

3825. Q. Look, what we are dealing with is this, Mr. Poulson, not what has happened to your unfortunate assets but the state of mind of you and your advisers in March, 1968, when you were making approach to the bank to get an overdraft of something over £100,000. Now, are you suggesting that the figures put in this letter were not the figures in your mind at that time? A. Certainly not the £100,000 for "Manasseh", and certainly I wouldn't have thought that the bungalow was £15,000.
3826. Q. Well, what would you say "Manasseh" was worth? A. Well, £60,000, sir.
3827. Q. Yes. And the bungalow? A. Well, I would have thought eight was the figure, but we only got seven.
3828. Q. I do not want you to concern yourself with what the properties ultimately fetched; we are dealing with a letter from your office to the bank asking for credit. What about (c); what do you say that figure ought to have been as put forward at that time? A. £14,000, or £15,000 in total.
3829. Q. You mean nett four? A. No, that is the bungalow and the two semi-detached. There are two semi-detached, £3,000 each.
3830. Q. They had a mortgage of £10,000? A. Yes.
3831. Q. So nett four. And then Batco House. A. Well, this cost £50,000. I suppose that is why he put it in at that figure.
3832. Q. What did you think it was worth when you were trying to get the bank to give you an overdraft? A. Certainly I would have thought it was worth £40,000, but it did cost £50,000 if the accounts were produced.
3833. Q. Well now: "(e) Mr. Poulson owns, through Mrs. Poulson as nominee, the shares in a company known as Ovalgate Investments which owns properties in Harrogate", and so forth. Do you disown that statement? A. Yes, sir.
3834. Q. What is wrong with it? A. Mrs. Poulson is not the nominee, she owns the shares.
3835. Q. How could Mr. Camm have come to make that mistake? A. I have no idea, sir.
3836. Q. When did you first see this letter? A. Oh, very recently, at Mr. Saffman's, I think.
3837. Q. You mean not at the time when you were trying to get the money? A. I can't remember seeing it then, sir.
3838. Q. You see, if you knew that false statements had been put forward to the bank for the purposes of obtaining credit, it would have been your duty to put it right? A. Well, I'm quite sure that I wasn't aware of this, or I would never have agreed

to certainly the (a) part, £100,000. I mean, the others are only small figures.

3839. Q. Well, then you put forward the balance-sheet figures of Ropergate, and then O.S.B. A. I didn't put forward any of these. I expect he was asked by Dolton to send them.
3840. Q. Now, will you turn to the third page? A. Yes, sir.
3841. Q. "C.P. Limited", which is Construction Promotion Limited, "This is an associate company which has now become self-financing and has very good potential in Angola. Mr. Poulson holds the majority shares through his nominee, Mrs. Poulson." Is that right? A. No, sir, never has been. We should never have done the work if it had been so.
3842. Q. How do you mean? A. Well, Mr. Pollard and I never got on, and I never had anything to do with it, not being a civil engineer, and as they only did civil engineering work.
3843. Q. What is wrong with what I have just read out? A. What is wrong is that Mrs. Poulson was not the nominee.
3844. Q. Your nominee? A. Yes, very definitely, and I am quite sure that Mr. Pollard, Sir Bernard Kenyon and Mr. Marx will confirm that.
3845. Q. And how did Mr. Camm come to make that mistake? A. I have no idea, sir.
- MR. MUIR HUNTER: Let me have the file back and give the learned Registrar my copy of the letter I have just read.
- THE REGISTRAR: I have one.
3846. MR. MUIR HUNTER: Mr. Poulson, the letter, although physically signed by Mr. Camm, is written "p.p. J.G.L. Poulson." Do you know what the reply was from the bank of the 20th March, 1968? A. They couldn't take on accounts at that time.
3847. Q. No, no, wait a minute. "Dear Mr. Poulson, Thank you for your letter of 14th March." Now, that is the one we have just been looking at. And then they go on to say that Mrs. Poulson's assets cannot be regarded as helping towards the finance wanted unless she was prepared to sign a guarantee. This is because, is it not, Mrs. Poulson was the registered owner of the shares? So, if you saw that letter you would know what he was replying to, would you not? A. I suppose so. I can't recall it though.
3848. Q. Mr. Camm replied to the bank on the 21st: "We would wish to give consideration to the reply and hope to communicate in a few days." Now, the next letter of the 25th March, 1968,

is a letter written and signed by yourself. May I take it that when you wrote that you had read the correspondence leading up to it? A. I don't know, sir. I can't remember or recall the letter.

