



E. AFRICA
292

C. O.
292
JAN 16

Was Office

Military Expenditure

1916

Jan

Sends with Oban's letter from for submitting proposals for system of accounting and division of cost as between (a) Govt & Prot. funds & (b) funds of the various Prots. Asks for CO. views.

Last previous Paper.
No. 59297/15
No. 59297 PAR

T. A. Stephenson
Lt. Col. R. A. D.

Just annex 59297. The urgency of the letter seems to lie in the G. O.'s proposal (tel. of 27 Dec.) to bring the scheme (b) into operation at once. You will notice that I have agreed to Mr. Goddard's suggestion that he should be told to defer it until we have had time to consider.

But if I understand the proposal correctly, it simply means that the accounts will be straitlaced up as far as possible locally before being referred home for the final adjudication, and the Control Office will not be concerned with arrangements for financing the accounts.

I annex a skeleton table showing the structure of the items which will be

30 mg crookedly. muddy. sons. Stanter
And
Copy & report to Treas. & Bank

Next subsequent Paper.

No. 29293

been better if we had had the views of
the two Governments on the subject, but it
seems inevitable that these services should be
dealt with under a Common Charge Account
and the only question is whether we start a
new one or between E.A.P. & Uganda or ask
W.O. to agree to merge them in the C.C.A.
which they finance. The former alternative
is perfectly practicable, but it means more
work locally, and I think we might ask
W.O. to agree to the latter?

But if we once open the door to the
practice of W.O. financing services, is it not
of itself partly concerned, is it worth
while continuing the three-fold system of
finance? If the E.A.P. and Uganda War
Accounts, taken together, come to, say, £20,000
a month. The C.C. Acc. is increasing at the
rate of £100,000 a month and will increase
more rapidly later on. There would be a
material saving of labour if all the financing,
as well as all the accounts, were centralized,
and it would not be necessary to debit and
from the preamble that the Protectorates
should pay their way as far as possible
from the Estimates provision — the Control
Office would keep an abstract account
classified under heads 1 to 7, and under
heads 2 & 3 would deduct sums received
from the Protectorates or in kind if provisions
made in the Estimates.

We might in the first instance ask
W.O. semi-officially whether they would
have any great objection to the pooling?

Agreed
B.D.

On other points: -

- (a) There may be future transactions between
by the Mainland for Zanzibar or by
the Mainland for Zanzibar. These
can be settled as cash transactions, and
until we know that there are no
Common to Z'bar & the Mainland it
seems unnecessary to bring Z'bar into
the pool.
- (b) I know of nothing which E.A.P. can claim
from Nyasaland. Nyasaland may
have claims on E.A.P. but these can
be disposed of without bringing Nyasaland
into the pool. Common transactions are
very improbable.
- (c) Stores re from England. (Para: 6 of W.O. letter).
It would seem better that these should
be brought to account equally with
other services?
- (d) The W.O. K.A.P. (Para: 9) We know that
E.A.P. is keeping the log distinct - we have
not heard what is being done in regard.
As regards other charges, I have proposed
on 59287 a division of cost of Ordnance
Stores on a basis of total number of loads.
- (e) Para: 10 of W.O. letter. Mr. Barnes remains
responsible to D.C.A.
- (f) Ownership of Stores after War 59287
will give to K.A.P. ^{responsibility} that they had at the beginning

Should be
B.D.



24 January, 1916.

Dear Bottomley,

Your note of the 8th, as to General Tigner's proposal B.

2. As regards the charges common only to Uganda and East Africa ~~Protectorates~~ ^{Protectorate}, I am afraid there is no alternative to putting them to the general common charges account. If these were kept in a separate account and divided between those two Protectorates only, the War Office ~~is~~ ^{is} no part of it, and if, on the other hand, the two Protectorates were to pay their share (say in proportion to strength of their respective forces) of the account (I ⁴ -) ~~is~~ ^{is} then the two Protectorates would have paid more than the proper rates of the whole and the War Office would have paid less.

3. But this course (I believe you had regarded it as a concession - though to me it seems un-logical necessity) does not, I think, carry with it the concession you suggest in your following paragraph that the War Office should provide the funds for all the war charges of the

Yes - on his assumption that, at the end of the war, the Common Charges Account is to be abandoned as a whole without any classification of the services rendered included in it.

two

charges paid in the first instance by the Imperial Paymaster would, so far as I can see, never go to the Central Office of Accounts (see enclosed copy of telegrams showing that all charges, except pay and allowances of non-common units, are treated as common charges).

