

placed at my disposal rooms at the Dorchester if and when I wanted to use them, on the grounds that it was costless to himself.

265. Q. When would you have been able to have repaid all this money that you say Mr. Poulson was lending to you interest free?

A. When could I have repaid it? I could have repaid that in April, 1967 - personally I could have repaid that. But, so far as my wife was ---

266. Q. How could you have repaid it in April, 1967? A. In April, 1967, because (1) I drew my superannuation lump sum, together with the amount due to early retirement, which I think - don't hold me to the figures precisely - totalled some £13,000.

267. Q. In the third paragraph of the letter of the 14th September ---
A. Yes.

268. Q. You say that the loan was to be repaid at a later date:
"The above mentioned sums totalling £5,128 were an interest free loan." A. Yes.

269. Q. "And they were to be repaid at a later date." A. Yes.

270. Q. What date did you have in mind when you were discussing this with Mr. Poulson? A. I had no date in mind for the repayment because, as I have already stated, it was understood that the fees that I would earn by joining Mr. Poulson's company would be canalised into the repayment.

271. Q. Why should this loan be interest free? A. Pardon?

272. Q. Why should this loan be interest free? A. This was the arrangement.

273. Q. Did you not say to Mr. Poulson, "Well, can I not pay you some interest?" Did you tender or proffer to pay interest? A. I did not.

274. Q. Why not? A. (No reply)

275. Q. It did not cross your mind? A. Certainly it did not cross my mind.

276. Q. Did you ever offer to repay Mr. Poulson this loan at any time? A. I have never offered to repay it, no.

277. Q. Why not? A. I did not offer to repay it, because I assumed it was being repaid in terms of the arrangement that we had made when I agreed to join his company.

278. Q. Are you saying that you have never offered to repay this loan to Mr. Poulson? A. I am saying that I have never offered to repay this loan to Mr. Poulson, except here.

279. Q. Well, this letter was written on the 14th September, 1972, in response to certain correspondence sent to you by Mr. Poulson's Trustee in Bankruptcy? A. Yes.
280. Q. But before Mr. Poulson went bankrupt you never offered to repay the loan of £5,128 15p? A. No.
281. Q. Did Mr. Poulson ever ask you to repay the loan? A. No, no.
282. Q. I shall return to this subject later on in this examination. What was the name of the building society with which the mortgage was arranged? A. The Wakefield Building Society.
- Mortgage*
283. Q. Had you ever had dealings with that building society before? A. No.
284. Q. At the time of this loan you were about sixty-four? A. Yes.
285. Q. Did they ask you to fill in a form saying who you were and how you could keep down the mortgage instalments, what sort of salary you had? A. I would not know.
286. Q. You would not know? A. No.
287. Q. Were you not interested in these things? A. Pardon?
288. Q. Were you not interested at the time to find out? A. I was interested at the time, but at the time, as I have already explained, I was due to go to America, Mr. Poulson had said, "Leave everything to me, I'll do the arrangements, I am a Director of this building society and you need not worry at all about it." I have been perfectly frank and honest.
289. Q. You went to America, did you not, with Lord Robens? A. I went to America with Lord Robens.
290. Q. He was then the Chairman of the National Coal Board? A. And other colleagues, yes.
291. Q. And you were his main man in Yorkshire? A. That is quite true, yes.
292. Q. Did you tell him, the Chairman of the Coal Board, that you were going to buy this house from the Coal Board? A. No.
293. Q. Did you discuss with him the role that Mr. Poulson was going to play in your life? A. I certainly did not.
294. Q. And you say you took no interest at all in what Mr. Poulson was going to tell the building society? A. No.
295. Q. Did you send in a form to the building society, saying who you were and whether you were prepared to accept responsibility for the instalments under the mortgage? A. Well, if I did, I do not recollect it.
296. Q. Would you be prepared to instruct your solicitor, now, to obtain

from the Wakefield Building Society, whose offices, happily, are just round the corner? A. Yes.

297. Q. Their file relating to you? A. Certainly.

298. Q. So that we can find out what, in fact, was said about you? A. Certainly.

MR. GRAHAM: Sir, it would be convenient if arrangements could be made to obtain from the building society, if necessary by order of the Court, but much more easily on the request of Mr. Sales' solicitors, the relevant file, which we could perhaps arrange to have collected.

THE REGISTRAR: Well, Mr. Radcliffe, could Mr. Marshall go to the society and see if he can get the file?

MR. GRAHAM: At lunch time.

MR. RADCLIFFE: Yes.

299. MR. GRAHAM: When did you come back from America, before or after the property had been purchased from the Coal Board?

A. I think it would be before. I think I came back mid-July. I recollect that there was the seamen's strike.

300. Q. And you were delayed, were you? A. I was delayed, yes.

301. Q. When you got back did you get in touch with Mr. Poulson to find out what was happening to your purchase? A. I don't suppose I would do that immediately, no.

