



2001 ANNUAL REPORT AND ACCOUNTS

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Directors and Advisers

DIRECTORS

Dr. Shamsudeen Usman	Chairman
Rufa'i Omar Madaki (D. Phil)	Managing Director/CEO
Alhaji Baba Yusuf Ahmed	Executive Director
Mr. Lateef Atanda Balogun	Executive Director
Dr. Tukur B. Ingawa, mni	
Mr. Basil N. Osuji	
Dr. O. J. Nnanna	
Alhaji (Otunba) Adeolu Balogun	
Elder Iniobong S. Jackson	

AG. BOARD SECRETARY

Timothy F. Oluwagbemi

REGISTERED ADDRESS

Plot 795, 8th Street,
off Independence Avenue,
Central Business Area, Garki,
Abuja

AUDITORS

Unuigbe Akintola & Co.,
Chartered Accountants,
Marble House,
1, Kingsway Road, Ikoyi,
Lagos.

MAJOR BANKERS

Central Bank of Nigeria
Intercity Bank Plc



Principal Officers

EXECUTIVE DIRECTORS

Rufa'i Omar Madaki (D. Phil) Managing Director/CEO

Alhaji Baba Yusuf Ahmed Executive Director
(Operations)

Mr. Lateef Atanda Balogun Executive Director
(Management Services)

DEPUTY GENERAL MANAGER

Bashir Yusuf Human Resources & Services

Mohammed N. Muhtar Research & Strategy

ASSISTANT GENERAL MANAGERS

Emmanuel C. Enekwizu Internal Control

Mohammed B. Mai-Bornu Project Finance

Peter U. Aikohi Trade Finance

Charles C. Nwali Strategy

Timothy F Oluwagbemi Board Secretariat/Legal

Gambo G. Hamzat Accounts

Report of the Directors

for the year ended 31 December 2001

The directors have pleasure in submitting to the members the audited financial statements of the Bank for the year-ended 31 December 2001.

1. RESULTS

	N
The net profit for the year before extra-ordinary items	153,371,338
Less extra-ordinary item*	66,782,386
Profit for the year transferred to retain earnings	<u>86,588,952</u>

*Cost expended on transformation and repositioning

2. PRINCIPAL ACTIVITIES

The Bank was established to carry out the business of export finance and export credit insurance as well as export credit guarantee.

3. BOARD OF DIRECTORS

- i The Board of Directors was reconstituted on 19th June 2000
- ii The names of the present Directors are as detailed on page 2.

4. LEGAL FORM

The Bank was established by the Nigerian Export-Import Bank Act (No.38) of 1991, which repealed the Nigerian Export Credit Guarantee and Insurance Corporation Decree and changed the name under which the Bank formerly operated.

5. DIRECTORS' RESPONSIBILITY

The directors are responsible for:

- i. The preparation of financial statements which gives a true and fair view of the state of affairs of the Bank at the end of each financial year and of the profit or loss for that year, and
- ii. For compliance with the provisions of the Companies and Allied Matters Act 1990 and Banks and other Financial Institutions Act 1991 (as amended). In doing so, they ensure that:
 - § adequate internal control procedures are instituted to safeguard the assets, prevent, detect fraud and other irregularities
 - § proper accounting records are maintained
 - § applicable accounting policies are adopted and consistently applied; and
 - § the financial statements are prepared on the going concern basis unless it is appropriate to presume that the Bank will not continue in business.

6. DIRECTORS' SHAREHOLDINGS

No director held shares in the Bank during the year. None of the directors has notified the Bank for the purpose of Section 277 of the Companies and Allied Matters Act, 1990 of any disclosable interests in contracts in which the Bank was involved as at 31st December 2001.

