

KOMESAROFF INSOLVENCY.

JUDGE ASKS QUESTIONS.

Exchanges Between Counsel.

The affairs of Peter Komesaroff, who described himself as a Russian Jew, and who traded in Geelong and elsewhere in Victoria as a draper, were again investigated in the Insolvency Court yesterday before Judge Moule. At previous hearings it was brought out that there was a deficiency of £5,110 18 5. Mr. Stanley Lewis appeared for the trustee (Mr. F. W. Small), Mr. Dunlop for S. Komesaroff (brother of the insolvent), Mr. Menzies for A. H. Siree, of the A.B.V. Manufacturing Co., Mr. Walker for the A.B.V. Manufacturing Co., and Mr. Ah Ket for the insolvent.

At the outset, Mr. Ah Ket asked that the examination of the insolvent be expedited as he was in danger of losing his situation by reason of the time he was being kept from business.

Judge Moule.—I cannot do that. This is a serious insolvency, and matters to be probed to the bottom.

Recalled, Mr. Baker, according to Beath, Schiess, and Felstead Ltd., said that the insolvent and his cousin, Zimood, called upon him and showed him the agreement they had entered into over the Stawell shop. Zimood said that he was taking over the liabilities of the Stawell shop to witness's firm so far as they were covered by the stock. If the money returned to the firm week by week was less than the bills falling due, Komesaroff was to give a cheque for the balance, while if the money drawn from the sales was greater Zimood was to pay his cousin the difference. In eight weeks all that witness received was £84 18 1, although Komesaroff said the stock was worth £1,080.

Judge Moule.—The bankrupt has said that his whole stock depreciated by £1,200. Can you tell us anything about that? It seems extraordinary. I do not know anything about the value of drapes. I know more about the three-card trick. (Laughter.)

Witness.—I have no knowledge of what his stock was.

Mr. Lewis.—Can you tell us anything about the sale of the Horsham shop?

Witness.—It was an ordinary business transaction.

Judge Moule.—Not ordinary, Mr. Baker.

Mr. Lewis.—We say it was extraordinary.

Witness.—Komesaroff told me he wanted to sell the business in order to get money to pay some of his creditors, and on my advice it was sold to a man named Vaughan. We financed Vaughan.

Judge Moule.—And you kept off £200

Vaughan. We financed Vaughan.

Judge Moule.—And you kept off £200 of the purchase price. What right had you to do that?

Witness.—We did it in order to pay some of Komesaroff's overdue bills to us. Komesaroff objected.

The further examination of this witness was adjourned.

Abraham Hyat Sierce, manufacturer, of the A.B.Y. Manufacturing Co., was examined by Mr. Lewis in regard to a loan of £80 given to Komesaroff. The witness said he could not be certain whether it was a direct loan from the company or whether he had used his mother's money to give Komesaroff the cheque, the company afterwards taking over the loan.

Mr. Lewis was pressing the witness when Mr. Menzies objected. "You get him into the witness box and address him as if he were a thief," he said. "The witness has shown no reluctance to answer."

Judge Moule.—I agree, but you must recognise that this matter is important.

Mr. Menzies.—I would not know what books to bring if I were summoned here.

Mr. Lewis.—Of course you would, otherwise you would not show your usual sagacity.

Mr. Menzies.—I say I would not, and I would not be called a thief by you either if I were a witness.

Mr. Lewis.—Of course not, for the reason that you would not do the things I am complaining about.

Judge Moule.—Gentlemen, this will not do. I am in charge of the proceedings of this Court.

Mr. Menzies.—That is the first welcome statement I have heard this afternoon.

Judge Moule.—You must realise that there is a deep atmosphere of suspicion about this case, and that we mean to thoroughly investigate all these curious and extraordinary transactions.

In reply to Mr. Lewis, the witness denied that goods were mixed up in the transaction, and was positive that he had not said to anyone that when he got a cheque from Komesaroff in repayment he would pass it to his mother, so that it could not be traced.

Judge Moule asked the witness to explain his relations with Isaacsman and Komesaroff over the Ararat shop, when Mr. Menzies said that Sierce had already given that information to the Court.

Judge Moule.—This is my witness, Mr. Menzies, and he has not given the information.

Mr. Menzies.—With all respect, he has already told the Court.

Judge Moule.—Sit down, Mr. Menzies, I will not listen to you.

Mr. Menzies continued to stand, whereupon Judge Moule turned to the witness and elicited from him the statement that the basis of sale was that Isaacsman would take over Komesaroff's liabilities to the A.B.Y. Company, and that the company would deal with Isaacsman instead of Komesaroff.

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