

1925

KENYA

C.O. 373
55744
12 DEC 25

DATE

11th December 1925.

IN OMMANNEY AND
EVER.

LOCATION —

*Kenia 16/12
Bott...*

MAGADI SODA CO.

Furnish report on their inspection of the Company's books in regard to verification of the figure of £569,582 inserted in draft Railway Lease, and of the figure of £45,145 in the draft Port Lease.

Previous Paper

C.O. 54129

MINUTES

I do not know that I can offer any remarks on this except that it is the basis on assuming that the books are accurate, an assumption which we have no option but to make.

I cannot suggest what was included in the item "Construction Railway" in the account, £2000 (the last part of statement 11).

Copy to ... dated 12/12/25, for ... I add that it is ... he has already ... the ... whether ... deserves to offer ... from the Gov. The ... by telegram ...

Subsequent Paper

Apr 26

may be included before the terms of the
draft leases are finally settled.

With any copy in hand sent to
you with a view to maintenance, whether
he has any objection to make

Office

16 XII 25

If this was the only outstanding point &
otherwise the lease could now be executed
I think the Solicitor's recommendation that
the papers should be accepted might be
followed. But as this is kind to refer out
I as proposed, let us attend in order to
let a definite off one way or the other

W. Allen

16/12/25

Yes. But say that if the Gov.

has no objection upon the lease

the papers

C. C. Brown

16.12.25

SUTTON, DENNISON & OLIVER.

E. G. OLIVER.

H. M. DENNISON.

TELEGRAPHIC ADDRESS: "SUTTONS", LONDON.

TELEPHONE: NO 1222
NY 2212 } LONDON WALL.

24
55744

579

3 & 4, GREAT WINCHESTER STREET
12, V.C. 25
LONDON, E.C.2.

52129/25

11th December 1925.

Sir,

Magadi Soda Company Limited.

With further reference to your letter of 20th

6219
12
November last, we write to report that we have now inspected the Company's books in regard to verification of the figures of 2569,582 inserted by the Magadi Soda Company Ltd in clause 20 (a) of the draft Railway Lease and also the figure of 245,145 inserted in clause 12 (a) of the draft Port Lease.

The only books in the Company's possession relating to the amounts expended on the construction of the Railway and Kilindini Port Works and branch line and the Kilindini Pier Works were two ledgers and a cash journal.

We are informed that, in all probability, previous books have been destroyed.

You will find in Statement "A" to this letter an analysis of the figure of 2569,582. 9. 0. made up in accordance with the books produced and in Statement "B" some remarks

explaining the various items making up the totals of the accounts mentioned in Statement "A".

Statement "C" gives the amounts spent on construction of the Kilindini Port Works and Branch Line and the Kilindini Pier Works and Statement "D" contains some remarks explaining the various items making up the totals of the accounts mentioned in Statement "C".

The amounts of all the accounts were transferred from Ledger No. 1. to the Cash Journal and from the Cash Journal to Ledger No. 2.

Assuming that the books are accurate, we were able to agree the figures given by the Company with the slight exception that the second figure representing the amount expended on construction of the Kilindini Port Works and Branch Line and the Kilindini Pier Works should be 245,147. 5. 11. instead of 245.145 as stated by the Company.

We enquired of the Chief Accountant whether he would produce the surveyors certificates and statements referred to in the accounts. He stated, however, that the Company had none of these documents in its possession and he thought they had

probably been destroyed. He was also unable to produce the Company's pass books during the greater part of the period under review. A copy of the balance sheet made out by the Receiver in connection with the recent reconstruction proceedings was produced, and the figures in this balance sheet agree with the figures supplied by the Company.

The Chief Accountant stated that it is possible that the Company's Auditors would be able to certify that they inspected the surveyors certificates and statements referred to in the ledger.

Under these circumstances we think that the figures inserted by the Company in the two leases may be accepted as correct.

We have the honour to be,

Sir,

Your obedient Servants,

Arthur J. Murray

STATEMENT "A".

AMOUNT EXPENDED ON CONSTRUCTION OF RAILWAY.

2560,582.9.0.

This sum is made up of the totals of the following accounts extracted from Ledger No. 1.

Railway Survey Account	23,668. 0. 0.
Railway Survey Salaries Account	16,536.10. 4.
Railway General Expenses "	2,172. 2. 0.
Railway Camp Equipment "	278.18. 6.
Railway Native Wages "	402. 4. 9.
Railway Native Provisions "	184. 4. 8.
Railway Transport "	217. 1. 8.
Contractors Railway Construction Account	520,069. 7. 5.
Contractors Railway Maintenance Account	5,000. 0. 0.
	<hr/>
	570514. 8. 11.
Credit is given for certain surplus material sold amounting to	931.19.11.
	<hr/>
	2560,582. 9. 0.
	<hr/>

STATEMENT**RAILWAY SURVEY ACCOUNT - 22325.**

This amount is expended on draughtman materials, photography, stationery, instruments, cars, etc, and credit is given for various sales of some of these goods at the date of the completion of the construction.

The account extends over the period 9th February 1911 to 31st December 1915.

RAILWAY SURVEY SALARIES ACCOUNT - 22325. 10. 4.

The entries under this account consist of monthly statements and credit is given for certain refunds and for cash received from the Magadi Defence Force.

The account extends over the period 29th April 1911 to 31st December 1915.

RAILWAY GENERAL EXPENSES ACCOUNT - 22172. 2. 0.

The entries under this account consist of monthly statements.

The account extends over the period 11th July 1911 to 2nd January 1916.

RAILWAY CAMP EQUIPMENT ACCOUNT - 2278. 18. 6.

The entries under this account consist of various statements

and credit is given for certain goods sold.

