

1934

Kenya

No. 23016



SUBJECT

CO 533/440

Nairobi Municipal Development  
& Municipal Council Loans  
in connection therewith.

Previous

See 16100/30. Income Loan

Subsequent

See 38127/35 (Loan for Nairobi  
Water Supply)

38397/38-39

38127/36

1. Finance Review 1940 Conf. 12<sup>th</sup> Dec 23.  
Sacks covering approval of the borrowing by the Standard  
Financial Journal of £75,000,000 from Treasury funds & sacks  
advised as to the raising of a long term loan of £100,000,000  
in the London market.

It will be convenient to dispose first of the  
first six paragraphs of this despatch, which  
might well have formed the subject of a  
separate communication.

If the legal advisers accept as accurate  
the figures <sup>in para. 6</sup> constituting <sup>2</sup> of the relevant sections  
of the Local Govt. (Municipalities) Ordinance 1928  
and the Local Govt. (Loans) Ordinance 1929,  
the demand apparent by S.G.S. can hardly  
be withheld.

We should be glad if you advise on

para. 6.

J.B. Trevelyan  
11/1

(Mr. Duncan is on leave)

I think it is clear that the Council  
can <sup>not</sup> borrow under 558(1) of Order  
XIX of 1928 from any source except  
such amounts & on such conditions  
as the S.G.S. has approved & the Govt.  
in Council allowed. 5.4 of Order  
of 1929 was no doubt drafted with  
5.55 in mind - it makes loans  
granted under the Order of 1928 subject to  
conditions laid down under that  
of 1928, though such conditions

not lawfully  
the repayment, I think, to the  
reference provisions of the Order of  
1929. For instance they could  
not prescribe a period other than  
40 years for repayment (See 87/29)  
of Govt loans to local authorities.

The S. of S might possibly give  
general approval to certain  
conditions & possibly to a series  
of loans as regards amount.

*[Signature]*  
12/1/74

It is clear then that the S. of S's  
covering approval is required for the Council's  
borrowing of £73,475; and there is no reason  
why it should be withheld. The question  
whether any general approval should now be given  
in respect of future loans had better be postponed  
till the rest of the despatch has been dealt with.

(end of para 6)

Paras. 7-29 of the despatch canvass the  
possibility of the raising of a £300,000 loan  
by the Municipal Council on its own credit.  
On the financial aspects, the advice of Sir John  
Campbell and the Crown Agents is clearly  
required; but there are one or two political  
considerations which merit preliminary attention.

(a) Municipal loans on the London market  
are, so far as I have been able to discover, unknown  
in the Colonial Empire, and for very good  
reason. A Municipality in a Colony is still  
so much the child of the Colonial Government  
that

that financial independence is quite unthinkable.  
The organic law on which the Municipality depends  
is entirely the creation of the Central Legislature.  
by agreeing to a Municipality's borrowing on the  
open market, with the attendant contractual obliga-  
tions with stock-holders, the Central Government  
would virtually debar itself from exercising a  
proper control over the Municipality's activities.

(b) It is obviously to the benefit of Kenya  
rather than to that of Nairobi that the latter should  
borrow independently. The Municipal stock <sup>could</sup> hardly  
rank as a Trustee investment, the Council has no  
security to offer other than that of the rates, so  
that a loan on the open market would be an  
expensive proposition. The alternative - borrowing  
from the Colonial Government, which would itself  
have to borrow on London - though much cheaper from  
the Municipal point of view, would have the  
unfortunate effect of straining still further the  
Colony's credit. It may be safely assumed that the  
Treasury and the Bank of England will not tolerate  
any further borrowing by Kenya for some years to  
come. <sup>never</sup> indeed, is it desirable to add to the  
present difficulties of the East African Currency  
Board.

(c) If the Municipality must have the money,  
the only practicable course seems to be for it to  
raise what it can on local bonds, for as long a term  
as the local market will accept. It appears that,  
of the £300,000 required, £263,000 will be spent on  
revenue-earning works; there should be no serious  
difficulty, therefore, in renewing the bonds as they  
fall due.

Send a copy of this despatch to the C. Agents  
saying that the S. of S. will be glad if they will  
consider

consider the issues raised in para. 7 to the end  
and will furnish him with their <sup>views</sup> advice on the  
various points raised by the Governor ~~and~~  
advice

B. Freestone  
16/1.

This is a complicated despatch and as Mr  
Freestone says falls into two pieces.

Approval has got to be given under § 88(i)  
of the 1928 Ordinance for the raising of any loan.  
Under the 1929 Ordinance when approval has been  
given the Gov in Council may lend the money under  
the terms specified and in the ~~above~~ last despatch  
15463/30 approval has been given to passing on  
loan funds to a municipality when the loan schedule  
specifies that as a purpose. There is no question  
of loan funds here & the Gov. therefore very properly  
asks for approval of the proposal to let Nairobi  
borrow £ 73,475 from its own reserve within  
the next 2 years (3 years from 1.1.1933). This  
probably means that they have been allowed to  
borrow the money or some of it (vide para 3 of the  
desp) & that it has only now dawned upon them  
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Approval may of course be given, and  
with regard to the last part of para 6 I think the  
S. of G. should not give general approval for any  
borrowing from non-Government sources. That  
however as Mr Freestone says can wait.

Now comes the rest of the despatch. The first  
bit is para 5 & § 89. They want to build a new  
Municipal Office (para 5) to cost £ 24,000, & they  
want to finance it partly by borrowing from  
their own Reserve & partly by issuing a local loan  
(para 9). The local loan is to be about the same

up to £ 30,000 in all (para 7) & the Treasurer & Local Govt.  
inspector think this can be allowed provided £ 30,000  
is the maximum.

If this was all we could perhaps agree. But it  
isn't all. Para 7 suggests that there is no reason why  
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£ 200,000 for a waterworks scheme & £ 73,000 to pay  
back what they are taking from their Reserve. Para 12  
talks of their desire to float a loan in London, and  
points out that the existing local loans are a first  
charge on the Municipality & that Govt. can levy rates  
to get its interest on these loans. Any municipal issue  
would therefore be a sort of second mortgage.

The Governor wants advice as to whether the  
Council would stand a chance of borrowing money on its  
own credit on reasonable terms, whether the existing  
debt to Govt. or the proposed local bonds would offset  
the Council's credit and whether the fact of borrowing  
would hurt Kenya's general credit.

As to this I agree with Mr Freestone. Nairobi could  
hardly raise money except on the security of Kenya. The  
principle followed since Mr Chamberlains day has been that  
if a municipality wanted a loan the Govt. should borrow  
the money and re-lend to the municipality at a little more  
than cost. Generally, of course Colonial African municipalities  
were not in a position to borrow at all and the Government  
had to make grants. Amu, Lagos, Sekondi are cases in  
point. Nairobi however has got beyond that primitive  
stage and could borrow, but I doubt whether it could  
do it on its own security on the open market. Singapore  
& Colombo probably have better credit than Nairobi and they  
borrow from the Govt. as does the Singapore Harbour Board.

If Kenya could raise a loan at say 3 1/2% & lend it  
to Nairobi at 3 1/2% all would be well but Kenya can't  
add to its debt. If Kenya had a surplus then Nairobi  
could be a good investment. But it hasn't a surplus.

So I think as Mr Freestone says that local loans on

15963 - No 9

see para 4 of this  
despatch

a local source will be its only solution. But if Spain has done this and so I think has Portugal (Lombard) - But I don't think they would get through this way.

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- 1) Approve the borrowings of £73,475 as proposed
  - 2) Ask the C.A. to advise
  - 3) Send a copy to Treasury for info & tell them we are approving the £73,475 & asking C.A. to advise & will write further

J.L.O. Hand  
20.1.34

(I don't like the idea at all. There is no law for Nairobi to borrow. The rates are not really serious, and if anything goes wrong Nairobi may find out like a town loan in the U.S.A.)

I should have been disposed to doubt whether sanction under section 88(1) of the L. Govt. (Municipalities) Ordinance was really required here, owing to the nature of the transaction-- which is merely, in essence, diverting part of the Municipalities money to a series of particular purposes. But there is no need to discuss the point, in any event. I would accord the sanction asked for, without comment.

2. The C. Agst. should, as proposed, be asked to advise. The various problems put are really for them, primarily at least. I have no doubt that their advice will be on the lines indicated in the preceding minutes:--though probably even more strongly expressed. The idea of Nairobi borrowing <sup>in Nairobi</sup> on its own credit, in existing circumstances, seems almost fantastic.

3. We all fully appreciate the disadvantages which result from Kenya's borrowing policy in the past. That is over and done with, however, though the effects will long remain. But I should not like to assume that, because of

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W.S.

all this, Kenya is to be precluded from borrowing in any near future. I do not think such a policy would ~~stand~~ stand the test of time and actual experience; probably it could not in fact be maintained. The real criterion is whether, on a careful and objective view of the position, any money they may propose to borrow will "pay its own keep", with a reasonable margin for unforeseen contingencies. If it will, there is no reason why they should not borrow; but they--and we--would have to be pretty sure that the loan would be remunerative before we could normally agree to it. I think we could carry the Treasury with us, if it was quite clear that any loan proposed would be directly remunerative.

The 2nd: January 1934.

*[Handwritten signature]*  
22/1/34

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[But, even if he were certain of the municipal enterprise being remunerative he has with him about some of his own enterprise, that is the political difficulty of lifting the bar in favour of the town and letting it replace you against the country.]

W.S. 22.1.34

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W.S. 22.1.34

W.S.





at home.

I agree to the course of action proposed. This suggestion for borrowing direct seems to me quite unsound, for a variety of reasons already explained; and I have no doubt that the Treasury will be strongly against it. The 7-3-34.

*Suppl  
2/3/34*  
Sir J. Moffet  
I agree, but I think you should see before we write to the Treasury. If they and we rule that Nairobi cannot raise a loan direct and the new water supply then turns out to be insufficiently required, the only course would be for the Colony to raise a loan, and the S. of. has made it quite clear that in East Africa that Kenya's borrowing power is used up.

We must take our fences on by one, I write to the Treasury advised, but I wish that the Governor could have told us more about the water supply

*As proposed*

*John  
2/3  
1934*

6 To Treasury (LKS) *Done 14/3/34*

*Bill Noked  
3rd April  
Under  
Water Supply Nairobi  
Sanitary Development Nairobi  
Native Housing Nairobi*

Mr. Logan called and I shewed him the Governor's despatch and the Crown Agents' letter. He knew about the terms of the despatch though he had not actually seen the final version and he is, of course, quite familiar with the circumstances.

He said that the provision of the new water works in Nairobi was becoming a matter of urgency even though it could not be expected to pay for some seven to ten years. The existing supply was not altogether adequate and was regarded as precarious. In addition to funds required for Nairobi it was quite possible that Mombasa would want a considerable sum of money in the neighbourhood of about £70,000 to complete the Town Planning Scheme and, say, another £30,000 or so for further developments.

He expressed himself as agreeably surprised by the optimism of the Crown Agents' letter as regards Nairobi's chances of floating a loan on its own account. He agreed with my view that Govt. would probably have to face any "loss" due to premature repayment of the loan made to Nairobi Municipality. As regards the general finance of the thing he thought that, supposing it was agreed that Nairobi should try to raise a loan on its own account, the best thing to do would be to raise a loan of about £500,000, if this could be raised, at 4% with, say, 1% sinking fund.

This

This sum would enable Nairobi to pay off the £283,000 debt to Govt., to repay the £73,000 borrowed from its own reserves, and expend £200,000 on the water supply, leaving a small amount in hand for further contingencies. He thought that Nairobi would be quite equal to meeting interest <sup>on</sup> a sinking fund on a loan of £600,000. This would cost the Municipality £33,000 a year as against which would be set off its existing repayment to Govt. of £19,762 a year, meaning an extra liability of some £13,300.

We asked him what would be the effect on possible future developments - whether there was any risk of the rateable value of Nairobi going down, and so forth. He thought not, and on the contrary it could be expected to appreciate.

After talking to him I am not so satisfied as I was that Nairobi cannot borrow on its own. Admittedly it would be an experiment and admittedly it would be a risky experiment, but the risk is not so great as I had at first thought and the provision of the new water supply is more urgent than had appeared. The question arises whether Nairobi, by floating a loan on its own account, would not be held to be damaging the credit of the Colony as a whole, but unless Kenya gives <sup>an</sup> express guarantee there seems no reason to expect that the floating of a municipal loan would prejudice Kenya's reputation with the public.

If

If a loan is floated and Govt. is repaid its £283,000, Mr. Logan suggested that the money should be held to finance other schemes of local municipal development such as not only Mombasa but also the smaller municipalities like Eldoret and Nakuru. This, however, would have to be considered if and when the contingency arose.

The possibility was also mooted of Kenya getting a loan from the C. D. F. to enable the waterworks to be completed. In that case if the loan would advance £200,000 free of interest for say 5 or 10 years, it should then be possible for Nairobi to begin to pay interest and eventually extinguish its debt to Govt. This is only a possibility and the C. D. F. Committee might not consider an advance justified especially as the <sup>work</sup> ~~work~~ would not lead to very much expenditure in this country. Still it may be worth exploring.

S. C. H. J.

3-4-34

Seen: thanks. Much will depend on the Treasury reply. The possibility of any assistance from the C. D. F. C would depend primarily on the intrinsic merits of any scheme put up--and largely on the U.K. expenditure under that scheme. (I confess the C. A. S. optimism surprised me also-- I thought they'd have turned the thing down, out of hand.)  
The 4-4-34.

100  
1/4/34  
Order for Treasury reply  
Revised P. O. in a package of meeting  
cont in  
Litch. 5.4.34

Brought up under minute of 5 April 34.

18.4.34  
L.S. 197.

To Messrs. Pufford & Co. 21/4/34  
C.N. Ryan (S.D.)  
Empire as to proposed borrowing of money below.  
The principle to which Mr. Ryan refers in his letter is I think simply a matter of the logic of circumstances. In the case of Colonial Municipalities it would be quite obvious that they could not expect to raise anything in the way of a loan on their own responsibility, but this would not be the case with such a place as Montreal, or Capetown, or Sidney, or Melbourne, all of which can and do raise loans on their own responsibility. Nairobi looks upon itself as more akin to a Dominion Municipality than any place like Lagos, or Colombo, or Singapore, or even Port of Spain, Trinidad, and I therefore suggest that I might perhaps reply to Mr. Ryan as per draft herewith.

I should be glad of your views however, as I don't raise the question of principle.

L.S. Flood  
25/4/34

The C. & L. letter (NO 5) points out that there is no precedent to raise some doubt, though it is generally of a similar nature.

Mr. Flood's draft seems to me to shade off imperceptibly from the opinion which the Nairobi Town Council has of itself into the opinion which we have of it, and finally the two seem to become merged in a unit. I am not sure whether this is intended. Personally I know very little about the Nairobi Town Council

and

and nothing whatever against it, but I think that with the present Treasury and Bank of England attitude about borrowing money in London for investment overseas it is very unlikely that they will ever consent to direct borrowing in London by Nairobi. I have looked at a Stock Exchange Investment List, and the only Colonial Corporations whose issues I find quoted are Port Louis (Mauritius) - a very small loan with only £25,000 outstanding, and Singapore which has £300,000 of the 1913 loan quoted - 4 per cent. at about par. Of course there are many Dominion Corporations in the List and Indian ones like Bombay, Calcutta, Madras, Karachi and Rangoon, but all these go back to the period when the city was less timorous about lending money overseas. I think it is practically certain that if Nairobi wants to borrow money in future it will have to borrow it either from the Kenya Government or from the local investor (which may of course include the Banks). If my view is right I do not think it is really much use writing to Mr. Ryan in the terms proposed.

T. V. Varman

30.4.34.

I agree; but Mr. Ryan will want a reply, and doubtless won't do anything till he gets it. I'd therefore be inclined to let Mr. Flood's draft issue:--I have suggested one or two minor modifications.  
The 30-4-34.

L.S. Flood  
30/4/34

To C.N. Ryan (79), (Band.) etc 2/5/34

Index of road 2p

25-4-34

Handwritten initials and scribbles at the bottom of the page.

A further letter from Treasury has not yet been received.

24/5/34  
299

(See Sir C. Bottomley's minutes 24/5/34) Decision of Mr G. ? be asked for the Treasury, like longer. B. 3 June 1934

C. P. ...  
24/5/34  
P. ...  
water

10/1

Brought up in minute above.

24/6/34  
299

10 To C. M. Ryan 2/10 Cons.

10/1

11. C.M. Ryan (S.O.)

13th June, 1934.

States have been in touch with the Bank and entirely concur with views put forward by C.A. on the raising of Nairobi Municipal Loan; also Governor may be informed that attitude taken towards Kenya's own borrowings might be modified if Colony find it necessary to ask for permission to borrow in order to re-lend to Municipality for a productive purpose.

12. Treasury

14th June 1934.

Similar to No. 11 furnishing views on raising of Nairobi Municipal Loan.

No. 11 and 12. The attitude of the City (and the Treasury) in August 1933 towards Kenya's credit, was that it would be unlikely that any further borrowing would be possible. We are now told that that attitude might be modified if the Colony should eventually find it necessary to ask for permission to borrow in order to re-lend to the Municipality for a productive purpose.

See No. 39  
3078/33.

Their Lordships consider that in the present case every effort should be made to finance the contemplated developments by a local issue. Reading Nos. 11 and 12 together, I think the implication is that if a local issue by the Municipality was unsuccessful, then Kenya might ask for permission to borrow in order to re-lend to the Municipality.

The Treasury agree that there is no prospect of the Council raising a loan on its own credit in London unless the Government's Statutory first charge on the Council's revenues and assets can be extinguished, either by raising money to repay to the Government the balance of the existing loan, by a waiver of the Govt's statutory right to a first charge and of its advantage over private lenders under Section 11 of the 1911 Ordinance, or in some other way.

No. 9.

As pointed out in Mr. Flood's letter of the 3rd May, a sum of £600,000 would be necessary to enable the Municipality to carry out its programme of development, repay its debt to Govt. and restore its surplus balances to a proper figure. Presumably the Treasury have taken this figure into their consideration. In paragraph of No. 1 it was only proposed to raise up to £30,000 locally.

The papers may be sent to Sir J. Campbell for advice.

(Sgd.) C.A. Grossmith

16/6/24.

We should now send to Governor a copy of 5, 6 and 12; add as in last 6 lines of 11; and await his further proposals.

Copy above to T. LFF. CA.

*[Signature]*  
19/6

Sir J. Driffield

This (reference to 11) is a copy in arrears and I may be of interest to the S. H.

to 7. Long minutes of 1913, I understand that the S. H. did not in their report exclude Clong loans for remunerative Clong purposes.

*[Signature]*  
19/6

*[Signature]*

I have noted this for Govt's meeting of the Finance Committee. The point was brought out that the Treasury have given us no counter-argument for a purely Municipal loan unless the debt can be raised locally. As this can't be done (see 11 reports), it shall in effect be broken back on the alternative of having a borrowing to the land.

W.S.  
37.34

This is consistent with the advice I gave in Kenya, viz. that general borrowing was impossible but that borrowing could be permissible for sound remunerative development schemes.

W.S.-L  
10/7

Tommy  
19

*[Signature]*  
19/6

AIR MAIL 7/13 2 days long.

14 JUL 1934

If action v. draft (13)

14 To Treasury. (note 13 on encl.) B/H  
15 G.E. (note 13 on encl.) B/H } 23/7/34

W. G. ...  
to note

AGS

W. Hester

Mr. Frost

I was asked today by Mr. Wilkinson, Chief Inspector of Audits Ministry of Health, to find out for him whether someone in the Colonial Office would be prepared to give an interview to Mr. F.S. Eckersley, the Town Clerk of Nairobi, who is at present on leave in this country where his address is:-

Chantry Drive,  
Ilkley,  
Yorkshire.

Mr. Wilkinson told me that Mr. Eckersley wishes to discuss with someone here the possibility of the Corporation (or it may be Town Council) of Nairobi being allowed to borrow money on short-term mortgages, which is the practice permitted for English Municipalities of standing. Mr. Eckersley had worked under Mr. Wilkinson in municipal employment in this country, and Mr. Wilkinson expressed the hope that an interview would be arranged. He added that he understood that arrangements had been made for Mr. Eckersley to see the Secretary of State on this subject when he was visiting Nairobi, but that this had to be cancelled owing to the Secretary of State's illness.

May I tell Mr. Wilkinson that you or somebody else in the East African Department will see Mr. Eckersley?

W. G.

27. 8. 34

I shall be very glad to see Mr. Eckersley. Any day is fine except Monday morning next; I shall like see him in person

London, I have been P. W. ...  
... with Mr. Eckersley ...  
28

16. S. Wilkinson (2.0) \_\_\_\_\_ 28 Aug. 44.  
DESTROYED UNDER STATUTE an interview for of Eckersley's work, a copy  
of letter sent to him.

17. F.S. Eckersley (2.0) \_\_\_\_\_ 30 Aug. 44.  
DESTROYED UNDER STATUTE agrees whether he can be given an interview on  
Tuesday 11<sup>th</sup> Sept or Wed. 12<sup>th</sup> Sept.

18. F.S. Eckersley (5.0) \_\_\_\_\_ 4<sup>th</sup> Sept. 44.  
DESTROYED UNDER STATUTE Note time of interview.

19. F.S. Eckersley \_\_\_\_\_ 4<sup>th</sup> Sept. 44.  
DESTROYED UNDER STATUTE Confirms appointment on Wed 12 Sept.

Dr. Eckersley called. He left Nairobi in  
April, & consequently was not aware of  
our conversation with Dr. Rogan during  
the summer, or of No. 13, and on this  
file, of which I gave him briefly  
the substance.