7. SUBSTANTIAL INTEREST IN SHARES

	Authorised ₦	%	Called-Up ₦	%	Paid-Up ₦	%
Shareholders						
Federal Govt. of Nigeria (MOFI)	1,000,000,000	50	700,000,000	50	666,666,666	48.78
Central Bank of Nigeria	1,000,000,000	50	700,000,000	50	700,000,000	51.22
	<u>2,000,000,000</u>	100	<u>1,400,000,000</u>	100	<u>1,366,666,666</u>	100

8. DONATIONS

Charitable donations made during the year amounted to ₦365,000. The recipients were as follows:

	₦
Nigerian Committee on Trade Procedures	15,000
Shehu Shagari World Institute	250,000
National Association of Gum Arabic Producers, Processors and Exporters of Nigeria	100,000
	365,000

9. EMPLOYMENT AND EMPLOYEES
i) Employment of Disabled Persons

It is the policy of the Bank that there should be no discrimination in considering applications for employment including those from disabled persons. All employees, whether or not disabled are given equal opportunities to develop.

ii) Health, Safety at work and Welfare of Employment

Health and safety regulations are in force within the Bank's premises and employees are aware of existing regulations. The Bank provides allowances to all levels of employees for medical, transportation, housing, etc.

iii) Employees' involvement and Training

The Bank is committed to keeping employees informed as much as possible regarding the Bank's performance, progress and seeking their views wherever practicable on matters, which particularly affect them as employees. Management, professional and technical expertise are the Bank's major assets and investment in their further development continues.

The Bank's expanding skill-base has been extended by a range of training provided to its employees whose opportunities for career development within the Bank have thus been enhanced. Training is carried out at various levels through both in-house and external courses.

10. POST BALANCE SHEET EVENTS

There are no post balance sheet events, which could have had material effect on the state of affairs of the Bank as at 31 December 2001.

11. AUDIT COMMITTEE

The Bank has in place an Audit Committee comprising of the following:

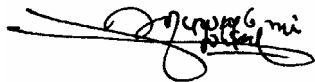
Alhaji (Otunba) A. Balogun	Chairman
R. O. Madaki (D. Phil.)	Member
Mr. L. A. Balogun	Member
Mr. B. N. Osuji	Member

The functions of the Audit Committee are as laid down in Section 359(6) of the Companies and Allied Matters Act, 1990.

12. AUDITORS

The auditors Messrs. Unuigbe Akintola & Co. have indicated their willingness to continue in office in accordance with Section 357(2) of the Companies and Allied matters Act, 1990.

By order of the Board



T. F. OLUWAGBEMI
AG. BOARD SECRETARY
Abuja, Nigeria

2002

UNUIGBE AKINTOLA & CO.
Chartered Accountants

Auditors Report

to the members of Nigerian Export-Import Bank

We have audited the financial statements on pages 12 to 15, which have been prepared under the historical cost convention, and the accounting policies set out on pages 10 to 11.

The financial statements are in agreement with the books, which, in our opinion, have been properly kept. We obtained the information and explanations we required.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

In accordance with the provisions of section 17 of the Act No. 38 of 1991, and sections 24 and 28 of the Banks and Other Financial Institutions Act 1991, the Bank's Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of its profit for that period and comply with the Act. These responsibilities include ensuring that:

- i) adequate internal control procedures are instituted to safeguard assets and prevent and detect fraud and other irregularities
- ii) proper accounting records are maintained
- iii) applicable accounting standards are followed
- iv) suitable accounting policies are used and consistently applied
- v) the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Bank will continue in business.

It is our responsibility to form an independent opinion, based on our audit, of the financial statements prepared by the Directors and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards. 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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Bank's circumstances, 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 misstatement, whether caused by fraud or other

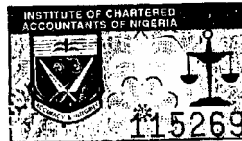
irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Bank as at 31st December, 2001 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the NEXIM Bank Act No. 38, 1991.

Umigbe Akintola

Chartered Accountants
Lagos, Nigeria



2002

Report of the Audit Committee

to the members of Nigerian Export-Import Bank

In compliance with Section 359(6) of the Companies and Allied Matters Act, 1990 we have reviewed the Audit Report for the year ended 31 December 2001 and hereby state as follows:

1. The scope and planning of the audit were adequate in our opinion.
2. The accounting and reporting policies of the Bank conformed with statutory requirements and agreed ethical practices.
3. The internal control was being constantly and effectively monitored, and
4. The external auditors' management letter received satisfactory response from Management.

