

1932.

Kenya

No. 18185.

SUBJECT

CO 533/425

*Conversion of the 1921 and 1927 Loans,*

*Conversion Loan Approval*

Previous

17020/31

Subsequent

H.C.R. Transport Conf. 28.5.1932  
Submits suggestions for the conversion of the 1921 6% loan and the 1927 5% loan. Asks whether the time is now ripe to secure enabling legislation to launch a £10,382,194 Conversion Loan bearing interest at 4%, or whether any other and more attractive proposal can be devised to lower the interest charges on the Administration.

The High Commissioner asks for  
"information & opinion" as to whether  
to attempt a conversion operation. (para iv)

As a first step

1 Copy to C.A. for observation, enclose  
also a copy of it on 17.11.31.

(Low Moresby says this  
is better - see 1/3)

Director  
7/11/31

2 copies enclosed  
draft 20/3

No action had been taken on the earlier despatch because (a) the promised despatch from the Gov. was being awaited and has not come even yet; and (b) there followed a period of several months when there was no question of going to the market for any purpose.

The previous proposal was limited to the 6% loan 1921 £5,000,000 of which £704,614 represents Colony services and is not included in the calculations in this and the previous despatch. Now it is proposed also to include the £5,000,000 6% loan of 1927, the whole of which was Transport. (The two later loans of 1928 and 1930 bear interest at 4% only)

A

to C.A. as proposed also pointing out as at 4.11.31 saying that no despatch had yet been recd. from the Gov. of Kenya but that enquiry is being made as to when his views may be expected.

... Sir J. Byrne's views on

~~8/6/32~~

The telegram will of course explain that we had waited on the Kenya despatch after the Transport despatch of 30 Sept. was received; and it showed us that we were to expect a Kenya despatch, while making it clear that enquiries are in train.

After this action, the papers showed to be sent forward, so that the position may be known.

W.L.S. 8.6.32  
at all

2. Tel. No. 16 to M.C. Trans. (no. 12) - 10/6/32

3 To C.A. - [unclear] - 17.6.32

A.C. Transport Tel - 16/6/32  
3  
Station in reply to No 2 that copies of  
Gov Kenya were forwarded by mail  
30 May  
DESTROYED UNDER STATUTE

This is sent forward for  
info in accordance with S.C.  
Bottomley's minute of 8 June. No 3  
shows the position brief.  
J.W. Allen  
18/6/32

Seen.  
J.W. Allen  
at all

20.6.32.

I have told CA (Mr. Hedges) that  
the Gari dep. will come in shortly &  
that it will then be sent to them  
for date of a red.

J.W. Allen  
21/6/32

~~No 2  
to be  
forwarded~~

in red when Kya dep  
recd.

5. Gov. Byrne No 74 Conf - 30 May 1932

Notes that should the present time be propitious for consideration the suggestions made in No 1 may also be considered from the point of view of the Colony which, apart from its guarantee, is concerned in former issue to the extent of £754,614.

This is the despatch promised at an early date in para 12 in 1702/31 K is reply to which a reminder issued at 2.

The views of the Govt of Kenya on this question, which have taken 8 months to formulate, do not add much to the info.

Draft submitted for approval

H.S. P. O'Sullivan  
24/6/32

A very strong warning! The letter has gone S.D. and back.

J.H. Allen

(Also a copy of para 13 B has been forwarded to the Controller of the Public Works Dept)

2/16

at once

To: G.O. (W/C. 5)

25.6.32

DESTROYED UNDER STATUTE

It will be interesting to see what the Crown Agents have to say about the proposal in para 10 of (1).

H. Cr for Transport  
Refers to No 2 and states "Estimates for 1933 now being prepared. Can any possibility of relief be expected in regard to loan fund charges."

DESTROYED UNDER STATUTE

I spoke to Mr Davis (C.A.).

He told me he had proposed to consult Sir Campbell - explained that Sir Campbell was away & that altho' he would be in the office on the 7th he was being proceeded to Paris. A Davis had to wait now. At a later time he made a proposal to raise money in the course of next week. Money up accordingly.

16 Aug  
1932

J.H. Allen

" / 8732 at once

I spoke to Mr Davis again today - he has been in communication with his brother & hopes to hear from him tomorrow or such case we should get advice in a day or two. I gather that since we be advise that very operations top with 6% have been known before the same ground. Money up 18 July

Ed. ...

