURING YR	COST 31/12/04	DEP CHG 01/01/04	DEP CHG FOR YR	CUM DEP 31/12/04	NET BK VALUE
1	IBM 130 466 DX2 COLARADO 350 PC	AKURE	1886	N/A	NIL	N/A	N/A	NIL	N/A	NIL
2	RANK ZEROX 1012 PHOTOCOPIER S/N 211 - 433674-5	MINNA	1990	N/A	NIL	N/A	N/A	NIL	N/A	NIL
3	ZINOX PC 2 UNITS	ILORIN	2002	N/A	NIL	N/A	N/A	NIL	N/A	NIL
4	COMPAQ 2000 PC 2 UNITS	ILORIN	2001	N/A	NIL	N/A	N/A	NIL	N/A	NIL
5	PANASONIC FP 7117 PHOTOCOPIER	ILORIN	2001	N/A	NIL	N/A	N/A	NIL	N/A	NIL
6	PANASONIC FP 7135 S/N 462505	OWERRI	1899	753,373	NIL	753,373	678,037	75,336	753,373	-
7	XEROX 5825 COPIER S/N 290 4733189	BAUCHI	2001	420,185	NIL	420,185	210,093	84,037	294,130	126,055
				<b>1,173,568</b>	<b>NIL</b>	<b>1,173,568</b>	<b>888,130</b>	<b>159,373</b>	<b>1,047,503</b>	<b>126,055</b>

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31ST DECEMBER 2004

## NOTE 2 SCHEDULE OF INVESTMENTS IN GILT EDGE SECURITIES

TRANCHE	TYPES OF SECURITY	DATE OF ISSUE	MATURITY DATE	MATURITY OR FACE VALUE	AMOUNT INVESTED	YLD TO 31/12/2004	B/S VALUE AS AT 31/12/04
1	TREASURY BILLS	7/10/2004	6/1/2005	2,052,698,000	1,981,055,522	66,918,798	2,047,974,320
2	TREASURY BILLS	14/10/2004	13/01/2005	1,774,737,000	1,710,579,042	54,992,536	1,765,571,577
3	TREASURY BILLS	22/10/2004	20/01/2005	151,252,000	145,972,684	4,119,027	150,091,711
4	TREASURY BILLS	28/10/2004	27/01/2005	9,023,000	8,719,308	213,585	8,932,894
5	TREASURY BILLS	4/11/2004	3/2/2005	136,068,000	131,573,098	2,864,884	134,437,980
6	TREASURY BILLS	16/12/2004	17/03/2005	459,772,000	444,011,784	2,597,838	446,609,622
				<b>4,583,550,000</b>	<b>4,421,911,436</b>	<b>131,706,668</b>	<b>4,563,618,104</b>

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2004

### NOTE 3: CURRENT LIABILITIES: SCHEDULE OF CREDITORS & ACCRUED EXPENSES

	<u>2004</u> N	<u>2003</u> N
a) Audit Fees	1,525,000	1,050,000
Accrued Traveling Expenses for Audit		
Audit Inspection of Branches	1,729,900	931,500
Claims Payable	<u>Nil</u>	<u>24,278,669</u>
	3,,304,900	26,260,169

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

### 2004 ANNUAL REPORTS & FINANCIAL STATEMENTS

#### NOTE 4

#### LOANED FUNDS: CBN'S CURRENT (ACGSF RECOVERABLE A/C)

The enabling Act (ACGSF Decree No. 20 of 1977) prescribed that the capital of the Fund be subscribed 60% by the Federal Government and 40% by the Central Bank. The capital has been varied over the years to N3bn from the initial N100m set in 1977. Whilst the CBN has paid its share of N1.2bn the FGN has paid only N1.05 of its share of N1.8bn. The CBN as the Managing Agent has over the years found it necessary to incur various administrative expenses on behalf of the Fund which expenditures are accumulated in the ACGSF Recoverable Account with the CBN. As at 31<sup>st</sup> December 2004 the balance in this account stood at N952, 040,828= (N927, 840,008 for 2003). The amount in the Recoverable Account was initially to be recovered by the CBN on the payment of the balance of the amount subscribed by the FGN. It is now expected to be recovered gradually over time. The amount has grown over time and is not in the circumstances in the nature of a current liability i.e. it is not expected to be repaid (totally or substantially) within the next 1 year.

# AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2004

### NOTE 5

#### PRIOR YEAR ADJUSTMENT - PRIOR YEAR CLAIMS PAID

The Fund, which was established by Decree 20 of 1977, provides guarantees to banks in respect of qualifying loans granted by these banks for approved agricultural purposes with a view to encouraging the extension of credit facilities to the Agricultural Sector by these banks. The Fund is authorized by its establishing Act to guarantee up to a maximum of 75% of the value of qualifying Loans and thus has contingent liability for the guarantees issued.

In accordance with the provision of International Accounting Standard (IAS) 37 issued by the International Accounting Standard Board a provision in respect of part or all of these will be made only when there is a liability (a present obligation) i.e. claims are filed and confirmed as meeting all qualifying requirements.

Until 2001, the Fund operated for several years without a board. This created a backlog of claims on the Fund for guarantees issued during these years. Since these claims were not verified and approved by the only authority competent to do so (the board) a present liability or obligation to pay was not recognised in the accounts of the Fund. It was however considered prudent to advise by way of note (Note 5, page 18) to the Accounts of the Fund for year 2003 that "an estimate of about N150mn will not be unreasonable".

