

1936

38259

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CO 533/475

KENYA

2

2

ESTATES

ESTATE OF MR. M. E. DOBBIE

Previous

Subsequent

1937

R. 297 6/4/36

R. 297 19/1/37

Lt. Col. T. C. R. Moore, M.P.

24.36

Tr in orig. letter from D. S. E. Dolan regarding
his inheritance of an estate in Kenya requiring
what steps can be taken to have the estate
transferred to this country.

To Lt. Col. Moore, M.P. (1 inst)

4.4.36

DESTROYED UNDER STATUTE

To regard Mr. Dolan's grievance
the law on the subject & the
Public Trustee's Order No 79
1925 & Amendment & Annex
Copies & 2 Drafts for
Comment

C.A. Crosswell
8/4/36

Lt. Col. Moore (1. Inst)

14 April 1936

DESTROYED UNDER STATUTE

4 To Kenya 238 — cons
(w/c and to 1)

214
16 APR 1936

5. Lt. Col. Moore. ----- 7.8.36.
Enquires whether any further information has been
received from the Governor.

? Reply to Col. Moore's Secretary
as in draft herewith, &
remined Mr. Kenya 4/4 by 4

C.A. Crosswell
13/8/36

6 To Miss Lawton (5 Inst) (5/0) - 17 AUG 1936

DESTROYED UNDER STATUTE

4/6 Ref 10
file as ref 10

20/11

To Kenya Coll - Applications 20 AUG 1936

Miss Taunton - 18.8.36
Accts. No. 6 with thanks, will notify Col. Moore on his return.

DESTROYED

? Put by

20.8.36.

Handwritten signature
20/8/36 notice

9. GOV. KENYA. 548. 22/10/36.
Encls. Memo. by Public Trustee dealing with the administration of the Estate and states that the circumstances are similar to those which formed subject of Mr. Wade's despatch No. 416 (Regd. on S.F. 1) with whose views, as expressed therein, he is in agreement and has nothing to add to them.

It appears that the Public Trustee's affairs were handed over to Mr. E. Dobbin when he came of age.

- (a) value of jewellery Sh. 1,000.00
 - (b) value of War Loan 3% Stock 55,120.00
 - (c) Cash 9,575.35
- 65,695.35
(Roughly £3,225)

There remains on mortgage Sh. 293,095.42 (Roughly £14,651)
In addition there is roughly £2,500 outstanding in respect of interest.

Mr. Dobbin wants his property transferred to this country. This cannot be done without foreclosure on the mortgages. Such a course would obviously be disastrous. The Public Trustee has said so in the Memorandum.

Unlike the Bright-Williams case (SP. 59/196) there is no implication that the Public Trustee is responsible for the unfortunate state of the Trust investments. I submit a draft for
Colonel

Handwritten signature
17. 11. 36

I have been keeping this file for a time because a further long letter has been received from the solicitors on the Bright-Williams case, in which the main question at issue is whether the Government of Kenya is under a moral obligation to make good the losses sustained owing to the depreciation in the value of farms in which the Bright-Williams estate has been invested on mortgage, as in the case dealt with on this file. It is now clear, however, that it will be some considerable time before any decisions can be taken on the Bright-Williams case, and I do not think we can properly hold up action on this file until those decisions are taken.

The proposal in the draft prepared by Mr. Grossmith was that the Private Secretary should send to Colonel Moore copies of the memorandum enclosed in No. 9 and of the further memorandum on the Harper mortgage (No. 10) prepared by Mr. Grossmith from the reports in the Bright-Williams file.

I very much doubt, however, whether it would be desirable to send these reports to

Colonel

Colonel Moore. In the first place it would involve the disclosure to him of a good deal of confidential information about the private affairs not only of Mr. Dobbie but also of the various mortgagees. I do not think that we are entitled to assume that because Mr. Dobbie has enlisted Colonel Moore's assistance, he would wish his private affairs to be disclosed to Colonel Moore by the Secretary of State, and I am even more doubtful about giving Colonel Moore information about the affairs of the mortgagees.

It will be recalled that we had some ~~serious~~ qualms about this in the Bright-Williams case, and only conveyed ^{the corresponding information} to her solicitors in confidence. The solicitors have now asked us to state precisely how much of the information given to them is to be regarded as confidential because they are contemplating (if they can get no satisfaction for their client) taking action to have the whole matter ventilated in Parliament.

