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KENYA
1969a

C O
19694
REV. 22 APR 21

GOVERNMENT
MONTHLY

355

RAILWAY

1961
17TH MARCH

CAPITAL EXPENDITURE

Last previous Paper.
11/2/61

Proposed unspent balance should be used for Staff and
£29,750 and Rolling Stock £55,300. These items are deleted
from programme of new loan works. Trusts this will be
authorized.

*See minutes written by staff
G.C.K. 17.5.61
atms*

Under 803 cons 19 May 21

Next subsequent Paper.

*809
4/6/62*

Accounts Sept.

I shall be glad if you will place
in this matter

1. The chiefly represented by £10,000 in
my draft on 38763/19 was of course a
slip - I was thinking, incidentally, of the
approximate balance not locked up in stores
2. In Gov/5-2862/19 (para: 5) the
unexpended balance is mentioned as
being approximately £85,000, i.e.
practically the same as the £85,050
for the expenditure of which proposals
are now made.

etc file 449 A

3. But in the account to 31.3.20
the balance is shown as £52,915-5-0
So the explanation to be found in
the £36,115-7-1 included in the 1919-20
account as "unallocated expenditure"
and explained by Mr. de Scott's minutes
of 18.10.20 as "(Sales on stock, Surplus)
of 20 the amount to be brought finally
to account is £89,030-12-1 minus
any sum cleared out of response since
March 1920 plus interest receipts in
the same period. [I am not clear how
far interest receipts have been ^{accounted for}
~~withheld~~]

no one

Interest receipts are
taken into account in
arriving at the balance
1920

no 682

It may be better if stated in these figures
to be cleared up, by opening letter Gov/5-2862/19

proposals for the expenditure of £88,000
containing any large sums, and
I have been let out from Colonial
revenues?

5. There is the further question how far
the new proposals, in order a matter
which would require Treasury
approval. The E. A. papers have this
question without question of a appropriation
is much superior, for but from 4.8.13
it would seem that of the £39,500
allocated to rolling stock in 1912
£16,047 was still available, and was
not intended to be spent on
rolling stock. As on the other a
reallocation is proposed amounting to
£55,300 less (£39,500 - £16,047)
= £31,847.

6. In the case of reference to the Treasury
essential, and I have we can't possibly
tell them we want to give out all
previous proposals, I think the money
as was proposed in through that course
would have the advantage of
simplicity. Therefore it seems
necessary to refer back to the Treasury
and tell them that we shall
require for the Treasury a statement
showing in tabular form

(a) The allocation of the balance as

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approved in 1914 and carried in
detail in subsequent correspondence
(b) any savings to be shown in detail,
on other points, from and for under
previous allocations

(c) Some (with details) finally
brought to account and money
available under (a) & (b).

(d) Any provision made, as of funds other
than U. K. A. money, for reserves contemplated
under (c) & (d) which are not under
Quarterly or Rolling Stock.

(e) A more detailed list of the works
contemplated under Quarter
& Rolling Stock.

If some information enables you to
say that a large figure of
£85,050 is a definite sum (subject
to any further expenditure) finally
brought to account via a fund class
we may be able to assist the local
people to their final

W. A. H. 11.5.11
Mr. Bostoby

One information goes to show that the figure definitely
available is approximately less than £85,050, the sum
which

which the Government was proposed should be distributed on Staff Quarters and Rolling Stock.

The statement of the Government in August 1919 (Ann. 5 of 5286/19) as to the balance at that date being approximately £85,000 would be correct, the actual balance on 31st March 1919 being £80,907. 5. 11. In 1920 to 31st March 1920, the balance was reduced to the figure of £32,915. 5. 0, after taking into account the "unauthorised expenditure" of £48,000 mentioned in the Memorandum dated 19-10-20.

In his despatch of 19th March 1921, the Governor speaks of the outstanding balance on the Uganda Railway loan, by which I presume he means the balance in respect to the unauthorised balance of the loan actually raised (£85,000. 5. 11) net of the total authorised amount of £65,000. 0. 0 for the construction of the Railway. It is possible that the Gov. has followed - wrongly being that the loan from the Government fund under the U.R. Act can finally be disbursed in 1920, when the balance at £65,000. 5. 11 - for the difference of £27,408 between the authorised and the actual amount. If so, the sum of £27,408, due to balance in the hands of the C.O. on 31st March 1920, and the balance in the hands of the Treasury on 30th Nov 1920 - the latter after we have allowed about made up the sum of £85,000 which the Gov. was proposed should be utilised for Staff Quarters and Rolling Stock.

As to the further question (5 and 6 of your minute), the Uganda Railway Act of 1896 provides that the Gov. should submit to the Treasury, before any loan was made from the Gov. Fund, an estimate of the expenditure and proceeds for and against which it was proposed to expend that money. It would therefore seem desirable that the local people should be asked to submit a statement in some form that their proposals can be put to the Treasury.