With the inauguration of the board and through it, great efforts have been made in clearing the backlog of outstanding claims. The Fund paid a substantial and unusually large (compared to previous years) amount of

N97, 466,473 in claims in 2004, which necessitated an additional write off of N61, 612,804 in respect of claims not provided for in prior year accounts as follows:

Claims Received, Reviewed and Paid in 2004	N11, 575,000
Prior Year Claims Paid in 2004:	
Liabilities recognised and provided for in the Accounts to 31/12/2003	N24, 278,669
Claims Paid but not Provided for in Prior Year Accounts	<u>N61, 612,804</u>
	<u>N85, 891,473</u>
Total Claims Paid during the year	<u>N97, 466,473</u>

## AGRICULTURAL CREDIT GUARANTEE SCHEME FUND

### FIVE-YEAR FINANCIAL SUMMARY FOR THE YEAR ENDED 31ST DECEMBER, 2004

	2004	2003	2002	2001
		₦	₦	₦
<b>NET ASSETS</b>				
Fixed Assets	11,620,885	17,014,016	14,199,824	-
Investment	4,553,618,104	4,212,309,359	3,617,559,387	2,045,446,855
Current Assets	564,768	583,652	1,236	188,330,164
Current Liabilities	(3,304,900)	(26,260,169)	(23,888,831)	(607,475,910)
	<b>4,562,498,857</b>	<b>4,203,646,858</b>	<b>3,607,871,616</b>	<b>1,626,301,109</b>
<b>FINANCED BY:</b>				
Share Capital	2,251,340,000	2,251,340,000	2,251,340,000	1,501,340,000
Reserves	1,359,118,029	1,024,466,850	631,073,112	124,961,109
	3,610,458,029	3,275,806,850	2,882,413,112	1,626,301,109
CBN's Current (ACGSF Recoverable) A/C	952,040,828	927,840,008	725,458,504	-
	<b>4,562,498,957</b>	<b>4,203,646,858</b>	<b>3,607,871,616</b>	<b>1,626,301,109</b>
<b>GROSS INCOME</b>				
Income From Investments	643,327,176	603,188,114	641,036,300	299,623,166
Others	-	-	-	-
	643,327,176	603,188,114	641,036,300	299,623,166
Surplus / (Deficit) for yr.	396,263,983	393,393,738	507,719,712	141,457,917
Retained Surplus b/fwd	1,024,466,850	631,073,112	124,961,109	(16,496,808)
Prior Yr. Adjustments	(61,612,804)	-	(1,607,709)	-
Retained Surplus c/f	<b>1,359,118,029</b>	<b>1,024,466,850</b>	<b>631,073,112</b>	<b>124,961,109</b>

• The CBN Current (ACGSF Recoverable) Account was included in current Liabilities for the years 1998 to 2001

# Part B

~ Operations ~



::: ANNUAL REPORT AND STATEMENT  
OF ACCOUNTS

2004





## :: Introduction

### 1.0 Introduction

In 2004, the challenges of the Agricultural Credit Guarantee Scheme Fund (ACGSF), namely, stagnation of the position of the capital base, non-payment of the Federal Government's share of the capital base of the Scheme of N0.75 billion and the non-passage of the Amendment Bill to the Act that established the Scheme pending at the National Assembly persisted. Consequently, the sustainability of the Scheme under the various reforms of the government became paramount in the year. These challenges notwithstanding, the Scheme recorded a modest level of progress in the business year.

Below is the report on the performance of the Scheme in 2004:

### 2.0 ACGS Fund

The position of the authorized and called-up capital of the Agricultural Credit Guarantee Scheme Fund (ACGSF) as at December, 2004, was N3.00 billion. The paid-up capital of the Scheme as at December, 2004, stood at N2.25 billion. Notably, the Central Bank of Nigeria has fully paid up its total share of N1.20 billion. However, the Federal Government is yet to fully pay up its own share. As at December, 2004, all the previous investments that fell due in respect of the fund of the Scheme, were re-invested and on their maturity (at various dates between October, 2004 and March, 2005) would be expected to amount to N4.58 billion.

### 3.0 ACGSF Total Resources

The total resource of the Agricultural Credit Guarantee Scheme Fund (ACGSF) was N4.41 billion as at December 31, 2004. This amount includes all the accrued earnings on previous investments of the Scheme's paid up capital of N2.25 billion which were

placed in six segments of the Nigerian Treasury Bills (NTBs).

#### 4.0 Performance of the Scheme

##### 4.1 Loans Guaranteed

A total of 35,035 loans valued N2.084 billion were guaranteed under ACGSF between January and December, 2004. This figure represents an increase of 44.16 per cent and 78.88 per cent in terms of number and value respectively, when compared with 24,303 loans valued N1.165 billion that was guaranteed during the corresponding period of 2003 (Charts 1a, 1b & 1c).



Vegetable Farm

Since the inception of the ACGS in 1978 to December, 2004 a total of 397,422 loans valued N7.603 billion have been guaranteed.

##### 4.2 Loan Repayment

A total of 26,208 loans valued N1.172 billion were fully repaid under the ACGS in 2004. The figure represents an increase of 36.7 per cent by number and 96.5 per by value when compared with 21,652 loans which amounted to N910.14 million reported as fully

repaid in 2003 (Charts 2a & 2b).