In the second place, if the worst comes to the worst, and the Bright-Williams case is ventilated in Parliament, it seems to me that it would be a tactical error to have provided Colonel Moore with the further ammunition appearing in the reports on this file.

The Dobbie case, dealt with on this file, has not yet reached the stage of a claim for compensation, and I am inclined to think that it would be advisable to be guarded

in

in what is passed on to Colonel Moore. I have therefore prepared a fresh draft for consideration.

12.12.36

This is all very unsatisfactory, and I must say that I do not like picking out parts of the Public Trustee's memorandum and passing them on to Colonel Moore in this way.

If it is desired not to give him too much information, I think that Mr. Dobbie's solicitors at any rate ought to have the substance of the memorandum enclosed in No. 9 (just as Miss Bright-Williams' solicitors were given the substance of the reports on her case), so that they may be in a position to advise him in the matter.

I appreciate the points made by Mr. Paskin in his minute of 12/12/36, and it is no doubt regrettable that the Mortgagees' private affairs should be revealed - but it cannot be helped. In all the circumstances, I do not think that we should press this "confidential" aspect of the matter too far. So long as the Public Trustee invests trust funds in this way, and the investments turn out badly and the position ^{has to be} investigated, the Mortgagees' private affairs must by the very nature of the case be involved.

As regards compensation, if there is eventually something in the nature of a claim on the part of the mortgagees, it is not clear that we should have any better by having the present case explored in detail in the present case.

21/12/36

A. Duncan

It seems to me that we are now out of this. Mr. Dobbie has been in communication with people in Kenya and, presumably, he, and his solicitor, know exactly what the position is and what the Public Trustee is doing. It will be seen that an arrangement with regard to Clarke's mortgage has been reached and accepted by Mr. Dobbie.

In the circumstances I don't think that we need do anything to reply to Colonel Moore, unless he asks again, and if he does ask again we can tell him that we understand that Mr. Dobbie has now been in touch with the authorities in Kenya, who are endeavouring to settle his affairs to the best advantage for him.

I agree entirely that the actions of the Public Trustee in Kenya in this regard, as in the case of Miss Bright-Williams, have been unfortunate in the last degree, to say the least of it.

But I think we can put this by:

J. G. F. L.

23.12.1936

If in fact Mr. Dobbie's solicitors have now got the substance of the Memorandum enclosed in No. 9, 12, if they know exactly what the position is and what the Public Trustee is doing, they will be in a position to advise him in the matter - and obviously nothing further is required. But we do not know of course, if this is the case.

23/12/36 H. Duncan

We know from the enclosures to the despatch that Mr. Dobbie is in touch with the Kenya Public Trustee. The communication from Mr. Dobbie's solicitors arrived in Kenya in May, 1936, some time after he had started with Colonel Moore. In the circumstances it seems reasonable to conclude that Mr. Dobbie and his solicitors now know all about it, and therefore I think we should not proceed to duplicate correspondence. However, to make assurance doubly sure, draft herewith to Kenya.

J. G. F.

24.12.1936

43/37
10 to Kenya 1032 (9 April) 28 DEC 1936

KENYA.

NO. 1032

Downing Street.

28 December, 1936.

Sir,

I have the honour to acknowledge the receipt of Sir Joseph Byrne's despatch No. 548 of the 22nd of October on the subject of the administration of the late Mr. Dobbie's estate.

B. I presume that full information as regards the estate and the various mortgages has now been furnished to Mr. Dobbie's solicitors, and, if so, I do not wish to correspond further on the subject. I think, however, that you would agree that it is necessary that the fullest information should be furnished in order that the solicitors in this country may be able to advise Mr. S. B. Dobbie with full knowledge.

I have the honour to be,

Sir,

Your most obedient

humble servant,

(Signed) W. ORMSBY GORE

THE OFFICER ADMINISTERING
THE GOVERNMENT OF
KENYA.

107

30859/2/38
C.D.
DEC 24 1938
11 28

DOWNING STREET.
28, December, 1938

Air Mail

C. O.

- Mr. Flood. *4/12*
- Mr.
- Mr.
- Sir C. Parkinson.
- Sir G. Tomlinson
- Sir C. Bollomley.
- Sir J. Shuckburgh.
- Parly. U.S. of S.
- Parly. U.S. of S.
- Secretary of State.

