

EAST AFR. PROT

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REC'D
REG'D 24 MAY 18

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Was Office

1916

23 May

Previous Paper

23716
23717

Military Expts. Accounting

ends of letter to J.C. containing notes on various points in conn. with financial arrangements and last acc.

Mr. Stephenson

Do you see any objection to the proposed letter to G.O.C.?

GCS
26.5.16.

Mr. Bottley

I have read this proposed letter, in the absence of Mr. Stephenson on short leave, and consider that there is no objection to offer to it from the point of view of this Dept. -

JCS
Asst. DCA
27.5.16

I agree - the points on which instructions are given have already been settled in principle.

I have told Mr. Cowland that I see no objection & have given the reference to my tel. on 23/5/16.

Always yours
J.C.

Next subsequent Paper.
W.O.
26640



24486

496

65/7168 (P.I.)

WAR OFFICE,
RECEIVED
24 MAY 1916
WHITEHALL,
LONDON,
S.W.

23rd May 1916.

Dear Bottomley,

We have not yet sent General Officer Commanding, East Africa, any formal reply to his letter of 2nd November 1915 (copy enclosed with our letter to you 0165/7168 (P.I.) of 1st January last), although we have cabled his decisions on some of the points he raised.

I think we had better now send him a formal letter. What do you say to enclosed draft? The War Office "Notes" referred to in paragraph 2 included some notes of mine on General Officer Commanding's letter, subsequently embodied for the most part in the letter of 1st January, and also some elementary notes on financial responsibility, since more fully dealt with in the memorandum I sent you semi-officially on 20th April.

The reference for which a space is left in paragraph 9 is to a telegram to which I believe you are going to send about audit of store etc. accounts. (see our letter to you 0165/7371 (P.I.) of 20th instant).

Bottomley Esq.,
Colonial Office.

Paragraphs



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WHITE HALL,
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55/7168 (F.I.)

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Paragraphs

Bottomley Esq.,
Colonial Office.

Paragraphs 10 and 11 are on the lines of the semi-official memorandum referred to above.

General Officer Commanding's letter of 3rd February 1916 is primarily about the early irregularities, but it also encloses files of local correspondence from Major Patterson and others. I enclose a special copy of one of Major Patterson's minutes dated 13th October 1915, which seems to have led up to General Officer Commanding's letter of 2nd November 1915.

If you concur in draft letter we will send you a copy officially in due course.

We will write to you officially about General Officer Commanding's letter of 3rd February 1916.

Yours sincerely,

L. Robertson

0165/7166. (P.1.)

May, 1916.

Sir,

I am commanded by the Army Council to refer to Major General Tigne's letter 104/40 dated 2nd November 1915, bringing to notice certain aspects of the military financial position in East Africa.

2. It is assumed that that letter was written in reply to the cable sent from this Office on 16th June 1915 (shortly after the outlines of the financial arrangements had been laid down in instructions from the Colonial Office to the Governor), in which the General Officer Commanding was asked to furnish a report on the local working of the financial system. Pending such a report it was not easy for either the War Office or the Colonial Office to issue further instructions in any detail.

3. Thanks to the letter under reply, and, still more, to the copies of local correspondence furnished with General Officer Commanding's letter of 3rd February 1916 (relating to various irregularities in Protectorate departments during the early months of the war), the War Office, as well as the Colonial Office, are now in possession of more complete information as to the local position. While on the other hand it is hoped that the War Office "Notes" handed to General Smith Dorrison, Brigadier General Ewart and Lieutenant

Colonel

General Officer
Commanding-in-Chief
Forces in East Africa,
Nairobi.

Colonial Heads before they left London in December 1915 will have made certain principles clearer to the local military Officers.

4. The following paragraphs include, for the sake of convenience, references to certain general decisions communicated since the letter of 2nd November 1915 was written.

5. Co-ordination of the expenditure of the several Protectorate Governments.

General Figne's letter put two alternatives:-

- (a) Each Government to render its accounts to the Home authorities direct, i.e. centralization in London.
- or (b) local centralization of these accounts by the East Africa Pay Corps.

The latter alternative, recommended by General [redacted] and by the Protectorate Governments, was finally approved in War Office telegram of 21st March 1916 and Colonial Office telegram (to Governor) of 23rd idem. The last clause of those telegrams refers to certain questions regarding the exact scope of the "common charges", as to which the Colonial Office hope shortly to issue instructions to the Governor. In the meantime it is understood that General Figne's telegram 854/89 of 15th January last may have been approved. The Charges Account includes generally all expenditure of "common organizations" and all expenditure, except pay allowances, on other units.

