

38011/1

CO.533/463

38011/1

KENYA

Agricultural Advances SchemeAdjustment of loan terms

Previous

main file

Subsequent

R297 3/13

R309 2/12

Jw. Paskin 31

m. 300

C. D. 4/12

R. 299 7/27

R297

Agrie  
at 2  
London

Exhibit 95

2000/1/36

Requests approval that bills to the above Advances & Bonds by the Acti Bond Seal Co. shall be met by immediate cash payment of £225, & issue of 1363 £1 shares in the Co. to enable it to remain in existence.

The Company's Debt to the  
Agrie Advances Bonds

Principal	£s.	22,844.62
Interest	"	8,915.14
		<hr/>
		31,759.76
	£	1587.10.0

It is proposed that the debt shall be liquidated by an immediate Cash Payment of £225 & the issue of Bonds of 1363 £1 shares in the Company.

A Common Sense Arrangement in the Circumstances described in para 3.

I Approve

*[Signature]*  
18/1/36

J.P. Bass  
21/3

Yes but it just shows they start to settle  
is not good policy

15.4.76

Agree  
at [unclear]  
[unclear]

Exercised

20 Dec 1936

Request approval that debt to the Agre. Advances  
Board by the Abu Bend Sical Co. shall be met by  
immediate cash payment of £225, & issue of 1363 £1 shares in  
the Co. to enable it to remain in existence.

The Company's debt to the  
Agre Advances Board is

Principal	£s.	22,844.62
Interest	"	8,915.14
		<hr/>
		31,759.76
	= £	1587.10.0

It is proposed that the debt shall  
be liquidated by an immediate  
Cash payment of £225 & the  
issue to the Board of 1363 £1  
shares in the Company.

A. Common sense arrangement  
in the circumstances, described  
in para 3.

Approve

[Signature]  
18/12/36

J.P. Bacon  
21/3

yes but it just shows [unclear] to settle  
is not good policy

J.S. 4. 767

2 To Kenya, 202. (1 amended) 26 MAR 1936

3 Gov Kenya 106 — 25 Feb 1936

CS.  
Nominal

Requests authority to make further payments of interest on loan to Mrs D.A. Griffin on transfer of title of farm to Mr R.T. Roman.

The arrangement benefits the  
Agricultural Board in that  
an undertaking has been given  
by Mrs Griffin & Mr Roman to  
liquidate by half yearly instalments  
the sum of £356.16.75 owing  
to the Board by Mrs Griffin  
on the 1st January 1936. Each  
will be responsible for half  
of the debt.

Submitted Dept  
3/3/36

J.P. Bannister  
3/3

Yes: but it rather would finance all the same.

4 To Kenya 229 (3 amended) 6 APR 1936

2 To Kenya 292 (1 hundred) 26 MAR 1936

3 Gov Kenya 106 — 25 Feb 1936

CD  
Nominal

Requests authority to waive further payments of interest on loan to Mrs D.A. Griffin on transfer of title of farm to Mr R.T. Roman.

The rearrangement benefits the Agric Advance Board in that an undertaking has been given by Mrs Griffin & Mr Roman to liquidate by half yearly instalments the debt of £306.16.75 owing to the Board by Mrs Griffin on the 1st January 1936. Each will be responsible for half of the debt.

I submit Dept  
Crossed to  
31/3/36

J.G. Gammie  
31/3

Yes: but do rather want finance all the same.

1.1.4.36  
31/3/36

4 To Kenya 224 (3 hundred) 7 APR 1936

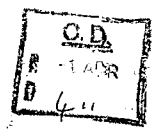
30/11/36

mv  
W 26

C. O.

Mr. *Spencer* 31/1/36  
Mr. *Parkin* 31  
Mr. *Howd.* 31 *js*

4



Sir C. Parkinson.  
Sir G. Tomlinson.  
Sir C. Bottomley.  
Sir J. Sluckburgh.  
Permt. U.S. of S.  
Partly. U.S. of S.  
Secretary of State.

7 APR 1936

7 April, 1936

**DRAFT.**

*Kenya*  
*No 229*  
*for*

1/1.

(3)

I have etc to acknowledge  
the receipt of *from despatch*  
No 106 of the 25<sup>th</sup> of ~~March~~ February  
regarding the indebtedness  
of Mrs D. A. Griffin to  
the Central Agricultural  
Advances Board and to  
the Land and Agricultural  
Bank.

