

EAST AFR. PROT
9431

9431
REC'D
FEB 21 1917

my

B. of Trade

1917

Customs invoices

20 Feb.

Sends letter from Antwerp Brn. complaining of refusal of Customs authorities at Antwerp to pass invoices for certain shipments without payment of a deposit. Suggests let. be sent to fr. requesting that deposit be returned at once.

Last previous Paper.
B. of T.
2410/16

and
Copy 20/2/17, 6/2/17, 18/1/17, 28/2/17
Jno 6/17 can 29/2/17
5/2/17

Mr. B. Stouling

? Tel. G. E. A. P.

as in 3rd par., and confirm by despatch suggesting as in par. 4, and enclosing copy of B. of T. letter.

And inform B. of T., sending copy of our let. to Gov. proposal above.

A.C. 23/2/17

Mr. Butler

You will observe from previous papers that the local Government require that the shippers' invoices should be supplemented by the invoices of the original suppliers, or by other evidence that the former represent the true value of the goods. Otherwise

subsequent Paper.
B. of T.
3/3/17

there

37/01/6

there may be collusion between the shipping firm and their local branch or agent with a view to escaping full import duty. We decided to leave the matter to the Governor's discretion.

In this case Messrs. Bousteads argue that they are in fact the suppliers and that, as they are selling not to Messrs. Boustead and Clarke but to the ultimate purchaser, they cannot be expected to produce supplementary invoices, which would show what profit they are making.

I do not see that they are any more the suppliers now than they were a year ago. As regards the second point, I do not clearly understand the "consignment basis", but it seems to me that Messrs. Boustead and Clarke will sell at the prices indicated on the invoices, copies of which are sent to us, without any additional profit and that those invoices will be handed to the purchaser. But I know of no reason to suppose that the supplementary ("suppliers'") invoices would go further than the Customs Department.

In the circumstances, although there is probably no reason to believe that the invoices produced do not represent the true value at Mombasa, I do not see why we should give orders to the Governor by telegraph in a matter in which Messrs. Bousteads prefer to make trouble here rather than conform, as others apparently do, to the Regulations laid down by the Customs Department. I submit drafts.

LCAS 23.2.17

Jas

23.2.17

at once

O/JR.



9431
REC'D
21 FEB 17

469

Any further communication respecting
this matter should be addressed to—
COMPTROLLER-GENERAL,
DEPARTMENT OF COMMERCIAL INTELLIGENCE,
BOARD OF TRADE,
78, BASINGHALL STREET,
LONDON, E.C.
The following number should be
used—
D.O.I. 6419/D.

BOARD OF TRADE,

DEPARTMENT OF COMMERCIAL INTELLIGENCE,
78, BASINGHALL STREET,
LONDON, E.C.

20th February, 1917.

Sir,

With reference to the Colonial Office letter of the 28th June and previous correspondence regarding invoices for British East Africa, I am directed by the Board of Trade to enclose a copy of a letter and enclosures received from Messrs. Boustead Brothers respecting the refusal of the Customs at Mombasa to pass their invoices to Messrs. Boustead & Clarke, Ltd., for certain shipments without payment of a deposit. It appears probable that the shipments have been queried by the Collector of Customs on the supposition that Messrs. Boustead Brothers were not the actual suppliers of the goods, and that consequently there was no guarantee that the prices charged represented actual invoice prices.

A representative of Messrs. Boustead Brothers called at this Department and submitted invoices from Manchester wholesale houses to show that Boustead Brothers are the actual suppliers of these consignments; that the prices on the invoices represent the minimum amounts for which they are prepared to authorise ^{Men} Boustead & Clarke to sell the goods; and that these prices are not below market value in this country.

I am accordingly to suggest for Mr. Walter Long's consideration that the Collector of Customs at Mombasa might be informed by cable that ^{Men} Bousteads have submitted evidence as above, and that therefore the deposit made by ^{Men} Boustead & Clarke

The Under-Secretary of State,
Colonial Office,
Spinning Street, S.W.

may

2/2355/16

D.C.I.6419/D.