He made two points worth recording.  
(a) Under the existing Ord<sup>s</sup>, borrowings by  
the Municipality are secured on all their  
assets, present or prospective. He suggested  
that the Ord<sup>s</sup> shd. be so amended as  
to limit the security to assets existing at  
the time the borrowing takes place. The  
effect wd. be that the new waterworks,  
when built, wd. not be liable as security  
for the loans contracted by the Council  
previous to the present date. I suggested  
that he should put the matter to the

Rogan on his return (he is coming  
next week).

(b) The Presidential Assurance Co. has  
offered to lend the Municipality £50,000  
on reasonable terms  
more £ without - Henry-Port  
guarantee. Dr. Eckersley has reason  
to suppose that the greater part of  
the Council's requirements could similarly  
be met privately, either in London  
or S. Africa. Here again I  
suggested that he should acquaint the  
Henry-Port, on his return, with  
the result of his enquiries on this  
A very sound & sensible  
man; the Municipality are fortunate in  
having him.

F. S. Wilkinson  
12/9 etc

see now 38128/55  
No 4. They could not  
get the money  
I

16. Kenya  
(25016/34  
Kenya)

£600,000

Extract from Report of Standing  
Financial Committee of Council  
28<sup>th</sup> March 34

No change has taken place regarding the proposed raising of loans by, or for, the Nairobi Municipal Council since the position was considered by the Standing Financial Committee on 3rd July 1934. The position then was that the Nairobi Municipality wished to borrow £300,000 for waterworks, etc. The Treasury intimated that

- (a) they would be prepared to raise the general embargo on further borrowing by the Kenya Government for the specific purpose of re-lending the proceeds to the Municipality;
- (b) they would consider, as an alternative, the raising of a £600,000 loan by the Municipality on its own credit the additional £300,000 being required to repay the existing loan from Government - as much as possible of the £600,000 to be raised locally.

The Office is still waiting to hear from the Kenya Government on the subject.

*It was decided with the  
16. 1. 35 I said that when  
asked to go to the  
to have a meeting  
to discuss the  
On further thought  
I think they are  
asking of us may be but  
S. J. requires  
with me to do it*

*W. L. V.  
29/1/35*

*By Bag 20 To A. de V. Wadd*

*[Handwritten signature]*

*410 6000 3/14/35*



C.O.

23016/m

20

Mr. Frederick 29/12  
Mr. Hand 29/12

Kanya

Announced by No 5  
on 38128/35

Mr. Parkinton  
Sir G. Tomlinson  
Sir C. B. B. B.  
Sir J. Shackleton  
Permt. U.S. of S.  
Parly. U.S. of S.  
Secretary of State.

45 of Th. Hand



3 APR 1935

DRAFT.

Dear Sirs

A. de V. Van der OBE.

[Col. Sir OBE.  
Nairobi]

In December 1933 Sir

Jeffrey Bygon sent home a  
despatch dealing comprehensively  
with Nairobi Municipal  
finances. (No 170 Conf! of  
12<sup>th</sup> Dec. 1933). The Secretary  
of State, in his reply  
of the 12<sup>th</sup> of July, enclosed  
comments by the Treasury  
to the Crown Agents. We  
had some informal talks  
on the subject with  
Eckersley when he was

(1)

(13)

FOR OFFICIAL ACTION.

here last September, but no further  
official correspondence has passed.

Can you let us know how  
matter stand? If there is  
any possibility of public borrowing,  
it is important that we should  
be in a position to give the  
Treasury & the Bank of England  
as ample notice as possible.

Yours sincerely

Edward E. W. FLOOD

Mr. Freeston

COPY FOR INFORMATION

PHILIPPA

Date

28 Aug 1954

15

28th August, 1954

Dear Mr. Eckersley,

I have now got into touch with the Colonial Office and have been informed that Mr. L. B. Freeston, O.B.E., Principal in charge of the East Africa Department, will be happy to see you any day except Monday next, if you will let him have 24 hours notice of your intended visit.

This will give you an opportunity of broaching the question you wish to discuss and of ascertaining the possibility of an interview with the Colonial Secretary or one of the Assistant Under-Secretaries of State.

Yours very truly,

S. WILKINSON

127 G.O.

23016/34.

19

- Mr. Crossmith.
- Mr. Freeston
- Mr. Wood
- Mr. Parkinson
- Sir G. Tomlinson
- Sir C. Botsford
- Sir J. Shuckburgh
- Parlt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

11/7/34

Air Mail 2 7/34

Downing Street.

14 July, 1934.

X Sir C. Botsford 12.7 f2

ST

C  
R 12 JUL  
D. M.S.

DRAFT.

KENYA.

CONFIDENTIAL.

GOV.

Sir,

I have etc. to refer to my despatch confidential (2) of the 30th January on the subject of the raising of loans by the Nairobi Municipal <sup>Council</sup> Company and to transmit to you, for your information, copies of correspondence with the Crown Agents for the Colonies and the Treasury.

(No 2)

Juan C.P. 26/7/34 (No 2)  
 P. Downing 11/8/34 (No 6)  
 290 and 10/8/34 (No 12)  
 P. Downing

(14) (15)

Copy to [unclear] [unclear]

**FURTHER ACTION:**

Copy to [unclear]  
 Copy to C. [unclear]

2. It will be observed that in the opinion of the Lords Commissioners of the Treasury, it is most desirable, as a general principle, that the requirements

Colonial Municipalities should, unless they can be met by local issues, be met by borrowings conducted by the Colonial Government, and that Their Lordships consider that in the present case every effort should be made to finance the contemplated developments by local issue.

3. I ~~would~~ <sup>may</sup> add that the attitude which the City and Their Lordships have taken towards ~~Kenya's own~~ borrowings <sup>might by the Govt. Many a time might</sup> be modified if the Colony should eventually find it necessary to ask for permission to borrow in order to relend to the Municipality for a productive purpose.

I have, etc.

(188) P. OUNLIFFE-LISTER.

Telephone No.: WHITEHALL 1284.

12<sup>7</sup>

Any reply to this letter should be addressed to—  
THE SECRETARY,

TREASURY,  
WHITEHALL, LONDON, S.W.1.

TREASURY CHAMBERS.

and the following number of  
S.38754

RECEIVED  
14 JUN 1934  
C. O. REGY

20 14 June, 1934.

Sir,

No 3  
No 4

I have laid before the Lords Commissioners of His Majesty's Treasury Mr. Flood's letters of the 31st January and 14th March, 1934, (23016/34), regarding municipal development in Nairobi, and the raising of loans by the Nairobi Municipal Council in connection therewith.

No 5  
No 6

In reply, I am to request you to inform Secretary Sir Philip Cunliffe-Lister that My Lords are in agreement with the views expressed by the Crown Agents for the Colonies in paragraph 3 of their letter of the 26th February, 1934, a copy of which accompanied Mr. Flood's letter of the 14th March, that there is no prospect of the Council raising a loan on its own credit in London unless the Government's statutory first charge on the Council's revenues and assets can be extinguished, either by raising sufficient money to repay to the Government the balance of the existing loan, by a waiver of the Government's statutory right to a first charge and of

its

The Under Secretary of State,  
Colonial Office.

its advantage over private lenders under section 11 of the 1929 Ordinance, or in some other way.

No. 1  
My Lords note, however, the observations in paragraph 13 of the Governor's despatch of the 12th December, 1933, in which attention is drawn to the obligation, in the event of the early repayment of the balance of the Government loan, on the Council to reimburse the Government for the loss sustained on account of the loan being repaid before the due date.

I am to add that in Their Lordships' opinion it is most desirable, as a general principle, that the requirements of Colonial municipalities should, unless they can be met by local issues, be met by borrowings conducted by the Colonial Government, and they consider that in the present case every effort should be made to finance the contemplated developments by a local issue.

I am,

Sir,

Your obedient Servant,

R. V. N. [Signature]

11/18



TREASURY CHAMBERS,  
WHITEHALL, S.W.1.

Telephone No. 1 WHITEHALL 1234.

In any reply  
please quote Regd. No.  
S. 38754.

13th June, 1934.

Dear Flood,

No 6

We are replying officially to your 23016/34 of the 14th March, regarding the proposed raising of a loan by the Nairobi Municipal Council on its own credit.

We have been in touch with the Bank and entirely concur with the views put forward by the Crown Agents. In the present case by far the most satisfactory course would be to raise the money locally. There would be no objection, however, to your telling the Governor confidentially that the attitude which the City (and Their Lordships) have taken towards Kenya's own borrowings might be modified if the Colony should eventually find it necessary to ask for permission to borrow in order to relend to the Municipality for a productive purpose.

Yours sincerely,

*C. Ryan*

J. A. Flood, Esq.,  
Colonial Office.



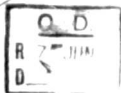
23016/24

C. O.

- Mr. ~~Frank~~ 7/6
- Mr. ~~Hood~~ 7/6
- Mr. ~~Tomanson~~
- Sir C. Bottomley.
- Sir J. Stuchburgh
- Sir G. Grindle.
- Permt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

Kenya

4<sup>6</sup> for Mr. Hood



**DRAFT.**

C. N. Ryan Esq. D.S.O. M.C.  
 Treasury

Dear Ryan

I write at some length  
 on May 24 in reply to  
 your S 38754 of the 26<sup>th</sup> of  
 April, about the finances of  
 the Nairobi Municipality. May  
 we <sup>please</sup> now have an  
 answer to our official letter  
 of March 14<sup>th</sup>? Kenya

John ...

Yours sincerely

(Signed) J. E. W. FLOOD

28016/24

January 24

9

C. O.

Mr. Glad.  
 Mr. V.  
 Mr. J. Campbell J. & S. G.  
 Mr. Parham.  
 Mr. Tomlinson.  
 Sir G. B. B. B.  
 Sir J. Shabbagh.  
 Perm. U.S. of S.  
 Party. U.S. of S.  
 Secretary of State.

DOWNING STREET,

8 May 1934.

Dear Ryan,

1 MAY  
 11 3 AM

Your letter to Preston No. 8.38754 has come to me as Preston is away for a few days. With regard to the question of Nairobi raising a loan on its own account, I think that one can perhaps lay too much stress on ~~the principle~~ that municipalities should look to the Colony in which they live for funds. The principle does exist in the sense that when a Colonial Municipality wants funds, the Government has arranged for them, either by lending surplus funds or by raising a loan to be devoted to the assistance of the Municipality, but to my mind there is nothing particularly sacred about it.

**DRAFT.**

C. N. RYAN, ESQ., D.S.O., M.C.

*the customary practice holds*  
*the customary practice holds*  
*the customary practice holds*

*in practically all cases up to date*  
*in practically all cases up to date*  
*in practically all cases up to date*

SECRET

because in practice no other course

would or could have been possible.

Nairobi, however, is not exactly

on all fours with other Colonial

Municipalities, and is ~~much more~~

inclined to look upon itself as a

city in a Dominion. In other words,

the Nairobi Council would be inclined

to classify themselves along

with Capetown, Johannesburg,

Montreal or Sydney, rather than

with places like Colombo or

Singapore, much less spots like

Lagos and Freetown in ~~Black Africa~~.

That being so, while we quite

agree that for Nairobi to start

raising a loan on its own account

would be a precedent, and perhaps

not a particularly desirable one,

yet on the face of it the precedent

would not be serious and would be very

unlikely to be followed by other

Colonial Municipalities.

we

C. O.

Mr.

Mr.

Mr.

Mr. Parkinson

Mr. Tomlinson

Sir C. Bottomley

Sir J. Stubbings

Perm. U.S. of S.

Parly. U.S. of S.

Secretary of State

DRAFT.

we should not regard as on the

same footing as Nairobi.

In short, while we would agree

that no Colonial Municipality has

in the past raised a loan on its

own account, we should not like to

say that this has been because of

any principle, ~~but~~ has been due

rather to the force of circumstances

which rendered any possibility of

raising a ~~loan~~ out of the question.

In the case of Nairobi we admit

that it would be a departure from

precedent, but we regard Nairobi

as somewhat in a special category

in the matter among Colonial

Municipalities. There is nothing

really like it anywhere else.

Since we wrote our official

letter we have had the chance of talk-

ing to Mr. Logan of Kenya who is the

officer who deals with the affairs

of Nairobi ~~concerns~~. He told

us

*(could well  
say of towns)  
with very rare  
exceptions*

FURTHER ACTION

us that the provision of new water works was getting a matter of urgency even though the undertaking could not be expected to pay for 7 or 10 years to come. The existing supply in Nairobi is not altogether adequate and is regarded as precarious. Nairobi at present owes Kenya £283,000 and has also borrowed £73,000 from its own reserves. If then it were to raise a loan of about £600,000 it would be able to repay the debt to Government, restore its surplus to the proper figure, and spend the estimated £200,000 on water supply. Mr. Logan thought, in conversation, that Nairobi would be quite equal to meeting interest and Sinking Fund charges on the loan of £600,000. On a basis of 4 1/2 per cent interest and 1 per cent Sinking Fund

this

C. O.

- Mr.
- Mr.
- Mr.
- Mr. Parkinson.
- Mr. Tomlinson.
- Sir C. Bottomley.
- Sir J. Shuckburgh.
- Permt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

DRAFT.

this would cost £200,000 per annum against which would be met its existing payments to the Kenya Government of £100,000 per annum. The extra liability would be met in the neighbourhood of £100,000 a year, some of which would be met when the new water works began to pay.

After what has been said about Kenya credit, it would be very difficult to arrange for Kenya to float a further loan for the purpose of financing the Nairobi Municipality. On the other hand, the provision of water works is urgent, or is said to be, and it looks very much as if money will have to be found somewhere. I own that the Crown Agents' letter rather surprised me because we all expected here that they would say that Nairobi stood very

little

*unless that loan  
is already paid  
for the first*

*unless that loan  
could pay for its keep.*

**FURTHER ACTION.**

little chance on its own. Of course -

if Nairobi did go into the market

the investor would expect to

have the guarantee of the Colony

behind <sup>the municipality</sup> ~~it~~ and nothing that could

be stated would disabuse the

investing public of that idea -

which indeed would have a good deal

of <sup>force</sup> ~~back~~ behind it.

Yours sincerely,

Sincerely,  
**E. W. FLOOD**



TREASURY CHAMBERS,  
WHITEHALL, S.W.1.

In reply  
please quote Regd. No.

S. 38754.

6th April, 1934.

Ans (9)  
6

Dear Freston,

May I refer to your official letter of the 14th March (28016/34) regarding the question of a loan being raised on the London market by the Nairobi Municipal Council.

Before we consider whether Nairobi's credit is likely to be good enough to secure underwriting on the London market it seems to us essential to settle the precedent question as to whether the rule - long established either by direct formulation or by practice - that colonial municipalities must look to the Colony for funds, is to be broken. On this we should be glad to have your views.

As a general principle, however, it seems to us inevitable that a Colonial municipality of this type will be a bad borrower on the London market however sound its local finances are, and that from every point of view it is better that it should look to its own Government for finance.

This

L.B. Freston Esq., O.B.E.,  
Colonial Office.

This may of course lead to an impalatable conclusion in the present case, since, as you are aware, Kenya has been warned that further incursions on the London market will not be welcomed. That warning is by itself sufficient to make us extremely reluctant to see Nairobi a borrower here, even if the question of upsetting an old principle did not arise.

As a preliminary to further consideration, therefore, will you please confirm what I understand to have been the past principle of municipal financing and explain whether you wish to support what appears to be a complete break-away.

Yours sincerely,

Chyan.



230/6/34

24

C. O.

Mr. Hornill 19/4/34  
Mr. [unclear] 19/4/34  
Mr. [unclear]  
Mr. Parkinson  
Mr. Tomlinson

For Mr. Freeston's  
signature

Mr. C. Bottomley  
Sir J. Shuckburgh  
Permt. U.S. of S. 19 APR  
Parly. U.S. of S. 20  
Secretary of State.

C.D.  
19 APR  
P.S. 20

21 April, 1934

Dear Sir, Pufford

In an official letter of the 14th of March we asked if the Treasury had any observations to make with regard to a loan from the Crown Agents for the Colonies concerning the possibility of the Nairobi Municipal Council raising a loan on its own credit. ~~May we hope for a reply shortly?~~ ~~As regards the fact that a copy of a letter to the Hon. Secy. of the Colonies has been sent to the Hon. Secy. of the Colonies.~~ ~~Enclosed for the Hon. Secy. of the Colonies.~~

(Signed) J. B. FREESTON

DRAFT.

Caroline Ryan, Esq.  
W. W. Pufford

FURTHER ACTION.

reply to ~~some~~ official  
letter

Some business

6

Communications on this subject should be addressed to—

THE UNDER SECRETARY OF STATE,  
COLONIAL OFFICE,  
LONDON, S.W.1.

and the following  
Number quoted: 23016/34

Downing Street,

14 March, 1934.

Answered by Nail

R 13 MAR  
D 13

Sir,

2 18.3 / 2  
26.2.34.

With reference to the letter from this Department of the 31st of January, I am directed to transmit to you, to be laid before the Lords Commissioners of the Treasury, a copy of a letter from the Crown Agents for the Colonies regarding the possibility of the Nairobi Municipal Council raising a loan on its own credit, ~~in London.~~

~~2. I am~~ to enquire whether Their Lordships wish to make any observations on the subject, ~~of the proposed loan.~~

I am,

Sir,

Your most obedient servant,

(Signed) J. E. W. FLOOD

THE SECRETARY,  
TREASURY.

16  
COLONIAL OFFICE,

DOWNING STREET,

6th March, 1934.

Dear Moore,

I am writing this in great haste in order to catch the air mail which closes this afternoon. I want to send you the enclosed copy of a letter from the Crown Agents dealing with the suggestion that the Nairobi Municipality might be able to raise a loan in London.

We have not gone into the Crown Agents' letter yet as many people have to be consulted, so that what I say now is simply to be regarded as first impressions.

You will note that a preliminary requirement to any public issue of a Nairobi loan would be the Government waiving all its claims to a privileged position in regard to the Council's debt. This would be fairly awkward. The best way of doing it, of course, would be for the Council simply to pay back what it has borrowed from Government, but to do so would mean that they would have to float a much larger loan than they contemplated, and Government would probably be faced with a demand to extinguish the debt altogether, or, at the very least, to give up some portion of it. I don't suppose that the amount required as compensation for the loss sustained by early repayment would be anything very serious.

Paragraph 4 of the Crown Agents' letter rather surprises me, because I should have said myself that a Colonial Municipality - even such a one as Nairobi - would not be an attractive investment. When Colonial Municipalities were being started in the time of Mr. Chamberlain, he was strongly of opinion that it would be wrong to let them borrow a large amount

H. M. M. MOORE, ESQ., C.M.G.

suggest , and that the only way for raising loan funds was for the Government to do it and re-lend to the Municipality at a little bit extra. Thus if Kenya raises a loan at 3½% with 1% Sinking Fund, it could re-lend to the Municipality at, say, 5%. These conditions still hold good with regard to most Municipalities, but one must always recognise the fact that Nairobi is on a different footing to most of the towns in our Colonial Empire, even if you take in such places as Colombo, Singapore, and Kingston in Jamaica.

The Crown Agents do raise the general objection in paragraph No.5 of their letter, and of course we shall have to consult the Treasury and see what they say. Meanwhile, I send you the thing as it stands.

Yours sincerely,



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,  
LONDON, S.W.1.

A/1161.

TELEGRAMS: "CROWN LONDON"  
TELEPHONE: VICTORIA 7736

26th February, 1934.

CONFIDENTIAL.

Sir,

I have the honour to refer to your letter dated the 31st January, No. 23016/34, transmitting a copy of correspondence with the Governor of Kenya as to the possibility of the Nairobi Municipal Council raising a loan on its own credit in London.

2. We have discussed the matter confidentially with our brokers, Messrs. J. & A. Scrimgeour, who concur, in what follows, but wish it to be stated that, although they have conferred with a member of the market, no formal consultation has taken place, and the opinions expressed should only be regarded as confirmed by them personally.

3. We are advised that there is no prospect of the Council raising a loan on its own credit in London, unless the Government's statutory first charge on the Council's revenues and assets can be extinguished, either by raising sufficient money to repay to the Government the balance of the existing loan, by a waiver of the Government's statutory right to a first charge and of its advantage over private lenders under section 11 of the 1929 Ordinance which is mentioned in paragraph 1 of the Governor's despatch, or in some other way. We understand from paragraph 13 of the Governor's despatch that the first-named course is complicated by the fact that compensation would be required by the Government for the loss sustained by the loan being

S<sup>4</sup>  
N04

See memo  
2-6-34  
Paper to Moore, etc., encl. 1-3

Copy to Treasury C

The Under Secretary of State,  
Colonial Office.

u.d.c

RCR

19

- 2 -

repaid before the due date. Without some indication of the basis on which the Government would propose to calculate such compensation, we are unable to advise whether it would be prohibitive.

4. The financial position of the Council appears to be sound and although the proportion of the white population to the whole is small, our brokers are disposed to think that, if the first charge could be extinguished and provided the proceeds were devoted mainly to productive works, the Council would probably be able to raise a loan of £300,000 at a rate, under present conditions, of about  $4\frac{1}{2}$  per cent. The rate would of course vary according to conditions at the time of issue. We should not expect the terms obtainable to be affected by the proposed local issue of a comparatively small amount of short term mortgage bonds, nor do we see any reason to suppose that the flotation of a loan by the Council would affect the credit of the Colony in case of further borrowing by the Government.