3849. Q. Look at the letter. (Handed to witness) That letter bears your initials, does it not? A. Yes, sir.
3850. Q. And it is written in the first person. It is therefore a letter drafted and written by you, is it not? A. Yes, sir.
3851. Q. On the basis of the correspondence which had passed; is that right? A. Yes, sir.
3852. Q. And there is not one word in that letter correcting the gross mistake which you have attributed to Mr. Camm, is there? A. Sir --
3853. Q. Is there? A. Yes, there is. Yes, there is, because it is suggested that we have instructed Tattersalls to carry out valuations on the property, because I wasn't satisfied.
3854. Q. Very good. But is there any correction of the statements relating -- A. And also as far as Mrs. Poulson is concerned it says that she is prepared to guarantee.
3855. Q. But is there any correction of the statement that she holds the shares as your nominee? A. I take it that that was taken --
3856. Q. Answer the question. A. The word "nominee" doesn't apply, sir, but --
3857. Q. Answer the question, Mr. Poulson. There is no correction of the reference to Mrs. Poulson as your nominee? A. No, sir.
3858. Q. Therefore, I suggest to you that your criticisms of Mr. Camm were quite unfounded and that the letter of the 14th March represents what you were putting forward to the bank? A. It was not correct, sir.
3859. Q. Now, let me take another example of share purchases. You remember the formation of I.P.D? A. Yes, sir.
3860. Q. And it was a condition of the financing of the setting up of I.P.D., obtaining of credit, that Mrs. Poulson should take up 10,000 £1 deferred ordinary shares, was it not? A. I don't think it was in the first stage, no, sir.
3861. Q. Eventually it was? A. Evenutally in March, yes, sir.
3862. Q. Now, you and I have been through, have we not, the transaction whereby those shares were paid for out of money provided from your fees? A. Yes, sir.

3863. Q. That by a somewhat devious arrangement a new account was opened, was it not, at your brother's branch of Barclays Bank at Horbury for the purpose of receiving the sum of £25,000; do you remember that we went into it? A. Yes, sir.
3864. Q. And out of that account was paid £10,000 for the purpose of discharging your wife's purchase price of those shares? A. Yes, sir.
3865. Q. And we know, do we not, that all that money came from you? A. Yes, sir.
3866. Q. Well now, would you say that your wife was the owner of those shares? A. Definitely, sir.
3867. Q. So that at a time when you were unable to pay your debts as they fell due, and had handed over your business to someone else, and had declared a trust in favour of your creditors, you gave your wife £10,000 to enable her to take up shares in I.P.D; is that right? A. No, sir. I was not aware that I had done this until later on in the year when Mr. Grimwood told me about it, as you are well aware from previous remarks.
3868. Q. You see, we have been into this, Mr. Poulson. You apparently got your brother to open -- A. I did not do anything of the sort; Mr. Scott did.
3869. Q. You mean your brother would open an account in your name and allow it to be drawn on without your knowledge or consent. Are you really saying that? A. I did not open that account, sir.

MR. SAFFMAN: Sir, this matter was canvassed before when my learned friend put to the debtor that an account could not be opened without a mandate. I did not deal with the matter at that time because I proposed to leave it until re-examination, but since the matter is now to be raised again, and has been raised again, may I say this, sir; that I would ask my learned friend to bear in mind that there have been accounts previously by Mr. Poulson with Barclays Bank, that Barclays Bank have specimens - as they must have because of the previous accounts - of Mr. Poulson's signature, and that no mandate is required to open an account in anybody's name where the cheques are only to be drawn by the person in whose name the account is opened. A mandate is only required when the bank is to be authorized to release money from the account of a named person on the signature of some other

person, and I think that my learned friend is, with the greatest possible respect, misleading himself in suggesting that an account cannot be opened in the name of a person without that person's knowledge.

MR. MUIR HUNTER: So be it. I show the witness a cheque for £10,000 dated the 19th March, 1970, drawn in favour of his wife and signed by himself. (Handed to witness)

3870. Q. Would you look at that cheque, please? You have seen it before. A. Yes, I produced these three for you.
3871. Q. You recognise your signature on that cheque? A. Yes, sir.
3872. Q. I have a letter from your wife addressed to the Trustee, dated the 17th May, 1972, in which she says as follows:- "Regarding the cheque for £10,000 made out to me, this was paid by my husband to enable me to subscribe for shares in I.P.D. The sole reason why I could not utilize my existing security for those shares was that my securities were pledged with Lloyds Bank as security for Mr. Poulson's overdraft." I show you a photographic copy of the letter in your wife's handwriting. (Handed to witness) That was written from an address at which you and she were then living, was it not? A. Yes.
3873. Q. Do you recognise your wife's handwriting? A. Yes, sir.
3874. Q. The paragraph I have read is on the next page. Is that a mis-statement in that letter? A. The position was, sir --
3875. Q. Is that a mis-statement; yes or no? Do you disown what your wife there says? A. No, she is quite correct in saying I paid for it, obviously, for the simple reason that I signed the cheque, but I signed a blank cheque, sir.
3876. Q. Knowing what it was to be used for? A. No, sir.
3877. Q. You mean the cheque, therefore, was filled up without your knowledge or consent? A. I always --
3878. Q. Yes or no? A. The answer is no, sir.
3879. Q. It was not filled up without your knowledge or consent? A. Oh, yes, it was. I didn't know what was going to be on it.
3880. Q. It is therefore a forgery? A. No, sir.
3881. Q. Who did you give the cheque to? A. It was brought down by Scott and I signed it for him.
3882. Q. What was it for? A. I have no idea what any of the three cheques - there were three cheques.
3883. Q. You were not out of your mind at this time, were you? A. Not far off, and I was told to keep away from the

business, and Scott was the financial controller in charge, so one did as one was told.

