

Mr Muir Hunter Q.C.  
Day 9  
DAY 9

" A "

THE BANKRUPTCY ACTS, 1914 and 1926

5982-7112

IN THE WAKEFIELD COUNTY COURT.

IN BANKRUPTCY

No. 1 of 1972

RE: JOHN GARLICK LLEWELLYN POULSON

RESUMED PUBLIC EXAMINATION OF THE DEBTOR

Before MR. REGISTRAR GARSIDE  
at the Court  
this 5th day of March, 1973.

ITC's Name 7033

PRESENT:

- THE OFFICIAL RECEIVER: Mr. W. A. Bishop
- FOR THE TRUSTEE: Mr. Muir Hunter, Q.C.  
Mr. D. Graham  
Mr. M. Crystal
- FOR THE DEBTOR: Mr. L. Saffman

These are the Notes of the Public Examination,  
referred to in the Memorandum of Public Examination,  
of ..... taken before me  
this ..... day of ..... 19 .....

Registrar

The above-named debtor, being sworn and examined at the time and place above-mentioned, upon the several questions following being put and propounded to him, gave the several answers thereto respectively following each question, that is to say :

MR. MUIR HUNTER: Before I resume my examination of the debtor in this matter and bring the Court up to date on the present state of the Trustee's administration, I have been instructed to say a few words concerning the reporting of these proceedings. The Attorney General has himself recently drawn attention to the importance of accurate and reasonably complete reporting of judicial proceedings as part of the administration of justice. The reporting of these proceedings has not been easy, due to difficult conditions and somewhat unreliable microphones. The last hearing was no exception, and Mr. Saffman, appearing for the debtor, protested after the mid-day adjournment against press reports already in circulation about the ban on the transmission of a certain documentary film which had attributed to him the precise opposite of what he had actually said in court, and that is at page 42 of the transcript.

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As regards myself, in my examination of the debtor and addresses to the Court, it was reported that at the close of the proceedings I had stated that at the next hearing I would refer to the "parliamentary" file. The attribution to me of these words has given rise to considerable comment and speculation, and some offence. In fact, I did not use those words, as the transcript, at page 76, repeating what I had said at page 4, shows. I there said, "I hope on the next occasion to deal in a little detail with the foreign operations, in particular what we call 'The Beirut Files'." I will spell that word: B E I R U T. The transcript of these proceedings, sir, as you know, is conducted by two simultaneous high-grade shorthand writers with the assistance of a tape recorder, and we venture to think that their version is entirely accurate. It is a mystery how the word "parliamentary" came to be inserted almost uniformly in the press reports, and the Trustee and those advising him greatly deplore the publicity given to this wholly mistaken report.

Two other passages were much discussed by the press and on the radio and television in news stories and even in leading articles. It immediately became apparent that, either through mishearing due to the defective microphones or an undue compression of the material, a mistaken impression of what was actually said had been conveyed to the public.

Accordingly, with the leave of the Court, sir, and through the good offices of the Press Association to whom we are extremely obliged, a verbatim transcript of those two passages was issued on Friday morning, 2nd February, at 10.45 a.m. to all the subscribers of the Press Association in the press, on the radio and television, running to a total of six pages, to which a number of national newspapers subsequently referred.

Certain other facts, amplifying or confirming the matters referred to in that transcript, have also been disseminated by some of the national newspapers, which we hope, sir, you will regard as relieving me from the duty of putting any further questions to Mr. Poulson thereon.

THE REGISTRAR: Yes, certainly.

MR. MUIR HUNTER: As regards the Trustee's recoveries to date, he has made further recoveries already paid, or agreed to be paid, the largest of which, if I may put it in this way, is from Mr. W. G. Pottinger, against whom the Trustee has commenced proceedings and whose solicitors have issued the following statement. I read from the text appearing in "The Scotsman" for the 2nd March. "Mr. Pottinger's solicitors said yesterday, 'Although advised by his counsel that the assistance given to him by Mr. Poulson towards the purchase of his house in Gullane amounted to a gift and was not strictly repayable, Mr. Pottinger acknowledges the claims for Mr. Poulson's creditors in whose interest the Trustee acts, and has voluntarily offered repayment on terms which have been accepted by the Trustee and the Committee of Inspection.'" It is then stated the settlement would be announced in the Court of Session, and he continued, "I am not authorised to say what the sum to be repaid is." I, therefore, do not propose to disclose the sum for which Mr. Pottinger has settled that action.

As regards Mrs. Poulson, to whom on the last occasion, at page 1, I referred, where I said, "Mrs. Poulson has, through her solicitors, indicated that she proposes to make a substantial offer, the amount of which I cannot at the moment disclose, towards the recoveries, and there are other recoveries still on foot whether by litigation or negotiation", I am instructed to make on behalf of my instructing solicitors and the solicitors acting for Mrs. Poulson the following statement. They regret that they have been unable to bring the negotiations for a settlement to a final conclusion, due only to the fact that the value of certain assets has not yet been determined. However, Mrs. Poulson's solicitors have assured us that once these matters have been dealt with there is no doubt that a formal offer will be submitted and which, if accepted, will bring the money so far recovered up to a sum in excess of £200,000.

I do not propose, sir, to give details in open court of the names and the amounts paid by other persons, except the following to which, as it is anonymous, I can,

I think, properly refer, and it is perhaps a striking tribute to the examination in this court. On the 9th February there was received at your court the following anonymous letter enclosing £100 in bank notes and reading, "I received unsolicited Christmas presents from Mr. Poulson. The enclosed £100 more than covers the value of these gifts."

As regards further investigations, the Trustee is now being assisted with his enquiries by a total of 14 separate persons, whose offers to assist the Trustee will dispense with certain questions in directions which have so far been opened up. Among those, of course, is the matter of Mr. Pottinger which is concluded by the settlement to which I have referred.

I have stated already that we are in possession of the Beirut files on which it was proposed on the last occasion to ask certain questions. I am happy to say that, with the exception of certain limited subjects to which I wish to address questions to-day, questions regarding the affairs and the operations of the Beirut offices of Mr. Poulson and I.T.C.S. Limited into which it is plain that very large sums out of the bankrupt's assets were sunk, are being held over pending the pursuit of enquiries in various quarters who have undertaken to assist.

I have a statement which I am requested to read on behalf of Mr. Shea, a former Hospital Board officer, concerning whose relationship with Mr. Poulson and Mr. Poulson's companies a number of questions have already been put, and in particular with reference to the property investment company, Ovalgate Investments Limited, in which Mrs. Poulson and Mr. Shea held shares. Mr. Shea's solicitors request my instructing solicitors to inform the Court that, "You" - that is my instructing solicitors - "thought that Mr. Shea's shares in that company might have been paid for by Mr. Poulson. We would like to confirm that we informed you that this was not the case, and Mr. Poulson's then solicitors accepted this in 1968." Mr. Shea's solicitors continue that "his concern is to clear his name and he has given instructions to help us in any way he properly can. We should be pleased if you would bring this letter to the attention of the Court." I shall be referring to another statement a little later on.

THE REGISTRAR: Yes, thank you.