5. In general, however, we doubt whether it is desirable to establish a precedent by encouraging (or permitting) a Colonial municipality to raise money by a public loan in London for (we believe) the first time. In the present stage of Kenya's development it would seem to be better for municipal needs to be met, if local loans cannot be raised, by the reloan of monies raised by the Government in London, as has already been done for the Nairobi Council. An issue by the Council itself might be quoted as a precedent by municipal bodies in other Colonies, few of which are yet ripe for such a policy, though there are of course notable exceptions.

6. We assume that, if at some future date it were decided that the Council should raise money in London,

arrangements would be made through one of the three banks  
operating in Kenya. We took the opportunity of asking  
whether, in such an event Messrs. Scrimgeour would be  
prepared, if invited, to act as brokers for the issue, and  
we understand that they would.

I have the honour to be,

Sir,

Your obedient Servant,

J. C. Thouta

me



C. O.

1916 No. 27

- Mr. Davies.
- Mr. 27
- Mr.
- Mr. Parkinson
- Mr. Tomlinson
- Sir C. Bellamy
- Sir J. Shuckburgh
- Permt. U.S. of S
- Partly. U.S. of S
- Secretary of State

Amended No 5

**DRAFT.**

THE CROWN AGENTS  
FOR THE COLONIES.

For Gov. Sec. 12 Dec  
No. 1

go for de  
(M. L. W.)

gentlemen,  
I am, etc.,  
a copy of a memorandum...  
of the...  
of the...  
Council...  
referred  
that has been...  
I am to request that  
The Secretary...  
be...  
issues raised in...  
Joseph Byene's despatch and...  
with your views on the...  
points upon which...  
seeks advice.  
I am, etc.,

E. W. FLOOD

**FURTHER ACTION.**



G. O.

33016/34 Kenya.

32.0

Mr. Davies. *27/12*

Mr. *Rush*

Mr.

Mr. *Tomlinson*

Mr. *Tomlinson*

Sir C. *Battemley*

Sir J. *Shuckburgh*

Parlt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

DOWNING STREET,

31 January, 1935.

Sir,

I am, etc., to transmit to you, for the information of the Lords Commissioners of His Majesty's Treasury, a copy of a despatch from the Governor of Kenya on the subject of the raising of loans by the Nairobi Municipal Council.

2. The Secretary of State's approval of the borrowing by the Council of the sum of £73,475 from its Reserve Funds, on the terms proposed in para. 4 of the despatch, is being conveyed to the Governor. <sup>MP</sup> With regard to the various points raised in paras. 7-19 of the despatch, the advice of the Crown Agents for the Colonies is being sought; and a further letter will be addressed to you in the matter in due course.

**DRAFT.**

THE SECRETARY,

TREASURY.

*SW*

Co. for. ltr. 12 Dec  
No. 1.

**FURTHER ACTION.**

I am, etc.

W. SLOAN

C. O.

23016/34 Kenya

o p c 39  
2

Air Mail

Mr. Davies. 27/1

Mr. (Class) 27/1

Mr.

Mr. Parkinson.

Mr. Tomblason.

Sir C. E. H. Stanley.

Sir J. Shackleton.

Parnt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

R 27 JAN  
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DOWNING STREET,

30 January, 1934.

Sir,

I have, etc., to acknowledge the receipt of your confidential despatch No. 170 of the 12th December on the subject of the raising of loans by the Nairobi Municipal Council, and to convey to you my covering approval under Section 88(1) of the Local Governments (Municipalities) Ordinance 1928, of the borrowing by the Council of the sum of £73,475 from its Reserve Fund, on the terms proposed in paragraph 1

Copy to C.A. (4)

DRAFT.

KEITA

CONFIDENTIAL

Gov.

The C.A. for the following are being consulted with regard to

2. With regard to the other points

raised in your despatch I propose to as from a further despatch will be address to you a further communication addressed to you in due course. in due course.

I have, etc.,

(Signed) PLYMOUTH

Secretary of State

FOR THE ACTION.

KENYA

No 176

CONFIDENTIAL



GOVERNMENT HOUSE  
NAIROBI  
KENYA

December, 1955.

Sir,

I have the honour to address you on the subject of municipal development in Nairobi and the raising of loans by the Nairobi Municipal Council in connection therewith.

2. Provision was made in the 1930 £3,400,000 Colony loan of a sum of £490,847 for loans to local authorities, of which £290,847 was required for lending to the Nairobi Municipal Council for the purpose of road, water supply and sanitary development and for the erection of native housing schemes and other works. In April, 1951, the Council having repaid £8,000 in reduction of its debt, the terms of the municipal loan of £282,847 were fixed under the Local Government (Loans) Ordinance, 1929. The loan is being repaid in equal half-yearly instalments over a period of 28 years from the 1st January, 1951, interest on the loan being calculated at 5.17% and redemption being calculated on a sinking fund basis at 4½% per annum compound interest. The sum of £19,762 payable annually to the Government during the loan period is intended to cover the cost of the loan funds to the Colony.

3. The Council has incurred no further borrowing from outside sources, but, since the date of the funding of the £282,847 municipal loan, various requirements have arisen for which the Council has been authorised to borrow temporarily from its own Reserve Funds. The sum so borrowed amounted at the 31st December, 1952 to £85,552.

4. The ---

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

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 U. Harold (2)  
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 copy to Sir...  
 S.A.

- 2 -

4. The purposes for which this temporary borrowing has been authorised from time to time under section 88(1) of the Local Government (Municipalities) Ordinance, 1928, are shown in the following statement :-

<u>PURPOSE.</u>	<u>AMOUNT OF LOAN.</u>	<u>AMOUNT BORROWED TEMPORARILY FROM RESERVE FUNDS AT 31.12.32.</u>
	£	£
(1) Native Housing Scheme.	50,000	-
(2) Refuse Destructor.	9,140	9,140
(3) Depot and Stores Yard.	7,370	7,370
(4) Water Mains & Meters.	17,000	11,842
(5) Municipal Market.	35,000	35,000
(6) Weighbridge.	965	-
(7) Omnibus Garage.	4,000	-
	<u>£ 123,475</u>	<u>£ 63,562</u>

The Council does not now propose to proceed with the Native Housing Scheme, and this work, estimated to cost £50,000, may be regarded as indefinitely postponed. Since 1930 the native population of Nairobi has declined by approximately 15% and for the last two years the existing municipal housing scheme has not been fully occupied. The total borrowing from Reserve Funds is therefore limited to £75,475, and the terms of this temporary borrowing have been approved under section 88(1) of the Local Government (Municipalities) Ordinance as follows :-

<u>PURPOSE.</u>	<u>AMOUNT.</u>	<u>LOAN PERIOD ON WHICH REDEMPTION INSTALLMENTS ARE TO BE BASED.</u>
	£	
(1) Water mains and meters.	17,000	20 years.
(2) Refuse destructor.	9,140	15 years.
(3) Depot and stores yard.	7,370	20 years.
(4) Municipal Market.	35,000	25 years.
(5) Weighbridge.	965	15 years.
(6) Omnibus Garage.	4,000	30 years.
	<u>£ 75,475</u>	

interest to be calculated at 4% per annum and redemption instalments to be calculated on the periods shown above; the period to be covered by this sanction to be three years from the 1st January, 1933.

5. I enclose copies of the Report of the Local Government Inspector on the accounts and records of the Council for the year 1932, together with the abstract of accounts for that year. It will be observed that cash and investments amounted at the 31st December, 1932 to £156,262, made up of unexpended loan balances (£17,172), deposits and trust funds (£15,038), reserve funds (£106,658) and revenue fund balances (£20,394). After a detailed explanation of these figures, the Local Government Inspector expresses the view in his Report that the total sum which might safely have been borrowed from these sources at the 31st December, 1932 was approximately £90,000.

6. I should at this stage refer to paragraph 5 of Lord Passfield's despatch No. 365 of the 14th May, 1930, which invited attention to the fact that by section 88(1) of the Local Government (Municipalities) Ordinance, 1928, the borrowing powers of municipal authorities were made subject to the approval of the Secretary of State, and continued :-

"On this point, I may say that I should not wish normal individual cases to be referred for my prior approval, but I should be glad to know what you have in mind as to procedure for obtaining the general approval of the Secretary of State for the amounts and conditions of these loans".

It was stated in reply, in paragraph 5 of Kenya despatch No. 594 of the 15th September, 1930, that the inclusion of the words "with the approval of the Secretary of State" had reference to the fact that the Governor in Council would not be in a position to grant a loan from Colony loan funds, unless the Secretary of State's approval had been obtained of the relevant provision in the Colony loan. In Lord Passfield's despatch No. 116 of the 15th

No 9  
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February, 1951, the Secretary of State's general approval was given under section 88(1) of the Local Government (Municipalities) Ordinance, 1928 to the "granting of loan funds to Municipalities" in conformity with the Local Government (Loans) Ordinance, 1929, subject to the proviso that the amount of the loan must be covered by provision in a Colony loan schedule already approved by the Secretary of State, and to certain other conditions regarding the terms of the loan. In spite of the use of the word 'granting', it is clear, as explained in Kenya despatch No. 594 of the 15th September, 1950, that section 88(1) of the Local Government (Municipalities) Ordinance, 1928 deals with the raising of loans by a municipal authority and not with the granting of loan funds by the Government. In other words, the Local Government (Municipalities) Ordinance, 1928 defines the financial control retained by the Government over the exercise of borrowing powers by a municipal authority, and the Local Government (Loans) Ordinance, 1929 deals with the relationship of lender to borrower in cases where the Government is the lender.

No 8 15963/30

Although, therefore, the words "with the approval of the Secretary of State" were inserted in section 88(1) of the Local Government (Municipalities) Ordinance, 1928, in the light of conditions existing at that time, under which municipal loan funds were drawn from Colony loans, their inclusion does in fact render it necessary to obtain your approval to the granting of borrowing powers to a municipal authority, from whatever source the loan is to be raised. Thus in the present case I have to request your covering approval of the borrowing by the Nairobi Municipal Council of the sum of £75,475 from the Council's Reserve Funds on the terms proposed in paragraph 4 of this despatch

- 5 -

despatch. In cases of borrowing from sources other than Government, I assume that you will require each loan to be referred to you separately. You may, however, be prepared to waive such reference in the case of a loan for an amount under a stated figure.

7. There appears, *prima facie*, to be no reason why the Nairobi Municipal Council should rely in future on Colony loan funds for the borrowing which it may require to incur. The Council is, indeed, anxious to put into effect a scheme for the issue of local loans by means of short-term mortgage bonds in multiples of £100, and to raise up to £50,000 by this method. The Treasurer and the Local Government Inspector raise no objection to this proposal in principle, subject to the amount so raised being limited to £50,000; the scheme has in its favour the advantages, recognised elsewhere, of stimulating local interest in municipal government. The Council would be required to repay, on or before the 31st December in each year, bonds of an amount equal to the amount due in respect of redemption for the year in question. Bonds would not be redeemable to holders before the expiry of a minimum period of twelve months from the date of issue. I enclose a copy of a draft bond in the form proposed.

8. Simultaneously with the submission of this proposal, the Nairobi Municipal Council has applied for new borrowing powers in respect of £24,000 for the erection of Municipal Offices. The merits of this application need not now be examined in detail, and I will confine myself to remarking that the Council has been housed since its inception in rented offices and is paying a rent of £980 per annum (which will probably be increased when times improve) for its present accommodation. The scheme now submitted for the building of Municipal Offices appears



to be in itself sound and reasonable.

9. The Council proposed that this loan should be financed partly by borrowing from Reserve Funds and partly directly from local loans. It was thus dependent upon sanction being given to the issue of short-term mortgage bonds.

10. It is, in the Government's view, highly undesirable that any step should be taken now which might be likely to affect in any way unfavourably the reception of a long-term loan issue by the Council, whatever method may ultimately be adopted for the raising of that loan. Within the next two or three years the Council will desire to obtain loan funds to the extent of approximately £500,000, of which approximately £200,000 will be required for a new municipal water supply from the Ruiru river. Of the balance, £73,475 is, as explained above, already being borrowed temporarily from Reserve Funds.

11. The water supply scheme has been under examination for many years and the work of actual preparation will shortly be put in hand. The proposals have been reported on favourably by Mr. W.G. Morris, late Hydraulic Engineer in the Public Works Department, Uganda, and will form the subject of a separate despatch in due course.

12. In view of the probability that the Council will in the near future desire to raise a loan of not less than £500,000 in London, I have considered it necessary to submit the position fully and to request your advice.

The loan liabilities of the Council, apart from the temporary advances from Reserve Funds previously referred to, are as follows :-

GOVERNMENT LOAN £282,847.

Interest payable half-yearly at 5.17% p.a.;  
Sinking Fund contributions accumulated at 4½ p.a.  
compounded interest;  
Repayable over period of 28 years terminating  
31st December, 1958;  
Balance outstanding at 31st December, 1952 £272,216.

KENYA AND UGANDA RAILWAYS AND HARBOURS LOAN, £20,000.

Repayable in 20 yearly instalments of £1745:15:00 combined  
Principal and Interest at 6% per annum over a period of  
20 years terminating 31st March, 1941;

Balance outstanding at 31st December, 1932 £11,860.

Under section 10 of the Local Government (Loans) Ordinance, 1929, Government loans are, subject to any prior charge or hypothecation, a first charge upon the revenues and assets of the Council. Further, under section 11 of that Ordinance, the Governor in Council is empowered, in the event of default by a local authority, to impose rates and charges for the recovery of any amount due without applying to the Courts, which also gives Government a certain advantage over the private lender. In view of these circumstances I shall be glad of advice as to the proper course for the Council to adopt, and particularly some indication of the terms the Council would be likely to obtain in the event of an attempt being made to obtain money in London by means of an issue of municipal stock or otherwise. The question of obtaining the whole of the money required from local sources has not yet been fully explored, but it will, of course, be necessary to do this before the Council can decide which will be the most advantageous method of borrowing.

15. It is no doubt to be anticipated that the existing liabilities to Government and the Kenya and Uganda Railways and Harbours will have some effect on the terms obtainable and I shall be glad to be advised on this point. No proposal has, so far, been made for the consolidation of the whole of the Council's indebtedness, including the existing Government loan, into one new loan but, in case this should be regarded as a possible alternative, it is necessary to point out that such a course would be complicated by the fact that any advantage which might be obtained by the Council would have to be set against the obligation to reimburse

Government for the loss sustained on account of the loan being repaid before the due date.

14. There is the further question as to whether it would be a wise course to borrow money locally on short term mortgage bonds until a permanent loan has been negotiated. It is thought that, although the amount proposed to be borrowed in this way is comparatively small, there is a possibility that such a step might increase the difficulty of obtaining favourable terms for a permanent loan.

15. The only adequate security which the Council can at the present time offer is that of its revenues. The realisable assets of the Municipality are few and consist mainly of moveable assets such as Plant and Equipment. All the buildings of any value owned by the Council are erected upon land held from the Crown under restricted user titles and cannot be disposed of unless the titles are converted. The Council owns the unrestricted leasehold of land extending to 4.17 acres, valued at £57,500, namely, the site of the present Law Courts and the old Jeevanjee market.

In order to estimate the value of the security which rates and charges would offer, it is necessary to separate the loan expenditure into two parts, viz: (a) expenditure on services which are maintained out of revenue derived from charges for services, rents, etc; and (b) expenditure on services maintained out of rates or appropriations in aid of rates.

So far as existing loans are concerned, the division would be (a) £199,321 and (b) £105,526; and, if a further loan of £500,000 is raised to repay the temporary loans from Reserves and provide for the new Water Scheme and Municipal Offices, the division of the total would be approximately (a) £462,526 and (b) £141,421.

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So far as existing loans are concerned, the division would be (a) £199,521 and (b) £105,526; and, if a further loan of £500,000 is raised to repay the temporary loans from Reserves and provide for the new Water Scheme and Municipal Offices, the division of the total would be approximately (a) £462,526 and (b) £141,421.

16. The effect upon the General Revenue (or Rate) Fund of the Municipality of borrowing £500,000 for the purposes referred to may be estimated as an increase in the net expenditure of approximately £4,000 per annum as compared with the figures given on pages 9 and 10 of the 1932 Accounts. (It should be noted that these accounts include a certain amount of interest on temporary loans from Reserve Funds). The Council levied a Rate of 1½% on unimproved site values for 1933 in order to balance the Budget, and the rate required for 1934 in order to produce a balanced Budget will be not less than 1½%. It may be estimated that, if a loan of £500,000 is obtained, the rate will have to be increased in order to produce a total sum of not less than £45,000.

The maximum rates permitted by the Local Government (Rating) Ordinance, 1928, which may be exceeded with the sanction of the Governor in Council, are 2% on site values or, if improvement rates are levied, 1½% on site values and 1% on improvement values, while the Government contribution in lieu of Rates is limited by Section 87(2) of the Local Government (Municipalities) Ordinance, 1928, to 2% on site values.

The Valuation Roll shows the following valuations :-

	<u>SITE VALUES.</u>	<u>IMPROVEMENT VALUES.</u>
Public	£ 2,165,000	£ 2,972,000
Crown.	£ 1,310,000	not valued.
	£ 3,475,000	£ 2,972,000.

and the annual rates chargeable on these valuations would be approximately :-

	<u>PUBLIC.</u>	<u>CROWN.</u>	<u>TOTAL.</u>
	£	£	£
2% on Site Values;	42,500	25,500	68,000
OR			
1½% on Site Values and 1% on Improvements.	60,000	25,500	85,500

17. It will be observed from these figures that the unexhausted rating powers after providing for loan charges on a new £300,000 loan would amount to :-

If rates are levied on Site Values only	£25,000 per annum.
If rates are levied on improvements.	£40,500 per annum.

This margin of unused rating powers will, in all probability, as time goes on, be required to some extent to provide for increased expenditure on general works and services, and it would, of course, be affected by any reduction in property values, but, in connection with this latter point I am informed that recent valuations have for the most part shown a tendency to increase rather than diminish. The reluctance of the Council to increase rates and the opposition from the community which such a step provokes are expected to operate as effective checks against the too rapid exhaustion of this margin of increased rating power.

For the purpose of the foregoing calculations, it has been assumed that the capital outlay on the new Water Scheme will not involve any charge against the Council's General Revenue Fund. There is no doubt that there will be considerable trading losses for some years as a result of the new capital expenditure, but this has been provided for by setting aside the profits on the existing undertaking for the past three years (1930-1932). The special Reserve Fund created will amount to approximately £40,000 at the end of this year, and will, no doubt, again be increased in 1934. It is anticipated that the Fund will be adequate to meet any demands that are likely to be made.

18. The Gross Revenue and Expenditure of the Municipality for the years 1929-1933 are shown in the following statements under two headings, viz., General Revenue and Water Supply :-

17. It will be observed from these figures that the unexhausted rating powers after providing for loan charges on a new £500,000 loan would amount to :-

If rates are levied on Site Values only	£28,000 per annum.
If rates are levied on improvements.	£40,500 per annum.

This margin of unused rating powers will, in all probability, as time goes on, be required to some extent to provide for increased expenditure on general works and services, and it would, of course, be affected by any reduction in property values, but, in connection with this latter point I am informed that recent valuations have for the most part shown a tendency to increase rather than diminish. The reluctance of the Council to increase rates and the opposition from the community which such a step provokes are expected to operate as effective checks against the too rapid exhaustion of this margin of increased rating power.

For the purpose of the foregoing calculations, it has been assumed that the capital outlay on the new Water Scheme will not involve any charge against the Council's General Revenue Fund. There is no doubt that there will be considerable trading losses for some years as a result of the new capital expenditure, but this has been provided for by setting aside the profits on the existing undertaking for the past three years (1930-1932). The special Reserve Fund created will amount to approximately £40,000 at the end of this year, and will, no doubt, again be increased in 1934. It is anticipated that the Fund will be adequate to meet any demands that are likely to be made.

18. The Gross Revenue and Expenditure of the Municipality for the years 1929-1933 are shown in the following statements under two headings, viz., General Revenue and Water Supply :-

- 11 -

GENERAL REVENUE.

	<u>RATES.</u>	<u>OTHER REVENUE.</u>	<u>TOTAL REVENUE.</u>	<u>EXPENDITURE.</u>	<u>GENERAL REVENUE FUND BALANCE AT CLOSE OF YEAR.</u>
	£	£	£	£	£
1929.	25,700	54,464	80,154	61,580	50,078
1930.	34,585	63,792	98,175	87,908	60,545
1931.	34,507	56,765	91,272	108,782	42,855
1932.	33,442	52,934	86,376	93,006	36,205
1933 ) (Estimated.)	38,596	56,319	94,715	94,715	36,205

WATER SUPPLY. (not included above).

	<u>REVENUE.</u>	<u>EXPENDITURE.</u>	<u>SURPLUS.</u>
	£	£	£
1929	26,888	17,694	9,194
1930	29,067	20,097	8,970
1931	30,681	19,940	10,741
1932	29,560	19,202	10,358
1933 (Estimated)	29,340	18,671	10,669

The Council decided to meet deficits for the years 1931 and 1932 from the General Revenue Fund Surplus rather than increase rates. The existing surplus is more than sufficient to cover the amount required for working capital.

19. The reduction in revenue for 1931 was due entirely to reductions in Government grants, which have amounted to :-

1929.	£35,243.
1930.	£37,484.
1931.	£28,454.
1932.	£26,195.

The further reduction in revenue in 1932 was due partly to reduction in Government grants and partly to decreases in interest on invested funds, licence collections, sundry revenue and a few other items. There has been no marked reduction in the earnings of the trading and tariff departments.