Sir,

I have etc. to acknowledge the receipt of Sir Joseph Byrns's despatch No. 548 of the 22nd of October on the subject of the administration of the late Mr. Dobbie's estate.

DRAFT.

NO. 1032

O.A.G.

2. I presume that full information as regards the estate and the various mortgages has now been furnished to Mr. Dobbie's solicitors, and if so, I do not wish to correspond further on ~~the subject~~ this point. I think, however, that you would agree that it is necessary that full information should be furnished in order that the solicitors in this country may be able to advise Mr. S.E. Dobbie with full knowledge.

I have, etc.

FURTHER ACTION.

(Signed) W. ORMSBY GORE

C. O.

Mr. Grossmith 17/11.

Mr. Paikin. *Mr*

Mr. Flood

Sir C. Parkinson.

Sir C. Tomkinson.

Sir C. Bottomley.

Sir J. Stansbury.

Parlt. U.S. of S.

Parly. U.S. of S.

Secretary of State.

S.O. for Private Secretary's signature

Downing Street,

December, 1936.

Dear Colonel Moore,

You will remember that you wrote

to Marsh in April regarding a letter

addressed to you by Mr. S.E. Dobbie of

Redbrae, Alloway, Ayr, about his share of

his late father's estate in Kenya. *See S. 75*

I have now received from the Governor of

Kenya a full report on the administration

by the Kenya Public Trustee of the property

inherited by Mr. S.E. Dobbie.

2. It appears that the proceeds of the realisable property and cash (amounting in all to approximately £3,289) was handed over to Mr. Dobbie when he came of age

on the 31st of March last, and that there remains a capital sum of roughly £14,656 invested in mortgages on which there is a certain amount of interest outstanding.

DRAFT.

LIEUTENANT COLONEL
T.C.R. MOORE, C.B.E., M.P.

FURTHER ACTION.

3. The position in regard to these mortgages is as follows:-

(a) In one case, where the capital amount

involved is £5,000 an arrangement has been arrived at and agreed to by Mr. Dobbie that every effort (a) being made by the Public Trustee to realise the balance of the property with as little loss and delay as possible but that in the opinion of the Public Trustee, Mr. Dobbie would be ill-advised to take foreclosure proceedings at the present time, as these would entail considerable expense and the Court would give the defendants at least six months for redemption.

(b) In another case, in which the capital

amount outstanding is £2,975, the estate is being maintained in good order and is being financed

by commercial houses in Nairobi. This mortgagee to discharge the mortgage is said to be making every effort and anticipates being in a position to submit a satisfactory offer before the end of the year. There appears to be

(i.e. Clarke)

(i.e. Fletcher)

Mr.

Mr.

Mr.

Sir C. Parkinson

Sir G. Tomlinson

Sir C. Batemley

Sir J. Shuckburgh

Parly. U.S. of S.

Parly. U.S. of S.

Secretary of State.

(i.e. Cartwright) (c) In another case, in which

the capital amount involved is £4,000, bankruptcy proceedings have been instituted

and it is hoped by this means to recover quite a substantial portion of the sum due.

(i.e. Williamson and Harper.) (d) The position in regard to the

two remaining mortgages, where the amounts involved are £2,000 and £680, is less satisfactory. In neither of these two cases is it considered that foreclosure proceedings would be justified, as they would entail considerable expense and the Court would almost certainly give the

defendants at least six months for redemption. In both these cases the value of the personal covenant of the mortgagee is now nil and although the properties have been placed on the books of numerous land agents throughout the Colony, no offers have been received. As things are at present

DRAFT.

FURTHER ACTION.

C. O.

Mr.
Mr.
Mr.

Sir C. Parkinson
Sir G. Tomkinson
Sir C. Bottomley
Sir J. Shuckburgh
From U.S. of S.
Party U.S. of S.
Secretary of State.

(i.e. Cartwright)

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the capital amount involved is £4,000, bankruptcy proceedings have been instituted and it is hoped by this means to recover quite a substantial portion of the sum due.

(i.e. Williamson and Harper.)

(d) The position in regard to the

two remaining mortgages, where the amounts involved are £2,000 and £680, is less

satisfactory. In neither of these two cases is it considered that foreclosure proceedings would be justified, as they would entail considerable expense and the Court would almost certainly give the defendants at least six months for redemption.