6. Financial Advice. The Council are of the assistance rendered by the Protectorate in dealing with expenditure in which both Imperial and Protectorate funds are concerned, and I am to take opportunity of expressing the Council's appreciation

REPATRIATED PRISONERS OF WAR FROM GERMANY.

NO. 1. HAMBURG OFFICE - EXETER.

LIST NO. H. B. 14889.

ADMITTED KING GEORGE HOS. STAFFORD ST. SE. 1. 12 OCT. 1918.

8557 Cpl. Beck, B. 2/11th R. Sick. Sev.

349 Sgt. Henson, S. H. 2/ -do- -do-

8362 L/C. Farley, A. J. 2/ -do- -do-

7489 Pte. Blakey, F. 1/D. C. L. I. Wounded Sev.

NO. TWO RECORD OFFICE - EXETER.

LIST NO. H. B. 14889.

ADMITTED KING GEORGE HOS. STAFFORD ST. SE. 1. 12 OCT. 1918.

6991 L/C. ... 1/F Dorset R. Sick. Sev.

10801 L/C. Bow ... B/Devons. Wounded Sev.

25512 Pte. Fen ... 7/30th L.I. Wounded Sev.

63RD (ROYAL) TANK BATTALION

LIST NO. H. B. 14889.

ADMITTED KING GEORGE HOS. STAFFORD ST. SE. 1. 12 OCT. 1918.

156331 L/C. ... RND. Bendow. Sick. Sev.

R/2098 ... RND. Drake Bn. Wounded Sev.

1409 L/C. Howland, F. ... RND. Bendow. Sick. Sev.

9189 Sgt. Pratt, V. J. ... SM. I. Gooport. Sick. Sev.

ADMIRALTY.

LIST NO. H. B. 14889.

ADMITTED KING GEORGE HOS. STAFFORD ST. SE. 1. 12 OCT. 1918.

17821 SPO. ... R. Navy. Sick. Sev.

services rendered by Major Patterson, Chief Paymaster of the East Africa Pay Corps, and by Mr. Barnes, the Colonial Auditor.

7. You were informed in War Office telegram of 21st January 1916 that "The Imperial Paymaster (Lieutenant Colonel Loan) will act as general financial adviser to the General Officer Commanding in Chief but will not be responsible for accounts kept by the East Africa Pay Corps or the Indian disbursing Officer. Final settlement of duties should await arrival of General Smith Dorrison". As no communication on this point has been received from you since that date, it is assumed that the division of duties is sufficiently

8. System of supply, store and animal accounts. Your telegram of 5th May stated, with reference to War Office letter 1165/7165 (Accounts 5) of 17th December 1915, addressed to General Smith Dorrison in London, that all transport, animal and store accounts are being kept on the home system, and supply accounts on the Indian system, modified to meet local requirements. These arrangements are approved.

9. Audit of supply, store and animal accounts. Audit by the Colonial Audit Department has been approved by Colonial Office. It is understood from a telegram of 25th May 1916 that these accounts are compiled by the East Africa Pay Corps for the several military corps and departments responsible for the expenditure on these services.

10. Responsibility of the General Officer Commanding-in-Chief for expenditure by Protectorate Governments, especially before the arrival of Indian Expeditionary Force "B". In paragraph 6 of the letter under reply General Tighe raises this question with reference to the Uganda expenditure, and the question

ITALIAN EXPEDITIONARY FORCE.

TWO RANK

CASUALTY

P.F.

11TH. BATT. THE PRINCE OF WALES REGIMENT.

Col.No.

19093 Pte Leonard, A. Died 2/5/18. N.

Enlistment:-Jamaica. Broncho Pneumonia.

Auth. O.C. 6 Nat.Lab.Hpl.Toronto

3/3/18.

question is also referred to in Major Patterson's minute dated 13th October 1915, of which a copy was enclosed with your letter of 3rd February 1916 (see paragraph 3 above). In reply I am to say that you or your Officers are responsible under the general principles laid down in Field Service Regulations, Part II, for expenditure incurred by, or on the order of, officers serving under you, but that the responsibility for expenditure incurred by the Protectorate Ordnance and other departments before they were taken over by the General Officer Commanding must rest, in the opinion of the Army Council, on the Protectorate Government, although the expenditure, after examination by the East Africa Pay Corps and audit by the Colonial Audit Department, may be ultimately accepted against Army funds. Any subsequent Army expenditure by Protectorate authorities without your prior sanction should be the exception. In any such cases which may have arisen - e.g. the Hannibal expenditure referred to in paragraph 4 of the letter under reply - you should satisfy yourself that the services constituted a proper military charge, and the Paymaster concerned should secure whatever vouchers are necessary to enable him to pass the charge.

