

EAST AFR. PROT.
12136

C. O.
12136
REC'D
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Office of Individual

Audit

1909

7 April

at Previous Paper

4/2
4/23/4

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Public Works Dept. Store Accounts.

No objection to adjustments which have been found necessary. As regards proposal that balance of stores to be kept on hand be fixed at £5000 for 1909-10, agrees that this sum is excessive, suggests £20000.

W. H. Jones

H. J. R.
12/10

Mr. Read,

This then becomes a matter for the Department. Even £40,000 seems to me a big sum, but if you are satisfied that the amount of work going on justifies such an amount of unallocated stores as a six months' supply, then I think we may now answer 47344 A, approve the limit of £40,000, and send them the rules which have been laid down on the General paper.

It does not seem necessary to say anything about the accounting matters, which have been practically settled by the Audit Office, or about Mr. Bourne's theories as to the dependence of grants in aid on looked after stores.

C.A.H. 20/10

Jones
H. J. R. 22/10

0.5 gm car 268. 10 May 1909

EXCHEQUER AND AUDIT DEPARTMENT,

No. 423.

VICTORIA EMBASSMENT,

293

LONDON, E.C.

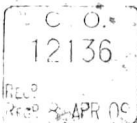
In any further correspondence on this subject,
the above number should be quoted,

and

the communication should be
addressed to

The Comptroller and Auditor General

7th April, 1909



Sir,

I am directed by the Comptroller and Auditor General to acknowledge the receipt of your letter No: 47644 of the 3rd ultimo, enclosing a copy of a despatch from the Governor of the East Africa Protectorate, on the subject of the Public Works Department Store Accounts.

2. A copy of the enclosures to the Governor's despatch had already been forwarded to this Department by the Treasurer of the Protectorate, and, with regard to the accounting irregularities therein referred to, I am to acquaint you, for the information of the Earl of Crewe, that, in view of the explanations submitted, he offers no objections to the adjustments which have been found necessary.

3. As regards the proposal that the balance of stores that may be kept on hand should be fixed at £50,000 for 1909-10 the Comptroller and Auditor General is disposed to agree that this sum is excessive. The accepted conditions governing the amount at which the balance of the Unallocated Stores Account should in ordinary circumstances be determined are that it should not be so large as to lead to unnecessary accumulation of Stores, and that it should be sufficient to meet the probable requirements for a period not exceeding six months. Having regard to the programme of the works to be carried out in East Africa during

The Under Secretary of State,

COLONIAL OFFICE.

during the current year it appears to the Comptroller and Auditor General that a maximum amount of £40,000 would probably be sufficient to provide an adequate reserve of stock at any time.

4. The Memorandum referred to in paragraph 3 of your letter has not yet been communicated to East Africa by this Department, and the Comptroller and Auditor General concurs in Lord Crewe's proposal to transmit a copy of it to the Governor with a view to the observance in the local Treasury and Public Works Department of the instructions therein contained.

I have the honour to be,

Sir,

Your obedient Servant,

C. A. Trevelyan

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12136/2

[Handwritten scribbles]

Gov. 74724 A. E.A. Protectorate.

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R. 17
D. 17

DRAFT

EAST AFRICA PROTECTORATE.

DOWNING STREET,

0.268

18 May, 1909.

MINUTE.

Sir,

Mr. Parkinson 24/4/09

Mr. Harris 14/11/09

Mr. Read 2/12/09

Mr. Just 2/12/09

Mr. Antrobus 7/12/09

Mr. Cor.

Sir C. Lucas.

Sir E. Hopwood.

Col. Seely.

The Earl of Crewe.

I have the honour to acknowledge the receipt of your despatch No. 574 of the 1st December 1908 as to the accounts of the Public Works Materials and Stores and to inform you that I have been in communication with the Audit Office on the subject.

2. Upon the general question of the method of accounting which you refer I desire to invite your attention to the enclosed Memorandum explaining the method in which expenditure on Public Works Materials and Stores should be estimated and accounted for. *I understand that you have already given* ~~You will be good enough to issue~~ instructions for the application of this arrangement in the Local Treasury and the Public Works Department.

3. As regards the proposal that the balance of ~~stores that may be kept on hand~~ *unallocated stores for public works* should be fixed at £50,000 for 1909-10,—

I have ~~arrived at the conclusion~~ *on consideration decided* that the programme

reached me 30th

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figures for the year had shown being as large as interest