The account extends over the period 11th July 1912 to 31st December 1915.

RAILWAY NATIVE WAJEE ACCOUNT - 2400. 4. 0.

The entries under this account consist of monthly statements.

The account extends over the period 11th July 1911 to 31st December 1915.

RAILWAY NATIVE PROVISIONS account - 2104. 4. 0.

as above.

RAILWAY TRANSPORT ACCOUNT - 4217. 1. 0.

The entries under this account consist of monthly statements.

The account extends over the period 15th January 1912 to 31st December 1915.

CONTRACTORS RAILWAY CONSTRUCTION ACCOUNT - 280000. 7. 0

The entries under this account consist of Surveyors certificates numbered from 1 onwards.

The account extends over the period 20th January 1912 to 11th September 1917.

CONTRACTORS RAILWAY MAINTENANCE ACCOUNT - 25000. 0. 0.

This account only shows that a sum of £5000 was paid to the Contractors (Pauling & Co, Ltd) on the 31st December 1915.

STATEMENT "C"AMOUNT EXPENDED ON CONSTRUCTION OF KILINDINI PORT WORKS ANDBRANCH LINE - 227,031. 6. 1.

This sum consists of the totals of the following accounts.

Contractors Port Railway Construction Account	214882. 16. 1.	
Port Works Construction materials account	6877. 0. 6.	
Tramway account.	219. 6. 3.	
Contractors Conveyer Foundation account	5052. 3. 3.	
		<u>27031. 6. 1</u>

AMOUNT EXPENDED ON CONSTRUCTION OF KILINDINI PIER.WORKS. - 245147. 5. 11.This sum consists of the totals of the following
accounts:-

Contractors Pier Construction Account	15086.10. 0.	
Pier Works Expenditure (local) Account	1535.12. 0.	
Mooring Buoys Account	1493.17.10.	
		<u>18115.19.10</u>
		<u>245147. 5. 11</u>

STATEMENT OFCONTRACTORS PORT RAILWAY CONSTRUCTION ACCOUNT - £1682. 16. 1.

The entries under this account consist of Surveyors certificates
Numbered 1 onwards.

The account extends over the period 1st March 1912
to 10th November 1915.

PORT WORKS CONSTRUCTION MATERIALS ACCOUNT - £677. 0. 6.

The entries under this account consist of the purchase of
materials.

The account extends over the period 2nd February 1912 to
31st December 1915.

TRAMWAY ACCOUNT - £219. 6. 3.

The entries under this account are as follows:-

1913

Dec. 31st. Pauling & Co. Ltd - Hopper & Others 99. 5. 0.

1914

Apr. 20th. February account - Magadi Office 120. 6. 8.

Dec. 31st. December account - Kilindini Office 26. 4. 8.

Wages in suspense - Kilindini Bldgs. 26. 0. 0.

£280. 16. 4.

Credit

1915

March. 23rd Refund by T.A. Ress.

61. 10. 1.

£219. 6. 3.

CONTRACTORS CONVEYOR FOUNDATION ACCOUNT - £5082. 3. 8.

The entries under this account consist of Surveyors Certificates.

The account extends over the period 13th July 1914 to 31st May 1915.

CONTRACTORS PIER CONSTRUCTION ACCOUNT - £15066. 10. 0.

The entries under this account consist of surveyors certificates.

The account extends over the period 11th December 1913 to 12th July 1915.

PIER WORKS EXPENDITURE (Local) ACCOUNT - £1835. 12. 0.

This account shows payment to various firms.

The account extends over the period 27th October 1913 to 31st December 1917.

MOORING BUOYS ACCOUNT - £1423. 17. 10.

The entries under this account consist of payments made to various firms and of monthly statements.

Bull Dec 17
Allen 18

S. 55744/25 Kenya

589

J. Harding

Strachey

Shuckburgh

G. Grindley

C. Davis

Wilson

Crusby-Gore

Clarendon

Amery



23 Dec 1925

sent

James has the rest of

Se ✓

your letter of the 11th of Dec^r,

DRAFT.

Suffon, Ommenay,
Oliver

regarding the verification
of the ^{correct} figures ^{inserted} presented
to the Masadi Soda Co in
the draft Railway &

Yard Leases to the Masadi
Soda Co, Limited, & to
inform you that ^{copies} a copy of

24/25

Buss Dec 17
Alan. 1875

Sub

- Mr. Strachey.
- Sir J. Shackburgh.
- Sir G. Davis.
- Sir G. Grindle.
- Sir J. Masteron Smith.
- Mr. Ormsby-Gore.
- Mr. Amery.

23 Dec. 1925

DRAFT.

from L. G. L. S. L. S.
51245/25

In reply to your let. of 529
of the 13th of Nov, I have to
transmit to you, for your con-
sideration a copy of a letter, with enclosure
from Messrs Sutton, Omscane
& Oliver, regarding the verification

1281

Proff

of the figures given in the
draft Railway & Port Lease
to the Hagadi Soda Co,
Limited.

51050. 11 Dec
55744

1. If on receiving this draft
you have already sent the 16

best promised in your tel.
under ref. ^{the whole class if you want} you should inform

me by tel. whether you
desire to offer ^{any} observations on

^{enclosed} these letters, in order that

they may be awaited before

the ^{terms of the} leases are finally
settled.

If you have
no views to offer I

propose to accept the
figures.

LS

(Signed) L. S. AMERY

dearly promised in your tel.
under ref. ^I ^{the whole class if you wanted} you should inform

me by tel. whether you
desire to offer ^{any} observations on

^{Enclosed}
these letters, in order that

they may be awaited before
terms of the

the leases are finally

settled. If you have

no views to offer I

propose to accept the

figures.

L.S.

(Signed) L. S. AMERY