In cumulative terms, the total number and value of fully repaid loans from the inception of the Scheme to December 31, 2004 were 278,104 loans valued N4.54 billion. This compares with the cumulative number and value of loans repaid since inception which stood at 69.98 per cent by number of loans repaid and 59.69 per cent by value (Chart 4a & 4b). Notably, most of the overdue loans under the Scheme were credit facilities granted in the early years of the Scheme's operations.

There has been a considerable improvement in loan repayment performance under the Scheme since 1989. This resulted from improvements in the methods of loan appraisal, project monitoring, supervision and loan recovery by the officials of the Scheme and the lending banks.

#### 4.3 Type of Agricultural Activities Covered

Analysis of the distribution of loans by purpose showed that the food crop sub-sector comprising grains, tubers and roots continued to dominate lending under the ACGSF during the year 2004, a position it had maintained over a decade. It accounted for 33,011 loans valued at N1.85 billion representing 94.2 per cent and 88.9 per cent of the total number and amount of loans guaranteed respectively. This was followed by the livestock sub-sector with 1,588 loans (4.5 per cent) valued N191.55 million (9.2 per cent), Figure 1.

#### 4.4 Loan Spread

As in the previous year, in 2004, Katsina State recorded the highest number of loans guaranteed under the ACGS. The state registered 4,223 loans (12.05 per cent). Kebbi State came second with 2,854 loans (8.15 per cent), while Benue State registered third



Water melon



A picture of wheat farm in Borno State Nigeria

position with 2,538 loans (7.24 per cent). Kwara recorded 2,238 loans (6.4 per cent), Sokoto State had 2,034 loans (5.81 per cent), Niger State recorded 1,978 loans (5.7 per cent) and Kogi State registered 1,890 loans (5.39 per cent). All other states registered less than 4.0 per cent.

#### 4.5 Category/Size (by Number) of Guaranteed Loans

The analysis of loans guaranteed under the Scheme in 2004 by size (Table 5A) revealed that, in terms of number, 12,776 loans (36.5 per cent) which ranged from N20,001.00 and N50,000.00 dominated in the year. The category was followed by loans that ranged from N5,001.00 to N20,000.00 of which 10,433 loans (29.8 per cent) were granted. A total of 7,320 loans (20.9 per cent) of the total facilities granted that year ranged from N50,001.00 to N100,000.00. Also in the year, a total of 4,189 loans (12.0 per cent) of the total granted were valued above N100,000.00. However, only 317 loans, valued N5,000.00 and below (0.9 per cent) were granted that year.

#### 4.6 Category of Guaranteed Loans by Value

Analyzed by value, loans in the N100,000.00 above category recorded the highest value of N803.39 million (38.6 per cent) in 2004. The category was followed by loans which ranged between N50,001.00 and N100,000.00 valued N631.03 million (30.3 per cent). Loans which ranged between N20,001.00 and N50,000.00



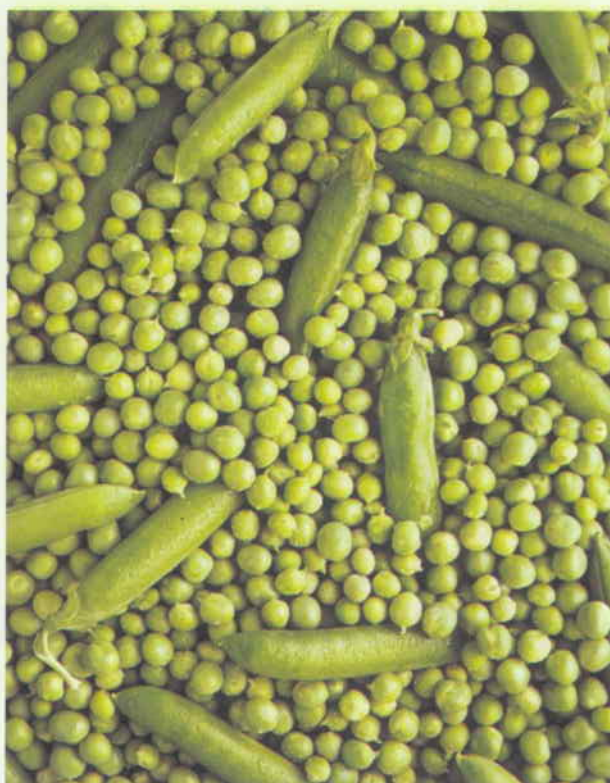
Fruits collection

amounting to N474.33 million (22.8 per cent) closely followed. Others were made up of facilities which ranged from N5,001 to N20,000.00 valued N173.51 million (8.3 per cent) and those in the N5,000.00 and below category valued N1.49 million (0.1 per cent) of the total value of guaranteed loans.

#### 4.7 Loans by Category of Borrowers

In terms of the category of borrowers, loans to individuals dominated lending under the ACGS in 2004. Loans to individuals were 34,912 (99.6 per cent) valued at N2.02 billion (96.5 per cent). On the one hand, while a total of 74

loans (0.2 per cent) went to informal groups valued at N21.18 million (1.0 per cent); 45 loans (0.1 per cent) valued at N31.62 million (1.5 per cent) went to co-operative societies. Seven (7) loans valued at N13.60 million (0.7 per cent) however went to corporate bodies during the 2004 business year.