Dated 2002

Alhaji (Otunba) A. Balogun

ALHAJI (OTUNBA) A. BALOGUN
CHAIRMAN, AUDIT COMMITTEE

Statement of Significant Accounting Policies

The following are significant accounting policies adopted by the Bank in the preparation of its financial statements:

1. ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention and comply with all relevant statements of accounting standards issued to date by the Nigerian Accounting Standards Board.

2. AFRICAN DEVELOPMENT BANK/EXPORT STIMULATION LOAN (ADB/ESL)

Funds managed by NEXIM on behalf of Federal Government of Nigeria have been treated in the accounts showing NEXIM as an Executing Agent.

3. LOANS AND ADVANCES

Loan portfolios are made up of interbank transactions, which are secured by, promissory notes and standing orders executed by banks.

It has been considered prudent to classify loans and advances as non - performing when interest and/or principal is overdue for more than 90 days. Provisions for loan losses are made in compliance with the Statement of Accounting Standards, and CBN Prudential Guidelines, 1990. A minimum of 1% general provision is made for all credit facilities not specifically provided for, to recognise latent losses present in any credit Portfolio.

4. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation.

5. DEPRECIATION

Depreciation is calculated on a straight-line basis at the following annual rates to write off the cost of the assets over their estimated useful lives:

Buildings	2% straight line
Plant and machinery	25% straight line
Motor vehicles	33 ¹ / ₃ % straight line
Equipments	33 ¹ / ₃ % straight line
Furniture & fittings	20% straight line

6. EXCHANGE RATE

Transactions in foreign currencies are translated to the Naira at the official rates of exchange ruling at that date. Foreign currency balances are converted to the Dollar at the rate of exchange ruling at the balance sheet date while the difference arising thereon is dealt with in the Exchange Equalisation Account.

7. RECOVERIES

Recoveries of bad and doubtful debts are only included when they are received by the Bank.

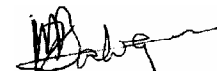
Balance Sheet

as at 31 December 2001

	Notes	2001 ₦	2000 ₦
ASSETS			
Cash and short term funds	1	2,022,825,700	3,001,784,918
Loans and advances	2	1,862,007,892	563,093,437
Prepayments and others assets	3	134,517,826	133,940,338
Long term investments	4	453,800,000	440,200,000
Fixed assets	5	165,689,769	158,150,858
TOTAL ASSETS		4,638,841,187	4,297,169,551
LIABILITIES			
Loan from ADB/FGN/CBN	6	70,906,250	68,781,250
Other current liabilities and provisions	7	1,421,541,841	1,175,950,209
CBN/Refinancing and Rediscounting Facility	8	775,151,555	775,151,555
		2,267,599,646	2,019,883,014
NET ASSETS		2,371,241,541	2,277,286,537
FINANCED BY			
Share capital	9	1,366,666,666	1,366,666,666
Reserves	10	1,004,574,875	910,619,871
SHAREHOLDERS' FUNDS		2,371,241,541	2,277,286,537
MANAGED FUND ON BEHALF OF FGN ON AGENCY BASIS	16	3,285,382,277	4,693,960,197



Rufa'i O Madaki (D.Phil)
Managing Director/Chief Executive



Lateef A Balogun
Executive Director

The notes on pages 16-23 form an integral part of these accounts

Profit and Loss Account

for the year ended 31 December 2001

	Notes	2001	₦	2000	₦
INCOME					
Interest income	11	567,698,466		436,907,483	
Interest expenses	12	(67,343,888)		(65,139,578)	
Net Interest income		<u>500,354,578</u>		<u>371,767,905</u>	
Recoveries		48,897,586		146,741,771	
Miscellaneous income	13	<u>20,576,101</u>		<u>16,249,243</u>	
		<u><u>569,828,265</u></u>		<u><u>534,758,919</u></u>	
EXPENDITURE					
Overhead expenses	14	347,559,547		300,766,068	
Extra-ordinary expenses	14a	66,782,386		25,000,000	
Depreciation		46,410,474		30,132,326	
Provision for bad and doubtful debts	15	<u>22,486,906</u>		<u>14,652,333</u>	
Total expenditure		<u>483,239,313</u>		<u>370,550,727</u>	
OPERATING PROFIT		<u><u>86,588,952</u></u>		<u><u>164,208,192</u></u>	