11. As regards the accounts compiled under instructions from the Colonial Office, and furnished to the Colonial Office through the Governor, it will be understood that the responsibility for the compilation and accuracy of the accounts (as distinguished from that for the transactions recorded therein) rests with the East Africa Pay Corps and the Colonial Audit Department; but it goes without saying that the authority which incurs the expenditure must furnish the Pay Corps and the Auditor with all necessary particulars.

The position is, of course, peculiar, but the Council believe that it is well understood locally.

12. Separate communications will be made regarding various matters dealt with in your letter of 23rd February 1916 with which you enclosed copies of local correspondence relating to irregularities during the early months of the war.

I am,

Sir,

Your obedient servant,

C O N F I D E N T I A LEAST AFRICA PAY CORP
COMMAND HEADQUARTERS
Nairobi.

CONFIDENTIAL.

From Chief Paymaster - E.A.A.P.,
To D.A.A. & Q.M.G.
Command Headquarters.

Sir,

I have the pleasure to submit the

The financial question of the East Africa Campaign is admittedly a difficult one at the present time. It involves the Protectorate, but two of the principal Protectorates affected is the British East Africa Protectorate. The Protectorate covers a large tract of country and includes different forms of territory, such as the East Africa, Uganda, and Zanzibar Protectorates, all being viewed to a certain extent. The Uganda Government for many years has been a break of hostilities, financed and met all charges for operations in the Uganda Protectorate. On the arrival of the Indian Expeditionary Force changes were effected with the result that stores of all descriptions, viz. Supplies, Ordnance Stores &c. were sent to the Uganda Protectorate from the East Africa Protectorate.

The Zanzibar Government also incurred a large expenditure which roughly, at the present moment, so far as accounts are to hand, amounts to £10,000/-. These charges are being referred to the East Africa Protectorate Military Authorities for the purpose of embodiment in the East Africa Protectorate Military Accounts. Considerable difficulty has been experienced in regard to the Zanzibar accounts owing to the fact that at present no vouchers are forthcoming for the various items

items mentioned in the statements rendered. These vouchers are again being asked for, and it may be possible to get them. It has been more or less decided by the Uganda Government that they will take over their own financial responsibility for War Expenditure in Uganda, exclusive of Kagera Line & Bombo. With the continual change of troops, it is impossible for one Protectorate to accurately keep a note of its own War expenditure, when it depends to a great extent upon its neighbouring Protectorate for Supplies, and it is almost an impossibility for the various services to divide and keep a note of what should be charged to Indian Expeditionary Force, Protectorate Force, or the Uganda Force, especially in Field operations. A clause which is provided for in the accounts Manual for War, India, paragraph 20, page 3 and 4, states that:-

"The Military Accounts Department will do all that lies in its power to ensure the speedy audit and adjustment of field accounts; this is especially important as regards the accounts for the first month or so after the operations have begun, as difficulties and errors are more likely to occur than thereafter. To this end the ordinary connected audit of peace time will be freely relaxed and charges accepted unvouched in cases where vouchers are not forthcoming and where charges are bona fide, and not inordinate (brief notes to this effect being made on bills). Cases which the G/M, A/Cs. of a division in the Field cannot dispose of in this way will be referred to the D.F.A.G. and if necessary by him to the G. of I".

but not to such an extent as would appear to be the desire of certain officers. So far, up to the present, to the best of my knowledge, no Field operations, with the exception of Tanga, warrant relaxation of Financial instructions.

3. Expenditure is also incurred by Naval Authorities at the Coast, part of which appears eventually in the Protectorate Accounts, and a part of which goes home direct to the Admiralty, so I understand. In the same way, the Supply

and

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and Ordnance Departments purchase large quantities of stores & material from England & India of which no accounts have been rendered up to the present, either to the Military or Civil Authorities of this Protectorate, so far as I am aware. I am given to understand these accounts go direct to the War Office. Purchases are also made of Supplies on requisition from South Africa. How these accounts are rendered, or to whom, I am not aware. In the same way, I have no doubt Nyassaland and Rhodesia and other Authorities may eventually have claims to submit sooner or later.