Collection of green peas

#### 4.8 Performance of Participating Banks

In 2004, three (3) additional banks, namely, Global Bank Plc., Trans International Bank (TIB) Plc and Trans Continental Bank (TCB) Plc participated under the Scheme. The entry of the three banks brought to eleven (11) the number of deposit money banks (DMBs) which participated under the ACGS (Chart 5).

Union Bank of Nigeria Plc. retained its position of prominence (Chart 4), accounting for 13,469 loans (66.4 per cent) valued at N512.7 million (70.4 per cent). This feat was followed by the Bank of the North Ltd. which recorded 5,475 loans (26.9 per cent) valued at N182.7 million (25.1 per cent) and First Bank of Nigeria Plc which granted 888 loans (4.4 per cent) valued at N24.7 million (3.4 per cent).

Other banks, namely, Habib Nigeria Bank Plc. recorded 377 loans (1.8 per cent) valued at N5.7 million (0.7 per cent), Afribank Plc. which recorded 87 loans (0.4 per cent) valued at N2.1 million (0.3 per cent) and Intercity Bank which registered only 2 loans valued at N0.6 million (0.1 per cent).

## 5.0 Claims Settlement

### 5.1 Loan Default/Claim Settlement

In 2004, a total of 2,061 claims valued N97.97 million being backlog of claims (1978 - 1998) filed by banks under the Scheme when the Board of the ACGSF was dissolved were cleared. The number and value of paid ACGSF claims in 2004 compares with the 2003 business year when only 168 claims valued at N3.44 million were paid to banks.

The remarkable improvement in claims settlement observed in 2004, was attributable to the use of administrative settlement approach for

the handling of bank claims on the ACGSF. This was also backed by the un-parralled commitment of the newly constituted Board of the ACGSF which considered and approved all the outstanding bank claims filed on the Scheme. This feat brought in cumulative terms, the total number and value of paid claims under the ACGS from 1982 (when the first ACGSF claim was paid) to 3,685 claims (48.7 per cent) valued N34.5 million (11.2 per cent) of the total claims filed.

In 2004 however, the Scheme recovered some of the loans on which the lending banks had earlier filed claims. In this category, 8 loans amounting to N391.69million were recovered.



Maize

## 6.0 Activities of the ACGSF Board

In 2004, the Board of the ACGSF which was inaugurated by the Federal Government on Thursday, November 28, 2002 held six meetings.

### 6.1 Achievements of ACGSF Board

Some of the major achievements of the Board of ACGSF in 2004 included the following:

- (i) Approved total of 35,035 loans valued N2.0841 billion for guarantee.
- (ii) Approved the payment to deposit money banks of 2,061 long outstanding ACGSF claims valued N97.97 million.
- (iii) Facilitated the access of farmers to funds under the Trust Fund Model of the ACGSF to finance as four stakeholders (Total Oil Company and Governments of Katsina, Nassarawa and Ondo States) signed Memorandum of Understanding (MOU). The initiative collectively injected N308.00 million to the volume of funds available to farmers under the Scheme.
- (iv) The Board also sensitized the Governors of Benue, Lagos, Kaduna, Kogi, Imo and Cross River State following which the total sum of N238.0 million was either pledged or placed in trust for farmers during the year.



Maize farm

### 6.2 Entry of Community Banks (Cbs) under the ACGS

A total of 669 licensed Community Banks (Cbs) became eligible to participate under ACGS during the year. However, five (5) of the CBs disbursed 567 loans valued N23.40 million to farmers under the ACGS in 2004.

### 6.3 Training Programme for Community Bank's Participation

Following the approval of the Central Bank of Nigeria (CBN) for licensed Community Banks (CBs) to participate in agricultural lending under the ACGS, a training programme on capacity building, aimed at exposing the CBs Desk Officers to agricultural financing was conducted between May and June, 2004. The training programmes which was attended by 385 participants comprised of Managers and Desk Officers of 283 licensed CBs nationwide took place in cities within the six geo-political zones of the country, i. e. South-West (Ibadan), South-South (Port-Harcourt), North-West (Minna), North-Central (Lokoja), South-East (Enugu), and North-East (Yola).

### 7.0 21<sup>st</sup> Development Finance Officers (DFOs) Conference

The 21<sup>st</sup> Development Finance Officers (DFOs) Conference of the Department was successfully held at Gateway Hotel, Abeokuta, Ogun state from 7<sup>th</sup> to 10<sup>th</sup> December, 2004. The theme of the conference was, "Development Financing in the Nigerian Century". Participants at the conference were drawn from Ministries of Finance, Agriculture, and Solid Minerals, the Academia, the Securities & Exchange Commission (SEC), the Nigerian Agricultural Insurance Company (NAIC), the Nigerian Agricultural Co-operative and Rural Development Bank (NACRDB), the National Poverty Alleviation Programme (NAPEP), Multilateral/Donor Agencies and other local Development Partners and the CBN.