- 12 -

20. To summarise, I have to request your covering approval under section 88(1) of the Local Government (Municipalities) Ordinance, 1928, of the borrowing by the Nairobi Municipal Council of the sum of £75,475 from the Council's Reserve Funds on the terms proposed in paragraph 4 of this despatch; and should be grateful for your advice on the following questions :-

- (a) Whether it would be possible for the Nairobi Municipal Council to raise a long-term loan of approximately £300,000 in the London market on its own credit within the next year or two on favourable terms;
- (b) If so, how far such borrowing would react on the Colony's credit in connection with any future loan that may be required by the Colony;
- (c) How far the Municipal Council's prospects in this connection would be adversely affected by (i) the existing Government loan being a first charge, or (ii) the issue of short-term loans locally as proposed by the Council.

I have the honour to be,

Sir,

Your most obedient, humble servant,

*H. B. 317*

BRIGADIER-GENERAL  
G O V E R N O R .

45

MUNICIPAL COUNCIL OF NAIROBI.

THE LOCAL GOVERNMENT (MUNICIPALITIES) ORDINANCE, 1928.

BY VIRTUE of the Local Government (Municipalities) Ordinance, 1928, WE the Municipal Council of Nairobi, being the Local Authority under that Ordinance for the Municipality of Nairobi in consideration of the sum of

paid to the Treasurer of the said Municipality by \_\_\_\_\_ of \_\_\_\_\_ for the purposes of the said Ordinance DO HEREBY GRANT AND ASSIGN unto the said

\_\_\_\_\_ his executors, administrators and assigns the property and revenues of the Council arising or accruing by virtue of the said Ordinance or any other law

TO HOLD to the said

\_\_\_\_\_ his executors, administrators and assigns from the day of the date hereof until the said sum of

\_\_\_\_\_ with interest at the rate of \_\_\_\_\_ per centum per annum for the same shall be fully paid and satisfied AND it is hereby declared that the principal sum hereby secured shall be repaid at the Municipal Offices Nairobi on the \_\_\_\_\_ day of \_\_\_\_\_ 193 \_\_\_\_\_ or on any subsequent date by either of the parties hereto giving to the other six calendar months notice in writing to that effect.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 193 \_\_\_\_\_



**MUNICIPAL COUNCIL OF  
NAIROBI.**

XXX

**Abstract of Accounts**  
For the Year ended 31st December, 1932.



The Hon. Commissioner for Local Government, Lands and Settlement,

Sir,

**INSPECTION—NAIROBI MUNICIPAL COUNCIL, 1933.**

I have the honour to report that, in accordance with section 95 of the Local Government (Municipalities) Ordinance, 1928, I have examined the accounts and records of the Municipal Council of Nairobi for the financial year ended 31st. December, 1932, and the Balance Sheet and other statements which have been prepared therefrom.

The examination of the accounts was carried out partly under my direction and partly under the direction of the professional auditors appointed by the Council.

**REVENUE AND EXPENDITURE.**

2. The gross revenue brought to account for the year amounted to £120,820, and the gross expenditure to £117,270, leaving a surplus of £3,550.

The individual balances reflected in the surplus and transferred to or charged against the different fund accounts were as follows:—

Surpluses.	£
Water Department Special Reserve .....	10,358
Native Trust Fund .....	96
	10,454
Deficiency.	£
General Revenue Fund .....	6,904
<b>Net Surplus.</b> .....	<b>3,550</b>

**GENERAL REVENUE FUND.**

3. The General Revenue Fund balance at 31st. December, 1932, amounted to £30,205, of which sum £20,304 was represented by cash, the balance being absorbed in working capital.

4. The net revenue (or Rate) fund account shows that the net revenue available for public works, public health, and general expenditure amounted to £55,062. This amount was made up as follows:—

	£
Assessment Rates on Site values equal to a Rate of 19.24 cents., in the £ on land only .....	33,442
Licences, Interest and Sundry Revenue equal to a Rate of 6.89 cents in the £ on land only .....	15,445
Net revenue from services, after deducting costs, equal to a Rate of 3.55 cents in the £ on land only .....	6,175
	55,062
TOTAL: equal to a Rate of 31.68 cents in the £ on land only. ....	<b>55,062</b>

The net revenue from the Water Supply undertaking is not included in these figures, the whole sum available from this service amounting to £10,358 having been transferred to a Special Reserve Fund.

**GOVERNMENT CONTRIBUTIONS.**

5. The statutory contributions received or due from the Government of the Colony in respect of the financial year were as follows:—

	£
<b>General Revenue Funds—</b>	
(1). Contributions by Government as landowner—Assessment Rates on Site values .....	12,147
(2). Contribution of one-half of the Traffic Revenue collected from residents of the Municipality under the Traffic Ordinance .....	8,426
(3). Contributions towards Municipal expenditure, Staff Salaries (one-third of the salaries of the Town Clerk, Treasurer and Engineer) .....	1,196
Public Health—one-half .....	2,982
Maintenance of Main Roads—one-half .....	1,444
<b>Capital Funds—</b>	
(1). Construction of Main Roads .....	290
	<b>26,404</b>

(H)

**CAPITAL FUNDS.**

6. The capital funds of the Council were increased during the year by the sum of £26,050 and capital expenditure amounting to £39,754 was incurred. The total capital funds at 31st. December, 1931, and the sources from which they have been derived, were as follows:

1931.		1932.
£	Loans outstanding:—	£
290,484	Loans raised from outside sources	294,076
48,061	Loans temporarily obtained from Council's Reserve and other funds.	67,932
339,145		352,008
12,364	Loans repaid.	18,771
49,072	Government Grants and contributions.	49,327
49,470	Contributions from Revenue.	54,570
	Native Trust Fund.	5,024
450,006		479,700

**CASH POSITION AND TEMPORARY LOANS.**

7. The total amount of Cash and investments at 31st. December, 1932, amounted to £156,262. Of this sum £88,329 was represented by Cash on Fixed Deposit and on Current Account, the balance of £67,933 having been used temporarily to finance capital expenditure pending the raising of further loans. The method of financing loan expenditure by the temporary use of available fund balances results in a considerable saving of interest, as the rate which would have to be paid on borrowed money is higher than that which can be obtained by the Council on short term investments. There is, however, a limit to the amount of Reserves and other Funds, which can safely be used in this manner, and it would perhaps be well to examine at some length the actual position.

The fund balances at 31st. December, 1932, were as follows:—

	£
(a) Unexpended loan balances	17,172
(b) Deposits and Trust Funds	13,038
(c) Reserve Funds	105,658
(d) Revenue Fund	20,394
	156,262

Item (a) Unexpended loan balances £17,172. This amount represents unexpended balances of loans actually raised from outside sources. The money was provided for specific purposes and must be held available for those purposes, unless it is re-allocated by proper authority.

Item (b) Deposits and Trust Funds £13,038. This balance consists of money which does not belong to the Council, but is simply held in trust. It should always be available in cash, or held in readily convertible short term investments such as Fixed Deposits at the Bank.

Item (c) Reserve Funds £105,658. This balance includes a variety of funds, which, for the present purpose, may be divided into three parts, as follows:—

- (1) Reserves for the renewal and replacement of wasting assets, maintenance and repairs equalisation funds, Insurance funds, etc., amounting in all to £62,958. These funds will, generally speaking, show a tendency to increase for some years, and a considerable proportion, say £50,000, can safely be invested. The investment period should never be excessive, and the position should always be carefully watched as the time will come when the annual withdrawals will exceed the contributions.
- (2) Reserves for Capital expenditure £12,632, i.e., amounts reserved from general revenue for specific capital purposes. The availability of these funds for investment will depend upon the policy of the Council in regard to the capital purposes concerned.
- (3) Water Department, Special reserve—£30,068. This fund is designed to provide for losses on the Water undertaking during the construction of the new Water Scheme and for some years after its operation is commenced. It is not likely that any demands will be made upon the fund for the next year or two, but this will, of course, depend upon the progress which is made with the new Scheme. The fund will, no doubt, exist in diminishing amounts for some years after demands commence to be made upon it, but it would be unwise to depend upon this source of temporary borrowing for any period beyond the next two years.

(B)

Item (d) Revenue Fund £20,394. This balance represents the actual cash surplus on the Council's General Revenue fund at 31st. December, 1932. The Revenue Fund balance amounted to £36,205, but £15,811 was absorbed in working capital, i.e., in financing Sundry Debtor balances, Stores, etc.

The amount absorbed in working capital varies from time to time and it is estimated that £20,000 should be retained in the Revenue Fund for this purpose. There is therefore, a cash surplus of approximately £10,000 which, unless it is considered necessary to provide for further deficits on the Revenue Fund might safely be withdrawn from the Revenue Fund Cash balance.

8. The total sum which might safely have been borrowed from these sources at 31st. December, 1932, appears therefore to have been approximately £90,000. A sum of £67,933 had actually been borrowed at that date, and there were certain commitments amounting to approximately £6,500 in respect of authorised loan expenditure which had not been incurred.

**STATUTORY APPROVAL OF TEMPORARY LOANS.**

9. Government has hitherto granted borrowing powers to the Council for particular purposes subject to approval of the terms of the loans being obtained when the loans are raised. The borrowing from internal sources has not been approved under the Local Government (Municipalities) Ordinance, 1928, and no definite terms and conditions apply to the temporary loans. Interest is charged on the amounts advanced and is credited to the proper funds, but no provision is being made for redemption. It is, in my opinion, necessary that the position should be regularised and that the source of borrowing, the period, rate of interest and rate of redemption in respect of each temporary loan should be settled by the Council and submitted for approval in terms of section 88 of the Local Government (Municipalities) Ordinance, 1928. This should be done with effect from the 1st. January, 1932.

**LOANS—POLICY.**

10. The Council will almost certainly be compelled to go into the market for further loans within the next few years. The unexercised borrowing powers at 31st. December, 1932, amounted to £119,835 and applications for further powers to the extent of £29,000 have been made. In addition, the Council intend to apply for borrowing powers for the new Water Scheme which, it is anticipated, will involve an expenditure of at least £200,000. If these additional borrowing powers are granted, the unexercised borrowing powers will amount to £348,835, while, as I have previously shown, the cash available for temporary investment is less than £100,000, and at least a third of the amount will probably not be available for more than two, or at the utmost, three years.

11. While temporary borrowing from internal sources results in an immediate saving of interest and, so long as cash balances on Reserve Funds are not reduced below a safe margin, has much to commend it, it is open to question whether it is always a wise policy to wait until all internal sources of borrowing have been exhausted before going into the market for loans. When it is clear that loans will have to be raised in the open market within a few years and the time is favourable for such an operation, it is not sound to run the risk of being forced into the market at a later date when interest rates may be high.

In view of the present possibility of obtaining long term loans at low rates of interest as compared with the rates prevailing a few years ago, the Council should, I think, give this aspect of the matter careful consideration.

**NEW MARKET**

12. The authorised borrowing powers for the new Market Building amounted to £35,000 but expenditure to the extent of £29,581 had been incurred at 31st. December, 1932. The excess expenditure was due partly to an underestimate of the total cost and partly to extras and additions to the building Contract, and is now the subject of an application for further borrowing powers. The net addition to the Contract sum (after allowing for savings on certain sections) amounted to £3,012 and it appears that the greater part of this excess was incurred without the approval of the Council. This excess expenditure, together with certain other transactions connected therewith is still under investigation by me, and I propose to issue a further report, if such should be necessary, when the investigation has been completed. In the meantime it should be understood that expenditure under this head is excluded from the certificate given in the final paragraph of this Report.

**ROAD PLANT.**

13. The exhaustion of loan and other capital funds provided for Road construction has resulted in a considerable decrease in the total amount of road expenditure and this, in its turn, has resulted in a corresponding decrease in the use of Road Plant and Machinery.

*under actual?*

*N.B.*

(ii)

**CAPITAL FUNDS.**

6. The capital funds of the Council were increased during the year by the sum of £26,050 and capital expenditure amounting to £39,754 was incurred. The total capital funds at 31st. December, 1931, and the sources from which they have been derived, were as follows:

1931.		1932.
£	Loans outstanding:—	£
290,484	Loans raised from outside sources	284,076
48,061	Loans temporarily obtained from Council's Reserve and other funds.	67,932
339,145		352,008
12,364	Loans repaid.	18,771
49,072	Government Grants and contributions.	49,327
49,470	Contributions from Revenue.	54,570
	Native Trust Fund.	5,024
450,006		479,700

**CASH POSITION AND TEMPORARY LOANS.**

7. The total amount of Cash and investments at 31st. December, 1932, amounted to £156,262. Of this sum £88,329 was represented by Cash on Fixed Deposit and on Current Account, the balance of £67,933 having been used temporarily to finance capital expenditure pending the raising of further loans. The method of financing loan expenditure by the temporary use of available fund balances results in a considerable saving of interest, as the rate which would have to be paid on borrowed money is higher than that which can be obtained by the Council on short term investments. There is, however, a limit to the amount of Reserves and other Funds, which can safely be used in this manner, and it would perhaps be well to examine at some length the actual position.

The fund balances at 31st. December, 1932, were as follows:—

	£
(a) Unexpended loan balances	17,172
(b) Deposits and Trust Funds	13,038
(c) Reserve Funds	105,658
(d) Revenue Fund	20,394
	156,262

Item (a) Unexpended loan balances £17,172. This amount represents unexpended balances of loans actually raised from outside sources. The money was provided for specific purposes and must be held available for those purposes, unless it is re-allocated by proper authority.

Item (b) Deposits and Trust Funds £13,038. This balance consists of money which does not belong to the Council, but is simply held in trust. It should always be available in cash, or held in readily convertible short term investments such as Fixed Deposits at the Bank.

Item (c) Reserve Funds £105,658. This balance includes a variety of funds, which, for the present purpose, may be divided into three parts, as follows:—

- (1) Reserves for the renewal and replacement of wasting assets, maintenance and repairs equalisation funds, Insurance funds, etc., amounting in all to £62,958. These funds will, generally speaking, show a tendency to increase for some years, and a considerable proportion, say £50,000, can safely be invested. The investment period should never be excessive, and the position should always be carefully watched as the time will come when the annual withdrawals will exceed the contributions.
- (2) Reserves for Capital expenditure £12,632, i.e., amounts reserved from general revenue for specific capital purposes. The availability of these funds for investment will depend upon the policy of the Council in regard to the capital purposes concerned.
- (3) Water Department, Special reserve—£30,068. This fund is designed to provide for losses on the Water undertaking during the construction of the new Water Scheme and for some years after its operation is commenced. It is not likely that any demands will be made upon the fund for the next year or two, but this will, of course, depend upon the progress which is made with the new Scheme. The fund will, no doubt, exist in diminishing amounts for some years after demands commence to be made upon it, but it would be unwise to depend upon this source of temporary borrowing for any period beyond the next two years.

(iii)

Item (d) Revenue Fund £20,394. This balance represents the actual cash surplus on the Council's General Revenue fund at 31st. December, 1932. The Revenue Fund balance amounted to £36,205, but £15,811 was absorbed in working capital, i.e., in financing Sundry Debtor balances, Stores, etc.

The amount absorbed in working capital varies from time to time and it is estimated that £20,000 to £25,000 should be retained in the Revenue Fund for this purpose. There is therefore, a cash surplus of approximately £10,000 which, unless it is considered necessary to provide for further deficits on the Revenue Fund might safely be withdrawn from the Revenue Fund Cash balance.

8. The total sum which might safely have been borrowed from these sources at 31st. December, 1932, appears therefore to have been approximately £90,000. A sum of £67,933 had actually been borrowed at that date, and there were certain commitments amounting to approximately £6,500 in respect of authorised loan expenditure which had not been incurred.

**STATUTORY APPROVAL OF TEMPORARY LOANS.**

9. Government has hitherto granted borrowing powers to the Council for particular purposes subject to approval of the terms of the loans being obtained when the loans are raised. The borrowing from internal sources has not been approved under the Local Government (Municipalities) Ordinance, 1928, and no definite terms and conditions apply to the temporary loans. Interest is charged on the amounts advanced and is credited to the proper funds, but no provision is being made for redemption. It is, in my opinion, necessary that the position should be regularised and that the source of borrowing, the period, rate of interest and rate of redemption in respect of such temporary loan should be settled by the Council and submitted for approval in terms of section 88 of the Local Government (Municipalities) Ordinance, 1928. This should be done with effect from the 1st January, 1932.

**LOANS—POLICY.**

10. The Council will almost certainly be compelled to go into the market for further loans within the next few years. The unexercised borrowing powers at 31st. December, 1932, amounted to £119,835 and applications for further powers to the extent of £29,000 have been made. In addition, the Council intend to apply for borrowing powers for the new Water Scheme which, it is anticipated, will involve an expenditure of at least £200,000. If these additional borrowing powers are granted, the unexercised borrowing powers will amount to £348,835 while, as I have previously shown, the cash available for temporary investment is less than £100,000, and at least a third of the amount will probably not be available for more than two, or at the utmost, three years.

11. While temporary borrowing from internal sources results in an immediate saving of interest and, so long as cash balances on Reserve Funds are not reduced below a safe margin, has much to commend it, it is open to question whether it is always a wise policy to wait until all internal sources of borrowing have been exhausted before going into the market for loans. When it is clear that loans will have to be raised in the open market within a few years and the time is favourable for such an operation, it is not sound to run the risk of being forced into the market at a later date when interest rates may be high.

In view of the present possibility of obtaining long term loans at low rates of interest as compared with the rates prevailing a few years ago, the Council should, I think, give this aspect of the matter careful consideration.

**NEW MARKET.**

12. The authorised borrowing powers for the new Market Building amounted to £35,000 but expenditure to the extent of £29,581 had been incurred at 31st. December, 1932. The excess expenditure was due partly to an underestimate of the total cost and partly to extras and additions to the building Contract, and is now the subject of an application for further borrowing powers. The net addition to the Contract sum (after allowing for savings on certain sections) amounted to £3,012 and it appears that the greater part of this excess was incurred without the approval of the Council. This excess expenditure, together with certain other transactions connected therewith is still under investigation by me, and I propose to issue a further report, if such should be necessary, when the investigation has been completed. In the meantime it should be understood that expenditure under this head is excluded from the certificate given in the final paragraph of this Report.

**ROAD PLANT.**

13. The exhaustion of loan and other capital funds provided for Road construction has resulted in a considerable decrease in the total amount of road expenditure and this, in its turn, has resulted in a corresponding decrease in the use of Road Plant and Machinery.

The following figures for the year 1932 have been furnished to me in this connection—

Description of Plant	Average number of days worked by each unit out of 280 available working days.
Steam Rollers	35
Tractors	85
Caterpillar Tractors	55
Lorries	250
Graders	62
Tar Bidders and Sprayers	51
Water Carts	21
Ox Carts and Ox Rollers	55
Trailers	98

The total cost of Road Plant shown by the Accounts at 31st. December, 1932, amounted to £21,339. Considerable sums were expended for the purchase of new Plant in the years 1930 and 1931 (i.e., after the bulk of the loan money provided for Road Construction had been expended). While it is probably the case that road expenditure in 1932 was below the normal annual expenditure, there does not appear to be much doubt that the quantity of Road Plant now held by the Council is largely in excess of normal requirements and that, in view of the Council's inability to put the whole of the Plant to economic use, considerable loss will be incurred.

#### CONTRACTS.

14. An examination of the Contracts entered into by the Council during the year revealed the fact that in certain instances the provisions of section 36 of the Local Government (Municipalities) Ordinance, 1928, had not been complied with. The following cases call for special remark—

- (a) Purchase of steel piping from Messrs. Thornton and Turpin for the sum of Shs. 2,988/70. No tenders were called for in this case and the Finance Committee on the 2nd. June, 1932, passed the following resolution which was approved and adopted by the Council on 7th. June, 1932—

"That in the special circumstances that exist, this Committee recommend that compliance with the provisions of section 36 (1) of the Local Government (Municipalities) Ordinance, 1928, is unnecessary and that they be dispensed with."

The facts of the case appear to be that the firm in question obtained the piping for use in the construction of the Municipal Market, but the material could not be used for that purpose owing to the specification subsequently being altered. While the transaction does not appear to be open to any serious objection on other grounds it is necessary to point out that neither the Finance Committee nor the Council possess the power to dispense with the provision of any law governing their conduct and procedure or to resolve that it is unnecessary to comply with any such law.

- (b) Construction of Davidson Road. In this case tenders were originally called for in proper form, and on the 20th. January, 1931, the Tender Board resolved to accept the tender of Mr. Mauladad to construct Davidson Road at Shs. 568/- per 100 lineal feet, and a letter of acceptance was written to the tenderer on 21st. January, 1931. The work was not proceeded with at the time and no formal contract embodying the terms of the tender were entered into.

Early in 1932 the Council decided to proceed with the construction of the road, but before doing so the specification was altered in certain material respects in such a way as to reduce the cost of the work.

On 23rd. February, 1932, the Council entered into a Contract with the original tenderer at a new price of Shs. 440/- per 100 lineal feet, but it does not appear from the Council's records that public tenders were again invited after the specification had been altered. Such a course was, in my opinion, necessary in order to comply with section 36 of the Local Government (Municipalities) Ordinance, 1928.

15. The provisions of section 36 of the Local Government (Municipalities) Ordinance, 1928, which require that the Council shall call for tenders by public advertisement where the amount involved in a Contract exceeds £75 are important and should be strictly observed. They are mainly designed to ensure that the Council shall not enter into Contracts without adequate information, but they also serve the purpose of affording all interested persons equal opportunities of sharing in the business which the Council is able to provide.

