

Wardell

C.O.
45796

FACT AND PROT

45796



War (C) Contd.

MILITARY EXPENDITURE

1915

1st October

Enquiry as to payment of £93,000 for undrawn pay and method for accounting for £125,000 overissued by the Treasury for Protectorate expenditure.

Last previous Paper

45071

By Road
Purchasing power...
Clearly "spent" in the...
...should that...
...that the £93,000 was...
...probability

But it would be rather absurd to deduct this £93,000...
...of the £100,000...
...automatically...
...advance...
...account...
...proof...

16 Oct '15
Copy to Lewis of 6/5/15
3. 8. 8. Contd (No) }
3. Treasury Gen }
Copy to Lewis of 6/5/15 }

...to make good by W.O.) but we might
try to get the other interpretation adopted?

With regard to the last para. of the
(revised) letter.

(1) The £125,000. I agree, but W.O. should
pay it to CA. Who should receive by that
amount the advance of £232,000 for
Spanish funds?

(2) The £50,000 is part of the £150,000 for charges
has been sent to the common account. We got
the two later payments of £70,000 & £70,000
from W.O. but if the Treasury want the
first payment it will certainly be sent for
W.O. & repay them £50,000?

*
Hobson sent
right the money
50,000 (2) for
use?

↓
Between
the other
I think

GCB 5/1/50

Home
H. J. R.

Mr Reed

Pl. see further letter from CA (revised)
(with enclosure). We should about
accept his proposal to pay the £225,000
to the Treasury

? Off. Officially to the Treasury,
why not the money may be sent to CA.
like me to releasing re-advancing so
much of our debt, & at the same
time save the question of both making
further payments in advance. £100,000
a month to start with but to about
the ~~proposed~~ a occasional series by
arrangement between C.O. & W.O.

CA/1/50

at home
H. J. R.
5/1/50

India Office/3657.
(F.1.)



C. O. 4
45796

October, 1915.

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Dear Bottomley,

We have received from the Treasury a copy of your letter, No. 41,115, of 24th September, 1915, to the Treasury, regarding advances to the East Africa Protectorate for military expenditure.

Referring to paragraph 3 of that letter, we note that you say that "the total amount spent by the Protectorate on account of common charges and on War Office charges is £1,135,400". From the Governor's telegram, however, it appears that the total amount actually disbursed (less the £150,000 already advanced from Imperial Funds) is only £1,042,400. Apparently you have included £93,000 for undrawn pay in the amount stated as spent.

We are not quite clear why you want us to pay this £93,000 now. It is a liability only, not expenditure, and it seems to us that we should not pay this until the money is actually disbursed by the Protectorate. (Our advances to the India Office for

Indian

Indian Expeditionary Forces are based only on actual disbursements).

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Turning to a different point, I cannot help thinking that it would keep the accounts simpler if we refunded to the Treasury the £125,000 which they have overissued to the Protectorate for purely Protectorate expenditure, so that all the advances to the Protectorate for common charges might come out of Army Funds. To be consistent we should then have to refund to them also the £50,000 which they advanced to the Protectorate in September 1914. Have you any remarks on this?

Yours sincerely,

V. S. Gordon

50/45796

~~He [unclear]~~

362

Receipt - for my sig

1 October 1915

DRAFT.

Dear (Crowland,

J. H. Crowland &

You note of 1st October
(15/10/1915 - 211) -

Military expenditure in South
Africa -

Notes - 6/10/15 f

On talk to the Treasury
of 14 Sept. was understood
I was a loan but I have
looked up the books and
find that the definite
word "loan" was not used
but a slip - it is fully
realised that the £93,000
was an outstanding
liability.

But is it worth while
reversing the payment to
the C.A. by that amount?
The answer by the [unclear]

been drawn by now - or
if it hasn't the September
payments will have
made up the difference.

Would it not be possible,
now that we have the Gov's
estimate of the monthly
expenditure, for you to
pay £100,000 to the
C.A. Cash worth in advance
without waiting for us
to get a report that
the money has actually
been spent? It would
save complications and
also the implication of
accounts covered by the
C.A. being blown (other
than the Protestants'
accounts was they) for a
short time during time a bill
is drawn on them.

