

appear to have  
 rec'd the supple-  
 mentary estimate  
 referred to, I have  
 no info as to the  
 basis on which the  
 estimate of Rs 500  
 was framed

J. R.

Relined Original

EAST AFR. PROT.  
 35223

G. O.  
 35223  
 Recd  
 Recd 27 OCT 09

Office of Individual  
 Audit  
 1909  
 Subject  
 Last Previous Paper  
 Recd  
 27493

Railway Expenditure

Calls attention to payment of Rs 1000 to Messrs  
 Nazareth & Another in compensation for Catering losses  
 incurred by them on road trip, voyage on Lake Victoria  
 last May in Dec. 1908. Considers that as this payment was  
 outside terms of contract it has been submitted to M.  
 Cook for check.

W. Read.

on the face of it, I agree with the A.O.  
 But the whole question of the financial  
 powers which the Managers of the Railway  
 possess, or supposes himself to possess, is  
 still to some (see papers below), I would  
 therefore send this to the Comptroller for a  
 report in the first instance, & all the  
 A.O. we have done so.

of 13 18  
 Nov. 11.

W. Fiddler  
 So proceed!  
 along P.D. 13/11  
 H. J. R. 13/11

716 added for  
 Copy for Com. 700  
 A. & E. W. 2000 (11-  
 2000-11-08  
 Next subsequent Paper  
 402  
 143  
 140

EXCHEQUER AND AUDIT DEPARTMENT.

No. 1320.

VICTORIA EMBANKMENT,

316

In any further correspondence on this subject,  
the above number should be quoted,

LONDON, E.C.

and  
the communication should be  
addressed to

26th October 1909.

"The Comptroller and Auditor General."

C. O.  
35223

Recd  
REGD 27 OCT 09

Sir,

With reference to the letter from this Department No:339 of 16th March last, and subsequent correspondence on the subject of the financial powers of the Manager of the Uganda Railway, I am directed by the Comptroller and Auditor General to state, for the information of the Secretary of State, that his attention has been drawn by the Local Auditor to a payment of an exceptional character described in the succeeding paragraph, which was included, on the authority of the Manager, in the Account of the Railway for 1908-9.

2. Messrs: Nazareth & Brother, who have been for several years the catering contractors of the Uganda Railway (including the Lake steamers) were entitled under contract up to 8th May 1908 to a bonus of Rs.100 for each "round trip" on Lake Victoria, these payments being intended, apparently, to recoup them for losses incurred. When the contract expired on 8th May 1908 the firm entered into a new agreement which contained no provision for the continued payment of a bonus and this remained in force until 31st December 1908 when the Railway commenced to carry out the catering work departmentally. In November 1908 however, Messrs:Nazareth applied for the payment of a bonus in respect of their work from May-December 1908, and, on the recommendation of a Board of Officers, the Manager authorised the payment to the firm

Under Secretary of State,

COLONIAL OFFICE.

firm of Rs.1000 "in compensation for the loss incurred  
"by them on the round trip voyages."

3. As this payment was outside the terms of the contract, the Comptroller and Auditor General is of opinion that it should have been first submitted for the approval of the Secretary of State, and he would be glad to learn the views of the Earl of Crewe on the subject.

I have the honour to be,

Sir,

Your obedient Servant,

*C. W. F. Roloff*