

EAST AFR. PROT

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NON CHAMBER  
OF  
PAPER

1919

MARCH

previous Paper.

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ESTABLISHED BY ACT OF PARLIAMT OF 1918

Criticism provisions of and requests enquiries be made  
as to whether such detailed information is necessary.

*Mr. Bottrill*

*I think it is clear this does not refer to  
the Statute Ordinance of 1906, but the Ordinance  
which it does refer has not been received.*

*? copy for production of information to G.C.*

*J.R.  
28. 3. 19*

sequent Paper.

1206



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LONDON, E C 4

8th March 1919.

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The Under Secretary of State  
Colonial Office,  
S. W. 1.

Sir,

At the last meeting of the East African Section of this Chamber consideration was given to the new Companies' Act as passed by the Legislative Council of British East Africa, and I was instructed to draw the attention of the Secretary of State to Section 277 (d) of this bill which is entitled "An Ordinance to amend the Law relating to trading companies and other associations" as passed committee stage of the Legislative Council of British East Africa.

I was instructed to call the attention of the Secretary to the unusual detail required by the form of draft balance sheet in schedule F, and to express the hope that further enquiry should be made as to the usefulness or necessity of the provision thereby proposed to be enacted before Royal assent is given to the Bill.

This Bill follows in the main the lines of the British Companies' Act but there appears to be some provisions which are quite unusual. It is an ordinary provision that the register of shareholders of a company should be supplied to a competent authority in the country where the company is registered, but a provision is inserted in this bill providing that companies (trading in East Africa) registered in England or elsewhere outside East Africa should be under an obligation to lodge a copy of their register of shareholders with the British East Africa authorities.

It is difficult to appreciate what useful purpose is served by affording to the resident of British East Africa an opportunity of studying a list of shareholders of companies, such for example as the Union Castle Mail Steamship Co. or the banks operating in East Africa or such a trading company as the British East Africa Corporation.

Another unusual provision of this bill is regarded as more serious, although it does not affect companies other than those registered in British East Africa. In view, however, of the possibility of the establishment of corporations registered in British East Africa under this Act it is desired to call attention to the provision that balance sheets of such companies should contain certain details of information. This information is of a kind not usually given in balance sheets, for instance companies are to be required to state what loans they have on mortgage, loans otherwise secured and on what security.