The notes on pages 16-23 form an integral part of these accounts

Statement of Cashflow

for the year ended 31 December 2001

	2001		2000	
	N	- N	N	N
Operating Profit		86,588,952		164,208,192
ADJUSTMENTS				
Depreciation		46,410,474		30,132,326
Profit on sale of asset		(1,155,723)		(520,303)
Operating profit before changes in operating assets		131,843,703		193,820,215
CHANGES IN OPERATING ASSETS				
Loans and advances	(1,298,914,455)		(563,093,437)	
Other operating assets	(577,488)	(1,299,491,943)	(76,787,112)	(639,880,549)
CHANGES IN OPERATING LIABILITIES				
Other liabilities		247,716,632		(86,298,326)
Net cash from operating activities before prior year adjustments		(919,931,608)		(532,358,660)
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds from sales of fixed assets	2,567,633		10,006,376	
Purchase of fixed assets	(55,361,295)	(52,793,662)	(93,984,397)	(83,978,021)
		(972,725,270)		(616,336,681)
CASH FLOW FROM FINANCING ACTIVITIES				
Share deposits			450,000,000	
Movement in reserve fund	(6,233,948)	(6,233,948)	227,851,769	677,851,769
		(978,959,218)		61,515,088
Cash carried forward		2,022,825,700		3,001,784,918
Cash brought forward		(3,001,784,918)		(2,940,269,830)
Movement in Cash		(978,959,218)		61,515,088

The notes on pages 16-23 form an integral part of these accounts

Statement of Value Added

for the year ended 31 December 2001

	2001		2000	
	₦	%	₦	%
Gross earnings	637,172,153	100.00	599,898,497	100.00
Interest expenses	(67,343,888)	(10.57)	(65,139,578)	(10.86)
	<u>569,828,265</u>	<u>89.43</u>	<u>534,758,919</u>	<u>89.14</u>
Administrative overheads and loan loss expenses	(244,061,394)	(38.31)	(183,270,353)	(30.55)
	<u>325,766,871</u>	<u>51.12</u>	<u>351,488,566</u>	<u>58.59</u>
APPLIED AS FOLLOWS				
Salaries and benefits	192,767,445	30.25	157,148,048	26.20
Depreciation	46,410,474	7.28	30,132,326	5.02
Profit for the year	<u>86,588,952</u>	<u>13.59</u>	<u>164,208,192</u>	<u>27.37</u>
	<u>325,766,871</u>	<u>51.12</u>	<u>351,488,566</u>	<u>58.59</u>

The notes on pages 16-23 form an integral part of these accounts

Notes on the Accounts

for the year ended 31 December 2001

	2001 ₦	2000 ₦
1 CASH AND SHORT TERM FUNDS		
Cash	1,173,883	15,326,292
Balances with Central Bank of Nigeria	70,103,329	308,616,110
Balances with other banks		
Outside Nigeria	39,054,625	15,147,417
Within Nigeria	126,153,863	212,695,099
Treasury bills	500,000,000	1,150,000,000
* Placement	1,285,800,000	1,300,000,000
	<u>2,022,285,700</u>	<u>3,001,784,918</u>
*Placement		
Performing	1,285,800,000	1,300,000,000
Non-performing	-	-
Lost	145,474,954	145,543,896
	<u>1,431,274,954</u>	<u>1,445,543,896</u>
Provision for losses		
Lost (principal)	55,864,104	55,864,104
(Interest)	89,610,850	89,679,792
	<u>145,474,954</u>	<u>145,543,896</u>
Net	<u>1,285,800,000</u>	<u>1,300,000,000</u>