6. As regards the seven "B" accounts, B.1 will, I think, be composed mainly of the pay and allowances of the extra establishment of the King's African Rifles. B.2 raises no question. B.3 will, as you say, be adjusted at once. B.4 - 7 will all be in the one common charges account (see paragraph 2 above). Similarly as to the "C" accounts.

Yours sincerely,



F.S. We really don't know enough about the accounts actually being kept, to enable us to give more than very general instructions.



/7258

31/12/15.

War Office to Maj. Gen. Tiche, Nairobi.

27917 Are you treating as Common Charges all expenditure other than pay and allowances? If not, where do you draw the line between Common and other charges?

Maj. Gen. Tiche to War Office.

15/1/16.

284/20 Your telegram January 1st 27917 Common Charges. Any further expenditure other than pay and allowances except in case of personnel administrative services serving both forces which have been treated as Common Charges and made dividing line.

of the war. According to ^{the conference} 39235 of April 8
 Jamesprints, the number of stores laid for
 as common charges will be divided in the
 same proportion as the common charge
 account. If this arrangement is continued
 after R.C.C.A. has become a General Military
 Expenditure A/C (as proposed), it should
 be applied after the R.A.R. stores have been
 made up to peace basis under 59297, because
 this latter operation is the corollary of the
 arrangement by which the Procurement continue
 their normal form provision on the Estimates.

We can write to G.O. on 59297 and then
 together when we know what view they
 take as to footing finances. My suggestion
 is accepted.

G.O.B. 5.1.16

[Signature]
 5.1.16

Off. Semi-Official C. P. even
 at once
 H. S. D.

7/1/16

The Secretary
 to the Board

I attach to Controller's reply of 22 Jan. the
 draft 500 to be laid up by the annual
 of 3906, which had been sent with a draft
 submitted. Please see on 3906.

W. S. D. 1.1.16

to me
 H. S. D. 29/1/16

[Signature]

Payments made by

Services affecting

A B C

War Office E.A.P. Uganda

- 1. War Office only
- 2. E.A.P. only
- 3. Uganda only
- 4. W.O. + E.A.P.
- 5. W.O. + Uganda
- 6. E.A.P. + Uganda
- 7. all three

all three

and 3/1/16 asking 10
that tele. should be
sent as proposed

War Office, C.C.S.

Whitehall,

S.W.

1.1.16

Dear Attorney

NP

As before's cable
of 29th Dec., proposing to
start scheme (b), would you
be kind to cable him to hold
his cables to be heard from us
(after we hear from you) or the
Government hear from you?
Perhaps you will let me know
how official you are.

Yours

[Robertson]

R. Wilby, Lakeview

(The commission should be
sent to the deflated

from Sir H. Sturges

received by Sir. as
5/11/47

Planning as
well as to the

General
H. E. Smith

Les
S.M.

Any further communication on this subject should be addressed to—

The Secretary,
War Office,
London, S.W.

and the following number quoted.



11
232
P.C.
R.S. 111'S

0155/7168. (F.I.)

War Office,
London, S.W.

1st January, 1916.

63-12

Sir,

I am commanded by the Army Council to send you the enclosed copy of a letter dated 2nd. November 1915 from the General Officer Commanding the Troops in East Africa, reporting on the military financial position in East Africa, and to state that before replying to the General Officer Commanding's letter they would be glad to receive Mr. Secretary Bonar Law's remarks thereon.

2. The letter deals mainly with the division of expenditure between the several Protectorate Governments, a matter with which the Council are not directly concerned (see War Office Letter 0155/3997 (F.I.) of 16th. October last). They assume that Mr. Bonar Law will, if necessary communicate with the Protectorate Governments on the subject, and they will be glad to receive a copy of any instructions sent.

3. With regard to the two alternative schemes for dealing with local war expenditure, outlined in Paragraph B of the General Officer Commanding's letter, it will be observed from the enclosed copy of a telegram of 27th. December from the General Officer Commanding, that the three Protectorate Governments are in favour of the adoption of scheme B. From the point of view of this

Department

Under Secretary of State,
Colonial Office.

Department also that scheme seems preferable to scheme A.