In both these cases the value of the personal covenant of the mortgages is now nil, and although the properties have been placed on the books of numerous land agents throughout the Colony, no offers have been received. As things are at present

DRAFT.

FURTHER ACTION.

in

in Kenya it would be impossible to recover
even a portion of the capital sums advanced
in the event of a forced sale.

4. It is most unfortunate that these
investments have turned out so badly. *at the time when
they were made*
it was not possible to foresee either the world depression
or the fact that it would be accentuated in
Kenya by several years of drought and by
visitations of locusts.

The Public Trustee is however not
without hope that with the return of prosperity
to Kenya, of which there are now unmistakable
signs, it may ultimately be possible to arrange
satisfactory settlements even in the case of
the two mortgages mentioned at (d) above.

AIR MAIL

KENYA

No. 5448



GOVERNMENT HOUSE
NAIROBI
KENYA

9

RECEIVED
31 OCT 1936
C. O. P. O.

22 October, 1936.

Sir,

I have the honour to refer to Mr. Thomas's despatch No. 238 of the 14th April transmitting a copy of a letter addressed by Mr. S.E. Dobbie to Lieutenant Colonel T.C.R. Moore, C.B.E., M.P. regarding the administration by the Public Trustee of the property in Kenya which he inherited on the death of his father.

I enclose a Memorandum by the Public Trustee dealing with the administration of the Estate. The circumstances in this case are similar to those in the administration of the Estate of Miss Bright-Williams which formed the subject of Mr. Wade's despatch No. 416 of the 12th August last. I am in agreement in the views expressed by Mr. Wade in that despatch which apply also to the administration of this Estate and I have nothing to add to them.

I have the honour to be,

Sir,

Your most obedient, humble servant,

Brigadier-General,
GOVERNOR.

THE RIGHT HONOURABLE
W. ORMSBY-GORE, P.C., M.P.
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET.

20 on 38259/1/36 KYA
Ormsby-Gore

rs. H. E. DORRIS.

TRUST CAUSE NUMBER 1 of 1927.

MEMORANDUM

dealing with

THE ADMINISTRATION OF THE ESTATE.

TRUST CAUSE NUMBER 1 OF 1927.

Memorandum dealing with the administration of the Estate.

Mr. M. E. Dobbie, father of Mr. S. E. Dobbie, died in Kenya in October 1926 and by his Will bequeathed half of his estate to be divided in equal shares between his three sisters and the remaining half to his only son, Stephen Ewart Dobbie. The Executors appointed under the Will renounced and the estate was administered by the Public Trustee, Mr. S. E. Dobbie's share amounting to Shs.301,097/21. This sum was transferred to a Trust Cause in June 1927 and the Public Trustee became Trustee of the Minor's estate.

2. Of the sum of Shs.301,097/21 transferred to the Trust Shs.300,097/21 was in cash and the balance of Shs.1,000/- was the value of jewellery retained. This jewellery was handed over to Mr. S. E. Dobbie when he came of age.

3. In his letter dated 30.3.1936 addressed to Col. T.C. Moore, M.P. Mr. S. E. Dobbie does not imply that the Public Trustee is responsible for the present unfortunate position of the investments made, but asks for advice as to the best method to adopt in order to have the estate realised with as little financial loss as possible. The statement contained in the fourth paragraph of Mr. Dobbie's letter is not quite correct, as he only came of age on 31.3.1936, and his letter to Colonel Moore is dated 30.3.1936. Transfer of the estate was only asked for in a letter from Messrs Mackintosh & Bain (Mr. Dobbie's Solicitors) which arrived in Kenya on 12.5.1936 and the available estate was transferred at once.

4. It is proposed to first deal with the administration of the Trust in a general way and then to give details and the present position of the various mortgages.

5. As will be seen from paragraph 2, Shs.300,097/21 was the capital sum taken over in 1927 and during that year Shs.290,000/- was invested in four different mortgages over land in this country. In 1928 a further sum of Shs.8,000/- was advanced on one of the

mortgages and Shs. 10,000/- placed on fixed deposit with the National Bank of India, Ltd., Nairobi. During 1929 a further sum of Shs. 14,000/- was invested on a mortgage over land; the sum on fixed deposit being reduced to Shs. 8,600/-. Since 1929 no further sums have been invested in mortgages over land, all money available for investment being either placed on fixed deposit or invested in War Loan 3½% inscribed stock.