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001 ₦	2000 ₦
2 LOANS AND ADVANCES		
(a) RRF/SF		
Performing	1,810,626,027	500,000,000
Non-performing:		
Lost credits	450,894,478	461,551,350
	<u>2,261,520,505</u>	<u>961,551,350</u>
Provision for credit losses		
General	18,106,260	5,000,000
Specific		
Lost (Principal)	282,837,333	296,790,821
(Interest)	168,057,145	164,760,529
	<u>469,000,738</u>	<u>466,551,350</u>
Net credit	<u>1,792,519,767</u>	<u>495,000,000</u>
(b) ADB/ESL		
Performing	70,906,250	68,781,250
Non-performing		
Lost credits	-	-
	<u>70,906,250</u>	<u>68,781,250</u>
Provision for credit losses		
General	1,418,125	687,813
Specific		
Lost (Principal)	-	-
(Interest)	-	-
	<u>1,418,125</u>	<u>687,813</u>
Net credit	<u>69,488,125</u>	<u>68,093,437</u>
Grand total	<u>1,862,007,892</u>	<u>563,093,437</u>
3 PREPAYMENTS AND OTHER ASSETS		
Payment in advance	42,312,940	40,535,556
Accounts receivable		
Net interest receivable	32,936,371	24,129,610
Net staff loans and advances	59,268,515	69,275,172
	<u>134,517,826</u>	<u>133,940,338</u>

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001		2000				
	₦		₦				
4 LONG TERM INVESTMENTS (UNQUOTED)							
This represents an investment of US\$4,000,000 in the share capital of Afrexim Bank, Cairo		453,800,000		440,200,000			
5 FIXED ASSETS							
	Motor Vehicles	Furniture, Fittings & Equipment	Computer Equipment	Plant & Machinery	Capital Work in-Progress	Buildings	Total
	₦	₦	₦	₦	₦	₦	₦
Cost							
As at 1 Jan. 2001	83,435,021	27,010,029	37,223,070	7,999,199	-	57,352,655	213,019,974
Additions	20,322,477	3,760,710	6,674,000	11,919,778	3,807,341	8,876,989	55,361,295
Disposals	(7,566,766)	-	(761,700)	-	-	-	(8,328,466)
As at 31 Dec. 2001	96,190,732	30,770,739	43,135,370	19,918,977	3,807,341	66,229,644	260,052,803
Depreciation							
As at 1 Jan. 2001	27,087,755	3,738,324	19,333,317	1,872,447	-	2,837,273	54,869,116
Change for the year	24,272,966	8,246,183	11,511,159	1,670,850	-	709,316	46,410,474
Eliminated on Disposal	(6,154,856)	-	(761,700)	0	-	-	(6,916,556)
As at 31 Dec. 2001	45,205,865	11,984,507	30,082,776	3,543,297	-	3,546,589	94,363,034
Net book value							
As at 31 Dec. 2001	50,984,867	18,786,232	13,052,594	16,375,680	3,807,341	62,683,055	165,689,769
As at 31 Dec. 2000	56,347,266	23,271,705	17,889,753	6,126,752	18,326,761	36,188,621	158,150,858
6 LOAN FROM ADB/CBN							
This represents a loan of \$625,000 @ ₦113.45							
Disbursed to Hallmark Bank in year 2000			70,906,250				68,781,250