4. I have always been under the impression that the General Officer Commanding is the responsible Authority for War expenditure. This responsibility cannot be altogether placed on the shoulders of the General Officer Commanding the operations in British East Africa. There is a certain amount of War Expenditure which has been incurred by the Civil Authorities of both the East Africa Protectorate and the Uganda Governments. To give an instance, large expenditure was incurred by the formation of the Central Committee of Supplies prior to the arrival of the Indian Expeditionary Force. This was authorised and formed in the first instance by the Civil Administration, under charge of a Provincial Commissioner and the members of which were, and are up to the time of writing, in receipt of £600 per annum, over & above a Staff of clerks, Office rent, and office contingencies. This may or may not have been a sound arrangement, but a part of the expenditure incurred, although undoubtedly a War charge, was incurred prior to the arrival of the Indian Expeditionary Force, and so long as the Committee was retained as a purchasing agency for the Military Authorities a good purpose was served. This is no longer the position as the Central Committee of Supplies ceased to be of any

service

service to the Military Heads of Services after the 1st September, 1915, owing to their power of assessment being abolished according to the notice in the Official Gazette dated the 1st September, 1915.

5. In the meantime the East Africa Pay Corps is dealing with all local expenditure, and the writing up of all ledgers from the start of hostilities to date and onwards, allocating according to the various heads and sub-heads in accordance with instructions from the War Office. It is also endeavouring to separate, so far as possible, the Protectorate share of War Expenditure from "War Expenditure common to both". If it is ultimately decided that Uganda should render separate accounts to the Imperial Government for expenditure incurred there, there is no doubt that Uganda would be required to give credit to the East Africa Protectorate for all Supplies & Stores purchased locally here, or requisitioned from England, India, or South Africa. To keep an accurate account of all such stores, it is presumed that the Uganda Authorities are keeping stores ledgers and that they will be able to account for all Stores (other than food supplies, which may be looked upon as realisable assets, and which will undoubtedly be so, on the termination of hostilities and which may possibly realise a considerable amount, and enable a fairly substantial credit to be placed to War Expenditure, but here again, a difficulty arises :- will the British East Africa or Uganda get credit for these sales if separate accounts and store ledgers are kept?

6. The same applies to Zanzibar. To my mind, there is only one way out of the difficulty, and that is that the Imperial Government, either through the War Office, or the Colonial Office, take full responsibility for War Expenditure in all Protectorates, that whatever office is appointed as the supreme authority for this expenditure

should

should circulate the various Governments concerned to render their accounts to the Home Authorities direct in the form of statements audited by the Local Auditors of the respective Governments. I therefore presume there will be no need to submit vouchers with the accounts to the Imperial Government, if the audit has been already undertaken by the Protectorate Auditors of the British East Africa and Uganda Governments. This would mean in the case of Uganda that only their local expenditure would require to be rendered to the Imperial Government and that all stores sent from this side in the form of realisable assets should be returned to the East Africa Protectorate for the purpose of clearing the Store Ledgers. The question of food supplies sent to Uganda to be left to the Protectorates to arrange themselves, the Uganda Government giving credit to the East Africa Protectorate Government for same. There is also a very big question of the Marine Transport on the Lake Victoria which, at present, is a charge against the East Africa Protectorate. These steamers ply between various Lake Ports, on behalf of Uganda, & transport large numbers of native carriers from Jinja to Sango Bay and vice versa, and also from Sango Bay to Kampala, with wounded & sick, and also transport all Supplies & Stores from East Africa to Uganda. At present Uganda is receiving the benefit of all this, and British East Africa is footing the bill in the meantime.

7. Up to the present, with the exception of one or two cables to the General Officer Commanding from the War Office, and one or two from the Colonial Office to the Protectorate Government, so far as my knowledge allows there appear to have been no definite instructions sent out by the Imperial Government as to how East Africa,

Uganda

Uganda and Sansibar should act, either independently, or as one, so far as expenditure is concerned. The Sansibar Authorities have not hesitated to render their claims to the General Officer Commanding for embodiment in his a/c, and which are being attended to by the East Africa Pay Corps.

Maua, as a separate territory under military administration, is also being dealt with by the East Africa Pay Corps under direct instructions from the General Officer Commanding.

8. It is not my desire to have any more responsibility or extra work thrown upon the shoulders of my staff, but at the same time, it might be considered reasonable if Uganda was requested to render monthly statements of their expenditure to the General Officer Commanding to be also dealt with by the East Africa Pay Corps from the outbreak of hostilities and onwards to the final winding up, and thus embody all War Expenses in one Central Department.