6. The position of the estate as at 31.3.1936, the date Mr. Dobbie came of age, was as follows :-

(a) Value of jewellery handed over	Shs.	1,000.00
(b) Value as at 31.12.1935 of War Loan 3½% Inscribed Stock handed over	"	55,122.00
(c) Cash, being proceeds of fixed deposits and balance of income account handed over	"	9,578.38
(d) Cash retained by Public Trustee to cover expenses that may have to be incurred in realising mortgages	"	2,000.00
(e) Value of mortgages which it has been impossible to realise and none of which have been transferred to Mr. Dobbie	"	293,095.47
		<u>Shs. 360,793.85</u>

There is also a sum of approximately Shs. 50,000/- due for arrears of interest on the various mortgages. An allowance of £.360 per annum has been paid regularly from the income of the Trust for the benefit of the Minor since his father's death in 1926.

7. The sum of Shs. 293,095/47 is due by the following mortgages:

(a) W. Fletcher .. .. .	.. .. .	Shs.	59,500.00
(b) F. S. Clarke .. .. .	.. .. .	"	100,000.00
(c) W. M. Williamson .. .. .	.. .. .	"	40,000.00
(d) J. F. H. Harper .. .. .	.. .. .	"	13,595.47
(e) A. R. A. Cartwright .. .. .	.. .. .	"	80,000.00
			<u>Shs. 293,095.47</u>

8. FLETCHER'S MORTGAGE - Shs. 59,500/-

The farm over which this mortgage is held comprising 2831 acres is situate in the Machakos District, 23 miles from Thika Railway Station, a public road passing through the farm providing good access to the Station. It was valued by Messrs J. C. Coverdale & Partners, approved valuers, at Shs. 257,500/- in April 1927 and described as a mixed farm embracing land suitable for coffee, maize and wheat, the balance being good grazing land. A sum of Shs. 80,000 was lent by the Public Trustee on 28.5.1927 and a further sum of Shs. 8,000/- on 29.12.1928 making a total of Shs. 88,000/-. Since that date a number of capital repayments have been made and 400 acres of the land mortgaged was sold during 1935 for £900. This sum, after payment of certain expenses, was utilised for repayment of capital and interest. The capital sum now owing by Fletcher is Shs. 66,000/-.

As far as the Dobbie Trust is concerned Shs. 70,000/- of the first sum advanced and the whole of the second advance of Shs. 8,000/- was from this trust making a total of Shs. 78,000/-. The capital sum now owing by Fletcher to the Dobbie Trust is Shs. 59,500/-.

Mr. Fletcher is chief clerk to a firm of advocates in Nairobi and is now paying monthly instalments of Shs. 200/- from his salary on account of interest. There is a manager on the estate and it is kept in good order, being financed by commercial houses in Nairobi.

To date there is only Shs. 1,957/88 outstanding on account of interest on this mortgage. Mr. Fletcher is making every effort to discharge the mortgage and states that he anticipates being in a position to submit a satisfactory offer before the end of the year. There appears to be ample security to cover this mortgage.

4. 15
9. CLARKE'S MORTGAGE - Shs.100,000/-

An arrangement with regard to this mortgage has now been arrived at and agreed to by Mr. Dobbie. The terms of the arrangement are as follows:-

"The Public Trustee is releasing his first mortgage for Shs.100,000 over the property mortgaged to him in favour of a first mortgage to the Land Bank of Kenya who are making a loan of Shs.90,000/-. Shs.70,000/- of this sum is to be paid to the Public Trustee as part repayment of his loan of Shs.100,000/-. The balance of Shs.20,000/- is to be utilised in running the farm. The Land Bank has agreed to a second mortgage being given in Mr. Dobbie's favour for £.1,500 to cover the balance of the principal sum due on his mortgage. Mr. Clarke and his son-in-law, Capt. Damsie, have agreed to pay interest at the rate of 3% per annum on this second mortgage.