See ...

P. Crown Agents

29/8/32

Submit views as to the possible success of the issue of a new 4% loan, also as to the prospects of a conversion offer in regard to the 6% stock.

Enclosure Statement showing the effect on loan charges through conversion, & a copy letter from the brokers.

Unless we are able to establish the immediate advantage and let posterity go hang the argument of the Crown Agents seems conclusive against conversion, and their letter and enclosures will, I assume, sufficiently provide the opinion desired by the High Commissioner on the proposals in his despatch of the 30th September, 1931, (see paragraph 19) with particular reference to calculations (4) and (6) in the enclosure to that despatch.

My telegram in reply to No. 7 that it is regretted that it is not possible to hold out any prospect of relief from loan charges at the present time, saying that a despatch follows and that telegram is for the Governor of Kenya also.

And send to the High Commissioner in confidential despatch a copy of the correspondence i.e. Nos. 3 and 8, and enclosures, saying that in view of the difficult financial situation, the Secretary of State fully appreciates the anxiety of the High Commissioner to explore fully the possibility of securing some relief from the existing heavy loan charges, but he sees no escape from the opinion of the Crown Agents that the offer of conversion would not be for the financial advantage of the Government, and that he therefore telegraphed that he could hold out no prospect of such relief. Add that a copy of the

(17020 No. 1...)

Shamaldas 6. 29/8/32

the despatch and enclosures is being sent to him in his capacity as the Governor of Kenya. And send to the Governor of Kenya in conf. l.f. with reference to 2.5 copies of Nos. 3 and 8, and a copy of the despatch to the High Commissioner now proposed.

I send CA a copy of the despatch to the H.C. J.W. Allen 23/8/32

I regret I do not think there is any chance of success here.

23/8/32

Mr S. Wilson

On the whole £5,000,000 of the 6% loan the CA's figures show that conversion would give relief to the extent of £84,583 p.a. till 1946 and an extra burden of £126,250 p.a. thence forward till 1972.

Portability will have its own burden, & I strongly agree that conversion on such terms is about the last means or device of getting better than what we have. But it may be worth the last means, & this I think should be taken into

I think the paper  
 must be brought up again when  
 the rough figures for last year  
 are known. We may have to make  
 some alterations in the location.  
 The S. off. mentioned the  
 possibility of conversion some  
 time ago, & it appears to  
 have been rejected. The paper  
 should be read by the S. W.  
 on his return.

W.S.  
 24.8.32

I agree. Proceed as proposed  
 & let Sec of State see on  
 return.

B.H.G.  
 at once  
 29.8.32

To H.C. Transp. Tel. No. 22. 7 and 26.8.32

To H.C.T. Conf (refs 3, 5, 6 & 8)  
 (i.e. 7 amended)  
 Gov. Conf (refs 3, 5, 6, 8 & 10) A/I

C.A. - 1/10, 10, 13/10, 31.8.32

N. N. - 1/10, 12/10, 10/20/31, Nos 1, 2, 3, 5, 9, 10 on 14/10

By Airt mail 10  
 31/8/32  
 No 9 to be returned  
 11  
 12  
 13

AUG 1932

Index  
 I refer to objections and  
 strong  
 P.H.  
 4/10/32

1/10

Mr. Hood

With reference to Sir Cecil Borthwick's  
 minute of 26/8/32 - I have not seen  
 any figures of the financial working  
 of the H.V.R. during 1932, but we know  
 from the T.V. & other sources that the  
 traffic returns during the first seven months  
 have been considerably in excess of the  
 estimate. No need to refer to  
 Treasury at present.

1/10  
 P.H.  
 1/10

The figures in 3174/33 (Nos) show that things  
 are improving a bit.

12.9.

W.S. 13.9.32

September 2

17402/31

Sir,

With reference to the letter from this Department of the 28th July, I am directed to transmit to you, for the information of the Lords Commissioners of the Treasury, the accompanying copy of further correspondence with the High Commissioner for Transport regarding the financial position of the Kenya-uganda Railway and Harbours.

2. I am also to enclose, with reference to paragraph 2 of the Secretary of State's confidential despatch to the High Commissioner of the 7th of September a copy of correspondence which has taken place with regard to the question of the conversion of the Kenya six per cent. Stock 1946-56 and the five per cent. Stock 1948-58.