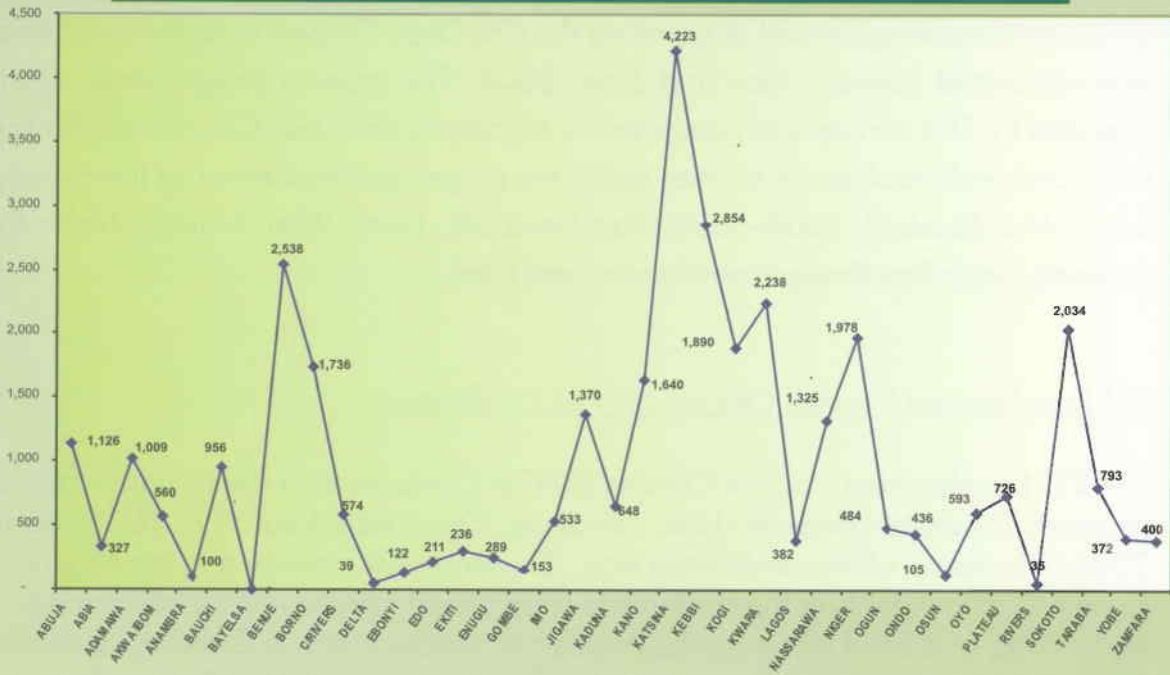
During the Gala Night closing ceremony, merit awards were given to two National Farmers, Chief Maithias Ubong Ekpe for 2002 and Phed Nigeria Limited for 2003 and thirty six (36) "State Farmers of the Years" for 2002 and 2003 while Union Bank Nigeria Plc emerged as the best participating bank under the ACGSF in the 2002 and 2003 business years.

DEVELOPMENT FINANCE DEPARTMENT  
CENTRAL BANK OF NIGERIA,  
ABUJA

DECEMBER, 2004



**Chart 1a: Analysis of Loans Guaranteed by Number under the ACGS (January - December, 2004)**



**Chart 1b: Guaranteed Loans by Value (N'000) Under the ACGS (Jan. - Dec., 2004)**

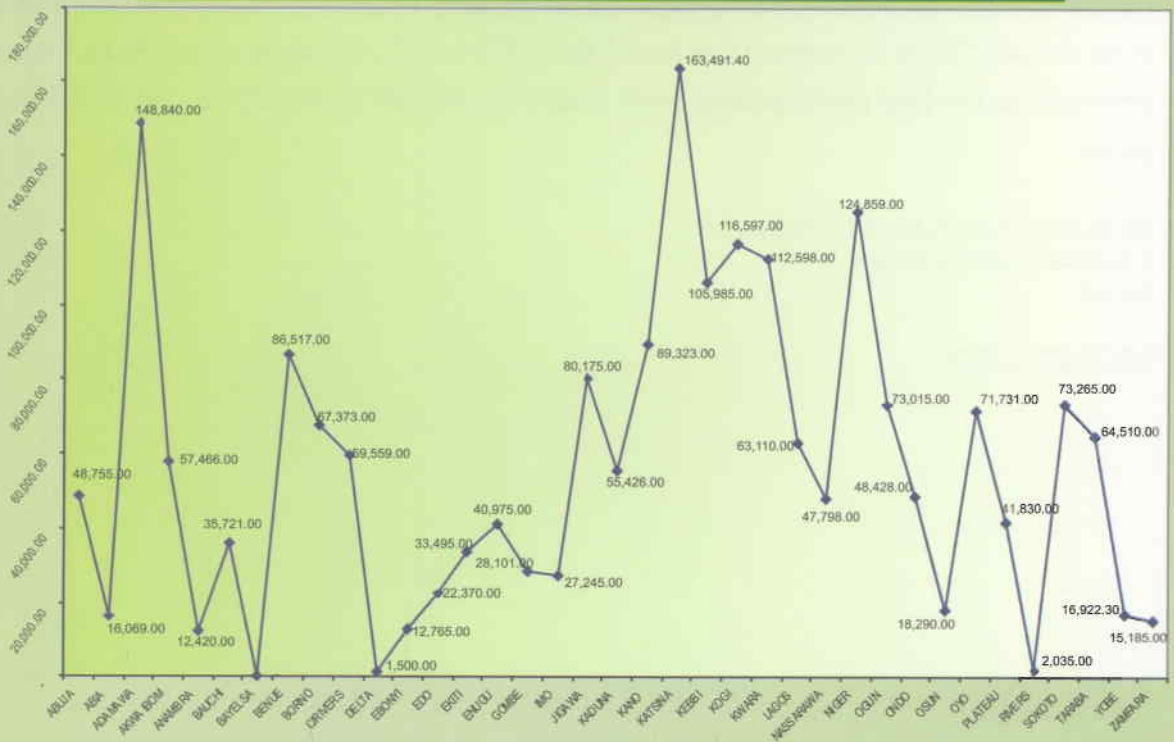


Chart 1c: Loans Guaranteed by Number under the ACGS (Jan. - Dec., 2004)