Any failure to comply with the provisions of the section referred to results in the expenditure concerned being incurred in an illegal manner, and expenditure incurred without due authority according to the law is liable to be surcharged under section 99 of the Local Government (Municipalities) Ordinance, 1928.

#### WATER SUPPLY TO KENYA AND UGANDA RAILWAYS AND HARBOURS.

16. The existing water undertaking was originally taken over by the Council from the Kenya and Uganda Railways and Harbours under an Agreement which provided for the free supply of a maximum quantity of water to the Kenya and Uganda Railways and Harbours for five years, and for payment for quantities in excess of that maximum, as well as for all water supplied after the expiration of the five year period, at a price equal to the actual cost of the Water supplied, including a proportionate amount of interest and loan charges on capital borrowed for the undertaking. The term "actual cost of water supplied" is not capable of any exact interpretation, and it was therefore necessary for the Council and the Kenya and Uganda Railways and Harbours to arrive at a working arrangement. The basis agreed upon was to work out the average cost of water on the total quantity entering the Council's mains, the average cost for one year to become the rate of charge for the following year. This arrangement was open to two grounds of objection, viz.

- (1) that it took no account of water lost in distribution, which is always a very considerable factor in the cost of "water supplied," and
- (2) that the average cost obtained in this manner showed a steady increase year after year with the result that the method of charging on the previous year's cost was always to the disadvantage of the Council.

17. Until the installation of meters was completed it was, of course, impossible to ascertain with any accuracy the cost of water sold, as there was no means of ascertaining the total quantity delivered to consumers. This difficulty has, however, now been removed and the accounts for 1932 show that the average cost of water sold to all consumers and the accounts for 1932 show that the average cost of water sold to all consumers amounted to Sh. 1/11 per 1,000 gallons, while the revenue derived from the Kenya and Uganda Railways and Harbours amounted to Cents 85 per 1,000 gallons. It does not, of course, follow that the supply to the Kenya and Uganda Railways and Harbours cannot profitably be continued at a lower price than the average cost of water sold to all consumers. The cost of delivering large quantities at a few points of supply is almost bound to be less than the cost of delivering large quantities to small consumers over a widespread area. It does, however, appear that the agreement is unworkable and should be revised. The constantly varying rate cannot but be unsatisfactory to both the Council and the Kenya and Uganda Railways and Harbours and a fixed or graduated rate might well be substituted.

18. While the existing agreement remains in force, the Council should, in my opinion, charge the Kenya and Uganda Railways and Harbours at the average cost of water sold as disclosed by their accounts.

19. Subject to the foregoing remarks, I hereby certify that—

- (a) the accounts of the Council are in order;
- (b) separate accounts of all trading undertakings have been kept;
- (c) the accounts issued present a true and correct view of the financial position of the Council, of its transactions, and of the results of trading;
- (d) due provision has been made on account of redemption and repayment of all moneys borrowed by the Council;
- (e) the value of the assets of the Municipality has been fairly stated;
- (f) the amount set aside for depreciation and renewal of the assets of the Municipality are adequate;
- (g) all my requirements and recommendations have been complied with and carried out.

#### ADDENDUM TO LOCAL GOVERNMENT INSPECTORS' REPORT.

The Council feel that certain remarks contained in paragraphs 14 and 15 of this Report may give the impression that they have been negligent of the interests of the public, and they desire me to publish the following statement which they have made to me in connection with the transactions in question:

"Whilst in the opinion of the Local Government Inspector—with which the Municipal Council do not concur—the terms of Section 36 of the Local Government (Municipalities) Ordinance, 1928, may not have been strictly complied with, the Council are satisfied that the best possible arrangements were made in regard to the two contracts referred to in the Report, and that no loss of public funds was incurred in connection therewith."

I desire to point out that my criticisms were directed solely against the procedure adopted by the Council, and to add that I have no reason, apart from the question of procedure, to believe that the Council failed to take reasonable steps to protect the interests of the public.

E. V. SHILTON,  
Local Government Inspector.

NAIROBI.

26th July, 1933.

**AUDITORS' REPORT OF ACCOUNTS FOR THE YEAR  
ENDED 31ST. DECEMBER, 1932.**

1. We have audited the accounts of the Municipal Council of Nairobi, for the year ended 31st. December, 1932. By arrangement with the Local Government Inspector, some part of the audit work has been undertaken by his Department, and he has made a separate report under date of 12th. June, 1933.

The joint audit results in a very complete examination of the Municipal financial transactions.

2. The accounts are kept in good order and considering the volume of the items it has been necessary to raise very few queries, all of which have been satisfactorily settled.

3. The Balance Sheet has been drawn up in a form to comply with the requirements of the Local Government Commissioner, under section 93 (3) of the Local Government (Municipalities) Ordinance, 1928, and due provision has been made for Depreciations, Interest and Redemption of Loans.

4. As far as we can ascertain all known liabilities have been brought into account.

5. In our opinion, the accounts are prepared to show a true and correct view of the transactions and results of the working for the period they cover, according to the best of our information and the explanations given to us and as shown by the books of the Council.

6. We have obtained all the explanations and assistance we have asked for and have to thank the officials in this connection.

E. B. GILL, A.C.A.,

For Gill and Johnson.

**MUNICIPAL COUNCIL OF NAIROBI.**

**ABSTRACT OF ACCOUNTS 1932.**

**General Index.**

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**MUNICIPAL COUNCIL**  
**BALANCE SHEET AT**

LIABILITIES.			
<b>LOANS:</b>			
Government of Kenya. Consolidated Loan	5,656,940	00	
Less amount repaid	212,623	74	5,444,316 26
Kenya & Uganda Railways & Harbours	400,000	00	
Less amount repaid	162,801	54	237,198 46
Temporary Loans from Council's Reserve Funds			1,358,652 88 7,040,167 56
<b>NON-REPAYABLE CAPITAL FUNDS:</b>			
Government Grants:			
On account of Main Road Construction	520,321	33	
" " Eastleigh Road of Access	36,228	00	
" " Anti-Malarial Drainage	400,000	00	
" " Native Locations	30,000	00	986,549 33
Contributions from Council's Revenue Account	1,091,392	01	
Contributions from Brewery Revenue Account	100,481	82	1,191,873 83
Loans repaid			375,425 28 2,553,848 44
<b>TOTAL CAPITAL FUNDS:</b>			<b>9,594,016 00</b>
<b>SUNDY CREDITORS:</b>			
Loan Interest. Kenya & Uganda Railways & Harbours	10,674	69	
Sundry Trade Accounts	30,225	27	
Miscellaneous	12,202	20	
Staff Provident Fund	45,610	52	118,712 68
<b>DEPOSITS &amp; TRUST FUNDS:</b>			
Native Trust Fund (Brewery)	256,726	85	
Miscellaneous Deposits	4,033	50	260,760 35
<b>RESERVES &amp; SPECIAL FUNDS:</b>			
Renewals and Replacements	896,169	05	
Provisions for Officials' Passages	48,255	41	
Roads Maintenance Fund	275,143	79	
Native Housing. Building Repairs Equalisation Fund.	7,600	85	
Insurance Fund	30,990	00	
Reserves for Capital Expenditure:			
Anti-Malarial Drainage	85,789	93	
Conservancy and Refuse Services	166,843	18	
Water Department. Special Reserve Fund	601,371	28	2,113,163 47
<b>REVENUE FUND ACCOUNT:</b>			
Balance as per last Balance Sheet	856,702	63	
Add Sundry Reserves written back	5,474	62	
	862,177	25	
Less Excess Expenditure for year	138,078	35	724,098 90

We have audited the above Balance Sheet and reported upon it as per our report of even date.

For **GILL & JOHNSON,**  
E. B. GILL, A.C.A.

**NAIROBI,**  
26th July, 1933.

Shs. 12,810,781 40

**OF NAIROBI.**  
**31st DECEMBER, 1932.**

**ASSETS & CAPITAL OUTLAY.**

<b>CAPITAL OUTLAY:</b>			
Trading and other Tariff Departments	4,980,056	90	
Non-Revenue earning Departments, General Improvements and Sundry Properties	4,270,523	07	9,250,579 87
<b>SUNDY DEBTORS:</b>			
Water Consumers	36,435	94	
Conservancy Fees	14,128	75	
Assessment Rate	32,445	24	
Native Villages—Plot Rents	3,284	00	
Funeral Charges	2,632	02	
Private Streets. Construction	57,531	89	
Sundry Charges	11,573	58	
Levy on Officials	10,726	99	168,758 41
Less Reserve for Bad Debts			31,737 04
Government Grants and Contributions unpaid			137,021 37
Interest accrued on Fixed Deposits			76,146 13
			31,458 33 244,625 83
<b>STORES ON HAND</b>			<b>190,300 06</b>
<b>CASH AND INVESTMENTS</b>			
On account of—			
Capital Funds. Unexpended Loans—			
Cash at Bank on Fixed Deposit	343,436	03	
Deposits and Trust Funds—			
Cash at Bank on Fixed Deposit			280,760 35
Reserves and Special Funds—			
Temporary Loan to Capital	1,358,652	84	
Cash at Bank on Fixed Deposit	754,510	63	2,113,163 47
Revenue Fund—			
Cash at Bank and on hand	407,876	69	3,125,236 54

Examined and found correct; subject to my Report dated 10 June, 1933.

**E. V. SHILTON,**  
Local Government Inspector.

**F. L. STEWART,**  
Municipal Treasurer.

Shs. 12,810,781 40

**MUNICIPAL COUNCIL**  
**GROSS REVENUE ACCOUNT FOR 1931**

1931	EXPENDITURE	Refer to Page		
	<b>ADMINISTRATION :</b>			
73,387 17	Town Clerk's Department	11	73,169 11	
134,977 06	Town Engineer's Department	11	118,473 31	
68,555 08	Town Treasurer's and Stores Departments	11	67,414 45	
19,495 96	Licensing Department	13	16,922 25	276,000 12
	<b>GENERAL CHARGES :</b>			
5,000 00	Mayor's Allowance	13	5,000 00	
4,000 00	Pension	13	4,000 00	
	Contribution to Provident Fund	13	16,965 04	
10,000 00	Audit Fees	13	10,000 00	
10,000 00	Contribution to Insurance Fund	13	5,540 40	
4,990 87	Valuation Roll expenses	13	792 66	
2,749 16	Election Expenses	13	1,968 00	
18,042 00	Locust Destruction	13	15,884 00	
5,433 99	Donations and Subscriptions	13	4,214 78	76,364 88
	Sundry General expenses			
	<b>PUBLIC HEALTH SERVICES :</b>			
124,745 46	Public Health Department	13	119,226 43	
226,003 07	Conservancy Department	25	231,036 45	
18,188 48	Funerals and Cemeteries	15	16,146 61	
38,046 62	Scavenging and Watering Streets	15	38,726 49	
9,006 68	Public Latrines	15	10,948 83	
39,146 26	Abattoir	23	62,032 77	478,117 58
	<b>PUBLIC WORKS :</b>			
822,850 17	Roads and Drains	15	540,204 54	
28,693 94	Sundry Works	17	2,975 63	
30,672 86	Fire Brigade	17	33,401 34	
72,095 24	Street Lighting	17	61,945 14	
43,017 88	Town Planning	17	32,379 53	670,906 18
	<b>SUNDRY DEPARTMENTS :</b>			
25,246 26	Market	17	63,470 25	
1,741 48	Pounds	19	1,837 46	
33,723 48	City Park	19	28,660 69	
7,651 54	Jeevanjee Gardens	19	6,768 52	98,736 92
	<b>NATIVE REVENUE ACCOUNTS :</b>			
52,703 14	Native Villages	19	53,888 52	
62,462 96	Native Housing	19	80,693 34	
7,847 45	Native Burials and Cemetery	21	10,136 56	
6,596 46	Native Market	21	6,712 88	151,433 80
17,237 38	COURT SQUARE PROPERTY	21		17,484 50
358,889 59	WATER DEPARTMENT	27		378,891 54

2,382,967 68

Carried Forward

Shs. 2,148,504 02

**OF NAIROBI**  
**YEAR ENDED 31st DECEMBER, 1932.**

1931	REVENUE	Refer to Page		
	<b>ADMINISTRATION :</b>			
8,472 20	Government Contribution to Salaries—			
8,000 00	Town Clerk's Department	12	8,808 55	
6,866 90	Town Engineer's Department	12	8,000 00	
	Town Treasurer's Department	12	7,123 12	23,928 67
	<b>RATE ON SITE VALUES :</b>			
421,004 23	General Rate	22	425,900 28	
299,075 92	Government Contribution in lieu of Rates	22	242,946 23	668,846 51
	<b>LICENCES :</b>			
95,631 78	Trade, General Vehicles and Dogs	14	82,751 50	
166,520 00	Government Contribution. Traffic	14	168,520 00	251,271 50
	<b>INTEREST ON INVESTED FUNDS</b>			46,557 17
56,607 66	<b>LEVY ON OFFICIALS SALARIES</b>			10,185 22
42,520 42	<b>MISCELLANEOUS REVENUE</b>			17,806 40
	<b>PUBLIC HEALTH SERVICES :</b>			
77,065 92	Public Health Dept. Government Contribution.	14	59,613 25	
321,117 70	Conservancy and Refuse Removal	26	319,335 68	
13,066 50	Funerals and Cemeteries	16	14,631 50	
853 50	Scavenging	16	666 00	
82,706 60	Abattoir	24	69,490 71	483,737 14
	<b>PUBLIC WORKS :</b>			
30,107 41	Roads and Drains—Government Contribution and Sundry Revenue	16	30,666 01	
633 00	Fire Brigade	18	655 00	31,321 01
1,080 00	Town Planning			
	<b>SUNDRY DEPARTMENTS :</b>			
58,903 00	Market	18	56,910 60	
2,241 68	Pounds	20	2,452 61	59,363 21
	<b>NATIVE REVENUE ACCOUNTS :</b>			
53,397 96	Native Villages	20	53,466 00	
29,686 88	Native Housing	20	42,670 00	
1,376 86	Native Burials	22	1,636 00	
6,388 00	Native Market	22	7,320 00	108,622 00
24,680 00	COURT SQUARE PROPERTY	22		24,000 00
602,211 50	WATER DEPARTMENT	28		581,201 27

2,382,967 68

Carried Forward

Shs. 2,113,241 50

**MUNICIPAL COUNCIL**  
**GROSS REVENUE ACCOUNT (Continued) FOR**

1931	EXPENDITURE.	Refer to Page.		
	Brought Forward		2,148,904	02
2,382,967	69 NATIVE TRUST FUND:			
	Native Brewery	29	37,296	33
42,264	47 Department of Municipal Native Affairs, Officer and Sundry Expenditure on Native Welfare	29	63,943	75 101,240 08
71,031	58			
	CONTRIBUTIONS TO CAPITAL ACCOUNT:			
	General Funds	21	91,076	19
23,828	68 Water Department	27	4,180	00 95,256 19
39,907	64			
	GROSS EXPENDITURE FOR YEAR		2,348,400	29
	BALANCE—Surplus Revenue transferred to the following funds:			
	Water Depart. Special Reserve	36	207,159	73
203,414	27 Native Trust Fund	30	1,924	89 209,084 12
19,417	49			
	Conservancy Fund (Reserve)			
94,815	65			

**OF NAIROBI.**  
**THE YEAR ENDED 31st DECEMBER, 1932.**

1931	REVENUE.	Refer to Page		
2,392,850	55 Brought Forward		2,313,241	50
	NATIVE TRUST FUND:			
	Native Brewery Receipts	30	90,715	92
117,073	93 Interest and Sundry Revenue	30	12,448	56 103,164 47
11,082	35			
	GROSS REVENUE FOR YEAR		2,416,406	06
365,640	64 BALANCE—Excess expenditure transferred to General Revenue Fund		138,078	35

2,877,647 47

Shs. 2,554,484 41

2,877,647 47

Shs. 2,554,484 41

**MUNICIPAL COUNCIL**  
**GENERAL REVENUE (OR RATE) FUND**  
 (SHOWING RATES, APPROPRIATION IN AID OF RATES)  
**FOR THE YEAR ENDED**

1931	EXPENDITURE.	Cost per £ of Rateable Value.	Cents.
	NET COSTS (i.e. after deducting direct earnings).		
	<b>ADMINISTRATION:</b>		
64,914 97	Town Clerk's Department	1.85	64,383 56
126,977 06	Town Engineer's Department	3.18	110,473 31
61,598 50	Town Treasurer's and Stores Departments	1.73	60,291 33
			235,148 20
	<b>GENERAL CHARGES:</b>		
60,216 02	Council's General Expenses	2.20	76,364 88
	<b>PUBLIC HEALTH SERVICES:</b>		
46,779 54	Public Health Department	1.71	59,613 18
4,521 98	Funerals and Cemeteries	.04	1 515 11
37,348 34	Scavenging	1.09	38,060 49
9,006 68	Public Latrines	.32	10,948 83
			110,137 61
	<b>PUBLIC WORKS:</b>		
792,542 76	Roads and Drains	14.66	506,538 53
28,693 94	Sundry Works	.08	2,975 63
30,039 86	Fire Brigade	.95	32,746 34
72,095 24	Street Lighting	1.78	61,945 14
41,937 88	Town Planning	.94	32,379 53
			639,585 17
	<b>SUNDRY DEPARTMENTS:</b>		
33,723 48	City Park	.77	26,060 69
7,651 54	Jeevanjee Gardens Market	.19	6,768 52
		.19	6,559 65
			39,988 86
	<b>NATIVE REVENUE ACCOUNTS:</b>		
4,462 80	Native Villages	.01	392 52
24,803 96	Native Housing	1.09	38,022 35
6,068 95	Native Burials and Cemeteries	.25	8,602 56
			47,017 43
23,529 70	CONTRIBUTIONS TO CAPITAL FUNDS	2.62	91,076 19

1,476,913 29

35.65

Shs. 1,239,318 34

**OF NAIROBI**  
**NET REVENUE ACCOUNT**  
 AND THE EXPENDITURE MET THEREFROM  
**31st DECEMBER, 1932.**

1931	REVENUE.	Revenue per £1 of Rateable Value
	<b>RATE ON SITE VALUES @ 1% valuations (land only)</b>	Cents
421,064 23	General Rates	£2,165,072
269,075 92	Government Contribution	£1,310,954
		£3,476,026
		19.62
	(The difference between 1% and the actual proceeds of rates is due to minimum charges and to the payment of discount)	
244 655 79	LICENSES (less cost of collection)	6.74
		234,349 25
56,607 66	INTEREST ON INVESTED FUNDS	1.34
		46,857 17
	LEVY ON SALARIES	.30
		10,185 72
42,675 64	MISCELLANEOUS REVENUE	.51
		17,806 40
	<b>NET REVENUE FROM TRADING AND TARIFF DEPARTMENTS (i.e. after deducting costs)</b>	
	Conservancy	2.55
	Abattoir	.79
43,560 34	Court Square Property	.19
6,762 62	Pounds	.01
500 17	Native Market	.01
1,713 54	Market	—
33,656 74		—
		32.06
1,120,272 65	<b>TOTAL NET REVENUE.</b>	
	Less Adjustment of Government Contribution in lieu of Rates for the years 1930 and 1931	.38
		31.68
	<b>EXCESS EXPENDITURE TRANSFERRED TO GENERAL REVENUE FUND ACCOUNT</b>	3.97
		138,078 35
		35.65
		Shs. 1,239,318 34

1,476,913 29

## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931		EXPENDITURE			
<b>TOWN CLERK'S DEPARTMENT</b>					
72,491	78	Salaries and Allowances	70,078	24	
1,980	36	Office Boys—wages and upkeep	2,004	89	
6,954	00	Rent of Offices	6,177	49	
5,530	44	Printing and Stationery	4,608	93	
564	09	Advertising	719	50	
743	48	Telephones	900	00	
830	00	Postages and Stamps	1,009	40	
875	93	Repairs and Depreciation of Furniture	559	32	
417	00	Miscellaneous Expenses	328	94	
—	—	Removal of Offices	1,202	70	87,689 11
<b>TOWN ENGINEER'S DEPARTMENT</b>					
109,747	96	Salaries and Allowances—Engineers and Staff	92,246	32	
21,070	00	Salaries and Allowances—Building Inspection	27,720	00	
1,980	36	Office Boys—wages and upkeep	2,004	89	
5,900	00	Rent of Offices	6,177	51	
4,876	19	Printing and Stationery, Plans, etc.	2,454	86	
1,020	94	Advertising	1,113	00	
743	01	Telephones	889	75	
904	58	Postages and Cables	1,010	57	
842	32	Repairs and Depreciations of Furniture	608	46	
2,571	32	Instruments	645	10	
767	18	Miscellaneous Expenses	456	08	
—	—	Removal of Offices	1,202	70	
4,939	20	Locomotion—Allowances to Staff, Maintenance and Depreciation of Cars and Cycles	4,944	07	141,473 31
<b>TOWN TREASURER'S &amp; STORES DEPARTMENTS.</b>					
111,816	68	Salaries and Allowances	111,199	38	
4,250	72	Office and Store Boys' wages and upkeep	3,661	00	
6,953	04	Rent of Offices	6,177	49	
3,519	90	Printing and Stationery	3,763	49	
822	08	Telephones	1,245	55	
1,761	95	Postages and Stamps	2,002	78	
618	47	Repairs and Depreciation of Furniture	481	29	
387	00	Fidelity Insurance	661	99	
1,065	30	Miscellaneous Expenses	718	76	
—	—	Removal of Offices	1,202	72	131,114 45