4. As regards the remaining matters dealt with in the letter, I am to offer the following remarks:-

End of Paragraph 2. Division of Charge. The arrangement that all "common" charges are debitable (through the East Africa Protectorate) to the War Office, without any division currently, should avoid a good deal of difficulty. Provided that all expenditure is duly accounted for through authorised channels it is not desired to know how much of it appertains to the Indian as distinguished from the Imperial forces.

5. Paragraph 3. Difficulty in securing vouchers. This presumably refers to the irregularities dealt with in War Office letter ~~0165/3821 (P.1)~~ of 22nd. June last. The General Officer Commanding's report has not yet been received.

6. Paragraph 4. Zanzibar. This expenditure is apparently being dealt with as suggested in War Office letter ~~0165/7005 (P.1)~~ of 9th. November last.†

India. No question seems to arise at present.

Sudan etc., from England. No charges being made against the Protectorate Governments at present, but a record is being kept in order that the total cost may be ascertainable for the purpose of division of charge with those Governments.

7. Paragraph 5. The exact relation of the East Africa Pay Corps and the Military Accounts Branch to one another, to the Protectorate Government and to the General Officer Commanding, is not perfectly clear.

8. The Protectorate share of war expenditure to be separated from "war expenditure common to both" is presumably the pay etc., of local troops or other charges in which the

War Office is not concerned. The General Officer Commanding does not say exactly how "common charges" are interpreted locally; whether, e.g., all charges except pay and allowances are being so treated. An enquiry on the point has been sent to him by cable.

9. Incidentally I am to say that it is presumed that the charges for the pay, etc., of the additional establishment of the King's African Rifles, which are to be borne finally by Army funds are being recorded separately from the common charges of the general forces, which are subject to division hereafter between Army and Protectorate funds.

10. It is assumed that the Local Audit branch under Mr. Barnes, while assisting the General Officer Commanding with financial advice, remains responsible to the head of the Audit Department in all matters relating to Audit.

11. Paragraph 5. As regards the General Officer Commanding's responsibility for expenditure in Uganda, it is the view of the Army Council that that Officer is generally responsible to this Office for all expenditure incurred under his authority, from the point of view of regular and economical administration, but that the responsibility for the correct accounting for all "common" expenditure, whether in British East Africa, Uganda or Zanzibar, lies with the Protectorate Authorities and the Colonial Audit Department.

12. Paragraph 7. War Office letter 15/3/13, 2022 (V.I.), dated 25th August 1913, referred to by the General Officer Commanding, relates to the ownership of the stores, etc., remaining after the war is over. It is perhaps unnecessary to pursue this point for the present.

13. I am to add that as the questions for consideration arise

between

between the funds of the several Protectorates, rather than
between Army and other funds, the Council leave it to the
Colonial Office to make any necessary communication to the
Treasury.

I am, &c

Sir,

Your obedient servant,

D. B. Cairns

Encl. in No.

222 15
RHS
Recd 3 JAN 16

No. 854/40. (C.H.Q.)

Command Headquarters, E.E.A. & U.

NAIROBI, 2nd November, 1915.

From:-

The General Officer Commanding
Indian Expeditionary Force "E"
& the Troops in British East
Africa & Uganda.

To:-

The Secretary,
War Office, London.

Sir,

I have the honour to bring the following
Summary of the military financial position in East Africa
to your notice for special consideration.

2. The financial question of the East African
Operations is, in my opinion, by no means simple and
I venture to state, that, the difficulties in connection
therewith have not been fully appreciated at Home. As you
are aware, Military operations have extended over a
considerable area and Military financial control has been
complicated by the fact that not one, but three different
Governments have been affected, and various classes of troops
and services have been employed differing in rates of pay,
organisation and terms of service. There has been much
intermingling - one unit with another, one service with
another, one organisation with another, and one Protectorate
with another - that it has not been possible to regulate or
standardise thoroughly, rates of pay, allowances, etc. etc.

Though

Though great strides have been made in this direction through the valuable assistance and co-operation afforded by the respective Governments concerned, yet with the continual change of troops, it has not been found possible for any one Protectorate to have kept accurately a note of its own War Expenditure, consequent on its interdependence on a neighbouring Protectorate for Supplies and Stores. The various Services similarly have not been able to divide or keep notes of the exact charges debitable, say, to Indian Expeditionary Force, Protectorate Force, or the Uganda Force - especially in Field Operations.