302. Q. You were not interested? A. Well, I think I would find other more pressing problems at the offices in Doncaster.

303. Q. Out of interest, can you tell the Court just how much the mortgage was for? Do you know that? A. £7,000.

304. Q. Over what period of time were repayments to take place? A. Ten years, I think.

305. Q. And how much were the repayment instalments to be? A. £84 per month, if I recollect correctly.

306. Q. Did you discuss with Mr. Poulson whether you could afford to pay £84 a month by way of these instalments? A. No.

307. Q. How did you know, then, that you were going to be able to do it? A. Because I have already said it was agreed. The arrangement between Mr. Poulson and myself was that the consultancy fees and the Director's fee would be canalised into the repayment.

308. Q. Do you remember on the 18th August, 1966, you wrote to Mr. Marr saying that you would like to take advantage of the ten year period for repaying the mortgage? Do you remember that?

A. Well, I don't remember it, but I do recollect, because I have some letters actually from Mr. Marr which I think are

contained in that file, in which he is asking me to opt as between a five year period, a ten year period, and some other stated time.

309. Q. That is right. A. And I know I delayed, I think, writing because of pressures elsewhere, but I think finally I opted for the ten year, but I don't recollect the letters that I wrote.
310. Q. Did you discuss the period that you were going to opt for with Mr. Poulson? A. I did not, no.
311. Q. Have you any idea when the first payment of £84 was going to become payable? A. I understood that it would become payable some time in 1967.
312. Q. Are you sure? A. I am sure, yes.
313. Q. The house was purchased, was it not, in August? The conveyance took place in August, 1966? A. In August, 1966.
314. Q. And that is when the mortgage was granted by the building society? A. And I think that that was when the completion of the mortgage took place.
315. Q. Can you show me anything to indicate that you were not to pay under the mortgage until 1967? In other words, it was to be deferred for at least six months or five months. A. I don't think so.
316. Q. Was there any agreement with the building society that there should be such ---
- MR. RADCLIFFE: I would like to point out -- I think Mr. Sales may have misunderstood the question. He was asked when did he understand the £84 would become payable; well, which £84 is meant, the fee or the repayment of the mortgage? It was not clear.
317. MR. GRAHAM: Mr. Sales, you were making yourself responsible to the Wakefield Building Society in respect of a mortgage for £7,000 in August, 1966? A. Yes.
318. Q. And about the 19th August of that month, the 18th or 19th, you opted for the ten year plan at £84 a month. A. Yes.
319. Q. When did you expect that you would be obliged to pay the first £84 instalment to the building society? A. Well, the arrangement that I had was that the consultancy fees would be canalised into --
320. Q. No, no, no. When did you expect to have to pay £84 to the building society? A. I did not expect to have to pay it at

that time. I have already said that the arrangement was for the canalisation.

321. Q. Did you inform the building society that you had no intention of paying the instalments -- A. I did not inform --
322. Q. -- at once? A. I did not inform the building society at all.
323. Q. Why not? A. Because I took Mr. Poulson to be the building society and the representative - he was a Director of this building society.
324. Q. Did you have any correspondence with the building society yourself? A. I don't think so.
325. Q. Why did you not tell the manager or the head office, "Mr. Poulson is looking after this for me." A. But he knew that Mr. Poulson was looking after it.
326. Q. How did he know that? A. Because Mr. Poulson must have told him.
327. Q. How do you know that Mr. Poulson told the manager anything of the sort? A. If you put it that way, I do not.
328. Q. Did Mr. Poulson tell you that he had told the manager?
A. Mr. Poulson told me, and I cannot repeat myself ad nauseam, Mr. Poulson told me that he would make the arrangement as he was a Director of this building society, and that I need not trouble myself with the detail.
329. Q. And you said, "What a wonderful building society that carries on business in this way." A. I am sure I never said anything of the kind.
330. Q. What did you say? A. Pardon?
331. Q. You did not say anything, you did not express any curiosity or surprise that this is how a building society worked?
A. No.
332. Q. Is this how the National Coal Board worked? A. Certainly not.
333. Q. Well, why did you think building societies worked in the same way? A. I am afraid I cannot answer questions of that kind, I mean, it is all conjecture. I am telling you quite clearly and honestly what the arrangements were, and if you say did I say what a wonderful thing this building society was, then my answer to you is no I did not say it.
334. Q. On the 17th November, 1966, Mr. Robinson, Mr. W. Robinson who is the General Manager of the Wakefield Building Society, wrote the following letter to you. A. Yes.