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001 ₦	2000 ₦
7 OTHER CURRENT LIABILITIES AND PROVISIONS		
Interest payable	745,741,376	674,794,520
Accrued expenses	602,373,674	449,024,738
Sundry creditors	1,045,684	2,027,383
Unearned interest income	61,224,021	29,376,988
Sundry creditors' deposits	11,157,086	20,726,580
	<u>1,421,541,841</u>	<u>1,175,950,209</u>
8 CBN/REFINANCING AND REDISCOUNTING FACILITY		
This represents CBN 8% Perpetual Debenture to NEXIM Bank	<u>775,151,555</u>	<u>775,151,555</u>
9 SHARE CAPITAL		
(a) Authorised		
2,000,000,000 ord. Shares of N1.00 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>
(b) Called-Up		
1,400,000,000 ord. Shares of N1.00 each	<u>1,400,000,000</u>	<u>1,400,000,000</u>
(c) Paid-up		
1,366,666,666 ord. Shares of N1.00 each	<u>1,366,666,666</u>	<u>1,366,666,666</u>
10 RESERVES		
(a) Accumulated profit b/forward	558,419,871	166,359,910
Prior year adjustment	<u>-6,233,948</u>	<u>227,851,769</u>
	552,185,923	394,211,679
Profit for the year	<u>86,588,952</u>	<u>164,208,192</u>
	<u>638,774,875</u>	<u>558,419,871</u>
(b) Other Reserves		
Exchange translation reserve	<u>365,800,000</u>	<u>352,200,000</u>
	<u>365,800,000</u>	<u>352,200,000</u>
	<u>1,004,574,875</u>	<u>910,619,871</u>

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001 ₦	2000 ₦
11 INTEREST INCOME		
Interest on call and time deposit	268,299,389	156,406,341
Income from treasury bills	190,003,188	192,781,096
Income from foreign banks	-	1586584
Income from RRF	89,500,027	75,780,465
Income from SF	12,561,370	6,054,795
Income from FIF	7,334,492	4,298,202
	<u>567,698,466</u>	<u>436,907,483</u>
12 INTEREST EXPENSES		
Loan from ADB/FGN/CBN	5,331,763	3,127,453
CBN - Perpetual debenture	62,012,125	62,012,125
	<u>67,343,888</u>	<u>65,139,578</u>
13 MISCELLANEOUS INCOME		
Profit on sale of fixed assets	1,155,723	520,303
Dividends received from AFREXIM	10,783,636	7,234,636
Exchange gain	1,209,172	5,178,534
Penalty income	159,428	448,633
Interest on staff loan	93,892	1,593,940
* Foreign exchange income	24,101	722,994
Others	7,150,149	550,203
	<u>20,576,101</u>	<u>16,249,243</u>
* Forex income reduced as a result of wrong classification in Year 2000		
14 OVERHEAD EXPENSES		
a. Establishment Expenses		
Electricity and office utilities	1,890,838	1,671,750
Rents and rates	18,579,457	14,374,987
Insurance	9,657,129	5,249,829
Household/Office repairs and maintenance	6,263,402	4,341,775
	<u>36,390,826</u>	<u>25,638,341</u>

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001 ₦	2000 ₦
14 OVERHEAD EXPENSES (CONT'D)		
b. Administration Expenses		
Directors' expenses	13,698,891	9,462,682
Salaries and personnel expenses	192,767,445	157,148,048
Staff relocation	4,927,383	7,552,282
Contribution to ITF	1,194,943	614,001
Printing and stationery	2,093,710	2,638,726
Travelling - Overseas	16,424,934	23,492,674
Travelling - Local	10,604,204	6,647,239
Vehicle repairs	3,322,572	2,405,106
Fuel/Diesel	1,342,790	1,046,127
Communication	7,513,282	4,799,945
Repairs and maintenance		
Office equipment	2,116,531	3,677,518
Computers	1,578,332	1,450,124
Computer stationery and suppliers	1,198,645	805,279
Advert, publicity and P.R	14,178,250	12,475,239
Office security	49,760	34,200
Newspapers and magazines	1,498,800	1,623,670
Books and periodicals	244,861	434,100
Interstate road transport	199,961	2,217,265
Donations	365,000	925,000
Research/internet expenses	2,397,838	700,000
Staff uniform	-	15,000
Subscription to		
Other agencies	2,647,834	2,006,667
Professional bodies	767,970	35,537
Staff club	941,647	1,410,960
Trade fair/missions	1,035,500	6,287,110
Training		
Local	2,151,153	9,140,257
Foreign	10,290,454	9,243,656
Exchange loss	2,948,537	-
Entertainment/other admin. Exps.	1,621,191	644,122
	300,122,418	268,932,534