MR. MUIR HUNTER: Well now, sir, among the matters to which we have referred before you is the extent of the claims made or expected to be made on Mr. Poulson's estate. One of these was a very large claim for £279,000, a proof of debt from the Leeds Corporation concerning the construction of the Leeds International Pool at Westgate, for which Mr. Poulson was the architect and in relation to which certain defects in its design or construction have been alleged, and in relation to the construction of which certain delays were put forward by the contractors, Messrs. M. Harrison & Co. (Leeds) Limited, entitling them to a sum by way of compensation forming part of that global sum, namely £120,000. On the last occasion, sir, I asked Mr. Poulson a number of questions about this and as to the foundation for such a claim, and I am requested by the Leeds Corporation to make the following statement. The Chief Legal Officer of the Leeds Corporation asks the Trustee's solicitors to inform the Court that he has been advised, on behalf of the Corporation, to contest the claim which has been made upon the Leeds Corporation by M. Harrison & Co. (Leeds) Limited and for which the Corporation in turn have claimed in the estate of the Bankrupt, and he is in dialogue with the Trustee on the Corporation's claim generally. Without wishing to canvass in open court any of the issues relating thereto, certain matters appeared from the transcript on the last occasion to be possibly of relevance in this connection, and it may be hoped that these investigations and negotiations will result in a substantial reduction of that claim in the interest of the creditors generally.

I also refer to the claim of Felling - that is to say the Urban District Council of Felling - in relation to whom very considerable publicity was given to the fact that they were believed to be making claims against Mr. Poulson of £1,000,000 relating to the construction of the flats at Nursery Lane, Felling. I am happy to say that we have received from the Clerk to the Council a letter dated the 1st March, 1973, which begins, "You will no doubt recollect that originally my predecessor, as Clerk of this Council, notified Mr. Poulson that the

Council would be claiming compensation from him in the sum of approximately £1,000,000." The letter continues to say that the claim now appears to be reduced, if admissible at all - and on this I must ask questions - to one sum of £9,552 and to another sum involving some thousands of pounds which appears to be highly debatable. Accordingly, that item of £1,000,000, which created great concern, including to the inhabitants of Felling, may be regarded as very, very substantially reduced.

We have also received a claim from the County Borough of Hartlepool relating to the construction of the main pool, the Hartlepool Swimming Baths alleged to be too shallow and which are expected to support a claim to be put in exceeding £10,000. Accordingly, it appears that there will be additional debts which will have to be dealt with in the course of the Trustee's enquiries.

I now wish, sir, to deal with the documentation which we have been working on. I think it should be known, for the purposes of paying tribute to them, the enormous efforts which have been made by the Official Receiver, his assistant, Mr. Clarkson, and the staff of the Official Receiver's Department. When on the last occasion we referred to the recovery by ourselves of 300 files and by the Official Receiver of six tons of files, these have now, in the comparatively short time since the last hearing, been very largely analysed and completely indexed. They amount to approximately 1,200 files, or bundles of files - my learned junior is holding up a specimen bundle - all of which have been indexed by Mr. Clarkson and many of which have already been examined in detail, and this has been of enormous assistance to the preparation of the Trustee's further steps. We are most indebted to them.

Some Executive Travel files have also been recovered from Mr. Wegg, not all of whose files had been destroyed as was originally thought, and Mr. Wegg has made statements to the Press and the Official Receiver relating to his dealings with Mr. Poulson, on which I shall be shortly examining. Among the files recovered are the

files which have hitherto been referred to as missing, namely the Dorchester Hotel files, showing numerous holidays and other accommodation procured by Mr. Poulson at the Dorchester Hotel for various people. Some of the recipients, where identifiable, are being requested to pay the bills incurred by them, and it is not thought necessary at this stage to ask any detailed questions on that subject.

I need hardly say, sir, that the examination of these files has, as is always regrettably the case, led to still further lines of enquiry or to the completion of a pattern which had not been previously wholly seen, or of which we have now recovered the counterpart to correspondence of which we only had one side; but we shall be further examining these for the purposes of seeing - and solely for the purposes of seeing - whether they support the recovery of possible further assets or whether they assist in reducing or eliminating claims or potential claims.

With that, I am afraid, somewhat lengthy introduction, sir, I now propose to deal with the specific subjects which remain outstanding for to-day. I think I should tell the Court that, on my instructions, Mr. Poulson has been ill recently. I am very anxious that he should not be over-taxed, and, therefore, with the Court's leave, I propose, if possible, to make this a rather shorter hearing than some we have had.

But, Mr. Poulson, if you feel yourself in pain and unable to continue or to give a good account of yourself, I hope you will let the Court know.

THE DEBTOR: Thank you very much. I shall be all right.

MR. MUIR HUNTER: Sir, may I also appeal to the Press, either individually or through some nominated representative, to inform the Court if at any time the loud-speaker arrangements are defective, so that we have no further dangers of mishearing or incomplete recordings.

JOHN GARLICK LLEWELLYN POULSON, re-called.  
Examination by MR. MUIR HUNTER (continued).

5982. Q. Mr. Poulson, I wish to return to the case of Mr. Sales on whom, you may recall, we have asked you questions, and in particular on Day 7, namely on the 20th November, 1972. You will recall that until his retirement on the 5th April, 1967, Mr. Sales was the Chairman of the National Coal Board, Yorkshire Division.
- A. Yes.
5983. Q. That, according to him, which I think you agree, you acquired some acquaintance with him on a social basis.
- A. Yes.
5984. Q. Visiting one another's houses. He puts the commencement of your acquaintance in 1960; would that seem about right to you? A. I wouldn't remember, sir. I can't remember twelve or thirteen years ago.
- THE REGISTRAR: Mr. Poulson, you will have to do better than that. Keep your voice up.
- THE DEBTOR: Sorry.
- MR. MUIR HUNTER: If people cannot hear I hope, sir, with all due deference to the Court, they will say, "Can't hear" or "Louder", or something like that.
5985. Q. And I asked you questions, did I not, Mr. Poulson, about two matters. Firstly, your concern in the purchase for Mr. Sales, on or before his retirement from the Coal Board, of the house "Handley Cross" --- What? The microphone is not working?
- THE REGISTRAR: I think you have to put your mouth very close to it.
- MR. MUIR HUNTER: I am much obliged. It shows how careful one has to be.
5986. Q. I asked you about two questions, Mr. Poulson. One is the purchase of the house "Handley Cross" by Mr. Sales from the National Coal Board, and, secondly, his association with your companies in business when he joined the board of O.S.B. in 1969. Do you remember? A. Yes.
5987. Q. Now, when I was asking you about the purchase of the house, you said that Mrs. Sales, as you understood it, had money in securities which could have been used by realization to buy the house, but you advised her not to sell. Do you remember? A. Well, I also confirmed what her bank manager had told her. I was shown the list, actually.



5988. Q. And, in the event, you provided £1,200 deposit on the house, which would cost £12,000, a sum of £3,800 towards the purchase price, making a total of £5,000, together with the stamp duty and solicitors' costs, and Mr. Sales obtained a mortgage from the Wakefield Building Society, on your introduction, of £7,000. A. Well, those were the figures you gave me.

THE REGISTRAR: I cannot hear you, Mr. Poulson.

THE DEBTOR: Sorry. Those were the figures you gave me at the last hearing - that hearing.

5989. MR. MUIR HUNTER: Yes. This house was a house, was it not, that had been bought by the National Coal Board for the accommodation of their Chairman in the year 1962, if you remember. A. I wasn't aware of that, actually.

5990. Q. No. Among the documents we have discovered is a file relating to this house which suggests that the previous occupants were leaving on the 30th July, 1962 - the house of "Handley Cross", Cantley Lane, Doncaster - and, having lived there as Chairman, he then desired and was allowed to buy it for his retirement. A. Well, that's what I was told.

5991. Q. Yes. Now, in connection with our examination of your dealings with Mr. Sales, we had come across a sum of £300 which had, according to your cash book, been paid to him in June, 1963, and of which you were unable to recall the purpose. A. Well, I can't remember, sir.

5992. Q. Prior to your rendering financial assistance to Mr. Sales in the way I have described for the purchase of this house, had you made any other substantial payment or gift to Mr. or Mrs. Sales, or both of them? A. Not that I'm aware of, sir.

