

Geneva, May 23rd, 1928.

LEAGUE OF NATIONS

FREE CITY OF DANZIG

THIRD REPORT

BY THE

TRUSTEE FOR THE MUNICIPALITY OF DANZIG

7 % MORTGAGE LOAN OF 1925.

(PERIOD FROM MARCH 15TH, 1927, TO MARCH 15TH, 1928.)

In conformity with the Council resolution of March 14th, 1925, I have the honour to submit to the Council of the League of Nations my third annual report as Trustee for the Danzig 7% Municipal Loan 1925, covering the period up to March 15th, 1928.

In accordance with paragraph C of the Programme of Expenditure, the loan account has been credited with the money available for investment through the earlier amortisation of the Harbour works.

During the financial year 1926-1927 a sum of £32,234 9s. 3d. has in this way been refunded.

As a result of the issue of the special loan of the Harbour Board, a sum of £275,466 13s. 11d. was refunded during the period from March 16th, 1927, to August 15th, 1927 (on which latter date the final payment took place).

A total sum of £307,701 3s. 2d. therefore became available for other purposes.

During this year four transfers have been made :

(a) On the strength of the authority granted to me by the Council in its resolution of September 15th, 1925, to permit transfers between the various items of the Programme of Expenditure, I have authorised from the above £307,701 3s. 2d. available for "Other Purposes" a transfer of £100,000 to the existing item "Development of the Radaune Water-power Station".

(b) By its resolution of June 17th, 1927, the Council of the League approved the transfer of a sum of £16,000 from the item "Opening-up of land for residential purposes of Brösen" to the new item "Extension of the quay wall of the municipal Kaiserhafen".

The Council of the League furthermore authorised the employment of the remainder of the money reimbursed by the Harbour Board (£207,701 3s. 2d.) for the following new purposes :

	£	s.	d.
(c) Drainage of Danzig-Heubude (By resolution of September 15th, 1927.)	48,000	0	0
(d) Construction of the main road from Danzig to the suburb of Neufahrwasser	40,000	0	0
Linking-up of the sewerage of Danzig Neufahrwasser with the sewage filter-bed at Saspe	20,000	0	0
Enlargement of the Municipal Slaughterhouse	20,000	0	0
Building of dwelling-houses (By resolution of December 9th, 1927.)	79,071	3	2
Total	£207,701	3	2

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As a result of these various transfers, the Programme of Expenditure has been modified as follows :

Items	Balance as per March 16th, 1927			As modified		
	£	s.	d.	£	s.	d.
A. 1. Development of the Radaune Water-power Station	—			100,000	0	0
2. Extension of system of electrical distribution network	—			—		
3. Extension of Waterworks	4,658	14	5	4,658	14	5
B. Development of real estate :						
1. Opening-up of factory sites on the Niedere Front	75,882	15	3	75,882	15	3
2. Opening-up of land for residential purposes of Brösen	64,000	0	0	48,000	0	0
3. Construction of new sewage filter-bed system	100,919	8	3	100,919	8	3
4. Extension of the wall of the quay of the municipal Kaiserhafen	—			16,000	0	0
C. Other purposes :						
1. Drainage of Danzig-Heubude	—			48,000	0	0
2. Construction of the main road from Danzig to the suburb of Neufahrwasser	—			40,000	0	0
3. Linking-up of the sewerage of Danzig-Neufahrwasser with the sewage filter-bed at Saspe	—			20,000	0	0
4. Enlargement of the Municipal Slaughter-house	—			20,000	0	0
5. Building of dwelling-houses	—			79,701	3	2
				£	s.	d.
The balance of the net proceeds of the loan standing to the credit of the Trustee's account on March 15th, 1927, amounted to				231,314	13	9
In conformity with Paragraph C of the Programme of Expenditure, the loan account has, during the financial year under review, been credited with				275,466	13	11
(representing the money available for investment through earlier amortisation of the Harbour works)				506,781	7	8
Total				506,781	7	8
	£	s.	d.			
During the financial year 1927-1928 a sum of	238,634	8	4			
Plus (for redemption of bonds of the Mortgage Dollar Loan)	5,028	3	0 ¹			
In all				243,662	11	4
has been spent, leaving per March 15th, 1928, a balance on the loan account of				£ 263,118	16	4

* * *

The details of the sums liberated will be found in the attached table, which gives the situation as per March 15th, 1928.