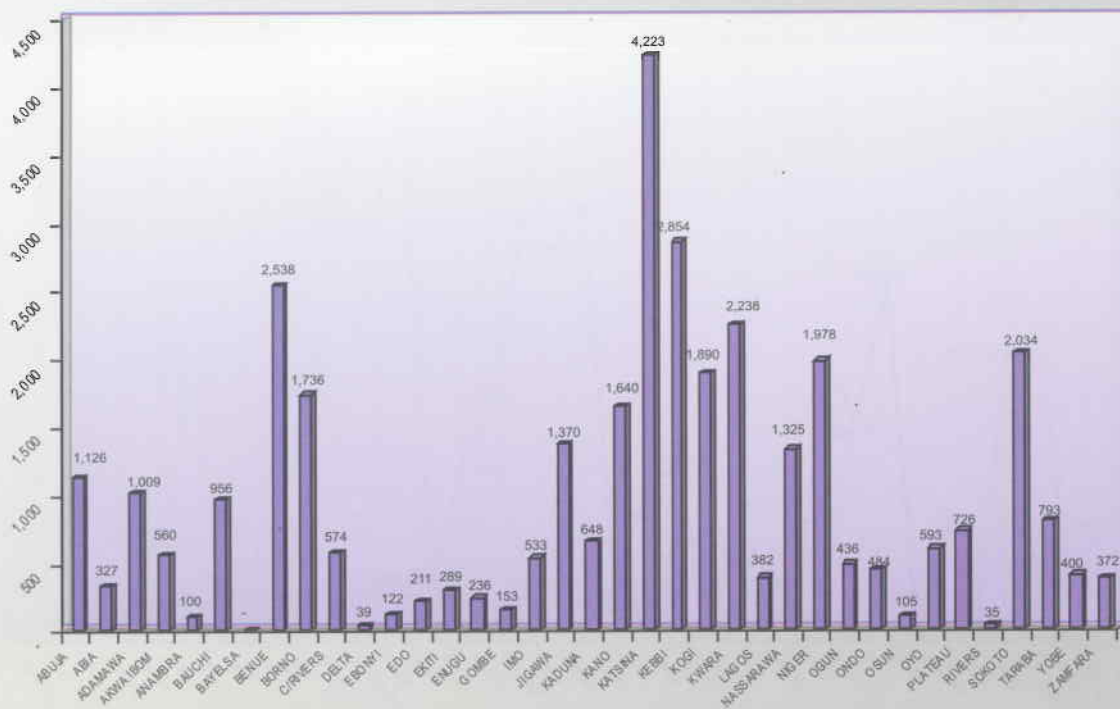


Chart 2a: Number of Fully Repaid Loans under the ACGS (January - December, 2004)

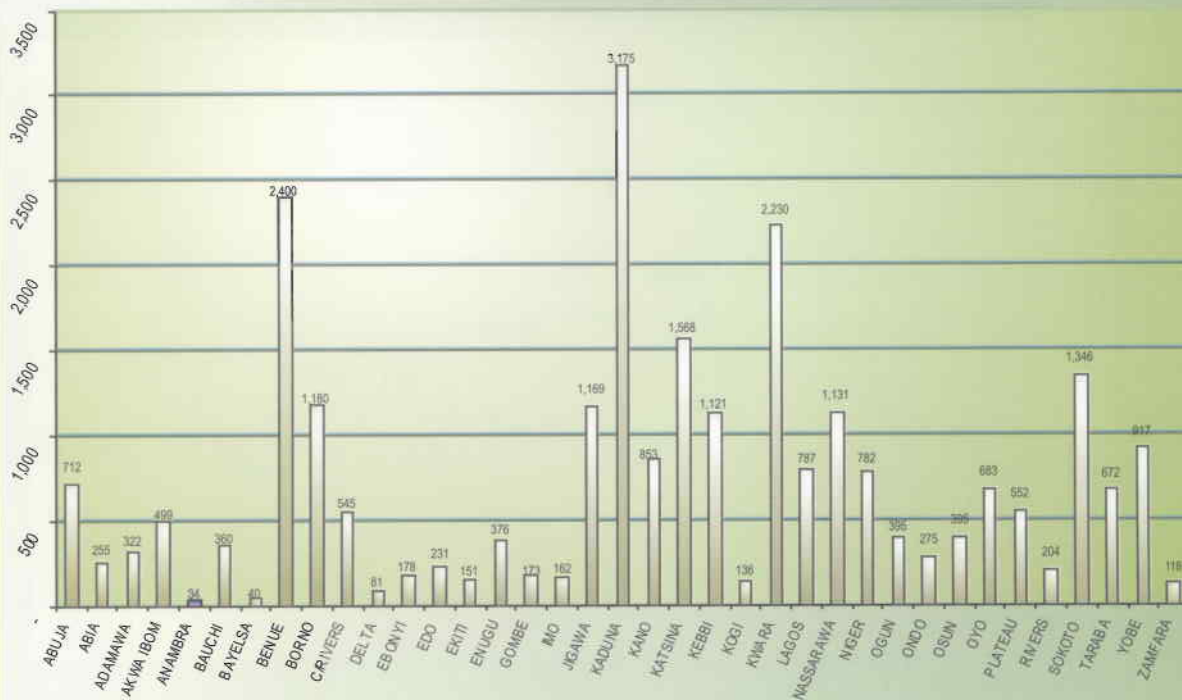


Chart 2b: Analysis of Fully Repaid Loans by Value (N'000) Under the ACGS (January - December, 2004)



