

ESTABLISHED 1901
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C 36121
REC'D
Aug 25 1918

Treasury

1918

24 July

Nagasaki Soda Co.

Last previous Paper.

MS
41218/15

Leads for Otani comes with heavy loads & Co. reap. Co. apply for name of debentures up to £110,000 instead of £100,000 previously sanctioned.

Sir H. Read.

We are really not in a position to express any definite opinion as to whether the Co really need £10,000 more than they asked for in 1915.

As regards the progress of their work, we have nothing beyond what they have told us at various times, and as to the matter of the supply of soda to the East, they are at issue with the Ministry of Shipping as to whether the East can best be supplied from Japan or from this country.

The claims for compensation referred to in the printed Report, of course, are not to be taken into account.

Ans'd 24th July '18.

Subsequent Paper

MS
41218/15

14171-13

The view of the CO is that
importance of the company for the
of the Treasury of Sept. 9th, 1915.
Since that time the operations of the
Company have been hampered by the
restriction of the military operations
in East Africa, the absence of labour
owing to military requisites, and the
serious reduction in the shipping facilities
available. In the circumstances the
increase of £60,000 in the amount for
which approval was asked three
years ago is considered reasonable,
and the application has the
support of the Colonial Office.

W. C. S.
26/7/15
Stange
J. R.
26/7/15

The Secretary Colonial Office
For Amputation please I am
also consulting the Prof. Dr. D. F. Buckley
24/7/18

COPY.
C. 22292.

C. O.
36121
REC^d
REG^d 5 JUL 18

Leadenhall House, 563
101, Leadenhall St.,
E.C.3.
17th. July, 1918.

Dear Sir,

You will no doubt recollect that on the 10th. September 1915 we had the honour of addressing you on behalf of the Magadi Seda Company Limited with reference to a proposed loan to that Company by certain shareholders of a sum of £100,000 and the issue of debentures to secure that amount.

For the purpose of convenience we enclose a copy of a letter we then wrote. In answer to this letter we received a letter dated the 23rd^{September} 1915 informing us that the Lords Commissioners of His Majesty's Treasury raise no objection to the proposed issue of debentures.

We have reason to believe that the Colonial Office at the same time communicated with you expressing the view that it was in the public interest that the loan should be approved.

It has not been found necessary by the Company up to the present time to borrow for the purpose indicated in the letter dated the 10th September 1915, more than £ 50000 and that amount only has been advanced. No debentures has actually been issued though the Vendors are in a position to call for them should they think fit to do so. It is now proposed to repay £50,000 advanced and the Directors of the Company propose to borrow £110,000 and to apply £50,000 of that amount

/in

in repaying the original loan. The balance of the money is now required for the purposes indicated 564 in the original letter and the additional sum of £10,000 is necessary owing to the fact that the Company required temporary working capital for general expenses in running its business, the maintenance of existing machinery, the provision of comparatively small items of plant, and improvement of its water supply.

Since we last had the pleasure of communicating with you on the subject, considerable progress has been made in the development of the business and the managing the Magadi Railway has been completed and taken over by the Uganda Railway and worked by them in conjunction with their own line. The Company's first Calainer is finished and has been utilised since the beginning of the year intreating their raw natural soda, whilst the second Calainer is nearly completed.

The Company are now engaged in exporting their soda in fairly large quantities and marketing it in all parts of the East where it is so urgently required for various vital industries where there is a shortage of all soda commodities^{ti} furthermore, at considerable expense they have finished their works in Calcutta and they are now manufacturing caustic soda from Magadi natural soda. Caustic soda is also largely used by important industries and for War purposes and the Company feels it is rendering a service to the nation by manufacturing the commodity in India, thus reserving the output of the United Kingdom for home consumption and saving a large amount of freight space to the East, that in ordinary circumstances required for Exports.

/Under.

Under these circumstances we trust you will see your way to approving of the small increase in the amount previously mentioned and that the issue of debentures up to £110,000 in all will be sanctioned.