I am, Sir,  
Your most obedient servant.

(Signed) H. T. ALLEN

THE SECRETARY,  
TREASURY.

- To H. Cr. Conf.  
7 July '32
- Fr. do IORH. Aug.  
'32
- To do. Conf.  
Sept. '32
- Fr H. Cr. Conf  
30 Sept. '31
- Fr. do. 28 May. '32
- To do Conf. tel  
10th June
- Fr. Gov. Kenya  
Conf. 30th May
- Fr. G.A. 20 Aug.
- To H. Cr. 31 Aug.

10  
AUG 31

G. O.

Mr. ALLEN. *248*

Mr.

Mr.

Mr. Parkinson.

Mr. Tomlinson.

Sir C. Bottomley.

Sir J. Shuckburgh.

Permt. U.S. of S.

Party. U.S. of S.

Secretary of State.

31

DRAFT.

TRANSFER

KENYA-UGANDA

*Confidential*  
*etc.*

*East*  
High Commr 22th May '32.

do. Conf. tel. 22. 11th Aug. '32

Sec. of State Conf. tel. 2. . . . . AUG. '32

*Copy to Gov 16/2 L.F. 31/32*  
*Copy P.A. 31 5-32 618*  
*Trans - 9 9-32 (Off on 1/402/31 K)*

To C.A. 17th June '32.  
To C.A. No. 1. 2. 1932 (106)  
Fr. C.A. 20th August '32.  
No. 8 with encll.

*2ap*

[Faint, mostly illegible typed text, likely the body of a letter or report]

I therefore informed you by telegram on

16185/32 Kenya

9  
9

C. O.

Mr. Allen.

26/8/ atance

Coded & Sent  
2.30 pm  
26.5.32

Mr.

Mr.

Mr. Parkinson

Not copied

Mr. Tomlinson

No. 2 Confidential

Sir G. Bokorley

Sir J. Shuckburgh

Permit. U.S. of S.

Party. U.S. of S.

Secretary of State

Your confidential telegram No. 23.

(71)

Regret not possible to hold out any prospect of relief from loan charges at present time despatch follows.

**DRAFT.** tel

For Governor of Kenya also reference

confidential despatch No. 74.

HIGHCOMA

NAIROBI

(5)

Secer.

ALL COMMUNICATIONS  
TO BE ADDRESSED TO THE  
CROWN AGENTS FOR THE COLONIES  
THE FOLLOWING REFERENCE AND THE  
DATE OF THIS LETTER BEING QUOTED.



4, MILLBANK,  
WESTMINSTER.  
LONDON, S.W.1.

A/218

TELEGRAMS: "CROWN, LONDON"  
TELEPHONE: 7730 VICTORIA.

20th August 1932.

Sir,

I have the honour to refer to your letters  
No. 18185 of the 17th and 25th of June enclosing copies  
of despatches from the Governor of Kenya regarding the  
proposed conversion of the Kenya 6% Stock 1946/56 and  
the 5% Stock 1948/58.

2. Owing to the success with which the recent  
offer made by H.M. Government for the conversion of 5%  
War Loan 1929/47 has met, the basis of yield on gilt  
edged stocks is considerably lower than when the question  
of the conversion of Kenya 6% Stock was previously  
considered in 1931. At the present time, it should be  
possible to issue a new Colonial Government Loan on  
approximately a 4% basis, and while it is impossible to  
forecast the probable rate at which we shall be able to  
borrow in future years we think it only reasonable to  
assume 4% as a probable basis of borrowing in 1946 when  
the option of repayment of the 6% Stock arises.

3. If this view is accepted there can be no doubt  
that an offer of conversion at the present time would not  
be to the financial advantage of the Colony. I enclose  
a statement from which it will be seen that any saving  
which/

THE UNDER SECRETARY OF STATE,  
COLONIAL OFFICE.

No. 3.  
No. 6.

AUG 1932

Capt H.C.T. Comd. 15  
Nor. Co. 110  
Tues. 9.2  
Copy on 14.02.31 (K.)

bc

8

which it might be possible to effect in the annual loan charges until 1946, through conversion, would be outweighed by the increased liability after that date.

