

1928

Kenya

C0533 / 374

No. 15023

CLOSED
UNTIL

1979

SUBJECT

E.A. (Jubaland) Cotton
Growers Association Ltd

Previous

1054/27

Subsequent

13518/29

To Barnes (w/ [unclear] 2) cars 19 FEB 1923

Mr. Barnes (B.T.) - S.O. - 14 FEB 1923
no objection to letter being sent to Gov.
provided that it is treated as strictly
confidential.

Df. [unclear] (conf) [unclear]

To Gov. Conf (H) [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

Com. [unclear] [unclear] [unclear] (S.O.) 13 Feb 23 3

This letter is the result of a
discussion I had with someone from the Solicitor's
Department of the Board of Trade on Saturday.
I thank you for your letter telegraph to Kenya to the
same effect.

It is understood that Machin has
entered into an agreement for the sale of the
assets of [unclear] No. 406 and is proceeding to
apply to the Court in Civil Case No. 212 of 1923
for approval of the sale. There is some
reason to suppose that the price to be realized
and that the Government should look into the
matter. I consider whether any public
objection to the application in order to secure
satisfaction regarding liquidation of the assets and
distribution of the proceeds is possible.

[unclear] [unclear] [unclear] [unclear] [unclear] [unclear]

[unclear] [unclear] [unclear] [unclear] [unclear] [unclear]

to proceed: but the def. below

Mr. Do [unclear] [unclear]
15/2/23
[unclear] has gone off to [unclear]
[unclear] [unclear]
18/2/23

To Gen. Kenya. Tel. 13 Feb 23. 18/2/23

The enclos. are in duplicate.

1 set now send. Copy of 1 set
one set for enclos. - attaching to
letter to Mr. H. H.

JLB
2/2
/r

1st J.M.M.

2/2
at all

To Gov. Com. (Refers 7) 27 FEB 1928

1/1 w/ copy 6 & 1 set of enclos. in original)

9 L. Hendri 26 March 28
Requests copy of Crown Land Ordinance
902

copy
? send to C.A. 47. for them to deal
with.

best if not

This is interesting, as showing that
the franchisees apparently, have completed

Mr. Bush's set see after action

JLB

Easton 28/3

J.M.M.

2/2
at all
T.C.

To C.A. (w/ copy 6)

4 APR 1928

Governor Grigg, Tel. 85, 25th April 1928
Requests that all necessary steps be taken in
this country forthwith to safeguard Kenya's
prior claim. Supreme Court of Kenya decided that
it had no jurisdiction in matter.

I think we had better ask Mr. Bush's
advice on this.

J.M.M.
27.4

Mr. Bush

Will you please advise?

J.M.M.

27/4/28

The only thing to do now is to place
this matter in the hands of Solicitors, who should
be requested to ascertain the position in this
country in regard to the liquidation of the
Company, and to advise us what steps can and ought
to be taken to protect the interests of the
Government. It might be suggested to them that
they should get in touch with the Solicitors
Department of the Board of Trade, who have a full
knowledge of the facts and are interested on
behalf of another creditor. We shall, of course,
have to send the whole of the correspondence with
the Governor and the Board of Trade.

JLB

Staff J.M.M.

J.S. at all

12. 11 MAY 1928

The cables are in duplicate
J.S. M. [unclear] City of B
one for J. [unclear] attaching to
the [unclear] to [unclear]

J.B.
27/2

Sgt J.M. Allen
27/2
attached

To Gen. Com. (Refers 7) 27 FEB 1928
(w/ copy of [unclear] in original)

9. [unclear] 26 March 28
Requests copy of Crown Hand Ordinance
1902

? send to C.A. 27 for [unclear] to deal
with.

W. [unclear]

This is interesting as showing that
the franchisees apparently, have completed

M. [unclear] [unclear]

Easton
28/3

J.M. Allen
29/3
attached

To C.A. (w/ copy of) 4 APR 1928

11 Governor Grigg. Tel. 83. 23rd April 1928
Requests that all necessary steps be taken in
this country forthwith to safeguard Kenya's
prior claim. Supreme Court of Kenya decided that
it had no jurisdiction in the matter.

I think we have [unclear] as [unclear]
advise once more.

J.M. Allen
27/2

Mr. Bushe

Will you please advise?

J.M. Allen

27/4/28

The only thing to do now is to place
this matter in the hands of solicitors, who should
be requested to ascertain the position in this
country (I regard to the liquidation of the
company) and to advise as what steps should be
taken to protect the interests of the
government. It might be suggested that
they should get in touch with the Solicitors
Department - the Board of Trade, who have a full
knowledge of the facts and are interested
on behalf of another country. It would
have to be the [unclear] correspondence with
the Governor and the Board of Trade.

J.B.

Sgt J.M. Allen

J.S. Allen

11 MAY 1928

13

Kenya tel. 11 May
(Points out the intention in his telegram - will
file - in view of reports future action to
safeguard Great. interests.)

I have spoken to Mr. Burchell
No says that, as the CA
have not been asked to go
the intention to be sent
portions of the report
to be sent to the
to be sent to the

Allen
145
146

States results of investigation and
suggests best course to be followed under
the circumstances

15. Burchell's 22 May 45
Reports that complications will arise if Mr.
Dick starts proceedings in Italian Courts

16. 10 May 45
States that information has been received
that Mr. Dick is suing in Italian Courts
for some 100,000,000

5

? Yet again to Mr. Bush for his advice
(Sgd) C. Eastwood.
25/5

I think the suggestion in para. 8 provides
the only hope for Kenya to get anything.

I should write to Burchell's say so
asking them to get the report taken; and send copy
of 16.

and copy of all correspondence to the Governor.
(Intd.) B.G.V.
25/5.

Draft.
(Sgd) H.T. Allen.
26/5

14 & 15 Jan 45
1945
1945

know anything about any other...
copy the 1945 2927 part - the money for
which was it appears produced by the same
Draught & Co. It is also possible
to make to agree to the payment of an
in a...
The
Other two claims is I have to be made
Capt. Dick's claim is for at least £100

It hardly looks as if Kenya will be likely
to get anything at all of the £100
million (£150 million) already given to paying the Jan 45

Public Record Office
1 2 3 4 5 6 7 8 9 10

CO
1945

Public Record Office London

Possibly length is stand a better chance
of getting something by not encouraging
the sale to the Levy. But by hanging
on in they hopes that a better offer
might be made — tho' I am not in
no is Bruchells say that the only
alternative is to remove & sell the
machinery. The minutes of the
meeting of creditors on 4 Jan show
that they were by no means unanimous
that the Levy offer was the best
obtainable. ~~How far is it possible~~

In any case? a copy of ~~minutes~~
18 x any copy sh go to Gov. in
addition to 14 15 & 17 as directed
in previous minutes.

May we please have yr advice
again?
Eastwood

24

18/10 See a further letter to me from Mr Bruchells.

I think the idea is a better one,
because all the other creditors are creditors
of the Plantation Coy. If we wind up
the Association the Liquidator will come
first & Kings will be his only creditor.
The Plantation Coy will be unable to
make the Association sell the lease as
the Liquidator of the latter will be the way
only it is not to be done at once.

Mr. authorize Bruchells to issue the
notice (cost about £2) & then let them
pursue for a year for authority to
proceed with the winding up (cost £30-£50)
or the very good chance of getting the whole
debt

J.B. 5/6

[Harkness & Co. 10/8/1936]

10/11/36

In view of the terms of 2/11/36 signed

with 5/6/28 agreement

10/11/36 12/6 6/1936

20. To Messrs Bruchells (10/11/36)
(with copy 19)

Possible large sale should a later chance
of getting something by not encouraging
the sale to the day but by hanging
on in the hopes that a better offer
might be made - tho' I am not in
no - Bruchells say that the only
alternative is to remove & sell the
machinery. The minutes of the
meeting of creditors on 14 Jan show
that they were by no means unanimous
that the day offer was the best
obtainable. ~~How large is the offer?~~

In any case? a copy of ~~minutes~~
18 & any copy sent to Gov. in
addition to 14 15 & 17 as directed
in previous minutes.

May we please have yr advice
again?

Eastwood

2/4

1920 See a further letter to me from Mr Bruchells.

I think the idea is a bright one,
because all the other creditors are creditors
of the Plantation Coy. If we wind up
the Association - the liquidator will come
first & Kings will be his only creditor.
The Plantation Coy will be unable to
make the Association sell the lease as
the liquidator of the latter will be in the way.

Only it must be done at once.

Mr. Bruchells to issue the
notice (cost about £2) & then tel. these
plans to Kings & ask for authority to
proceed with the winding up (cost £30-£50)
on the very good chance of getting the whole
debt.

J.B.S. 5/6

[I have handed a copy to Mr Bruchells]

J.M.M.

In view of the terms of No 11, I agree

with 5.6.28

19. Feb. 1928

20. To Messrs Bruchells (18 Jan) with copy 19

Burchells. ----- 8th June 1928.
Twenty one day notice will be served as soon as
the registered office of the Company is ascertained.
DESTROYED UNDER STATUTE

To Sw. Conf. - No Ans &
(w/ copy 22 w/out cards), 14, 15, 17, 18,
18a, 20 w/out cards,
& 21 - 118 JUN 1928

I have rung up Burchells - 21 days
notice was served on the 8th on the
Jabal^d Assoc. & Burchells w'd like to
know by the 4th July whether Gov
agrees to going on - ? no need to
remind / yet, but b.u. in red on
14th 26 June if no reply is in before.

Eastwood
100

MS
w/ff
S. 6
11.6.28

To Sw. Conf. Tel. 164 ----- 21st June 1928
I concur in the proposed action.

S. w/ff Burchells.
A - shd we have authorized them now to proceed
with the filing of a petition to wind up the as
soon as the 21 days notice is given or shd.
we wait for them to report the result of their

notice (as promised in no. 11) ?
it is highly likely that you will be asked
to report.

Eastwood
29/6

As at A.
MS
w/ff
S. 6
11.6.28

The Eastwood has pointed out that
in the Gov's telegram the title of the firm
does not include the word "Limited"
but I do not think there can be any misunderstanding.

S. 6
21.6.

MS
w/ff
S. 6
11.6.28

Burchells. ----- 25th June 1928
Petition will be presented on the 10th proximo.
DESTROYED UNDER STATUTE

MS
w/ff
S. 6
11.6.28

MS
w/ff
S. 6
11.6.28

To Sw. Conf. w/ copy 24 - 1 JUL 1928

FK

P.T.O.

The Capt. D... claim a...
 of the... credit Dept...
 they do take an action to help
 since it is only (1) out of
 funds) feeling for the... on
 (2) because having advised Capt
 D... to... action in May.
 It... not very well let
 it seem...
 as... Capt...

I... to...
 D... lot...
 Kenya...
 11/8
 1/8/28
 1/8/28
 1/8/28
 1/8/28

34
 DESTROYED UNDER STATUTE
 34
 DESTROYED UNDER STATUTE
 34
 DESTROYED UNDER STATUTE

34
 Burschelle
 DESTROYED UNDER STATUTE
 30 August
 Receipt of...

34
 Burschelle
 29/8/28

K.T. Ashworth
 29/8/28
 at once

34
 Burschelle
 30 August 1928
 Enclosed copy to... from Solicitor Dept, M...
 suggesting an inspection of the property...
 Do not agree that there should be...
 to secure a preference for Kenya...
 of the rent for reasons...

The... Dept...
 not seem to be... Kenya...
 not now... the Plantations...
 that the... Association...
 do not... Kenya...
 proposed inspection

May we... have...
 G. S. Ashworth
 11/8

PUBLIC RECORD OFFICE					
1	2	3	4	5	6
Reference -					
C.O. 533					
371					
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B.V. as directed in minute of 2/6/47

all
19.7.28

Was another fortnight

Notes
J2/8
J.M. Allen
4/17
at once

27. Messrs Burchells 20 July 1947.
Asks the name of the CO official who has
made the affidavit in support of the
petition for winding up the bank upon
(Inter alia) other grounds than 124

Will you please check?

J.M. Allen

23/7/47
J.M. Allen
Letter to J. King re: B.V. re: Burchells

Re: B.V. re: Burchells
I have been asked to check the
affidavit made in support of the
petition for winding up the bank upon
other grounds than 124

Recommendation of J.M. Allen
re: B.V. re: Burchells

I shall be glad if Mr. Allen
would do this.

A J.K. reply accordingly -
Let Mr. Allen do it. All C.P.

25.7.47
26 July 1947

18. Burchells (127 amend.)
DESTROYED UNDER STATUTE

Messrs Burchells
acknowledgment of receipt of 1947
27 July 1947

DESTROYED UNDER STATUTE

Mrs. King
put by

Alford
25.7.47
J.M. Allen
23.7.47

Has sworn an affidavit in the form
required - J.M. Allen
11/8

x A. King
20.7.47
J.M. Allen

Word to Mr.
J.M. Allen

20. In re Burchells, 20 July 1947.
States that the petition has
been lodged at the
Court, etc., and is to be heard
on 15th Oct. 47. The hearing
of a petition for winding up
regarding the bank's affairs

Mr. Dick was manager
of the bank

The only papers received by
my hand appear to be 15 & 16
of 1947.

It seems that the
King's part are now being
the subsidiary Co. & not the
Plantation Co. itself. I am
not directly concerned in further
action.

know anything about the case
generally, and have no time to
write Burchells about the
new aspects of the past history.
Confusing myself therefore to the one
legal point which appears to be
raised here I agree with Burchells
that "debt owed by an unincorporated
company to the Kenya Govt" would
in its liquidation in Kenya rank
as a claim debt and according to
English law would obtain priority
over all other debts of the company
if required to pay.

2SR
S/1/78

To the best of our belief, there
will not be any other creditors than the
Government of Kenya, and I do not follow the
letter from the Board of Trade. However, it
is not addressed to us and Burchells, who are
quite capable of dealing with it, do not ask
for any instructions. I think, therefore,
that this can be put by.

20/9
which we can presumably
reproduce from copy of my
opinion - or rather my letter
written. Burchells need to reply
letter.

all Burchells
22/9/78

10
I should have read Henry Mitchell's
letter as nothing doing for a reply. I
should have thought that the question of
an inspection was for the 27th date &
no other.

(But partly as proposed)

27/9/78

On further enquiry with Burchells
thought it would be wiser at
least to ask Burchells for
a copy of their reply to
27/9/78. I hang up
Burchells accordingly this
morning & we can next
wait to hear from them -
"Need of nothing in
a week."

all

27/9/78

[Letter from Burchells received

- * 4 Oct. requires further affidavit as to 27.
- On advice of Mr Burchells (Mr Burke
agrees) letter is being sent on to
Mr Allen, who is on leave - see draft.

4.10.78

80.]

↑ BU Nayday
as Burchells

To Burchells, 27 Oct 78
To Mr Allen (20) with copy * and copy 20/10/78

for Messrs. Barchell & Co. 1928
Acknowledged by 34 and will act on
instructions contained therein

APPROVED ORDER STATUTE

? part

11/10/28

at once

15/11/28
States that on 15 Oct, the Justice has made an
order for the winding up of the company
in accordance with the Petition

[Large scribbled-out area]

16/11/28

has been received from Messrs Barchell & Co.
proceeding being stopped they will
be able to pay the debts of the company

The only references which can
be found in our file to Messrs Hart
& Co. are in the enclosure to
no 6 (para 10 & 11) of Mr Mackin's

No Alliance then
referred to in Journal
of the Company

Further Affidavit of the capital then
referred to (both flagged) & in
the one to no 34

I imagine it will be desired
that the liquidation proceed?
E. Easton

17/10

but I think you had better file
the copy of the order of the Justice
with the Registrar of Companies
Office

Let Mr Barchell
see the office

17/10/28

After speaking to Mr Barchell I have
enquired of Mr Charles Barchell. He says
that no order was made to be paid
(or known) and in any case he
understands that Mr Hart & Co. thought
he could find a purchaser for the Co.
in Italy; ordinarily he would be
prepared to clear off the whole
amount owing to the liquidator's fees

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Reference
C.O. 538
374

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cosG in a lump sum but owing
 to various other commitments ab
 the amount he is not to do it
 (amount of instalments of £1000)
 Mr Burchell, knows nothing of
 Mr Hart's standing for reliability.
 Hence I suggest that if he does
 not advise that the offer will be accepted
 (see the letter, was) if it is
 accepted he will advise that a
 guarantee be obtained from
 Mr Hart for the payment
 of the whole sum due.

Mr Allen & I have concocted
 this ^{new} draft, in which a sentence as
 at A has been incorporated for
 convenience

G. Stanton
 17/10
 G. Stanton
 18.10.28
 28/10

47 L. G. Co. Ltd. 1911/12 com
 by J. B. Burchella (of 42) 18.10.28
 42

45. Burchella 19 October 1928 B
 Acknowledges no. 44 enclosing copy tel. to Kenya.
 DESTROYED UNDER STATUTE

Mr Ashworth,
 ? put by

Allen
 20.10.28
 H.T. Ashworth
 20/10/28
 at once

46. Governor Telegram 25 Oct. 28
 agrees that liquidation should proceed
 DESTROYED UNDER STATUTE

Mr Allen
 I submit Mr for com 26
 Burchella. ? No need

to bring Mr Burchella with the
 G. Stanton
 25/10/28
 Mr Allen
 25/10/28

47. Burchella (48 amide) 27 Oct. 28
 DESTROYED UNDER STATUTE
 Mr Burchella's Solicitors and the
 Official Receiver that the liquidation of the
 Company is to proceed.

Part 6
 G. Stanton

costs in a lump sum but owing
 to various other commitments at
 the moment he is rather do it
 quantity of instalments of £500
 Mr Birchall knows nothing of
 Mr Hart's standing & for reliability
 Hence I suggest that if he does
 not advise that the offer will be accepted
 (see this letter was) if it is
 accepted he will advise that a
 guarantee be obtained from
 Mr Hart for the payment
 of the whole sum due.

Mr Allen & I have concocted
 this ^{new} offer, in which a sentence as
 at A has been incorporated for
 caution

E. Eastwood
 17/10

Recd
 18.10.28
 Birchall

43 To You Rd 17/10/28
 4 To Birchall (15/10/28) 18.10.28
 4 To [unclear] (15/10/28)

45. Birchall 19 October 1928 13
 Acknowledge no. 111 enclosing copy tel. to Kenya.
 DESTROYED UNDER STATUTE

Mr. Ashworth,
 ? put by
 Allford

20.10.28

H.T. Ashworth
 20/10/28
 at once

46. Governor's Telegram 25 Oct. 28
 Agrees that liquidation should proceed
 DESTROYED UNDER STATUTE

Mr Allen
 I submit Mr for com 26
 Birchall's ? No need

to bring Mr Birchall with the
 E. Eastwood
 27/10/28

Mr Allen
 27/10/28

47. Birchall (18.10.28) 18.10.28
 DESTROYED UNDER STATUTE

48. Birchall 27 Oct. 28
 Official Receiver has informed Mr Hart's Solicitors and the
 Official Receiver that the liquidation of the
 Company is to proceed.

Part 6
 E. Eastwood

49 Official Receiver (Nov 1938)
Would be glad if enquiries could be made
locally as to present position of the estates
and the rights of the interested parties
under local law.

I think the position is set out
correctly as far as we know it?

? send copy to Kya in a
short comp^{te} resp. asking
to be furnished with the
so far it can be ascertained
desired info. as such as
possible. perform the
Official Receiver
C. J. Eastwood

These estates are now situated in
Italian territory & have been
since the transfer of Lotaland.
There is no "representative" in
Lotaland: the Deek was former
British Consul but relinquished
the post which has lapsed.
I had to see whether "local law"
means English law (i.e. Italian
Lotaland law) or because foreign
law: but I presume the case
will refer to English law unless
unless you think it is a good

maintain the position to the Official
Receiver post
J. M. Miller
H. J. P.

