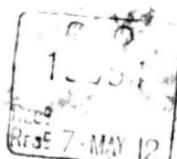


~~411~~
EAST AFR. PROT.

13954



Magadi Books
Co Ltd

Date.
1912

8 May.

Last previous Paper.

4/11851

L Magadi Contract
Audit of Accounts

under Clause 34 of Contract.

Books as to arrangement for audit. The books and papers will be available for audit at Co's head office.

W. Stephenson

W. Read.

Clause 34 of the Contract contemplates the account being submitted to the Govt from time to time. This would probably be a more convenient course all round than waiting for the completion of the Railway, as any differences of opinion can be adjusted before the task of reshaping the account has become too formidable.

We might say something to this effect in reply.

The Company will evidently ^{suect} ~~resist~~

Subsequent Paper

11/1851

key word, by sending the account
etc. But the account is to be
submitted to the Government, defined
as contract as to "the Government for
carrying being of the Protectorate", and
the audit machinery of that Govt. is
in the P. S. in England.

I think we must explain this to the
P. S. & enquire what arrangement they
can suggest for submitting the account
for audit in the P.S.

B.A.B.

May 9.

I quite agree B.A.B.

9/5

cat due

H. J. R.

10/5

Mr. Read,

You and I discussed this with representatives of
the Magadi Soda Co. who explained how, in consequence of the
system under which they are working, it would be practically
impossible, as indicated in their letter, for the accounts to
be audited in the Protectorate. I have since examined the
system of working and have seen the books and papers at the
Offices of the Company and I am satisfied that the system
provides adequate safeguards and that the accounts are being
kept in such form and detail as will admit of complete and

prompt
etc

ready verification. I recommend therefore that (?) with
the concurrence of the Govt. of the E.A. Protectorate)
the accounts be audited in London and, if this is agreed
upon, I shall be prepared in due course to make the necessary
arrangements for undertaking the work on behalf of the
Protectorate. As to the submission of accounts I have
provisionally arranged with the Secretary and Accountant
of the Company that they will render an account for the
period (about 12months) to 31st March last and that, sub-
sequent to that date, they will submit an account at the
end of each six-monthly period.

? write to the Company confirming this arrangement and
informing them that steps will be taken in due course to
carry out the audit of the accounts at the Head Office of
the Company.

I hope to discuss with you the
details of cost of audit.

B.A.
39/6

Sir G. Fielder

As permed by Mr. Stephenson?

H. J. R.

5/5

Magadi Soda Co.

stone Br. J.

THE MAGADI SODA COMPANY, LTD.

M. SAMUEL & CO. MANAGERS

LEAMINGTON SODA FACTORY, LONDON
TELEPHONE LONDON WALL 1883

D/D

17. 5. 12

2587 Bishopsgate

London w.c. 5th May

12 12

The Under Secretary of State,
Colonial Office,
London S.W.

Sir,

I have the honour to acknowledge receipt of your letter of the 4th inst: with regard to the auditing of the accounts of Capital Expenditure as provided by Clause 34 of the Contract referred to.

I am instructed to inform you that the accounts will be submitted to the Company's Auditors in the course of the next two months, and that it is proposed that such accounts be submitted for the audit under clause 34 after such other audit has been completed; on the other hand it has also been proposed that the audit under Clause 34 should take place only after the completion of the Company's railway.

I am further instructed to inform you that in either event, the books and papers of the Company relating to this matter will be available for audit at the Head Office of the Company in London (as above) where such books and papers are kept.

I have the honour to be,

Sir,

Your obedient Servant,

W. A. Smith

Secretary.

13954

46

C. D.
R. 13
D. 13

Sc

4 May 1912

DRAFT

Pullman

The Magadi Co. I am at present the
Company limited receipt of your letter
of the 6th of May when
to the question of the
auditing of the Contractors'
accounts of Capital expenditure
as provided for by clause
3(a) of the Finance Act the
construction of the Magadi
Railway

With regard to the
proposal in the letter
part of para 2 of
yours letter

Copy to you soon

2. I am to point out
that the clause does not
contemplate the account
of capital expenditure being

submitted to the post

"from time to time".

The bills appear to a

a and contains more

to all parties than to

and to the conflicts

of the Colony, as any

differences of opinion

can later be adjusted

after the fact of ~~adjudication~~
deliberation

the account had become

widely published

3 I am further to

inform you that under

the terms of the

please also mention,

the amount of £ 47

submitted to the Postmaster

which is defined in his

Cabinet as "the post

for the time being of the

Postmaster; and that

the audit machinery

of his post is in the

Post and not in England.

In these views, I am

to require that
(Anchorage Seta C. etc)
an agreement to the effect

suggest for submitting

the account for audit

to the Postmaster

for



No.
1354

48

Sett.

53 20 Aug 1901

gentlemen -

We enclose to

DRAFT.

To Hazadi Soda Company
Limited.

MINUTE.

Mr. M. 15.7

Mr. Byers 16

Mr. Read 16

Mr. Fiddes.

Sir H. Just.

Sir J. Anderson.

Lord Emmou.

Mr. Harcourt.

the letter from the 2st
of the 1st of May,

I am etc to inform the
arrangement previously
agreed to at the
~~meeting~~ at the
recent interview between
Mr Read & Mr Stevenson
and representation of the

Hazadi Soda Company

Leeds, by, that his
account of Capital Investment
to be deducted from
the Hazadi factory

shall be audited & the

Settlement 20 Aug 1901

Jos.

~~the two last entries
and the first entry
under General
Expenditure
and Money Received~~

to be bound up to the
day next last, and
be brought by him
unto the account at
the end of each sum monthly
period thereafter.

2 A debit memorandum
is to addressed to
you with regard to
whatever short or
long time may be
left out of the
account as the case
may be to compare