5993. Q. Just think for a moment, Mr. Poulson - something quite substantial. A. Well, I'm not a -- I can't recall any.

5994. Q. Among the files that have been discovered is a file that we call "The Sales' carpet file".

MR. MUIR HUNTER: Is the original in court? It bears now, sir, Mr. Clarkson's category 576. I just wanted to know what the front page actually said. Would somebody find the original? (Handed to the debtor and the Registrar.)

5995. Q. This is a file, Mr. Poulson - I will not make any secret about it - which concerns the carpeting, curtaining and,

it seems, possibly also re-covering of the furniture of this house into which Mr. Sales was going to move, and the file contains a large number of letters to and from your office about that job. Do you remember that?

A. No, I don't recall any of this at all, sir.

5996. Q. Well, in order to save time, Mr. Poulson, I will sum up by saying that it seems that under the directions of your staff this work was done by Messrs. Sinclair & Co., of Scarborough, to a substantial cost, and if, in fact, you visited Mr. Sales at the house after he moved in, in something like October, 1962, you must have seen the carpets and so forth which had been installed. A. I don't -- I knew -- Until this was produced, sir - and I notice that they are all from the persons dealing with it - I have no recollection of this at all, and still haven't.

5997. Q. On the 13th August, 1962, there is a letter from Messrs. Sinclair to J. G. L. Poulson at Pontefract ---

A. August the what?

5998. Q. 13th August, 1962. A. This is it.

5999. Q. -- which says, "We note that the account is to be forwarded to yourselves, and we have made arrangements for this to be done." A. Well, that would be the normal procedure as architects, and then we send it on. That's what this would have been.

6000. Q. You were not an architect of carpets, Mr. Poulson.

A. But when we put -- This was being dealt with by a person who did that sort of work.

6001. Q. What sort of work? A. Interior decoration and interior furnishings.

6002. Q. Are you saying, then, that this work was done at Mr. Sales' instructions? A. I can't say anything because I am

not aware of it having been done. I can't recall it in any shape or form.

6003. Q. Well, apparently there is a letter, no longer on the file, which says, "We enclose a copy letter --- "

We have that letter. I beg your pardon. Somebody had told them that the account was to be sent to you, and you say that is the normal procedure? A. Well, it

certainly would be for approval, sir, for vetting, and then sent on. Certainly I don't know anything about this.

6004. Q. You say you do not recall any discussion with Mr. Sales about this? A. I didn't know we had done anything to do with any carpets, or anything to do with that house at all, until I came to advising him about the purchase of it.
6005. Q. Is it possible that your staff could have done this without reference to yourself? A. Well, as a normal request, yes, sir. Obviously with all the staff I had I didn't see everything they did. It's physically impossible.
6006. Q. Did you do a lot of interior decorating? A. Quite a lot, sir. We had a department.
6007. Q. Well, there were a number of meetings, apparently, between them and Mr. Booth, who was a salaried partner of yours, was he not? A. Correct - the senior.
6008. Q. Senior salaried partner; and on the 9th October, 1962, it is suggested that there should be a meeting, apparently about something else, when the account from Mr. Sales is finalised. Then on the 8th November, 1962, they send Mr. Booth the account from Mr. Sales of Doncaster. "I think you will find the discount shown self-explanatory." Now, I must tell you, Mr. Poulson, that we have tried to obtain from Messrs. Sinclair's their original records, but they are not easily available or at all; but on the 13th November, 1962, Mr. Booth writes to them and says about the account, "As Mr. Poulson is in West Africa at the moment I think perhaps you might like to have a payment on account. I am, therefore, enclosing a cheque for £500." Do you see that letter? A. Yes, but I don't think it would be ours because nobody would be able to pay that sort of money like that.
6009. Q. Why should Mr. Booth --- ? A. I don't know, because I can't answer for something I don't even know took place.
6010. Q. But, I mean, he says, "As Mr. Poulson is in West Africa -- " A. Has Mr. Sales given this cheque for £500? It doesn't say it was from us.
6011. Q. Well, I must tell you, Mr. Poulson, that Mr. Sales' solicitors have seen the file and are so far unable to make any comment. A. Well, was the work done? I don't know.

6012. Q. The work was undoubtedly done and completed, you may take it. And then they acknowledge that letter ---  
A. Well, where is this cheque from? Is there any trace of it? Whose cheque is it? Is it mine or is it somebody else's?
6013. Q. Well, we will look into that; but on the 15th November, 1962, they acknowledge "the enclosed cheque for £500 for which we thank you."  
A. Yes, but that cheque couldn't have been mine.
6014. Q. Why not?  
A. Well, for the simple reason I was out of the country. I would only sign ---
6015. Q. Did Mr. Booth not have the power to sign?  
A. No.
6016. Q. Who signed cheques when you were abroad?  
A. I used to sign a few beforehand and they would be left with the accountants.
6017. Q. Right. Well then, it could have been one of yours, could it?  
A. Well, I would doubt whether they would pay a sum like that without -- They could wait until I got back because I wouldn't be out for more than a fortnight.
6018. Q. And you are saying that you believe --  
A. I am not saying anything except this: that I don't know anything about this job whatever. I don't know it's even taken place.
6019. Q. Well now, it appears from our information that the work would have cost about £800 or £900. It was the re-carpeting and curtaining of the entire house. Would you think that would be likely?  
A. Well, I think it would be very dear. I have never used this firm. I don't know of their existence. So that's how foreign it is to me. I've never heard of them before. Why isn't there a bill? Why isn't there a statement of the account on this file? There's no accounts or anything.
6020. Q. Well, that, I suppose, is a question to put to your colleague Mr. Booth. But, you see, we then find that on the 16th June, 1963, you actually pay Mr. Sales £300.  
A. That isn't on this.
6021. Q. No, it is not. That has been produced by your cash books, you see.  
A. Sorry.
6022. Q. Now, that might, might it not, be the balance of this job?  
A. Well, I couldn't recall it, sir. I couldn't say that for the simple reason I never knew of this firm or this job until you produced it.

6023. Q. So it is your view, Mr. Poulson, that firstly this must have been done at Mr. Sales' expense? A. No, I don't say that, but what I do say is this: that surely between them -- I mean, Mr. Sales can produce some evidence, or they, Sinclair's, can, of who paid this bill, and if Sales hasn't paid it, well, get it off him.
6024. Q. Well, you see, Mr. Poulson, the difficulty is this: that Mr. Sales has been examined in this court and he has said he never had any cash or kind from you in 1963 at all. A. Well, I would have agreed with that statement until you produced this.
6025. Q. Right. So, at any rate, your first view is not that Mr. Sales must have paid for it but that your firm must have paid for it without your knowledge? A. Well, I don't know. It would appear there's something wants investigating here, sir, as to who did pay that, whether I paid it or not, and there's no proof that I did from this correspondence.
6026. Q. Except that Mr. Booth sends a cheque for £500 --- A. Yes, but where did he get that cheque for £500? Is that in the cash book?
6027. Q. Well, we will see. At any rate, you think it likely that your staff would have paid £500 to the Chairman of the National Coal Board for the payment for the installation of his carpets which your firm had desired; is that right? A. Well, I would think it would be very unlikely that they did do such a thing.
6028. Q. And that you do not think the £300 in June, 1963, can possibly have been the balance of those carpets and it must be something else? A. I don't know what it can have been, sir, because I wasn't aware of it.
6029. Q. Well, perhaps you can think of something else that it could have been? A. Well, I can't, sir, any more than I could think of this because I didn't know of its existence.

MR. SAFFMAN: Sir, if this is an attempt to seek information, would it not have been better, as I have said on a number of previous occasions, if prior notice could have been given of this matter to give Mr. Poulson the opportunity to consult the cash book and the payments? He could then have given such information as was in his possession; and I think I ought to add, sir, I don't think this microphone is working.