I shall first return to the position of
the Bundells case & try to cover.

13/11/38
M. J. P. as Mr. Buzbe
suggests.
J. M. Miller
at home

States, the Messrs. Garrison and Allen have
been duly informed of the Attorney General of
the action being taken by the Government.

58. The Official Receiver (49/11/38)
on the Bundells liquidation
59. J. M. Miller (49/11/38)
DESTROYED UNDER "B" EFFORTS 49 9 51

59. Do. Do. (in copies 49/11/38)

DESTROYED UNDER STATUTE

MURCHELLS

22 NOVEMBER 1928

States that they have received notice of the first meeting of creditors and presume that their attendance is desired. That a proof has to be made on oath and asks whether a member of the C.O. will make the necessary affidavit or whether they should do so.

Handwritten notes:
limited on present account

Handwritten notes:
action Business did attend in
meeting of creditors

Handwritten notes:
Whether someone here (Carranog
or Allen) or Murchells should make
the affidavit?

Handwritten initials: G.S.

Handwritten initials: A. Carr

Handwritten initials: H.D.

Handwritten initials: G.T.

Handwritten initials: W. Carr

Handwritten notes:
L.P. Carr

Handwritten notes:
I say I am only 1/2 for as
that it is proposed that Murchells
for whatever reason may
affidavit & enclose written
certification in relation form
may be a separate one as

Handwritten notes:
to the conduct in Murchells
a necessary agent the
form of word with Murchells
by phone

Handwritten initials: Allie
2c

Handwritten initials: atwell

Handwritten initials: H/12

Handwritten notes:
55 To Messrs Murchells (SA and) 26 Nov 28

DESTROYED UNDER STATUTE

MURCHELLS

17 NOVEMBER 1928

Acknowledges No. 52.

BOARD OF TRADE
OFFICIAL RECEIVERS IN COMPANIES LIQUIDATION
DESTROYED UNDER STATUTE

Acknowledges No. 51.

Mr. Ashworth,

? put. by

A.H. Jordan.

11/11/28

Requests the
affidavit
under Statute

Handwritten notes:
to serve the affidavit to

Handwritten initials: 27/11/28
atwell

Handwritten initials: P.T.O.

Bucke
no. 111

Action is required on no. 50.

I suppose some reference to

Bunchell's cost at least 6/8

& I have } think it worth while
to send them - copy.

Put }
G. Gibson }
28.11.28

The print is right Bunchell's
have copies no. 50 & 57, to
put with these copies - if so
we can't worry about fees (if
any) - what do you think?
(No. 57 is a baby relief)

J.M. Allen

29/11/28

Yes I will then have copies

J.M. Allen

J.M. Allen

at all

Bunchell's 28 November 1928
(After which the subject of Bunchell's house should
be administered to the rest of the estate)

(The rest of the)

I understand (from Messrs Bunchell) that
the rest of the Bunchell's property is
£900 p.a. & that there are no arrears
payable upon it.

(Copy of the will
is being sent)

There are however arrears upon the
Toronto Estate. This is a barren and
quite worthless (then being no improvement
on it whatsoever) & the Italian Govt
are therefore most unlikely to carry out
their threat to confiscate, as they would
have nothing to gain by it and would lose
all chance of getting any arrears of
rent.

The total amount that the Kenya
Govt will have to put up is therefore
£900, by which is I suppose meant
£900 as this is the amount
on the Kenya papers of 1915/16.

PUBLIC RECORD OFFICE					
1	2	3	4	5	6
1	2	3	4	5	6
Reference -					
C.O. 533					
374					
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Telegraph as in Draft. herein

Eastwood
30.11.28
M. M. M.
~~30.11.28~~
~~act~~
~~act~~

introduce
The off. file. previously
put up seemed to be
hardly adequate, as it
did not distinguish between
Halwaland & Jamnol
If you agree with M. M. M.
& J. L. L. (not submitted),
will you please fr. them
act
3.12.28

60
Mr. Burchell
Mr. Parkman
I spoke to you about the 60 & ...
the ... to Burchell. They
concern in the telegram which was proposed
to send & say that the reason why
they ... a ... before ...

17
of the meeting of creditors at their
day.
Mr. Burke is away at a conference
this morning ? in those circumstances
the ... can go without his concurrence

Eastwood
3.12.28
act
3.12.28

61 Tel. to G. K. K. copy - 3 Dec 1928

9/16 other action required a ...
at the moment, Mr. Parkman a ...
copy of course also ...
to London ...

Burchell have not yet had copies of ...
and ... for the ... should be in ...
... and copies ... to ...

~~62~~ O. A. L. tel. 5th Dec 1928
East Africa Cotton Growing Association payment of
... Halwaland is approved

DESTROYED UNDER STATUTE

1/3 Submit a Draft for comment to
Burchell - see ...
Also ... sending a copy of ...
... to CA ...

DESTROYED UNDER STATUTE

BURCHELLS

10 DECEMBER 1928

Acknowledges No. 67 and have communicated copy of the telegram enclosed to the Official Receiver

DESTROYED UNDER STATUTE

BURCHELLS

13 DECEMBER 1928

Acknowledges No. 69

Large
Erasmus

14/12/28
atma

No reply yet received to No. 66.

Kindly remind please.

A.H. Jordan,
21.12.28.

Offham

W. W.

W. W.

atma

14 Dec 1928

to be with note in draft.

A.H. Jordan

28.12.28

I have spoken to W. Burchells

and he thinks it would be best to make another

claim to the effect of

so Dec. Offham

W. W.

29/12. atma

DESTROYED UNDER STATUTE

76 OAG 62

29 Dec 1928

Trans. re. from Gov. of Italian Consulate staying
prober re. along attachment attached (p. 28)
& procedure was not to be followed. Has confirmed
D. that this property is vested in Association
with custody of Official Receiver.

W. Allen

The translation of the Italian part
of this letter is the result of the
combined efforts of Messrs Mackie
& Mackenzie & of Messrs Cox
& Harvey of the 70 and was not
accomplished without some difficulty.
The main sense is however clear.

After speaking to you I read
this to Burchells ^{previously} & at their request
I sent them a copy. They will com-
municate with the Official Receiver.

It is now for common shelter
there is sufficient cause of Dicks
withdrawing his attachment. It
will be reasonably safe to
the King's Court to pay the money

The Admiralty, or the
be better to wait a while &
with reference to the Italian
God. Meanwhile an awaiting
our instructions (see no. 68).

It is a choice between two risks

Burchells are at the moment inclined
to the opinion that it will be
best to pay the rent. They will
however talk to the special Reserve
& let us know their ~~own~~ own
opinion & letter

Meanwhile an official letter

will go to Burchells & I submit
it for comment

to be made a way on
leave the Monday
and this draft
(2/29)

to the
no comment
Easton
2.1.29
M. Allen
H.2. at all

to Messrs Burchells
(in copy of translation)

22 JAN 1929

78 To Gen. Tel 76 Ausd. on 15513/29 7.1.29

on National ... of ...
be better to wait while ...
work ... to the ...
got ... Burchells are awaiting
our instructions (see p 18)

It is a choice between two risks
Burchells are at the moment inclined
to the opinion that it will be
best to pay the rent. They will
however talk to the Special Receiver
& let us know their ~~own~~ own
opinion & ~~reply~~

Meanwhile an official letter
will go to Burchells & I submit
the ~~for~~ for ~~copy~~

to tell ... in ...
leave the ...
...
...

The ... the off ...
not ...
C. ...
2.1.29
W. ...
H. ...

To Messrs Burchells
(a copy of the translation) 22 JAN 1929
78 To Gov. Tel 76 Aurd. on 15.5.29 7-1-29

1501236

- Mr. E. [unclear]
- Mr. [unclear]
- Mr. Allen
- Mr. Bottomley
- Mr. [unclear]
- Mr. [unclear]
- Mr. G. Grindle
- Mr. C. Davis
- Mr. S. [unclear]
- Mr. O. [unclear]
- Lord Lovat
- Mr. Amery



F. [unclear]

DRAFT

Memorandum

no 72

Copy sent to [unclear] & [unclear] on 1.29.23

30

Gentlemen

With ref to [unclear]
 (c) of the 10th Dec 1922
 the affairs of the East
 African (Subaland)

John [unclear]
 a copy

of a [unclear] from the [unclear]
 d. [unclear] in reply to
 the telegram of the 7th Dec

a copy of which was
 in the [unclear] from this
 dept. on the 8th December

Copy of a translation of
 the [unclear] [unclear] also

rel. fr. OAS. 16
 no 76
 66
 67

[Handwritten signature]

Enclosed ~~is~~ ~~the~~ ~~same~~ ~~as~~

~~has~~ ~~no~~ ~~other~~ ~~copy~~

2. You will be ~~able~~ ~~to~~ ~~communicate~~ ~~with~~ ~~the~~ ~~Director~~

of. to his Official Receiver

and ~~keep~~ ~~him~~ ~~in~~ ~~the~~ ~~loop~~

steps ~~which~~ ~~should~~

now be taken.

3. It can be done that the ~~AS~~ ~~is~~ ~~to~~ ~~be~~ ~~done~~

in his ~~letter~~ ~~stating~~ ~~that~~ ~~he~~ ~~will~~ ~~deal~~ ~~with~~ ~~the~~ ~~matter~~

the ~~issue~~ ~~of~~ ~~further~~ ~~instructions~~

2. It is understood that the ~~Director~~ ~~will~~ ~~be~~ ~~able~~ ~~to~~ ~~communicate~~ ~~with~~ ~~the~~ ~~Director~~ ~~of~~ ~~the~~ ~~Official~~ ~~Receiver~~ ~~and~~ ~~keep~~ ~~him~~ ~~in~~ ~~the~~ ~~loop~~ ~~of~~ ~~the~~ ~~steps~~ ~~which~~ ~~should~~ ~~now~~ ~~be~~ ~~taken~~ ~~and~~ ~~that~~ ~~it~~ ~~can~~ ~~be~~ ~~done~~ ~~that~~ ~~the~~ ~~AS~~ ~~is~~ ~~to~~ ~~be~~ ~~done~~ ~~in~~ ~~his~~ ~~letter~~ ~~stating~~ ~~that~~ ~~he~~ ~~will~~ ~~deal~~ ~~with~~ ~~the~~ ~~matter~~ ~~the~~ ~~issue~~ ~~of~~ ~~further~~ ~~instructions~~

~~Very~~ ~~truly~~ ~~Yours~~ ~~John~~ ~~W.~~ ~~Stuart~~

104 G. F. Reed

76/ 24

TELEGRAM from the O.A.G. of Kenya to the Secretary of State for the Colonies.

Dated 31st December

(Received, Colonial Office, 8.35 p.m., 31st December, 1928).

Confidential No. 352. 31st December. Your telegram of 7th December Confidential East African Cotton Growers Association following from the Governor of Mogadiscio, begins:-

1321 Confermo avvenuto sequestro conservativo ad istanza Dick. Procedura esige Dick citi liquidatore Societa per convalida sequestro a comparire dinnanzi questo giudice entro termine che non puo essere minore giorni centottanta trovandosi Londra sede Societa et domicilio liquidatore. In questo giudicio convalida Governor Kenya potra intervenire far valere suoi titoli previa deliberazione di essi davanti stesso giudice questa Colonia. Legal. Mister Dick es(t) avvocato giovane. Altro patrocinatore legale riconosciuto Mogadiscio est Conte Eugenio Cappello. Non ve ne sono altri tuttavia sorgendo altri parti interessate tut altra esigenza incarico patrocinio puo essere da giudice affidato anche ad altre persone riconosciute idonee. Ratisis unidette servendo cotesto Governor non occorr rimborso telegramma. Regente Governor Queisolo. Ends.

Have notified Dick through the Governor of Mogadiscio that legal estate is vested in the Association and that he may be held liable for costs and expenses of any action which this Government may be forced to take in Italian courts for revocation of sequestration order if immediate action for such revocation is not taken by him. This Government undertake to indemnify official receiver. Will await further instructions.

*Copy to Mitchell 2 Jan 29
Copy to S. J. J. 10/1/29
Ans. Tel. on 155/18/29
You and copy S. J. J. 10/1/29*

I confirm that precautionary (?) sequestration has taken place at instance of Dick. Procedure requires that Dick should cite liquidator of Society in order to validate sequestration to appear before this Judge within a period which cannot be less than 180 days as the headquarters of the Society and residence of the Liquidator are in London. Government of Kenya may intervene in this confirmatory action to establish its title with a view to consideration by the same judge of this Colony. Mr. Dick's lawyer is an advocate named Giovana. Another defending Counsel a recognised lawyer in Mogadiscie is Count Eugenio Capello. There are no other lawyers, but should other interested parties come forward with entirely different claims the task of defence may be assigned by the Judge even to other persons recognised as suitable. Foregoing information being upon service of this verment it is not necessary to reimburse cost of telegram.

Dick offers to forego claims
and pay £500 if property and
title deeds are handed over to
him.

~~If no steps are taken~~
of attached order
if order is not discharged
estate ~~will~~ will be sold by order
of Italian courts & in these
circumstances it would be futile
to pay rent due on 1st January.

Please ascertain position
as soon as possible
and inform me by telegraph.

Official Receiver authorizes your Government of Kenya

to take in his name as liquidator

of Cotton Growers Association ^{which office} also
at Mogadishu ^{action} so long as
steps in Italian courts / necessary

to obtain revocation of order of

Attanas Edick ^{also} He suggests you
attached ^{to be notified at once by Mr. Kenya}
should ^{be notified at once by Mr. Kenya}
Dick / Mr. Edick

is property of Association not

Mr.
Mr.
Mr.
Mr. Bottomley
Sir E. Harding
Sir J. Shandburgh
Sir G. Gemah
Sir C. Davis
Sir S. Allison
Mr. Omsby-Gore
Lord Local
Mr. Amery

DRAFT.

of Plantation Company
and that Dick as
manager appointed by
Machin has no claim
on it.

Official Receiver
stipulates that he should
be indemnified for cost
of any proceedings taken
in his name.

Sick

15
65

BURCHHELLS
C.T.D. BURNHALL
A.W. BURNHALL

URGENT.

5, The Sanctuary,
Westminster, S.W. 1.

The Under Secretary of State,
Colonial Office,
Bowling Street, S.W. 1.

6th December, 1928

TELEPHONE-VICTORIA EAST.
PLEASE ADDRESS YOUR REPLY TO
THE FIRM AND REFER TO INITIALS

RECEIVED
7 DEC 1928
COL. OFFICE

Sir,

East African (Jubaland) Cotton Growers
Association Limited.

We communicated to the Official Receiver the instructions you gave us this morning and learn from him that he has today received a letter from Mr. W.F. Machin the Liquidator of the East African Plantations (Kenya Colony) Limited appointed by the Kenya Courts in respect of the Estates of that Company situate in Kenya.

2. In his letter Mr. Machin encloses a copy of one from Mr. Dick the Manager of the Halwalood Estate, he having been appointed to that position by Mr. Machin as such Liquidator. From Mr. Dick's letter it appears that Mr. Machin has not sent him any money for over a year and that gentleman states he has been compelled in justice to himself to apply to the High Court in Mogadiscio and that Court has attached the property.

3. Mr. Dick claims that either the East African Plantations (Kenya Colony) Limited or Mr. Machin as Liquidator owes him approximately £2,000, and he offers to forego his claim and pay £500 if the property and title deeds are handed over to him.

4. If no steps be taken to discharge the Order obtained by

Copy Sent by Air - 12 DEC 1928

15
65

BURCHELLS
C.T.D. BURCHELLS
A.W. BURCHELLS

URGENT.

5. The Sanctuary,
Westminster S.W. 1.

The Under Secretary of State,
Colonial Office,
Downing Street, S.W.1.

6th December, 1928

TELEPHONE-VICTORIA 8432.
PLEASE ADDRESS YOUR REPLY TO
THE FIRM AND REFER TO ORIGINAL.

RECEIVED
-7 DEC 1928
COL. OFFICE

B. [unclear]

Sir,

East African (Jubaland) Cotton Growers
Association Limited.

We communicated to the Official Receiver the instructions you gave us this morning and learn from him that he has today received a letter from Mr. W.F. Machin the Liquidator of the East African Plantations (Kenya Colony) Limited appointed by the Kenya Courts in respect of the Estates of that Company situate in Kenya.

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4. If no step be taken to discharge the Order obtained by

5 DEC 1928
Copy Sent Conf. Off. - 12 DEC 1928

FROM BURCHELLS.

LETTER TO The Under Secretary of State. SHEET NO. 2. DATE 5th December, 1928.

Mr. Dick the Halwood Estate will be sold by order of the Italian Courts and in these circumstances it would be futile for the Government of Kenya to pay the rent becoming due on the 1st January next.

5. The Official Receiver in Companies Liquidation suggests that the Kenya Government be communicated with by cablegram requesting them to ascertain the position and inform them the Official Receiver authorizes the Government to take such steps in the Italian Courts. The name of the Official Receiver as Liquidator of the Estate of the East African (Jubaland) Cotton Growers Association Limited as may be necessary to obtain the revocation of the Order obtained by Mr. Dick attaching the Halwood Estate. The Official Receiver further suggests that the Kenya Government should at once notify Mr. Dick that the Halwood Estate is the property of the East African (Jubaland) Cotton Growers Association Limited of the East African (Kenya Colony) Limited and that Mr. Dick as manager appointed by Mr. Machin has no claim on the property.

6. The Official Receiver has no funds in hand with which to pay the cost of the proceedings to protect the assets and stipulates that the Government should be taken on his behalf to be on the understanding that the Official Receiver is indemnified in respect of the expenses incurred in the protection of the property.

The Under Secretary of State

Mr. E. H. ...
The Honorable ...
The Honorable ...

The Honorable ...
The Honorable ...
The Honorable ...

The Honorable ...
The Honorable ...
The Honorable ...

The Honorable ...
The Honorable ...
The Honorable ...

The Honorable ...
The Honorable ...
The Honorable ...

The Honorable ...
The Honorable ...
The Honorable ...

FROM BURCHELLS

LETTER TO THE Under Secretary of State SHEET NO. 5 DATE 8th December 1928

7. In the event of your communicating with the Kenya Government by cablegram may we ask to be supplied with a copy thereof and for permission to communicate the contents to the Official Receiver.

We are,

Sir,

Your obedient Servants,

Burchells

6th December, 1951

The Under Secretary of State

In the event of your correspondence with the Government by cablegram may we ask you to specify the exact and full permission to communicate a message of the

Official Receiver

He is

Sir

Your obedient servant

29
63

- Mr. Eastwood
- Mr. Allen
- Mr. Parkinson
- Mr. Holliday
- Mr. E. Harding
- Mr. J. Shuckburgh
- Mr. G. Grindle
- Mr. C. Davis
- Mr. S. Wilson
- Mr. Ormsby-Gore
- Lord Z. lat.
- Mr. Amery

Downing Street,
6 December, 1928

To go to-day

60

30/12/28

Gentlemen,

I am etc. to acknowledge
the receipt of your letters of the 23rd & 24th
30th of November regarding the
affairs of the East African (Jubaland)
Cotton Growers Association, Ltd.

DRAFT For conson.

MESSRS. BURCHELLS,
5, The Sanctuary,
Westminster, S.W.1

2. Mr. Amery considers it necessary
to consult the O.A.G. in
connection with the proposed
Cotton Board
(Kenya Colony)

OM - Gov. Kenya
62 on file

Call 331

which correspondence was
from which it will be seen that he
approves of the advance from Kenya
funds the rent due on the Halwood
property, namely Shs 900/-

2/3

As the O.A.G. makes no refer

ance to the rent due in respect of the Towata property,
it is assumed that he concurs in the view that no pay-
ment need be arranged for it.