3884. Q. You mean, Mr. Scott, a chartered accountant in the employ --  
A. He was not a chartered accountant; this has come out recently.

3885. Q. Alright, an accountant in the employ of Cooper Brothers procured you to sign a blank cheque without telling you that it was intended to be used to divert £10,000 of your money to your wife? A. That was not ever disclosed to me, and Grimwood --

3886. Q. Is that what you are actually saying now? A. Yes, sir.

3887. Q. Well then, when you discovered this had been done, what did you do about it? A. I told Sir Bernard Kenyon of it.

3888. Q. What did you actually physically do about it? A. I couldn't do anything, other than I complained to him as he was the joint I.P.D. and was on the board.

3889. Q. You could have written to Scott, or you could have informed the police, could you not? A. Could have informed who?

3890. Q. The police. A. What about?

3891. Q. Conversion. A. I didn't even --

3892. Q. Filling out a cheque without authority? A. Sir, I have filled in hundreds of cheques without --

3893. Q. No, what you are saying is that this money was not spent with your authority? A. I did not know at that time what those three cheques were to be used for.

3894. Q. And you were not told, you say, until you were told by Mr. Grimwood of Clifford Turners? A. That is correct.

3895. Q. And when was that? A. June or July of that year.

3896. Q. Now, Mr. Grimwood knew, did he not, that you were hopelessly insolvent, and had handed over your business on terms that the assets thereby produced should be held for the benefit of your creditors? A. I suppose so.

3897. Q. And Mr. Grimwood can read English quite well, I expect - better than you? A. Certainly.

3898. Q. Do you not think? A. I would agree with that remark.

3899. Q. So, Mr. Grimwood, then, was himself, was he, a party to diverting £10,000 of your money to an unauthorized person? A. Mr. Grimwood certainly knew of this transaction. My wife, I understand, did it at the request of Scott.

3900. Q. Do you disown the transaction? A. I certainly disown it on the grounds that I did not sign a cheque made out for my wife.

3901. Q. No, no. Do you disown the transaction whereby £10,000 of your money, which should have belonged to your creditors, was used to buy shares for your wife? A. But, sir, I understand the case --
3902. Q. Do you disown the transaction or not? A. Well, I --
- MR. SAFFMAN: Sir, with respect, might I ask that that question be put in two parts. There are two matters here, first that £10,000, as I understand it, was paid to Mrs. Poulson, and secondly that that money was used for the purchase of shares in I.P.D. I think that to ask the debtor whether or not he disowns the transaction, when he lumps the two together, is a little difficult to answer.
- THE REGISTRAR: I can see nothing wrong with the question.
- MR. SAFFMAN: By having it as one question, sir, and asking for a specific yes or no as an answer.
- THE REGISTRAR: This comes at the end of a series of questions.
- MR. SAFFMAN: As you please, sir.
3903. MR. MUIR HUNTER: Mr. Poulson, you have heard what your solicitor has put, do you wish to answer that question? A. Well, sir, I can't answer it. I have told you, I did not know.
3904. Q. Well now, if you had been asked at the time when Mr. Scott produced, in fact, three blank cheques to you which are on the paper in front of you, "Will you agree to £10,000 of your assets being used to buy shares for your wife?", what would you have said? A. "Is this alright?"
3905. Q. What do you mean by that? A. Well, you know --
3906. Q. "Is it alright to swindle my creditors out of £10,000?" A. No, no, no, no. "Is it alright for this to be done?"
3907. Q. Alright, you put it in your own words, "Is it alright at a time when I can't pay my creditors to buy my wife £10,000 worth of shares?" A. But I didn't know I was doing, sir.
3908. Q. Well now, if you had been asked at the time you would have said, "Is it alright?" A. I should have certainly queried it, I think.
3909. Q. Alright. Well, had you known that it would have the effect of diverting £10,000 from the payment of your creditors to the enrichment of your wife, would you have gone on with it? A. I should have certainly taken it up with Grimwood and asked his advice.
3910. Q. Yes. But when you discovered it had been done you do not seem to have spoken to anybody except Sir Bernard Kenyon.

A. Well, after all, it had been done three or four months previously, and I thought he was the only person that could effectively do something about it.