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

	2001 ₦	2000 ₦
14 OVERHEAD EXPENSES (CONT'D)		
c. Financial Expenses		
Bank charges	3,395,194	2,417,568
d. Professional and Consultancy Expenses		
Audit fees	2,500,000	2,500,000
Legal fees	4,381,011	110,310
Consultancy - Computer	-	301,000
Other professional charges	770,098	25,866,315
	<u>7,651,109</u>	<u>28,777,625</u>
	<u>347,559,547</u>	<u>300,766,068</u>
14a EXTRA ORDINARY EXPENSES		
This represents cost of transformation and repositioning exercise	66,782,386	25,000,000
15 PROVISION FOR BAD AND DOUBTFUL DEBTS		
Refinancing and Rediscounting Facility	16,806,260	12,964,520
Stocking Facility	1,300,000	1,000,000
Foreign Input Facility	4,380,646	687,813
	<u>22,486,906</u>	<u>14,652,333</u>

Notes on the Accounts (cont'd.)

for the year ended 31 December 2000

16 ADB EXPORT STIMULATION LOAN - MANAGED FUNDS ON BEHALF OF THE FEDERAL GOVT. OF NIGERIA

	Sch		
TOTAL LIABILITIES OF FGN TO ADB	1	<u>3,285,382,277</u>	<u>4,693,960,197</u>
Represented by the following			
Cash in banks	2	162,709,980	164,590,495
Re-imbursable by NEXIM		561,085,052	399,673,118
Amount outstanding from participating banks	3	70,906,250	68,781,250
Other project debtors		-	-
Accumulated losses	4	<u>2,490,680,995</u>	<u>4,060,915,334</u>
		<u>3,285,382,277</u>	<u>4,693,960,197</u>
SCHEDULE			
1 TOTAL LIABILITIES OF FGN TO ADB			
Principal		2,999,255,987	3,912,550,935
Accrued Interest		<u>286,126,290</u>	<u>781,409,262</u>
		<u>3,285,382,277</u>	<u>4,693,960,197</u>
2 CASH IN BANKS			
Central Bank of Nigeria (ESL Local)		1,660,342	7,034,438
First Bank of Nigeria, London		<u>161,049,638</u>	<u>157,556,057</u>
		<u>162,709,980</u>	<u>164,590,495</u>
3 AMOUNT OUTSTANDING FROM PARTICIPATING BANKS			
Performing		70,906,250	68,781,250
Non-performing			
Lost credits (Principal)		1,741,993,032	1,880,379,468
(Interest)		<u>956,219,880</u>	<u>946,157,244</u>
		<u>2,698,212,912</u>	<u>2,826,536,712</u>
		<u>2,769,119,162</u>	<u>2,895,317,962</u>
4 ACCUMULATED LOSSES			
Losses due to JPY/USD exchange rate differentials		667,618,583	667,618,583
Commitment charges/statutory commissions			
ESL		87,470,920	87,470,920
IESL		91,227,597	91,227,597
Other operations losses		<u>1,644,363,895</u>	<u>3,214,598,234</u>
		<u>2,490,680,995</u>	<u>4,060,915,334</u>



APPROVAL OF ACCOUNTS

17. APPROVAL OF FINANCIAL STATEMENTS

In the shareholders' meeting held on the 12 May, 1999, it was resolved that the 1998 and future accounts of NEXIM Bank be presented on the basis of NEXIM bank acting as Executing Agent of the managed funds borrowed from the ADB by the Federal Government of Nigeria through the Central Bank of Nigeria.

Furthermore, the Board of Directors of NEXIM Bank at its twenty-first meeting held on 3 August 2000 upheld the decision of the shareholders.

Accordingly, the year 2001 accounts and the comparative figures for year 2000 have been amended to reflect the resolution and the change in the Accounting presentation.

The financial statements were approved by the Board of Directors of the bank at its meeting held on the 19 April 2002.