Chart 3a: Number of Loans Guaranteed under the ACGS (1978-2004)

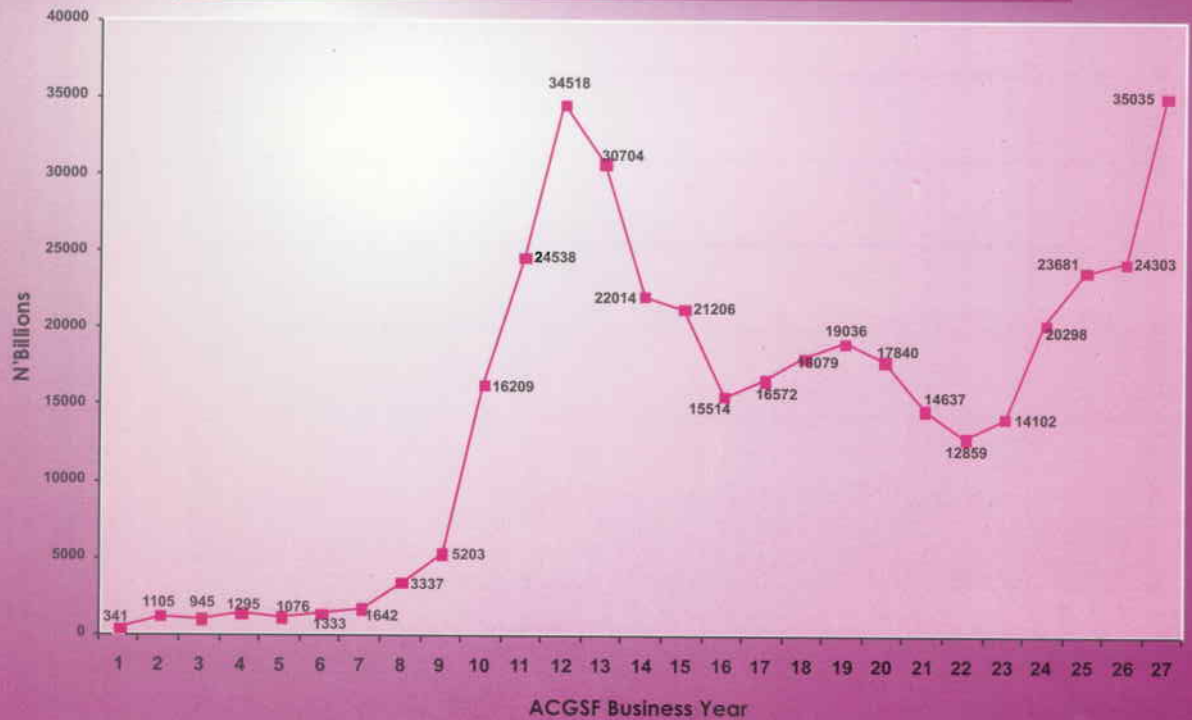


Chart 3b: Value of Guaranteed ACGS Loans (1978-2004)