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- MR. MUIR HUNTER: Mr. Saffman has been invited to inspect all these files. There is a large vault full of them, which has been the subject of a regular pilgrimage by a number of persons.
- MR. SAFFMAN: Sir, to inspect 1,387 files on the off-chance that one of them will be referred to is not, in my respectful submission, practicable. It is my learned friend who knows the matters which he intends to raise, and it is of those matters, as I have said in the past, that notice should be given, if what my learned friend requires is information.
- THE REGISTRAR: Yes. I appreciate the difficulties that both of you are working under with these enormous bundles of documents. Is the cash book in court?
- MR. SAFFMAN: May I say, sir, that your microphone is not working either.
6030. MR. MUIR HUNTER: I have a letter here from yourself to Mr. Dan Smith dated the 27th April, 1963, saying that you and your wife had just been having dinner with Mr. Sales at his home, and you asked him (Mr. Sales) if he could get you some cup final tickets. Well now, when you went to Mr. Sales' home was there no reference to the carpeting which your firm had carried out?  
A. I didn't have any knowledge of this, sir, until you brought this file, so the answer is "No".
6031. Q. That is not an answer to my --- A. The answer is "No", sir.
6032. Q. "No". I see. So whether you paid for it or he paid for it, the entire re-carpeting of the Sales' establishment was never the subject of any comment round the Sales' dining table? A. No, sir.
6033. Q. You did, in fact, provide Mr. Sales with some holidays at the Dorchester Hotel, did you not? A. Yes, sir.
6034. Q. For the purposes, I think, of going to Ascot. A. That is what I understood ---
6035. Q. On two occasions. A. Yes, I understood he did.
6036. Q. 1964 and 1965. And why should you have done that? A. Just as a friend.
6037. Q. Well, if you could provide Mr. Sales and his family with --- A. Not his family. Let's be quite clear - don't string things on.

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6038. Q. His wife? A. I think it was his wife and himself only, sir.
6039. Q. His wife and himself. -- with free accommodation at the Dorchester for the purposes of going to Ascot; why did it seem so unnatural that you should provide him with new carpets in his home? A. I wasn't aware of it, sir.
6040. Q. Why should it not be equally an act of generosity on your part? A. Because I wasn't aware that it had ever been done, and I don't know whether it has, even now.
6041. Q. I see. You think that Mr. Booth would write and concoct completely false letters and put them on a file? A. No. I am saying this: that the matter was dealt with by him, and I cannot answer for it when I aren't aware of it.
6042. Q. Very good. Did you say that you thought the Sales did not bring their family with them? A. Yes.
6043. Q. You see - I did say I was not going to refer to the Dorchester file, but I have here a letter of the 11th March, 1966, addressed by your secretary, Miss McLeod, to the Dorchester, asking them to reserve accommodation for Mr. and Mrs. Sales and their son and daughter - that is a double suite and two single rooms. A. Well, I ---
6044. Q. 11th March, 1966. A. But this isn't the same time, sir. I think you'll find that the 24th April isn't Ascot week.
6045. Q. No. This is for the period the 21st to the 24th April. A. Yes.
6046. Q. So we are speaking now of another holiday in addition to Ascot. A. Well, three days - I mean, I don't know whether it was for three nights, or anything about it, sir.
6047. Q. Why should you provide accommodation for Mr. and Mrs. Sales and their children anyway at the Dorchester? A. Because I was asked to, I suppose, and nothing else.
6048. Q. Did they pay for it? A. I don't know, sir.
6049. Q. Mr. Sales said they did not pay for it. A. They didn't?
6050. Q. They did not. A. Oh, well, I suppose, then, they didn't. I wouldn't know.
6051. Q. And then the file goes on, on the 25th May, 1965 - that is going back a little - "When would you and Mrs. Sales

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- like to see shows during Ascot week?" At any rate, what is the meaning of this file? A. No meaning, particularly, except it was getting reservations for them. We could get them.
6052. Q. Just pure friendship? A. Definitely.
6053. Q. Alternatively, I suppose that Mr. Sales asked you for the bill and you did not send it. A. I couldn't say whether he did or he didn't, sir. I can't recall. It's eight years ago.
6054. Q. According to Mr. Sales' private examination, his salary as the Chairman of the Yorkshire National Coal Board was £8,500 a year. Would you consider he needed free accommodation? A. No, not at that figure.
6055. Q. And now I want to go to something entirely different, and that is one of the very limited subjects which we wish to deal with in connection with the Beirut files to-day. Mr. Poulson, when you were examined by the Official Receiver in his office by his staff, you were no doubt asked that standard question, "How many bank accounts do you have?" and no doubt you answered, giving a list of those which you have or had had in England. Do you remember being asked? A. No, I don't remember being asked this particular question, no.
6056. Q. You do not remember. Did you at any time that you can recall have bank accounts abroad? A. Well, the only ones that I knew of were the one in Lagos, then ---
6057. Q. Was that for the practice? A. That was for the practice.
6058. Q. Yes? A. And there was one in Beirut for the practice.
6059. Q. For the practice? A. Yes.
6060. Q. And no others that you can recall? A. I don't know whether there was one later in Abu Dhabi; I don't know.
6061. Q. Yes. A. Oh, there would be one -- No, it would be I.T.C.S., sir. It would not be -- I don't think there was one in Malta either.
6062. Q. You spoke of one in Malta? A. No. I say I don't think there'd be one because the money came direct to England from the government every month.
6063. Q. Now, each of the accounts to which you have referred would have been a business account? A. Oh, definitely.
6064. Q. Do you recall having any personal accounts? A. No.



Nasser

6065. Q. Because among the files we have discovered ---

MR. MUIR HUNTER: Will you excuse me a moment, sir? The letters to which I am about to refer are extracted from the file entitled "Beirut Office - D. Jowett".

6066. Q. Was Mr. Donald Jowett your representative at Beirut for a time? A. He was the principal there, yes.

6067. Q. That is 1968. A. Yes.

MR. SAFFMAN: May I ask my learned friend to give the number of the file according to the Official Receiver's schedule which has been prepared?

MR. MUIR HUNTER: The number is "Official Receiver 1359(a). Has the learned Registrar got one?

THE REGISTRAR: I have one file.

MR. MUIR HUNTER: I have an extract here, sir, which is easier to handle. I hand the witness an extract which is entitled "Chase Manhattan". (Handed.) I think the learned Registrar may have seen these in connection with a certain application. If your clerk, sir, could help Mr. Poulson to find a letter dated the 30th May, 1967, which is about half-way through, from Messrs. Poulson at Beirut to Mr. Poulson.

6068. Q. This is a letter from Mr. Jowett, is it not, to yourself, dated the 30th May, 1967, which begins, "Thank you for your letters sent by Miss McLeod and also for the additional travellers cheques. We have, in fact, opened a separate account for this private money in the Chase Manhattan Bank, the money being deposited in dollars. At the moment this account is jointly in Costa's name and mine, but it is our intention to change this during your next visit here." Well now, do you remember an account being opened at the Chase Manhattan? A. No, sir. I didn't know we had ever ---

6069. Q. You mean that you are now saying you did not know there was such an account? A. Well, I only knew of one account. I don't know whether this is the one account in Beirut or whether there was another one. I don't know which it was.

6070. Q. Would you turn upwards to the next letter dated the 16th June, 1967, from a Mr. Costa Nasser, and look at the postscript on page 2? The postscript reads, "Please let me know when you will be in Greece and your address there, if you want me to send you any funds from the

dollar account we have opened for you here in the Chase Manhattan Bank." It is quite obvious that a personal account was opened for private money, was it not? A. No, sir, because I went out there purely on business. I mean, I didn't go in May to Greece. I don't know that I went there.