"In addition to the first mortgage over the property the Land Bank is also having assigned to them a policy of assurance on the life of Mr. Clarke, who is now aged about 77 years. This policy with profits now amounts to slightly over £.2,000, so that on the death of Mr. Clarke the Land Bank's claim will be very considerably reduced, and the value of the second mortgage increased. It is also possible that in the event of farm produce and coffee increasing in value as at Mr. Clarke's death, the Land Bank may release £.1,000 of the proceeds of the policy to Mr. Dobbie in part repayment of his second mortgage."

As at the date of this agreement outstanding interest amounted to Shs.9,000/- and Mr. Dobbie has agreed to accept Shs.5,000/- in full settlement. This latter sum is being secured by means of a charge over a sum of Shs.6,000/- which is with one of the Nairobi Banks but has to be invested during Mr. Clarke's lifetime.

10. WILLIAMSON'S MORTGAGE - Shs. 40,000/-

The farm mortgaged to the Public Trustee in this case is 1410 acres in extent held on 999 years lease at an annual rental of 20 cents per acre. It is situate 15 miles from Lake Solai station to which there is access by a main road. There is a permanent stream running through the farm which is suitable for coffee and cereals. A very glowing report on this property was given by Mr. T. H. Chettle, approved valuer, when he submitted his valuation for Shs. 84,860/- on 9.9.1927.

Mr. Williamson was recommended to the Public Trustee by Messrs Delany & Stratton, Advocates, Nairobi. He was considered to be a practicable farmer and fully capable of meeting his commitments.

The total sum of Shs. 40,000/- was advanced on 1.10.1927 at 8% per annum. Interest up to 30.12.1930 was paid regularly, but no interest has been paid since that date. Arrears of interest up to 30.6.1936 therefore amount to Shs. 17,600/- and in addition land rent amounting to Shs. 1,138/-, which Mr. Williamson has been unable to pay, has been paid from the Trust funds.

Unfortunately considerable damage was caused to the property in 1928 when an earthquake destroyed the house and maize crib. Another report and valuation of the property was made in May, 1931 by Messrs Beeston & Morrison, approved valuers, the property being then valued at Shs. 46,440/-.

At the time Mr. Williamson ceased to pay interest inquiries were made and it was found that the value of his personal covenant was nil. Therefore, until a purchaser can be found foreclosure proceedings would not be justified. Land Agents throughout the country have the property on their books, but so far no offers have been received. Mr. Williamson is still residing on the property and is doing a certain amount of cultivation. It is understood that he intends applying for relief under the Farmers' Assistance Ordinance, 1936; his application to the Land Bank having been unsuccessful. Owing to the present low prices of agricultural land

it would be impossible to recover even a portion of the capital sum advanced in the event of a forced sale, but in two or three years' time, if prices improve, it should be possible to arrange a satisfactory settlement.

11. HARPER'S MORTGAGE - Shs.15,595/47.

This forms a portion of the mortgage referred to in paragraphs 5 to 8 inclusive of Kenya despatch No.416 dated the 12th August, 1936 to the Secretary of State, and the position has not changed since. *See separate statement below*

12. CARTWRIGHT'S MORTGAGE - Shs.80,000/-

The security held by the Public Trustee consists of three farms at Rongai totalling 912 acres and a farm in the Uasin Gishu district of 1976 acres. Maize has always been grown on the Rongai farms while the Uasin Gishu farm is a stock farm and has a cattle dip. The Uasin Gishu farm was valued by Mr. A. C. Hoey of Eldoret, approved valuer, at 2.5,000 while the Rongai farms were purchased by Mr. Cartwright at Public Auction for 2.3,700 immediately prior to the mortgage being taken by the Public Trustee.

The total sum of Shs.80,000/- was advanced on 30.9.1927 and interest is at the rate of 8% reducible to 7% if paid within 30 days of due date. Mr. Cartwright was at the date of the mortgage a man of considerable means and had interests in other properties in Kenya besides those mortgaged to the Public Trustee, and in making the loan the Public Trustee believed Mr. Cartwright's personal covenant to be of considerable value. The Public Trustee is still of this opinion although Mr. Cartwright lost a considerable sum of money in the Swedish Match (Kreuger) smash.

No interest has been paid since March 1932 and in 1934 foreclosure proceedings were instituted for the recovery of the principal and Shs.14,000/- outstanding interest. Mr. Cartwright

submitted various proposals for a settlement to the Public Trustee which the Public Trustee was prepared to consider, but nothing eventuating, instructions for sale were given and the properties were bought in by the Public Trustee for Shs.1,000/-. Mr. Cartwright protested against the action taken to the Colonial Secretary of Kenya, but the Colonial Secretary declined to interfere. Bankruptcy proceedings have been instituted and it is hoped by this means to recover quite a substantial portion of the money due.