2. In the circumstances  
described in the despatch  
I approve the remission  
of further interest  
on the debt of £306.16.7<sup>1/2</sup>  
to the Agricultural  
Advances Board.

*I have etc*

FURTHER ACTION.

KENYA.

No. 106



GOVERNMENT HOUSE,  
NAIROBI,

KENYA

RECEIVED  
27 MAR 1936  
C. O. REG

FEBRUARY 1936

Sir,

I have the honour to address you on the subject of the indebtedness to the Central Agricultural advances board of Mrs. D. A. Griffin whose account at the 1st January, 1936 was, Principal shs. 5,144.91, interest, shs. 991.84. The security for this debt is a chattels mortgage over certain cattle and furniture and Mrs. Griffin's farm is mortgaged to the Land and Agricultural bank as security for the repayment of a sum of £1,400 in half yearly instalments.

2. The farming operations conducted by Mr. Griffin over the past one or two years have not been successful due partly to prevailing conditions, probably, partly to his inability to cope successfully with the difficult conditions. The prospects of Mrs. Griffin in a position to meet her obligations have gone from bad to worse and Mr. Griffin has realised that their best policy is to get rid of the load of debt and restart in a small way as tenant farmers.

3. Mr. Griffin has accordingly concluded an agreement with Mr. K. I. Roman, who is in a strong enough position financially to carry on the farm, under which he transfers the property to Mr. Roman at a price which allows him enough to start up as a tenant of another farm.

4. The essential points in the agreement as far as the Land bank is concerned are as follows:-

THE RIGHT HONOURABLE,  
J. H. THOMAS, P.O., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON, S. W. 1.

(a)/.....

Sheet 4

- (a) Mr. Roman takes title to Mrs. Griffin's farm and assumes the debt of £1,400 to the Land Bank. Mr. Roman's application for an advance of this amount (which will be applied to the satisfaction of Griffin's debt) has been approved by the Board of the Land bank.
- (b) The chattels which constitute the security for the Agricultural Advances Board debt, £306.16.75, are divided between the parties and the Board have accepted the proposition that each shall be liable for one half the amount, each giving as security a chattels mortgage over these movables. In other words, the same movables are re-pledged in two chattels mortgages instead of one and each party undertakes to meet the liability in half yearly instalments.

5. The Board of the Land and Agricultural bank are of the opinion that the security for both the Land Bank and Agricultural Advances Board debts is strengthened by this rearrangement but at the instance of Mr. Roman have had to agree that interest on the Agricultural Advances Board debt of £306. 16. 75 shall cease as from the 1st January, 1936. The Chairman of the Land Bank Board, in his capacity as \_\_\_\_\_ of the colony, supports the Board's recommen

I consider that in the circumstances the course advised by the board is in the interests of Government and I therefore seek your authority to waive further interest charges on this small amount.

I have the honour to be,

Sir,

Your most obedient, humble servant,

  
BRIGADIER GENERAL  
GOVERNOR



- (a) Mr. Roman takes title to Mrs. Griffin's farm and assumes the debt of £1,400 to the Land Bank. Mr. Roman's application for an advance of this amount (which will be applied to the satisfaction of Griffin's debt) has been approved by the Board of the Land Bank.
- (b) The chattels which constitute the security for the Agricultural Advances Board debt, £306.16.75, are divided between the parties and the Board have accepted the proposition that each shall be liable for one half the amount, each giving as security a chattels mortgage over these movables. In other words, the same movables are re-pledged in two chattels mortgages instead of one and each party undertakes to meet the liability in half yearly instalments.

5. The Board of the Land and Agricultural Bank are of the opinion that the security for both the Land Bank and Agricultural Advances Board debts is strengthened by this rearrangement but at the instance of Mr. Roman have had to agree that interest on the Agricultural Advances Board debt of £306. 16. 75 shall cease as from the 1st January, 1936. The Chairman of the Land Bank Board, in his capacity as Treasurer, in my, supports the Board's recommendation.

I consider that in the circumstances the course advised by the board is in the interests of Government and I therefore seek your authority to waive further interest charges on this small amount.