4. The basis of conversion which we have assumed in the enclosed statement viz. £125 of a new 4% Stock for every £100 of the 6% Stock is favourable to the stockholder on the basis of current prices but it is not thought likely that an offer even on these terms would meet with much success. In this connection I enclose an extract from a letter which we have received from our brokers.

*Price should  
1/16/46*

16.8.32.

I have the honour to be,

Sir,

Your obedient servant,

*J. M. M. M.*  
for CROWN AGENTS.



The present values of these amounts are :-  
 Present value of half-yearly saving of  $17\frac{1}{11}$ <sup>s d</sup>  
 for 14 years

$.8949 \times 21.2813 = 19.0446$  say £19. 0.11.

Value ~~of~~ <sup>on</sup> 15.9.46 of half-yearly loss of  
 £1.5.3. for 26 years

$1.26179 \times 32.1449 = 40.56$

Present value of ~~£42.103~~ <sup>£42.103</sup> due 15.9.46

$40.56 \times .5744 = 23.2976$  say £23. 5.11.

**NOTE:-** In calculating the amount of sinking fund contribution required in the event of a conversion offer being made, it has been assumed that the existing sinking fund of the 6% stock which is estimated to be worth approximately £620,000 on the 15th September, 1932 will be retained towards the repayment of the new stock and allowance of this has been made in calculating the amount of sinking fund contribution required.

If the sinking fund accumulated by the time the conversion takes place were not retained but transferred to revenue the saving up to 1946 would be about 10/-d. per cent. half-yearly and the loss from 1946 to 1972 would be £1. 13. -. per cent. half-yearly. The present value of the saving of 10/-d. a year up to 1946 is £10. 14. 11., the present value of the loss of £1. 13. -. half-yearly from 1946 to 1972 is £30. 10. -. .

MP.

Extract from a letter dated the 16th August, from Messrs. J. & A. Scrimgeour to the Crown Agents, concerning a suggested offer for the conversion of £100 Kenya 6% Stock 1946/56 into £125 of Kenya 4% Stock 1972.

X X X X X X X

The holders may be roughly divided into three main groups:-

- 1. Insurance Companies.
- 2. Trustees.
- 3. Individual holders.

1. Insurance Companies are differently situated with regard to the tax on their investments and also the purposes for which they hold them. Where Stocks are held more or less definitely against specified risks, the Companies, as a rule, do not care to disturb their investments unless they can obtain a better yield. Some Companies, we believe, have to bring the interest on their investments into Trading Account and are liable for Income Tax on their realised profits from the sale of investments. We do not know how a conversion of this nature would affect them in this. On the other hand the increase in capital might prove attractive to many Companies, particularly those who had bought their holdings at or about 100 and have a general Investment Fund.

2. Trustees in most cases would have to consult the wishes of the tenants-for-life who would probably object to giving up income in exchange for the increase of capital unless they were interested in their successors to the Trust funds.

3. Individual holders would probably decide in each case according to individual circumstances. A good many would probably be attracted by the offer of increased capital even at the loss of income for 14 years; particularly those who wish to make provision for descendants. The present high rate of taxation would possibly be a big influence in many cases against the choice of a lower income.

Generally

Generally speaking, so much may happen in 14 years that a holder might prefer to receive the larger income meanwhile and take his chance of being able to get a good return on his capital when the loan is repaid.

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*Extract from Lord Lugard's Report.  
1932*

**Debt charges**

113. The increased burden of public debt involves a very heavy charge on the taxpayer. The whole burden of sinking fund payments will not be felt until 1935 when the full sinking fund charges on the 1930 loan become payable. Taxpayers who examine these figures may not unreasonably enquire whether there is any possibility of relieving their prospective load by means of conversion. Such a course might lighten the responsibilities of the present taxpayers by throwing the burden forward on to the shoulders of a future generation, who may be in a better position to pay for their advantages when the fruits of present expenditure on development are being gathered.

The possibility of debt conversion will no doubt be carefully watched, but it is well to point out that the problem in Kenya is very different from that in Great Britain. Whereas British Conversion Loans have been issued to deal with debt close to the date of maturity, the borrowings of Kenya are not repayable for many years to come and stand to-day at a price well above par. Under such conditions, debt could only be converted with the consent of the bondholders, and it is evident that terms would naturally be required for a successful conversion which would prevent any spectacular advantage to the borrower.

