

COLONY AND PROTECTORATE OF KENYA



REPORT OF THE BOARD OF THE
LAND AND AGRICULTURAL BANK
OF KENYA FOR THE YEAR 1932

Price 1/-

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1933

Report of the Board of the Land and Agricultural Bank of Kenya to His Excellency the Governor

For the year ended 31st December, 1932.

YOUR EXCELLENCY,

The following report of the Board of the Land and Agricultural Bank of Kenya for the year 1932 is submitted for Your Excellency's information.

The statements required by section 47 of the Ordinance have been prepared and are submitted herewith, duly audited.

THE BOARD.

1. No alteration has been made in the personnel of the Board. In accordance with the result of the ballot taken at its first meeting, the Hon. A. D. A. MacGregor retired automatically on 31st December, 1931, but was re-appointed by Your Excellency, *vide* Government Notice No. 30, dated 6th January, 1932, which further provided for Mr. E. J. Davies, Crown Counsel, to act in his stead during his absence on leave.

2. Mr. J. E. A. Wolryche Whitmore retired from the Board, in accordance with the result of the ballot, on 31st December, 1932, but was re-appointed by Your Excellency, *vide* Government Notice No. 793, dated 15th December, 1932.

3. Six months leave of absence was granted to Mr. E. B. Gill as from 1st May, 1932 and the appointment of Mr. P. H. Johnson to act in his stead during this period was recommended to Your Excellency by the Board. Effect was given to this recommendation in Government Notice No. 288, of 19th April, 1932.

4. During the absence of the Chairman (the Hon. H. H. Rushton) from 16th May, 1932 to 31st May, 1932, Major C. M. Taylor was elected in terms of section 6 (2), Land Bank Ordinance, to act as Chairman.

5. The attendances of members of the Board at meetings for the period under review are as under :—

Total number of meetings	...	...	26
The Hon. H. H. Rushton	...	...	24
The Hon. A. D. A. MacGregor	...	...	3
Mr. E. J. Davies	...	...	18
Mr. E. B. Gill	...	...	16
Mr. P. H. Johnson	...	...	10
Major C. M. Taylor	...	...	26
Mr. J. E. A. Wolryche Whitmore	...	...	20

STAFF.

6. The services of the temporary stenographer were dispensed with on 31st August, 1932, as, with the cessation of new applications the copying work and that of engrossing deeds had diminished. During the early part of the year indispensable assistance was given in the office by Mr. T. L. Hately of the Central Agricultural Advances Board. The shrinking of that Board's operations admitted of his doing this and no liability for remuneration was attached to the Land Bank in this connexion. Additional help in the office was at that time a necessity, but with the cessation of new applications the present staff is adequate.

7. The Secretary was granted seven days' leave of absence from 5th to 11th December, 1932.

LOCAL AGENTS.

8. The majority of applications dealt with during the year have been scrutinized and reported upon by the Local Agricultural Advances Boards, acting as agents of the Land Bank, whose recommendations, based upon local knowledge and personal experience, have been followed as closely as possible. Thanks are due to members of these Boards who have devoted much time and trouble to this purely honorary work.

The desirability of regular inspections of mortgaged properties has been emphasized by the Kitale and Eldoret Local Agents. We agree with their views but it is a matter of expense and until the business of the Bank develops, any elaborate scheme involving the appointment of paid inspectors is precluded on this ground.

In May the local agents in the more settled districts were visited by the Secretary for the purpose of explaining the system of control adopted pending the establishment of a scheme of regular inspection. Opportunity was taken by the Secretary to visit the farms of as many mortgagors as time permitted.

HALF-YEARLY REPORTS.

9. Mortgagors are required every six months to furnish a statistical and general report on a form supplied by the Land Bank. This form exhibits the progress of development: it sets forth the permanent improvements effected, fertilizing done, extent of standing crops and numbers of live stock. It also furnishes particulars of financial returns from dairy, pigs and poultry, sale of produce, etc. Space is provided for a

statement of the proposed programme of farming operations for the following season, and the form concludes with a general report on the progress of farming operations with specific reference to rotation of crops. The mortgagor is also invited to submit any observations he may wish to make on pests, diseases and general conditions. This information is entered in a register in such a way as to facilitate comparison at a later date. A copy is sent to the local agents.

LEGAL WORK.

10. The Bank is especially indebted to the Attorney General, who has undertaken a very considerable amount of work in connexion with the drawing of mortgage deeds and other legal documents without charge to the Bank. It was noted in the last report that the position would be reviewed in twelve months, but as this work has now fallen off considerably and the matter of further capital is not definitely settled the question may not arise. Thanks are also due to the Registration Division of the Surveyor General's Department for advice and practical assistance freely given. The amount paid to this Department in registration fees and stamp duties during the year was £1,851.

LEGISLATION.

11. On 26th May, 1932, Royal Assent was given to "An Ordinance to Amend the Land and Agricultural Bank Ordinance, 1930." This amending Ordinance merely provides for the deletion of the second proviso to section 34 and similarly to section 35 of the Principal Ordinance. It has no immediate effect as no advances have been made under these sections of the Ordinance.

12. As the outcome of a despatch to the Secretary of State, dated 12th August, 1932, in which the Governor's Deputy suggested the desirability, from the point of view of economy, of the Land Bank having power to act as agents for the Government in administering funds such as those of the Central Agricultural Advances Board, a further amending Bill has been drafted. This Bill provides for the undertaking of such work by the Land Bank, for the payment of reasonable travelling expenses incurred by members of the Board whilst on the business of the Bank, and for a simplified procedure for recovery of a debt in case of default by a mortgagor. It is understood that this Bill will be shortly introduced in Legislative Council.

FINANCIAL.

13. On 3rd March a statement of the financial position of the Bank was placed before the Government in a minute addressed to the Colonial Secretary.

This minute embodied a request for "information as early as possible as to the Government's intention with regard to the provision of additional capital." On 18th March the Colonial Secretary requested the Board to submit suggestions for raising additional capital. The Chairman replied at some length on 22nd March and a detailed statement was prepared for the consideration of the Governor in Council. It is understood that representation was subsequently made to the Secretary of State.

14. At a meeting of the Board on 25th May it was resolved that, as the question of additional capital could not be settled immediately, it was desirable that public notice be given that consideration of fresh applications should be suspended as from 14th June, and that meanwhile inquiries be instituted with a view to raising a temporary loan which should enable the Board to deal with applications in hand at that date. Your Excellency was unable to approve of the latter suggestion, but concurred in a public announcement that no further applications could be accepted as from 2nd June. Notice was accordingly given in the Official Gazette and the newspaper Press.

15. Resolutions urging the Government to increase the capital of the Bank have been passed by practically every Farmers' Association in the Colony, and also by the Convention of Associations and the Nairobi Association.