Copy of communication dated 31st January, 1917.

From Boustead Bros., 5, Fenchurch Street, E.C.

To Department of Commercial Intelligence.

9431

RECEIVED
21 FEB 17

Confirming our call of to-day, we attach copy of letter received from Messrs. Boustead & Clarke, Ltd., Mombasa, respecting three invoices which were sent by us to them, copies of which we also attach.

Apparently the Chief of Customs in Mombasa has abstracted from Boustead & Clarke a deposit before delivering the goods, to be repayable upon production of Suppliers' Invoices, and we contend that the invoices we sent are in all respects all that is required by the Law.

In this case we ourselves are the Suppliers and there is no intention of defrauding the Inland Revenue at all. These goods are sent out by us on consignment, to be sold at prices sufficient to cover the cost shown on the invoices attached. The goods are bought by us without any order from the other side whatever and are sent out by us on a consignment basis and Boustead & Clarke are asked to remit the money to us as soon as the goods have been disposed of.

We would also point out that we have to-day on the occasion of our visit produced the actual invoices from our suppliers for these goods from which you observed that the prices invoiced out were above those at which the goods were bought.

Our object, of course, in refusing to send Suppliers' Invoices is that we object to having to divulge to our clients the actual price paid or the profit we are making on these transactions.

The one per cent. commission added at the foot of the invoice is added only by us as the Customs' Officer originally refused to pass invoices without commission being stated, and you will understand that no payment will be received from the consignees until the goods have been disposed of.

In view of these circumstances we shall be glad if you will kindly arrange, if possible, with the Colonial Office to cable the Customs Officer at Mombasa immediately to refund the deposit abstracted, and also to pass similar invoices, in future, as there are several more on the way out.

Copy of communication dated 16th December, 1916.

From Boustead & Clarke, Ltd., Mombasa.

To Boustead Bros., London.

S.S. Worsley Hall, 25th October, 1916.

The Customs will not pass your Invoices for the following shipments made by this steamer:-

F.T.O.

- 0384. 2 cases Shirting.
- 0385. 1 Bale Handkerchiefs.
- 0381. 4 Bales Hodrunk.

We have therefore had to pay a deposit to enable us
take delivery. Kindly let us have the usual suppliers'
invoice, so that we can adjust matters.

COPY.
5, Fenchurch Street,

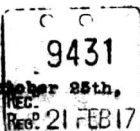
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BOUSTEAD BROS.

LONDON, E.C. October 25th,

1916.

INVOICE of Two Packages Merchandise,



shipped

the undersigned per s/s "Worsley Hall" Liverpool to Mombasa.

order and for Account and Risk of Messrs. Boustead & Clarke, Ltd.

execution of Order No. See our letter dated October 24th, 1916.

1/2. 2 0/s:-

WHITE SHIRTING 32" x 40 yds.
quality NO. 46995.

Case 1 = 45 pieces,
" 2 = 44 "
89 " @ 14/6d. per piece,

64 10 6

G.I.F. Mombasa.

CERTIFIED CORRECT.

For BOUSTEAD BROTHERS

signed E. D. Brew

B. & O. B.

BOUSTEAD BROS.

LONDON, E.C. October 25th, 1916.

INVOICE of One Package Merchandise, shipped

by the undersigned per s/s "Worsley Hall" Liverpool to Mombasa.

in order and for Account and Risk of Messrs. Boustead & Clarke, Ltd.

in execution of Order No. See our letter dated October 24th, 1916.

1. 1 Bale:-

HANDKERCHIEFS Woven, No. A.723,29" x 33"
135 dozen, @ 6/6d. per doz.
Looc Manchester.

45 17 6

Certified Correct.

For BOUSTEAD BROTHERS
(signed) E. Drew

CHARGES.