6071. Q. This letter from Mr. Jowett, dated the 30th May, refers to a number of letters from yourself enclosing money received from you or brought by courier by your staff. That is plain, is it not? A. Well, no, it isn't, because for the simple reason I don't know that it was brought by, as you suggest, a courier. The only person who went out there would be myself or Jowett going out or coming back at that time, I think.

6072. Q. Mr. Poulson, will you turn down to the letter of the 4th May. It is a letter from yourself to Jowett. This is a letter which appears to be from yourself to Mr. Jowett, dated the 4th May. "Dear Jowett, I am sending with Tetlow £200 in travellers' cheques, which I shall be pleased if you will place in the account which Costa Nasser has opened for the other money I left with him." Do you remember that? A. No.

6073. Q. "He has £250 in cheques and £150 in Jordanian cash which he said he would change into Lebanese currency, so, with this further £200, there should be £600. This is for emergencies as and when required. The money should be kept in a completely separate account." How can you now, in the face of that letter, suggest you do not know anything about it? A. Sir, I can't remember what it was and what transactions there were going at that time. And it's self-explanatory when you read it. It was there, and the details are given, and I'm glad there's a record of it all.

6074. Q. Look at the next letter upwards - the 10th May - which acknowledges the letter: " -- received from Mr. Tetlow with the £200 in travellers' cheques. I am not at the moment able to discuss the question of the other money with Costa" - that is Costa Nasser --- A. Sorry, just a minute. I haven't found this yet; I haven't found what you're reading.

6075. Q. The first paragraph of the letter of the 10th of May.  
A. Oh, sorry. Yes?

6076. Q. "Thank you for your letters which I duly received from Mr. Tetlow" - that is one of your salaried partners - "enclosing also the £200 in travellers' cheques. I am not able at the moment to discuss the question of the other money with Costa due to his absence in Dubai. He had previously led me to understand he had spent the greater part of the money you left with us in Jordan on your behalf. He has given me £75 in Jordanian dinars, and he has, I understand, £50 in travellers' cheques. This leaves a total of £325 which we have placed in a separate account as you requested." There can be absolutely no doubt now, can there? A. No doubt about what?
6077. Q. That there was such an account and it was opened on your instructions and used for the accommodation of money. A. For the practice; not for anything else.
6078. Q. No, no; a separate account. A. Yes, but, I mean, where was the difference -- ? Why -- ? Well, I don't know whether it was a separate account. I mean, was this the office account as well?
6079. Q. No, it was not the office account. The office account, if I may remind you, was the subject of a special clearance with the Bank of England about which you wrote very strongly on certain occasions. A. Who was that with? Which bank was that with?
6080. Q. I suppose that was Chase Manhattan or -- The Bank of the Middle East, I think. A. Well, ---
6081. Q. Well now, we have asked Mr. Jowett about this, and Mr. Jowett says - it is the second page from the top - "I am writing to confirm that I was with Mr. Costa Nasser, Mr. Poulson's nominee for a bank account opened in the Chase Manhattan account, Beirut, in April, 1967. I ceased to act in that capacity when I submitted my resignation as an architect in charge of the Beirut office in November, 1967. The account was opened using surplus currency and travellers' cheques which Mr. Poulson had with him after a trip to the area in April. I can't remember being involved with regard to any further activity to do with this account prior to my resignation in November." Well now, that is his account! What do you say to that?

A. Well, first of all, I didn't know he'd resigned because he came back on the staff at Pontefract. I brought him back.

6082. Q. Yes. A. So I think that's incorrect in the first place. And, secondly, the only thing I can think of is that our money was left there so that they had a surplus if there were any delays, as there had been previously, in getting the money out to him when we had to send money out to the office there.

MR. MUIR HUNTER: I think, sir, you have the main Beirut office - D. Jowett, have you not?

THE REGISTRAR: Yes.

. . . / Q. 6083.

6083. Q. What do you say this account was to be used for? A. I don't know what it was. The only thing I can think of, it was kept separate and then it was there if there was a delay, which there had been previously. There were often delays and panics when money didn't arrive on time.
6084. Q. Why was it in the nominee names? A. I don't know that it was in a nominee name. It couldn't be in my name; I wasn't there to sign. Only the two people concerned ----
6085. Q. Mr. Poulson, I wish to get something clear. Are you suggesting the letters I have shown you, from yourself and to yourself, and statements by your former salaried partners are false? A. No, sir. What I am trying to explain to you is what I recall would have been the reason for those, sir.
6086. Q. This was an account opened not in your name with two different local signatories, but in the names of other persons. Why was that? A. They are two members of the staff; that's what they were.
6087. Q. Why were they in ---- A. For the simple reason they were there and they could utilize that when they were out there.
6088. Q. Did the Bank of England know about this? A. I wouldn't know, sir; I cannot tell you.
6089. Q. Secondly, this account was apparently fed with surplus travellers cheques and surplus currency presumably provided for the purposes of business travel abroad? A. For business, that is right, and was never used. I mean, nobody goes to Beirut for any other purpose that I can think of.
- MR. MUIR HUNTER: Have we got a copy of the whole Beirut file? Would you open it at the 17th May, 1967? Sir, we seem to be a little short of copies of this, so I will read out a letter which is apparently from Mr. Poulson to Mr. Jowett dated the 17th May, 1967.
6090. Q. The first part deals with certain money transactions with Costa, and then will you go down to the words, "Just get a brief list from him and Miss McLeod can bring it back". Miss McLeod was your secretary, was she not? A. Yes.
6091. Q. "I am also giving Miss McLeod some travellers cheques which can be paid into my account". That must surely be, "My Chase Manhattan account"? A. Well, I would imagine so, sir, but not my cheques. They would be the balance of what she had, which was any money which was left, which I would interpret that as.
6092. Q. "You can then pay for Miss McLeod's and Miss X" - I am not going to read the name - "Miss X's hotel bills at the V ..." - that is the Vendome Hotel. "Take them on trips to Jerusalem,

- Baalbek, Bat-addin, Bakazina and anywhere they want to see. I have told Miss McLeod to put the address of your flat on the form she will fill in at the airport so she can spend her full £50 allowance without worrying about her hotel bills. Do see they have a good time and do please see that I have a telex straight away telling me of their safe arrival so that I can inform their parents". Now, Miss "X" is the daughter of one of your close colleagues, is she not? A. Correct.
6093. Q. Why were you using your account for the entertainment of these two young ladies? A. Well, first of all, Miss McLeod wasn't going out on the entertainment. She went out because the books were in a hopeless state - to put them right.
6094. Q. Will you take it from me, Mr. Poulson, that there is a letter suggesting that Miss McLeod was going out as Miss "X's" chaperon? A. Well, I can assure you it wasn't so.
6095. Q. So what do you say about this letter? A. Furthermore, I understood they stayed with Costa - with Jowett at his flat.
6096. Q. It is the use of this account for apparently private purposes. That is my object in asking these questions? A. Well, I know of this visit, but there was nobody else. This was the first. But Miss McLeod didn't go out for a holiday, but as they were there, they were going to Jerusalem. I don't know whether they went. I don't think they did, because it was the week before the war. I don't think they went out. It was the week before the war started, in fact.
6097. Q. The point is this, you see, Mr. Poulson. We are very interested in this account as to know what sums it might have contained at the date of your bankruptcy. Now, did you ever get statements of the account? A. No, sir, I have never seen anything. If we got statements they would go back to the accountants at Pontefract.
6098. Q. Will you now turn to a letter in that file dated the 27th June, 1967? This is a letter from Mr. Nasser to yourself, is it not? Have you got it, the 27th June? A. Yes, sir.
6099. Q. Have you got the letter beginning, "Thank you very much for your letter of the 19th June"? A. Yes.
7000. Q. The second paragraph, "Let me also first of all deal with the banking matters. Everything is all right now. The money is here. I am operating the company account". Now, that must be the I.T.C.S. account, do you think? A. I don't know whether he'd joined I.T.C.S. then or after. I don't know when it came. He was for a period, you will recall,

originally on my staff, because he was a qualified mechanical engineer.