16. In considering the question of further capital for the Lank Bank, the following points present themselves:—

(a) The prosperity of Kenya rests wholly upon agriculture, the vicissitudes of which are definitely reflected in all phases of the life of the Colony—railways, customs, trade, native tax returns, unemployment, etc.

(b) Private capital within the Colony and also credit facilities are practically temporarily exhausted, as far as agriculture is concerned.

(c) To safeguard public funds (no less than private capital) already invested in land and agriculture, land values must if possible be maintained at the conservative standard accepted by the Land Bank. If the structure of the agricultural industry is weakened, land values must further decline. An occupied farm surrounded by derelict farms has little value.

(d) So long as the Land Bank collects and pays interest to the Government it is not an expense to the Government.

(e) The opportunity for raising a loan on favourable terms may not continue indefinitely.

(f) In your opening speech to Legislative Council on 14th December, Your Excellency urged the necessity for increased production. It is difficult to see in what manner it will be possible to realize Your Excellency's hopes other than by (i) new settlers; (ii) credit facilities for those already settled on the land; (iii) development of native production.

(g) The Land Bank is now directly and vitally interested in increased production and, if only from motives of self-interest, must do all that is possible to promote the further development of agriculture.

17. The question also arises as to the advisability of widening the scope of the Land Bank Ordinance to embrace the issue of short term loans purely for farming operations. The practice in Southern Rhodesia is to grant advances up to £250 for a period of one year, but capable of extension to three years. The debt is secured by a note on the title deeds, which is registered as an hypothecation at the Deeds Office, and has the legal force of a mortgage; also the borrower is required to sign a promissory note maturing in twelve months, but redeemable earlier from crop proceeds. Where the applicant is already mortgaged to some party other than the Land Bank, the consent of the mortgagee is first obtained by the applicant, the former executing a "Waiver of Preference" so that the Land Bank's hypothecation then ranks prior to the mortgage bond. The mortgagee will usually assent to the process, especially if the alternative is that the farm is thrown on his hands.

18. The need for a simple and inexpensive process of making short term loans is also felt where, through some calamity, such as locusts or hail, the farmer's income has vanished and he requires money, not only to start a new crop, but also to meet his obligations to the Land Bank. Provided there is a margin of security over that required for his mortgage loan, he should be able to come to the Land Bank for a small short term advance which would not involve the expense of a mortgage. The sufficiency of the security held by the Bank depends to some extent upon the continuance of farming operations and development of the property, and the necessity for further assistance, in exceptional cases, must be contemplated.

19. At 31st December, 1931, the number of mortgage deeds actually registered was 26, securing advances aggregating £32,300. During the six months ending 30th June, 1932, 107 mortgages were registered securing advances aggregating £143,430, making a total at 30th June of 133 mortgages for £177,750. At 31st December, 1932, the total number of mortgages registered was 174, securing advances of £227,700.

20. Instalments during the year fell due as under :—

	<i>Principal</i>		<i>Interest</i>		<i>Total</i>	
	<i>Sh.</i>	<i>cts.</i>	<i>Sh.</i>	<i>cts.</i>	<i>Sh.</i>	<i>cts.</i>
March 31: 10 mortgages	3,155	82	8,385	00	11,540	82
June 30: 69 ..	15,736	06	55,737	50	71,473	56
Sept. 30: 69 ..	18,080	90	64,192	16	82,273	06
Dec. 31: 95 ..	20,781	21	72,483	30	93,264	51
	<hr/>		<hr/>		<hr/>	
	Sh. 57,753	99	200,797	96	258,551	95
	<hr/>		<hr/>		<hr/>	

The serious manner in which mortgagors have regarded their obligations to the Land Bank is greatly appreciated. It has been found necessary in one or two instances only to emphasize that the continued usefulness and efficiency of the Land Bank depends upon prompt and regular payment of instalments, and that such payment is and will be insisted upon. At the time of writing this report the whole of the first three instalments and about 95 per cent of the fourth had been received. Difficulty in maintaining so high a standard must, however, be anticipated.

PURPOSE OF LOANS.

21. The purposes to which loans have been allocated are shown approximately in Table 5 annexed, which exhibits to some extent the diversity of the benefits to the community (and to the Government) derived from the circulation of Land Bank funds. The redemption of existing mortgages has released funds for fresh enterprises; the Central Agricultural Advances Board has benefited by the repayment of £4,313 by the Land Bank on behalf of participants; material saving in interest charges has accrued to the agricultural community; merchants in various centres have reaped their share of increased business from which the Government also takes toll in transport, customs, etc., and many farmers have been able to place their affairs on a business footing free from the ever-present worry which attends a private mortgage redeemable at short notice.

22. An examination of Table 5 shows that the chief demand for money came from those anxious to place their affairs on a more stable basis by discharging existing mortgages, with their onerous conditions of repayment and interest charges, or by purchasing or completing purchase of their holdings. The next largest item is for the maintenance of existing coffee plantations and the planting of additional acreages of new coffee. After that, in decreasing amounts, come general farming operations, purchase of dairy stock and buildings.

No analysis has been made of rejected applications, but similarly with those mentioned above the major purpose was to meet existing mortgage debts.

23. In many cases the amount which had been lent to farmers prior to the establishment of the Land Bank, is, in the opinion of the Board, in excess of 60 per cent of to-day's value of the property. In such instances the only way in which the Land Bank can assist (where the case is otherwise eligible) is to persuade the mortgagee to accept a lesser sum for the release of the title deeds and be content with a second mortgage as security for payment of any outstanding balance which it may be agreed is reasonable.

24. In numerous instances mortgagees have accepted the Board's offer of a compromise of this nature, which, in the circumstances, is generally to the benefit of both parties. The terms of such second mortgages are required to be submitted to the Land Bank for approval.

25. The comparatively large amounts under the headings: "General Farming Operations", "Purchase of Dairy Stock" and "Buildings" indicate to some extent the change over to dairying and mixed farming which has been necessitated by the failure of many to find profit in growing cereals.

DISTRIBUTION OF LOANS.

26. A new statistical table has been compiled, No. 6, to show the distribution of the Bank's investments over the various districts. A conspicuous absence is the Coast district, from which very few applications have been received. This table also gives an idea of the size of holdings with average valuation, average advance per acre and ratio of advance to valuation.

ACCOUNTS.

27. A word of explanation is perhaps desirable regarding the item in the Balance Sheet of outstanding interest which at first sight appears large. This interest only fell due for

payment on 31st December and the bulk of instalments which fall due on the last day of the year is not usually received until early in the new year.

GENERAL.