3. A copy of this correspondence is being sent to
the Crown Agents for the Colonies, who have been authorised
to advance, on application being made to them by yourselves
or by the Official Receiver, the sum of Shs.900/- required in
respect of the rent due on the Halvalood property the

I am, etc.
(Sgd.) A.C.C. Parkinson

- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. [unclear]
- Mr. Bottomley
- Mr. E. Harding
- Mr. J. Shuckburgh
- Mr. G. Grindle
- Mr. C. Davis
- Mr. S. Wilson
- Mr. Ormsby Gore
- Lord Lugard
- Mr. Anson

DRAFT (Tel. Code)

Immediate
Governor
Nairobi

Received in
compliance
with order
of 10/10/60

3-DEC-60

Handwritten notes:
 - Immediate
 - 3-DEC-60
 - by phone
 - Not to go to B. [unclear]
 - Circumstances has been advised
 - 3-DEC-60
 - Your confidential telegram
 - re 271 East African Cotton
 - Spinners Association solicitors
 - represent that property
 - becomes liable to forfeiture
 - if rent due in January
 - not paid. As
 - debenture holder is not
 - prepared to advance pay
 - solicitors enquire whether
 - Government of Kenya will
 - advance sum. They
 - advise that it would
 - be a first charge on
 - proceeds of [unclear]

Secretary recommends payment

present due as regards Halwaood

namely shillings 900 - but they

consider forfeiture of Towata

unlikely to be enforced and in the event they should

think that ~~advance~~ payment of rent due from

of rent for the month of

January and of arrears need

not be arranged. ~~Advance telegraph~~ ~~payment~~ ~~to be made~~ which is

Secer

required before
6 Dec 1888

59
32

BURCHILLS
C. TO. SUBVERSAL
AND BURNHALL

The Under Secretary of State,
Colonial Office,
Downing Street,
Westminster, S.W.1.

The Sanctuary,
Westmins. S.W.

TELEPHONE VICTORIA 6421.
PLEASE ADDRESS YOUR REPLY TO
THE MAN AND ALICE TO BEHOLD

C.

28th November, 1928

15025/28

RECEIVED
29 NOV 1928
COLONIAL OFFICE

Sir,

East African (Jubaland) Cotton Growers
Association Ltd.

We have lodged the proof of debt herein and will
attend the meeting of Creditors on Friday.

2. The Official Receiver draws our attention to the
fact that on the 1st January 1929 a year's rent will be payable
in respect of the farms and if the rent is not paid on that
day the leases are subject to forfeiture. The rent due on
the 1st January 1928 in respect of the Halwood Farm amounting
to Rs. 900/- was paid by parties negotiating for the purchase of
the two farms but the rent due in respect of the Towata Farm
was not then paid.

3. The Official Receiver has enquired of the Debenture
Holder whether he will be prepared to provide the money for
the payment of the rent, but has received a reply that he is
not willing to do so, and the Official Receiver has no funds
out of which to pay the rent.

4. If money is advanced in payment of the rent it would
be a first charge on the proceeds of sale of the farms if
and when a sale is effected.

Handwritten notes:
6 Dec 1928
C. To Subversal
and Burnhall
15025/28

33

FROM BURCHELLS

LETTER TO: The Under Secretary of State. SHEET NO. 2. DATE 28th November, 1929

5. We shall be glad to have your instructions as to whether the Government of Kenya would be prepared to advance the money for the payment of the rent due on the 1st January 1929 in respect of one or both of the Farms, and if so of the arrangement we can suggest to the Official Receiver for effecting the payment.

We are,

Sir,

Your obedient Servants,

Burchells

215000728 k
55
24

Mr. Eastwood 26/xl
Mr. Allen 26/11
Mr. Burns 26
Mr. B. Parkin 26/11

Sir E. Loring
Sir J. Shuckburgh
Sir G. Grand
Sir C. Day
Sir A. Wilson
Mr. Ormsby-Cole
Lord Lond
Mr. Amery

26/11
Draft to 58

to go today

26 November 1928

DRAFT

Mr. Churchill

Dear Sir

I am on the way to the
of the (C.) of the
Nov. 26 to 27. I think
he will be glad if you
will connect to
stand up and be present
meeting of the members

of the South African
(Inland) Cotton Growers
Association (1928) &
represent the result of

in London the
30th

It is preferred
that the necessary arrangements

to bring a point on which
should be made by you, and

I am accordingly to ~~write~~
~~to the Secretary of the Board~~
~~to the effect that the~~
~~the case of the~~

after speaking
to the Board

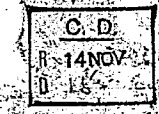
directed by the Board to act as

on behalf of the Govt of Kenya to make the
effort

2

X 15075 28
Kenya

35
51



- Mr. ~~Adams~~ 13/11
- Mr. ~~Burke~~ 13/11
- Mr. ~~Richardson~~ 14/11/25
- Mr. ~~Holliday~~ 14/11/25
- Mr. E. Harding
- Mr. J. Shuttleburgh
- Mr. G. Grindle
- Mr. G. Davis
- Mr. S. Wilson
- Mr. Ormsby-Gore
- Lord Lovat
- Mr. Amery

DRAFT

The Official Receiver
in Companies Liquidation

I am to act as
receipt of your letter of the
16th Nov in which
reference is made to the
Commencement with the liquidation
of the P.A. (Catalan) Cotton
Spinning & Weaving Co., Ltd.
It is noted that enquiries may
be made as to the present
position of the Halwaxwood
& Trenchard Estates & the
rights of the interested
parties under local law.

RECEIVED
16 NOV 1925

Yours
2/11/25

Copy of N° 49 of
the Act of 1920
found in the case
filed in the
court
✓ 29/11/25

Received and filed in file

These estates
were situated in the
territory which was
transferred in the 29th
June 1925 to Italy under
the Treaty signed at

37
44

O.R. No. 169.
C.A.

BOARD OF TRADE.

DEPARTMENT OF THE OFFICIAL RECEIVERS IN COMPANIES LIQUIDATION.

Please address all communications respecting this matter to the Official Receiver in Companies Liquidation and quote the name of the Company.

RECEIVED
- 2 NOV 1928
COMM OFFICE

35, CANNON STREET,

LINCOLN'S INN,

LONDON, W.C. 2 1st November, 1928

TELEGRAMS

"Concluding Island, London"

IN THE MATTER OF EAST AFRICAN (JUBALAND) COTTON BROKERS ASSOCIATION LIMITED

Sir,

A Winding-up Order under which I was appointed Provisional Liquidator was, as I understand you are aware, made against the above named Association on the 15th ultimo, upon a petition presented to the Court by H.M. Attorney General, who claimed to be a creditor of the Association in respect of the rent of two estates numbered 2655 and 1424, and situate being the Halvalood Estate, Juba River, Jubaland, and the Est-ta, Gasha, Jubaland, and I am now desirous of ascertaining the present position of the said Estates and whether business is still being carried on thereon.

In 1921 the whole of the Association's business and assets, including the leases of the properties referred to above, were sold to be sold to the East African Plantations (Kenya Colony) Ltd, Association's shareholders, but the leases remained in the name of the Association, the sale being effected by a transfer of the shares in the Association to nominees of the Plantations Company.

After the Association's shares had been transferred to the nominees of the Plantations Company, the latter entered into possession of the Estates and proceeded to develop the same, installing machinery in the buildings thereon and possibly erecting further buildings. I am also informed that the Association thereafter paid the rent in respect of the two Estates.

NOV 1928

A Winding-up Order, under which I am now the Liquidator, was made against the Plantations Company in 1923, and the assets of the Company in this Country (viz. the shares of the Association) were taken possession of by a Receiver for the Debenture Holders, and in March 1924, Mr. W. F. Machin was appointed local Liquidator by the Kenya Courts. Mr. Machin has since carried on the business of the Plantations Company, employing one R. Dick, British Vice Consul at Kisumu, as his Manager while he endeavoured to sell the business. It is understood that for some years accounts of the Company's trading were rendered by Mr. Dick until Mr. Machin could no longer pay his salary, and that since such date no accounts have been rendered, and the present position of the Estates is not known.

I apprehend that the legal position as between the Association and the Plantations Company is that the two estates, together with the buildings thereon and probably the fixed machinery and growing crops, are, subject perhaps to a notional or implied right of tenancy or occupation and user in favour of the Plantations Company, the property of the Association; whilst the loose tools and harvested crops belong to the Plantations Company (and so are under the control of its local Liquidator) which is also perhaps entitled to a tenancy or use and occupation of the Estates and the buildings and fixed machinery, subject to an implied condition to pay the rent thereof.

As a result, as appears above, as to the exact legal position with regard to the machinery and growing crops upon the Estates and the rights, if any, of the Plantations Coy. to occupy and use the Estates, buildings and machinery and harvest the growing crops, because I am not acquainted with the local law as to agricultural or other tenancies and its

O.R.
 No. 169 follower.
 C.A.

provisions with regard to fixtures, growing crops, termination, compensation, and so forth. I am also by no means sure that I am in possession of all the material facts.

Under the circumstances, I should be grateful if enquiries could be made locally as to the present position of the Estates and the rights of the interested parties under local law.

It will be appreciated that as Mr. Dick is said to be in occupation of the Estates it is desirable that the enquiries should be made by some other British representative in the vicinity.

I am, Sir,

Your obedient servant,

E. H. Phillips

OFFICIAL RECEIVER

The Under Secretary of State
 for the Colonies,
 Colonial Office,
 Downing Street, S.W. 1.

October 1928

Mr. Eastwood

Mr. Allen

Mr. B. B. 18/10

Mr. Parkhouse

Mr. Balamley

Sir E. Harding

Sir J. Skutchburgh

Sir G. Grigall

Sir C. Davis

Sir S. Wilson

Mr. Ormsby-Gore

Lord Lovat

Mr. Amery

Mr. B. B. 18/10
Mr. Parkhouse
Mr. Balamley
Mr. Harding
Mr. Skutchburgh
Mr. Grigall
Mr. Davis
Mr. Wilson
Mr. Ormsby-Gore
Mr. Lovat
Mr. Amery

DRAFT TELEGRAM

For consen.

IMPORTANT

CONFIDENTIAL

MAITREI

Copy to Burchells 15 Oct 19 28

*Copy to Burchells
in view of ref.
No. 123 10/10
today need*

18 October. Confidential.
My confidential despatch of the 27th August East African (Jubaland) Cotton Growers Association Order for winding up Company was made 15th October and Official Receiver will be Liquidator. ^{however} but R.A. Hart and Company have offered upon proceedings being stayed to pay rent ^{due} and ^{all} costs by instalments of £50 on condition that upon payment of total amount Kenya Government should assign them counterpart lease of property and all remedies accrued thereunder.
Burchells advise that offer should not in any case be accepted without first obtaining guarantee for payment of whole sum due but they consider it preferable to allow liquidation to proceed leaving Official

Receiver to accept offer if he thinks

fit. They have however been informed

orally
verbally by Harts Solicitors that it

is essential from their client's point

of view that Compan, should not be wound

up (as soon as possible)
by telegraph

that liquidation should be

Receiver to accept offer if he thinks

fit. They have however been informed

orally
verbally by Harts Solicitors that it

is essential from their client's point

of view that Company should not be wound

up (as soon as possible)
by a telegraph which would concur

that liquidation should be

Receiver to accept offer if he thinks
fit. They have however been informed
orally
verbally by Harts Solicitors that it
is essential from their client's point
of view that Company should not be wound
up (as soon as possible)
(c) telegraphically
that liquidation should be

42

BURCHELLS

C.T.D. BURNELL,
A.W. BURCHELL.

TELEGRAMS - VICTORIA 6421.

PLEASE ADDRESS YOUR REPLY TO
THE PERSON REFERRED TO INITIAL

The Under Secretary of State,
Colonial Office,
Downing Street,
S.W.1.

5. The Sanctuary,
Westminster, S.W. 1.

16th October, 1928

Cc.

Sir,

East African (Jubaland) Cotton Growers
Association Limited.

We beg to inform you that we have this morning received a letter from Messrs. Kennedy Lindo & Co. making the following offer, namely, that on all further proceedings in the liquidation being stayed Messrs. Hart & Company Limited will pay down the sum of £50 and liquidate the balance of the rent due and all costs incurred by monthly instalments of £50 each. That upon payment of the total amount due the Kenya Government is to assign to Messrs. Hart & Company Limited the counterpart lease of the property and all rights and remedies accrued thereunder.

2. If this offer is accepted it will involve an application to the Court to stay the winding-up proceedings and to restore the Company to its former status. In our judgment it would be preferable to allow the liquidation to proceed and let the Official Receiver accept the offer if he thinks fit, but Messrs. Kennedy Lindo & Co. informed us verbally that it is essential from their clients point of view that the Company should be kept alive and not wound up.

To Mr. Sir,
Your obedient servants,

Burchells

*Order. 18 Oct. 1928. D/S
Answered 26.
Copy to Conf. 26. 18 DEC 1928*

should send the letter and
enclosures on to you, and that
you should communicate with him
~~and he would~~ ^{so that he can} arrange for you to make
the affidavit before a notary somewhere
in the neighbourhood of Hawkhurst,
and then forward it to him. No doubt
in writing to Mr. Burchell you would
suggest to him the most convenient
place for you to go for the
purpose of making the oath.

Bushe, to whom I have shown the papers,
agrees that this is the best thing
to do in the circumstances, and he says
that he would not in the least mind
putting his signature to such a
document, and that it is hardly
necessary for us to send you the
office papers as you are familiar
with the case. If you agree,

perhaps you would write to Burchell's

and

should send the letter and
enclosures on to you, and that
you should communicate with him
~~and he would~~ ^{so that he can} arrange for you to make

the affidavit before a notary somewhere
in the neighbourhood of Hawkhurst;
and then forward it to him. No doubt

in writing to Mr. Burchell you would
suggest to him the most convenient
place for you to go for the
purpose of making the oath.

Bushy, to whom I have shown the papers,
agrees that this is the best thing
to do in the circumstances, and he says

that he would not in the least mind
putting his signature to such a
document, and that it is hardly

necessary for us to send you the
Office papers as you are familiar
with the case. If you agree,

perhaps you would write to Burchells
and

and tell them that you are prepared
to do the necessary swearing and
ask them to make arrangements.

I hope you are enjoying
your holiday. you are certainly
having the best possible weather.
We are managing to keep our heads up
in your absence and I hope to take
a week myself when you come back on
the 15th.

Yours sincerely,

80

Government

agreed to the amount due
said

3.

01. 04

35

35
44
Downing Street.

4th October, 1923.

Dear Sir,

Copy to Mr. Allen 6/10/23

As I informed you over the telephone this morning, I have opened your letter of the 3rd instant to Mr. Allen about the East African (Jubaland) Cotton Growers' Association Limited. Mr. Allen is away on leave until the 15th instant, but, in accordance with your suggestion, I have forwarded your letter and its enclosure on to him, and asked him to communicate with you if he is prepared to make the affidavit and let you know what would be the most convenient centre for him to visit for the purpose so that you can make the necessary arrangements.

Yours faithfully,

HURDALL

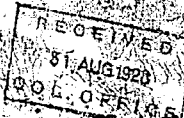
C. C. BROWN
A. W. HURDALL

Telephone - Victoria 6481.
PLEASE ADDRESS YOUR REPLY TO
THEY WILL BE FORTHCOMING

15025/28.

C.

Sir,



East African (Jubaland) Cotton Growers
Association Limited.

324
45
5, The Sanctuary,
Westminster, S.W. 1.
50th August, 1928

We beg to enclose herewith a copy of a letter we have today received from the Solicitors Department, Board of Trade suggesting that an inspection of the property should be made with a view to arriving at some fair value.

2. We do not agree that there must be litigation to secure a preference for the Kenya Government in respect of the rent as it seems fairly clear to us that on a winding up ^{Order} Petition being made the Liquidator will have to pay first a debenture of £600, and secondly, the rent in question.

We are,

Sir,

Your obedient Servants,

The Under Secretary of State,
Colonial Office,
Downing Street,
S.W. 1.

46

Solicitors Department,

Board of Trade,

Great George Street,

London S.W.1.

30th August, 1928.

Dear Sirs,

East African Plantations (Kenya Colony) Ltd.

It is rather disturbing that Messrs. Hart should have increased their offer from £1,500 to £2,500 as they have done.

The real difficulty from the start has been to know what ^{the} assets are worth. It looks as if the only safe way to find out what they are worth may be to instruct an independent qualified man or Government Official at, say, Mombasa, to go and inspect the property and advise as to the available means of sale, whether an auction at Kisumu, Mombasa, Nairobi, Rome or London, or otherwise and as to the proper reserve or lowest price which ought to be considered.

The Board have not been willing to incur the expense of this. Is it possible for you to advise what in the circumstances it will be reasonable for the Government of Kenya Colony to do so?

If the assets are sold for £2,500 there will be nothing for the ordinary creditors and it looks as if there will not be enough to pay the creditors of the Liquidation in full. I take it you do not expect to secure without some litigation preference for the rent due to the Government of Kenya Colony over the other creditors of the Liquidation which have been vaguely referred to by Messrs Kennedy and Mr. Mohin at meetings as about £3,500?

From that point of view the Government of Kenya Colony may be willing to incur expense on the

Solicitors Department,
Board of Trade,
Great George Street,
London S.W.1.
30th August, 1928.

Dear Sirs,

East African Plantations (Kenia Colony) Ltd.

It is rather disturbing that Messrs. Hart should have increased their offer from £1,500 to £2,500 as they have done.

The real difficulty from the start has been to know what assets are worth. It looks as if the only safe way to find out what they are worth is to instruct an independent qualified man or Government official at Mombasa, to go and inspect the property and submit a report to the available records of sale, whether in Mombasa, Mombasa, Nairobi, Rome or London, or otherwise. The proper reserve or lowest price which can be considered

The Board have not been willing to order this. It is possible for you to advise what assistance will be reasonable for the Government of Kenya Colony to give to the ordinary directors and it looks as if you should pay the creditors of the Liquidation although it may be not expect to secure without preference for the rent due to the Government of Kenya Colony over the other creditors of the Liquidation which have been vaguely referred to by Messrs Kennedy and Mr. Mochin at meetings as about £3,500?

From that point of view the Government of

Kenya Colony may be willing to incur expenses of

47

chance of getting a higher offer from some other source.

It might be very awkward if soon after buying the assets for £2,500 Messrs. Hart sell them for some such figure as has been placed upon them by Mr. Drakeford whether the £3,500 it was understood he though Messrs. Hart would offer, the £6,000 for which the assets were sold to Sir Ernest Fawke, or the £50,000 (cash and shares) for which they were offered to M. Gerasoli.

Messrs. Kennedy did not say anything about an Italian enquiry in their letter of the 23rd instant. Mr. Kennedy told me yesterday that there was a vague enquiry from an Italian a few days ago and that he said the price was £6,000.

Yours truly,

(SGD) C.D. HAZZLEDINE

for Solicitor Board of Trade.

Messrs. Burchell,
Solicitors,
5, The Sanctuary,
Westminster, S.W.1.

30
48

BURCHELLS.

C. W. BURCHELL,
A. W. BURCHELL.

TELEPHONE - VICTORIA 3-431.
PLEASE ADDRESS YOUR REPLY TO
THE FIRM AND REFER TO INITIAL.

The Under Secretary of State,
Colonial Office,
Downing Street,
Westminster, S.W.1. 14th August, 19 28

5. The Sanctuary.

Westminster, S.W. 1

15025/28.

Sir,

East African (Jubaland) Cotton Growers
Association Limited.

We beg to inform you that we have obtained the signature of His Majesty's Attorney-General to the Petition to wind up the above company, lodged in at the Court, obtained an order for the service thereof, and have effected such service. The Court has fixed the 15th October next for the hearing of the Petition.