3911. Q. Now, these shares are still in existence, are they not?

A. Yes, sir, as far as I know.

3912. Q. Your wife has not sold the shares, has she? A. I have no knowledge of them.

3913. Q. Are the I.P.D. shares subject to the trust also? A. I have no idea.

3914. Q. Have you discussed this matter with your wife at any time? A. No, sir.

3915. Q. But, you see, your wife wrote this letter in May, 1972, quite boldly and simply; did she discuss it with you? A. No, sir.

3916. Q. You mean, your wife could receive a letter calling her to account for a £10,000 transaction with you, at a time when she was living under the same roof as yourself, and she could write a reply like that without reference to you? A. First, you have got it the wrong way round; I am living under her roof.

3917. Q. We will come to that, Mr. Poulson, I would not be too sure about that. You are probably both living under the Trustee's roof. I ask you again, did your wife write that letter to the Trustee, putting forward that statement, without reference to yourself? A. Yes, sir.

3918. Q. Now, when I asked you about your wife's status in relation to these companies on the last occasion, Day 3, I asked who was the boss, and you said that your wife was not the boss, although she held the majority of the shares in Construction Promotions, and that she never attended meetings because she was never invited. Is that still your view? A. No, I find that she did. I am told by Sir Bernard that she did attend one or two meetings.

3919. Q. She never took any effective step by way of control?

A. After all, she had got him there for that purpose.

3920. Q. I beg your pardon? A. She had got Sir Bernard there for that purpose.

3921. Q. Was Sir Bernard her nominee? A. Yes.

3922. Q. He does what she tells him? A. Oh, no.

3923. Q. That is what nominees are supposed to do, are they not, Mr. Poulson? A. Not in the case of people like them, I wouldn't think. Certainly not from a woman with no business experience.



3924. Q. So your wife really was an absolute figurehead, was she not?  
A. No, sir.
3925. Q. If she was not a figurehead, what did she do? A. She did nothing. It was just her investment, and these people ran it for her, as far as I can see.
3926. Q. And she never put any of her own money into this, did she?  
A. I have no idea, sir.
3927. Q. You never asked her? A. I mean, I know she she spent money, but I know she has not had any expenses.
3928. Q. Did your wife ever invest any of her own money, other than what you gave her, in these companies? A. I couldn't answer that question; you will have to ask her.
3929. Q. Now, when we look at the operation of these companies, Mr. Poulson - every single one of them - we find, do we not, that you seem to be the dominant figure? A. Not in C.P. - never. Nor in I.T.C.S.
3930. Q. Whenever you are in England you appear to be present at these meetings as consultant? A. Not at C.P.
3931. Q. You went out on behalf of Construction Promotion to see about Construction Promotion projects overseas, did you not?  
A. I didn't ever go down about the harbour, because, after all, I would not be conversant with it; I am not a civil engineer.
3932. Q. But you went to Liberia to see Mr. McCrae. A. Ah, that's a different matter. I went there because, as I said yesterday, there was the opportunity, we were told, of some houses.
3933. Q. But Mr. Pollard ceased to be a director of Construction Promotion, did he not? A. For a period.
3934. Q. You turned him off the board? A. No, sir, I couldn't do that.
3935. Q. Well, somebody did, did they not? A. Yes.
3936. Q. And he just became a sort of general manager? A. Yes.
3937. Q. Why did you get him removed? A. I didn't get him removed.
3938. Q. Well, why was he removed? A. I think the best person to answer that is Sir Bernard Kenyon.
3939. Q. Well now, I want to move on to an aspect of Construction Promotion we have not touched on yet, which is illuminated by some of Mr. Maudling's documents. Is it right that Construction Promotions was formed to operate overseas?  
A. Yes, sir.

3940. Q. And that until I.T.C.S. was formed it did, in fact, the majority of your overseas operations? A. Yes, sir.
3941. Q. In this respect it was, was it not, the overseas arm of your organization? A. Yes, sir.
3942. Q. And it was for this reason, was it not, that your wife held the majority of the shares? A. Well, it was -- If she held the majority shares, it wasn't for that reason alone.
3943. Q. Well now, Construction Promotions represented a quite substantial part of your business, did it not? A. Well, it only got one job, so it can't have represented a very substantial part.
3944. Q. Did you intend to give your wife unconditionally the majority holding in a section of your business? A. No, sir.
3945. Q. Then, in fact, these shares are not held by her beneficiary, are they? A. Yes, of course they are, but I thought you said my business, my business being J.G.L. Poulson Architects.
3946. Q. No. If Construction Promotion was the overseas arm of your business -- A. It was the overseas arm in this respect, that we were the consultants to it only.
3947. Q. It was there to get jobs for you, was it not? A. It was there to get jobs for itself and use us as the consultants, sir.
3948. Q. To get jobs for you? A. No, for themselves. Remember that they had got a management consultancy fee, and that is what on their letter-heading you will find they are called, and that is what they have been paid for.
3949. Q. Well then, when I.T.C.S. was formed, did it not take over the whole of Construction Promotions? A. No, sir, because they didn't take over civil engineering, and that is why I.T.C.S. was formed, because it was purely civil engineering, was C.P.
3950. Q. But they took over a substantial part of C.P. then? A. No, there wasn't anything else; there wasn't anything going on at that time. There was lots of promises but nothing factual.
- MR. MUIR HUNTER: Would you give me a moment, sir? Mr. Maudling's file is not secure and is rather difficult to handle.
3951. Q. I have here the minutes of a meeting of the directors of I.T.C.S. which we have not previously seen, and it appears