28. The difficulties of the farmer in Kenya cannot be said to have diminished to any appreciable extent during the year. Coffee planters are to be congratulated upon having a more consistently saleable article than any other agriculturist. With practically every other market both demand and prices have been unsatisfactory, and many farmers are faced with the problem of how to continue their operations and retain what they have pending the dawn of better times.

29. The lure of Kakamega gold has naturally reached the farming community and one or two cases have come to notice where a mortgagor to the Land Bank has left his farm to try his luck on the still more speculative field of gold digging. Provided adequate arrangements are first made to secure that farming operations are carried on, there is no apparent ground for serious objection to this; but it was thought advisable to circularize all mortgagors, calling attention to the covenant of the mortgage which demands continuous beneficial occupation of the property. This was done on 23rd November, 1932.

30. The precarious position of the maize industry is a matter of some importance to the Land Bank as several loans have been made on properties chiefly concerned with this crop. It is not, of course, a local question. Maize production the whole world over is affected and many growers in all countries will inevitably go out of business. The demand still exists and supplies must continue to come to the world's markets from somewhere. It is natural to assume that those countries where the yield per acre is lowest will be the first to discontinue growing, which should eventually lead to an improvement in prices. The soil and climatic conditions of the maize growing districts in Kenya justify the belief that it would be inadvisable to contemplate the complete stoppage of maize growing for export. The marketing organization, so far as it has been developed, should be clung to tenaciously, and if means can be devised to keep maize growers going, if only on restricted lines, the industry will be in a position to take full advantage of the improved conditions when prosperity returns. Meanwhile, it is imperative that maize growers extend their operations to other crops, concentrate on lowering prime costs and study the possibilities of converting a certain proportion of their maize into pigs, beef, etc.

31. A change over as, for example, from maize growing to dairying must, of necessity, take time and require capital. As such a change is in many cases the only alternative to failure the urgent need for further Land Bank funds is here again indicated.

H. H. RUSHTON,
Treasurer,
Chairman of the Board.

Nairobi,

22nd February, 1933.

TABLE No. 1
APPLICATIONS RECEIVED

1932	Number of Applications Received	Amount
		£
January	25	40,390
February	26	31,950
March	18	22,675
April	17	24,450
May	23	34,840
June (two days) ..	10	12,800
	119	167,105

TABLE No. 2
APPLICATIONS RECEIVED—SIZE OF LOANS. 1ST JANUARY
2ND JUNE, 1932

FOR LOANS OF—	
£1-£500	18
£501-£1,000	28
£1,001-£1,500	33
£1,501-£2,000	19
£2,001-£2,500	15
£2,501-£3,000	6
Over £3,000	—
	119

TABLE No. 3
ANALYSIS OF APPLICATIONS RECEIVED FOR PERIOD
JULY, 1931 TO 31ST DECEMBER, 1932
NUMBERS 1 TO 375

No.	Amount		No.	Amount
375	£ 585,625	APPLICATIONS RECEIVED—		£
		Considered by Board	316	494,310
		Withdrawn before consideration	37	56,195
		Awaiting valuation, etc.	22	35,120
375	585,625		375	585,625
316	494,310	CONSIDERED BY BOARD—		
		Granted and completed	171	227,700
		Granted:		
		Awaiting completion	10	11,300
		Declined by Applicant	6	10,800
		Rejected	129	244,510
316	494,310		316	494,310

TABLE No. 4
PERIODS FOR REPAYMENT OF LOANS ISSUED
L.R. 27 TO L.R. 174—TOTALLING £195,400

Amount	10 Years		15 Years		20 Years		25 Years		30 Years	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
£ 100	..	£	£	£	£ ..	1	£ 100
200	1	200	1	200	..	..
250	1	250	1	250
300	2	600	1	300	1	300	..	..	1	300
350	1	350
500	1	500	..	..	2	1,000	2	1,000	6	3,000
550	1	550
600	2	1,200	2	1,200	1	600	4	2,400
650	1	650
700	1	700	2	1,400	..	..	1	700
750	3	2,250
800	2	1,600	2	1,600	..	..	1	800
900	1	900	..	..	..	..	2	1,800
1,000	1	1,000	4	4,000	2	2,000	12	12,000
1,100	1	1,100	..	..	..	..	..	..
1,150	1	1,150	..	..	2	2,300
1,200	1	1,200	..	..	3	3,600
1,250	1	1,250	..	..	2	2,500
1,300	1	1,300	..	..	1	1,300
1,350	1	1,350
1,400	3	4,200
1,500	1	1,500	..	..	4	6,000	1	1,500	14	21,000
1,600	3	4,800
1,700	1	1,700	..	..	3	5,100
1,750	2	3,500	..	..	..	..
1,800	1	1,800
1,850	1	1,850
1,900	1	1,900
2,000	1	2,000	..	..	4	8,000	1	2,000	7	14,000
2,200	1	2,200
2,500	1	2,500	..	..	7	17,500
2,600	1	2,600
3,000	1	3,000	1	3,000	..	..	7	21,000
	5	4,600	10	9,800	31	39,300	9	7,550	93	134,150

TABLE No. 5
ANALYSIS OF APPLICATIONS SHOWING APPROXIMATE
ALLOCATION OF LOAN MONEYS AS PER DETAILS
FURNISHED BY APPLICANTS
ADVANCES MADE FROM 1ST JANUARY TO 31ST DECEMBER, 1932

Discharge of Existing Mortgages	..	..	..	..	..	£	79,511
Permanent Improvements	..	..	..	..	..	£	68,170
Buildings	..	..	..	..	..	£	9,948
Wells and Boreholes	..	..	..	..	..	£	1,200
Fencing	..	..	..	..	..	£	3,700
Dip Tanks	..	..	..	..	..	£	2,000
Irrigation Works	..	..	..	..	..	£	315
Further Acreage—Coffee	..	..	..	..	..	£	8,653
„ „ —Cereals	..	..	..	..	..	£	2,565
Maintenance, Existing Coffee	..	..	..	..	..	£	22,635
Maintenance, other Crops and General	..	..	..	..	..	£	17,154
Purchase of Land	..	..	..	..	..	£	33,269
„ Stock	..	..	..	..	..	£	12,828
„ Implements and Machinery	..	..	..	..	..	£	1,622
						£	195,400