7001. Q. At any rate, the only company with which ---- A. As this letter heading says, "A.M.I.E."
7002. Q. The only company with which we are here concerned is I.T.C.S., is it not? A. Oh, J.G.L. Poulson as well, sir.
7003. Q. No, the company account ---- A. Yes, but this is not on the I.T.C.S. letter heading and that is what makes me think that he hadn't joined I.T.C.S.
7004. Q. Well, what company account would here be referred to? A. J.G.L. Poulson.
7005. Q. I see. "And will send a full statement every month to Mr. Baker". That was your internal accountant? A. That's correct; that is what should be done; not me.
7006. Q. The next paragraph. "I have finally been able to solve the question of the sterling area travellers cheques by getting them cashed in Jordan, and I have not been able to do this before as there were no transportation facilities. Consequently, the special account in dollars at the Chase Manhattan Bank, opened for you and operated both by Mr. Jowett and myself, stands credited now in U.S. dollars 1900 approximately". There can be absolutely no doubt about this, can there? A. Well, I don't know anything about this, sir.
7007. Q. Can you read, Mr. Poulson? A. Yes, but I am not aware of the details of this. I wasn't aware - I can't recall this ever being done.
7008. Q. Do I understand that you deny having read these letters? A. No, sir, but I can't remember what I read eight years ago.
7009. Q. No, this is 1967? A. Well, that is still - sorry - six years ago.
7010. Q. But do you now admit that there was a special account in dollars at the Chase Manhattan Bank opened for you; yes or no? A. Well, there was an account, not opened for me, but for the office there, between the persons of Jowett and Nasser.
7011. Q. What do you mean, "for the office"? A. Well, I said it was there for that purpose, for the simple reason that it was in their names. They were the only people who could draw cheques on it. I couldn't even draw cheques on it.
7012. Q. If it was for the office what was it doing entertaining Miss "X" at Baalbec? A. Well, I don't know that it did, because I don't think she went. It was the week before the war started, the Israely/Arab war.
7013. Q. You can take it, Mr. Poulson, that we have checked up and she

did go. A. Did she go to the other two places? I'm sure she didn't go to one.

7014. Q. You see, we know that she went, Miss "X", because she made a certain purchase which your office had to straighten up. A. I didn't know.

7015. Q. At any rate, she went. You can take that from me. He goes on to say this, "Please let me know as soon as possible how much of this you wish me to transfer to Greece". Why should he refer to sending it to Greece? A. The only thing I can think of is that we were going to Greece at that time in connection with a job there.

7016. Q. You see, this ---- A. But we didn't go.

7017. Q. Only a fortnight before in a 'P.S.', to which I have drawn your attention, he had said on the 16th June, "Please let me know when you will be in Greece and your address there if you want me to send you any funds from the dollar account we have opened for you here in the Chase Manhattan Bank". How can you deny these letters, Mr. Poulson? A. I aren't denying them, sir. I am saying that you are trying to put interpretations on them which I am jolly sure are not correct.

7018. Q. What interpretations? A. Well, you are trying to say that these monies were transferred to Greece. Why to Greece, I don't know.

7019. Q. I am reading your letter. A. Yes, but I don't know why because we didn't -- The only persons who went to Greece were later, but not that year, I don't think. I think it was the following year because of the war.

7020. Q. He concludes by saying in this paragraph, "If you have some more sterling area travellers cheques that you want to put in this account, send them with Mr. Jowett". At any rate, you say you have no recollection of this account? A. I haven't, sir, no.

7021. Q. Apart from these letters you never received any account or --- A. Furthermore, I never drew anything out that I am aware of.

7022. Q. Between June, 1967, and ---- A. Is the money still there?

7023. Q. Well, you see, we have asked the Chase Manhattan Bank for details of this, and they say that the Lebanese law forbids them to say so without an order of this Court, which the learned Registrar has now made, and they now tell us there is no-one in London or Paris who can tell us anything about it. Are you sure you do not remember anything? A. Look, sir, if I could help you I would do. I am trying to all the time.



*I.T.C.S. payments  
Nasser*

7024. THE REGISTRAR: If there are any documents in this country relating to this account, who would have them? A. Well, the only persons that I know, sir, would be the accountants at Pontefract. They would go, as the previous correspondence which Mr. Hunter has read out, the letter from Costa to myself, namely that he sent them to Baker.
7025. Q. By 'accountants' do you mean the ---- A. The internal accountants, yes, in the company.
7026. MR. MUIR HUNTER: Would you undertake to use your best endeavours, whatever they may amount to, to procure information about this? A. Yes, sir.
7027. Q. But you say that you never received any bank statements? A. Well, that letter proves it. They were said to be sent to Baker.
7028. Q. You see, in the middle of 1967, there were 1900 dollars there? A. Well, that is why I asked you if you had got it.
7029. Q. Yes. And presumably after Mr. Jowett's retirement Mr. Nasser continued to operate the account in his own sole name? A. I don't know, sir, whether Jowett's successor would then take over.
7030. Q. Who was Jowett's successor? A. Gomersal.
7031. Q. Well now, did you ever call on Mr. Nasser for any sort of account? A. I didn't call on any of them, sir; they dealt direct with the accountants. I didn't have an accountants' division and then do all the details.
7032. Q. But after 1967, you were in Beirut again, were you not? A. I have been in Beirut probably two or three times in that year on my way down to the Gulf, which was the way they go, and I took the opportunity to call in the office to see what they were up to.
7033. Q. You see, Mr. Poulson, we suffer from this disadvantage, that we only discover things that have actually survived. This file is the extract from a file as found, so we look to you for assistance in this matter. One of the matters I wish to take up with you, without going in detail into the Beirut operations, is your relationship with Mr. Nasser financially.
- MR. MUIR HUNTER: Can I have a copy of payments made to Nasser? This file, which is a new file - it is a Trustee file, made up by ourselves - is a list of payments relating to I.T.C.S. extracted from its books.
7034. Q. If you look half way down the first page you will see items from here, Mr. Poulson, "ex-nominal ledger not in cashbook".

MR. SAFFMAN: Sir, is my learned friend entitled to examine this witness on the transactions of I.T.C.S. and their employees? In my submission he is not.

THE REGISTRAR: Are the entries taken from Mr. Poulson's cashbook?

MR. MUIR HUNTER: May I explain the purpose of my next question?