377,799 31

Carried Forward

Shs. 380,276 87

## OF NAIROBI.

### THE YEAR ENDED 31st DECEMBER, 1932.

1931		REVENUE.			
		Town Clerk's Department	Town Engineer's Department	Town Treasurer's Department	Total
<b>PROPORTION OF SALARIES AND EXPENSES CHARGED TO DEPARTMENTS</b>					
37,940	00	5,000	9,000	24,400	38,400 00
37,940	00	5,000	9,000	24,400	38,400 00
6,300	00	1,000	3,000	2,300	6,300 00
3,420	00	1,000	500	2,900	3,900 00
2,420	00	500	1,000	2,900	4,000 00
4,860	00	500	800	900	1,200 00
600	00	600	—	—	600 00
600	00	—	—	1,200	1,200 00
1,200	00	1,500	800	2,500	4,800 00
5,600	00	14,800	23,000	63,700	101,500 00
<b>GOVERNMENT CONTRIBUTION TO STAFF SALARIES</b>					
23,428	69	8,805	55	8,000	7,123 12
<b>LEVY ON OFFICIALS SALARIES</b>					
					10,185 72

124,308 69

Carried Forward

Shs. 135,314 39

## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931	EXPENDITURE	360,276 87
377,799 31	Brought Forward	
<b>GENERAL CHARGES:</b>		
4,000 00	Pension	4,000 00
5,000 00	Mayor's Allowance	5,000 00
10,000 00	Audit Fees	10,000 00
10,000 00	Contribution to Insurance Fund	10,000 00
4,990 87	Valuation Roll	5,540 40
852 00	Printing By-Laws	1,080 00
2,749 16	Election Expenses	792 66
—	Locust Destruction	1,968 00
2,546 00	Legal Expenses	159 00
—	Publicity	103 00
494 26	Court Fees	952 50
1,541 73	Miscellaneous	1,920 28
—	Subscriptions and Donations—	
10,000 00	McMillan Library	10,000 00
8,000 00	Natural History Society	4,000 00
—	Unemployment Relief	1,000 00
42 00	Sundry	884 00
—	Contribution to Provident Fund	18,965 04
—		76,364 88
<b>LICENCES:</b>		
7,680 00	Salary and Allowances—Inspector	7,790 00
5,779 54	Salary and Allowances—Cashier	5,840 00
—	Locomotion Allowance—Inspector	480 00
4,990 01	Badges	2,287 25
1,046 41	Printing, Stationery and Advertising, etc.	525 00
—		16,922 25
<b>PUBLIC HEALTH DEPARTMENT:</b>		
74,088 16	Salaries and Allowances—	76,158 96
6,035 00	Medical Officer and Sanitary Inspectors	4,969 61
—	Locomotion Allowances	
4,800 00	Administration Expenses—	4,800 00
1,738 17	Salary—Clerk	1,258 90
5,147 00	Office Boys' wages and upkeep	4,260 00
1,271 49	Office and Telephone Rents	1,141 84
—	Printing, Stationery & Sundry Charges	
12,200 00	Infectious Diseases—	9,000 00
5,729 00	Salary—Overseer	4,880 44
1,740 36	Natives wages and upkeep	819 39
1,964 28	Oil for Spraying and Sundry Stores	1,920 29
—	Upkeep of Motor Lorry	131 00
8,199 00	Miscellaneous expenses	8,988 00
632 00	Hospital Fees	364 00
—	Notification Fees	
361 00	Food and Drug Inspection—	298 00
880 00	Native Wages and Upkeep	236 00
—	Food and Drug Analysis	
—		119,226 43
582,256 75	Carried Forward	Shs. 572,790 43

## OF NAIROBI.

### THE YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE	135,314 20
124,308 69	Brought Forward	
66,103 50	<b>LICENCES:</b>	
24,080 75	Trade and General	56,185 00
5,497 50	Vehicles and Cycles	21,091 50
—	Dogs	5,475 00
168,520 00	Government Contribution—Traffic	82,751 50
—		168,520 00
77,965 92	<b>PUBLIC HEALTH DEPARTMENT:</b>	251,271 50
—	Government Contribution	59,613 25
—		77,965 92
486,628 36	Carried Forward	Shs. 446,190 14

## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931	EXPENDITURE.	572,700 43
582,256 75	Brought Forward	572,700 43
	<b>FUNERALS AND CEMETERIES :</b>	
2,637 00	Staff Allowances	2,962 50
5,872 43	Cost of Coffins	5,202 33
1,204 33	Maintenance & Depreciation—Motor Hearse.	1,255 28
540 43	Telephone, etc	354 00
	<b>Cemeteries—</b>	
5,068 05	Native Wages and Upkeep	4,727 69
629 06	Repairs and Maintenance	165 17
746 30	Water Charges	279 64
1,200 00	Administration—Town Treasurer's Dept	1,200 00
	<b>SCAVENGING &amp; WATERING STREETS :</b>	
2,800 00	Overseers Salaries—Proportion	2,858 75
20,766 05	Native Wages and Upkeep	23,394 37
3,600	Wages—Water Cart Driver	3,615 75
4,086 63	Plant Maintenance	3,280 87
3,116 56	Live Stock Maintenance	2,759 93
2,009 38	Stores—General	1,099 25
1,668 00	Provision for renewal of plant	1,717 57
	<b>PUBLIC LATRINES :</b>	
1,920 97	Native Wages and Upkeep	2,153 72
1,372 52	Stores and Disinfectants	1,297 58
174 09	Repairs	12 63
3,765 10	Water and Conservancy Charges	3,878 30
121 00	Provision for Renewal of Buildings	1,882 47
	<b>Loan Charges—</b>	
1,093 00	Interest	1,072 77
560 00	Redemption	576 34
	Stamp Duty	75 02
	<b>ROADS AND DRAINS :</b>	
	<b>General Maintenance—</b>	
22,950 96	Trunk Roads	19,045 32
171,735 29	Other Roads	96,463 06
	<b>Road Improvements—</b>	
196,108 08	Tarring Murrum Bound Roads	73,144 25
96,484 02	Construction of Traffic Islands	12,817 66
	<b>Contribution to Maintenance Fund in respect of Roads constructed from Loan and Other Capital Funds</b>	200,000 00
202,132 00	Maintenance of Anti-Malarial Drains	3,550 06
28,083 94	<b>Loan Charges—</b>	
85,272 10	Interest	91,504 00
34,540 70	Redemption	35,107 97
	Stamp Duty	5,077 94
	<b>Plant Hiring Account—Deficiency</b>	3,404 28
5,926 03		540,204 54
	<b>Carried Forward</b>	<b>Shs. 1,176,816 90</b>
1,490,750 77		

## OF NAIROBI.

### THE YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE.	446,199 14
466,426 36	Brought Forward	446,199 14
	<b>FUNERALS AND CEMETERIES :</b>	
10,975 62	Funeral Charges	12,420 00
2,100 00	Grave Fees	2,065 00
	<b>Less Irrecoverable Fees</b>	313 95
	<b>Interest on Renewals Fund</b>	14,171 50
		460 00
	<b>SCAVENGING</b>	554 00
644 00	Carcass Removal	112 00
209 50	Sundry Receipts	666 00
	<b>ROADS AND DRAINS</b>	
30,107 41	Government Contribution on account of Maintenance of Main Trunk and District Roads	28,880 63
	Private Services	1,785 38
	<b>Carried Forward</b>	<b>Shs. 492,162 68</b>
510,462 86		

## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931	EXPENDITURE	1,178,816 90	
	Brought Forward		
1,490,750 77			
	<b>SUNDRY WORKS :</b>		
3,822 16	Traffic Control	2,212 11	
2,240 77	Street Name Plates	616 73	
1,438 06	Street Tree Planting	146 79	2,975 63
	<b>FIRE BRIGADE</b>		
12,137 71	Salaries, etc.—Fire Master and Deputy	13,061 63	
8,007 15	Native Firemen—Wages and Upkeep	8,359 40	
1,997 29	Uniforms and Equipment	2,331 75	
300 77	Chemical Charges	709 15	
1,711 46	Fire Station—Repairs and Upkeep	1,863 16	
1,556 47	Telephone and Fire Alarms	1,063 11	
885 91	Fire Engine—running costs	1,117 64	
105 35	Printing, Stationery and Sundry Expenses	822 75	
	Provision for Renewals		
1,262 00	Fire Engine	1,262 00	
2,708 75	Buildings and Equipment	2,870 75	4,132 75
	<b>STREET LIGHTING</b>		
43,330 64	Purchase of Current	49,122 00	
10,639 35	Maintenance of Lamps	11,761 14	
577 25	Lighting Crossings	468 00	
17,548 00	New Installations	594 00	61,945 14
	<b>TOWN PLANNING</b>		
22,594 83	Salaries and Allowances—Surveyor & Staff	14,680 00	
1,167 53	Native Wages and Upkeep	901 18	
1,920 00	Rent of Offices	1,080 00	
495 52	Printing, Stationery and Sundry Expenses	328 35	
16,440 00	Engineer's Staff—Proportion of Salaries	14,500 00	32,379 53
	<b>MARKET</b>		
7,200 00	Salary of Market Master	7,200 00	
1,498 68	Native Wages and Upkeep	2,256 80	
	<b>General Maintenance—</b>		
401 60	Conservancy, Water and Light	1,987 72	
557 98	Cleaning and Minor Repairs	1,066 32	
165 00	Fire Insurance and Plate Glass	1,001 03	
825 00	Printing, Stationery and Advertising	748 20	4,803 27
	Contribution to Repairs Equalisation Fund,	2,000 00	
	Administration—Town Clerk's and		
3,430 00	Treasurer's Department	3,500 00	
	<b>Loan Charges—</b>		
	New Market—		
	Interest on Temporary Loan	30,000 00	
	Interest on Government Loan	1,068 64	
	Redemption on Government Loan	922 14	
	Old Market Site—		
8,240 00	Interest on Government Loan	8,105 47	
2,940 00	Redemption on Government Loan	3,073 80	
	Stamp Duty	520 13	43,710 18
			63,470 25
	Carried Forward		
1,669,284 00		Shs. 1,572,589 79	

## OF NAIROBI.

### THE YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE	492,162 65
510,462 89	Brought Forward	
	<b>FIRE BRIGADE :</b>	
633 00	Sundry Receipts	655 00
	<b>TOWN PLANNING :</b>	
1,080 00	Rents	
	<b>MARKET :</b>	
55,415 50	Small and Shop Rents	50,084 09
—	Rent of Fittings	2,183 80
1,117 50	Cleaning Fees	965 00
—	Commission on Produce	406 37
—	Deposits forfeited	2,100 00
2,370 00	Sundry Receipts	571 34
		56,910 60
	Carried Forward	
571,078 89		Shs. 549,729 25



## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931	EXPENDITURE	1,372,968 79
1,000,294 00	Brought Forward	
	<b>POUNDS:</b>	
1,195 48	Wages and General Maintenance	1,387 46
546 00	Provision for Renewal of Buildings	450 00
	<b>CITY PARK:</b>	
10,175 00	Salary of Superintendent	5,180 00
8,204 63	Native Wages and Upkeep	7,254 16
6,213 44	General Maintenance	2,385 81
3,424 41	Band Expenses	3,182 00
5,086 00	Provision for Renewal of Buildings	5,086 00
	<b>Loan Charges—</b>	
380 00	Interest	385 60
180 00	Redemption	162 12
	Stamp Duty	25 00
	<b>JERVANJEE GARDENS:</b>	
3,450 00	Overseers Salary	3,600 00
3,172 64	Native Wages and Upkeep	2,411 01
1,028 90	General Maintenance	757 51
	<b>NATIVE VILLAGES:</b>	
5,400 00	Superintendent and Assistant—Part Salaries	5,702 00
	Municipal Native Affairs Officer—Part	
1,043 75	Salary and Locomotion Allowance	5,115 00
10,635 17	Native Wages and Upkeep	10,067 32
	<b>Maintenance of Plant, Livestock and</b>	
6,786 64	Buildings	4,096 64
834 84	Printing, Stationery and Sundry Charges	815 53
10,000 00	Provision for Renewals	10,000 00
	<b>Water Supply—</b>	
1,815 71	Native Wages and Upkeep	2,044 10
4,674 80	Water Supplied	2,984 21
557 73	Repairs and Maintenance	1,047 32
1,534 50	Printing Tickets	978 00
	<b>Administration—Proportion</b>	
2,420 00	Interest	3,800 00
	<b>Loan Charges—</b>	
5,160 00	Interest	5,085 92
1,840 00	Redemption	1,922 13
	Stamp Duty	250 05
	<b>NATIVE HOUSING</b>	
1,860 00	Superintendent and Assistant—Part Salaries	1,880 00
	Municipal Native Affairs Officer—Part	
1,043 75	Salary and Locomotion Allowance	5,115 00
4,884 99	Native Wages and Upkeep	5,993 80
2,160 00	Conservancy Charges	1,728 00
2,408 50	Water Charges	2,267 31
	<b>Stores and Sundry Expenses</b>	
661 09	Fire Insurance	970 36
623 73	Contribution to Building Repairs Equalisation Fund	844 13
5,000 00	Administration—Proportion	10,000 00
4,860 00	Loan Charges—	4,000 00
	Interest	32,686 41
38,000 00	Redemption	13,447 88
	Stamp Duty	1,780 45
	<b>Carried Forward</b>	<b>50,998 34</b>
1,827,566 60		

## OF NAIROBI

### THE YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE	549,728 25
571,078 80	Brought Forward	
	<b>POUNDS:</b>	
2,241 68	Fees and Sales	2,132 61
	Interest on Renewals Fund	320 00
	<b>NATIVE VILLAGES:</b>	
36,925 60	Plot Rents	37,624 00
732 00	Departmental Housing	536 00
13,140 00	Sale of Water	13,500 00
	Interest on Renewals Fund	1,836 00
	<b>NATIVE HOUSING:</b>	
14,388 00	Rents Received	19,438 99
23,169 00	Departmental Housing	23,232 00
	<b>Carried Forward</b>	<b>646,347 85</b>

## MUNICIPAL COUNCIL

### GENERAL FUND REVENUE ACCOUNT FOR

1931	EXPENDITURE.	1,542,837 32		
1,827,566 60	Brought Forward			
	<b>NATIVE BURIALS AND CEMETERY:</b>			
	<b>Native Burials</b>	3,960 00		
3,920 00	<b>Asian Wages—Attendants</b>	1,517 14		
1,637 78	<b>Native Wages and Upkeep</b>	2,148 48		
1,458 13	<b>Motor Hearse—Upkeep and Depreciation</b>	1,547 30		
	<b>Erection of New Quarters for Attendants</b>	665 55		
231 54	<b>Sundry Charges</b>	300 00	10,138 56	
600 00	<b>Administration—Proportion Town Treasurer's</b>			
	<b>NATIVE MARKET:</b>			
	<b>Native Wages and Upkeep</b>	996 65		
837 63	<b>Repairs to Buildings</b>	310 50		
41 28	<b>Water Charges and Sundry Stores</b>	261 75		
579 80	<b>Printing Market Tickets</b>	97 50		
227 75	<b>Administration—Town Treasurer's Dept.</b>	600 00		
600 00	<b>Loan Charges—</b>			
	Interest	3,112 50		
3,160 00	Redemption	1,180 34		
1,120 00	Stamp Duty	153 64	4,446 48	6,712 88
	<b>COURT SQUARE PROPERTY:</b>			
	<b>Repairs and Fire Insurance—Old Portion</b>	115 45		
477 38	<b>Loan Charges—</b>			
	Interest	12,158 20		
12,360 00	Redemption	4,610 70		
4,400 00	Stamp Duty	600 15	17,369 05	17,484 50
	<b>CONTRIBUTIONS TO CAPITAL ACCOUNT</b>			
23,529 70			91,076 19	

1,862,747 59

Shs. 1,668,249 45

## OF NAIROBI.

### THE YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE.	648,347 85
663,777 14	Brought Forward	
1,778 50	<b>NATIVE BURIALS</b>	
	Burial Fees	1,420 00
	Interest on Renewals Fund	116 00
		1,536 00
	<b>NATIVE MARKET</b>	
8,280 00	Stall Fees	7,320 00
	<b>COURT SQUARE PROPERTY</b>	
24,000 00	Rent	24,000 00
	<b>ASSESSMENT RATE</b>	
421,064 23	General Rate @ 1% on Site Values	425,900 28
269,075 92	Government Contribution	242,046 23
		668,846 51
56,607 06	<b>INTEREST ON INVESTED FUNDS</b>	46,557 17
	<b>MISCELLANEOUS REVENUE</b>	
16,385 68	Quarry Royalties	1,397 21
1,071 00	Grating Fees	1,818 00
4,245 00	Court Fines	2,912 50
	Street Encroachments	6,661 96
7,049 31	Verandah Kents, Petrol Pumps, etc	5,016 73
10,766 43	Sundry Receipts	17,806 40
		1,414,413 93
1,487,163 87	<b>APPROPRIATIONS FROM THE FOLLOWING DEPARTMENTS</b>	
	Conservancy Services	88,209 23
43,500 34	Abattoirs	27,457 94
		115,757 17
		1,530,171 10
352,083 38	<b>BALANCE—Excess Expenditure for Year</b>	138,078 35

1,862,747 59

Shs. 1,668,249 45

**MUNICIPAL COUNCIL**  
**Abattoir**  
**REVENUE ACCOUNT FOR THE**

1931

**EXPENDITURE.**

ABATTOIR				
9,445	56	Salary Superintendent	9,440	00
4,495	17	Native Wages and Upkeep	4,573	86
2,359	02	Stores and Disinfectants	2,164	56
2,448	30	Water Charges	1,619	88
1,846	16	Removal of Offals, etc.	1,385	66
1,505	52	Repairs to Buildings and Plant	1,098	61
—	—	Provision for Renewals of Plant	415	93
575	19	Printing, Stationery and Telephone	914	25
2,191	34	Contribution to Building Repairs Equalisation Fund	700	00
6,500	00	Administration—Treasury, Works & General	4,500	00
—	—	Loan Charges—		
—	00	Interest	8,678	52
2,940	00	Redemption	4,226	72
—	—	Stamp Duty	550	14
			13,655	38
			41,068	03
BY PRODUCTS				
		Salaries—Engineer and Assistant	4,496	76
		Native Wages and Upkeep	1,332	13
		Repairs and Maintenance of Plant	670	03
		General Stores	211	62
		Power—Electric	1,270	70
		Steam	660	00
			1,930	70
		Water Charges	197	20
		Slaughter Fees for condemned carcasses	2,048	50
		Packing Materials	630	73
		Analysis of Products	330	00
		Contribution to Building Repairs Equalisation Fund	300	00
		Administration—Treasury, Works & General	2,000	00
		Loan Charges—		
		Interest	4,439	00
		Redemption	2,113	00
		Stamp Duty	275	07
			6,827	07
			20,964	74
			62,032	77
43,560	34	BALANCE—Surplus transferred to General Fund Revenue Account	27,457	94

82,706 60

Shs. 89,490 71

**OF NAIROBI**

**Department.**  
**YEAR ENDED 31st DECEMBER, 1932.**

1931

**REVENUE.**

ABATTOIR				
82,706	60	Slaughter Fees	80,986	50
		Sundry Receipts	75	71
			81,062	21

**BY PRODUCTS**

		Fat	3,910	50
		Blood Meal	1,513	00
		Bone Meal	3,005	00
			8,428	50

82,706 60

Shs. 89,490 71

**MUNICIPAL COUNCIL**  
**Conservancy**  
**REVENUE ACCOUNT FOR THE**

1931

**EXPENDITURE.**

NIGHT SOIL REMOVAL :			
General Maintenance—			
7,693 00	Overseers Salaries—Proportion	8,408 75	
30,529 34	Native Wages and Upkeep	40,637 57	
11,777 57	Maintenance of Plant and Buildings	8,467 13	
6,374 09	Maintenance of Livestock	6,064 19	
3,430 00	Lime	3,500 00	
4,564 03	General Stores and Sundry Charges	5,168 22	72,246 86
Administration and General—			
Administration—Treasury, Works and			
37,940 00	General	32,400 00	
1,009 00	Printing and Stationery	787 40	
105 51	Insurance	145 16	
	Provident Fund Contribution	847 44	34,180 00
Provision for Renewals—			
3,543 86	Buildings	3,543 86	
	Plant	1,050 00	4,593 86
Loan Charges—			
2,420 00	Interest	2,367 70	
1,330 00	Redemption	1,383 30	
	Stamp Duty	180 00	3,931 00
			114,951 72
WATER-BORNE SEWERAGE :			
	Maintenance of Sewers	727 07	
	Water for flushing	6,285 60	7,012 67
	Administration, Treasury, Works & General		6,000 00
Loan Charges—			
21,260 00	Interest	15,034 63	
7,130 00	Redemption	8,069 41	
	Stamp Duty	1,050 42	24,154 46
			37,167 13
REFUSE REMOVAL :			
General Maintenance—			
6,947 02	Overseers Salaries—Proportion	5,765 25	
24,208 02	Native Wages and Upkeep	24,064 18	
14,946 50	Maintenance of Plant and Buildings	5,375 57	
45,341 29	Maintenance of Livestock	13,615 11	
469 68	General Stores and Sundry Charges	170 16	48,990 27
Refuse Destructors—			
5,703 06	Wages	9,152 15	
1,161 57	Maintenance and Repairs	6,167 79	
887 55	Power, Light and Water	1,248 27	
512 00	Insurance	615 00	17,184 21
Provision for Renewals—			
298 98	Destructors	2,000 00	
	Plant and Equipment	3,143 12	5,143 12
Loan Charges—			
7,600 00	Interest on Temporary Loan	7,600 00	78,917 60
			281,038 45
226,302 05	BALANCE—Transferred to General Fund		88,299 23
94,815 65	Revenue account		
			321,117 70
			Shs. 316,299 68