TABLE No. 6
ANALYSIS OF APPLICATIONS, L.R. NOS. 1 TO 174

DISTRICT	1 to 500 acres	501 to 1,000 acres	1,001 to 2,000 acres	2,001 to 3,000 acres	3,001 to 5,000 acres	Over 5,000 acres	Total number of farms	Total area	Total valuation	Total advanced	Average area	Average valuation per acre	Average advance per farm	Average advance per acre	Per cent of valuation advanced
Fort Hall-Nyeri ..	4	3	1	1	2	..	11	<i>Acres</i> 16,046	<i>£</i> 70,497	<i>£</i> 16,750	<i>Acres</i> 1,458	<i>Sh. cts.</i> 87 86	<i>£</i> 1,522	<i>Sh. cts.</i> 20 88	<i>P. cent</i> 23.76
Kisumu-Londiani .	4	3	6	3	4	..	20	37,304	163,096	34,100	1,865	87 44	1,705	18 28	20.97
Nairobi - Kyambu- Machakos ..	10	2	..	..	..	..	12	3,290	56,036	21,750	274	340 64	1,812	132 21	38.81
Naivasha-Thomsons Falls	2	3	5	1	2	3	16	45,073	42,619	17,050	2,817	18 91	1,065	7 56	40.00
Nakuru	5	11	11	3	1	..	31	38,671	117,725	42,600	1,247	60 88	1,374	22 03	36.18
Songhor	2	1	..	2	1	..	6	10,057	27,902	8,300	1,676	55 48	1,383	16 50	29.75
Thika	5	1	..	1	..	..	7	4,817	49,825	13,500	688	206 87	1,928	56 05	27.09
Trans-Nzoia ..	11	14	11	1	1	..	38	35,099	120,607	43,150	923	68 72	1,135	24 58	35.77
Uasin Gishu ..	6	11	10	1	1	1	30	37,547	130,262	30,500	1,251	69 38	1,016	16 24	23.87
	49	49	44	13	12	4	171	227,904	778,569	227,700	1,332	68 32	1,331	19 98	29.24

THE LAND AND AGRICULTURAL BANK OF KENYA BALANCE SHEET AS AT 31ST DECEMBER, 1932

LIABILITIES		ASSETS	
	£ s. cts.		£ s. cts.
Cash as Voted—£240,000		Sundry Debtors—	
Cash Received	230,200 0 00	Loans	224,925 19 34
Fees held on account of Applicants—		Interest	1,966 1 83
For Disbursement to Valuators	202 6 00	Charges	8 3 00
Deposits against Charges	150 6 98		
Reserve Account—		Interest accrued not due	£ s. cts. 1,832 4 09
Balance at Credit of Revenue and	£ s. cts.	Less Suspense Account, 31st March, 1933	70 16 25
Expenditure Account	2,312 9 29		
Less Debit Balance at 31-12-31..	1,005 0 90	Movable Assets as at 31-12-31	109 10 08
	1,307 8 39	Add Purchases during Year	96 14 75
			206 4 83
		Less Depreciation	29 18 74
			176 6 09
		Motor Car Account	75 0 15
		Salaries Advances Account	244 19 99
		Deposit Accounts—	
		Surveyor-General	£ s. cts. 10 0 00
		Post Office	7 50
			10 7 50
		Cash at Bank	2,688 14 62
		Cash on Hand	3 1 01
			231,860 1 37
	£ 231,860 1 37		£ 231,860 1 37

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REVENUE AND EXPENDITURE ACCOUNT FOR PERIOD ENDED DECEMBER 31ST, 1932.

EXPENDITURE			REVENUE							
	£	s. cts.	£	s. cts.						
To Interest on Capital Advances .. ..	..	..	6,815	1 77	By Interest Earned .. ..	..	..	10,319	7 60
„ Preliminary Expenses	34	4 18			Received	6,521	1 68			
„ Board Members' Fees	458	4 96			Accrued not due	1,832	4 09			
„ Salaries and Wages	1,737	9 20			Outstanding	1,966	1 83			
„ Travelling Allowances	128	5 00								
„ Printing, Stationery and Advertising	77	4 95			„ Sundry Fees .. ..	..	..	1,478	8 00
„ Rent	72	10 03			„ Bank Charges .. ..	..	..		6 86
„ Postages and Telegrams	30	0 67								
„ Depreciation	29	18 74								
„ Staff Annuity Fund	99	19 92								
„ General Expenses	2	13 75	2,670	11 40						
„ Balance, being Excess of Revenue over Expenditure			2,312	9 29						
			£	11,798	2 46			£	11,798	2 46

EXAMINED

W. H. SMITH
Auditor.

S. THORNTON,
Secretary.

H. H. RUSHTON,

Chairman

E. B. GILL

Members
of the
Board

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Report of the Board of the Land and
Agricultural Bank of Kenya
1933

Report of the Board of the Land and Agricultural Bank of Kenya to His Excellency the Governor

For the Year ending December 31st, 1933

YOUR EXCELLENCY,

The following Report of the Board of the Land and Agricultural Bank of Kenya for the year 1933 is submitted for Your Excellency's information. The statements required by section 47 of the Ordinance have been prepared and are submitted herewith, duly audited.

THE BOARD.

1. The two official members of the Board resigned their seats during the year. The Chairman (Hon. H. H. Rushton) attended his last meeting on 26th September, 1933, and the Hon. A. D. A. MacGregor, K.C., on 17th October, 1933, the former leaving the Colony on leave pending retirement from the Service, and the latter on transfer to Hongkong to assume the office of Chief Justice.

2. The Hon. G. R. Sandford was appointed Chairman of the Board, *vide* Government Notice No. 738, dated 17th November, 1933, and attended his first meeting in that capacity on 17th October, 1933.

3. Mr. W. C. Hunter was appointed to fill the vacancy caused by the retirement of the Hon. A. D. A. MacGregor, *vide* Government Notice No. 723, dated 9th November, 1933.

4. Major C. M. Taylor retired automatically from the Board on 31st December, 1933, but was reappointed by Your Excellency, *vide* Government Notice No. 791, dated 4th December, 1933.

5. The attendances of members of the Board at meetings for the period under review were as under :—

The Hon. H. H. Rushton	...	...	...	15
The Hon. A. D. A. MacGregor	...	...	...	16
The Hon. G. R. Sandford	...	...	...	11
Mr. E. B. Gill	...	...	...	31
Mr. W. C. Hunter	...	...	...	7
Major C. M. Taylor	...	...	...	29
Mr. J. E. A. Wolryche Whitmore	...	...	...	26

The total number of meetings held was 31.

6. At the meeting of the Board held on 20th June, 1933, it was resolved to recommend to Government that notice be given that Ordinance No. IV of 1933 come into operation on 1st July, 1933. This Ordinance provides for the Board of the Land Bank taking over the functions of the Central Agricultural Advances Board, with power to add to its numbers any members of the retiring Board for the purposes of Agricultural Advances work. Effect was given to the recommendation by Government Notice No. 427, dated 23rd June, 1933. The deliberations of the Board when sitting as the Central Agricultural Advances Board form no part of this Report. The position resulting from the application of the Ordinance was given more detailed consideration towards the end of the year, and the recommendations of the Board in this connexion are embodied in paras. 20 and 21 of this Report.