The properties have been placed on the books of various Land Agents and the Public Trustee has every reason to think that with a sale of the farms and the amount that should be recovered through the Bankruptcy proceedings, there should be little, if any, loss to the Trust.

13. The limitations imposed upon the Public Trustee in investing trust moneys in immovable property within the Colony have been strictly adhered to in making all the investments referred to in this Memorandum. During the years 1927 to 1929 it was impossible to foresee the locust invasion and the droughts in the Colony and the terrible world depression, and the depreciation of the value of the securities and inability to realise them is solely on account of these catastrophes.

14. Every effort is being made by the Public Trustee to realise the balance of the estate with as little loss and delay as possible. It is respectfully submitted that Mr. Dobbie would, in the opinion of the Public Trustee, be ill-advised to take foreclosure proceedings at the present time, as these would entail considerable expense and the Court would give the defendants at least 6 months for redemption. If the present improvement in the price of agricultural produce is maintained, there should be a corresponding increase in land values, which appear to be at present at their lowest.

This forms a portion of a mortgage of £4,500 on a farm of Mr. J.F.H. Harper. This farm is situated on the Mau Escarpment some twenty miles from Elmeraita Station at an altitude of about 8,000 feet, and is held on a lease of 99 years dating from 1922. No professional surveyor or valuer was employed by the Public Trustee as no such valuer was available in the district, but in making the loan the Public Trustee relied upon a report on the value of the property made by a practical farmer who has been in Kenya for a long period. This report, [a copy of which is enclosed,] was made a few weeks before the loan, on the instructions of the Standard Bank of South Africa Limited, to whom Mr. Harper had applied for a loan of £6,000. In support of the view that this property was generally regarded as a valuable security at that time it ^{may be mentioned} [has been pointed out in earlier correspondence] that, before this loan was made, a loan of £5,000 had been made to Mr. Harper on the security of this farm, and that, subsequently, a further sum of £1,000 was advanced on another mortgage on this property ranking second to the mortgage of the Public Trustee. In addition to the value of the security, Mr. Harper's personal covenant was at that time of considerable value as in addition to interests in Australia, he was also the owner of a large coffee estate at Ruiru in the Colony.

Mr. Harper left Kenya about the end of April, 1931, leaving a manager, Mr. H.C.H. Townsend, in charge of the property. Interest continued to be paid up till 1932, but in October of that year Mr. Townsend relinquished the management of the property. When default occurred, numerous demands were made upon Mr. Harper, who always admitted the

amount due, and intimated his preparedness to transfer the property whenever called upon to do so. It is, however, stated that, by this time, by reason of the failure of the Australian source of his income, the world slump and local conditions due to drought and locusts, the value of Mr. Harper's personal covenant was nil.

For these reasons the Public Trustee, after full enquiry, satisfied himself that no further purpose would be served by foreclosing or instituting bankruptcy proceedings.

When Mr. Harper abandoned his farm, every effort was made to lease it and the property was placed on the books of numerous land agents throughout the Colony. An offer to lease the farm was received in October, 1933, but as at the same time negotiations were in progress for the sale of the property, the proposal to lease was held in abeyance.

Eventually, the proposed sale of the farm fell through. In the meantime the offer to lease lapsed, and, although strenuous efforts were made by the Public Trustee to get the offer renewed, he was unsuccessful.

A subsequent attempt to let the farm to Mr. Townsend also failed as Mr. Townsend was unwilling to run more than a small portion of the farm.

Since Mr. Townsend left the farm it has not been cultivated and, beyond its occasional inspection by Mr. Powys Gobb, a neighbouring farmer, and the presence of two native squatters as caretakers, no attempt has been made to preserve it.

10
On the 14th of November, 1934, an agreement was entered into between Mr. Harper, the Public Trustee and two other parties by which Mr. Harper undertakes to pay £2,000 to the Public Trustee out of the proceeds of a motor business in London, provided that none of the parties takes proceedings in bankruptcy or otherwise against him. The preliminary negotiations for the agreement were exhaustive and bankruptcy proceedings were threatened. Mr. Harper offered to file a petition in bankruptcy, but since the parties were of the opinion that he would obtain his release with much difficulty, it was decided not to take proceedings. Mr. Harper has so far kept up his payments under the agreement, and it is hoped he will be able to complete it.