that when it was formed it was to start off by taking over the whole of C.P. (Africa) Limited. Was that a company in your group? A. No, it wasn't in my group, it was in C.P. - obviously by the name.

MR. SAFFMAN: Date please?

MR. MUIR HUNTER: I am sorry, 9th November, 1966.

3952. Q. On the 10th October, 1967, at another board meeting of I.T.C.S. Doctor Williams is reported to have presented a report to the board about the position of the company. It said, "The purpose of I.T.C.S. was to market technical expertise." Do you agree with that? You were present.  
A. Yes, I mean, that is what Doctor Williams was.
3953. Q. "And that the prime source of this technical expertise must lie mainly with the Poulson organization." A. From the architectural point and the civil engineers, yes, but he was the technical expertise referred to firstly.
3954. Q. So that they were to do what in relation to the work previously done by Construction Promotions? A. The distinction was drawn that Construction Promotion staff were purely civil engineers and were, therefore, not capable of doing building. There are branches of building.
3955. Q. Now, is it not a fact that I.T.C.S. did, in fact, take over a number of the Construction Promotion projects? A. Well, not that I am aware of, because I.T.C.S. only did four jobs, and those were in the Persian Gulf, and they were certainly not Construction Promotion's.
3956. Q. Whose job was the Liberian Harbour? A. Originally it was C.P.'s, sir.
3957. Q. When we were discussing yesterday the position of the Liberian job and Mr. McCrae, you admitted that you knew that Mr. McCrae had been paid sums of money out of your bank account, did you not? A. Out of Ropergate, yes, sir.
3958. Q. And you rather implied that that had been done by Construction Promotion? A. Well, I suppose it was done at the period when Construction Promotion were being charged for that job, because they brought it in - it came by them.
3959. Q. Yes. And, therefore, when those sums were paid they were paid, presumably, by Construction Promotion out of your money? A. If that is what happened.
3960. Q. How did it come about; were you financing Construction Promotion? A. Originally Ropergate Services did, sir, and then I --

3961. Q. You and Repergate Services may be treated for this purpose as one? A. As long as we understand that.
3962. Q. Well then, when I pressed you further about those payments to Mr. McCrae, and the purposes of them, you said, "Well, they must have been paid by I.T.C.S." A. No, sir. What I meant was at the end when - I do not know what the dates were of that visit when Mr. Maudling went to Liberia, or whether it was during the period he was Chairman of C.P., because he was Chairman of C.P. for a period of six or seven months, or whether it was after I.T.C.S. was formed. I cannot remember the dates - either the visit or the period.
3963. Q. Well now, if, in fact, Construction Promotion may be regarded as the overseas arm of the Poulson organization, does it not follow that I.T.C.S. succeeded to that position as the overseas arm of the Poulson organization? A. No, sir. There were two distinct reasons for it, as I have repeated many times; one was that it was civil engineers, C.P., and the other was building and finance.
3964. Q. Mr. Poulson, you said that Construction Promotion had been limited to the Middle East? A. No, I didn't.
3965. Q. But it did the harbour at Moseamedes? A. But that isn't in the Middle East, sir, it is in the South West of Africa.
3966. Q. I am aware of that. I had understood you to say that Construction Promotion worked in the Middle East, but it in fact worked in Africa? A. It was in Africa, but at the same time, sir, Mr. Pollard did pay a visit to the Middle East before I.T.C.S. was even thought of.
- MR. SAFFMAN: Sir, to the best of my recollection the witness said that Construction Promotion were solely civil engineering, with no limitation as to the specific area.
- MR. MUIR HUNTER: Nothing turns on it.
3967. Q. I am looking at a letter from yourself to Sir Bernard Kenyon dated 13th November, 1967, on the Bernard Kenyon 1966/1970 file. (Handed to witness) This is a letter written to Sir Bernard Kenyon, your colleague, about the Mossamedes project, is it not? A. Yes, and you can see at the top of that page it refers to the Cassinga Railway report; that was what Viner Brady was --
3968. Q. Well now, this letter is written as if you were a principal, is it not? A. A principal of what, J.G.L. Poulson?
3969. Q. Of Construction Promotion? A. No, sir.