**OF NAIROBI.**

**Department.**  
**YEAR ENDED 31st DECEMBER, 1932.**

1931

**INCOME.**

NIGHT SOIL REMOVAL			
262,553 70	Fees		261,257 15
	Emptying Septic Tanks		563 50
7,200 00	Sundry Revenue		2,195 53
			264,016 18
WATER-BORNE SEWERAGE			
50,130 00	Fees and Connections		52,237 00
REFUSE REMOVAL			
1,234 00	Contract Work and Sundry Revenue		2,295 50
	Incinerating Fees		127 00
	Steam Supplied to Abattoir		680 00
			3,082 50
			Shs. 310,335 68
			321,117 70

## MUNICIPAL COUNCIL Water

### REVENUE ACCOUNT FOR THE

1931	EXPENDITURE.		Cost per 1,000 galls. sold.		
			Shs. Cts.		
<b>MAINTENANCE &amp; DISTRIBUTION:</b>					
	Superintendent and Staff—				
22,538	61	Salaries and Allowances	22,780	00	
		Leave Pay	9,750	00	32,530 00
<b>Meter Readers—</b>					
14,880	00	Salaries and Allowances	8,730	00	
		Leave Pay	3,232	30	11,962 30
<b>Repairs and Maintenance—</b>					
40,889	52	Mains and Services	39,773	97	
32,582	64	Meters	40,653	95	
1,950	27	Hydrants	2,389	18	
1,129	44	Tools and Plant	3,330	76	86,156 86
		Water used for Flushing Mains, Testing, etc.			7,500 40
1,226	75	Proportion of Workshop Expenses	1,515	15	
2,348	04	Motor Vehicles—running expenses	2,940	70	
		Chlorination Expenses	43	856	36 143,461 77
<b>PRIVATE SERVICES:</b>					
12,595	30	Materials and Labour	05		8,820 42
<b>ADMINISTRATION &amp; GENERAL EXPENSES:</b>					
37,940	00	Administration—Treasury, Works and General		38,400	00
		Provident Fund Contribution		2,742	78
3,371	44	Printing, Stationery, Advertising and Telephones		2,174	40
154	68	Fire Insurances		143	89
		Water Analysis		480	00
480	25	Sundry Expenses	14	773	35 44,714 42
<b>TOTAL WORKING EXPENSES</b>					
			60		197,005 61
<b>PROVISION FOR RENEWALS:</b>					
38,204	35	Distribution System		30,000	00
		Plant and Buildings	11	6,656	28 36,656 28
<b>LOAN CHARGES:</b>					
85,040	00	Interest on Government Loan		71,868	04
		Interest on Kenya and Uganda Railway Loan		14,525	03
15,676	92	Interest on Temporary Loan		5,632	00 92,025 07
<b>Redemption—Government Loan</b>					
29,500	00	Redemption—Kenya and Uganda Railway Loan		27,951	23
18,371	38	Stamp Duty	43	19,473	66 47,424 89
				3,638	48 143,088 44
<b>TOTAL EXPENDITURE</b>					
			1.14		376,750 33
243,321	91	BALANCE to Appropriation Account.	.65		214,450 94
602,211	50		1.79		591,201 27
<b>Appropriation</b>					
<b>NEW SOURCE OF SUPPLY</b>					
		Investigation Expenses			3,111 21
36,907	64	Contribution to Capital Account—Purchase of Water Rights, Kikuyu		4,189	00
208,414	27	Balance carried to Special Reserve Fund		207,189	73
243,321	91				Shs. 214,450 94

## OF NAIROBI.

### Department.

#### YEAR ENDED 31st DECEMBER, 1932.

1931	REVENUE.		Revenue per 1,000 galls. sold.	
	Consumption gallons.		Shs. Cts.	
<b>SALE OF WATER:</b>				
	Private Consumers	216,708	000	1 99 432,739 46
	Kenya and Uganda Railway	80,533,000	85	68,452 62
	Municipal Depts.	23,336,000	85	19,835 24
	Flushing Mains, etc.	8,824,000	85	7,500 40
534,129	77			329,401,000 1 60 588,827 72
<b>SUNDRY REVENUE:</b>				
29,060	06	Meter Rents		30,866 81
560	00	Turning-on Fees		620 00
90	00	Meter Testing		140 00
23,486	67	Private Services		11,085 74
1,275	00	Rent of Superintendent's House		1,500 00
13,600	00	Interest on invested funds		21,980 00
		Levy on Salaries and Wages		807 72
				21 07,806 27
<b>TOTAL REVENUE:</b>				
			1.81	596,425 99
		Less—Adjustment on account of previous years—Kenya and Uganda Railways	.02	5,224 72
			1.79	591,201 27
602,211	50			
<b>Account.</b>				
243,321	91	BALANCE BROUGHT DOWN		214,450 94
243,321	91			Shs. 214,450 94

**MUNICIPAL COUNCIL**  
**Native**  
**REVENUE ACCOUNT FOR THE**

1931		EXPENDITURE.	
<b>BREWING :</b>			
15,912	41	Native Wages and Upkeep	13,749 37
13,097	00	Materials and Consumable Stores	12,406 25
2,534	87	Fuel, Power, Light, etc.	1,913 32
528	37	Maintenance of Plant and Buildings	149 27
438	70	Water Charges	205 69
246	00	Beer Analysis	240 00
			26,723 90
<b>ADMINISTRATION &amp; GENERAL CHARGES :</b>			
4,055	00	Superintendent's Salary—Proportion	3,886 00
5,600	00	Administration—Treasury, Works and General	4,500 00
78	00	Printing and Stationery	117 65
88	12	Insurance	86 78
			8,572 43
			37,296 33
			53,419 59
74,809	46	BALANCE—Excess Revenue to Native Trust Fund.	
117,073	93		Shs. 90,715 92

**Native Trust**  
**ACCOUNT FOR THE YEAR**

<b>DEPARTMENT OF MUNICIPAL NATIVE AFFAIRS OFFICER :</b>			
3,000	00	Proportion of Salary and Locomotion Allowance	10,230 00
5,341	45	Salaries—Office Staff and Native Interpreter.	5,915 91
900	00	Wages of Headman	900 00
560	74	Printing, Stationery and Sundry Charges	554 46
			17,600 37
<b>NATIVE WELFARE SERVICES :</b>			
3,081	89	Lighting of Villages	3,094 46
2,000	00	Donations—Lady Grigg Welfare League	2,000 00
264	84	Donations—African Sports	500 00
499	38	Sports Equipment	548 06
		Repairs to Clinic and Bathing Places	447 04
144	00	Medical Food for Clinic	346 60
		Jeanes School Teacher	540 00
		Fire Insurance—Clinic	37 04
			7,513 80
<b>NATIVE MEMORIAL HALL :</b>			
589	23	Native Wages and Upkeep	593 97
441	74	Maintenance of Building	40 10
467	75	Lighting	498 15
178	50	Fire Insurance	176 90
2,004	50	Cinema Entertainments	3,206 80
			4,523 72
<b>CAPITAL OUTLAY :</b>			
44,822	46	Native Stadium	34,005 89
		Brewery Extension	300 00
			34,305 86
			63,943 75
254,802	46	Balance carried forward as per Balance Sheet.	256,726 85
319,088	94		Shs. 320,670 60

**OF NAIROBI.**  
**Brewery.**  
**YEAR ENDED 31st DECEMBER, 1932.**

1931		REVENUE.	
117,073	93	SALE OF BEER AND WASTE	90,715 92
			Shs. 90,715 92

**Fund.**  
**ENDED 31st DECEMBER, 1932.**

233,207	13	BALANCE at 1st January, 1932	254,802 46
<b>INCOME FOR YEAR :</b>			
74,909	46	Profit on Brewery	53,419 59
1,754	35	Native Memorial Hall—Cinema Receipts	2,103 00
9,328	00	Interest on Invested Funds	10,192 00
		Levy on Salaries and Wages	153 55
			65,868 14
			319,088 94
			Shs. 320,670 60

**MUNICIPAL COUNCIL**  
**Native**  
**REVENUE ACCOUNT FOR THE**

EXPENDITURE		
1431		
<b>BREWING :</b>		
15,912	41	Native Wages and Upkeep .....
13,097	00	Materials and Consumable Stores .....
2,531	87	Fuel, Power, Light, etc. ....
528	37	Maintenance of Plant and Buildings .....
438	79	Water Charges .....
240	00	Beer Analysis .....
		28,723 80
<b>ADMINISTRATION &amp; GENERAL CHARGES :</b>		
4,055	00	Superintendent's Salary—Proportion .....
5,600	00	Administration—Treasury, Works and General .....
78	00	Printing and Stationery .....
88	12	Insurance .....
		86 78
		8,572 48
		37,296 33
		53,419 59
74,809	46	<b>BALANCE—Excess Revenue to Native Trust Fund.</b> .....
117,073	93	
		Shs. 90,715 82

**Native Trust**  
**ACCOUNT FOR THE YEAR**

<b>DEPARTMENT OF MUNICIPAL NATIVE AFFAIRS OFFICER :</b>		
3,000	00	Proportion of Salary and Locomotion Allowance .....
		10,230 00
5,341	45	Salaries—Office Staff and Native Interpreter .....
900	00	Wages of Headman .....
560	74	Printing, Stationery and Sundry Charges .....
		554 46
		17,600 37
<b>NATIVE WELFARE SERVICES :</b>		
3,081	89	Lighting of Villages .....
2,000	00	Donations—Lady Grigg Welfare League .....
264	84	Donations—African Sports .....
499	38	Sports Equipment .....
144	00	Repairs to Clinic and Bathing Places .....
—	—	Medical Food for Clinic .....
—	—	Jeanes School Teacher .....
—	—	Fire Insurance—Clinic .....
		37 84
		7,513 80
<b>NATIVE MEMORIAL HALL :</b>		
589	23	Native Wages and Upkeep .....
441	74	Maintenance of Building .....
467	75	Lighting .....
178	50	Fire Insurance .....
2,004	50	Cinema Entertainments .....
		3,206 80
		4,523 72
44,822	46	<b>CAPITAL OUTLAY :</b>
		Native Stadium .....
		Brewery Extension .....
		34,008 89
		300 00
		34,308 86
		63,943 75
254,802	46	<b>Balance carried forward as per Balance Sheet.</b> .....
		256,726 85
319,096	94	
		Shs. 320,670 80

**OF NAIROBI.**  
**Brewery.**  
**YEAR ENDED 31st DECEMBER, 1932.**

REVENUE		
1931		
117,073	93	SALE OF BEER AND WASTE .....
		90,715 82
		Shs. 90,715 82

**Fund.**  
**ENDED 31st DECEMBER, 1932.**

233,207	13	<b>BALANCE</b> at 1st January, 1932 .....	254,802 46
<b>INCOME FOR YEAR :</b>			
74,809	46	Profit on Brewery .....	53,419 59
1,754	35	Native Memorial Hall—Cinema Receipts .....	2,103 00
9,328	00	Interest on Invested Funds .....	10,192 00
		Levy on Salaries and Wages .....	153 55
		65,888 14	

319,096 94

Shs. 320,670 80

**NATIVE**  
(i.e. SERVICES SPECIALLY  
**Statement of Revenue and Expenditure**

SERVICE.	Refer to page.	Gross Expenditure.
Pumwani and Pangani Villages	19	53,888 52
Housing Schemes	19	80,693 34
Maintenance of Cemetery and Burials	21	10,138 56
Market	21	6,712 88
Brewery	29	37,296 33
Department of Municipal Native Affairs Officer—proportion of expenditure not charged to individual Native Services	29	17,600 37
Native Memorial Hall	29	1,317 22
Cinema Entertainments	29	3,206 50
Public Lighting of Villages	29	3,094 46
Donation to Lady Grigg Welfare League	29	2,000 00
Clinic and Dispensary	29	384 24
Sports Equipment and Sundry Expenditure	29	2,035 10
Interest on Native Trust Fund Cash Balances		
		218,367 52

**Statement of Capital Outlay**  
**AT 31st**

SERVICE.	Refer to Page.	CAPITAL OUTLAY AND SOURCES	
		Total at 31st December, 1932.	ex-Loans.
Pumwani and Pangani Villages	46	141,695 81	100,000 00
Housing Schemes	46	663,669 59	663,666 54
Cemetery and Burials	45	3,713 12	
Market	46	61,446 40	61,440 00
Brewery and Beer Shop	46	28,960 89	
Cinema Equipment	46	1,746 08	
Clinic and Dispensary	46	21,436 39	
Stadium	46	49,338 46	
Baths, Pumwani	46	8,735 10	
		977,741 84	825,106 54

**SERVICES.**  
**PROVIDED FOR AFRICANS.**  
**for the year ended 31st December, 1932.**

Gross Revenue.	NET EXPENDITURE CHARGED TO		NET REVENUE CARRIED TO	
	Council's General Revenue Fund.	Native Trust Fund	Council's General Revenue Fund	Native Trust Fund
53,406 00	392 52			
42,670 99	38,022 35			
1,536 00	8,033 58		607 12	
7,320 00				53,419 59
90,715 92				
		17,446 82		
153 55		1,317 22		
		1,103 50		
2,103 00		3,094 46		
		2,000 00		
		384 24		
		2,035 10		
10,192 00				10,192 00
			607 12	
				63,611 59
208,187 46	47,017 43	27,381 34	607 12	63,611 59

**and Reserve Funds.**  
**DECEMBER, 1932.**

FROM WHICH CAPITAL IS DERIVED.			RESERVE FUNDS	
ex-Government Loans	ex-Council's General Revenue Fund	ex-Native Trust Funds	Balance of Fund	Amount at 31st Dec., 1932
30,000 00	11,095 81		Renewal of Assets	55,950 00
	3 05		Maintenance of Buildings	7,800 85
	3,713 12		Renewal of Plant	851 63
	6 40			
		25,960 89		
		1,746 08		
		21,436 39		
		49,338 46		
	6,735 10	2,000 00		
30,000 00	22,153 48	100,491 82		64,602 48



**NATIVE**  
(i.e. SERVICES SPECIALLY)  
**Statement of Revenue and Expenditure**

SERVICE.	Refer to page.	Gross Expenditure.
Pumwani and Pangani Villages	19	53,888 52
Housing Schemes	19	80,693 34
Maintenance of Cemetery and Burials	21	10,138 56
Market	21	6,712 88
Brewery	29	37,296 33
Department of Municipal Native Affairs Officer—proportion of expenditure not charged to individual Native Services	29	17,600 37
Native Memorial Hall	29	1,317 22
Cinema Entertainments	29	3,206 50
Public Lighting of Villages	29	3,094 46
Donation to Lady Grigg Welfare League	29	2,000 00
Clinic and Dispensary	29	384 24
Sports Equipment and Sundry Expenditure	29	2,035 10
Interest on Native Trust Fund Cash Balances		
		218,387 52

**Statement of Capital Outlay**  
**AT 31st**

SERVICE.	Refer to Page.	CAPITAL OUTLAY AND SOURCES	
		Total at 31st December, 1932.	ex-Loans.
Pumwani and Pangani Villages	46	141,695 81	100,000 00
Housing Schemes	46	663,669 59	663,666 54
Cemetery and Burials	45	3,713 12	
Market	46	61,446 40	61,440 00
Brewery and Beer Shop	46	25,960 89	
Cinema Equipment	46	1,746 08	
Clinic and Dispensary	46	21,436 39	
Stadium	46	49,338 46	
Baths, Pumwani	46	8,735 10	
		977,741 84	825,106 54

**SERVICES.**  
**PROVIDED FOR AFRICANS.**  
**for the year ended 31st December, 1932.**

Gross Revenue.	NET EXPENDITURE CHARGED TO		NET REVENUE CARRIED TO	
	Council's General Revenue Fund.	Native Trust Fund	Council's General Revenue Fund	Native Trust Fund
53,496 00	392 52			
42,670 99	38,022 35			
1,536 00	8,602 56		607 12	
7,320 00				53,419 59
90,715 92				
		17,446 82		
		1,317 22		
		1,103 50		
2,103 00		3,094 46		
		2,000 00		
		384 24		
		2,035 10		
10,192 00				10,192 00
			607 12	
				63,611 59
208,187 46	47,017 43	27,381 34	607 12	63,611 59

**and Reserve Funds.**  
**DECEMBER, 1932.**

FROM WHICH CAPITAL IS DERIVED.			RESERVE FUNDS	
ex-Government Grants.	ex-Council's General Revenue Fund.	ex-Native Trust Fund.	Purpose of Fund	Amount at 31st Dec., 1932
30,000 00	11,595 81		Renewal of Assets	55,950 00
	3 05		Maintenance of Buildings	7,600 85
	3,713 12		Renewal of Plant	851 63
	6 40			
		25,060 89		
		1,746 08		
		21,436 39		
		49,338 46		
		2,000 00		
	6,735 10			
30,000 00	22,153 48	100,480 82		64,432 48

## MUNICIPAL COUNCIL General

EXPENDITURE AND WITHDRAWALS		
PURCHASE OF OFFICE FURNITURE		3,144 18
PURCHASE OF NEW NATIVE HEAPSE		2,772 00
CONTRIBUTION TOWARDS COST ON NEW INCINERATORS	7,200 00	
NEW NIGHT SOIL CART	310 06	7,510 06
NEW DRINKING TROUGHS		875 50
CONTRIBUTION TOWARDS COST OF NEW ABATTOIRS		28,740 00
REFUND TO REVENUE FUND ON ACCOUNT OF PETROL STORE		2,000 00
BALANCE CARRIED FORWARD	45,041 72	704,205 41
	Shs.	749,247 13
<b>Water Department</b>		
BALANCE CARRIED FORWARD		181,963 64
	Shs.	181,963 64

## OF NAIROBI. Renewals Fund.

	INCOME.		TOTAL
	Balance at 1st Jan., 1932.	Contributions 1932.	
<b>ADMINISTRATION:</b>			
Office Furniture and Equipment	30,259 02	1,000 00	34,259 02
Motor Vehicles and Cycles	11,823 00	2,372 25	14,195 25
Mayor's Robe	1,431 60	—	1,431 60
<b>CITY PARK:</b>			
Buildings	32,764 98	5,086 00	37,850 98
Plant and Tools	2,315 35	—	2,315 35
<b>FUNERALS AND CEMETERIES</b>			
Buildings	1,200 00	—	1,200 00
Motor Vehicles	13,239 25	1,692 51	14,931 76
<b>CONSERVANCY AND REFUSE:</b>			
Buildings	44,751 47	5,843 86	50,595 33
Plant and Vehicles	29,920 07	4,193 12	34,113 19
<b>FIRE BRIGADE:</b>			
Buildings	11,530 00	1,495 00	13,025 00
Fire Engine and Equipment	40,839 52	2,637 75	43,477 27
<b>JEEVANJEE GARDENS:</b>			
Plant and Tools	969 50	—	969 50
<b>LIVESTOCK DEPT.:</b>			
Open	29,343 00	2,387 00	32,430 00
Buildings	46,864 75	1,183 00	48,047 75
<b>LATRINES</b>			
Buildings	21,940 00	1,882 47	23,822 47
<b>POUNDS:</b>			
Buildings	8,051 50	450 00	8,501 50
<b>PUBLIC HEALTH DEPARTMENT</b>			
Motor Lorry	1,837 30	918 65	2,755 95
<b>NATIVE LOCATIONS:</b>			
Buildings, etc.	45,980 00	10,000 00	55,980 00
<b>ROAD DEPARTMENT</b>			
Buildings	7,877 41	1,071 00	8,948 41
Plant	198,602 79	48,740 78	247,343 57
<b>ABATTOIR:</b>			
Buildings	28,740 10	1,000 00	29,740 10
Plant	514* 00	415 93	929 93
<b>SCAVENGING:</b>			
Plant	10,687 66	1,717 57	12,405 23
<b>WORKSHOPS</b>			
Buildings	5,176 00	251 00	5,427 00
Plant and Tools	3,891 74	1,660 00	5,551 74
<b>COURT SQUARE</b>			
Old Building	13,800 00	—	13,800 00
<b>SUNDRY BUILDINGS:</b>			
Petrol Store	2,000 00	—	2,000 00
Building Place	1,200 00	—	1,200 00
<b>MARKET</b>			
Building	—	2,000 00	2,000 00
<b>RESERVE FOR UNSERVICEABLE STORES</b>	3,639 23	—	3,639 23
	651,549 24	97,697 89	749,247 13
		Shs.	749,247 13
<b>Renewals Fund.</b>			
DISTRIBUTION SYSTEM	117,374 06	30,000 00	147,374 06
SUNDRY BUILDINGS	13,029 22	3,194 28	16,223 50
PLANT AND TOOLS	9,901 77	3,037 00	12,938 77
MOTOR VEHICLES	4,530 00	425 00	4,955 00
RESERVE FOR UNSERVICEABLE STORES	10,472 31	—	10,472 31
	155,307 36	36,656 28	191,963 64
		Shs.	191,963 64

## MUNICIPAL COUNCIL Special Reserve

Statement showing Expenditure and Income

### EXPENDITURE.

FUND.	EXPENDITURE.		Balance at	
	Details.	Amount.	31st Dec., 1932.	TOTAL.
<b>ROADS</b>				
Maintenance of Roads constructed from Loan Funds	Maintenance of Trunk Roads	38,266 12		
	Maintenance of Ordinary Roads	79,627 33	275,143 79	353,817 24
<b>PASSAGES :</b>				
Reserve for Officials' Passages	Sundry Payments	22,817 83	40,255 41	71,573 24
<b>NATIVE HOUSING :</b>				
Building Repairs Equalisation Fund.	Repairs to Buildings	2,677 87	7,600 85	10,278 72
<b>INSURANCE FUND :</b>				
Reserve for Claims other than Fire	Sundry Claims	210 00	30,990 00	31,200 00
<b>ANTI-MALARIAL WORKS :</b>				
Reserve for Extension	Nil.		85,780 93	85,780 93
<b>CONSERVANCY :</b>				
Reserve for improvements of Services.	Nil.		166,843 16	166,843 16
<b>WATER DEPARTMENT :</b>				
Special Reserve Fund	Nil.		601,371 28	601,371 28
			Shs. 143,079 15	1,216,994 42
				1,380,073 57

Shs. 143,079 15 1,216,994 42 1,380,073 57

### Private

Statement showing Roads Constructed

NAME OF ROAD.	Cost	
	of Construction.	Apportioned to Frontagers.
HURLINGHAM ROAD	9,540 60	9,540 60
DAVIDSON ROAD	57,791 48	39,845 48
FAIRVIEW ROAD	9,371 05	9,371 05
ROAD TO MUSLIM GIRLS' SCHOOL	1,323 20	1,323 20
CROSS ESTATE ROAD	774 32	774 32
CHAMBERS ROAD	7,328 03	7,328 03
SCHOOL LANE, WESTLANDS	6,715 94	4,598 44
		Shs. 82,833 08
		79,998 12

Shs. 82,833 08 79,998 12

## OF NAIROBI

Pounds.

for the Year ended 31st December, 1932.