¹ From the balance per March 15th, 1927, amounting to £16,070 16s., of the sum blocked for redemption of bonds of the Mortgage Dollar Loan, there have been paid during the financial year 1927-28 £5,028 3s. (equivalent of \$23,934), leaving £11,042 13s., still available for the redemption of this loan.

Items of Programme of Expenditure	Original Programme of Expenditure			Balance as per March 16th, 1927			Transfers authorised	Available in 1927-28		Sums liberated			Unexpended balance of Programme of Expenditure														
	£	s.	d.	£	s.	d.		£	s.	d.	1927	£	s.	d.	£	s.	d.										
Development of the Radaune Water-power Station.....	436,000	0	0	—	100,000	0	0	From the earlier amortisation of the Harbour works	100,000	0	0	1927 Aug. 29	100,000	0	0	—	—										
Extension of system of electrical distribution network.....	200,000	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—										
Opening-up of land for residential purposes of Brösen.....	125,000	0	0	64,000	0	0	16,000	0	0	48,000	0	0	1928 Feb. 27	2,860	1	8	45,139	18	4								
Opening-up of factory sites on the Niedere Front.....	101,000	0	0	75,882	15	3	—	—	75,882	15	3	1927 March 23 June 18 Oct. 20 Dec. 14	12,821	4	3	11,499	13	9	9,341	0	5	8,179	16	7			
Construction of new sewage filter-bed system.....	55,000	0	0	100,919	8	3	—	—	100,919	8	3	1928 Feb. 27	1,967	19	7	43,809	14	7	32,073	0	8	—	—	—			
Extension of Waterworks.....	40,000	0	0	4,658	14	5	—	—	4,658	14	5	1927 March 23	17,154	7	8	1,852	1	0	83,765	0	7	2,806	13	5			
Other purposes.....	320,000	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
Amortisation of Dollar Loan.....	45,451	9	5	16,070	16	0	—	—	16,070	16	0	1928 Feb. 27	6,050	1	3	7,850	18	4	11,042	13	0	5,028	3	0	3,981	14	5
Extension of the wall of the quay of the municipal Kaiserhafen	—	—	—	—	16,000	0	0	From the "Opening-up of land for residential purposes of Brösen" (resolution of the Council of the League of Nations, June 17th, 1927)	16,000	0	0	1927 March 23 Oct. 20	1,046	8	7	1,446	8	7	7,850	18	4	3,145	10	0	964	10	3
Drainage of Danzig-Heubude....	—	—	—	—	48,000	0	0	From the earlier amortisation of the Harbour works (resolution of the Council of the League of Nations, September 15th, 1927.	48,000	0	0	1928 Feb. 27	765	7	2	12,726	5	9	3,273	14	3	—	—	—	48,000	0	0
Construction of the main road from Danzig to suburb Neufahrwasser	—	—	—	—	40,000	0	0	Resolution of the Council of the League of Nations, December 9th, 1927	40,000	0	0	—	—	—	—	—	—	40,000	0	0	—	—	—	—	—	—	
Linking-up of the sewerage of Danzig-Neufahrwasser with the sewage filter-bed at Saspe....	—	—	—	—	20,000	0	0	do.	20,000	0	0	—	—	—	—	—	—	20,000	0	0	—	—	—	—	—	—	
Enlargement of the Municipal Slaughterhouse.....	—	—	—	—	20,000	0	0	do.	20,000	0	0	Jan. 5	16,000	0	0	4,000	0	0	4,000	0	0	—	—	—	—	—	
Building of dwelling-houses.....	—	—	—	—	79,701	3	2	do.	79,701	3	2	Jan. 20	44,231	17	8	35,469	5	6	35,469	5	6	—	—	—	—	—	
									569,232	17	1		243,662	11	4	325,570	5	9	325,570	5	9						