I have the honour to be,

Sir,

Your most obedient, humble servant,

  
BRIGADIER GENERAL  
GOVERNOR

38241/16

2

C.O.

- Mr. *Butt 27/4/36*
- Mr.
- Mr.
- Sir C. Parkinson
- Sir G. Tomlinson
- Sir C. Bollanley
- Sir J. Shuckburgh
- Permt. U.S. of S.
- Partly U.S. of S.
- Secretary of State

C.D.  
R 23 MAR  
D 28

26 March, 1936

Sir,

I have etc. to ask  
the receipt of your  
despatch no. 95 of the  
20th of February  
and to inform you  
that I ... of the  
liquidation of the  
debt of the Athi  
River Sisal Company  
limited to the Central  
Agricultural Advances  
Board by an immediate  
cash payment of

**DRAFT.**

Henry  
No. 202  
Journals

FURTHER ACTION:

£225 and the issue to the  
Board of 1,363 £1 shares  
in the Company, on the  
understanding that  
interest charges on the  
capital amount outstanding  
shall cease as from the  
1st of January, 1936.

I have etc.

(Signed) J. H. THOMAS

KENYA.  
No. 95.



GOVERNMENT HOUSE,  
NAIROBI,  
KENYA.

20 FEBRUARY, 1936.

Sir,

I have the honour to address you on the subject of the Athi Bend Sisal Company, Limited, which is indebted to the Central Agricultural Advances Board, the account on January 1st being Principal Shs. 22,844.62, Interest Shs. 8,915.14, Total Shs. 31,759.76. In their report for 1934 the Board recommended placing £1,000 to the Bad Debt Reserve.

*inserted (2)*

2. Owing to bad prices this company was forced with many others to go out of production and the property has lain dormant for the past few years.

3. With the revival of sisal a scheme was set afoot by one of the principal creditors for re-closing on the property and liquidating the company. This process involved the Advances Board in serious loss and although the scheme could not be opposed on any legal grounds, the fact that the Board held a first mortgage over a portion of the estate provided a means for obstructing the proposal and striking a bargain.

4. After negotiations it has finally been agreed between the parties that the debt to the Advances Board shall be met by an immediate cash payment of £225 and the issue of 1,363 £1 shares in the company. By this means the company remains in existence and there is a possibility of recovering something if and when profits on the sisal are forthcoming.

THE RIGHT HONOURABLE,  
H. THOMAS, P.O., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON, S. W. 1.

KENYA.

No. 95.



GOVERNMENT HOUSE,  
NAIROBI,  
KENYA.

20 FEBRUARY, 1936.

Sir,

I have the honour to address you on the subject of the Athi Bend Sisal Company, Limited, which is indebted to the Central Agricultural Advances Board, the account on January 1st being Principal Shs. 22,844.62, Interest Shs. 8,915.14, Total Shs. 31,759.76. In their report for 1934 the Board recommended placing £1,000 to the bad debt reserve.

2. Owing to bad prices this company was forced with many others to go out of production and the property has lain dormant for the past few years.

3. With the revival of sisal a scheme was set afoot by one of the principal creditors for foreclosing on the property and liquidating the company. This process would have involved the Advances Board in serious loss and, although the scheme could not be opposed on any legal grounds, the fact that the Board held a first mortgage over a portion of the estate, provided a means for obstructing the proposal and striking a bargain.

4. After negotiations it has finally been agreed between the parties that the debt to the Advances Board shall be met by an immediate cash payment of £225 and the issue of 1,363 £1 shares in the company. By this means the company remains in existence and there is a possibility of recovering something if and when profits on the sisal are forthcoming.

THE RIGHT HONOURABLE,  
H. THOMAS, P.C., M.P.,  
SECRETARY OF STATE FOR THE COLONIES,  
DOWNING STREET,  
LONDON, S. W. 1.

5. An essential condition of the scheme is that interest charges on the capital amount outstanding shall cease and the Board have accordingly requested authority to discontinue such charges as from January 1st, 1936.

I concur with the Board's recommendation in this matter as being the best course to take in the interest of Government and I shall be glad if you will accord your approval to the proposal.

I have the honour to be,

Sir,

Your most obedient, humble servant,



BRIGADIER-GENERAL  
G. O. V. F. / O. R.