Prop'n. B/L 6d. Ry & D. Dues 6/6d. B. Stp & Pts 1/6d.	8 8	
Agency,	1 -	
Freight and Primage incl. Landing Chgs.) 9'2" @ 90/- & 10%	1 2 8	
Insurance on 280. @ 7/6d. % & Poy Stp,	4 7	
War & A/Craft Risk @ 25/- % " " "	15 1	2 12 -
		46 9 6
Commission 1%		9 4
		56 12 10

H. & O. B.

COPY.
5, Fenchurch Street,

473

LONDON, E.C. 25th October, 1916.

BOUSTEAD BROS.

INVOICE of Four Packages Merchandise, shipped

by the undersigned per s.s. "Worsley Hall" Liverpool to Mombasa.

Order and for Account and Risk of Messrs. Boustead & Clarke, Ltd.

Execution of Order No. See our letter dated 6th April, 1916.

1/4. 4 Sales.

HODRUMK.

1/3 - each	100 pieces	36" x 8 yds. =			
	300	" @ 4/- per piece		60	0 0
4 -	75	" 36" x 8 yds. =			
	75	" @ 4/- per piece		15	0 0
					<u>75 0 0</u>

C.I.F. Landed Mombasa.

Certified correct.
For BOUSTEAD BROS. LTD.
Signed: *EBrew*

CHARGES.

Pts. 1/-		1	0		
War & A/C Risks £85. @ 25/-%		1	1	4	
				1	2
				4	
				<u>276</u>	<u>2 4</u>
Commission 1%					15 3
				<u>276</u>	<u>17 7</u>

B. & O. B.

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B. of T. 9431 E.A.P.

Downing Street,

28 February, 1917.

Sir,

I am directed by Mr. Secretary Long to acknowledge the receipt of your letter, No. 6419/D, of the 20th February, on the subject of the requirements of the Customs Department at Mombasa in connection with goods shipped by Messrs. Boustead Brothers.

2. As Mr. Long understands the matter, the invoices, copies of which you enclosed, are intended to be delivered to the ultimate purchasers of the goods, and, if this is the case, he agrees that there can be no doubt that the prices indicated in the invoices might be accepted by the Customs Department as evidence of the true value of the goods at Mombasa. He is reluctant, however, to send any instructions to the Governor of the East Africa Protectorate by telegraph

DRAFT.

CONTROLLER-GENERAL,
DEPARTMENT OF COMMERCIAL
INTELLIGENCE,

BOARD OF TRADE

MINUTE.

- Mr. Bottomley 23/2/17
 - Mr. Butler 24/3
 - Mr.
 - Mr. Grindle.
 - Mr. Lambert.
 - Mr. Read.
 - Sir G. Fiddes.
 - Mr. Steel-Maitland.
 - Mr. Long.
- for comment*

Copy for 181 case 28 Feb 17

of the East Africa Protectorate by telegraph

C. D.
27

Downing Street,

28 February, 1917.

Ans d 36 of 6

Sir,

with reference to my predecessor's despatch No. 572 of the 18th August last, I have the honour to transmit to you the accompanying copy of correspondence with the Board of Trade on the subject of the deposit which Messrs. Boustead and Clarke have been required to pay in connection with certain goods shipped from this country by Messrs. Boustead Brothers.

2. There would appear to be no reason to doubt the sufficiency of the invoices which have been produced, in view of the assurances which have been given by Messrs. Boustead Brothers, and, if you concur in this view, you will no doubt make arrangements for the deposit which has been required to be refunded to Messrs. Boustead and Clarke.

3. I shall be glad to receive

DRAFT.

*37/01
16*

AFRICA PROTECTORATE

181

SIR H. CONWAY BELFIELD, K.C.M.G.

MINUTE.

Mr. Bottomley 23.2.17

Mr. Butler 24. f.s.

Mr.

Mr. Grindle.

Mr. Lambert.

Mr. Read.

Sir G. Fiddes.

Mr. Stob-Maitland.

Mr. Long.

S. A. T. 20 Feb. (4431)

20 Feb. ()

(off receipt)

rafts

receive your observations on the matter, and
in particular as to whether the necessity for
the production of the invoices from the original
suppliers might not be waived ^{where} ~~in the case of~~
~~in such~~ shipments on the consignment basis, as in this
case.

I have etc.,