We today had a call from the Solicitor to the Board of Trade with reference to some correspondence he has had with Messrs. Morrison & Allan of Nairobi acting for Mr. Dick, and particularly to the fact that the Attorney-General at Nairobi has written Messrs. Morrison & Allan asking them to advise Mr. Dick to forgo action, stating he had no doubt that certain of the creditors would undertake to indemnify Mr. Dick in respect of the money due to him in return for his local assistance and advice. We informed him we were not aware of this statement having been made and that so far as we were concerned we have nothing to do with Mr. Dick or his claim as such claim must be against

Copy of [unclear]

FROM BURCHELLS.

LETTER TO The Under Secretary of State. SHEET NO. 2. DATED 14th August, 1922.

the East African Plantations Limited.

x P
3. We asked him to send us a statement in writing which we promised to forward to you. He has done so and we beg to enclose a copy of his communication.

We are,

Sir,

Your obedient Servants,

Burchells

Any other communication should
 address to
THE SOLICITOR,
 at the address given opposite
 The heading of this letter should be
 quoted.

Telegraphic Address
BOTLEGAL PARL. LONDON.

Telephone No. : 3840 Victoria
 Extension.



SOLICITOR'S DEPARTMENT.
BOARD OF TRADE,
GREAT GEORGE STREET,
LONDON, S.W.1.

14th August, 1928.

Dear Sirs,

East African Plantations.
(Kenia Colony) Limited.

In this matter Messrs. Morrison and Allan, acting for Mr. Dick, wrote to the Attorney-General at Nairobi on 10/5/28 that they had advised their client he could sue Mr. Machin for the amount due to him for services since the Liquidation and that to recover any claim he might have against the Company before the Liquidation he should apply to the Italian Courts for the appointment of another Liquidator. I do not know whether he has any claim against the Company before the Liquidation, but think he has not. In their letter Messrs. Morrison and Allan asked that they might be kept informed of any steps taken by the Government.

A copy of this letter was sent to you on 14/6/28, together with a copy of a despatch of 21/5/28 from the Deputy Trade Commissioner asking whether the Department wished steps taken to secure Mr. Dick's co-operation and also whether the British Embassy at Rome had been instructed to take such protective action as may be possible against confiscation of the estate by the Italian Government.

On 15/6/28 you wrote me that you would let me know what action the Government of Kenya Colony decided to take and on 18/6/28 that your instructions were to proceed to wind up the East African (Jubaland) Cotton Growers' Association Limited.

Messrs. Burchell,
 Solicitors,
 5, The Sanctuary,
 Westminster, S.W.1.

The

5
It will be a convenience if you can let me hear from
you in reply to this letter in the course of the next
few days so that instructions may be sent to the Deputy
Trade Commissioner accordingly.

Yours truly,

G. W. HALL
for Solicitor,
Board of Trade.

10/15/38
11/15/38
12/15/38

The Attorney-General at Nairobi wrote to Messrs. Morrison and Allan on 28/5/38 asking them to advise Mr. Dick to forego taking precipitate action in the Italian courts and stating that he, the Attorney-General, had no doubt certain of the creditors would undertake to indemnify him in respect of the monies due to him in return for his local assistance and advice, also that they should be duly informed of any steps taken by the Government in the interests of the creditors. In reply Messrs. Morrison and Allan wrote to the Attorney-General on 2/6/38 that they had advised Mr. Dick not to take further proceedings in the meantime pending a further communication from the Attorney-General. Copies of these letters were sent to you on 17/7/38.

A Memorandum has now been received from the Deputy Trade Commissioner enclosing copy of a letter written by Messrs. Morrison and Allan to the Attorney-General on 28/5/38, saying that Mr. Dick will do nothing further in the matter of his claim until he hears from them or from the Attorney-General. The Deputy Trade Commissioner asks whether he is expected to do anything in the matter and I have to advise what instructions should be sent to him.

May I take it that you will arrange through the Colonial Office for the Attorney-General at Nairobi to keep Messrs. Morrison and Allan informed of what is being done and that the Deputy Trade Commissioner need not do more than keep in touch with the Attorney-General or the Land Department and place himself at their disposal in the matter?

I am not clear whether you are considering taking any steps as suggested in Rome and if so whether the Department of Overseas Trade can render any assistance in that direction. Will you let us have your views as to this?

The Attorney-General at Nairobi wrote to Messrs. Morrison and Allan on 28/5/28 asking them to advise Mr. Dick to forego making precipitate action in the Italian Courts and stating that he, the Attorney-General, had no doubt certain of the creditors would undertake to indemnify him in respect of the monies due to him in return for his local assistance and advice, also that they should be duly informed of any steps taken by the Government in the interests of the creditors. In reply Messrs. Morrison and Allan wrote to the Attorney-General on 3/6/28 that they had advised Mr. Dick not to take further proceedings in the meantime pending a further communication from the Attorney-General. Copies of these letters were sent to you on 17/7/28.

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May I take it that you will arrange through the Colonial Office or the Attorney-General at Nairobi to keep Messrs. Morrison and Allan informed of what is being done and that the Deputy Trade Commissioner need not do more than keep in touch with the Attorney-General or the Land Department and place himself at their disposal in the matter?

I am not clear whether you are considering taking any steps suggested in Rome and if so whether the Department of Overseas Trade can render any assistance in that direction. Will you let me have your views as to this?

COMPANIES WINDING UP

MR. JUSTICE

IN THE MATTER of The Companies (Consolidation) Act 1908

- and -

IN THE MATTER of The East African (Jubaland) Cotton Growers Association Limited.

I, HAROLD TUCKWELL ALLEN of The Colonial Office, Downing Street in the City of Westminster a Principal Clerk in the East African Department of the Colonial Office make Oath and say as follows :-

That I make this Affidavit on behalf of His Majesty's Attorney-General.

2. That such of the statements in the Petition, now produced and shown to me marked with the letter "A" relate to my own acts and deeds are true, and that each of the said statements as relate to acts and deeds of any other person or persons be true.

3. That I am duly authorised by His Majesty's Attorney-General to make all necessary Affidavits in support of the Petition.

Sworn to at

in the County of London this day of August 1928

Before me,

A Commissioner for Oaths.

BURCHELL
211
C.T.D. Burchell
A.W. Burchell

5, The Sanctuary,
Westminster, S.W.-1.

31st July, 19 28

Telephone - Victoria 6431
PLEASE ADDRESS YOUR LETTERS TO
THE FIRM REFERRED TO INITIAL

Dear Mr. Allen,
East African (Jubaland) Cotton Growers Association Ltd.

I enclose herewith the draft of the Affidavit I shall want you to make in support of the Petition to wind up the above Company. I also enclose you a copy of the Petition.

The facts stated in the Petition as to the capital etc. of the Company are all taken from the file at Somerset House. I shall be glad if you will look through the draft Affidavit and return it to me as soon as possible with any observations you wish to make upon it. I will then have it engrossed and send it round to you to depose to before a Commissioner.

Yours sincerely,

Charles F. D. Burchell

H. T. Allen Esq.,
East African Department,
Colonial Office,
Downing Street,
Westminster, S.W.1.

3 AUG 1928

Returned to sender

BURCHILLS

G. D. BURNETT
C. W. BURNETT

Telephone - Victoria 6421
PLEASE ADDRESS YOUR REPLY TO
THE FIRM REFERRED TO

5. The Sanctuary,
Westminster, S.W.-1.

31st July, 19 28

Dear Mr. Allen,
East African (Jubaland) Cotton Growers Association Ltd.

I enclose herewith the draft of the Affidavit I shall want you to make in support of the Petition to wind up the above Company. I also enclose you a copy of the Petition.

The facts stated in the Petition as to the capital etc. of the Company are all taken from the file at Somerset House. I shall be glad if you will look through the draft Affidavit and return it to me as soon as possible with any observations you wish to make upon it. I will then have it engrossed and send it round to you to depose to before a Commissioner.

Yours sincerely,

Charles J. D. Parrell

H. T. Allen Esq.,
East African Department,
Colonial Office,
Downing Street,
Westminster, S.W.1.

5 AUG 1928

Returned

Downing Street,

3 August, 1926.

Dear Mr. Burchell,

I return the draft of the Affidavit which you sent to me in your letter of the 31st of July. The only alteration I have to suggest is that the preamble should refer to the East African Department of the Colonial Office instead of to the East African Department of the Secretary of State for the Colonies. If possible, I should prefer to depose to the Affidavit before yourself, but I will give you a ring about this.

(sd. Harold Falla)

CHARLES T. D. BURCHELL, ESQ..

BURCHELLS

C.T.D. BURCHELLS

A.W. BURCHELLS

Telephone, Victoria, 5431.
Please Address Your Order to
Messrs. BurcheLLs and advise the amount.

15025/28.

5. The Sanctuary.

Westminster, S.W.-1.

20th July, 1928

RECEIVED
21 JUL 1928
COLONIAL OFFICE

Sir,

East African (Jubaland) Cotton Growers
Association Limited.

The Petition for winding up the above Company will have to be in the name of His Majesty's Attorney-General and we have today received authority from the Law Officers Department to the Petition being presented by the Attorney-General.

1. 2. The Affidavit in support of the Petition should be made by a responsible official of the Colonial Office who should be one person who has had an opportunity of reading the original dispatches from the Governor relating to this matter and able to verify the statements in the Petition. We shall be glad if you will indicate in the name of the officer in your Department who will make the Affidavit so that we can prepare the appropriate forms for the signature of the Attorney-General.

Yours faithfully,

Your obedient servants,

The Under Secretary of State,
Colonial Office,
Downing Street,
S.W.1.

21/6 JUL 1928

Received

27/1
55

- Mr. Eastwood 2/6
- Mr. Cooke 2/6
- Mr. Seal 23
- Mr. Bottomley
- Mr. B. J. Harding
- Mr. Shuckburgh
- Mr. G. Strickland
- Mr. O. Davis
- Mr. S. Williams
- Mr. Ormsby-Gore
- Lord Lovat
- Mr. Amery

150672
 JUN 23 1948
 10 25-48

24

25 June 1948 36

~~Mr. ...~~

Letter ref. to the ...

from the Dept. of the 7th June

concerning the affairs

of the S. A. Plantations Ltd.

I am so to inform you that a

reply has now been received to

the request ~~which was sent to~~

to the Gov. of Kenya ~~in the ...~~

of which a ~~copy of the ... was enclosed~~

in the letter to you under reference

DRAFT

14

Mr. Bushnell

Recd. 17/6/48
 Copy to Mr. ... (Conf)

~~Mr. ... (Conf)~~

info ref. to ...

Was ...

2 The for. concurs in the indicated in that telegram and action proposed to and therefore to authorize you to proceed with the filing of a petition to wind up the East Africa Jubaland Cotton Producers Association Limited, immediately upon the receipt of the notice demanding payment of rent ~~has expired~~ expiry of the notice it is understood, you have which has been served on that company demanding payment of rent within twenty one days, unless the demand has been completed with within that time period.

It is understood that this notice has already been issued.

(Signed) A. C. C. PARKINSON

X 15021728
5/20

Mr. Eastwood 6/6
Mr. Allen Parke
Mr. Allen 6
Mr. Bottomley
Mr. E. J. Harding
Sir J. Shackelburgh
Sir G. Grindle
Sir G. Davis
Sir S. Wilson
Mr. Ormsby-Gore
Lord Ipsall
Mr. Amery

JUN 1928
16 JUN 1928

7 June '28
J. J. J.

Gentlemen...
I am so to refer
last reply to letter of the
31st May & to subsequent some
official telephonic converse
with this dept. regarding the
affairs of the E. A. Producers
Assoc Ltd.

2. It is understood that you
now propose that 21 days notice
demanding payment of rent should

DRAFT

1. Main Parake

Tel. to Bankers 6.6.28
J. J. J.

? receive for that Dept. 6/6/28
J. J. J.

Copy of draft made by Sir Allen

2 The Gov. concurs in the
 indicated in that telegram and
 action proposed to and therefore
 to authorize you to proceed with
 the filing of a petition to
 wind up the East Africa Jubaland
 Cotton Growers Association Limited,
 immediately upon the receipt of a
 notice demanding payment of rent
 has expired expiry of the notice
 it is understood you have
 which has been served on that
 company demanding payment
 of rent within twenty one days, unless the demand has been
 complied with within that ~~time~~
 period.
 It is understood that this notice
 has already been issued.

(Signed) A. C. PARKINSON

- Mr. Eastwood 6/6
- Mr. Allen Partridge 6/6
- Mr. Allen 6
- Mr. Bottemley
- Mr. E. J. Harding
- Mr. J. Shuckburgh
- Mr. G. Grindale
- Mr. G. Davis
- Mr. S. Wilson
- Mr. Ormsby-Gore
- Lord Lugard
- Mr. Amery

DRAFT

3. Mess. Punchbelle

Tel. to Senkera. 6.6.28
 Jft kw.

? receive for that Dept. 10/6/28
 J. action

Copy of letter made for Sir Cuff

JUN 1928

X 1502728 57
 20

JUN 7 1928
 7

7 June '28
 Jft kw

Gentlemen..
 I am so to refer
 to the copy of the letter of the
 31st May & to subsequent some
 official & telephonic converse
 with this Dept. regarding the
 affairs of the S. A. Plantations
 Co. Ltd.
 2. It is understood that you
 now propose that 21 days notice
 demanding payment of rent should

Kenya Government would ^{apparently} probably

be its sole creditor and liquidator

of Association would on selling lease

receive whole of purchase money

Shall be glad to learn by telegraph

with least possible delay
you agree this procedure

and in anticipation of your concurrence

I have authorised Solicitors to serve

the requisite preliminary notice on

ASSOCIATION.

Kenya Government would, ^{apparently} probably

be its sole creditor and liquidator

of Association would on selling lease

receive whole of purchase money

Shall be glad to learn by telegraph

with least possible delay

if you agree to this procedure

and in anticipation of your concurrence

I have authorized solicitors to serve

the requisite preliminary notice on

Association

SECRET

18th 59

BURCHELLS.

G.T.P. BURCHELL
A.W. BURCHELL

Telephone - Victoria 6431.

PLEASE ADDRESS YOUR REPLY TO:
THE FIRM BY REFER TO INITIAL

H.G. Bushe Esq., C.M.G.
Colonial Office,
Downing Street,
Westminster, S.W.1.

5, The Sanctuary,
Westminster, S.W.-1.

East Hay, 19 29

My dear Bushe,
East African Plantations Limited.

If you see my letter of today to the Colonial Office on this matter you will gather that the prospects of the Kenya Government receiving anything at all is exceedingly remote, if they are to depend on getting any portion of the purchase money to be paid by Mr. Levy, but on thinking things over it appears to me there is another way which might be quite effective and which I should like you to consider.

As I understand it the lease of the property was granted to the East Africa Jubaland Cotton Growers Association Limited and that the East African Plantations Limited hold the share capital of the former Company.

It occurs to me that if the Government would authorize us to serve a 21 days notice on the Cotton Growers Association demanding payment of the rent due and follow it up with a petition to wind up, we should put that Company into liquidation and should probably find ourselves the only creditors as all the other people who are putting in claims are claiming on the Plantations Company so that if the Liquidator of the Cotton Growers Association sells the lease to Mr. Levy he would get

Copy to Sir - Camp - 18 JUN 51

2

BURCHELLS.

G.T.D. BURCHELL
A.W. BURCHELL

TELEPHONE - VICTORIA 6481.

PLEASE ADDRESS YOUR REPLY TO
THE FIRM AND REFER TO THIS

H.G. Bushe Esq., C.M.G.
Colonial Office,
Downing Street,
Westminster, S.W.1.

5, The Sanctuary,
Westminster, S.W.-1.

18th 59
21st May, 1928

C.
My dear Bushe,
East African Plantations Limited.

If you see my letter of today to the Colonial Office on this matter you will gather that the prospects of the Kenya Government receiving anything at all is exceedingly remote, if they are to depend on getting any portion of the purchase money to be paid by Mr. Levy, but on thinking things over it appears to me there is another way which might be quite effective and which I should like you to consider.

As I understand it the lease of the property was granted to the East Africa Jubaland Cotton Growers Association Limited and that the East African Plantations Limited hold the share capital of the former Company.

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Copy to Gov. Conf. - 18 JUN 31

FROM BURCHELLS.

LETTER TO H.C. BURNS Esq., C.M.G.

SHEET NO. 2. DATE 31st May, 1928.

the whole of the purchase money which would be more than sufficient to pay the rent and costs.

I shall be glad if you will let me have your views and if you like I will come across and talk it over with you.

Yours sincerely,

Charles V. D. ...

Sold

and Solicitors

May 21st 1928

H.C. BURNS Esq.
C.M.G.
31st May, 1928

My dear Sir,

If you see my letter of today to the Colonial Office on this matter you will gather that the proceeds of the Kenya Government ...
I am, Sir, very truly yours,
Charles V. D. ...

RECEIVED
21 JUN 1928
C.O.L. OFFICE

1861

BURCHELL,
C. T. B. BURCHELL,
A. W. BURCHELL,
Messrs. J. Burdett & Co.,
PLANNED ADDRESS, 100, 101, 102, 103
THE PRINCE STREET OFFICE BUILDING

The Under Secretary of State,
Colonial Office,
Downing Street,
Westminster,
S.W.1.

5. The Sanctuary,
Westminster, S.W. 1
31st May, 1927

15025/28.

Sir,
East African Plantations Limited.

We beg to acknowledge receipt of your letter of yesterday's date instructing us to adopt the suggestion made by Mr. Kennedy for the payment into the hands of the Official Receiver of the sum of £1,550 the balance of the purchase money to be paid by Mr. Levy.

2. We have today received from the Solicitor to the Board of Trade a copy of a letter addressed to him by Messrs. Kennedy Lindo & Co. who state that Mr. Levy is negotiating as to proceeding with his contract, and wants satisfied as to provide that he will not be bound if after inspecting the estate he finds that any important or essential piece of machinery has been removed. He also requires the purchase money to be held in trust till that date and therefore if the purchase is completed it will not be for some months.

3. Messrs. Kennedy Lindo & Co. also claim that from the balance of the purchase money the sum of £630 must be deducted in respect of a debenture given to raise the money required to pay the rent for 1928 and 1927, also an unnamed

RECEIVED
-1 JUN 1928
C.O.L. OFFICE

1861

BURCHELLS
C. H. BURCHELL
A. W. BURCHELL
TRADE MARK
TRADE ADDRESS 70, 72, 74, 76
THE PAUL AND WATTS BUILDING

The Under Secretary of State,
Colonial Office,
Downing Street,
Westminster,
S.W.1.

5. The Sanctuary,
Westminster, S.W.-1
31st May, 1928

15025/28.

Sir,

East African Plantations Limited.

We beg to acknowledge receipt of your letter of yesterday's date instructing us to adopt the suggestion made by Mr. Kennedy for the payment into the hands of the Official Receiver of the sum of £1,850 the balance of the purchase money to be paid by Mr. Levy.

2. We have today received from the Solicitor to the Board of Trade a copy of a letter addressed to him by Messrs. Kennedy Lindo & Co. who state that Mr. Levy is hesitating as to proceeding with his contract, and wants satisfied as to provide that he will not be bound if after inspecting the estate he finds that any important or essential piece of machinery has been removed. He also requires the purchase money to be held in trust till that date and therefore if the purchase is completed it will not be for some months.

3. Messrs. Kennedy Lindo & Co. also claim that from the balance of the purchase money the sum of £600 must be deducted in respect of a debenture given to raise the money required to pay the rent for 1926 and 1927, also an unnamed

FROM BUREAUX.

LETTER TO THE Under Secretary of State, SHEET NO. 2, DATE 31st May, 1928.

sum for the remuneration of Mr. Machin the Liquidator, the amount due to Captain Dick and the Liquidator's legal costs. So that the amount to be paid to the Official Receiver if all these deductions are made will be exceedingly small.

4. Messrs. Kennedy Lindo & Co. are pressing us for the approval of these conditions and we shall be glad to have your instructions.

We are,

Sir,

Your obedient Servants,

Burchells.