We are,

Your obedient Servants,

(Sd) WALTERS & COMPANY,

D. 22292

18th July, 1918.

Gentlemen,

~~The Masadi Soda Company, Limited.~~

17th instant.

two

1. Of the proceeds of the issue, what amount will be expended:-

- (a) In this country.
- (b) Abroad.

- 2. To whom will the debentures be issued.
- 3. The names of the present Directors of the Company.
- 4. Two copies of the Company's last Balance Sheet.

I am,

Gentlemen,

Your obedient Servant,

Messrs. Waltons & Company,
 Leadenhall House,
 101, Leadenhall Street,
 London, E.C.3.

COPY. 10

Leadenhall House,
101, Leadenhall Street,
LONDON, E.C.3.

23rd. July, 1918.

The Secretary,

Treasury,

S.W.1.

Capital Issues.

Sir,

WAGADI SODA COMPANY LTD.

In reply to your letter of the 18th. inst. we beg to give you the following information:-

1. It is estimated that of the proceeds of the issue will be expended:-

- (a) £84,000 in this country.
- (b) £26,000 abroad.

2. To existing shareholders.

3. The names of the present Directors are:)

Mr. Samuel Samuel M.P. Chairman.
Major V. ... D.S.O.
Mr. H.F. ...
Mr. George ...
Lt. Col. S.H. Pollen C.M.G.
Capt. Walter H. Samuel M.C.
Mr. H.M. Simons,
Lt. Col. C.H. Villiers.

4. Two copies of the Company's last Balance Sheet are sent herewith.

We shall be glad to have the Committee's decision as soon as possible.

We are, Sir,

Your obedient Servants,

(Sd)

WALTONS & CO.

THE MAGADI SODA COMPANY, LIMITED.

DIRECTORS.

SAMUEL SAMUEL, M.P., D.L. (*Chairman*).

MAJOR W. H. LEVY, D.S.O.

LT.-COL. S. H. POLLEN, C.M.G.

H. F. MARRIOTT.

CAPTAIN W. H. SAMUEL, M.C.

G. PAULING.

H. M. SIMONS.

LT.-COL. C. H. VILLIERS.

SECRETARY.

G. M. FAY.

Report and Balance Sheet

For the Year ended 31st December, 1917.

REPORT OF THE DIRECTORS

To be submitted to the Shareholders at the Seventh Annual General Meeting of the Company to be held at Winchester House, Old Broad Street, London, E.C.2, on Monday, the 24th June, 1918.

The Directors beg to present the Balance Sheet and Profit and Loss Account for the year 1917, duly certified by the Auditors, shewing a debit balance of £16,771 5s. 6d.

The volume of trading during the period covered by the accounts shows some expansion, but was again on a very restricted scale; consequently the Directors have not been able to make any allowance for depreciation. The Company has, however, rendered its claim for compensation for the use of its railway and water supply by the Military Authorities in British East Africa. When this claim is paid the Directors will be in a position to make an allocation for depreciation.

During the year under review the Company continued to experience serious difficulties in regard to developing its trade, and it was not until towards the close of 1917 that the restrictions on the utilisation of Native labour were sufficiently removed to allow of the production and constructional work being proceeded with.

The Directors announce, with regret, the resignation of Sir Lionel Phillips, Bart. from the Board, owing to pressure of Government work. On their invitation Mr. George Lansing has joined the Board, and now offers himself for re-election.

Lieut. Colonel S. H. Dollen, C.M.G., Captain W. H. Samuel, M.C., and Mr. Samuel Samuel, M.P., retire, but being eligible, offer themselves for re-election.

The Auditors, Messrs. Tarquand, Youngs & Co. also retire, but, being eligible, offer themselves for re-election.

Hubert H. Hulse,
26 27 Bishopsgate,
E.C.2
14th June, 1918.