57



GOVERNMENT HOUSE,  
NAIROBI,  
KENYA.

KENYA.

No. 74  
CONFIDENTIAL.

RECEIVED  
24 JUN 1932  
GOV. OFFICE

30<sup>th</sup> MAY, 1932.

Sir,

I have the honour to refer to Transport Confidential despatch of the 28th May, 1932, sent in my capacity as High Commissioner for Transport, regarding the possible conversion of the £5,000,000 Loan (1921) and the £5,000,000 Loan (1927), and to ask, should the present time be considered propitious for conversion, that the suggestions there made may also be considered from the point of view of the Colony which, apart from its guarantee, is concerned in the former issue to the extent of £754,614.

I have the honour to be,

Sir,

Your most obedient, humble servant,

BRIGADIER GENERAL.  
GOVERNOR.

Recd. tel. 26/5/32

Copy to B.A. 25/6/32

Copy to H.C.T. Conf 3. AUG 1932

Chamrod Conf A/11

Copy Trecan, 9.9.32 (Cof. on 1402/31K)

Not.

THE RIGHT HONOURABLE  
MAYOR SIR PHILIP GUNLIFFE-LISTER, P.C., G.B.E., M.C., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON S.W.1.

C. O.

18185/32.

*Handwritten initials/signature*

Mr. Hyde 9.6.32.

Mr. Freeston.

Mr. Allen.

Mr. Parkinson.

Mr. Tomlinson

Sir C. Bottomley

Sir J. Shuckburgh.

Perm. U.S. of S.

Part. U.S. of S.

Secretary of State.

*Handwritten scribble*

RECEIVED  
13

*Handwritten initials/signature*

*Handwritten scribble*

*Handwritten scribble*

**DRAFT.**

Downing Street

THE CROWN AGENTS

11 June, 1932.

FOR THE COLONIES.

Gentlemen,

I am etc. to transmit to you for your observations the accompanying copy of despatches which have been received from the High Commissioner for Transport Kenya and Uganda on the subject of the general financial position of the Kenya and Uganda Railways and Harbours & the Commission of Enquiry into the

It will be observed that the conversion proposals in the despatch of the 30th of September were limited to the Transport Section (L4, 245, 386)

31 AUG 1932  
Copy to H.C.T. compd 31 AUG 1932  
For Comg A/13

*X* Fr. H. C. T. d. 30.9.31  
18 on 17020/31.

*X* Fr. H. C. T. d. 28.5.32.  
(1)

*X* If there had been 2 addl copies I don't see the necessity for the 2nd copy.

(2 more copies)  
H.C.T. 30/9/31  
have been made.  
See L 17020/31





4. I shall, towards the beginning of the second half of this financial year, review in detail for you the financial result of working these Transport Services during the first half of the year and endeavour to frame a revised estimate of the results to be expected for the whole twelve months. I need only say at present that during the first four months of 1932 the financial results of working the Railway after meeting all working expenses, making due provision for depreciation and paying all loan fund charges, showed a profit of approximately £25,849. This profit was, however, practically absorbed by a loss of £22,312 which resulted from the working of the Port of Mombasa during the same period.

5. Taking everything into consideration these results may be regarded as not discouraging, but I endorse the General Manager's deep concern at the very heavy burden on the finances of the Transport Service imposed by its proportion of the 1921 six per cent Loan and by the £5,000,000 five per cent Loan of 1927, the total transport liability in respect of these two loans being:-

(a) 1921 Six per cent Loan	£4,245,386
(b) 1927 Five " " "	<u>£5,000,000</u>
Total	<u>£9,245,386</u>

6. On the 31st of March, 1932, the officially quoted prices for these loans were:-

- (a) £108 - £110.
- (b) £103 - £105.

On the basis of the foregoing relative value of each loan, and assuming conversion of the six per cent loan to be possible at the rate of £115 of 4% stock redeemable after sixty years for each £100 @ 6% stock, it has been estimated.....

2-3 p  
105-107  
105-107  
AR

estimated that it might be possible to secure conversion of the 25,000,000 five per cent stock at the rate of £110 four and one half per cent stock for each £100 of 5% stock converted.

