

1924
~~1920~~

KENYA

499

C.O.
1334
9 JAN 24

FROM
Dalton's Coy.

7th January 24

OR CIRCULATION:-

SUBJECT

Mr. *Burke*
Mr.
Ms.
Asst. U.S. of S.

Magadi Soda Company

Sir H. Ross
16/1/24

Sets out position with regard to the £9000 - £9000 due by the Coy. to the Clearing Office for claims due to German Nationals.

Form U.S. of S.

Part U.S. of S.

Secretary of State.

Previous Paper

MINUTES

\$100
61999
-23

17 JAN 1924

to Clearing Office
copy to Mr. Manning's Secy. 23/1/24.

Lord Southborough when he called (i.e. Sir H. Ross & me) saw us both. The position, as he understood it, was that the Clearing Office were about to issue a writ. We undertook to expedite the despatch of the general letter on the question of the reconstruction, and it was sent off the same day. After Lord Southborough had gone, we consulted Mr. Dixon and found that there was no convenient means of semi-official communication with the Clearing Office on this subject. We then searched our memories and concluded that we had made no commitments to Lord Southborough on this point.

The next morning, I received the attached letter from ^{13 Jan} Colonel Symonds.

The Company are ~~in~~ ⁱⁿ ~~the~~ ^{the} notices of voluntary liquidation and it is to be presumed that before the 21 days expire they will have proceeded far enough to

Subsequent Paper

\$100
1384
-24

prevent this move of the Clearing Office having a bad effect on the reconstruction and probably to induce the Court (if the writ issues) to give the reconstruction a chance.

If Mr. Bushe agrees, however, we might communicate officially with the Clearing Office, explain the position and say they will no doubt be prepared to accept the attitude of the Colonial Government in assisting the reconstruction of the Company as evidence that that is the best course in the interests of all parties. If we do so we should simply tell Messrs. Walton that we are in communication with the Clearing Office and say that ~~we~~ it is agreed with Lord Southampton that in the circumstances explained the correspondence regarding reconstruction must be pushed forward and ~~write~~ the question of approaching the Clearing Office semi-officially was considered with him, ^{but that} it is not in the recollection of officers of the Dept. that any communication on the subject had taken place.

Mr. H. H. H. H.

500

Mr. H. H. H. came over from the Clearing Office this morning & saw Mr. Bushe, Mr. Dixon & me. ^A ~~He~~ fresh point that emerged was that the Island Revenue are also a creditor of the Company (Tax on debenture interest - £18,000) but that they have agreed to take 75% of the amount in preference shares of the new Company.

We appeared to Mr. H. H. H. better feelings and also to his (official) self-interest: the Clearing Office, being quite unprepared, have no earthly chance of getting any thing out of the week, & I think we moved him; but Mr. Bushe has told this afternoon that the Clearing Office have decided to proceed to issue the 100,000.

We have done what we could, & we have, incidentally, made it clear that, if the Company breaks up, we shall do every thing we can to put the Govt. of Kenya in the best possible position.

The amount involved is £5,000 principal & accrued interest, £17,000.

at 10/15 24
H.B.
187

less two men of £5000 paid on
account

It was suggested to Mr. Budge
this afternoon that Henry might
pay off the £4,000. Henry might
also pay off the Ireland Revenue
claim & the debtors, but I
don't recommend it.

Henry you have seen, I must
consult with Mr. Budge as to
placing Mr. Solicitor, on the Irish
side new development. We must
be in hand in the future.

Oct 22 1741

For some time with a
interrupted view of the
bank of the River of the
Liffey

23 1741

informing you that the
paper has been received
and is not, as we expected,
a petition to put the
Company into compulsory
liquidation, but is a
demand to pay within
21 days or they will
endeavour to lodge this
petition.

Yours faithfully
C. J. Armas

TELEGRAMS: SHELL &
TELEPHONE: LONDON E.C.2.

SHELL HOUSE,
25, BISHOPSGATE,

LONDON, E.C.2. Jan 3rd 23

Dear Mr Bottomley,
I have Southborough
told me this afternoon
that he had spoken to
you about a possible writ
that the Clearing House
Enemy Debts might issue
against us
I think that

WALTONS & CO

CHARLES WALTON
G B PERRY
J W G WYATT

P.

100 MARK LANE LONDON
E.C. 3

TELEGRAPHIC ADDRESS
WALTON AND PERRY LONDON
BENTLEY'S CODE
CABLE ADDRESS
WALTONIAN LONDON



502 10

*Padenhall House,
101, Padenhall Street,
London*
January 8th 1924

Sir,

MAGADI SODA CO. LTD.

We understand that Lord Southborough recently called upon your Department and had an interview either with Sir Herbert Read or Mr. Bothamley. He informed your Department that the Clearing Office, which is a creditor of the Company for between £8,000 and £9,000 for claims admitted by the Company to be due to German Nationals, on the 3rd inst., served 21 day notices upon the Company with a view to founding proceedings for a compulsory liquidation. We believe that Lord Southborough suggested to your Department that you should make representations to the Clearing Office as to the undesirability of their taking these proceedings and that you desired that the Company's Solicitors should write to you setting out the position. We therefore write.

If you desire to have any further particulars we shall be happy to afford them.

We are, Sir,

Your obedient Servants

W. A. ...

The Under Secretary of State,

Colonial Office. SW 1.

W. 1334/14 Kenya

503

Ind

DRAFT.

17 Jan 1924

de Waltons & Co. Gent.

James to adv the Rect.

MINUTE.

of your letter of the 8th of
 Mr. Brew Jan 16
 Mr. Bottomley 16.1.24
 Mr. Jan 7 & to inform you
 that this Dept is in
 communication with the
 Clearing Office relative
 to their action with regard
 to the Kapadi Soda Co,

- Sir C. Davis.
- Sir G. Grindle.
- Sir H. Reed.
- Sir J. Masterton Smith.
- Mr. Ormsby-Gore.
- Duke of Devonshire.

Wfb

W. 1334/24 Kenya

504

O. D.
R 16 JAN
D 17

Se

17 Jan 1924

DRAFT.

Sir,

ccy
Clearing Office
(Enemy Debts).

I am to request you
to inform the Controller that
he understands that the

MINUTE.

Clearing Office have served

Mr. Brett Jan 16
Mr. Bottomley 16.1.24
Mr.

notices on the Kapadi Soda
<sup>(in respect of claims due to German
Nationals)</sup>
Co. Ltd. with a view to

Sir C. Davis.
Sir G. Grindle.
Sir H. Read.
Sir J. Masterton Smith.
Mr. Ormsby-Gore.
Duke of Devonshire.

founding proceedings for
a compulsory liquidation
of the Company.

2. Negotiations have proceeded for
~~It is proposed by the~~
~~Govt. of Kenya to assist the~~
~~reconstruction of the Company~~
x. since the acting

might take

rdft

the Colonial Office have been
in touch with the Clearing Office
and have represented to them
that their best economic interests,
in common with those of other
interested parties, would appear
to lie in the direction of
assistance for settling the
company to be reconstituted,
but it is now understood
that the Clearing Office have
decided to proceed with the
action indicated in Messrs Wolton's
letter.

Signed H. J. READ