3. Owing to the lack of Military Organisation on the outbreak of War, it has been found difficult, and in some cases not possible, to trace various stores, secure vouchers for purchases made locally, or to submit figures in regard to past expenditure as called for by the Home Authorities. Further, large sums of money have been expended which have only recently come to light as, for example, a charge now submitted by the Zanzibar Government for £10,000 (vide further reference below.)

Other questions have arisen such as Uganda's share of expenditure incurred over the Marine Transport Service on Lake Victoria, which up to date has been met by the East Africa Protectorate.

4. British East Africa has naturally been the principal Protectorate involved, both by reason of the Military situation and by the advent of Indian Expeditionary Force and reinforcements, but Uganda has

also

5. I applied some time ago, as you are aware, for a financial adviser, but such an appointment was considered unnecessary. To assist me however, to regularise and check expenditure, and to obtain financial advice, His Excellency the Governor of British East Africa placed certain Treasury Officials at my disposal. I was then employed to raise and organise in the first instance, a Local Pay Department (East Africa Pay Corps) under Captain J. Hutchinson, a Treasury Officer of the East Africa Protectorate, and subsequently, in consultation with the Protectorate Government, to augment this service by a Military Accounts Branch to deal with the financial questions which were ~~constantly~~ ^{constantly} arising and for their importance. The service rendered has been invaluable. This department has taken over all local accounts and the writing up of all store ledgers from the commencement of hostilities to date and onwards, allocating the same under the various heads and sub-heads, in accordance with instructions received under your No. 19424 of the 23rd August, 1915. It has also been endeavouring to separate, so far as possible, the Protectorate share of War Expenditure from "War Expenditure Common to both". A branch of the Protectorate Audit Department, under C. Barnes, Esq., of the East Africa Protectorate Audit, has also been organised and placed at my disposal, from whom I have received and am receiving great assistance and this department has been engaged in auditing all local expenditure in co-operation with the East Africa Pay Corps.

6. The Uganda Government, after the outbreak of War, financed its own operations and under His Excellency the Governor of Uganda orders, raised its own organisation to deal with Military Accounts and expenditure through the Treasury at Entebbe which acted in the capacity of a "Pay Department" to the local forces in the Protectorate. On the arrival of the Indian Expeditionary Force, changes were effected with the result, that stores of all descriptions, viz., Supplies, Ordnance Stores, &c., were sent to the Uganda Protectorate from the East Africa Protectorate. The Uganda Financial Organisation was, therefore, brought into closer touch with the financial organisation on this side, in British East Africa, and every endeavour made, in consultation with His Excellency, the Governor of Uganda, to regularise and standardise expenditure in both Protectorates on the same basis. In this work, I have had most valuable assistance from the Honorable The Chief Secretary and the Honorable The Treasurer at Entebbe.

Owing to distance away, however, it was recently decided that Uganda Government should accept its own financial responsibility and act independently, in so far as finance was concerned, exclusive of Bombo and the Kagera Line and troops other than purely local troops were engaged there in active operations, except on the above mentioned line. This arrangement has relieved me of considerable extra work and financial responsibility, but I am uncertain whether the system now in force can be considered

considered financially sound and entirely satisfactory, especially in view of the ruling regarding final allocation vide Colonial Office Cablegram No. _____ dated _____ 18th October, 1915, (copy attached). I am inclined to the contrary opinion. Further, I am uncertain as to my exact financial responsibility with regard to expenditure incurred, or being incurred, in the Protectorate named, especially in regard to transactions prior to the arrival of Indian Expeditionary Force "B".

7. Up to date, with the exception of one or two cables received by me direct, and one or two rulings received from the East Africa Protectorate Government, under telegraphic instructions from the Colonial Office, no definite orders have, so far as I am aware, been sent out as to how East Africa Protectorate, Uganda, and Zanzibar are to co-ordinate their War Expenditure and finance. Is it the intention for each Protectorate to act independently? If such is the case, I foresee complications, especially in view of the ruling given in your L.S./L.O./3582 (P.L.) dated the 25th August, 1915, addressed to the Colonial Office.

Military stores in Uganda can be looked upon as realisable assets on the termination of hostilities, and the procedure foreshadowed in your above quoted letter, received under East Africa Protectorate No. 10437/90, dated the 6th October, 1915, together with Colonial Office No. 39285/1915, dated the 8th September, 1915, applies equally to Uganda as well as to British East Africa.