The Under Secretary of State
Foreign Office
London

31/5/28

Dear Sir,

111

I have the honor to acknowledge the receipt of your letter of the 29th inst. in relation to the proposed conditions for the payment to the Official Receiver of the sum of £1,000,000, and to inform you that the same has been forwarded to the Official Receiver for his consideration.

I have also the honor to acknowledge the receipt of your letter of the 29th inst. in relation to the proposed conditions for the payment to the Official Receiver of the sum of £1,000,000, and to inform you that the same has been forwarded to the Official Receiver for his consideration.

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I have also the honor to acknowledge the receipt of your letter of the 29th inst. in relation to the proposed conditions for the payment to the Official Receiver of the sum of £1,000,000, and to inform you that the same has been forwarded to the Official Receiver for his consideration.

Take steps to remove this
accounting
~~assurances~~ ~~and~~ ~~statements~~
I am because
with a copy of a further letter

which has been ~~sent~~ from
Gen. of Kenya ^{copy of the report}
the Govt. of Kenya ^{is enclosed}
that the Govt. is ~~in~~ ^{the}
for Italian Somaliland parts of
the same ~~document~~ ^{is}

(Signed) A. C. C. PARKINSON

Take steps to ensure this
account is
assured by updating
the records &

2. A copy of a further tel.

which has been sent from

the Govt of Kenya ^{to the customs}
that the Dick's duty is ^{to be}
for ^{the} information
of the ^{relevant} ^{to} ^{the} ^{report}
the ^{relevant} ^{to} ^{the} ^{report}

(Signed) A. C. C. PARKINSON

16

RECEIVED
23 MAY 1928
OFFICE

64

Telegram from the Governor of Kenya to the Secretary of State for the Colonies.

Dated 22nd May, 1928.

(Received Colonial Office 11.42 a.m. 22nd May, 1928.)

No. 121 22nd May Your despatch of 27th February Confidential East Africa Plantations Ltd. I am informed that Dick is suing in Italian Somaliland courts for sum due to him. Dick states that proposed sale price to Levy of £1,500 grotesquely inadequate and that sisal machinery alone would easily realize considerably more.

Amid 6/6/28
copy to Sumner

K.O.P.

16

RECEIVED
23 MAY 1928
OFFICE

64

Telegram from the Governor of Kenya to the Secretary of State for the Colonies.

Dated 22nd May, 1928.

(Received Colonial Office 11.42 a.m. 22nd May, 1928.)

No. 12, 22nd May Your despatch of 27th February Confidential East Africa Plantations Ltd. I am informed that Dick is suing in Italian Somaliland courts for sum due to him. Dick states that proposed sale price to Levy of £1,500 grotesquely inadequate and that sisal machinery alone would easily realize considerably more.

Amal. 6/6/28
copy to Amal. cc
K.O.S.

BURKIN
C. M. B. M. L.

PLEASE RETURN TO THE
POST OFFICE BOX 1000
D. O. L.

15025/28.

Sir,

East African Plantations Company Limited.

RECEIVED
23 MAY 1928
D. O. L.

15
The Sanctuary
Westminster, S.W. 1

22nd May, 1928

1014

Referring to our letter of this morning we have received from the Solicitors Department of the Board of Trade the enclosed copy of a cablegram they have received from their representative in Kenya.

2. The amount claimed by the Board is £400 which is a matter of proceedings in the courts of Kenya. It is further complicated by the fact of getting the money out of the proceeds of the sale of the land which is remote.

3. It is of course desirable on all hands that the law be left off and the matter be decided by the courts, but the only

alternative is to have the matter decided by the Board of Trade. It is understood that the Board of Trade will agree to this if it would not take more than 10 weeks to cover the expenses of the Board of Trade.

Yours faithfully,
C. M. B. M. L.

The Under Secretary,
Colonial Office,
S.W. 1.

COPY

DECODE OF TELEGRAM FROM NAIROBI.

No. 10 DATED 19th MAY 1929.

With reference to the Export Credits Department's despatch 23rd March and my telegram No. 8 Dick has informed Kenya Government himself applying to Italian Somaliland courts for recovery from the liquidator arrears salary, etc. Am doubtful of success as liquidator out of that jurisdiction but Dick has been advised competent to apply there appointment of another liquidator. Dick states levy offer of pounds (money) 1,500 (IKING ? IKIUG) grotesquely inadequate - sial machinery alone worth more. As Dick probably (MEMOJ ? NEMOJ) needs representation in England for the purpose of proceeding against the liquidator suggest that you should authorise me to inform him you are willing to enter intermutual protection arrangements with him.

RECEIVED
13 MAY 1928

HL
07

BURCHELLS.

C. T. O. BURCHELL
A. W. BURCHELL

TELEGRAMS: BURCHELLS (G.S.D.)

PLEASE ADDRESS YOUR REPLY TO
THE FIRM AND REFER TO LETTER

15025/28.

The Under Secretary of State,
Colonial Office,
Downing Street,
Westminster, S.W.1.

5, The Sanctuary,
Westminster, S.W.-1.

22nd May, 1928

Sir,

East African Plantations Company Limited.

10172

Copies to Sp. Conf.

Referring to your letter of the 11th instant under the above reference addressed to the Crown Agents for the Colonies, we have perused the file of correspondence which accompanied your said letter, have searched the file at Somerset House for the official records of the East African Jubaland Cotton Growers Association Limited and the East African Plantations Limited, and yesterday had an extremely long discussion with Mr. Kennedy, the Solicitor for the Liquidator and Major Hazzell, one of the legal department of the Board of Trade.

2. We find that although the East African Plantations Company is in liquidation, the Jubaland Cotton Growers Association is still in existence and no steps have been taken to wind it up. This Company is the Lessee of the property in question and therefore if it were in possession of any assets in addition to the property it would be a simple matter to compel it to pay the overdue rent.

3. Apparently however, this Company has simply been kept alive because it is the Lessee, the whole of its shares

FROM BURCHELLS.

LETTER TO: The Under Secretary of State. SHEET NO. 2. DATE: 22nd May, 1928.

are held by the East African Plantations Company and it has no assets outside the lease of the property.

4. This being the case the only source to which the Government of Kenya can look for payment of the rent is the East African Plantations Company, who have been for years past endeavouring without success to sell the property, which is also their only asset.

5. Tentative offers of large sums appear to have been made from time to time but have never been carried out, and finally at the end of this year an offer was made by Mr. Lee of £25,000 for the property and this offer was accepted by the Government. The rent was paid and the property will be sold but has not been carried out.

It is through the efforts of the Government that a curious state of affairs has arisen. The East African Plantations Company went into liquidation and the property was offered for sale but no one was able to pay the price. The property is now owned by the Government and is a source of great interest in the East African Colonies. It has been associated with the name of the very first settler who came to Kenya, and it is a source of great interest to the people of the Colony and the Government.

FROM BURCHELLS

LETTER TO The Under Secretary of State. SHEET NO 4. DATE 22nd May, 1926.

Government should share pro rata with Brown Draksford & Co. in the division of the money.

10. It was suggested that if the sale does not go through the Government of Kenya might like to take steps locally for the sale of the property, in which event they would pay themselves their rent and remit the balance to this country to be dealt with by the Official Receiver.

11. In our opinion the course suggested in Paragraph 8 is the best under the circumstances as none of the debtors appear to have any money. The only asset is the property which is situate in foreign territory for which there appears to be practically no market.

We are,

Sir,

Your obedient Servants,

Burchells

THE UNITED STATES DEPARTMENT OF STATE

Washington, D.C. May 22, 1926

Dear Sir: I have the honor to acknowledge the receipt of your letter of the 17th inst. in relation to the proposed sale of the property of the late Mr. J. H. ...

It is noted that the property in question is situated in the territory of Kenya and that the same is subject to a mortgage in favor of Brown Draksford & Co. ...

It is suggested that if the sale does not go through the Government of Kenya might like to take steps locally for the sale of the property ...

RECEIVED
12 MAY 1928
COLONIAL OFFICE

Telegram from the Governor of Kenya to the Secretary of State for the Colonies.

Dated 11th May, 1928.

(Received Colonial Office 4.10 p.m. 11th May, 1928.)

No. 114, 11th May. Your despatch of 27th February Confidential, East African Plantations Limited. My telegram of 23rd April which correctly states position was despatched under misapprehension that it had been approved. It is now being revised as regards future

No. 761

It was filed due

copy.

The United Kingdom of Great Britain and Ireland

Government of Kenya

to the Secretary of State for the Colonies

of the 11th May 1928

through the Governor of Kenya

to the Secretary of State for the Colonies

in your telegram of 23rd April

which correctly states the position

of the East African Plantations Limited

as regards the future of the plantations

in Kenya

is now being revised

as regards the future of the plantations

in Kenya

as regards the future of the plantations

in Kenya

as regards the future of the plantations

in Kenya

as regards the future of the plantations

in Kenya

as regards the future of the plantations

in Kenya

- Mr. Sacl 9.5
- Mr. Sacht 10/5
- Mr. Litch 10/5
- Mr. Bottomley
- Mr. E. J. Harding
- Sir J. Shackbury
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Lord Locat
- Mr. Amery

Pratt's
Scott's
Quint no 12

Defining Street,
 11 May, 1928.

Gentlemen,

I am etc., to transmit to you the enclosed copy of correspondence regarding the claim B of the Government of Kenya for rent and penalisation and from the East Africa Plantations (Kenya Colony) Limited situated in respect of certain property on the Juba River in the territory now added to Italy. Particulars of the correspondence enclosed are given in the accompanying schedule.

2. I am to request you to take steps to place this correspondence in the hands of Solicitors who should be requested to ascertain the position in this country



Copy for Col 18/5

DRAFT

ORIGIN AGENTS.

See Schedule herewith

off herewith



Presumably no objection to sending copies of aboves. with B.O. as directed, but see No. 4 on the file.

Mr. [unclear]
Mr. [unclear]

Mr. [unclear]
Mr. [unclear]
Mr. [unclear]
Mr. [unclear]

X 15025 Kenya

- Mr. Scott 95
- Mr. Baugh 10/5
- Mr. Allen 10/7
- Mr. Bottomley
- Mr. E. J. Harding
- Sir J. Shackburgh
- Sir G. Grindle
- Sir C. Davis
- Sir S. Wilson
- Mr. Oswald Gore
- Lord Locat
- Mr. Amery

RECEIVED
MAY 11 1928

DRAFT

PROFIT AGENTS

Copy for Col. 18/5/28

the Schedule herewith
2/11/28



all these
copies will
be sent to
the
D. N. P.

Presumably no objection to sending copies of corres. with B. D. P. as directed, but see No. 4 on the file.

The (over) for
the (over)

Downing Street,
11 May, 1928.
Gentlemen,

I am etc. to transmit to you the enclosed copy of correspondence regarding the claim B of the Government of Kenya for rent and penalties due from the East Africa Plantations (Kenya Colony) Limited in respect of certain property on the Tuba River in the territory now ceded to Italy. Particulars of the correspondence enclosed are given in the accompanying schedule.

I am to request you to take steps to place this correspondence in the hands of Solicitors who should be requested to report in the position in this country

country in regard to the liquidation

of the East African Plantations (Kenya

Colony) Limited, and to advising the

Secretary of State as to what

steps can and should be

taken to protect the interests

of the Government of Kenya in

this matter. It is to be

represented to the solicitors that

they should communicate with the

Secretary of State of the

United Kingdom, as that Department

is the only authority in the

United Kingdom in the case

of the liquidation on behalf of

the Government. The solicitors

should be advised to communicate,

maybe necessary, with the

Department in the matter.

~~The following should~~

~~be forwarded to the Secretary of State~~ *Some official*

~~enclosed with their letter should be~~

~~be regarded as strictly confidential~~

st/11/4/11

Acc 10-4-1928

SCHEDULE OF ENCLOSURES.

(1) Despatch from Governor, Kenya, 21st Nov. 1927. 10551/127
Enclosure
Letter from Exports Credit Dept., to H.M. Trade
Commissioner, Malindi, 26th July, 1927.

(2) From Mr. Hooper Colonial Office, to Sir Thomas Barnes,
Solicitor to the Board of Trade, 10th Jan. 1928.

(3) From Sir Thomas Barnes to Mr. Bushe, 13th Jan. 1928. (Do. 1)
Enclosure
From Solicitor's Dept., Bd. of Trade to Kennedy, Lindo
& Co., 25th May 1927.

From Kennedy, Lindo & Co. to Solicitor's Dept., Board
of Trade, 17 June 1927.

From Board of Trade to Kennedy, Lindo
& Co., 17 June 1927.

From Kennedy, Lindo & Co. to Board of Trade,
17 June 1927.

From Board of Trade to Kennedy, Lindo
& Co., 1st July 1927.

From Board of Trade to Solicitor's Dept., 1st July 1927.

From Solicitor's Dept. to Board of Trade, 1st July 1927.

From Board of Trade to Solicitor's Dept., 1st July 1927.

From Board of Trade to Solicitor's Dept., 1st July 1927.

From Board of Trade to Solicitor's Dept., 1st July 1927.

From Board of Trade to Solicitor's Dept., 1st July 1927.

(4) Telegram from the Colonial Office to the
Governor, Kenya, 26th Jan. 1928.

(5) Report from the Board of Trade to the
Governor, Kenya, 26th Jan. 1928.

Agreement for Subsidy to Kenya, 1928.

Affidavit by Mr. Machin, 6th Feb. 1928.
Further Affidavit by Mr. Machin, 8th February, 1928, and
exhibit.

Letter from Solicitor's Dept. Bd. of Trade to Kennedy, Lindo and Co. 8th February 1929

Notes by the Bd. of Trade regarding meeting of 24th January 1929.

Draft Minutes by Mr. Machin of meeting of 24th Jan. 1929.

(10)

10 Telegram from S. of S. for the Colonies to the Governor of Kenya, 18th February 1929

10 (1)

10 Telegram from Gov. of Kenya to S. of S. for the Colonies, 23rd April 1929

15025/38
11
1928
Telegram from the Governor of Kenya to the Secretary of State for the Colonies.

Dated 23rd April, 1928.

(Received Colonial Office 9.34 p.m. 23rd April, 1928.)

No. 8

No. 83. 23rd April. Your despatch of 27th February Confidential and previous correspondence as to East African Plantations Limited. Supreme Court on the 4th April ^{decided that it had} declined it had no jurisdiction. Court Order reads. This Court assumed jurisdiction in respect of this Company by reason of the fact that principal assets were situated within jurisdiction and that many creditors were resident in Kenya. Since hearing of petition the assets have ceased to be so situated and Kenya creditors have been paid. Liquidator is not resident locally and there is no fund lodged as security. No person interested in this sale is resident here except the Crown who do not ask for protection by this Court. Any order which I might make will be ineffectual and do not appear to purport to restrict a transaction which this Court would reasonably be regarded as interested in. I am a resident liquidator of an English company in respect of which assets situated in an Italian country cannot be recovered by an order of this Court. I make no order. Application on 4th April 1928. Signed G.H. Phipps. I am advised that Kenya must now rely on equitable jurisdiction of English Court as the company is registered in England and liquidator is there. I shall be glad if you will instruct your legal advisers to take all necessary steps forthwith to safeguard Kenya's prior claim vide section 63 of Chapter 140 Revised Laws and section 33 (1)(a)

11 MAY 1928

copy to be sent to...

REC'D
MAY 11 1928

76
of Indian Provincial Insolvency Act of 1907 under
which act bankruptcy order in this case was made.
Despatch follows.

SAM LINDER
SOLICITOR.

TELEPHONE NO.
3788 CENTRAL.

REC
27 MAR 1928
COLONIAL OFFICE

Atlantic Chambers
7, Brazemose Street
Manchester

March 26th 1928.

977

The Commissioners of East African
C/O Colonial Office,
LONDON.

Dear Sirs,

East African Plantations to Levy.

I am acting on behalf of a Mr. Levy
of this City who has purchased from the East African Plantations
Ltd., the Halswood Estate near Kisumu.

The property is held by the Vendors for
the remainder of a term of 99 years, and is sold subject to the
provisions of the Crown Lands Ordinance 1902.

I have not a copy of these provisions
and I shall be glad if you will let me have a copy, for which
I should be pleased to pay your charges.

In the event of you not having one,
perhaps you will be good enough to inform me of the name and
address of the person to whom I can communicate with.

Yours faithfully,

Sam Linder

H/D.

Copy to C.A.

(Circular letter of 18/1/27) ✓
y
B

Mr. Easton 18/1/27
Mr. 102 aban

- Mr. B. Tomley
- Mr. E. J. Hornum
- Sir J. Shuckburgh
- Sir G. Grindle
- Sir G. Davis
- Sir S. Wilson
- Mr. Ormsby-Gore
- Lord Levis
- Mr. Avery

XEA

Called 30 p.m. 18.1.27
67

Sorema Nairobi

DRAFT

My telegram of 26th Jan^y

East Africa Plant (understand)

17 May 1927

Dear Mackinnon

agreement for sale of forest

to Kenya for proceeds

apply to the Commission

Number 212 of 1927

of sale. There is

supposed that the price is unfair

matter

Suggest you should investigate and consider

whether you should not oppose

Recd to
Mr. Pender

application in order to secure
better steps towards realization
of assets and proper distribution
of proceeds.

Despatch sent

26

~~follows~~ A Job referred to in my let
26 Jan sent 15 Feb further info follows.
Sour

application in order to secure
better steps towards realization
of assets and proper distribution
of proceeds.

Dispatch sent

follows. A job referred to in my letter
of 26 Jan sent 15 Feb. Further info follows.
See

13th February, 1928.

Dear Bushe,

East African Plantations (Kenya Colony) Ltd.

Since I wrote you on the 13th ultimo on this matter, Mr. Machin has entered into an agreement for the sale of the assets to Mr. Lay for £1500.0.0. and is proceeding to make application to the Court at Mombasa for approval of the sale.

With this letter you have two copies of the following documents:-

- Agreement for Sale of 27th January 1928.
- Affidavit by Mr. Machin of 6th February 1928 in support of the application.
- Further Affidavit of 8th February 1928 and Exhibit.
- Letter to Messrs. Kennedy Lind & Co. of 8th February 1928 calling attention to an inaccuracy in the Affidavit.
- Notes made for the Department of the Meeting of 4th January 1928.
- Mr. Machin's draft Minutes of the Meeting.

I understand you intend to send these documents out to the Colony so that the Land Department may consider

H. Grattan Bushe, Esq., C.M.G.,
COLONIAL OFFICE.

opposing/

envelope below
27 FEB
11 MAY 1928
Copies of 1 set of enclosures
original to Secy of Govt
17

3/4
30
4 cont.

673

679

13th February, 1928.

*3/20
L
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cont.*

Dear Bushe,

East African Plantations (Kenya Colony) Ltd.

Since I wrote you on the 13th ultimo on this matter, Mr. Machin has entered into an agreement for the sale of the assets to Mr. Levy for £1500.0.0. and is proceeding to make application to the Court at Mombasa for approval of the sale.

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I understand you intend to send these documents out to the Colony so that the Land Department may consider

H. Grattan Bushe, Esq., C.M.G.,
COLONIAL OFFICE.

opposing/

envelope below
*Copies of 1 set of enclosures
original to Sir C. G. 27 FEB
20 20 copy 21 MAY 1928*

opposing the application and securing, if possible, better steps towards realisation of the assets, and proper distribution of the proceeds among the creditors of the liquidation, if not enough to pay them all in full.

The Department are writing the Trade Commissioner at Nairobi to take steps to have the application opposed, but the interest is only that of creditors of the Company.

Yours sincerely,

T. Davis

81

IN HIS MAJESTY'S SUPREME COURT OF KENYA AT MOMBASA

IN THE MATTER of The Companies Ordinance 1921
and IN THE MATTER of The East African Plantations
(Kenia Colony) Limited

This is Exhibit marked "W.P.M.1" referred to in the
Further Affidavit of William Francis Machip sworn in this
matter this eighth day of February 1928.

