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East Africa Coy Ltd

MAGADI SCHEME
CAPITAL EXPENDITURE APRIL 1912 TO MARCH 1913

1913

Enclos. s. Report's and explains delay. Will be pleased to place rocks at disposal of C.O. Auditors as soon as it will be convenient for them to carry out their examination.

Account
Paper
11/2/13

SCA.

624 26/8/13

W. Read

E.A. Dept

This account has been examined by W. H. D. Fisher of this Dept, and an extract from his report is attached. The various points in the report upon which further enquiry will be necessary at the next examination will be kept in view.

In accordance with the arrangement approved on 22371/12, the C.A. should now be authorized to pay W. H. D. Fisher a fee of £10, the amount being repaid from the funds of the E.A. PROT and passed through the account of this Dept.

Approved - J. J. [unclear] [unclear]

RAILWAY AND PORT WORKS EXPENDITURE, 1ST APRIL 1912
TO 31ST MARCH, 1913.

I have examined the statement of Magadi Railway and Port Works Expenditure to 31st March last with the relative accounts and vouchers at the offices of the Magadi Soda Co: and, subject to the comments below, I find the statement to be in order.

2. The total expenditure on Construction under Messrs: Pauling and Co:'s Contract (£342088-1-1) includes an amount of £667-10-0 which has not yet been allowed by the Consulting Engineers (Certificate No:13 under Clause 23B of Messrs: Pauling & Co:'s contract).

3. A percentage of the remuneration due to Messrs: Pauling & Co: for work already completed has been retained by the Magadi Soda Co: and placed to a Retention Fund pending completion of contract. The amount so retained in respect of work performed up to the 31st March 1913 (£44,158-12-1) has not been included in the statement of expenditure furnished by the Company.

4. The following payments relating to 1912/13 accounts appear in the books of the Company but have been inadvertently omitted from the statement of expenditure submitted for examination.

Travelling Expenses.....£47-16-7.

Pier and Port Works.....£246-12-8.

5. In the statement furnished, and also in the Company's books, expenditure on the Contractors Port and expenditure on the Pier (£4271-16-5) have been included in one account. In view of the special provision with regard to the assessment

of the purchase price of the Pier (Clause 48 of the Contract between the Government of East Africa and the Magadi Soda Co.) a separate statement of the cost of the Pier will be required. The Secretary of the Company, who agreed with me on this point, proposes to have a separate account of Pier Expenditure opened accordingly.

6. The statement furnished includes expenditure under contract together with Home and Local Expenditure relating to the maintenance of the Company's Supervising Staff in East Africa. The accounts were properly supported by vouchers except in the case of the account of Local Expenditure furnished by the Resident Engineer in regard to which the following exceptions occurred:-

(a) The vouchers in support of the following payments were missing:-

June A/c 1912. Smith Mackenzie & Co: Rs.3546.89.

Jany A/c 1913. Wages per Boma Trading Co: Rs.117.

- do. - Rs.440.44.

These vouchers appear to have been returned to the Resident Engineer and it should be seen that they are submitted for inspection at the next examination.

(b) The vouchers in support of the Petty Cash expenditure of the Company's staff in East Africa during the period April to December 1912 are missing. I was informed that the vouchers relating to the months April to August were lost in transit and that those relating to the months September to December were destroyed by fire when the Headquarters Office at Ulu was burnt down.

7. The charges in the accounts of the Company in respect of Petty Cash Expenditure during the period referred to above have been taken from the accounts furnished by the Resident Engineer, except in the case of the Petty Cash disbursements of the Head Office at Ulu during the months September

ember to December 1912 in regard to which, owing to the fact that all record of the expenditure was lost in the fire, the charges have been based on Estimates supplied by the Resident Engineer. In the absence of vouchers I had no means of checking the expenditure in any way but I do not consider that any useful purpose would be served by calling for further evidence that the payments were correctly made and, in the circumstances, I submit that the accounts and estimates as furnished by the Resident Engineer may be admitted.

3. Two further points in connection with the Petty Cash accounts for the period September to December 1912 call for comment:-

(a) After due allowance has been made for replenishments of Petty Cash and for Petty Cash expenditure during the period in question the Cash balance on the 31st December 1912 should have stood at Rs.4009.26. The balance brought forward in January accounts 1913 amounted however to Rs.1047.40 only, thus leaving unaccounted for a deficit of Rs.3011.81. In the absence of any account showing how this sum had been disposed of the Resident Engineer attributed the deficit to the omission of payments to porters in settlement of arrears of wages from the total Petty Cash Expenditure as originally estimated by him (paragraph 7) together with a similar omission of expenses incurred in connection with special expeditions. The explanation appears to be purely conjectural but, in order to adjust the cash balances, the sum of Rs.3011.81 has been charged in the accounts of the Company to the head "Native Wages".

