

on a relatively small number; hence, disposal of the capital was centred on railways, electric communications, river conservancy, etc., and disposal of interest was centered on subsidies for the construction and equipment of the Central Library; the Central Museum and institutions of higher education and research, vocational schools, etc. In subsidizing institutions of higher education, emphasis was placed on pure science, agriculture, engineering and medicine; geographically, special attention was given to provinces of the interior and those along the frontier.

From the establishment of the Board in 1931 to the end of 1938, the total amount of indemnity funds received including the funds entrusted to the Chinese Government Purchasing Commission, is £7,369,000 in round numbers, almost two-third of the amount of the British remission. All the money has been loaned out. Since the suspension of indemnity payments by the Ministry of Finance in 1939, no instalments have been received. The work of this Board during the last sixteen and half years has been the utilization of the £7,369,000 of the indemnity funds received, for productive enterprises according to the quotas fixed and for promoting and subsidizing educational and cultural enterprises with the interest receipts. In the first few years, the work of the Board consisted mainly in loaning the capital to productive enterprises. During the next few years when interest receipts from loans made became available, our work was equally divided between aiding productive enterprises on the one hand and promoting educational and cultural enterprises on the other. During the war, as most of the capital funds so far remitted had been loaned out, our work consisted principally in collecting interest from the