7035. Q. This list of payments, Mr. Poulson, on this and the next page, from items from here, amount to £28,000 covering a period of two years. Now, it is right, is it not, that all the money used by I.T.C.S. in the Middle East was provided by your company, Ropergate? A. Yes, sir.
- 7036..Q. And these large disbursements were the subject of some discussion between yourself and those responsible for I.T.C.S., were they not? A. Yes.
7037. Q. And, according to our information, Mr. Nasser's salary was initially £5,000 a year, plus expenses? A. Well, I can't recall it, but if you say so.
7038. Q. If you would look two-thirds of the way down the first page, you will see a figure of £479.3.4d? A. Yes.
7039. Q. Which is apparently one-twelfth of £5,000, which seems to suggest that that was his salary? Now, you said a few moments ago that until I.T.C.S. was formed, and operated an office itself in the Middle East ---- A. No, it was quite a considerable time after I.T.C.S. was formed that the one in the Middle East was set up, sir.
7040. Q. Exactly. And you said, "for a time Mr. Nasser was on my staff"? A. That's correct. He was originally appointed on the staff.
7041. Q. What would the date be when he joined your staff? A. I should only be guessing at that date, sir.
7042. Q. At any rate, is it possible that in this list of payments starting with the 28th February, 1967, some part of the time is covered by the period when Mr. Nasser was on your staff? A. I don't know which part of 1967, but I think we could ascertain that if I am given time.
7043. Q. But, at any rate, it is possible? A. Yes.
7044. Q. Therefore, in answer to your solicitor's question, some part of these payments may relate to the time when you and Mr. Nasser were in direct contractual relationship? A. Not contractual, sir. He was an electrical engineer.
7045. Q. But he was employed by you? A. Yes, sir, as the mechanical engineer and electrical engineer.
7046. Q. And he shared an office at Beirut with your own representative, Mr. Jowett? A. Later. He was on the staff before Jowett was.

7047. Q. If we look at this list of payments, we find that there are a number of payments amounting to £749.3.4d., which would be one-twelfth of £5,000? A. Later, on page 2, on July 31st you get the answer. It says "salary".
7048. Q. Exactly. Then a little lower down, "Salary, C. Nasser, £625", which is the equivalent of £7,500 a year? A. But I am certain of this, that Nasser was - you see in January - 23rd January - you will see Nasser and Gomersal, who, as I told you, took over. Now then, it is obviously some time between June, 1967, and December, 1967, that Nasser went from my staff to I.T.C.S. That's as near as I can give you it.
7049. Q. Well now, the point of my questions is this. If you will look at the payments in the middle of the first page, you will see very large sums indeed being paid to Mr. Nasser: May, £2,504, July, £1,000, July, £250, October, £1,250, 19th December, £2,000. Then back to 1967; June, £2,500, £1,250 in July, £1,250 in October and so forth. Those sums considerably exceed any possible salary, even if the salary had not already been separately provided. Can you tell me what these sums ---- A. Well, there was other staff besides Nasser in the office in Beirut and in the Gulf that were paid.
7050. Q. On this scale? A. Oh, yes, and the details of that -- well, you will get that because there were separate accounts for the Beirut office. I have seen those.
7051. Q. You think that the payments on this list, other than the ones specifically described as travelling expenses, or Gulf visit, or telephone, are staff expenses? A. Oh, very definitely, sir, and you have got accounts of the Beirut operations. You must have seen them; I have seen them. I mean, there were books properly kept.
7052. Q. But surely Mr. Nasser's only staff was his secretary? A. Oh, no, sir. There was a drawing office staff out there. They were doing work.
7053. Q. Employed by Mr. Nasser? A. At that time Nasser was before Jowett and he was in sole charge.
7054. Q. But we are speaking of a period when Mr. Jowett was there? A. Yes; well, then when they were there they were working together in, as you have rightly said, the same office - the same building, not in the same office - adjacent, and as far as the accountants are concerned it would appear they kept the whole accounts together, according to this list.

7055. Q. What about Mr. Spearing, was he there ----

MR. SAFFMAN: Sir, I have waited, in view of my previous objection, to see what was to transpire. This is a list which is headed "I.T.C.S. LTD". I am still waiting for my learned friend to ask questions about Mr. Poulson's business as opposed to that of I.T.C.S.

THE REGISTRAR: Well, Mr. Poulson has established that in 1967, Mr. Nasser was employed by him.

MR. SAFFMAN: Yes, sir, and the payments to Nasser, before Nasser was taken over by I.T.C.S., are shown.

THE REGISTRAR: Are shown here?

MR. SAFFMAN: Yes, sir.

THE REGISTRAR: This is what the questions are about.

MR. SAFFMAN: Well, I fail to see what questions there can be about those.

MR. MUIR HUNTER: The principal question is, "What happened to £28,000 of Mr. Poulson's money?", about which Mr. Saffman, I am sure, should be as concerned as myself.

THE DEBTOR: Well, you have got the books of the Middle East, haven't you? They are certainly available.

7056. MR. MUIR HUNTER: They are somewhat imperfect, Mr. Poulson. Also, Mr. Nasser has apparently indicated that he is not disposed at the moment to leave the Lebanon for any purpose whatsoever, so perhaps we ought to ---- A. That confirms my doubts about him.

7057. Q. So you see, you are really one of the few people who can ----  
A. Well, you see, this is all mixed up. When I look at the items before, where you get down to the 9th February, sir, they are referring to nothing to do with this. They are referring to another part of the world, except there are two items here I am not aware of on the 9th January, 1968, and the 8th. Well, then - "Flat - Kirk", I don't know anything about this. Nasser hadn't a flat of our's.

7058. Q. I have not asked for any of the minor details. The main point is this, Mr. Poulson, and I put it in the most uncontroversial way to which your solicitor will not object. Are you able to assist in explaining in what circumstances, during a period not exceeding two years, Mr. Nasser was paid, or received, a sum of £28,000, only about £12,000 of which could possibly have been his salary? A. Well, as far as the rest is concerned, sir, if you will let me have the books of the Beirut office, together with the balance sheets, I will

endeavour to ascertain that information.

7059. Q. You see, this links up with my previous questions about the Chase Manhattan account. You were under the impression that the Chase Manhattan account, in the names of Mr. Nasser and Mr. Jowett, and then of Mr. Nasser, was for some sort of emergency business purposes. If, in fact, Mr. Nasser had drawn on that, then one would have expected to find some sort of set-off, would one not, against the sums he had incurred?  
A. Well, also - well, either that, or the money being in that account. Is there any balance in that account?
7060. Q. That is what we are trying to discover. Perhaps we should all go to the Lebanon together, Mr. Poulson. A. Not after my last visit.
7061. Q. I think perhaps it would be helpful if we could just check up on the staff that you did have that you can recall. There was, first of all, Mr. Nasser, whom you describe as a resident engineer?  
A. He was at that time, sir. As you have seen from his letters, he has got these qualifications.
7062. Q. And he would have, you say, some kind of staff? A. He had at the least three architects, and I think only two engineers.
7063. Q. For whom he would be responsible for paying? A. Oh, he was, goodness me, he was the only person. It was as a result of buidling up that staff and not being satisfied that I asked somebody to go out from Pentefract, and Jowett was the man who went out.
7064. Q. So you mean all the money was given to Mr. Nasser to distribute in paying the staff before there was a local account? A. Well, I don't know. As I understood it at that time, the account would be opened in the name of the firm. I don't know if it ever was in the name of the firm. I don't know what it was in.
7065. Q. At any rate, can I leave it at this, that you are prepared to assist to the best of your ability in discovering whether Mr. Nasser has faithfully accounted for such sums, if any, as he may be answerable to, to Mr. Poulson or his Trustee in Bankruptcy?  
A. I would love to get something back from him, sir, because it would appear to me that there is either some money there or I would like to know how it has been dispensed with.
7066. Q. You rather give the impression of believing that Nasser may have been indebted to you in some sum? A. No, I am talking about the 1900 dollars you don't know about.