### INCOME.

Balance at 1st January, 1932.	Contribution.	Interest earned.	TOTAL.
193,017 24	200,090 00	—	393,017 24
53,123 24	18,450 00	—	71,573 24
278 72	10,000 00	—	10,278 72
20,400 00	10,000 00	800 00	31,200 00
85,780 93	—	—	85,780 93
166,843 16	—	—	166,843 16
394,211 55	207,150 73	—	601,371 28
913,663 84	445,600 73	800 00	1,360,073 57

### Streets Ordinance.

Government Contribution.	Contributed by Council.	Interest Charged.	Total.	Amounts paid to 31st Dec., 1932.	Balance Outstanding.
—	—	83 44	9,633 04	6,206 20	426 84
—	17,946 00	—	57,791 48	20,929 72	36,861 76
—	—	—	9,371 05	831 43	8,539 62
—	—	—	1,323 20	—	1,323 20
—	—	—	774 32	—	774 32
—	—	—	7,328 03	1,045 89	6,282 14
—	—	—	6,715 94	3,391 93	3,324 01
2,212 80	—	—	5,287 06	5,287 06	—
2,212 80	17,946 00	83 44	82,997 08	35,405 17	47,591 91

Shs. 82,833 08 79,998 12

**Government Loan Schedule**  
AS AT 31st DECEMBER, 1932.

PURPOSE OF LOAN.	Authorised Loan.	Amount Raised.	Amount Expended.	Balance Available.
<b>WATER SUPPLY :</b>				
General Improvements .....	600,000 00	600,000 00	600,000 00	— —
New Distribution Mains .....	346,420 00	346,420 00	346,420 00	— —
New Main from Kikuyu .....	280,300 00	280,300 00	280,300 00	— —
New Meters .....	120,000 00	120,000 00	120,000 00	— —
Purification Plant .....	15,000 00	15,000 00	12,780 80	2,230 20
Eastleigh Extension .....	64,220 00	64,220 00	33,588 36	30,631 64
New Source of Supply .....	20,000 00	20,000 00	20,000 00	— —
	<u>1,664,940 00</u>	<u>1,664,940 00</u>	<u>1,422,068 16</u>	<u>32,870 84</u>
<b>ROADS AND SANITATION :</b>				
Conversions and New Plant .....	2,012,000 00	2,012,000 00	2,008,828 19	6,171 81
Roads and Bridge Widening .....	18,520 00	18,520 00	— —	18,520 00
Water-borne Sewerage .....	420,040 00	420,040 00	267,320 03	152,719 97
<b>MISCELLANEOUS :</b>				
Concrete Native Houses .....	40,000 00	40,000 00	40,000 00	— —
Native Market .....	61,440 00	61,440 00	61,440 00	— —
Native Villages .....	100,000 00	100,000 00	100,000 00	— —
Jeevanjee Market and Plot .....	180,000 00	180,000 00	180,000 00	— —
Court Square Property .....	240,000 00	240,000 00	240,000 00	— —
Native Housing Scheme No. 1 .....	261,800 00	261,800 00	261,800 00	— —
Native Housing Scheme No. 2 .....	438,200 00	438,200 00	401,868 54	36,331 46
Ahattor .....	330,000 00	330,000 00	289,550 18	31,440 82
Public Latrines .....	30,000 00	30,000 00	18,824 74	11,175 26
Artisans Quarters .....	32,000 00	32,000 00	— —	32,000 00
City Park—Boys' Quarters .....	10,000 00	10,000 00	6,860 00	3,040 00
New Market—Fittings .....	48,000 00	48,000 00	28,836 13	19,163 87
	<u>5,666,940 00</u>	<u>5,666,940 00</u>	<u>5,313,508 97</u>	<u>343,431 03</u>

**Loans Sanctioned but Not Raised.**

PURPOSE.	Amount Sanctioned.	Expenditure to 31st Dec. 1932.	Unexpended Balance.
<b>NEW REFUSE DESTRUCTORS</b> .....	100,000 00	182,800 00	7,280 00
<b>NEW STORES AND WORKSHOPS</b> .....	147,400 00	147,400 00	— —
<b>NEW MARKET</b> .....	700,000 00	700,000 00	— —
<b>WATER DEPARTMENT—NEW MAINS</b> .....	340,000 00	236,834 08	103,165 92
<b>NATIVE LOCATION—EXTENSION</b> .....	1,000,000 00	— —	1,000,000 00
<b>WEIGH BRIDGE</b> .....	19,300 00	— —	19,300 00
	<u>2,296,700 00</u>	<u>1,267,034 08</u>	<u>1,029,665 92</u>

**MUNICIPAL COUNCIL**  
**SUMMARY OF CAPITAL VOTES**  
 Showing Sources from which

PURPOSE	Refer to Page	TOTAL
WATER SCHEME	41	2,228,504 75
CONSERVANCY AND REFUSE REMOVAL	41-42	346,729 48
WATER-BORNE SEWERAGE	42	420,040 00
PUBLIC LATRINES	42	50,000 00
OX TRANSPORT	42	92,948 28
POUNDS	42	9,133 50
SCAVENGING	43	22,366 93
WORKSHOP STORES	43	180,151 94
ROADS—CONSTRUCTION, PLANT & BUILDINGS	43-44	2,940,047 03
ANTI-MALARIAL DRAINAGE	44	414,210 07
ABATTOIR	45	360,086 86
FIRE BRIGADE	45	77,496 88
PARKS	45	80,568 10
FUNERALS AND CEMETERIES	45	17,327 25
MARKETS	46	1,061,065 16
NATIVE HOUSING SCHEME	46	700,003 05
NATIVE VILLAGES	46	141,695 81
SUNDRY PROPERTIES	47	290,046 35
SUNDRY PLANT AND EQUIPMENT	47	74,377 64
NATIVES SERVICES	48	107,216 92
		Shs. 9,594,016 00

**OF NAIROBI.**

AS AT 31st DECEMBER, 1932.

Capital Funds have been raised.

Government Loan.	Kenya and Uganda Railway Loan.	Native Trust Fund (Brewery).	Temporary Loans from Reserve Fund.	Government Grants	Contribution from Revenue.
1,454,940 00	400,000 00	—	236,834 08	—	136,730 67
72,000 00	—	—	182,800 00	—	91,929 48
420,640 00	—	—	—	—	20,000 00
30,000 00	—	—	—	—	92,948 28
—	—	—	—	—	9,133 50
—	—	—	—	—	22,366 93
—	—	—	147,400 00	—	12,751 94
2,030,520 00	—	—	—	556,549 33	352,977 70
—	—	—	—	400,000 00	14,210 07
—	—	—	—	—	30,086 86
330,000 00	—	—	—	—	77,496 88
—	—	—	—	—	70,568 10
10,000 00	—	—	—	—	17,327 25
—	—	—	—	—	6 40
269,440 00	—	—	791,614 76	—	3 05
700,000 00	—	—	—	—	11,695 81
100,000 00	—	—	—	30,000 00	50,046 35
240,000 00	—	—	—	—	74,377 64
—	—	100,481 82	—	—	6,735 10
5,656,940 00	400,000 00	100,481 82	1,358,652 84	986,549 33	1,061,392 01

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Vote	Expenditure to 31st Dec., 1932.	Unexpended Balance.
<b>WATER SCHEME :</b>		
Vote allocated from—		
Consolidated Government Loan	1,654,960	00
Kaaya and Uganda Railway Loan	400,000	00
Temporary Loan from Reserve Funds	238,834	08
Contributions from Revenue	130,730	67
	2,228,504	75
2,228,504	75	
<b>EXPENDITURE :</b>		
Purchase of Nairobi Water Supply	400,000	00
Do. Muthaiga do.	130,000	00
Additions and Extensions—		
9, Main Whitehouse Rd.	102,770	68
Upper Parklands Pipe Line	28,690	22
Kilimani Extension	34,435	62
Scotts Sanatorium	3,170	89
Sundry extensions	77,834	51
New Main from Kikuyu	289,300	77
New Distribution Mains	602,704	77
Eastleigh Extension	33,588	36
Million Gallon Tank	174,810	42
Springs, etc.—		
No. 1 Spring	24,288	44
No. 3 do.	12,797	90
Water Rights	4,180	00
Buildings and Plant, etc.—		
Artisans and Native Quarters	17,064	84
Water Stores and Depot	8,761	33
Pump House	1,200	00
Meter House	811	21
Fitters Quarters	7,462	58
Superintendents House	36,468	06
Chlorination Plant and Building	12,760	80
Sundry Plant and Tools	24,372	14
Motor Vehicles	7,004	50
Meters	146,946	42
New Source of Supply Investigation	23,188	45
	2,195,633	91
Balance unexpended		32,870 84
<b>CONSERVANCY AND REFUSE REMOVAL</b>		
Vote allocated from—		
Consolidated Government Loan	72,800	00
Revenue Contributions	91,928	68
Temporary Loans from Reserves	232,800	00
	346,728	68
346,728	68	
Expenditure—		
2 Boys Huts	2,460	00
Native Quarters	3,183	09
2 Boys Huts	5,089	84
Wash Place	300	77
Bathing Place	1,368	80
	12,327	29
Carried Forward	2,195,633	91
2,195,633	91	32,870 84

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

	Expenditure to 31st Dec., 1932.	Unexpended Balance.
2,575,234	23	
Brought Forward		
	2,195,633	91
		32,870 84
<b>CONSERVANCY AND REFUSE REMOVAL</b>		
Expenditure (Continued) Forward		
	12,827	20
Concrete Native Quarters	64,154	41
Latrines	1,940	00
Overseers Offices	897	33
New Destructors	190,298	96
Night Soil Carts	18,430	81
Refuse Carts	25,515	84
Sundry Plant and Tools	655	91
	314,729	48
Balance unexpended		32,000 00
<b>WATER BORNE SEWERAGE :</b>		
Vote allocated from—		
Consolidated Government Loan	420,040	00
Expenditure to date		267,320 08
Balance unexpended		152,719 97
50,000	00	
<b>PUBLIC LATRINES :</b>		
Vote allocated from—		
Consolidated Government Loan	30,000	00
Revenue Contributions	20,000	00
	50,000	00
Expenditure—		
Public Latrines, 182 units	20,000	00
Do. New	18,824	74
Balance unexpended		11,175 26
<b>OX TRANSPORT DEPT. :</b>		
Vote allocated from—		
Revenue Contributions	92,948	28
Expenditure—		
3 Cattle Bomas	46,871	51
Cattle Troughs	3,000	90
Oxen	44,076	77
	92,948	28
92,948	28	
<b>POUNDS :</b>		
Vote allocated from—		
Revenue Contributions	9,133	50
Expenditure—		
Quarantine Pound	1,500	00
Animal Pound	2,333	50
Dog Pound	5,000	00
Dog Cart	300	00
	9,133	50
Carried Forward	2,918,590	84
2,918,590	84	228,766 07

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Vote		Expenditure to 31st Dec., 1932.	Unexpended Balance.
3,147,358 01	Brought Forward	2,918,589 94	228,766 07
22,306 03	<b>SCAVENGING :</b>		
	Vote allocated from—		
	Revenue Contributions	22,366 93	
	Expenditure—		
	Street Watering Tank, Tractor	14,380 00	
	Ox Carts	7,986 93	22,366 93
160,151 94	<b>WORKSHOPS AND STORES :</b>		
	Vote allocated from—		
	Temporary Loan from Reserve Funds	147,400 00	
	Revenue Contributions	12,751 94	
		160,151 94	
	Expenditure—		
	Blacksmiths Shop	5,878 18	
	New Stores and Workshops	138,677 53	
	Timber Cart	588 74	
	Plant Machinery, etc.,	15,207 49	160,151 94
2,940,047 03	<b>ROAD DEPARTMENT :</b>		
	Vote allocated from—		
	Consolidated Government Loan	2,030,520 00	
	Government Grants and Contributions	556,549 33	
	Contributions from Revenue	352,977 70	
		2,940,047 03	
	Expenditure—		
	Road Depot	12,452 21	
	Cart Shed	407 41	
	New Tractor Garage	8,416 54	
	Plant 12 Steam Rollers	182,324 87	
	8 Tractors	44,525 50	
	2 Caterpillars	28,900 00	
	4 Trailers	19,720 00	
	4 Lorries	44,670 00	
	14 Water Carts	42,268 30	
	2 Graders	15,975 00	
	2 Scarifiers	2,076 00	
	4 Tar-boilers and Sprayers	16,860 00	
	2 Ox Water Carts	2,000 00	
	6 Tip Carts	2,970 00	
	2 Ox Rollers	4,423 88	
	1 Scotch Cart	205 27	
	1 Concrete Mixer	4,225 00	
	Sundry Plant	15,639 20	426,782 82
	<b>Construction—Main Trunk Roads—</b>		
	6th Avenue	87,838 36	
	Government Road	100,428 03	
	Ngong Road	288,724 61	
6,209,921 91	Carried Forward	476,791 25	448,058 98 3,101,108 81 228,766 07

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Vote		Expenditure to 31st Dec., 1932.	Unexpended Balance.
6,209,921 91	Brought Forward	448,058 98	3,101,108 81 228,766 07
	<b>ROAD DEPARTMENT :</b>		
	<b>Construction—Main Trunk Roads (contd.)</b>		
	Forward	476,791 23	
	Limoru Road and Bridge	206,241 21	
	Salisbury & Sclafers Road	147,567 76	
	Workshops Road	56,518 39	
	Swamp Road Bridge	16,842 87	
	Fort Hall Road and Bridge	136,681 21	1,040,642 67
	<b>Construction—Ordinary Roads—</b>		
	Racecourse Road	62,946 77	
	Kirk Road	96,540 46	
	10th Avenue	63,491 95	
	Kikuyu Road	55,795 32	
	Standard Street	31,640 65	
	Hardinge Street	66,690 37	
	Victoria Street	149,339 27	
	Hardinge Street Lanes	54,887 80	
	Victoria Street Lanes	38,900 74	
	Valley Road	41,268 53	
	Girouard Road	66,361 93	
	Stewart Street	10,105 62	
	Portal and Hardinge Streets	79,878 11	
	York Street	33,784 54	
	Hospital Road	67,069 66	
	Landhies Road	52,143 61	
	Sadler Street	39,614 53	
	Elliot Street	25,284 54	
	Whitehouse Road	30,560 63	
	Sclaters Road	33,959 86	
	Muthaiga Roads	135,867 38	
	Park Road	39,969 95	
	Ngara Road	43,695 30	
	N. B. I. Roads	20,324 33	
	Eastern Road	37,980 99	
	Stewart Street and Market Lanes	48,541 53	1,426,653 57 2,915,355 22
	Unexpended Balance		24,601 81
414,210 07	<b>ANTI-MALARIAL DRAINAGE :</b>		
	Vote allocated from—		
	Government Grants	400,000 00	
	Revenue Contributions	14,210 07	
		414,210 07	
	<b>Expenditure—</b>		
	Canalisation of Streams, etc.,		414,210 07
6,694,131 88	Carried Forward	6,430,674 10	253,457 86

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Vote		Expenditure to 31st Dec., 1932.	Unexpended Balance.
6,084,131	96	8,430,674	10 253,487 68
	Brought Forward		
<b>ABATTOIRS</b>			
360,086	86		
	Vote allocated from—		
	Consolidated Government Loan	330,000	00
	Contributions from Revenue	30,086	86
		360,086	86
	Expenditure—		
	New Abattoirs	327,299	18
	Banda Mbagathi	1	00
	Condemned Meat Cart	645	00
	Dead Cattle Cart	700	86
		328,646	04
	Balance unexpended.		31,440 82
<b>FIRE BRIGADE</b>			
77,496	89		
	Vote allocated from—		
	Revenue Contributions	77,496	88
	Expenditure—		
	Fire Station	29,892	35
	Fire Engine	12,616	70
	Equipment	34,987	83
		77,496	88
<b>PARKS</b>			
80,568	10		
	Vote allocated from—		
	Consolidated Government Loan	10,000	00
	Contributions from Revenue	70,568	10
		80,568	10
	Expenditure—		
	City Park Pavilion and Boys Quarters	53,106	62
	New Band Stand	6,934	52
	Plant and Tools	3,284	85
	House for Superintendent	14,200	11
		77,528	10
	Balance unexpended.		3,040 00
<b>FUNERALS AND CEMETERIES</b>			
17,327	25		
	Vote allocated from—		
	Revenue Contributions	17,327	25
	Expenditure—		
	Banda Forest Cemetery	1,200	00
	European Hearse	12,114	23
	Native Hearse	2,913	12
	Native Dead Carts	800	00
	Sundry Plant, Tools	299	90
		17,327	25
7,219,611	07	9,861,672	37 287,926 76
	Carried Forward		

### DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Vote		Expenditure to 31st Dec., 1932.	Unexpended Balance.
7,219,611	07	9,861,672	37 287,926 76
	Brought Forward		
1,061,065	19		
	<b>MARKETS</b>		
	Vote allocated from—		
	Consolidated Government Loan	269,440	00
	Temporary Loan from Reserves	791,618	76
	Revenue Contributions	6	40
		1,061,065	16
	Expenditure—		
	Native Market	61,446	40
	Jeevanjee Market Plot	160,000	00
	New Municipal Market Building	791,618	76
	Do. do. Pittings	28,836	13
		1,041,901	29
	Balance unexpended.		19,163 87
<b>NATIVE HOUSING SCHEME</b>			
700,003	05		
	Vote allocated from—		
	Consolidated Government Loan	700,000	00
	Revenue Contributions	3	05
		700,003	05
	Expenditure—		
	Dormitories and Cubicles	618,359	70
	Experimental Houses	31,191	71
	Superintendent's House	14,118	18
		663,669	59
	Balance unexpended.		36,333 46
<b>NATIVE VILLAGES</b>			
141,695	81		
	Vote allocated from—		
	Consolidated Government Loan	100,000	00
	Government Grant	30,000	00
	Revenue Contributions	11,695	81
		141,695	81
	Expenditure—		
	Latrines	96,578	52
	Water Supply to Latrines	27,097	36
	Native Huts	11,385	26
	Office	728	91
	Sundry Plant	3,995	86
		141,695	81
<b>NATIVE SERVICES</b>			
107,216	92		
	Vote allocated from—		
	Native Beer Fund	100,481	82
	Councils Contribution	6,735	10
		107,216	92
	Expenditure—		
	Brewery and Beer Shop	25,960	89
	Clinic and Dispensary	21,436	39
	Stadium	49,338	46
	Baths—Punwani	8,735	10
	Cinema equipment	1,746	08
		107,216	92
9,226,922	01	9,861,672	37 343,436 05
	Carried Forward		



## DETAILS OF VOTES AND EXPENDITURE ON CAPITAL ACCOUNT.

Votes		Expenditure to 31st Dec., 1952.	Unexpended Balances.
9,229,592	01		8,996,155 99
		Brought Forward	348,436 03
<b>SUNDRY PROPERTIES :</b>			
299,046	35	Vote allocated from—	
		Consolidated Government Loan ...	240,000 00
		Revenue Contributions ...	59,046 35
			299,046 35
Expenditure—			
		Court Square Plot ...	240,000 00
		Do. do. Building (Old Portion) ...	13,800 00
		Bathing Place (Plot 510) ...	1,200 00
		New Municipal Offices (Fees, etc.) ...	35,045 35
		Cages Government House ...	1 00
			299,046 35
<b>SUNDRY PLANT AND EQUIPMENT :</b>			
74,377	64	Vote allocated from—	
		Revenue Contributions ...	74,377 64
Expenditure—			
		Public Health Lorry ...	4,593 25
		Office Cars ...	13,170 00
		Office Furniture and Equipment ...	52,303 77
		Theodolite ...	1,879 02
		Mayor's Robe and Chain ...	2,431 60
			74,377 64
9,594,019 00		Shs.	9,250,579 67