7. So far as the provision to be made for the redemption of the "Conversion" Loan is concerned, having regard to the proposed maximum currency of sixty years and to the fact - set out in detail in the annexures hereto - that of the expenditure against the Transport Administration's proportion of Kenya Loans which amounts to £15,340,007, more than seven million pounds is invested in assets having an estimated "life" of more than 60 years and that less than six million pounds is invested in assets having an estimated "life" of from 10 to 50 years, it would appear that 0.4% per annum would be ample for this purpose.

8. This idea is strengthened by reason of the very generous provision which is made annually to the Renewals Fund to ensure the replacement of all Wasting Assets and also by reason of the Administration's financial procedure which ensures that the unexpired "life" of any assets scrapped or rendered obsolete before their cost has been fully covered by contribution to the Renewals Fund is made good by a direct charge to the Net Revenues of the Administration for the year such assets are discarded.

9. Accepting, therefore, the premises set out above, it is estimated that, apart from the expenses of conversion, the cost of converting the Transport Administration's £9,245,536 Capital Expenditure from the Kenya 1961 six per cent and 1967 (25,000,000) five per cent loans would be £10,322,194 which with interest at

4 1/2% and provision for redemption at 0.4% would involve an annual fixed charge upon the Administration's Net Revenue of £467,199 - or approximately £100,000 less than the present corresponding charges on the Railways and Harbours proportion of these existing loans; such a conversion if it be possible would afford these services for a considerable period of years financial relief to an extent so material as to appear to justify every possible effort being made to launch it.

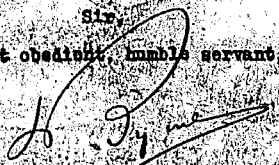
10. In my earlier despatch I contemplated the Sinking Fund contributions made in respect of the existing loans being allowed to accumulate. Under the proposal now advanced, I would urge that those contributions should be refunded to the Administration's Net Revenue, holding the view that the interests of the Bondholders of the proposed "Conversion" Loan would be amply secured by the terms to govern its issue.

11. I shall be grateful if steps could forthwith be taken to secure an informative expression of opinion as to whether the time is now ripe to secure the necessary enabling legislation and to launch a £10,322,194 Conversion Loan bearing interest at 4 1/2% with provision for contributions to a Sinking Fund at the rate of 0.4% per annum, and redeemable in 1982 - 1992 as has been suggested, or whether any other and more attractive proposal can be devised to lower the interest charges on the Administration.

I have the honour to be,

Sir,

Your most obedient humble servant,



HIGH COMMISSIONER.

LOANS, KENYA COLONY AND PROTECTORATE

SUMMARY, RAILWAYS AND HARBOURS.

EXPENDITURE AS AT 31ST DECEMBER, 1931.

	£5,000,000/- (1921) Loan	£5,000,000/- (1927) Loan	£3,500,000/- (1928) Loan	£2,400,000/- (1930) Loan	£23,500,000/- (1924) Loan	Total.
	£	£	£	£	£	£
Railways	3,881,241	4,309,260	2,068,750	269,257	420,112	9,948,636
Harbours	1,407,745	565,969	699,852	717,805		3,391,371
Cash in hand	4,288,986	4,875,237	2,768,610	987,062	420,112	13,340,007
<b>Total</b>	4,288,986	4,912,498	2,768,610	987,062	420,112	13,377,268
Assets over 60 years life		4,537,626				7,412,235
Assets under 60 years life		5,411,010		516,762		5,927,772
		9,948,636		3,391,371		13,340,007

LOANS, KENYA COLONY AND PROTECTORATE.

STATEMENT OF CAPITAL WASTING ASSETS (RAILWAYS, MARINE AND ROAD) TO 31ST DECEMBER, 1931.