(Signed) H.D. FISHER.

2nd October, 1913.

THE MAGADI SODA COMPANY, LIMITED.

M. SAMUEL & CO. MANAGERS

GRAMS "SODAGADI, LONDON"
PHONE LONDON WALL 1883

D/T

Shell House
55 Bishopsgate
London 25th August 1913

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

Reference GENERAL

Sir,

I have the honour to enclose herewith a Statement of Capital Expenditure in connection with the Magadi Railway and Port Works in the British East Africa Protectorate. The period covered by the Statement is from April 1912 to March 1913.

I greatly regret that it has not been possible to forward this Statement at an earlier date, so as to comply with the arrangement which was made for the rendering of these accounts. The reason for the delay is that certain documents were lost during transit, and further a fire broke out at the Company's office on the railway, and a considerable number of papers and books were destroyed. I trust, however, that this delay has caused no inconvenience, and shall have pleasure in placing the books at the disposal of the Colonial Office Auditors as soon as it may be convenient for them to carry out their examination.

I have the honour to be,

Sir,

Your obedient Servant,

M. Samuel

Secretary.

Enclosure

Particulars	Jan 28 1911			April 1 1912			Total Expen- diture		
	to Mar 31 1912			to 31 Mar 1913			31 Mar 1913		
Forward	£20526	14	5	£2296007	11	0	£2376534	5	5
Works Construction a/c									
& Port Works	2956	0	5	1315	16	0	4271	16	5
Railway	4097	19	1	3097	4	8	7195	3	9
	£27580	13	11	£200420	11	8	£268001	5	7

tain of the above items to
 her with Management and London
 ice expenses to be apportion-
 between Magadi Branch Line and
 Works, on completion of the
 scheme.

E. & O.E.

22nd August 1913

for and on behalf of

THE MAGADI SODA CO LTD.

W. J. ...
 Secretary.

THE MAGADI SODA COMPANY LIMITED.

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RAILWAY & PORT WORKS EXPENDITURE 31st March 1913.

Particulars	Jan 28 1911			April 1 1912			Total Expen- diture		
	to Mar 31 1912			to 31 Mar 1913			31 Mar 1913.		
of Branch Line									
ing & Co. Ltd. Payments for erial shipped & Labour (Un- Certificate):									
Railway	2276295.6.8								
Water Supply	2746.7.4								
	59046	7	1	283041	14	0	342088	1	1
sey Son & Henderson, Con- ting Engineers. Fees	4000	0	0	4000	0	0	8000	0	0
r & Shelford. Preliminary urvey (Const. Survey a/c)	6770	5	1				6770	5	1
elling Expenses - Engineer- Staff (Const. Survey a/c)	527	4	9	33	12	11	560	17	8
veying Instruments & Station- do.	805	7	1	135	18	3	941	5	4
ocal Fees do.	2	2	0				2	2	0
es do.	5	17	11	2	10	0	8	7	11
ries do.	110	6	4	40	1	9	70	4	7
way Inspection Car do.				145	7	9	145	7	9
ries Engineering Staff in Africa	4480	11	10	4822	9	6	9303	1	4
arkinson. Survey (Water)	1275	11	2				1275	11	2
Morten Ho. do.	131	18	4	1071	17	6	1203	15	10
ve Wages & Provisions	1527	16	2	1345	0	8	2872	16	10
Equipment	318	15	8	278	14	6	597	10	2
Stock (Mules &c)	321	8	8	30	9	6	290	19	2
port	343	14	8	289	18	1	633	12	9
oy Fees & Commission Africa	15	3	2	26	3	8	41	6	10
ral Expenses do.	841	7	0	699	18	8	1541	5	8
rance (Employers' Liability)	2	17	6				2	17	6
ng Water Supply				184	16	9	184	16	9
Forward	20526	14	5	2296007	11	0	2376534	5	5

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22 Oct 1913

Gentlemen

With ref to the letter from

DRAFT.

The Crown Agents
on the C.A.'s

The Dept. N^o 223/42 of the 22nd
25 Nov 1912
(223/1) ~~of August~~ I am etc to

request that you will pay

to Mr. H.D. Fisher of the
Colonial Audit Dept,
a fee of £10 in respect
of the examination of the
Inaged Soda Co^{ys} statement
of Capital Expend from April
1912 to March 1913.

~~This fee should be~~

~~deposited~~ from the funds of
the E.A.P. to the credit of the
and passed
through the audit of the
Colonial Audit Dept.
the sum of £100 being the fee
due to

MINUTE.

- Mr. Downie 18.10.13
- Mr. B. Storm 18.10.13
- Mr. G. Piddis 18
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

[Handwritten signature]

In conson

See minute