BEFORE ME

KENNETH M. ATKINSON

A Commissioner for Oaths for the Supreme Court of
Judicature in England.

Eachers
8/2/28

R. A. HART & CO. LTD.

24, Chapel Street,

LIVERPOOL,

2nd February, 1928.

Registered

W. F. Machin, Esq.,
c/o Messrs. H. F. Brinson & Co.,
15, Cross Street,
MANCHESTER.

Dear Sir,

The Export Credits Dept. London with whom we have been in communication regarding an option on East African Plantations Ltd have requested us to make a definite offer of payment in consideration of our giving us an option. We therefore enclose £90 which we are prepared to pay you for the option on the property which next week the price of £100000 will be paid.

Yours faithfully,

and on behalf of

ALLIANCE

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Handwritten: *Capital*
Handwritten: *8/2/28*

c/o H.N. Brinson & Co.
15, Cross Street,
MANCHESTER.

Feb. 6th 1928.

R.G. Hart & Co. Ltd.
20, Chapel Street,
LIVERPOOL.

Dear Sirs,

Re East African Plantations (Kenya Colony) Limited

With reference to your letter of the 2nd inst., enclosing cheque for £90 and asking for an option on the Assets of the above Company until the 4th.

I am not now in a position to negotiate with you, as I have entered into a Contract for Sale elsewhere, and return your cheque for £90 herewith.

I remain,

Yours faithfully,

Liquidator (Kenya Colony)

4. I have therefore since my appointment preserved the Halwacod Property as a going concern and have been trying in all possible directions to effect a sale of the assets of the Company as a whole and at several meetings which I have convened in London for the purpose I have explained to the Creditors and Shareholders of the Company my views and what steps I have been taking from time to time and have obtained their approval thereof.

5. On the 27th day of September 1926 I entered into an Agreement for Sale of the said properties to Abar-monte Limited at the price of 26000 on which a deposit of 2500 was paid. This Agreement was approved of and confirmed by Order of this Honourable Court dated the 27th day of October 1926.

6. By the Treaty of 15th July 1924 between Great Britain and Italy the Territory in which the said Es-tates were situated was ceded to Italy and now form part of Italian Somaliland. After the said Contract was approved and confirmed by this Honourable Court it became necessary to obtain the License or consent of the Government of Italian Somaliland to assign the said Estates to Abar-monte Limited and applications for such Licenses were duly made through Mr. G.A. Serrao of Rome Italy the Solicitor to the British Embassy acting as Agent for my Solicitors in London. Great delays occurred in connection with such Applications owing mainly to the absence of the Governor of Italian Somaliland from that country and the fact that no one had authority to deal with the matter in his absence. Ultimately in June 1927 the said Governor promised to give his consent which according to Italian Law required the confirmation of the Italian Council.

of State to become effective but the said Council did not have a meeting until October 1927. Every possible effort was made by my Solicitors and their agent Mr. Serrao to expedite the matter even invoking and obtaining the intervention of the British Diplomatic and Consular representatives in Italy but it was impossible to get the matter expeditiously dealt with.

7. Owing to these delays and the inability to obtain the Licenses to assign Abarmonite Limited gave notice determining the contract and demanding repayment of the deposit paid and threatened to make a heavy claim for damages and ultimately on the 3rd August 1927 issued a Writ in the High Court of Justice claiming repayment of the said deposit. As I was advised by my Solicitors that there was no defence to the action as I could not obtain the Licenses to Assign an Order of the said Court of Justice dated the 5th September 1927 was made by which the deposit was ordered to be paid to Abarmonite Limited who abandoned their claim for damages and the deposit was accordingly been repaid.

6. ¹⁹²⁷ ~~1928~~ who Mr. Serrao accompanied by the British Commercial Attache at Rome interviewed the Governor of Italian Somaliland and obtained his promise to consent to the assignment of the Leases of the said estates to Abarmonite Limited the said Governor stated that the estates were not being properly and adequately worked and that if this were not done his Government would undoubtedly take such steps as might be necessary to have the Leases forfeited. Owing to absolute lack of funds it has not been possible to do anything in the way of adequate cultivation and working of the estates for some considerable time as Messrs. Brown Drakeford & Co. of Liverpool the principal Creditors of the Company who

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formerly supplied funds for that purpose have dissolved partnership and gone out of business and the former partners in that firm are unable to supply further funds to carry on the estate and consequently I have been unable to make any remittances to Mr. Robert Dick the Manager of the said estates since about March 1927. I estimate that about £400. 0. 0. is now due to the said Robert Dick for his salary as Manager without taking into account any payments he may have advanced on account of carrying on the estate and I have no funds whatever belonging to the Company out of which I can pay that indebtedness or to carry on the working of the estates.

9. Since the date of the Order mentioned in paragraph 7 hereof, I have been in communication with many persons and firms interested in properties in East Africa with a view of effecting the sale of the Company's assets and have done everything in my power to dispose of the same to the best advantage but without being able to obtain any offer whatever for same until in December last Mr. T. J. Levy of 56 Bloem Street, Manchester, offered to purchase the Gwalood Estate. I had previously offered therefor and would have expected to do so with the Estate. I had entered into the contract now produced and shown to me marked "A.P. 11".

10. Prior to entering into the contract with Mr. Levy I called a meeting of creditors which was held in London on the 4th January 1928 at which all the principal creditors of the Company were present or represented. At this meeting I detailed all the efforts that I had made to sell the Company's property without being able to get an offer for same and informed the creditors of the Government of Italian Somaliland's threat to forfeit the

Lessees of the properties if they were not properly worked
 of the liability to Mr. Dick the Manager of the estates
 and that the rents of the said estates fell due and were
 payable in advance on the 1st January 1928 and unless they
 were paid the Lessees would undoubtedly be forfeited and
 that I had no moneys whatever belonging to the Company out
 of which these obligations could be met. I also informed
 them of Mr. Levy's offer which was the best and only offer
 that I had been able to obtain and I pointed out that
 unless that offer was accepted I could see no possibility
 of anything being obtained for the properties of the
 Company. The creditors were naturally disappointed at
 the low price offered by Mr. Levy which I told them I could
 not get increased. Suggestions were made that I should
 sell the plant and machinery by auction but I pointed out
 that I had no funds to pay for the auctioneer's charges
 and the necessary advertisements and asked if any creditors
 were willing to make advances for that purpose but no-one
 would do so. One of the creditors introduced a Mr. Allison
 of Liverpool who said that he had friends who might be
 interested in the property but he declined to pay any money
 for an option and I undertook to give him full particulars
 to see if it was possible to come to any arrangement with
 him. After Mr. Allison had left the room I pointed out to
 the creditors that Mr. Levy's offer was only open for
 acceptance until that evening and that as Mr. Allison had
 been informed by the Creditor who introduced him what price
 Mr. Levy had offered it was extremely improbable that he
 would make much advance on that price. The Creditors wished
 me to try and obtain from Mr. Allison 24000 or 25000 but the
 Meeting did not come to any decision as to what I was to
 do with regard to Mr. Levy in case I could not get a better
 offer from Mr. Allison.

II. On Monday the 8th of January I interviewed Mr. Allison

of it at a profit without any personal risk.

12. Out of the deposit of £500 received from Mr. Levy I have instructed my Solicitors to pay the rent of the Halwaloob Estate due on the 1st of January and I am informed by them and verily believe that they have arranged with their Bankers to pay the 900 rupee rent to the Government of Somaliland through the Mogadiscio Branch of the Banca D'Italia.

13. The total liabilities of the Company at the date of the Order placing it in liquidation amounted to £34,196.18.3. I have submitted the terms of the said Agreement of Sale with Mr. Levy to the principal Creditors of the Company and Creditors representing £15,972 concur in the view that such Agreement is the best that can be obtained and I therefore apply for the confirmation or sanction of this Honourable Court thereto.

14. In my opinion there is no alternative to the said Agreement with Mr. Levy as I have no funds whatever in hand either to carry on the said Estate or to pay the expenses of advertising and holding a sale of the plant machinery and moveable effects.

SWORN at Manchester

in the County of

Lancaster this 5th day

of February 1928

W. F. MACHIN

BEFORE me,

KENNETH A. ATKINSON

A Commissioner for Oaths
of the Supreme Court
of Judicature, England.

THIS AGREEMENT made the 27th day of January 1928
B E T W E E N EAST AFRICAN PLANTATIONS (KENIA COLONY)
 LIMITED by WILLIAM FRANCIS MACHIN of 15, Cross Street Man-
 chester in the County of Lancaster the Liquidator of the
 said Company (hereinafter called "the Vendor") of the one
 part and THEOPHILE JOSEPH LEVY of 66, Bloom Street Manches-
 ter aforesaid (hereinafter called "the Purchaser") of the
 other part WHEREAS by an Order of the Supreme Court of
 Kenya held at Mombasa it was ordered on the 3rd day of
 March 1924 that the Company be wound up under the provisions
 of the Companies Ordinance 1921 and by a further
 Order of the said Court dated the 4th day of March 1924
 the said William Francis Machin was appointed to be the
 Official Liquidator of the said Company

AND WHEREAS the said Vendor and the said Purchaser have agreed that the said Vendor shall sell to the said Purchaser the following

1. The said Vendor shall sell to the said Purchaser the following
 purchase of ...
 particula ...
 with ...
 on the 1st day of May

... no substantial ... difference
 caused by ... the usual user of material
 therein mentioned.

The Purchaser shall pay the sum of £500 as a deposit
 and in part payment of the said sum of £1500 ... signing
 hereof to the said Liquidator who shall deposit £350
 thereof in the Westminster Bank Manchester pending comple-
 tion of the sale as hereinafter provided and may use the
 remaining £150 to pay the rent of the said premises due

WITNESSED
 at ...
 the 27th day of January 1928

on the 1st January 1928 in advance and the costs and expenses of the Liquidators Solicitors of preparing this agreement and applying for the consent mentioned in clause 9 hereof and paying the said rent.

3. THE title to the said Leasehold premises shall commence with the Lease thereof from His Majesty the King dated the 16th day of November 1911.

4. THE said premises are sold free from all incumbrances save and except the rents covenants reservations and conditions under and subject to which the said Leasehold premises are now held. The area and description of the said Leasehold premises herein contained is believed to be correct but if any error omission or misdescription should hereafter be found therein the same shall not annul the sale nor shall any compensation be claimed by the Purchaser or allowed by the Vendor in respect thereof.

5. THE purchase shall take effect as on and from the 1st day of January 1928 and shall be completed as soon as conveniently may be after the confirmation hereof as provided by Clause 9 hereof but in any event within five months from the date hereof and upon the said confirmation being obtained the balance of £1000 purchase money shall be paid and thereupon vacant possession of the premises shall be given to the Purchaser and the Vendor and all other necessary parties shall execute and do all such assurances and things for vesting the said premises in the Purchaser and giving to him the full benefit of this Agreement as may be reasonably required. All such assurances shall be prepared by and at the expense of the Purchaser but shall be executed by the Vendor or any other necessary party at the cost of the Vendor. The Vendor shall pay satisfy and discharge all debts outgoings and

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liabilities incurred or arising in connection with the premises hereby contracted to be sold prior to the 1st day of January 1928 and shall indemnify the Purchaser against all proceedings claims and demands in respect thereof and if necessary the same shall be apportioned between the parties hereto and paid or allowed on completion but no apportionment shall be made or claimed by the Vendor in respect of rent paid in advance. The Purchaser shall supply all funds necessary to carry on the management and working of the said premises as from the said 1st day of January 1928 and shall make all arrangements with the Liquidator for that purpose.

6. THE Purchaser shall at his own cost and expense obtain the consent or license of the Government of Italian Somaliland or any other authority which may be required as a condition of or in connection with the Assignment of the premises hereby contracted to be sold to the Purchaser and shall take the responsibility in connection therewith or in the event that he shall have no claim upon the Vendor, the Vendor shall not be able to obtain such consent or license. The Vendor and the other necessary party shall at the cost and expense of the Purchaser sign or execute any Application authority or other document that may be reasonably and properly required for the purpose of obtaining such consent or license and subject to payment of the balance of the purchase money shall hold the said premises as trustee for the Purchaser.
- The Purchaser shall send his requisitions and objections in any respect of the title and all matters appearing on the abstract or this Agreement to the offices of Messrs. Kennedy Lindo and Co. 79, Coleman Street, London, E.C. the Vendor's Solicitors within 14 days after the date of the delivery of the Abstract and in default of and subject

to any requisitions and objections so made the Purchaser shall be taken to have accepted the Title. All further requisitions or objections arising out of any reply by the Vendor to any of the Purchaser's requisitions shall be delivered within seven days after the date of delivery of such reply and for the purposes of the stipulation made in this clause time shall be of the essence of the Contract and the Abstract shall be deemed to be complete if it contains information suggesting the objection or requisition.

8. If the Purchaser shall insist on any requisition or objection as to the title evidence of title conveyance or any other matter which the Vendor shall be unable or on the ground of expense unwilling to remove or comply with the Vendor shall be at liberty notwithstanding any negotiation or litigation in respect of such objection or requisition to the Purchaser or his Solicitors notice in writing of his intention to rescind the Contract for £500 unless such requisition or objection shall be withdrawn and if such notice shall be given a requisition or objection shall not be withdrawn within seven days after the day on which notice is given the Contract shall within further notice be rescinded and the Purchaser shall thereupon return to the Vendor all Abstracts and other papers which shall have been delivered and upon such rescission the Vendor shall repay to the Purchaser the sum of £500 deposited as aforesaid together with all interest accrued thereon and without any interest costs of investigating the title or other compensation or payment whatsoever.

9. THIS Agreement is subject to the confirmation thereof by the said Supreme Court of Kenya and the

Liquidator undertakes forthwith to apply for such confirmation and in the event of such confirmation not being obtained within five months from the date hereof the sum of £350 deposited as aforesaid together with all interest accrued thereon shall be returned to the Purchaser without any deduction and this Agreement shall be null and void.

10. IN case the sale hereby provided for shall not be completed through any act or default of the Vendor or if the inventory mentioned in clause 1 hereof shall not be substantially correct same as therein mentioned the sum of £150 paid by the purchaser as part of the deposit of £500 shall be repaid by the Vendor to the Purchaser with interest thereon at the rate of six per cent per annum and until so paid shall remain as a charge on the assets of the Vendor and be paid out first on the realisation thereof in addition to the said amount of £350 with accrued interest thereon.

11. TIME shall in all things be deemed to be the essence of this contract.

IN WITNESS whereof these presents have been signed by the Liquidator on behalf of the Vendor and by the Purchaser the day and year first before written.

THE SCHEDULE before referred to.

ALL that piece or parcel of land situate on the Juba River in what was formerly known as the Jubaland Province of the East Africa Protectorate comprising 6,000 acres or thereabouts which said piece or parcel of land is more particularly described in the Schedule and delineated on the Plan annexed to an Indenture dated the 16th day of December 1911 made between His Most Gracious Majesty King George the Fifth of the one

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Liquidator undertakes forthwith to apply for such confirmation and in the event of such confirmation not being obtained within five months from the date hereof the sum of £350 deposited as aforesaid together with all interest accrued thereon shall be returned to the Purchaser without any deduction and this Agreement shall be null and void.

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11. TIME shall in all things be deemed to be the essence of this Contract.

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part and require Dimitri Argyropoulos of the other part.

FOR and ON BEHALF OF
EAST AFRICAN PLANTATIONS (KENYA COLONY) LTD.

W.F. Machin

Liquidator
(Kenya Colony)

T.J. Levy

RECEIVED the before mentioned deposit of
Five hundred pounds.

FOR and ON BEHALF OF
EAST AFRICAN PLANTATIONS (KENYA COLONY) LTD.

W.F. Machin
Liquidator

RECEIVED
BY T.J. LEVY
RECEIVED

"W.F.M."

EAST AFRICAN PLANTATIONS (KENIA COLONY) LIMITED

T. J. LEVY ESQ.

Solicitor's Department,
Board of Trade,
Great George Street,
Westminster, S.W.1.
8th February, 1928.

COPY
AGREEMENT for SALE

IN HIS MAJESTY'S SUPREME COURT OF KENYA AT MOMBASA

IN THE MATTER of the Companies Ordinance 1921 and
IN THE MATTER of the East African Plantations (Kenya Colony) Limited

This is Exhibit marked "W.F.M." referred to in the Affidavit of William Francis Machin sworn in this matter the 6th day of February 1928

(Sgd) Kenneth M. Atkinson

A Commissioner of Oaths for the Supreme Court of Judicature in England.

Solicitor,
Board of Trade.

KENNEDY LINDO & CO.,
79, Coleman Street,
E.C.2.

Dear Sirs,

East African Plantation (Kenia Colony) Ltd.

Confirming my conversation with you over the telephone this morning, I shall be glad if you will let me have a copy of the Minutes, or draft Minutes, of the meeting of creditors the 4th instant.

These, I submit, should contain a record of the undertaking Mr. Machin gave before the meeting closed. This seems to be important with reference to the last lines of paragraph 10 of Mr. Machin's Affidavit of the 6th instant, reading:-

"The creditors wished me to try and obtain from Mr. Allison £4,000 or £5,000, but the meeting did not come to any decision as to what I was to do with regard to Mr. Levy in case I could not get a better offer from Mr. Allison."

which, according to my recollection of what took place at the meeting, is not correct in that, at least, it does not go far enough.

The notes I made at the time are as follows:-

"The Meeting decided that Mr. Machin should try Mr. Allison.

Also that he be authorised to sell for £5,000.

Mr. Machin undertook that if he sold under £5,000 he would inform the Board of Trade so that they might oppose his application to the Court at Mombasa for approval of the sale."

You will, I think, remember that the undertaking was given by Mr. Machin as an alternative to a resolution which he indicated he would not be prepared to obey that he was

Messrs. Kennedy Lindo and Co.
Solicitors,
79, Coleman Street,
E.C.2.

Dated 27th January 1928

"7.F.U."
EAST AFRICAN PLANTATIONS (KENYA COLONY) LIMITED

to
A. J. LEVY ESQ.

COPY
AGREEMENT for SALE

HER HIS MAJESTY'S SUPREME COURT OF KENYA AND NOMBASA

IN THE MATTER of the East African Plantations (Kenya Colony) Limited

This is Exhibit marked W.F.U. referred to in the Affidavit of William Francis Machin sworn to this matter the 13th day of January 1928

Judith Kenneth Mackintosh
A Commissioner of Oaths for the Supreme Court of Judicature in England

Solicitor,
Board of Trade.

KENNEDY LINDO & CO.,
79, Coleman Street,
E.C.2.

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Solicitor's Department,
Board of Trade,
Great George Street,
Westminster, S.W.1.
8th February, 1928.

Dear Sirs,

East African Plantations (Kenya Colony) Ltd.

Confirming my conversation with you over the telephone this morning, I shall be glad if you will let me have a copy of the Minutes, or draft Minutes, of the meeting of creditors on the 4th instant.

The Minutes should contain a record of the meeting close to the meeting close. It seems to me important that the Minutes should be prepared as soon as possible and obtained by the Board of Trade.

Also I should be glad to know if you have any other documents which you would like to refer to in the Minutes.

You will, I think, remember that the Minutes given by Mr. Machin as an alternative to a report which he indicated he would not be prepared to obey, that it was not

the same.

Yours faithfully,
Solicitor,

Messrs. Kennedy Lindo and Co.,
Solicitors,
79, Coleman Street,
E.C.2.

02

EXPORT CREDITS DEPARTMENT
EAST AFRICAN PLANTATIONS (KENIA COLONY) LIMITED

Short Notes of Creditors' Meeting at

7B, Coleman Street, S.O. 4/1/28

Present Mr. Machin (Liquidator)
Mr. Kennedy (Solicitor)
Mr. Browne
Mr. Drakeford
Mr. (Insurance Co.)
Comr. Sherman (Robey & Co.)
Mr. (? Robey)
Mr. (?)
Mr. Stirling (E.C.D.)
Mr. Greenblatt "
Major Hazzledine (B.O.T. Solicitor)

Mr. Machin read the minutes of the last meeting in December 1925.

