

THE BANKRUPTCY OF MR. ROBT. FULLER

GRAHAM.—The first meeting of creditors under the bankruptcy of Mr. Robert Fuller Graham, late of The Laurels, Wash Common, Newbury, was held on Wednesday at the Temperance Hall, when Mr. Cecil Mercer, the official receiver, conducted the proceedings. The debtor was present, accompanied by his solicitor, Mr. A. Campbell Bazett, and his brother, Mr. T. W. Graham. Mr. H. Jackson represented the petitioning creditors. In reply to the Official Receiver, Mr. Bazett said he had no offer to make on the debtor's behalf, and it was then resolved that application should be made to the Court to adjudicate the debtor a bankrupt. Mr. R. Johnston (one of the creditors) having questioned the debtor as to the representations on which he had borrowed money from him the proceedings closed. The debtor's statement of affairs shows his liabilities to unsecured creditors to be 2,645*l.* 7*s.* 4*d.*; while his assets are: furniture 127*l.* 5*s.*, and surplus from securities held by fully secured creditors 20*l.* 14*s.* 4*d.* From these are deducted preferential creditors' claims, 12*l.* 10*s.*, leaving a deficiency of 2,509*l.* 18*s.* The official receiver in his observations says the debtor has never kept any books of account. About three months prior to the date of the Receiving Order he gave a Bill of Sale on his furniture to his brother Walter Graham, the consideration being for former advances. No money being therefore lent when the Bill was given, it would seem that it was void as against the trustee in bankruptcy.—The public examination of the debtor took place in the County Court in the afternoon before the judge (Mr. Vernon Lushington, Q.C.) The official receiver reported the proceedings at the meeting, and at his suggestion the debtor was sworn, and stated that he had disclosed the whole of his debts and assets. Mr. R. Johnston, in continuation of his questions to Mr. Graham that morning, said when the debtor came to him for an advance he represented that there were certain Chancery proceedings nearly at an end in which he was interested, and from which he should certainly have an amount to draw. Instead of receiving those funds to repay his loan, the debtor subsequently executed five mortgages on the same property. The debtor admitted these facts, but said he fully meant to repay Mr. Johnston. He admitted that under great pressure he afterwards raised mortgages on the same property, which his Honour characterised as breaking faith with Mr. Johnston. Mr. Johnston said his Honour would clearly see it was a fraud on him. The official receiver asked the Judge to close the debtor's public examination and adjudicate him a bankrupt, to which his Honour consented. The official receiver said he thought the debtor had been borrowing money most recklessly, and contracted debts without any reasonable prospect of being able to repay them, but that was a matter for consideration hereafter when the debtor applied for his release. His Honour having intimated to Mr. Johnston that he would have a subsequent opportunity of urging the matter he had mentioned, the proceedings concluded.