7. Since the beginning of August, the Board have met every week, and the demand upon the time of the members, outside actual board meetings, has materially increased during the past year.

In October, Major Taylor made a tour of the Uasin Gishu and Trans Nzoia districts in order to report to the Board on the coffee position there.

STAFF.

8. Section 7 (1) of the Ordinance provides that the Board may appoint, upon such terms and conditions as they may deem fit, such officers and clerks as may be necessary for conducting the business of the Bank, subject to Your Excellency's approval. This approval had, however, not been obtained to the original appointments, nor to the subsequent changes of personnel, and the Auditor drew attention to the irregularity of the position.

9. The matter was reported to the Board at a meeting held on 22nd August, 1933, when it was decided that the position would best be met by an amendment to the Land Bank Ordinance, giving the Board full power to appoint members of the staff, excluding the post of secretary. The Attorney General was asked to draft the necessary amendment. This was done, but it was decided by the Colonial Secretary that the time was inopportune for sending it forward to be added to the draft amending Bill already with the Secretary of State. Steps were therefore taken to secure Your Excellency's approval of all appointments made, and this approval was intimated by Your Excellency on 11th January, 1934.

10. The office staff consists at this date of the following :—

Caldecott, A. B. (bookkeeper) : Sh. 300 per month
(part time).

Whitelock, Miss C. (clerk) : Sh. 500 per month.

Arnold, Mrs. (typist, temporary) : Sh. 15 per diem.

Bigwood, E. (learner) : Sh. 100 per month.

Native Messenger : Sh. 20 per month, plus uniform.

11. An honorarium of Sh. 100 per month is paid to each of the Secretaries of the Local Agricultural Advances Boards at Eldoret and Kitale in consideration of the work done by them in connexion with Land Bank applications.

12. The services of Mr. T. L. Hatley, Secretary of the Central Agricultural Advances Board, have, in addition, been largely utilized by the Land Bank during the past year without cost to the Land Bank. An adjustment of the position will be made when final arrangements have been approved covering the appointment of the Land Bank as agents for the Government in the administration of Agricultural Advances funds.

13. The Secretary was granted seven days' leave of absence from 17th March to 23rd March, 1933.

Miss Whitelock was granted seven days' leave of absence from 14th October to 21st October, 1933.

14. During the year the Secretary served on the Long Term Credits Committee and the Maize Inquiry Committee of the Board of Agriculture, and acted as Secretary to the Agricultural Mortgages Committee.

LOCAL AGENTS.

15. Members of the Local Agricultural Advances Boards at Eldoret and Kitale have given great assistance during the year, and their recommendations have been highly valued by the Bank. The thanks of the Board are also due to the Provincial Commissioners, District Commissioners, and District Officers who have rendered valuable services in the Bank's interest.

LEGAL WORK.

16. The demands upon the Legal Department in the drafting of mortgages, etc., have been heavy, especially during the last three months. Conveyancing in this Colony is a complex subject, and as, in addition, the great majority of titles submitted to the Bank are saddled with one encumbrance or another requiring removal or postponement, the delay in the

issue of an approved loan is occasionally the subject of criticism. Generally speaking, such delays are unavoidable, while in some cases it is the Bank who should criticise the applicant, not vice versa. Upon receiving an offer of an advance, it is for the applicant to bring to the Bank a title capable of mortgage, not necessarily for the Bank to fetch it.

17. With a view to saving time and expense to the borrower, an amendment to the Ordinance has been drafted under which priority of an existing mortgage or charge may be postponed in favour of the Land Bank by the execution of a simple instrument called a "waiver of preference". This, in some cases, will obviate the necessity for cancelling an existing encumbrance and the preparation and registration of a new one, thus effecting a material economy.

18. The thanks of the Board are due to the Attorney General and his staff, and also to the Registration Division of the Surveyor General's Department, for a continuance of advice and practical assistance and for the cordiality with which such assistance is accompanied.

LEGISLATION.

19. At the beginning of the year an amending Bill was submitted to Legislative Council, and passed, which provides for the Land Bank acting as agents for the Government in the administration of any advances to farmers or others, and legalizes a simplified process for recovery on default by entry and sale of a mortgaged property. The Bill received Royal assent on 24th April, 1933.

AGENCY.

20. As indicated in para. 6 above, the merging of the Land Bank Board with the Central Agricultural Advances Board was merely a formal step towards the more complete amalgamation which it was felt could be applied with economy in the administration of the Agricultural Advances Fund during the final stages of that scheme. The suggestion was accordingly made to Government that the Land Bank be appointed their agents for this purpose.

21. Under this proposal the central office organization of the Advances Board will be taken over *en bloc*, and the staff will become members of the Land Bank staff. All cash transactions will be centralized. Expenses of administration will

be allocated, with agreement by the Auditor, and the remuneration of the Bank will consist of an amount equal to ten per cent of the administrative costs. The Land Bank will be indemnified against loss by the Government.

INSPECTIONS.

22. In the world-wide depression of the last few years the stability of land values has suffered in common with the stability of commodity values connected with the land, and it has had to be recognized with increasing force that the security for the Land Bank advances depends to a great extent, not only upon the land, but upon the continuance of successful operations upon the land. The centre of the security has shifted from the farm itself to the farm as worked by the farmer.

23. On these grounds the Board have decided to institute a systematic scheme of inspections of mortgaged properties. Although designed primarily for the protection of the Bank's interests, it is hoped the scheme will not be without benefit to mortgagors who will have an opportunity of discussing their affairs with officials in a position to give them, or procure for them, practical advice upon farming matters, finance, etc.

24. Inspectors are being appointed in the following districts: Eldoret, Kisumu, Kitale, Nairobi, Naivasha, Nakuru, Nanyuki, Nyeri, Sotik, Thika, Thomson's Falls.

As far as possible, the Secretary of the Land Bank will accompany the inspectors on their visits to the various properties. In this way it is hoped to establish a more intimate connexion between the Land Bank and its clients than is the case with ordinary finance corporations.

FINANCIAL.

25. By 31st December, 1932, all but £1,000 of the Land Bank's first instalment of capital had been allocated to meet approved applications, and a request had already been made to Government for further funds.

Consideration of new applications had in fact been suspended since June, 1932.

26. In June, 1933, intimation was received that an addition to the capital of the Land Bank amounting to £260,000 would be made available from a loan to be floated in London, thus bringing the capital up to £500,000. Consideration of applications was at once resumed, and the money was made available in August, 1933.

27. As with the first instalment of capital, the Government made arrangements under which the Land Bank was able to draw its capital as and when required, thus effecting a saving of interest to the Land Bank. The rate of interest charged to the Land Bank by the Government on the new capital is the cost price, i.e. 3.7 per cent per annum, which brings the average rate over the whole capital to 4.18 per cent.