Will

120
47993

39/11/15

Will these two Protectorates get credit for these sales, if separate accounts and store ledgers are kept? If it is ultimately decided that Uganda will have to render separate accounts to the Imperial Government, of expenditure incurred there, there is no doubt that Uganda will be required to give credit to the East Africa Protectorate for all supplies and stores purchased locally here, or requisitioned from England, India or South Africa.

This is a question for the Imperial Government to settle, with the Protectorate concerned, and I only bring the question up for general consideration with regard to the system now in force.

The same applies, to a certain extent, to Zanzibar.

5. I suggest, for consideration, as a possible solution, one of the two following alternative schemes:-

(a) For the Imperial Government, either through the War Office or the Colonial Office, to take full responsibility for War expenditure in all Protectorates, and to circularise the various Governments concerned, to render their accounts to the Home Authorities direct, in the form of statements audited by the Local Auditors of the respective Governments. (It is assumed, in view of the rulings already received, that there will be no need to submit vouchers with the accounts to the Imperial Government, if the audit has been already undertaken by the Protectorate Auditors of the British East Africa and Uganda Governments. This would mean in the case of

Uganda

Uganda, that only their local expenditure would require to be rendered to the Imperial Government and that all stores sent from Indian Expeditionary Force Headquarters in British East Africa in the form of realisable assets should be returned to the East Africa Protectorate for the purpose of covering the Stores Ledgers. The question of supplies sent to Uganda might be left to the Protectorate to arrange themselves the Uganda Government giving credit to the East Africa Protectorate Government for same.

(b) The alternative scheme would be to utilise the existing organisation, that is, the Military Accounts Branch of the East Africa Pay Corps, as a central office to deal with all questions of finance regarding the operations in this theatre of the War. If this scheme was adopted, Uganda and Zanzibar would have to render monthly, statements of their expenditure, past, present and future, to the above Department instead of to the Home Authorities, so that all War expenditure could be embodied and dealt with by a local Central Military Accounts Department.

9. I am inclined to recommend the alternative scheme, as it would tend to standardise and regulate the whole East African campaign from a financial point-of-view, not only in regard to pay and allowances, but also with regard to the purchase and distribution of food supplies and stores and the ultimate accounting of the same on the termination of the War. This could be arranged, if the Colonial Office and Uganda have no objections to raise, by organising

Uganda, that only their local expenditure would require to be rendered to the Imperial Government and that all stores sent from Indian Expeditionary Force Headquarters in British East Africa in the form of realisable assets should be returned to the East Africa Protectorate for the purpose of squaring the Stores ledgers. The question of food supplies sent to Uganda might be left to the Protectorate to arrange themselves, the Uganda Government giving credit to the East Africa Protectorate Government for same.)

b) The alternative scheme would be to utilize the existing organization, that is, the Military Accounts Branch of the East Africa Pay Corps, as a central office to deal with all questions of finance regarding the operations in the theatre of the War. If this scheme was adopted, Uganda and Zanzibar would have to render monthly statements of their expenditure, past, present and future, to the above Department instead of to the Home Authorities, so that all War Expenditure could be embodied and dealt with by a local Central Military Accounts Department.

9. I am inclined to recommend the alternative scheme, as it would tend to standardise and regulate the whole East African campaign from a financial point-of-view, not only in regard to pay and allowances, but also with regard to the purchase and distribution of food supplies and stores and the ultimate accounting of the same on the termination of the War. This could be arranged, if the Colonial Office and Uganda have no objections to raise, by organising

organising a branch of the existing Military Accounts Department at Entebbe, with powers to go into the whole question so far as Uganda is concerned, from start to finish. This Accounts branch would ledger up Uganda stores and pass monthly statements on to the Headquarters of the Department at Nairobi.

10. In conclusion, I would point out, that hitherto, a great deal of my own and my limited Administrative Staff's time has been taken up with, by no means simple financial questions or rulings, and, in view of more active operations on a larger scale, I consider some definite agreements and more ^{explicit} instructions highly desirable.

I request the favour of early consideration of this subject.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) W. Tignor.

Major General,
Commanding the Forces in British
East Africa and Uganda.

292
REC'D 3 JAN 15 22

Command Headquarters, E. E. A. & U.
NAIROBI, November 2nd, 1918.

Copy of a Cablegram dated the 18th October, 1918,
from the Colonial Office, to His Excellency the
Governor, British East Africa Protectorate.