According to Programme of Expenditure

In virtue of Paragraph 20 of the General Bond, the following exchanges of mortgage have taken place :

RELEASED ON :		SUBSTITUTED BY :	
January 19th, 1928.			
	Danzig Gulden		Danzig Gulden
26 houses Weichselmünde, p. 7, 16b, 17, 40, 43, 44, 51, 52, 59, 62, 63, 64, 66, 80, 87, 90, 97, 110, 117, 129, 136, 138 ; Heubude, p. 39, 40, 47, 48, 49, 93	543,000	Plot Hochstriess, p. 370, consisting of dwellings : Pestalozzi-str., No. 1	52,000
		Neuermarkt, No. 2	32,000
Plot Weichselmünde, p. 161, 52,998 sq. m. at 6 Danzig gulden p. sq. m.	317,988	Neuermarkt, p. 4, 6, 8, 10, 12, 14, 16, 18	440,000
From plot Heubude, p. 3a, 25,842 sq. m. at 6 Danzig gulden p. sq. m.	155,052	Plot Olivaer Vorstadt, pg. 2	660,000
From plots Heubude, p. 30, 81, 116, 271 ; Weichselmünde, p. 46 ; Troyl, p. 11, 12, 22, 34 ; Hochstriess, p. 20	262,121	Plot Krakau, p. 67	160,000
	<hr/> 1,278,161		<hr/> 1,344,000

It appears from this statement that the new pledges exceed the value of the pledges released by 65,839 Danzig gulden. The Senate of the Free City of Danzig, however, has reserved the right to ask the release of a few small plots, without substituting other pledges for such release. The value of the plots to be released will not exceed 65,839 Danzig gulden.

According to letters of the Bank von Danzig, dated December 28th, 1927, and February 3rd, 1928, the following plots have been mortgaged, as additional security for the loan :

- Löblau, p. 118 (2.8660 hectares), p. 127 (3.6750 hectares), p. 129 (0.5292 hectare).
- Kl. Bölkau, p. 187 (2.2301 hectares).
- do. p. 189 (0.3509 hectare).
- Gr. Bölkau, p. 45 (0.0179 hectare).
- do. p. 34 (67.0096 hectares).

These plots, belonging to the Municipal Electrical Works, have been entered on the item "Grundstücke, Gebäude und sonstiges Eigentum der Städtischen Elektrizitäts-, Gas- und Wasserwerke".

I may add that, shortly after March 15th, 1928, the under-mentioned plots have also been mortgaged, as additional security for the loan :

- Gr. Bölkau, p. 24 (0.2583 hectare), p. 28 (0.1263 hectare), p. 33 (0.8489 hectare).
- do. p. 38 (0.0369 hectare), p. 40 (0.4493 hectare), p. 41 (0.3042 hectare).
- do. p. 44 (5.7153 hectares), p. 46 (0.1786 hectare), p. 49 (1.5034 hectare).
- Löblau, p. 123 (2.4301 hectares), p. 128 (1.9918 hectare), p. 133 (0.2039 hectare).
- Ober-Kahlbude, p. 41 (1.3672 hectare).

These plots also belong to the Municipal Electrical Works and have likewise been entered on the item "Grundstücke, Gebäude und sonstiges Eigentum der Städtischen Elektrizitäts-, Gas- und Wasserwerke".

The foregoing is in accordance with paragraph 18 of the General Bond, which provides that the Municipality of Danzig undertakes to include in the mortgages any improvements or extensions of the Municipal Electric Works, Gasworks and Waterworks or any extensions of the equipment thereof and any further undertakings or lands, buildings or properties which may be acquired or constructed out of the proceeds of the loan.

In concluding, I would again express my high appreciation of the assistance the Bank von Danzig has also lent me in the past year in its capacity as my representative in Danzig.

Amsterdam, March 1928.

(Signed) C. E. TER MEULEN.