28. The rate of interest charged to borrowers remains at 6.5 per cent, thus leaving a margin (when the whole of the capital is invested) of 2.32 per cent to meet administrative expenses and provide a reserve fund. This is a generous margin. Administrative expenses for 1933 amounted to 1.01 per cent of the capital invested. On the basis of 1 per cent for working expenses, the position when the full amount of capital (£500,000) is invested will be :—

Expenses :	1 per cent of £500,000 =	£5,000
Reserve :	1.32 per cent of £500,000 =	£6,600

29. A demand may therefore be anticipated for a reduction in the interest charged borrowers. But while it is recognized that a reduction in interest charges would have far-reaching effect to the benefit of the farming community in particular and the whole Colony generally, the Land Bank must regard an adequate reserve fund as the very first consideration.

30. Section 32 of the Land Bank Ordinance stipulates that "no alteration shall be made to the rate of interest on advances already made". In the event of a reduction of interest rate being found to be possible, the Board are of opinion that it would be more equitable and quite practicable slightly to reduce interest over all advances, made and to be made, rather than to offer a still lower rate of interest to future applicants only.

31. At 31st December, 1932, the total number of mortgages registered was 173, securing advances of £227,700. At 31st December, 1933, the number was 246, securing advances of £306,050. The number of mortgages registered is slightly in excess of the statistical figure of applications approved, as in some cases an applicant has executed a second mortgage in connexion with a supplementary loan.

32. During the year 239 applications were received for advances, aggregating £393,526, an average of £1,646; 22 applications, aggregating £35,120, were brought forward from the previous year, making a total of 261 applications for

£428,646. In addition to these, the Board reconsidered a large number of applications, in some cases being able to reverse or modify a previous decision to reject an application.

33. The payment by mortgagors to the Bank of instalments due has not quite maintained the satisfactory level recorded for 1932, but the drought was a major calamity which robbed many farmers, wholly or in part, of the fruits of their labours. It is, in the circumstances, satisfactory to be able to record that of all instalments due, up to and including the 30th September, 1933 instalment, 89.7 per cent of principal repayments have been received and 94.0 per cent of interest due.

34. At the end of 1932, of the original capital of £240,000, £239,000 had been allocated to 181 applicants. A minute was accordingly framed by the Board at its meeting held on 10th January, 1933, for submission to the Government. This minute recorded the Board's resolution that Government be requested to place further funds at the Land Bank's disposal. The request was supported by a statement of the Board's policy; and the principal purposes for which it was at that date anticipated that the extra capital would be required were stated to be :—

- (a) Onerous mortgages.
- (b) To meet the expenses of a change-over from maize-growing to something else, e.g. dairying, mixed farming, etc.
- (c) General farming development.

35. Meanwhile, the recommendations of the Long Term Credits Committee of the Board of Agriculture had been submitted to Your Excellency, and the Land Bank Board were asked for comments. The chief recommendations of the Long Term Credits Committee affecting the Land Bank were as under :—

- (a) Provision for a further £750,000 capital.
- (b) Advances for co-operative organizations, native or non-native.
- (c) Provision for short term loans.
- (d) Widening of purposes for which Land Bank advances may be made.
- (e) Raising of existing maximum of Land Bank advances.

- (f) A broader interpretation on the part of the Land Bank Board of the words "onerous mortgage" as used in the Land Bank Ordinance.
- (g) Reduction of interest charged mortgagors by the Land Bank.

36. These recommendations were considered by the Board at their meeting on 21st February, 1933, when the following decisions were minuted :—

- (a) That it was not desirable at this stage for the Board to take any active steps to press for a larger sum than £260,000.
- (b) The Board were not prepared to support this recommendation so far as it related to advances against produce without further evidence of a legitimate demand; but approved of advances for purchase of land, erection of buildings, and installing equipment.
- (c) This recommendation was supported.
- (d) This recommendation was supported.
- (e) That the position was well met by the existing provisions of the Land Bank Ordinance until the capital of the Bank was largely increased.
- (f) The Board did not support this recommendation.
- (g) No reduction can be contemplated until the Reserve Account has reached what, in these difficult times, can be considered a safe ratio to the capital invested.

37. Following the recommendations of the Long Term Credits Committee came the result of investigations conducted by the Coffee Board, a deputation from which body was received by the Land Bank Board on 11th July, 1933. Further representations were submitted by the Coffee Board and by the Sisal Growers' Association towards the close of the year. These representations were considered by the Land Bank Board, and at a meeting held on 27th December, 1933, the following conclusions were reached :—

- (a) Evidence has been received from the coffee and sisal industries that the present limit of £3,000 is too small to enable the Bank to offer sufficient assistance by way of Land Bank loans to any but small coffee estates, while that limit prevents assistance being given to the sisal industry, except in very rare instances.

The Board are of opinion that these representations are well founded and that the limit might well be raised so as to enable the Board, while continuing to pursue their cautious and conservative policy in making advances on adequate security, to broaden the basis of assistance for larger farming propositions which are at present debarred from participating in Land Bank advances merely by the existence of the present limit.

(b) The Board therefore recommend :—

- (1) That the capital of the Land Bank be increased by £500,000, and that negotiations with Government be opened forthwith to ascertain if arrangements can be made for the issue to the Land Bank of such capital as and when required.
- (2) That if the capital of the Land Bank is increased the limit for advances should be raised to £5,000, the limit of advances for the purposes of meeting an existing mortgage (without reference to the Governor in Council) being raised to £3,500, but that the word "onerous" should remain as at present a part of section 25 (3) of the Ordinance.

(c) The Board wish to make it clear that they do not recommend any increase in the limit of advances except on an increase in the capital of the Land Bank above the present amount of £500,000, and they further record their view that until a reserve fund of a reasonable amount has been compiled they are unwilling to consider any question of reducing the present rate of interest on Land Bank loans.

38. The Board recognize that, so far, the Land Bank has been able to do little or nothing to assist sisal growers; further, that the reduction of prime costs and the improvement in quality, which will be secured by the use of the latest machinery, appear to be essential to the health of the sisal industry. The amount involved by the installation of a complete unit of such machinery has been assessed by the Sisal Growers' Association at £8,000 for each plantation.

39. In order that the Land Bank may provide funds for this purpose, the Sisal Growers' Association ask that the maximum for advances be increased to £8,000. The Board

found themselves unable to recommend this increase, principally on the grounds that they are not satisfied that the Land Bank can, from its own resources and on its own initiative, properly bring comprehensive assistance of this kind to the sisal industry as a whole. If finance for the better equipment of the sisal industry is to be arranged from public funds, the matter appears to the Board to be one which requires consideration by Government as a separate issue. If the necessary funds were made available by the State, the Land Bank would be prepared to administer such funds, if asked to do so, under guarantee as agents for the Government. The raising of the limit recommended in para. 37 would result in a certain measure of assistance being available for sisal growers.