9. This would enable the General Officer Commanding to standardise and regulate the whole East Africa campaign from a financial point-of-view not only in regard to pay & allowances, but also with regard to the purchase and distribution of food supplies and stores with a view to accounting for same and entering same in Ledgers to be accounted for at the termination of the War. This could be arranged, if sanctioned, by an Officer and two non-commissioned Officers being detailed for duty at Entebbe with power to go into the whole question so far as Uganda is concerned, from start to finish, and ledger up Uganda Stores and pass monthly statements on to the East Africa Pay Corps, Command Headquarters, Nairobi. I do not see eventually how this matter can be dealt with otherwise, and sooner or later, one central body must control the whole.

Uganda and Zanzibar should act, either independently, or as one, so far as expenditure is concerned. The Zanzibar authorities have not hesitated to render their claims to the General Officer Commanding for embodiment in his a/cs, and which are being attended to by the East Africa Pay Corps.

Mafia, as a separate territory under military occupation, is also being dealt with by the East Africa Pay Corps under direct instructions from the General Officer Commanding.

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10. Another point on which I am unable to gather any information is, as to whether the combined operations in East Africa and Uganda, including Zanzibar, are to be looked upon as an offensive position, or to be looked upon as a defensive position. I would strongly urge that the whole question may be put forward in its proper light to the War Office for guidance and instruction, and that definite instructions be issued by the War Office, as to where the financial responsibility begins and ends, so far as the General Officer Commanding is concerned.

I now submit that owing to instructions by the various Civil Authorities at the beginning of the War and even subsequent to the arrival of the Indian Expeditionary Force that the respective General Officers Commanding cannot be held responsible for the total War Expenditure for the three Protectorates. The question of allocating the various amounts is not a difficult one and can easily be carried on as at present, provided a definite arrangement is come to with Uganda. I don't see how Uganda can stand out and accept its own financial responsibility for part of the area exclusive of the Kagera Line and Bombo. I do not see how the various forces now operating namely, Indian Expeditionary Force, British East Africa Troops, Uganda Troops, Medical and Veterinary Services &c. and possibly in the near future, Rhodesian Troops, and possibly Troops from another part of the Empire, can possibly distinguish or separate their common expenditure, as a whole Army Corps, which is continually changing its movements from time to time in the various Protectorates, and operating over all parts. The whole Military operation in East Africa is so intermingled - one Unit with another, One Service with another, and one Protectorate with another - that it is quite out of the question for any

one Protectorate to state it will accept its own financial responsibility with all due fairness to the others, or for a General Officer Commanding to attempt to regulate or standardise rates of pay, allowances &c., &c., in the Command Orders issued by him.

11. The East Africa Pay Corps according to Command Orders is working on the principle as laid down in Accounts Manual of War for India, and also benefiting by the instructions as laid down in the financial instructions in relation to Army Accounts. At the time of writing, the whole question of pay of Protectorate Troops is being debated and discussed as to whether a change should not be made from Protectorate rates according to Governor's Proclamation No. 13, to South African Union rates, or Imperial rates.

12. Owing to the lack of Military Organisation in these two Protectorates at the outbreak of hostilities, it is very difficult - and impossible in many cases - to trace the various stores, and secure vouchers for purchases made locally.

13. It is therefore with great diffidence that the East Africa Pay Corps cares to submit figures in regard to past expenditure, or what should be a charge against Protectorate, or a charge common to both. I have always been careful to point this out "as far as my books show" and "to the best of my ability and knowledge". In many cases large sums of money are expended of which I have no knowledge, but which creep up from time to time as the War goes on. I may give figures to-day according to my knowledge, and to-morrow I may receive accounts, such as the Zambiar expenditure, for about

about £10,000, of which I had no idea. There is also the question of depreciation on the Lake Steamers of the Uganda Railway and many other items which will require to be adjusted hereafter.

I shall be glad if the General Officer Commanding will communicate with the War Office and enquire as to who is the Supreme Authority responsible for War Expenses locally, whether, one of the Civil Governors, who appear to act independently of each other and who look to the Colonial Office for guidance and instructions, or the General Officer Commanding.

The foregoing may be of assistance in compiling a report on the situation. I have only attempted to explain a few of the many difficulties under which the financial position is labouring. I could, if necessary and if time permitted of it, quote endless cases which would show the result of the present position with so many different Authorities all acting for the best undoubtedly but, in many cases, at cross purposes, and which when all is said and done, does not certainly assist the Military Authorities, or tend towards efficiency as a whole

I have etc.,

(Sd:) J. Patterson, Captain.

CHIEF PAYMASTER & FINANCIAL ADVISOR.