3970. Q. It gives the figures relating to the whole of the constructions, both for yourself and C.P. itself. A. Because my accountants were the accountants for C.P., that's why, and the money was owed back to Ropergate.
3971. Q. Well now, would you look at the last paragraph on the second page? A. The one you have marked with a --
3972. Q. Yes, I expect so. You will see it says, "Speaking about Water Reclamation, half of this company is owned by Mrs. Pollard and the other half by Mrs. Poulson, but it is Mrs. Poulson who finds all the money." But did Mrs. Poulson find any money for Water Reclamation? A. If that's there, she must have done.
3973. Q. She has never had any money of her own to deal with, has she? I asked you a little while ago if she invested anything and you said no. A. She invested something in this -- must have done, sir.
3974. Q. Well, then -- A. But I didn't know Mrs. Pollard owned half before this; I had forgotten this. I wouldn't have thought it was as big as that. I always thought it was a third.
3975. Q. You see -- A. And that company was closed down and finished by the suggestion of Sir Bernard Kenyon, because he didn't think there was any future for it.
3976. Q. Would you look at the bottom of the page? A. Yes.
3977. Q. "Nothing ever matters if it is money. Pollard will say, 'Oh, there's plenty more where this came from.' Well, there jolly well isn't going to be any more; the obligations aren't entirely all on me to find money". So that refers to yourself finding money? A. And it says, the next thing, "I don't own all the shares."
3978. Q. No, you do not own all the shares, because Mrs. Pollard owns some of them. A. That's right. I never owned any of the shares.
3979. Q. Well then, this letter surely proceeds on the basis that, in fact, you are truly the owner of -- A. No, sir, it is that Ropergate are financing it and are not going on with financing Water Reclamation after Sir Bernard Kenyon's recommendation that it couldn't.
3980. Q. You were, in fact, financing Construction Promotion, were you not? A. Ropergate was, sir, and they got paid back, plus the 7% service charge.
3981. Q. Well now -- A. But I can't tell you what the position is with Water Reclamation; I don't know anything about it.

3982. Q. Well now, when we consider what the true position was between yourself, Construction Promotion and I.T.C.S. -- I am going to read to you a memorandum that Mr. Maudling wrote - unfortunately we have only one copy of this. Mr. Maudling was concerned, was he not --
- MR. SAFFMAN: Date please?
- MR. MUIR HUNTER: I have not got the date.
- THE WITNESS: No, I can't remember that he was concerned; I didn't know he was there long enough to digest it.
3983. MR. MUIR HUNTER: Mr. Maudling was concerned, was he not, about the relationship and how it should be formalized?
- A. What, C.P?
3984. Q. No, between I.T.C.S., yourself and Repergate? A. I don't recall this, sir.
3985. Q. Did you not have discussions with him about what the true relationship was between the companies? A. Well, I gather we had because you are inferring it, but I don't remember them.
3986. Q. I am looking at a letter dated the 26th January, 1970, and written to Mr. Scott of Cooper Brothers by Mr. Maudling.
- A. But you are talking about the formation - I thought you were talking about the formation.
3987. Q. No, Mr. Maudling is looking back on the history of I.T.C.S. and Mr. Scott has been to see him to talk about the fee and debt relationship. He says this - 26th January, 1970, letter produced by Mr. Maudling - "I.T.C.S. --" A. Who is this letter to, sir?
3988. Q. Mr. Scott. A. I was going to say, I haven't seen it.
3989. Q. No, nobody has seen it except Mr. Maudling, Mr. Scott, and now myself. "I.T.C.S. was established and has been run for the sole purpose of obtaining work overseas for Mr. Poulson's organization." Do you agree with that? A. Well, it would benefit us as the consultants, yes.
3990. Q. "He attended all our board meetings, his staff administered our financing and he personally approved all payments."
- A. That is not correct. I didn't see them. I didn't approve any payments. I had never seen them.
3991. Q. You mean Mr. Maudling is mistaken? A. He is certainly mistaken about that.
3992. Q. In what respect? A. Well, I didn't see them. I didn't go to -- I doubt whether I went to all the board meetings.
3993. Q. But you attended some of them? A. Some of them, yes, sir.