PURPOSE OF LOANS.

40. The purposes to which loans have been allocated are shown approximately in Table No. 5 annexed. Expressed in percentages, the table may be summarized as under :—

	<i>Per cent.</i>
Discharge of existing mortgages	39.3
Permanent improvements	18.7
Purchase of land	18.7
Purchase of stock	11.5
Farming operations	11.0
Purchase of machinery and implements ...	0.8
	<hr/> 100.0 <hr/>

41. The large proportion required to meet existing mortgages indicates the most difficult phase of the situation with which the Bank is confronted. An overwhelming majority of farms are mortgaged before coming to the Bank, many of them having borrowed a larger sum than in present circumstances can justifiably be replaced by a Land Bank loan. It is this difficulty that accounts for the majority of applications rejected.

42. Of the figure, £14,654, advanced for permanent improvements, £6,069 or 41 per cent is allocated to coffee-growing.

GENERAL.

43. During the year the Board have examined many applications deserving of the utmost consideration but falling outside the scope of the Land Bank conditions. Such applications have necessarily to be rejected. They constitute evidence

of the existence of a number of deserving cases which may ultimately go to the wall unless relief is available from some quarter. On many farms the farmer is carrying a mortgage debt, incurred in better times, which to-day is not justified by the value of the security mortgaged. The Land Bank cannot take over such mortgages, no matter how onerous their conditions, and the only way in which the Bank can help is in cases where arrangements can be made by the mortgagor with the mortgagee to surrender his first charge over the land for a sum which may be considerably less than the amount of the mortgage debt. If the mortgagee is unwilling to do this, the Land Bank can do nothing to help the farmer.

44. The year 1933 proved to be a difficult and, in some respects, a disappointing one. The drought fell with extreme severity upon a community already badly crippled by the recent depredations of the locust. The expenses of replanting and in many cases the complete failure of anticipated revenue to materialize aggravated the financial difficulties with which the farmers were already struggling. While in some districts the effects of the drought may properly be described as disastrous, others were more fortunate, and have enjoyed a harvest—notably in the wheat areas—which, in the circumstances, must be regarded as highly satisfactory. Although perhaps little material improvement can yet be recorded, the prospects during the concluding months of the year have resulted in a measure of optimism which it is sincerely to be hoped will prove to have been justified.

45. An important factor contributing to such optimism may be attributed to the lessons learned during the period of adversity. The necessity for rigid economies called for an overhaul of existing methods and processes, greater attention to organization and elimination of waste. The result has been a reduction of prime costs. It has been realized that quality, consistent grades, and concerted action are essential to the successful exploitation of the markets to-day. The precarious position of the one-crop farmer has been emphasized, and the move towards mixed farming indicates a wise adaptation to possibilities which emerge from the experience of the past few years. Encouraging development on these lines has been made recently, and it is healthy progress in this way which will go further in equipping the farmer to take full advantage of better conditions, when they arrive, than any temporary financial assistance employed merely to tide over a bad spell.

46. During the year, two mortgagors ceased farming operations. In one case a sale was effected by the mortgagor, thus obviating any foreclosure proceedings by the Land Bank, and the other property is in process of being transferred to the Bank, the mortgagor having filed his petition in bankruptcy.

Two other loans have been completely repaid.

G. R. SANDFORD,
Acting Treasurer.
Chairman of the Board.

Nairobi,
26th February, 1934.

TABLE No. 1.—APPLICATIONS RECEIVED

1933		Number of Applications Received	Amount
January	.. ..	1	£ 1,000
February	.. ..	—	—
March	.. ..	5	6,850
April	.. ..	2	3,300
May	.. ..	6	15,200
June	.. ..	37	73,550
July	.. ..	59	89,370
August	.. ..	30	44,578
September	.. ..	42	67,498
October	.. ..	16	23,095
November	.. ..	29	50,560
December	.. ..	12	18,525
		239	393,526

TABLE No. 2.—APPLICATIONS RECEIVED—SIZE OF LOANS
1st JANUARY—31st DECEMBER, 1933

For Loans of—			
£1-£500	.. ..	.. ..	37
£501-£1,000	.. ..	.. ..	50
£1,001-£1,500	.. ..	.. ..	34
£1,501-£2,000	.. ..	.. ..	45
£2,001-£2,500	.. ..	.. ..	27
£2,501-£3,000	.. ..	.. ..	43
Over £3,000	.. ..	.. ..	3
			239

TABLE No. 3.—ANALYSIS OF APPLICATIONS DEALT WITH
DURING YEAR ENDING 31st DECEMBER, 1933
NUMBERS 376 TO 614

No.	Amount		No.	Amount
22	£ 35,120	Brought forward from 1932.		£
239	393,526	APPLICATIONS RECEIVED.		
		Considered by Board	210	335,351
		Withdrawn before consideration	11	18,250
		Awaiting valuation, etc.	40	75,045
261	428,646		261	428,646
210	335,351	CONSIDERED BY BOARD.		
		Granted and completed	61	78,350
		(61 applications—72 mortgages).		
		Granted—		
		Awaiting completion	76	93,050
		Declined by applicants	4	4,050
		Rejected	69	159,901
210	335,351		210	335,351

NOTE.—The item £159,901 includes the amount by which certain approved applications have been reduced, e.g., where an applicant for £3,000 has been granted £2,000, £1,000 is taken to "Rejected."

TABLE No. 4.—PERIODS FOR REPAYMENT OF LOANS ISSUED
L.R. 1/175 to L.R. 2/46. 72 LOANS—£78,350

Amount	10 YEARS		15 YEARS		20 YEARS		30 YEARS	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
£ 100	2	£ 200	1	£ 100	1	£ 100	—	£ —
150	—	—	1	150	—	—	1	150
200	—	—	—	—	1	200	—	—
250	1	250	—	—	—	—	1	250
300	2	600	4	1,200	—	—	1	300
350	—	—	—	—	1	350	1	350
400	1	400	—	—	2	800	—	—
500	—	—	—	—	—	—	2	1,000
600	—	—	—	—	1	600	1	600
650	—	—	—	—	—	—	1	650
800	1	800	—	—	—	—	4	3,200
850	—	—	—	—	—	—	1	850
900	—	—	—	—	—	—	1	900
1,000	2	2,000	—	—	—	—	4	4,000
1,200	—	—	—	—	—	—	1	1,200
1,250	—	—	—	—	1	1,250	—	—
1,300	—	—	—	—	—	—	3	3,900
1,400	—	—	—	—	—	—	1	1,400
1,500	—	—	—	—	1	1,500	8	12,000
1,750	—	—	—	—	1	1,750	—	—
1,800	—	—	—	—	1	1,800	2	3,600
2,000	1	2,000	1	2,000	—	—	7	14,000
2,250	—	—	—	—	—	—	3	6,750
2,500	—	—	—	—	—	—	1	2,500
2,700	—	—	—	—	—	—	1	2,700
	10	6,250	7	3,450	10	8,350	45	60,300

TABLE No. 5.—ANALYSIS OF APPLICATIONS SHOWING
APPROXIMATE ALLOCATION OF LOAN MONEYS AS PER
INFORMATION FURNISHED BY APPLICANTS.