He explained that the sale to Sir E. Fawkes and Abermonte Ltd. at £6,000+0/0 had fallen through on the Italian Government raising difficulties over License to assign;

that a better offer from Mr. Gould (?) had fallen through because of the Abermonte Ltd. contract;

that negotiations in October 1927 with a Manchester Group had fallen through because of fear of difficulties with the Italian Government;

that on suggestion of Mr. Dick overtures had been made to Senior Galliani without result;

also to Compt. Frankson;

also in May 1927 (Overall of Egypt);

also that nothing had come as result of a proposal from Mr. Dick asking the lowest price in reply to which he had been told any offer would be favourably considered;

And that Mr. Levy introduced by Mr. Warburton, formerly a partner in Brown-Drakeford & Co. had offered £2,500.

Also that £400 was due to Mr. Dick for wages;

and that the rents due at 1/1/28 were £250.

He said Mr. Levy's offer must be accepted or rejected that day.

There were no funds for payment of rent.

He thought the free assets might realise £1,500 if auctioned locally but there were no funds for the expenses of a sale.

To provide 1/- in the £ for the Creditors would mean a sale at between £5,000 and £6,000.

Mr. Kennedy explained the contract Mr. Levy was willing to enter into which covered payment of the rent for the Halswood Estate, the Tanata estate being abandoned, and was subject to the 1924 inventory being substantially correct.

Mr. Levy would have to get the license to assign but it was not clear that he would pay the £1,500 if he could not get it.

It was proposed that the rent for the Tanata estate as yet undeveloped should not be paid so that would be abandoned and Mr. Levy would take all the remaining assets.

He also said that the Italian Government had intimated that if the estates were not properly developed they would be forfeited and that he doubted whether such a condition could be so imposed on the leases under the Treaty.

He said he was not clear that the machinery could be considered free assets. It might be the Italian Government would claim it was attached to the land, as it was bedded on extensive concrete foundations.

Comr. Sherman said the machinery was only bolted down to the concrete pads.

Mr. Brown suggested against having been put to the expense of attending the meeting, he understood by the Government refusing to agree to the sale to Mr. Levy.

He thought the sale to Abernethy Ltd. was a good one, unless there was some secret profit-making over it.

Mr. Brown would like to have something for an option at £10,000 but that was only an option.

Mr. Brown said the Italian Government had held up the license to assign because they were not satisfied that Abernethy Ltd. were financially strong enough to develop the estates.

Mr. Brown said that the mortgage on the estates had been taken by the Government and had been given to the Government. He said that the mortgage had been given to the Government and had been registered.

Mr. Brown said that the Board of Trade was not the matter of the unsatisfactory and he had agreed to a sale of £1,500 of the higher license and the Government's sale of the assets.

It would be the difficult part of the deal but if the Board of Trade could do what Mr. Levy said the Board of Trade would be the reasons for the Board and there were no funds even for the expenses of an auction.

Allison representing H.R. Allison & Co. and R.A. Harte & Co. 24 Chapel Street, Liverpool (introduced by Mr. Drakeford) said his people would be pleased to make an offer for the estate on the understanding that it was a bargain, but would want information about it and say a week to consider it. They would not without information pay anything for an option. They had been told another party offers £1,500.

Major Hazzledine said the Creditors would not allow the Liquidator to sell at any such figure as £1,500. They had always

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been led to suppose the assets were a bargain at £15,000 and had objected to the present sale at £6,000 which did not fall through for lack of value. Mr. Allison had better take it that £5,000 was the lowest figure the Creditors would consider.

The Meeting decided that Mr. Machin should try Mr. Allison. Also that he be authorised to sell for £5,000.

Mr. Machin undertook that if he sold under £5,000 he would inform the Board of Trade so that they might oppose his application to the Court at Mombasa for approval of the sale.

GDM.

A MEETING of the Creditors of the East African Plantations (Kenya Colony) Limited in Liquidation, was held at the office of Messrs. Kennedy Lindo & Co., 79, Coleman Street, S.C. 2, at 3 p.m. on Wednesday the 4th January 1928.

The following were present or represented:
The Liquidator for Kenya Colony.
J.L. Browne, Esq.
F. Drakeford, Esq.
Export Credits Dept. The Solicitor for the Board of Trade.

Robey & Co.
Francis Theakston.
Scottish Union Insurance Co.
Commercial Union Insurance Co.
Mrs. Nesbitt.

The Minutes of the previous meeting were read and passed. The Liquidator for Kenya Colony was in the Chair and he reported that during the past two years many efforts had been made to dispose of the property, but without success. He read out the names and particulars of many various people and concerns who had been negotiated with. He went on to state that the time was now arrived when the rents for 1928 were due to the Italian Government, and the firm of Messrs. Drakeford & Co. had no money available for the purpose, because the said firm was in liquidation, no man being appointed as Liquidator, the result of which was that the firm was unable to pay the rents. In addition, of course, it was impossible to pay the rents without a firm offer being made. After the meeting had taken place, the Liquidator had received an offer of purchase from a gentleman who was prepared to negotiate with the idea of making an offer for the Company's property and assets. The gentleman was then called and stated that he was

OFFICE
NO. 100

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a Mr. H.R. Allison, representing H.R. Allison & Co., Hart & Co. and others of 24, Chapel Street, Liverpool. He would make no offer, nor was he prepared to pay for an Option. He declared himself interested, after which statement he retired, and the discussion was re-opened. Finally, Major Hazlewood, the legal representative of the Export Credits Department, said that he fully appreciated the difficult position that the Liquidator was in, and sympathised with him, but that he could not recommend the Export Credits Department to accept the Mr. Levy offer as it was asking them to accept nothing. He proposed that Mr. Allison and his friends should be interviewed in Liverpool by the Liquidator to see if there was anything concrete behind the enquiry. Also that the period of time for this purpose should be limited to one week; and, that the Liquidator be authorised to accept £5000 (or not less than £4000) for the whole of the Property and assets of the Company.

Accordingly, the following resolutions were proposed by the Export Credits Department and unanimously passed.

- 1) That the matter be left over for a week during which the Liquidator was to put the particulars of the property etc. before Mr. Allison and friends to try to obtain a better price than that offered by Mr. Levy.

The Meeting of Creditors, authorise the Liquidator to accept a cash offer of £5000 (or a minimum of £4000) for the Company's assets.

The Meeting closed with the Liquidator's invitation undertaking to the Export Credits Department that in the event of his accepting any offer of less than the minimum indicated by the resolution passed, that he would give them due notice so that they might oppose his application in the Combsa Court, if necessary.

To the ...
I have to say that ...
includes ...
any ...
made clear ...
it is the ...
strictly confidential ?

has answered

W. C. Bushe

Mr. Cartwright 25/1
Mr. ...
Mr. Bushe 26/1
Mr. Bottomley
Mr. E. J. Harding
Mr. J. Shuckburgh
Mr. G. Grindle
Mr. C. Davis
Mr. S. Wilson
Mr. Ormsby-Gore
Lord Laval
Mr. Amery

X 15025/28 King 2 106

KEA
revised and
435/26/1/14
gas
SC

Garrison Nairobi

3 FEB 1928
RECEIVED
23 MAY 1928

DRAFT

exp. no. 955 of the 21st Nov.

~~... Plantations (Kenya)~~

Departmental

See

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... to success / that

liquidator

pay: ... receipts

RECEIVED OFFICE COMPTROLLER

into court or takes

Make sure that
the lessee is
takes work

other steps to secure

equal distribution

~~dispatch follows~~

~~is~~

You should also consider whether

steps should be taken to

secure that best interests will

not be forfeited by Italian

Law in default of payment

of rents due 1 Jan 1928

Best
for

Any further communication should be addressed to
THE SOLICITOR
as the holder gives approval
of the heading of this letter should be quoted

REC-11
16 JAN 1928
COL. OFFICE

SOLICITOR'S DEPARTMENT
BOARD OF TRADE
GREAT GEORGE STREET,
LONDON, S.W.1.

Telegraphic Address:
BOTLEGAL PARL LONDON
Telephone No. 13840-Victoria
Extension.



13th January, 1928.

My dear Busha,

East African Plantations (Kenya Colony) Limited.

In reply to your letter of the 10th instant (10541/27),
as you will see from the letters referred to in the Memorandum
of the 26th July, 1927, of which copies with copies of a letters of
the 25th May, 1927, are attached, I tried to get an assurance from Mr Machin
that if he does not receive enough to pay the creditors of the
Liquidation in full, he will make equal distribution or take the
direction of the Kenya Court, and all I was able to get was his
assurances that he will submit his accounts and plan of distribution
to the Board so that there may be time for application to the
Court if desired.

The Government of Kenya Colony are only ordinary creditors
of the company and have no special claims otherwise in questions
relating to the liquidation.

The Government of Kenya Colony may consider
the Government of Kenya Colony should be advised by cable to
make immediate application to the Court to secure, if possible,
that Mr Machin pay anything he receives into Court, or take other
steps towards securing equal distribution.

You may also think it desirable for the Land Department to
take steps to secure that the estates will not be forfeited by
the Italian Government on default of payment of rents due on
the 1st instant.

At

H. Grattan Busha, Esq., C.I.C.
COLONIAL OFFICE.



Not here

16 FEB 1928

18 FEB 1928

11 MAY 1928

11 MAY 1928

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11 MAY 1928

Copy to Gen Compt (A)

101

At the time the Land Department was asked to allow the question of the rents to stand over it was hoped that if he were allowed time to find a purchaser Mr. Machin could sell the assets for enough to provide a substantial dividend, perhaps 20/- in the £, for all the creditors of the Company.

You will have on record that a Winding Up Order was made by the Court here on the 16th December, 1923, under which the Official Receiver acted as Liquidator, and that, as set out in his report of the 6th July, 1924, of which a copy is attached, nothing could be done as the Receiver appointed by Messrs. Brown, Drakeford and Co., under their Debenture for £15,000.0.0 was in possession of the assets in this country.

A winding up order was also made by the Kenya Court on the 5th March, 1924, and Mr. Machin, who was living on the estates, was appointed Receiver in the Kenya liquidation.

Messrs. Brown, Drakeford and Co., the principal creditors and advisers of the Company, have advised and directed the Company for some time past to be managed by Messrs. Brown, Drakeford and Co. as secretaries of the company and Messrs. Brown, Drakeford and Co. as liquidators of the company. A copy of the report of the Official Receiver, which has been sent out in May 1923, is attached, and the assets of the estates. Messrs. Brown, Drakeford and Co. bought up the shares of the company and the assets of the estates and Mr. Machin, who was living on the estates, was appointed Receiver in the Kenya liquidation.

On the 1st July, 1923, an appeal was made to the Kenya Court to set aside the winding up order and to appoint Mr. Machin as Receiver of the estates. The appeal was dismissed and the winding up order was confirmed.

The winding up order was confirmed on the 1st July, 1923, and the assets of the estates were sold by Mr. Machin, who was appointed Receiver in the Kenya liquidation.

On the 1st August, 1923, at a meeting called by Mr. Machin in London, the creditors were asked to agree to an option being given to M. Cerasoli, an Italian, at £20,000.0.0 cash and 200,000 shares in a new Company. The meeting ultimately agreed to this on the understanding that Messrs. Brown, Drakeford and Co. could have priority claim under their Debenture.

during

During this period Messrs. Brown, Drakeford and Co. provided Mr. Machin with funds for the expenses of running the estates and presumably took from him the cotton produce, so that, in effect, it may be they had all the advantages and risks of the estate as fully as before the liquidation.

I do not know whether there was any real desire to have the estates sold and pass out of their control.

Nothing came of the negotiations with Mr. Cerasoli. At this time the creditors were told that Italian financial groups had got the idea they might buy the estate on better terms on a forced sale if they waited.

On the 6th March 1926 when being pressed by the Board for payment of another debt, Messrs. Brown, Drakeford and Co. sent a letter, of which a copy is attached, asking the Board to agree to Mr. Machin selling the estates either by public auction or by private treaty, without reserve. The Board cannot agree.

On the 6th April 1926 the Department of Overseas Trade sent to the Trade Commissioner a letter, of which a copy is attached, instructing him to take steps to have Mr. Machin removed and the liquidation put in the hands of the Official Receiver, but no steps were taken on this account. The Department were not aware the contract had been entered into until Mr. Machin sent a letter of the 29th June 1926, of which a copy is attached.

On the 27th August 1926 Mr. Machin entered into a contract to sell the estates to Abernethy Limited for £20,000.0.0 in spite of the Board's expressed objection to the sale. The Department were not aware the contract had been entered into in time to appeal to the Kenya Court, or, it is understood until Mr. Machin obtained the sanction of the Court for it.

/ An

At the time the Liquid Department was asked to allow the question of the rents to stand over it was hoped that if he were allowed time to find a purchaser Mr. Machin could sell the assets for enough to provide a substantial dividend, perhaps 20/- in the £. for all the creditors of the Company.

You will have on record that a Winding Up Order was made by the Court here on the 16th December, 1923, under which the Official Receiver acted as Liquidator, and that, as set out in his report of the 9th July, 1924, of which a copy is attached, nothing could be done as the Receiver appointed by Messrs. Brown, Drakeford and Co., under their Debenture for £15,000.0.0 was in possession of the assets in this country.

A winding up order was also made by the Kenya Court on the 5th March, 1924, and Mr. Machin, under living on the estates, was appointed liquidator in the Kenya liquidation.

Mr. Drakeford and Co., the principal creditors and liquidators of the Company, had directed the Company for some time to be managed by Messrs. Brown, Drakeford and Co., and they had set out in paragraph 10 of the Official Receiver's report, which was sent out in May 1923, that they had bought up the estates. Messrs. Brown, Drakeford and Co. bought up the estates of the Company in Kenya and Mr. Machin was appointed liquidator in Kenya, of which I am appointed liquidator in London. It was stated in the report of the Official Receiver of the 9th July, 1924, that the assets of the Company in Kenya were valued at £15,000.0.0 and that the assets in Kenya were valued at £15,000.0.0.

At a meeting called by Mr. Machin in London, the creditors were asked to agree to an option being given to Mr. Cerasoli, an Italian, at £20,000.0.0 cash and 200,000.0.0 shares in a new company. The meeting ultimately agreed to this on the understanding that Messrs. Brown, Drakeford and Co. could have priority claims under their Debenture.

During the negotiations with Mr. Cerasoli at this time the creditors were told that Italian financial groups had got the idea they might buy the estate on better terms on a forced sale if they waited.

On the 6th March 1926 when being passed by the Board for payment of another debt, Messrs. Brown, Drakeford and Co. sent a letter, of which a copy is attached, asking the Board to agree to Mr. Machin selling the estates either by public auction or by private treaty, without reserve. The Board did not agree.

On the 9th April 1926 the Department of Overseas Trade received the liquidator's letter, of which a copy is attached, instructing him to take steps to have Mr. Machin removed and the liquidation put in the hands of the Official Receiver, but no steps were taken on the advice of technical difficulties set out in paragraph 10 of the 29th June, 1926, of which a copy is attached.

On the 27th August 1926 Mr. Machin entered into a contract to sell the estates to Ahermore Limited for £5,000.0.0 in spite of the Board's expressed objection to the sale. The Department were not aware the contract had been entered into in time to appeal to the Kenya Court, or, it is understood until Mr. Machin obtained the sanction of the Court for it.

An

During this period Messrs. Brown, Drakeford and Co. provided Mr. Machin with funds for the expenses of running the estates and presumably took from him the cotton produced so that, in effect, it may be they had all the advantages and risks, of the estate as fully as before the liquidation.

I do not know whether there was any real desire to have the estates sold and pass out of their control.

Nothing came of the negotiations with Mr. Cerasoli. At this time the creditors were told that Italian financial groups had got the idea they might buy the estate on better terms on a forced sale if they waited.

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On the 27th August 1926 Mr. Machin entered into a contract to sell the estates to Ahermore Limited for £5,000.0.0 in spite of the Board's expressed objection to the sale. The Department were not aware the contract had been entered into in time to appeal to the Kenya Court, or, it is understood until Mr. Machin obtained the sanction of the Court for it.

An

An objectionable feature of the sale was that while the assets of the Company were apparently being sold at the small sum of £25,000 a building owned by Messrs. Brown, Drakeford and Co. was, as part of the same transaction being sold to Abernonte Limited at £1,500,000 which was supposed to be its full value.

There was delay over obtaining from the Italian Government licenses for assignment of the leases, and Abernonte Limited in or before August 1927 instituted proceedings against Mr Machin's solicitors for return of the deposits of £750,000. The solicitors settled the case by returning £700,000 and retaining £50,000. The Board were not informed of this until the settlement had been effected.

I am of opinion that as soon as Mr Machin became aware there was danger of Abernonte Limited refusing to carry out the contract he ought to have taken the direction of the Kenya Court, if such a course was open to him, as it must have been obvious to him that there was risk of him not being able to pay in full the debts he had incurred as liquidator.

It seems that by this time the firm of Brown, Drakeford and Co had got into financial difficulties, that the partnership was dissolved, and that the partners had become hostile to one another.

On the 12th December 1927 Mr Machin received an offer of £150,000 for the assets from Mr J. J. Levy of Manchester, and on the 15th December 1927 Mr Machin received an offer of £150,000 for the assets from Mr J. J. Levy of Manchester, who said he could not get a better price from one of his friends. I asked Mr Machin's solicitors to advise him to consult the creditors before accepting the offer.

At a meeting held on the fourth January 1928 and presided over by Mr Machin, Mr Machin was asked to approach Mr Drakeford's solicitors and offer to sell at £5,000,000 it being stated by Mr Drakeford that that sum would provide payment of all the creditors of the liquidation and 1/- in the £1 for the creditors of the company. Mr Machin undertook that if he sold under £5,000,000 he would inform the Board so that they might oppose his application

to the Kenya Court for approval of the sale, and the Department called instructions to the Trade Commissioner at Nairobi to take steps to ensure that any such application would be opposed.

It seems that Mr Machin has no funds at all and cannot even pay the expenses of an auction here or at Nairobi or at Kisumu.

It is not at all clear that the offer of £1,500,000 would ultimately produce that amount, especially if there is any difficulty in obtaining from the Italian Government the necessary licenses for assignment of the leases.

It seems also, as suggested above, that there is danger of the estates being forfeited if the rents due to the Italian Government on the 1st instant are not paid. With regard to these, it is stated that the rent due on the Helwalood Estate is £50,000 and that the Towata Estate is not worth retaining.

A few days ago, the Department were informed by a creditor who has recently returned from Kenya that some of the machinery is being hawked for sale locally, which is not consistent with statements made by Mr Machin to the creditors at the last meeting.

The Board are not willing to incur expense in this matter and I am afraid the position is that there is nothing they can do to help.

I hope this letter will make the matter clear to you, but if not perhaps you will write to me again.

Yours sincerely,

Solicitor's Department,

Board of Trade,

Great George Street, S.W.1.

25th May, 1927.

Dear Sirs,

East African Plantations (Kenia Colony) Ltd.

With reference to your letter to the Export Credits Department of the 28th February and our conversation this morning, I shall be glad if you will let me have a letter setting out the arrangement that Messrs. Browne, Drakeford & Co. will share in the proceeds of the Liquidation as ordinary unsecured creditors.

It is understood that it may be best for the Liquidation over here to be left as a matter of form in the hands of the Debenture Holders.

Also the amount provided by Messrs. Browne, Drakeford & Co. for the Liquidation is to be treated as a liability of the Liquidation. When the auction is over the rent, etc. to the Department of Lands, and assume this also will be a liability of the Liquidation. Will you confirm this is the case as follows:

	£	s.
1924.....	3,917	76
1925.....	3,918	78
1926.....	1,990	90
1927.....	1,990	00
	11,817	46
	£590	17 s.