3994. Q. Mr. Maudling is incorrect in saying all? A. Well, every one, I am certain I didn't. I should be out of the country sometimes and would be unable to, among other reasons. But as to certifying every account, that is ridiculous.
3995. Q. I am going to the second page - the rest of it deals with another subject to which we will come. "Although Mr. Poulson has received very substantial fees in respect of Riad, Malta and Abu Dhabi in particular, until very recently nothing was credited to I.T.C.S." A. No, and neither should it be.
3996. Q. "In one way or another", Mr. Maudling says, "Mr. Poulson ensured that the total sums were paid direct to him." Is that correct? A. Naturally they were paid to me direct, for the simple reason the agreements were between me and the three -- Well, in the case of the Maltese Government, I.T.C.S. had nothing to do with it. In the case of Riad it was Vickers; I was the sub-contractor to Vickers.
3997. Q. So that -- A. And either the Public Trustee or the Official Receiver has a copy of the agreement.
3998. Q. And he goes on to say, "I was prepared to accept this" -- i.e. that you were receiving the whole sum -- "while his shortage of cash was so painfully obvious, and while he, in fact, continued to meet the expenses incurred on his behalf by this company, but it became increasingly apparent in 1969 that he was not doing this." Well now, Mr. Maudling is there saying that he didn't mind your having all the money, because you were hard up, as long as you met all the expenses; is that right? A. No, sir. There was no entitlement and there has never been any suggestion to me, until Mr. Bolton wrote a letter in November, 1971, that I owed I.T.C.S. anything.
3999. Q. Well, we know, do we not, Mr. Poulson, because you and I have been over this ground before, that you were induced in May, 1970, to sign a letter agreeing that the I.T.C.S. debt be written off? A. Yes.
4000. Q. We have been over it. However, Mr. Maudling goes on, after a passage, "I therefore ensured the present situation" - and that is in January, 1970 - "in which I.T.C.S. receives the overseas income, and nothing is passed to Mr. Poulson without my authorization." Is that right? A. I don't recall it, but if he says it, I suppose it's right.

4001. Q. You see, the reason why I ask you this question is that at an interview between yourself, Mr. Grimwood and Mr. Maudling, in August, 1969, when you were demandin payment of £70,000 which Mr. Maudling, you said, acknowledged was due to you but didn't pay. Now, how could Mr. Maudling have £70,000 of yours if he had not intercepted it? A. If he hadn't intercepted it?
4002. Q. Well, he says here, "I ensured the present situation in which I.T.C.S. receives the overseas income, and nothing is passed to Mr. Poulson without my authorization." A. When was this dated from?
4003. Q. This letter was written in January, 1970; I am asking you what you remember at the time? A. In January, 1970, sir, I had no control. I didn't know what was going on.
4004. Q. No, no. He is speaking of the past. A. As far as the past is concerned, you are well aware that in August I went to see him with Mr. Grimwood, as you say, about the £70,000, and I don't think I saw him again that year.
4005. Q. Well now, on Day 1 when I asked you about this, at Q.625, I asked you, "One of the items on which you were counting to pay your debts, was it not, was the debt owed to Ropergate by I.T.C.S. of £70,000 from the Dubai contract?" And you said, "Well, there are five jobs there, not one." And I asked you, "But the figure of £70,000 was the one that you mentioned?" and you said, "That is right." A. I gave a list of the jobs.
4006. Q. Yes. And you said then, at Q.638, in answer to my question: "He admitted that I.T.C.S. owed Ropergate £70,000? A. He did not deny it, yes." "Q. Did he make any proposals for ensuring that the company paid the sum? A. He said he would look into it."
- MR. MUIR HUNTER: Well now, I undertook to the Court to put any submissions Mr. Maudling wished to put to correct the witness's answers, but Mr. Maudling has said that there was never any money due from Dubai because no work was ever done.
- THE WITNESS: That is not a condition, sir, of doing work. The plans were done, the accounts were sent, and I have never received a letter from him refuting that account.
4007. MR. MUIR HUNTER: Now, in order to be clear in our minds about this, do you recall the jobs which you had in mind in asking about these fees? A. The fees were sent, sir; the bills



were sent to I.T.C.S. as the instructions were given by I.T.C.S. for the preparation of those plans, these schemes, and it wasn't on the basis that we did all this work for nothing. We didn't do things like that.

4008. Q. I do not want us to be under any misapprehension about this. You are saying that your entitlement to these fees derived from your having done the work necessary to draw the plans, and so forth? A. For drawing the plans and submitting them.

4009. Q. Yes. A. And the instructions were given to my staff whilst I was on holiday and most of the work was done, with the exception of the Dubai Airport, which I personally took out.

MR. SAFFMAN: Sir, might I respectfully submit, it may be of assistance; I understand my learned friend is at the moment complying with an undertaking that he gave to the debtor on matters raised by Mr. Maudling, but it may very well be of assistance if the debtor were to be allowed to refer to the transcript of his Preliminary Examination, because he is now speaking from memory, some considerable time later. If he could refresh his memory by reference to his own narrative - and I am not attempting to put words into his mouth - but by looking at that narrative it may very well be that the answers will be a great deal clearer. The matters with which my learned friend is dealing start, in part, on page 11 and go on to page 20, and I think those are the matters which my learned friend is seeking to raise.