A. to the £100,000, it will
certainly be ^{desirable} to get all
the money due for Comma
charges ^{on the same}
 footing, but the bill plan

will be for you to pay the
money to the C.A. and for
us then to instruct them
to refund it to the Treasury
in repayment of our
advance for the first war
loan. Moreover we shall
still be liable for the
repayment of that advance
although we shall have
debited the money to the
Comma charges account.

A. to the £50,000 we
agree - it would ^{be} paid
same footing as the £70,000
and the £30,000, and as we
have no liability to the
Treasury in respect of it
there is no reason why you
should not pay the Treasury
direct.

Yours sincerely
W. L.

15/I.O./3657 (F.I.).



14 October, 1915.

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Dear Bottomley.

With reference to your note of the 6th instant, regarding military expenditure in East Africa, I enclose a copy of a semi-official letter which I am sending to the Treasury.

I quite agree with your proposal that we should make a monthly advance to the Crown Agents in respect of common charges, but as all our advances for East African expenditure have so far been made at the request of the Treasury, I think it would be as well if you got them to instruct us officially. Possibly it would not be necessary for you to get their sanction for any particular figure, as you may want to vary it from time to time.

Yours sincerely,

J. Brownland

18/100/2007 (F.I.).

74 October, 1918.

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Dear Sir,

Your letter No. 21240, of the 25th ultimo, about military expenditure in East Africa.

As requested we have paid a further sum of £1,010,400 to the Crown Agents for the Colonies. As regards the £23,000 included in this amount in respect of ~~uniform~~ pay on the common charges account, you may like to know that in the case of the Indian Expeditionary Forces we advanced only the amount of the actual disbursements by the Indian Government, but in this case I suppose it was not worth ~~submitting~~ £23,000, as the bulk of the common charges will be chargeable ultimately to Army Funds.

In regard to the sum of £125,000 over-advanced to the Protectorate by the Treasury ~~and~~ ~~being~~

Protectorate

J. L. Barstow Esq., C.B.,
Treasury,
S. W.

Protectorate expenditure, which sum has been recovered
 by deduction from the gross amount recoverable by the
 Protectorate from War Office funds, it seems to me that
 it would keep the accounts simpler if we refunded this
 sum to the Treasury, so that, in effect, all the advances
 to the Protectorate for common charges might be made
 from Army Funds. Similarly it would be desirable to
 refund to you the £50,000 which you advanced to the
 Protectorate in September 1914 for common charges.
 As matters stand we shall have to deal with two
 separate sets of advances :- (1) Treasury, (2) War
 Office, when we come to clear up the common charges.

Would the Treasury see any objection to these
 adjustments? If not perhaps they could give directions
 accordingly. The Colonial Office would officially
 concur.

Yours sincerely,

S. J. B. [unclear]

45796/15-500

DRAFT.

~~SECRET~~

16 October 1915

Dear Sir,

Dear Auckland,
Thank you for your letter
of the 14th (15.10.3657-7.1.)

J. B. (Auckland)
(via Office)

I enclose a copy of a
letter we are sending to
the Treasury. You will
notice that it raises
the question of your
repaying the £125,000
through the Crown Agents
(not direct to the Treasury)

W.C.B. 157.07.15 f.

It also deals with the
matter of paying interest in
advance, as you suggested

To Messrs:
Capt. Bennett
Oct

Yours sincerely
(sd) W.C. Bottomley

to the letter from the
Dept of the Treasury

1790
(1791)

2. Under present
arrangements the Protestant
Church is regarded as having
advanced this sum of
£125,000 towards the
Common charges, part of
the money which it is
under an obligation to
repay to the Imperial Court
and for which it is paying
interest on the terms
laid down for advances
to Colonies under the
grant of the loan. The
Board have considered
that the question of
repaying the £125,000
from the proceeds of
the sale of the
public property in
France, would be a
great saving, but have
found it appearing
that the proposal should
be rejected.

Office sent to the Treasury
which led to the fact for
the C. O. who caused 378
then a request to apply
to the Treasury for the
provision of the
Imperial Court
The Board have considered
the matter and have
considered whether any
arrangement could be made for
repayment by the C. O. towards
the Treasury of the amount
of the loan in advance, so
as to avoid the collection
of a sum of money, and
if it were possible to
obtain a loan of that
sum from the Treasury
it would appear that for
the amount of a loan of
£125,000 would be made
at the rate of 4% per cent
and according to the
the amount to be repaid
by arrangement between
them and the Army Council