

1921

KENYA

C. O.
55424
3 NOV 21

FROM
CROWN AGENTS

DATE
7TH NOVEMBER 1921

654

FOR CIRCULATION :-
Mr.
Mr.
Mr.
Mr. Grindle
Sir H. Lambert
Sir H. Read
Sir W. Fisher
Mr. Wood
Mr. Churchill

SUBJECT
LOAN
SINKING FUND
Recommends arrangements should be made to provide for at 21.5.0. per cent p.a. Encloses copy of tel to Kenya of 5th Novr giving details of issue.

Previous Paper
ca
5517
Linn

MINUTES
The following
I have spoken to you about this
There is no possible urgency
about it, and it will be
sufficient if this is brought up
when we write a general report
on the subject of the Loan
As we shall have to do shortly
MRS

Subsequent Paper
ca
56256
18321/52

The letter is written, actually, to
strengthen our hands if the Treasury
need to take 1% as the charge on

MINUTES.

MINUTES NOT TO BE WRITTEN
ON THIS SIDE.

... I doubt if we
shall receive any benefit
the charge which will
cost for that purpose with
but we actually provide
• that, 186) with the full
amount of \$1 00 70

But there is no need (doubt)
I am sorry if the Com. H.
... the ...
... ..

By ap. ...

1891



C. O.
55424

655

Kenya

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

4, MILLBANK, W.C. 3 NOV 21
WESTMINSTER.

TELEGRAMS: "CROWN, LONDON."
TELEPHONE: 7780 VICTORIA.

LONDON. S.W. 1.

7th November 1921

Sir,

With reference to the prospectus of the Kenya Government 6% loan now being issued, I have the honour to state that the annual contribution to Sinking Fund required to repay this loan in 1956 (the starting of the fund being deferred for 3 years after the issue of the loan) is £1.6.0 per cent. In the prospectus, we have mentioned a sinking fund of "not less than one pound per cent per annum", so as to limit the undertaking given to stockholders in case the Colonial Government should find it difficult to provide the full amount; but we recommend that the Colonial Government should be instructed to provide the full amount, in half-yearly instalments of 13/s. per cent as required by Sec. 28 of the General Loan and Inscribed Stock Ordinance, and that if a shortage should unavoidably occur in respect of any one contribution such shortage should be made up on the next occasion on which the contribution falls due, or as soon as possible afterwards, with an addition for the interest meanwhile accruing.

I enclose a copy of a telegram sent to the Colonial Government last Saturday giving details of the terms of the issue of the loan.

I have the honour to be,
Sir,
Your obedient Servant,

Under Secretary of State,
Colonial Office.

11.21

Copy of a telegram from the Crown Agents to
the Treasurer, Kenya.

dated 5th November 1921

656

With the approval of the Secretary of State for the Colonies arrangements being made for underwriting Kenya loan on following terms £5,000,000 6 per cent inscribed stock at £95 redeemable in 35 years with the option of redemption in or after 25 years list opens 7th November payment will be made by instalments £5 on application £30 21st November £30 19th December £30 16th January dividends payable 15th March 15th September first dividend £2 payable 15th March 1922 sinking fund contribution not less than one per cent.