	Estimated Life.	£5,000,000 (1921) Loan.	£5,000,000 (1927) Loan.	£3,500,000 (1928) Loan.	£3,400,000 (1930) Loan.	Accrued Interest £35,000/- (1-24) Loan.	Total Expendi- ture.
	Years.	£.	£.	£.	£.		£.
Major Bridges	75	52,173	97,320	73,044	6,404		228,941
Minor Bridges	100	42,969	146,079	64,293	17,447		270,788
Fencing	12 1/2	1,586	284	137	256		2,203
Telegraph	15 5/13	9,296	31,280	9,439	3,307		53,322
Tyax Tablet Instruments	15 5/13	6,184	19,785	4,834	1,806		32,609
Permanent Way	33 1/3	294,982	860,203	230,933	83,448		1,469,566
Stations and Offices - Temporary	25	17,718	81	...	...		17,799
" Permanent	100	39,786	118,722	29,218	6,801		194,527
Workshops and Stores	66 2/3	8,737	69,883	38,584	29		106,933
Staff Quarters - Temporary	25	28,966	105	...	...		29,071
" Permanent	100	40,206	403,930	68,636	14,658		527,430
Station Machinery	22 2/3	26,443	169,492	60,306	12,733		266,974
Locomotives	20	469,252	517,278	94,460	...	420,112	1,079,990
Carpages and Wagons	30	383,357	563,206	734,487	...		2,101,102
Motor Rail Coaches	5	...	...	560	63		623
Plant - Engineering	6 2/3	7,576	3,238	842	396		12,051
" - Locomotives	15	2,378	69,147	50,881	509		122,915
" - Stores	25	11,799	...	512	230		11,796
" - Transportation	20	...	336	...	...		1,178
Jetties and Ferries	25	13,591	74,659	203	...		88,353
Total Railway		1,455,995	5,134,668	1,461,469	148,087	420,112	6,620,231
Marine	33 1/3	48,686	70,266	...	...		118,952
Road	5	...	446	...	...		446
Total		1,504,681	5,205,280	1,461,469	148,087	420,112	6,739,629
Final Expenditure i.e. Surveys, Earthworks, Land Cons. Plant, General Charges, Interest out of Capital & Expenses of Loans		1,376,560	1,103,988	607,289	121,170		3,209,007
Grand Total		2,881,241	6,309,268	2,068,758	269,257	420,112	9,948,636
				881,064	166,509		4,537,626

LOANS KENYA COLONY AND PROTECTORATE.  
STATEMENT OF CAPITAL WASTING ASSETS (HARBOURS) TO 31st DECEMBER, 1931.

	Estimated Life.	25,000,000 (1921) Loan.	25,000,000 (1927) Loan.	23,500,000 (1928) Loan.	23,400,000 (1930) Loan.	Total Expenditure.
	Years.	£.	£.	£.	£.	£.
Kilindini Old Pier.	66 8/3	10,459				10,459
Wharf and Jetties.	33 1/3	1,435	3,480.	684	3,276 4	8,875
Fenders.	10		451	475	507	1,433
Railways and Sidings.	33 1/3	35,528	810	38,574	17,602	89,908
Electrical Installation, Cranes and Equipment.	80	5,865	92,479	26,672	62,775	187,789
Crane Roads.	33 1/3	5,020	3,559	6,789	3,904	19,272
Macadamised Roads.	10	20,851		14,158	5,310	39,719
Tugs, Launches and Pontoons.	20		16,419	29,706	6,811	54,936
Lights, Buoys and Beacons.	13 1/3			5,158	5,206	10,364
Water Supply.	33 1/3		3,249	1,713	148	5,115
Brick Transit Sheds.	100	214,009			133,384	347,393
Transit Sheds and Goods Sheds.	50	9,952	713	75,236	4,690	90,572
Fencing.	33 1/3		2,221			2,221
Stations and Offices.	25	1,127	2,464	825	2,722	6,558
Staff Quarters.	100		18,121	1,850	14,551	34,528
<b>TOTAL.</b>		<b>305,639</b>	<b>149,426</b>	<b>199,245</b>	<b>260,886</b>	<b>909,196</b>
Final expenditure, i.e. Excavation, reclamation, dredging, concrete blocks in wall, General Charges interest out of Capital and Expenses of Issue		1,104,106	480,543	500,807	456,919	2,468,175
<b>GRAND TOTAL.</b>		<b>1,407,745</b>	<b>585,969</b>	<b>699,852</b>	<b>717,805</b>	<b>3,391,371</b>
Assets over 60 years life.		1,528,574	438,724	508,457	605,654	2,874,609
Assets under 60 years life.		79,171	127,245	197,395	112,951	516,762
<b>TOTAL.</b>		<b>1,407,745</b>	<b>565,969</b>	<b>699,852</b>	<b>717,805</b>	<b>3,391,371</b>