Reference your telegram September 23rd.
"SBI last sentence War Office will accept
"audit certificate in proof payment by East
"Africa Protectorate from War Office advances
"but accounts must be available eventually for
"consideration to the allocation of charges."

27th December, 1915.

Major General Tighe, Nairobi, to War Office.

854/65, December 27th. My letter 2nd November, 854/40, Government of East Africa Protectorate, Government of Uganda and Resident of Zanzibar approve Scheme B. I propose extending functions of East Africa Pay Corps as suggested therein without delay. Pay Corps to work in accordance with "Financial Instructions in relation to Army Accounts". Please telegraph instructions and confirm.

60 E. Africa
292

Ind. ~~of~~ letter M 24

Accounts for my ap.
(18680 w/ duplicate)

8 January 1916

Dear Croftland,

Before we reply officially
to your letter of Jan 2nd 1916

(9165/7168 (P. 11)), I should
like your views on the
following points arising

out of General T. G. H. L.
proposal for a Board
Tanzania & Nyaland
which so far as I can see
will give us trouble.

The central office of accounts
will receive accounts from
the first instance from
the funds of the

- A. the War Office
- B. the S. A. P.
- C. Uganda,

- for services affecting
1. the War Office only
 2. the S. A. P. only
 3. Uganda only

DRAFT

MINUTE.

- Mr. B. H. M. 7.1.16
- Mr. ...
- Mr. ...
- Mr. ...
- Sir G. Eddes.
- Sir H. Just.
- Sir J. Anderson.
- Mr. Steel-Maitland.
- Mr. Bonar Law.

for copy

S. R. M.

5. G.O. and Uganda
6. E.A.P. and Uganda
7. All three.

Services 4 to 7 are those which cannot be allocated at once. If they can, they reduce to 1 to 3.

This gives us a present set of accounts. In cases 1, 2, 3,

the accounts, subject to audit, will presumably be re-estimated at once. For

example, the Central Office will tell Uganda what is due to her under C, C₁, and (under ^{Items} ~~Central~~ Pay, Rates, Ammunition, & so forth.) What she has to bear under A, B, C, and cash will be transferred

(or credited in books) accordingly.

Uganda will then, after allowing for what is provided in her Estimates, under the several ^{Items} ~~heads~~, carry the balance of her expenses to her War Account and draw on us for money

on occasion.

60 E. Africa
292

Ind. of Lett. M 21

Accounts for 1916
(£680 in duplicate)

8 January 1916

Dear Colonel,

Refer we reply officially
to your letter of Jan 2nd 1916

(9165/7168 (P.11)), I should
like your views on the
following points arising

out of General Tighes
proposal B. Account
Tanzania & Nyasaland
What so far as I can see
and give us trouble.

The central office of accounts
will receive accounts paid
with the first instance from
the funds of the

- A. the War Office
- B. the S. A. P.
- C. Uganda,

for services affecting
1. the War Office only
2. the S. A. P. only
3. Uganda only

DRAFT

MINUTE.

- Mr. B. H. ... 7.1.16
- Mr. Steel
- Mr. ...
- Mr. ...
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Mr. Steel-Maitland.
- Mr. Bonar Law.

for congn

S. R. ...

it is proposed (and I see
 that Mr. you agree) that
 all these shall be carried
 to the Common Charges
 account, and I see no
 difficulty in bringing
 Uganda into that account
 again. Taking Uganda as an
 example, the central Office
 will credit her from the
 Common Charges Account
 with any pay which she
 has made under C₁ C₂ & C₃.

There remain Camps No. 1,
 No. 2, No. 3, which will have
 to be dealt with under a
 Common Charges account, and
 the only question is whether
 we should start a new
 account as between E. A. P.
 and Uganda only, or send
 you to agree to merge
 these cases in the Common
 Charges account which
 you propose. The former

DRAFT

pay their way as far
 as possible from their
 own ^{own} provision - the
 central office would keep
 an abstract account under
 heads 1 & 7, and under
 heads 2 & 3 would allow
 (in formulating their demands
 for W.O. advances) for money
 received from the contractors
 in respect of the provision
 made in their contracts for
 military services of various
 descriptions. As in the
 case of ^{our} my suggestion under
 head 6, no liability to
 the W.O. would be involved.