WAS 12/5/21

Act for 44 A

1919

£27,408

£31,197

£38,800

£85,405

OFFICE OF THE GOVERNOR & PROTECTORATE OF KENYA.
NAIROBI.
No. 385.

C. O.
19694
APR 22 1921

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GOVERNMENT HOUSE,
NAIROBI,
BRITISH EAST AFRICA.

17 March, 1921.

SIR,

With reference to Viscount Milner's despatch No. 508 of June 30th, 1919, on the subject of the outstanding balance on the Uganda Railway loan, I have the honour to propose that this balance should be utilized for the following works:-

Staff quarters (Uganda Railway) £29,750.

Rolling Stock (- do -) £55,300.

2. These are items deleted from the programme of the new loan works owing to the need of reducing the latter.

3. I trust you will be able to authorise this expenditure.

I have the honour to be,

Sir,

Your humble, obedient servant,

Edward M. M. M.

GOVERNOR.

THE RIGHT HONOURABLE

WINSTON CHURCHILL, P. C., M. P.,

SECRETARY OF STATE FOR THE COLONIES,

DOWNING STREET,

LONDON, S. W.

Oliver 17/6/21

DOWNING STREET,

19 May, 1921.

Sir,

I have &c., to acknowledge the receipt of your despatch No. 386 of the 17th March, on the subject of the expenditure of the balance remaining from the funds provided under the Uganda Railway Acts.

2. The amount available for expenditure requires examination, as although it is certainly much in excess of the £18,000 mentioned in Lord Milner's despatch No. 586 of the 30th June 1919, I am not satisfied that ~~the amount available~~ is so great as the £285,050 dealt with in your despatch. It is of course necessary to avoid any expenditure in excess of the available sum, which would be a charge on the Uganda Railway itself.

3. The latest information on disposal is that in March 1920, the balance in the hands of the ~~Manager~~ £21,197, and that the balance in the hands of the Manager on the 30th November 1920 was £36,800, making together £57,997. It has been suggested that the discrepancy between this figure and that given in your despatch may be due to your having taken the total of the money available under the Acts as £5,530,000 instead of the sum actually issued, namely £5,502,592. The larger

DRAFT.

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GOV. NORTHNEY

MINUTE.

- Mr. Bottomley 17.5.21
- Mr. Ezzell 18.5.21
- Mr. Bottomley 18.5.21
- Mr. Grindley
- Sir H. Lambers
- Sir H. Read
- Sir G. Fiddes
- Col. Amery
- Mr. Churchill

No balance on Ministry Capital Account in 31st March 1920 was £2,915 of as shown in the Account which accompanied by post-accounts the Capital Account of the 1919/20

larger of these two sums is, it is true, the total amount authorised by the Acts for the construction of the Railway, but the issues from the Consolidated Fund under the Acts were finally discontinued in 1905, when they stood at the lower amount which I have mentioned. The difference of £27,408, added to the £57,997 in the hands of the G.A. and the Manager would give £85,405.

4. I shall be glad if you will furnish me with revised figures showing exactly the amount still available for expenditure in the light of this explanation, and the way in which it is made up.

5. In addition to the question of how much can be spent, there is also the question of allocation which requires ^{also} consideration. The re-allocation of the out-standing balance is fully considered in 1914, in connection with Sir H. Belfield's despatch No. 965 of the 12th December 1913. There have been minor re-allocations since that date, but it seems clear that the application of balances proposed in your present despatch would involve a considerable degree of further re-allocation, for which it will be necessary for me to obtain the approval of the L.C. of the Treasury. On the information before me I am not in a position to give them a clear statement of the changes proposed, and it is desirable that you should furnish me in tabular form with information on the following heads:-

(a) The detailed allocation of the balances, as approved in 1914 and varied in subsequent correspondence.

(b)

(b) Any savings (to be shown in detail) on works provided for under previous allocations.

(c) Amounts (with details of the services concerned) finally brought to account out of money available under (a) or (b).

(d) Any provision made, out of funds other than those furnished in the Uganda Railway Acts, for services contemplated under (a) or (b) which are not either ^{Staff} quarters or Rolling Stock.

(e) A detailed list of the works now contemplated under ^{Staff} quarters and Rolling Stock.

6. When I have received your reply to this despatch I will at once put the matter before the L.C. of the Treasury and inform you as soon as possible of the arrangements which they approve, in order that no time may be lost in proceeding with the expenditure of the funds available.

I have &c.,

(Signed) WINSTON S. CHURCHILL

DRAFT

MINUTE.

Mr.

Mr.

Mr.

Mr. Grindle.

Sir H. Lambert.

Sir H. Read.

Sir G. Fiddes.

Col. Amery.

Mr. Churchill.