ADVANCES MADE FROM 1ST JANUARY TO 31ST DECEMBER, 1933

Discharge of Existing Mortgages	£ 30,740
Permanent Improvements—	
Buildings	£2,950
Wells, Dams and Boreholes	740
Fencing	1,700
Dip Tanks	700
Irrigation	450
Additional Acreage—Coffee	3,000
Additional Acreage—Cereals	1,340
Maintenance Existing Coffee	3,069
Maintenance Existing Cereals	200
Tree Planting—Orchards	505
	14,654
Purchase of Land	14,700
Purchase of Stock (Oxen, Pigs Dairy Cows, Poultry)	9,012
Farming Operations	8,634
Purchase of Implements and Machinery	610
	£ 78,350

TABLE No. 6
ANALYSIS OF APPLICATIONS—L.R. NOS. 1/1 TO 2/46

DISTRICT	1 to 500 acres	501 to 1,000 acres	1,001 to 2,000 acres	2,001 to 3,000 acres	3,001 to 5,000 acres	Over 5,000 acres	Total number of farms	Total area	Total valuation	Total advanced	Average area	Average valuation per acre	Average advance per farm	Average advance per acre	Per cent of valuation advanced
								<i>Acres</i>	<i>£</i>	<i>£</i>	<i>Acres</i>	<i>Sh. cts.</i>	<i>£</i>	<i>Sh. cts.</i>	<i>%</i>
Fort Hall-Nyeri	6	5	1	1	4	1	18	33,193	90,996	23,700	1,844	54 82	1,317	14 28	26.04
Kisumu-Londiani	5	2	10	3	4	..	24	41,777	182,404	40,600	1,740	87 32	1,691	19 44	22.25
Nairobi, Kyambu, Machakos and Coast	14	4	..	..	..	..	18	5,499	82,758	30,050	305	300 99	1,669	109 29	36.31
Naivasha-Thomson's Falls ..	3	6	8	2	4	5	28	76,866	81,958	31,550	2,745	21 32	1,127	8 21	38.49
Nakuru	6	14	13	3	1	..	37	43,686	142,784	51,650	1,181	65 37	1,396	23 64	36.17
Songhor	2	1	1	2	1	..	7	11,361	35,343	10,850	1,623	62 22	1,550	19 09	30.70
Thika	7	1	..	1	..	..	9	5,065	53,725	14,800	563	212 14	1,644	58 44	27.55
Trans-Nzoia	14	19	18	5	2	..	58	62,173	206,649	69,700	1,072	66 47	1,202	22 42	33.72
Uasin Gishu	6	11	10	4	1	1	33	45,841	154,043	33,150	1,389	67 21	1,004	14 46	21.52
TOTALS	63	63	61	21	17	7	232	325,461	1,030,660	306,050	1,403	63 33	1,319	18 87	29.69

THE LAND AND AGRICULTURAL BANK OF KENYA BALANCE SHEET AS AT 31st DECEMBER, 1933

LIABILITIES		ASSETS	
	£ s. cts.		£ s. cts.
Cash as Voted—£500,000		SUNDRY DEBTORS—	
Cash Received	295,000 0 00	Loans	294,806 9 44
Sundry Creditors—Accounts Payable.. .. .	45 17 50	Interest	4,448 15 48
Fees Held on Account of Applicants—		Charges	228 15 00
For Disbursement to Valuers	410 12 40	Central Agricultural Advances Board	11 00
Application Fees in Suspense	23 0 00	Interest Accrued not Due	2,524 12 54
Deposits Against Charges	500 3 69		
Portions of Loans Unissued	1,164 0 00	Movable Assets as at 31-12-1932	176 6 09
*National Bank of India, Cash Account	1,771 11 25	Add Purchases during Year 1933	125 2 00
Reserve Account—			
Balance at 1-1-1933	1,307 8 39		301 8 09
Balance at Credit of Revenue and		Less Depreciation	19 16 08
Expenditure Account, 31-12-33	2,205 17 93		281 12 01
	3,513 6 32	Motor Car Account	20 0 00
		Salaries Advances Account	109 19 99
		Deposit Accounts—	
		Surveyor General	1 18 50
		Post Office	7 50
			2 6 00
		Cash on Hand	5 9 90
	£ 302,428 11 16		£ 302,428 11 16

*An overdraft was not actually incurred, funds being drawn in time to meet uncleared cheques.

REVENUE AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31st DECEMBER, 1933

EXPENDITURE				REVENUE									
	£	s.	cts.	£	s.	cts.	£	s.	cts.				
To Interest on Capital Advance .. .. .	£	..	..	11,642	13	46	By Interest Earned—				
„ Board Members' Fees	622	19	95				Received	12,777	12	64			
„ Salaries and Wages	1,828	17	04				Accrued not due	2,524	12	34			
„ Travelling Allowances	221	14	75				Outstanding	4,448	15	48			
„ Printing and Stationery	52	15	07										
„ Rent	85	10	00					19,751	0	46			
„ Posts and Telegraphs	46	8	20				Less Outstanding at	£	s.	cts.			
„ Depreciation	19	16	08				31-12-32	1,966	1	83			
„ Staff Annuity Fund	99	19	92				Less Accrued not						
„ Inspections	2	16	00				due	1,832	4	09			
„ Periodicals	3	5	00					3,798	5	92			
„ Legal Charges		12	00										
„ General Expenses	2	8	33										
				2,987	2	34	„ Mortgages Prepared				15,952	14	54
„ Balance, being Excess of Revenue over Ex-							„ Mortgages Discharged				483	0	00
penditure				2,205	17	93	„ Application Fees				108	0	00
							„ Sundry Fees				282	15	00
							„ Bank Charges				8	15	00
											9	19	
	£			16,835	13	73							

EXAMINED :
W. H. SMITH,
Auditor.

S. THORNTON,
Secretary.

G. R. SANDFORD,
Chairman.
ERNEST B. GILL.

} Members
of the
Board.