We shall be glad to
 know what you think about
 these points before we
 put them to you officially
 assuming that the authorities
 have ^{shared} ^{my} ^{views}.
 One other point - as I
^{mentioned} ^{above}, the central
 office will receive accounts
 paid by W.O. of W.O. services
 (A.I.), but these are outside



Copies to ... request for 2 more letters

6364-12

6

Downing Street.

31 January, 1916.

DRAFT.
THE SECRETARY
WAR OFFICE.

Sir,

Handwritten note

MINUTE.

- Mr. Bottomley 27.1.16
- Mr. Stephenson 28.1.16
- Mr. Read 29
- Mr. Sir G. P. Adams
- Sir H. J. J. J.
- Sir J. Anderson.
- Mr. Steel-Maitland.
- Mr. Banar Law.

for consideration

I am directed by Mr. Secretary Banar Law to acknowledge the receipt of your letter of the 1st of January (No. 0165/7168. P.I.) on the subject of the military financial position in East Africa, and to request you to inform the Army Council that he concurs in the proposal of the General Officer Commanding in East Africa that a central office should be established to deal with all questions of finance connected with the operations in order that all war expenditure can be embodied and dealt with by a local Central Military

Gen. E.A.R. 42 29th Oct.

(59297)

(omit as marked)

2460-145. n 3746

Handwritten signature

Accounts

purely Imperial and purely Protectorate charges, ^{the matter} ~~this distinction~~ will be of

importance in connection with the final liquidation of the Common Charges Account ^{the distinction} as ~~it~~ will render inadmissible a division of the Account on an arbitrary basis such as the numerical proportions of the various combatant forces.

3. Mr. Boserup also understands that the Army Council will have no objection to the inclusion in the Common Charges Account of charges which are common to (i.e. not immediately divisible between) the two Protectorates but in which Imperial forces are not concerned.

4. There seems to be no necessity to bring Zanzibar or Nyasaland into the Common Charges Account. So far as they incur expenditure in connection with the operations to the north of the German Protectorate, they will be repaid in full, the cost being borne by the East Africa Protectorate, the War Office, or the Common Charges Account as the case

DRAFT.

+ No 8479474

DRAFT.

We need not wait for Uganda?

Services to the Protectorate Treasurers was enclosed in your letter of the 16th of October (No. 0165/5987 P.L.) and is consequently omitted from the enclosures to the Governor's despatch. Mr. Bonar Law has not yet received the views of the Government of Uganda on the proposals, but subject to the concurrence of the Army Council he agrees that issues of stores should be made to the King's African Rifles from the Ordnance Store, payment being made by the War Expenses Account of the Protectorate concerned, subject to reference to that Account of amounts provided in the Annual Estimates under the subheads concerned. The arrangement by which the Battalions of the King's African Rifles will be left at the end of the war with the equipment which they had in August 1914 is a necessary consequence, and this replenishment of stocks will be a first charge on the surplus of stores left on hand before that surplus is divided in the

is being followed in Uganda. Enquiry will be made on this point in due course.

DRAFT.

10. Mr Bonar Law presumes that the Army Council will in the first place inform the General Officer Commanding that his proposal, referred to in the first paragraph of this letter, is approved. A copy of the correspondence is being sent to the Treasury, but Mr. Bonar Law does not conceive that for the present any points arise out of it for which the Lords Commissioners would wish their prior approval to be obtained.

11. The position with regard to military finance in East Africa is not yet free from obscurity, but Mr. Bonar Law desires to express his appreciation of the pains which Major General Tighe has taken over the question and of the assistance which the information contained in his letters has afforded to the Colonial Office.

L. S. S. G.

Your letter, 20-01-1907, of the 20th of January has been

292

600 EAST
292/100

31

Cable

6365-14

DRAFT



Ind. 31/15

31 January 1916

The Secretary to the
Treasury

Sir,
I am directed by the
Leg. Board how to
transmit to you, ~~with~~ for
the info. of the Hon. Comr.
of the Treasury, the
accounting copy of
Comptroller's report
to the expenses of the
military operations in
East Africa and Uganda.

Cred. 27.1.16
W. Read. 29

For comment

Gen. K.R. 42. 1906. (59297)*
all sent.

600 1 Jan. (292)
600 25 Jan. (3947)
900 1 Jan. (42)
700 1 Jan. (3146)

* Nos. 59297, 292 + 46, 3 + 46 + 46

6365-14