7067. Q. I see. Now, among the items which we have come across in the Beirut files are the construction of two villas, one at Burainie, and one at Aby Dhabi. Now, do you remember these villas? A. These were for the staff, sir.
7068. Q. I know; not very grand, I appreciate, but at any rate they were constructed? A. They were two rooms.
7069. Q. Yes. Well, one was slightly larger. At any rate, they were constructed and they were, as we understand it, the property of Mr. Poulson's firm? A. Not that I am aware of.
7070. Q. But they were built and paid for by the employing authorities? A. I would have thought they were theirs, not ours.
7071. Q. No, no, they were to be yours, as I understand it. There is correspondence to this effect. When you handed over your business, and so forth, did you in any way hand over, or make over, to them any villas or other property in the Middle East? A. I didn't hand over anything; I just had it all taken from me.
7072. Q. I know, Mr. Poulson. We have heard what you have said on that. You see, among other things there is some rather spirited conversation between yourself and Mr. Jowett on the subject of the furnishing of these bungalows? A. I thought it was the furnishing of a flat, and I thought you were incorrect, sir ----
7073. Q. I see. I beg your pardon. I wondered, as this was paid for by the firm, what happened to that? A. I don't know, sir.
7074. Q. Because plainly if there are any assets, unless they were quite trivial, you would wish to help get them in? A. Well, most definitely.
7075. Q. Could you perhaps assist with any further details about either of these bungalows, or the furnishing of the bungalows, or the furnishing of the staff flats, which we might be able to recover? A. The position is that those bungalows were to be given to us, weren't they, at the end?
7076. Q. As far as we can understand, yes? A. Well, you are telling something I don't know.
7077. Q. They were part of the job. One cost, I think, 15,000 dinars and one cost, I think, 20,000? A. How many dinars?
7078. Q. I do not know which dinar it is ---- A. They are all the same, sir. It is the Bahrain one.
7079. Q. Now I wish to deal with another banking file which we have come across, which is called "Telex File - 640A". Like all telex files it is not very satisfactory, but we see telexes

from Construction Promotion to yourself, actually for Mr. Baker, speaking of amounts being in transit from, for example, Luxemburg, signed, "Pollard". Now, do you know what the ---- A. Sorry, what page is this?

7080. Q. The first page is the one I have just referred to dated the 17th July, 1968. A. Yes, sir. I think that you will find that this is our fees on the Cassinga project, which had this way of coming round; Spain transferred them to Luxemburg, Luxemburg transferred them to London, and you can get confirmation of that from C.P.

7081. Q. Would you look at the second page, which is a telex dated the 23rd July, 1967, the first paragraph. "£26,000 has been paid from European sources; £25,000 awaits signature of Minister clearing payment via S.A.20 temporarily. Minister arrives back in Lisbon 22.7. Documents await him. Clearance through Copenhagen arrangement". This S.A.20 occurs frequently? A. That is the name given to the project.

7082. Q. And what was Copenhagen? A. They were the contractors who were doing the job.

7083. Q. This is what? A. This is the Cassinga contract, which it says.

7084. Q. Cassinga ---- A. But the contract document was always known as S.A.20.

7085. Q. And so these references to Copenhagen are what? A. Well, through the contractors. Some money came; they paid it direct to them and then on to us, and some came from Luxemburg, and some came via Lisbon direct. There was all sorts of ways it came.

7086. Q. Did you ever have an account in Copenhagen yourself? A. Not that I am aware of, sir.

7087. Q. You went to Copenhagen, I think? A. I only went to Copenhagen once on the way to Stockholm, to see Allbright & Stokes.

7088. Q. Well now, did you have any other bank accounts outside the United Kingdom - for example, in Switzerland? A. No, sir, definitely not. I never have. Lagos, as I have told you earlier.

7089. Q. Yes. Well now, another item we have discovered in your files relates to some business project in Switzerland called Anzère? A. That was for a proposed new ski resort.

7090. Q. Did you, in fact, do anything in this respect? A. No, sir, it was just - no.

7091. Q. You did, in fact, visit Switzerland? A. I went there on one occasion in connection with this.
7092. Q. Was it in connection with Anzère? A. Yes, to Zurich.
7093. Q. And what transpired at ---- A. Well, I can't think of what it was. It wasn't a feasible proposition; we failed to come to an agreement.
7094. Q. So that no fees accrued from that? A. No, there wasn't anything.
7095. Q. Now, you have spoken earlier today about Greece, and we have found a file which refers to a proposed bus station in Athens? A. Well, that is the one I said to you that Tetlow went out on, not myself.
7096. Q. Did that materialise? A. No, sir, not that I am aware of. I don't know what happened to it.
7097. Q. Did any fees accrue as a result of it? A. Not in the period that I was there, sir. I don't know what has happened since. I don't know whether there has or not. There weren't even any plans done.
7098. Q. Mr. Poulson, earlier, as you have heard, I made certain observations about Executive Travel Limited and Mr. Wegg. Now, as a result of the proceedings on the last occasion, Messrs. Executive Travel have stated that your total expenditure with them between 1957 and 1964 was of the order of £63,000, at the average rate, therefore, of something like £10,000 a year. Does that coincide with your recollection? A. I would have thought it was higher, the amount of travelling we was doing.
7099. Q. Now, it is to the account of this firm that we refer for a number of the holidays which you gave to persons to whom you wished to be generous. That is right, is it not? A. Yes, as far as I am aware.
7100. Q. We will not deal with the detail of it here. Now, you have frequently said, have you not, that you thought you were a very rich man and, therefore, you could give holidays to anyone that you chose? A. Well, it wasn't a case of 'thought'. According to the figures produced, I was.
7101. Q. Was there any time when you thought you could not afford to go along giving holidays to people? A. Not until July, 1969.
7102. Q. Shall we look together at this letter from Executive Travel, dated the 24th January, 1966. This is addressed to yourself by Mr. Wegg and says, "Your letter of the 18th January, 1966 ...", and I must tell you that this is the only letter that we seem



have reached a position where we could really regard our task as completed, in the absence of some entirely fresh source which came to light, but, of course, it may well be the Official Receiver will need much longer to prepare for his part of the proceedings, followed, no doubt, by my learned friend Mr. Saffman, who wishes to re-examine.

MR. SAFFMAN: May I say, sir, before the adjournment, first, I have no objection to the 25th June. Secondly, may I again respectfully suggest that if there are matters on which the Trustee requires information, even if he wishes to bring them out in Public Examination, that a great deal of time and effort may be saved by submitting in advance an indication of the information which is required, so that the necessary work can be done by my client and I to obtain that information instead of giving undertakings to obtain information subsequently, which might only have the effect of dragging it on.

Thirdly, my learned friend Mr. Muir Hunter did say on the second day, at page 26, question No. 1236, that when Mr. Poulson became insolvent it was a matter which would have to be discovered objectively by doing the sums, and I must respectfully submit there was no point in putting to the debtor, without the books and records and an adding machine, that he was insolvent on a certain date.

Fourthly, may I come back to the old topic, sir, which has been raised on previous occasions, and that is the lifting of the stop order on the Private Examinations which have taken place. It was a matter which, when I raised it originally, you said that you required time to consider it, and I did then raise it again. I would now like to raise it for the third time, especially as during the course of this Examination, the evidence taken under Section 25 of some three or four witnesses, has been put to the debtor, and it is important from the Trustee's point of view, from the creditors' point of view, that the debtor, and I on his behalf, should know what those witnesses have said, assuming, as I do, because I have no knowledge to a large extent who has been examined, except in so far as it has been disclosed, but it may very well be that there is evidence given by those witnesses which the debtor is in a position to contradict.

MR. MUIR HUNTER: May I assist my learned friend. I have instructions, subject, of course, to the views of the Court, that in the exceptional circumstances of this case, my learned friend, with or without counsel, should be allowed to inspect

to date.

THE REGISTRAR: Yes, I am glad you have reminded me about that. Mr. Poulson, until the Court resumes, would you attend at the Court office and go through the transcripts of the Public Examination as these require your signature.

THE DEBTOR: Yes. Your office?

THE REGISTRAR: Yes. In other words, it is my copies of the transcripts which you have to sign. I adjourn the Public Examination until Monday the 25th June.