THE MAGADI SODA COMPANY, LIMITED 559

TRADING and PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1917

To Stock at 1st January, 1917	8,094 0 0	In Sales, Less Charges	10,984 1 9
.. Rate, Rates and Taxes	988 4 2	Stock in hand at date	10,984 8 1
.. Management and General Expenses in London	4,379 1 4	Transfer Fees	1,242 8 0
.. Management and General Expenses in Africa	15,649 4 2	Balance carried to Balance Sheet	16,771 5 6
.. General Expenses in Calcutta	1,075 8 5		
.. Consumable Stores written off	658 16 8		
.. Legal Expenses and Auditors' Fees	449 17 0		
.. Interest	2,298 6 11		
	<u>£28,780 18 8</u>		<u>£28,780 18 8</u>

BALANCE SHEET, 31st December, 1917.

LIABILITIES.				ASSETS.						
To CAPITAL AND INDEBTED—	£	s.	d.	£	s.	d.	£	s.	d.	
1,250,000 Ordinary Shares of £1 each	1,250,000	0	0	By Lease of Lake Magadi and East African Concession for 99 years from 12th April, 1911...	58,468	8	9			
1,250,000 Deferred Shares of 1/- each	62,500	0	0	.. Expenses of Issue Preliminary Expenses	114,639	15	7			
.. CAPITAL PAID UP—				.. Trade Marks	180	0	0			
1,250,000 Ordinary Shares of £1 each	1,250,000	0	0	.. Office Furniture	1,920	15	11			
100 forfeited	100	0	0	.. Railways and Works in East Africa	1,088,727	8	5			
1,249,900	1,249,900	0	0	.. Other Works	76,461	1	1			
Less Call in arrear	6	5	0	.. Sundry Stores	15,375	8	1			
				.. Stock in hand	10,965	5	1			
1,249,894	1,249,898	16	0	.. Sundry Debtors	2,100	8	3			
.. 1,250,000 Deferred Shares of 1/- each	62,500	0	0	Loans against Security	17,985	0	0			
.. Amount received on account of above forfeited shares	12	10	0	.. Cash on Current Account at Bankers and in hand	992	5	3			
.. Sundry Creditors	38,964	17	0	PROFIT AND LOSS ACCOUNT—						
.. Bills Payable and in transit	6,600	0	0	As at 31st December, 1916	95,714	2	6			
.. Bank Accounts	50,000	0	0	Balance for the year	16,771	5	6			
								52,946	8	0
	<u>£1,402,871</u>	<u>2</u>	<u>0</u>					<u>£1,402,871</u>	<u>2</u>	<u>0</u>

NOTE.—There was at 31st December, 1917, Contingent Liabilities amounting to £20,011 12s. 6d. in respect of warrants, unapproved.

SAMUEL SAMUEL,
HUGH F. MARRIOTT, Directors.

AUDITORS' REPORT.

We report to the Shareholders that we have examined the above Balance Sheet and combined Trading and Profit and Loss Account, and compared them with the Books and Vouchers of the Company and with the Audited Accounts received from East Africa. With regard to the Calcutta Accounts, the Local Auditors' Certificate has not yet been received in London. No inventory of the shares in Magadi has been in the year 228,775 8s. 12 1/2d. has yet been produced to us. Subject to the above remarks, we have obtained all the information and explanations we have required, and in our opinion the Balance Sheet properly represents as to assets, liabilities and amount due to the shareholders of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

London, 12th June, 1918.

TARQUAND, YOUNGS & CO. Auditors.

**The Magadi Soda Company
Limited.**

**REPORT
AND
BALANCE SHEET.**

NOTICE IS HEREBY GIVEN that the
**SEVENTH ORDINARY GENERAL
MEETING** of the Shareholders of the above
Company will be held on **MONDAY, the 28th
JUNE, 1918, at 2.30 P.M.** at **WINCHESTER
HOUSE, OLD BROAD STREET, LONDON
E. C. 4**, to pass the proposed Report and Accounts,
to elect Directors, Auditors, and to transact
any ordinary business of the Company.

G. H. PAIN,

Secretary.