FROM
Lieut-Col. J. C. R. MOORE,
C.S.M. R.F.

61, PALL MALL,
LONDON, S.W. 1

RECEIVED
10 AUG 1936
O.O. REGY

7th August, 1936.

Dear Mr. Davies:

You will perhaps recall writing to me on the 14th April last in regard to a complaint by one of my Constituents, Mr. S.E. Dobbie of Redbrae, Alloway, Ayr. On that occasion you informed me that you had referred the matter to the Governor of Kenya for his observations, but since then I have had no further information.

(3)

I am wondering if the time has yet elapsed when I might recall the matter to your memory. If so, and if you have received any further details from the Governor, I shall be very glad to hear from you.

Yours very truly,

T. W. Moore
(Miss) - W. T. ...

P.S. I am about to leave London for my annual holiday, and I hope therefore you will forgive me for having this letter signed by my Secretary.

T.W. Davies, Esq.,
Colonial Office,
Downing Street, S.W.1.

C. 8.

38132/42/36.

Mr. Crossmith. *074*
Mr. *Parker 9/4 8*
Mr. *S + V*
Sir C. Parkinson.
Sir G. Tomlinson.
Sir C. Bottomley.
Sir J. Shuckburgh.

DOWNING STREET,

14 April, 1936

Permt. U.S. of S.
Parly. U.S. of S.
Secretary of State.

Sir,

I have etc. to transmit

DRAFT. *procurator*

KENYA

NO. 238

GOVERNOR

to you a copy of a letter addressed
by Mr. S.E. Dobbie to Lt.-Col. T.
Moore, C.B.E., M.P., in which he
expresses dissatisfaction with the
administration by the Public Trust
of the property in Kenya to which
inherited
he ~~became~~ entitled on the death of
his father.

*From Dobbie / 30/3
(and No 1)*

2. It will be seen that

Mr. Dobbie attained the age of
twenty-one years on the 31st of
March last and that he desires the
transference to this country of the
proceeds of his share of his
father's estate.

FURTHER ACTION.

3. I shall be obliged if you

will furnish me with your observations

on the points raised in Mr. Dobbie's letter.

Meanwhile Lt.-Col. Moore ^{has been} will be informed

that the matter is being referred to you

for your observations,

I have, etc.

(Signed) J. H. THOMAS

LIEUT. COL. T. C. R. MOORE.

222, 22A

13
Via BALL MAIL
LONDON, E.W.

2nd April, 1936.

My dear Marsh,

I wonder am I in order in asking you to cast your eye over the enclosed, but I really feel quite inadequate to advise my Constituent on this rather knotty point.

I do not, however, know whether I should send the matter to the Attorney General or to your Department. But having got the utmost confidence in your judgment, I am giving you the worry of it in the first place anyhow!

Hoping you are keeping fit and well,

Yours Sincerely,

J. C. Moore

Edward Marsh, Esq., C.B. etc.,
Private Office,
Downing Street, S.W.I.

Copy incl to Kanya (4)

(3)

Redbrae,

Alloway,

Ayr.

30/3/36.

24
END

Col. T. C. Moore, M.P.,

House of Commons,

London

Dear Sir,

I am taking the liberty of writing for your advice on a matter, the details of which I am about to outline.

On the death of my father in Kenya, East Africa some nine years ago, I inherited part of his estate which was to be obtainable on the attainment of my majority.

The money in question was invested by the public trustee in farms and a yearly statement on these investments is sent to my solicitors - Messrs. Mackintosh & Bain, Kilmarnock. In most cases the said statements do not make pleasant reading, as the investments are not realising any interest.

The public trustee has been instructed on more than one occasion by my solicitors to have the estate transferred to this country on the attainment of my majority which falls due on the 31st March 1936, but no apparent endeavour on the part of the trustee appears to have been made.

As I am losing substantial sums of money by these investments I therefore ask your advice on the best method to adopt in order to have the estate realised with as little financial loss as possible.

I shall be glad to give you any further details if you so desire. Thanking you,

I am etc.

(Signed) Stephen Ewart Dobbie,