(Sgd. G. D. Hazzard)

G. D. Hazzard

for Solicitor,
Board of Trade

Messrs. Kennedy, Lindo & Co.
Solicitors,
79, Coleman Street,
E.C.2.

MENNEDY, LING & CO.

Solicitors, 79, Coleman Street, London, E.C. 6.

17th June, 1921

Dear Sir,

East African Plantations (Kenya) Limited.

We regret the delay in writing to you in reply to your letter of the 25th May. The Debentures of this Company were issued to Messrs. J. L. Browne, F. Drakeford and W. H. Machin who then constituted the firm of Browne Drakeford & Co.

Since the issue of the Debentures there have been several changes in the constitution of the firm and disputes have arisen in reference to the firm's assets between Messrs. Browne and Drakeford which are still pending.

Mr. Drakeford has named Mr. Messrs. Browne and Machin as his agents to act on his behalf in relation to the Debentures and interests in the Debentures and to claim for the Debentures and to claim for the Debentures and to claim for the Debentures and to claim for the Debentures.

Mr. Drakeford has advised to the liquidator that the Debentures are to be treated as preferential claims and not as Debentures in priority to the ordinary unsecured creditors.

Mr. Drakeford has retained in order to protect his rights and the benefit of the creditors generally. It is our intention to advise you at our interview on the 25th May.

We understand from Mr. Browne that Mr. Drakeford's interest in the Debentures is very small. We have written to him trying to secure his consent to this arrangement but have not yet been able to obtain same and are writing him again.

Yours

on the matter. We are however personally of opinion from our knowledge of Mr. Drakeford that even if we are not able to procure his consent at the present time owing to the partnership disputes there would be no doubt about his consenting when the time came for distribution. The question of the liability for the rents will of course have to be dealt with by the Liquidator before the Estate can be finally wound up but unfortunately at the present time he has no assets in hand to distribute. The position with Abar Monte is still the same but Mr. Serras was able at the end of last month to meet the Governor of Italian Somaliland who was then in London from him the proceeds of the Licenses for the high sea properties and we are expecting to receive the same shortly. We will then be in a position to complete the purchase of Abar Monte Limited to complete the purchase and as I informed you we are very disappointed as to their financial capacity to carry out the transaction.

(Signed) _____

Mr. Serras
 10, St. George's Place
 St. George's Place

Solicitor's Department,

Board of Trade,

Great George Street,

London, E.C. 4.

1937.

Dear Sirs,

East African Plantations (Kenia Colony) Ltd.

My references to the... due to the...
 Department... land... about... to wife... have spoken...
 ...not enough...
 ...in 1931... will...
 ...directions of the...

(Signed) ...

per solicitor,

Solicitor's Department,

Board of Trade,

1 George Street,

London, E.C. 4.

Dear Sirs,

East African Plantations (Kenia Colony), Ltd.

In reference to the...
...land...
...not enough...
...direction of the...

(Signed) ...

For ...

KENNEDY, LINDO & CO.

Solicitors, 79, Coleman Street,
London, E.C.12.

K/M
20th June, 1927.

Dear Sir,

East African Plantations Kenya Colony Limited.

We duly received your letter of the 27th inst. We could not however advise Mr. Machin to give the assurance you suggest. There is no doubt that the rent due to the Department of Lands Nairobi is a liability that will have to be dealt with by the Liquidator and probably it is a preferential claim in the liquidation but the moneys that have been advanced to the liquidator for the purpose of carrying on and keeping the assets alive were advanced on the understanding that they were to be a first charge on the Company's assets and these moneys and the interest thereon should therefore be repaid in priority to everything else as it is obvious that if these moneys had not been advanced there would have been no assets to distribute. We do not think this question is likely to arise as we hope for the sake of all concerned that even if the present Contract for Sale to Abaramonte Limited should not for any reason be carried through another Purchaser can be found at a price that will be more than sufficient to cover the advances to the Liquidator and preferential claims. As we have already informed you we have already advised Mr. Machin the Liquidator that before any distribution whatever takes place he should submit his accounts and plan of distribution to you as being the first creditors after Messrs. Brown, Brakerford & Co. and we have no doubt that Mr. Machin will follow this course. If therefore the plan of distribution should not provide for payment of the debts to your satisfaction there would be time enough for you to

/protect

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KENNEDY, LINDSAY & CO.

Solicitors

79, Coleridge Street,

London, E.C.2.

E/M

30th June, 1927.

Dear Sir,

East African Plantations Kenya Colony Limited.

We duly received your letter of the 27th inst. We could not however advise Mr. Machin to give the assurance you suggest. There is no doubt that the rent due to the Department of Lands Nairobi is a liability that will have to be dealt with by the Liquidator and probably it is a preferential claim in the liquidation but the moneys that have been advanced to the liquidator for the purpose of carrying on and keeping the assets alive were advanced on the understanding that they were to be a first charge on the Company's assets and these moneys and the interest thereon should therefore be repaid in priority to everything else as it is obvious that if these moneys had not been advanced there would have been no assets to distribute. We do not think this question is likely to arise as we hope for the sake of all concerned that even if the present Contract for Sale to Abaramonte Limited should not for any reason be carried through another purchaser can be found at a price that will be more than sufficient to cover the advances to the liquidator and preferential claims. As we have already informed you we have already advised Mr. Machin the liquidator that before any distribution whatever takes place he should submit his accounts and plan of distribution to you as being the first creditors after Messrs. Brown, Drakeford & Co. and we have no doubt that Mr. Machin will follow this course. If therefore the plan of distribution should not provide for payment of the debts to your satisfaction there would be time enough for you to

protect

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protect the Department of Lands before the liquidator
distributes the moneys realized by sale of the assets,
Mr. Machin has no personal interest in the matter and will
certainly not do anything that would involve any personal
risk or liability.

Yours faithfully,

(Signed) KENNEDY, LINDO & CO.

The Solicitor
Board of
Trade

17

protect the Department of Lands before the liquidator
distributes the moneys realized by sale of the assets.
Mr. Machin has no personal interest in the matter and will
certainly not do anything that would involve any personal
risk or liability.

Yours faithfully,

(Signed) KENNEDY, LINDO & CO.

The Solicitor
Board of
Greece

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Solicitor's Department,
Board of Trade,
Great George Street,
S.W.1.

1st July, 1927.

Dear Sirs,

East African Plantations
(Kenia Colony) Limited.

In reply to your letter of yesterday's date, can you let me have Mr. Machin's assurance that he will follow the course advised by you and submit his accounts and plan of distribution to the Board so that there may be time for application to the Court if desired;

Yours truly,

(Sgd.) G.D. Hazzledine.

for Solicitor,
Board of Trade.

Messrs. Kennedy, Lindo and Company,
Solicitors,
79, Coleman Street,
London, E.C.2.

KENNEDY LINDO & CO.

79, Coleman Street,

London, E. C. 2.

8th July, 1927.

K/M.

Dear Sir,

East African Plantations (Kenya Colony) Limited

Referring to your letter of the 1st inst. we have now received Mr. Machin's authority to assure you that he will follow the course advised by us and submit his accounts and plan of distribution to the Board so that there may be time for application to the Court if desired.

Yours faithfully,

(Sgd.) Kennedy Lindo & Co.

The Solicitor,
Board of Trade,
Great George Street,
S. W. 1.

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KENNEDY LINDO & CO.

78, Coleman Street,

London, E. C. 2.

8th July, 1927.

K/M.

Dear Sir,

East African Plantations (Kenya Colony) Limited

Referring to your letter of the 1st inst. we have now received Mr. Machin's authority to assure you that he will follow the course advised by us and submit his accounts and plan of distribution to the Board so that there may be time for application to the Court as desired.

Yours faithfully,

(Sgd.) Kennedy Lindo & Co.

The Solicitor,
Board of Trade,
Great George Street,
S. W. 1.

120

Solicitor's Department,
Board of Trade,
Great George Street,
S.W. 1.

14th July, 1927.

Dear Sirs,

East African Plantations (Kenya Colony) Ltd.

I have to thank you for your letter of the 8th instant with the assurance that Mr. Machin will submit his accounts and plan of distribution to the Board so that there may be time for application to the Court if desired.

Can you now let me know that the Debenture will be dealt with as set out in your letter of the 17th ultimo. You spoke to me about this over the phone on the 27th ultimo and you read a letter from Mr. Drakeford and were writing to Mr. Browne.

Yours truly,
(Sgd.) G.D. Hazledine
for Solicitor,
Board of Trade.

Messrs. Fenner & White & Co.,
Solicitors,
29, Abchurch Lane,
London,
E.C. 4.

120

Solicitor's Department,
Board of Trade,
Great George Street,
S.W.1.

14th July, 1927.

Dear Sirs,

East African Plantations (Kenya Colony) Ltd.

I have to thank you for your letter of the 8th instant with the assurance that Mr. Machia will submit his accounts and plan of distribution to the Board so that there may be time for application to the Court if desired.

Can you now let me know that the Debenture will be dealt with as set out in your letter of the 17th ultimo. You had spoke to me about this over the phone on the 27th ultimo when you read a letter from Mr. Drakeford and were writing to Mr. Brown.

Yours truly,
(Sgd.) G.D. Hazledine
for Solicitor,
Board of Trade.

Kennedy & Co.,
Solicitors,
29, Cannon Street,
London,
E.C.4.

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Browne, Drakeford & Co.,
Orleans House,
Liverpool.

ED/ED.

8th March, 1926.

The Solicitor,
Board of Trade,
Great George Street,
London, S.W.1.

Dear Sir,

In regard to your letters of the 3rd and 5th March after very due consideration we have decided that we will pay you an amount of £30 immediately after you have given your consent to immediate steps being taken by the Liquidator of East African Plantations, to realise the assets in East Africa at whatever price they may bring, either by private treaty or a sale by auction. When this arrangement is concluded we would then like you to give your consideration to our proposal to pay the balance at the rate of £25 per month.

Yours truly,

(Sgd) Browne, Drakeford & Co.

R.C.1958/D.

DEPARTMENT OF OVERSEAS TRADE,
EXPORT CREDITS DEPARTMENT.

31, King Street,

London, E.C.2.

19th April, 1926.

Sir,

I am directed by the Board of Trade to refer to the letter from this Department of the 5th March 1925 and previous correspondence on the subject of the debt of the East African Plantations (Kenya Colony) Ltd. to the Export Credits Department arising out of bills drawn by Robey & Co. Ltd. and Francis Theakston Ltd., which bills have now come into the possession of the Department in consequence of the Department having paid on its guarantee thereon.

2. In previous correspondence, in particular the Department's cable of the 5th February 1925 and your reply of the 27th February, the Department raised the question of the removal of the present liquidator and his replacement by the Official Receiver in Kenya Colony. This question has been in abeyance whilst negotiations have been in progress for the sale of the company to Italian interests, but the Department now desires to raise it again. The present position is that some 12 months have been occupied in negotiations with Italian groups with a view to the sale of the estate. The company La Scmalis, referred to in previous correspondence, ceased to be interested in the matter and a further group introduced by an Italian promoter, named Signor Cerasoli, began negotiations a few months ago. Although the purchase price offered by this group consisted almost entirely of scrip in a new company, the creditors at a meeting held in January last were not unfavourably disposed towards considering a definite offer on these lines. A note of the proceedings at this meeting is enclosed in case it should be of interest to you, although it is not expected that any satisfactory offer will result from these negotiations.

The reason for this view is that as the estate is most likely to be bought by any but Italians, and as it has already been on offer for some considerable time, it seems highly likely that any Italians who might be interested in the estate have formed the opinion that they have only to gain by waiting. The possibility that the estate will shortly have to be sold by auction in fact induces the attitude of all the parties concerned at the present time. In particular the Department see a great danger that the estate may be bought in by Ervyn Drakeford & Co. at a ridiculously low figure in the event of such an auction, and the firm may then be able to obtain for themselves alone advantages from the sale of the estate which ought to be shared amongst the whole of the creditors. Alternatively, there is nothing to prevent Ervyn Drakeford & Co. at present making arrangements in their own interests with any interested Italian capitalists which would not be to the advantage of the Department.

As matters have now reached this stage it appears that the Department's interests and those of the other creditors are more likely to be safeguarded if the present liquidator, Mr. Machin, is replaced by the Official Receiver for Kenya

Colony

His Majesty's Trade Commissioner,

NAIROBI.

K.C.1958/3.

DEPARTMENT OF OVERSEAS TRADE,
EXPORT CREDITS DEPARTMENT.

21, King Street,

London, E.C.2.

19th April, 1926.

Sir,

I am directed by the Board of Trade to refer to the letter from this Department of the 5th March 1925 and previous correspondence on the subject of the debt of the East African Plantations (Kenya Colony) Ltd. to the Export Credits Department arising out of bills drawn by Robey & Co. Ltd. and Francis Theakston Ltd., which bills have now come into the possession of the Department in consequence of the Department having paid on its guarantee thereon.

2. In previous correspondence, in particular the Department's cable of the 5th February 1925 and your reply of the 27th February, the Department raised the question of the removal of the present liquidator and his replacement by the Official Receiver in Kenya Colony. This question has been in abeyance whilst negotiations have been in progress for the sale of the company to Italian interests, but the Department now desires to raise it again. The present position is that some 18 months have been occupied in negotiations with Italian groups with a view to the sale of the estate. The company La St. Alia, referred to in previous correspondence, ceased to be interested in the matter and a further group introduced by an Italian promoter, named Signor Garasoli, began negotiations a few months ago. Although the purchase price offered by this group consisted almost entirely of scrip in a new company, the creditors at a meeting held in January last were not unfavourably disposed towards considering a definite offer on these lines. A note of the proceedings at this meeting is enclosed in case it should be of interest to you, although it is not expected that any satisfactory offer will result from these negotiations.

3. The reason for this view is that as the estate is most unlikely to be bought by any but Italians, and as it has already been on offer for some considerable time, it seems highly likely that any Italians who might be interested in the estate have formed the opinion that they have only to gain by waiting. The possibility that the estate will shortly have to be sold by auction in fact governs the attitude of all the parties concerned at the present time. In particular the Department see a great danger that the estate may be bought in by Browns Drakeford & Co. at a ridiculously low figure in the event of such an auction, and the firm may then be able to obtain for themselves alone advantages from the sale of the estate which ought to be shared amongst the whole of the creditors. Alternatively, there is nothing to prevent Browns Drakeford & Co. at present making arrangements in their own interests with any interested Italian capitalists which would not be to the advantage of the Department.

4. As matters have now reached this stage it appears that the Department's interests and those of the other creditors are more likely to be safeguarded if the present liquidator, Mr. Machin, is replaced by the Official Receiver for Kenya

Colony

His Majesty's Trade Commissioner,

NAIROBI.

R.O. 1958/D.

DEPARTMENT OF OVERSEAS TRADE,
EXPORT CREDITS DEPARTMENT.

21, King Street,

London, E.C.2.

19th April, 1926.

Sir,

I am directed by the Board of Trade to refer to the letter from this Department of the 5th March 1925 and previous correspondence on the subject of the debt of the East African Plantations (Kenya Colony) Ltd. to the Export Credits Department arising out of bills drawn by Robay & Co. Ltd. and Francis Theakston Ltd., which bills have now come into the possession of the Department in consequence of the Department having paid on its guarantee thereon.

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Colony

His Majesty's Trade Commissioner,

NAIROBI.

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Colony, and the Department would be glad if you would again take up the matter with the Attorney General. If his opinion is favourable to the success of an application to the Law Courts, the Department will be glad if you will cause such application to be made forthwith. The application should be made in the joint names of the Department (or yourself) and the Land Officer, as stated in your telegram of the 27th February 1925. The grounds on which such an application should be made have been partly set out in previous correspondence. To them should be added the following points:-

- (1) Mr. Machin's absence from Kenya Colony.
- (2) The relationship, past and present, between Mr. Machin and Browne Drakeford & Co., the chief creditors, and the obvious difficulties in the way of the liquidator acting in the interests of the creditors general.
- (3) The fact that, at a meeting of the creditors held on the 20th August, 1925, during a discussion as to the rights of Messrs. Browne Drakeford as holders of certain debentures, the discussion was delayed for about half an hour whilst Mr. Drakeford, his solicitor, and the liquidator left the meeting to discuss privately elsewhere.
- (4) At the same meeting Mr. Drakeford attempted to force a resolution to sell the assets for £15,000 cash threatening that the alternative would be the sale of the assets locally for whatever price they would fetch.
- (5) The fact that the local claims have been bought by Browne Drakeford may indicate that this firm's object was to deprive the other principal creditors of the numerical support of the local creditors.
- (6) The peculiar position of Messrs. Browne Drakeford and their attitude towards the Department is shown by the following facts:-

When the Department guaranteed the bills drawn on the East African Plantations by Francis Theakston Ltd., Browne Drakeford gave their guarantee to the Department for the risk involved and payment was due by Browne Drakeford under this guarantee in May 1925. To meet the convenience of the firm the Department agreed to delay until August 1925, but payment was not made, and recently the Department were forced to threaten proceedings for the recovery of this sum.

The attitude taken by Browne Drakeford is shown in their letter of the 8th March, which indicates how close are the relationships between that firm and the liquidator of the East African Plantations.

5. For your information I am to enclose copies of notes made by the Department's Solicitor of the meetings of creditors held on the 20th August 1925 and the 6th January 1926.
6. Any further information that you may desire will be furnished on receipt of a telegram from you.

7. I am to enquire whether the Land Officer is receiving rent. The Department has been given to understand that the monthly payments in respect of rent, amounting to approximately 290 a month, are being continued by Browns Wakeford & Co., who, it is thought, are recouping themselves from the sale of the crops, which last year realised approximately 12,000.

I am,

Sir,

Your obedient Servant,

(Sgd.) F.E. Nixon.

7. I am to enquire whether the Land Officer is receiving rent. The Department has been given to understand that the monthly payments in respect of rent, amounting to approximately £90 a month, are being continued by Browns Deakerford & Co., who, it is thought, are recouping themselves from the sale of the crops, which last year realised approximately £2,000.

I am,
Sir,

Your obedient Servant,

(Sgd.) P.E. Nixon.

HIS MAJESTY'S COMMISSIONER IN EAST AFRICA

P.O. Box 220,

Nairobi, Kenya.

29th June, 1926.

125
END

KA/168/26

Sir,

In reply to your despatch ED 12875 of 30th April, I have taken up with the Honble. The Attorney-General the questions in the memorandum enclosed in your letter as to the application in the Court for the appointment of the Kenya Official Receiver as liquidator in the case of The East African Plantations, Ltd.

2. The Attorney-General advises me that inasmuch as there are no assets of the East African Plantations, Ltd. (in liquidation) in Kenya Colony he does not see the object of appointing a Receiver here.

3. It would appear that the legal position is that any application in this matter would have to be made to the responsible Courts in Oltre Giuba (Italian Transjubiland) and it accordingly seems to me that any such application should be made from your end and not from here.

4. Is it not possible that this case could best be put before the Official Receiver to The Board of Trade in London and that the interests of the Export Credits Department and the Land Office in Kenya could best be served by action taken by that official through the Foreign Office, or other proper quarter.

I am, Sir,

Your obedient Servant,
(Sgd.)

H.M. Trade Commissioner.

The Comptroller-General
D.O.F.

P.O. Box 220.

Nairobi, Kenya.

29th June, 1926.

125
ENDKA/152/26

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(Sgd.)

H.M. Trade Commissioner.

The Comptroller-General

D.G.F.

P.O. Box 220,

Nairobi, Kenya.

29th June, 1926.

125
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I am, Sir,

Your obedient Servant,

(Sgd.)

H.M. Trade Commissioner.

The Comptroller-General
D.O.F.

PUBLIC RECORD OFFICE

END

TOTAL EXPOSURES →