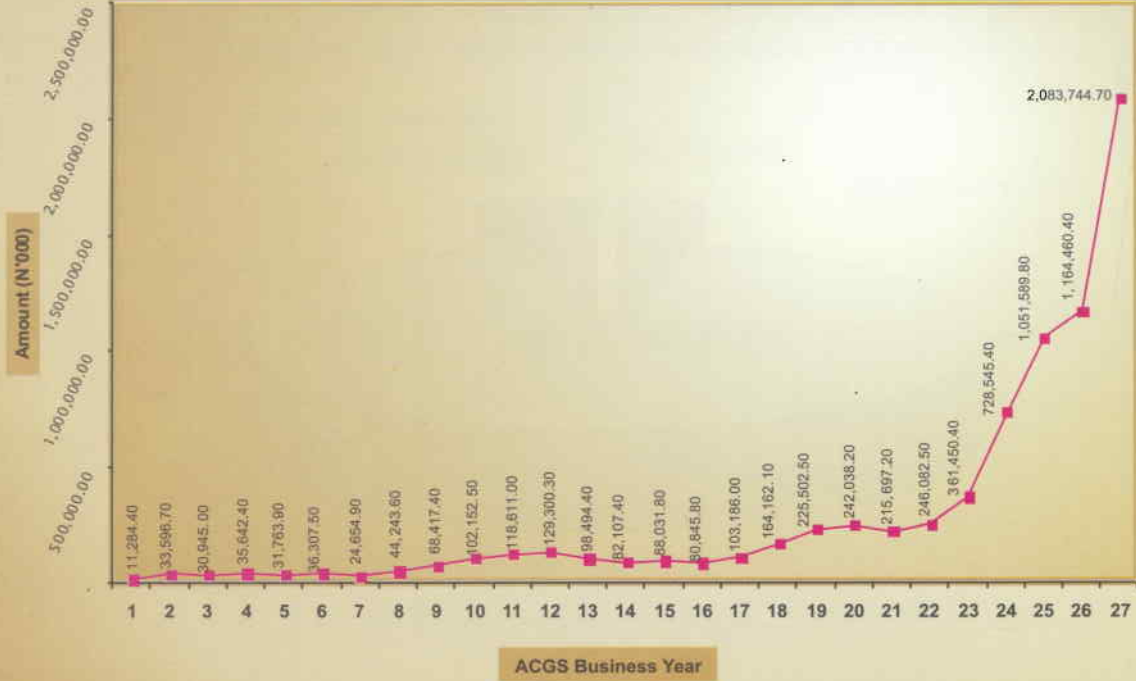


Chart 4: Banks Performance under the ACGS in 2004

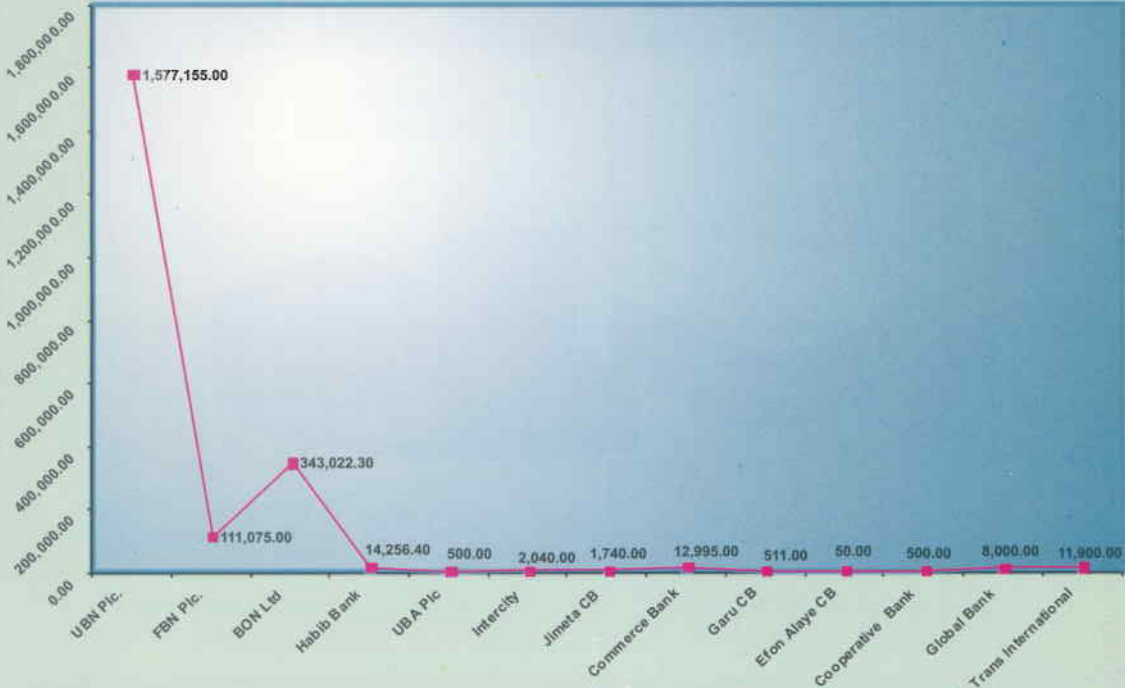


Figure 1: ACGS Guaranteed Loans Analyzed by Purpose (2004)

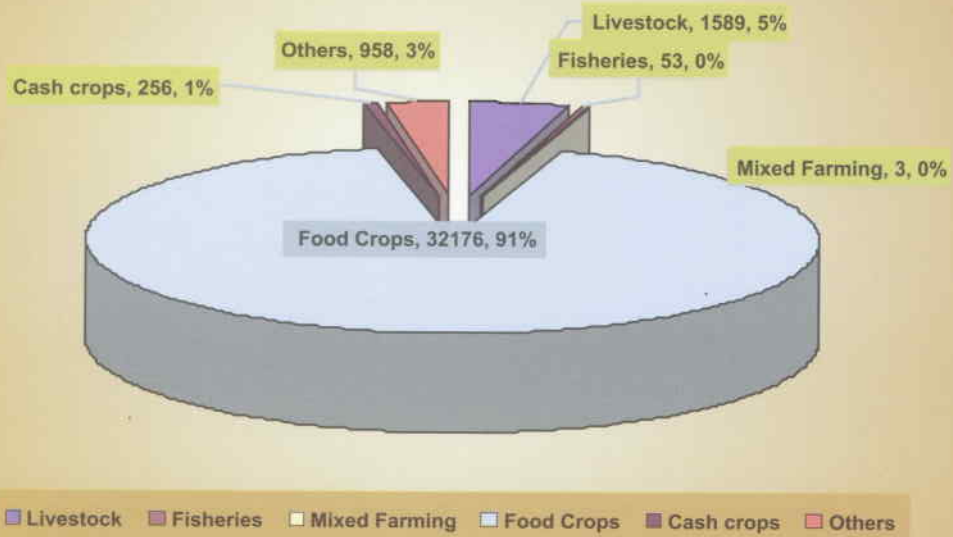


Figure 2: Stakeholders Performance under the Trust Fund Model as at December 31, 2004