MR. MUIR HUNTER: Well, I think it would probably be a help if Mr. Poulson could read these during the adjournment, rather than taking up the time of the Court here.

MR. SAFFMAN: Well, I am only saying, sir, that if the questions are asked now he may be able to answer them now.

MR. MUIR HUNTER: Well, perhaps, sir, that might be a convenient point?

THE REGISTRAR: No, it is not.

4010. MR. MUIR HUNTER: Well, I have got here, Mr. Poulson, a progress report on I.T.C.S. activities in the Middle East, which is dated the 1st January, 1968, and we could perhaps look at this to see if we can identify the jobs to which you referred at Q.625. (Handed to witness) You will see at page 2 of that document, under the heading "Dubai", there are four jobs mentioned? A. There is one missing, Banda Abbas.

4011. Q. Banda Abbas. What was that? A. It was an hotel and casino for Mr. Mhadi Tajir.
4012. Q. Ah, yes. A. His name is mentioned here in the first one. He actually bought the whole lot.
4013. Q. Well now, these five jobs -- Now, we think of a job in two senses; firstly there is the drawing of the plan, is there not? A. Yes.
4014. Q. And then there is the carrying out of the physical work? A. Well, no, there are rather more here, because what we did, we did not only the plans, we did a perspective of each of these buildings, and we gave a report and estimated cost.
4015. Q. Well now, looking at that list, do you say that each of those five jobs were done in the sense of the drawing of plans? A. Yes, sir.
4016. Q. And what other work was done on those five jobs? A. Only drawings, plans, and the estimated cost.
4017. Q. And would those have come to £70,000? A. Yes, sir. They were based on the R.I.B.A. scale of fees, each of the accounts, on the estimates taken.
4018. Q. Well now, would you look at No. 3, "Sheikh Rashid Development at Cinema Square." This says, "The perspective for this has been prepared but not presented as it was not possible to conduct business in Ramadam." A. It was sent on afterwards, sir.
4019. Q. It was done after? A. Well, I mean, after this report.
4020. Q. Yes, done after. A. Well, I mean, it was ready. It had already been done had the work, but I mean you just don't send them out during that period.
4021. Q. Well now, by way of comment on your statement relating to the £70,000, Mr. Maudling by his solicitor said this, that there was no money due from Dubai, because the Cinema Square project was not carried out? A. That doesn't matter, sir, the same --
4022. Q. That is what he said. I am putting to you, you see, what he said. Now, what do you say about that? A. I say that we were not asked to do this work for nothing, and we have every right to expect a fee, otherwise we would not have taken on the work.
4023. Q. To whom did you regard yourself as entitled to look for that fee; was it to I.T.C.S? A. I.T.C.S., because I.T.C.S. gave us the instructions, sir.

4024. Q. This raises, Mr. Poulson, the whole question of the relationship between yourself and I.T.C.S. Now, if, as Mr. Maudling has said in the letter to Mr. Scott which we have read, that I.T.C.S. was merely to get work for the Poulson organization and you draw the plans, if I.T.C.S. do not get paid by the people for whom the plans are drawn, did you expect I.T.C.S. to pay you out of its own pocket?
- A. I didn't expect I.T.C.S. to take on work without getting paid. I wouldn't have expected it to.
4025. Q. But you can either regard I.T.C.S. as merely your, sort of, commercial traveller collecting jobs for you to do --
- A. The only thing it was - it wasn't that - it was that I did the work, as I was the consultant.
4026. Q. Yes, but looking at this realistically, Mr. Poulson, and I am sure you want to be fair to Mr. Maudling and his company --
- A. I do, but at the same time I must be fair to the creditors, sir, and I did render bills before this date, in June or July of 1969, for this amount.
4027. Q. But you see, Mr. Poulson --
- A. And I have never had any contradiction to say I was not entitled to it, and it has never been disputed.
4028. Q. And I.T.C.S. must, it seems to me, with respect, be regarded either as a principal or as an agent. Now, if it was a principal it would contract with you as an equal partner and would be responsible for its contracts.
- A. It didn't contract with me, sir. The contracts they took in the Persian Gulf were contracts between the two owners of the properties and I.T.C.S., and I was only named as the consultant.
4029. Q. Yes, but looking at this realistically, Mr. Poulson, this operation was entirely for your organization's benefit, was it not?
- A. It wasn't entirely, because they could have done other works than buildings, such as finance, sir, which they were primarily interested in.
4030. Q. You see, Mr. Poulson, just as yesterday I was pressing you for your account of your relations with Mr. Pottinger for the purposes of assisting the Trustee in his action against Mr. Pottinger, so I press you, second-hand so to speak, on behalf of Ropergate Investments, of which your Trustee is the principal creditor, for your account of your relationship with I.T.C.S. and Mr. Maudling, because Ropergate are suing I.T.C.S. for £158,000.
- A. Yes, sir.