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335. Q. "Further to our letter of 19th August, 1966, informing you that the first subscription of £84 per calender month became due on 1st September, 1966, no payments have yet been received, and arrears now total £252." A. Yes.
336. Q. And he goes on, "We should be obliged if you would give this matter your urgent attention." A. Yes.
337. Q. Did you reply to Mr. Robinson's letter? A. Not that I know of.
338. Q. Why not? A. Because I probably on that -- I would probably get in touch with Mr. Poulson.
339. Q. Why should you not write to Mr. Robinson, who is the Manager of the building society, and tell him, "There must be a mistake, Mr. Robinson, I don't owe the building society £84 a month for the last three months; you must be joking!" You did not do that? A. I didn't do that at all.
340. Q. Why not? A. Why should I?
341. Q. What did you do? A. I have told you what I did.
342. Q. What? A. I am assuming that I either got Mr. Poulson on the 'phone, or went to see Mr. Poulson. Presumably I got him on the 'phone, I would probably say, "Look, what is all this about; you were supposed to make this arrangement, you were supposed to deal with all the detail." I certainly would not get -- I don't think I -- I would be very surprised if I replied to Mr. Robinson, let me put it that way.
343. Q. Do you not think it would have been at least courteous to have replied to Mr. Robinson? Perhaps he may have misunderstood the arrangement with Mr. Poulson. A. Well, I do not know; I never explained anything to Mr. Robinson.
344. Q. You were a very eminent person. A. But I have never seen Mr. Robinson.
345. Q. You did not even write -- You have never had any correspondence with the building society apparently? A. Of course I didn't, for exactly the reasons that I have given to you.
346. Q. On the 24th November - and you will not have seen this letter, and I will read it to you and you are welcome to see the copy that we have - Mr. Poulson writes to Mr. Robinson, not at his Wakefield business address but at his home at Springwell Grange, Aberford Road, Oulton. A. Yes,
347. Q. "Dear Bill, With reference to your letter of 17th November addressed to Mr. Sales, I am enclosing cheque in the sum of

£252 so that the arrears in this connection are cleared.

Please note that I will personally deal with the matter in the future." A. Yes.

348. Q. You would have expected Mr. Poulson to have written something along those lines, would you? A. I would have thought so, yes, in view of the arrangement that we made for the canalisation of my fees into that.
349. Q. Have you any idea whether Mr. Poulson paid the £84 regularly, or not? A. No.
350. Q. None at all? A. No, I left it to him.
351. Q. Now, by November, 1966, three instalments of £84 each were due to the building society from you; is that right? A. According to you, yes.
352. Q. And you had thought that Mr. Poulson was going to look after it for you? A. Yes.
353. Q. It is also right that you were still a serving officer of the National Coal Board? A. Yes.
354. Q. In what capacity were you obtaining from Mr. Poulson the payment of the £84 a month? A. Pardon?
355. Q. In what capacity --- Why were you getting £84 a month in 1966 from Mr. Poulson? A. I had agreed to act as consultant to Mr. Poulson. I had also agreed that I should receive no consultancy fees until such time as I left the Board's service. I also understood that the arrangement that Mr. Poulson had made with the building society would cover that interim period. I further ---
356. Q. I am sorry. A. And furthermore, having declared my intention to resign, there are always, in my view, in top management posts, always spill-over arrangements that I myself had made, for example, for some of my other servants who worked for me.
357. Q. But they told you what the arrangement -- that you in your capacity as Chairman of the National Coal Board - of the Yorkshire Division - they told you what they intended to do in relation to the spill-over arrangements; did you tell anybody what the spill-over arrangements were? A. I did not, no.
358. Q. Why not? A. I didn't --
359. Q. Did you not feel it was your duty so to do? A. I did not think it was my duty so to do, because I was doing nothing that was in conflict with my work as Chairman of the National Coal Board.

360. Q. For what reason, then, were you receiving £84 a month between September, 1966, and April, 1967, from Mr. Poulson?
A. I have already explained that, I think. I have explained that, in the sense that it was an arrangement for the canalisation of consultancy fees for the repayment of the mortgage.
361. Q. During that period of time between September, 1966, and April, 1967, what sort of consultancy services did you give to Mr. Poulson?
A. I gave consultancy --- I was consulted on various items.
362. Q. Such as?
A. Chiefly with O.S.B.
363. Q. Have you got any more precise information about the matters that you were being consulted about?
A. Yes, I have letters.
364. Q. May I see them?
A. You may. (Handed to Mr. Graham)
365. Q. What is it that you are asking the usher to hand to me, please?
A. Pardon?
366. Q. Perhaps I ought to read them.
A. Well, I am answering --- Your question, as I understood it, was whether or not I had been consulted.
367. Q. Now, taking these letters in chronological order --
A. Yes.
368. Q. The first one is dated the 26th October, 1966.
A. Yes.
369. Q. So that is just about six weeks after the first mortgage instalment became due?
A. Yes.
370. Q. And this is Mr. Shaw writing to you.
A. That is right.
371. Q. I think. Who was Mr. Shaw at Poulson's office?
A. Mr. Shaw was the chief architect for Mr. Poulson.
372. Q. Yes, he is, in fact, the second on the notepaper, G. G. Shaw. "Dear Mr. Sales, Mr. T. Dan Smith has been in touch with me apropos the O.S.B. low and high rise proposals. He has asked me to let you have firm factual information on such matters as cost production flows and the time factor involved in erection. We are examining these matters now, and Mr. Lancaster, our chief quantity surveyor, will be able to let you have a full picture in the very near future, after which, if I may suggest, we could meet and talk over the various details." A. Yes.
373. Q. What were "O.S.B. low and high rise proposals"?
A. (No reply)
374. Q. "Mr. T. Dan Smith has been in touch with me apropos the O.S.B. low and high rise proposals." Who was Mr. T. Dan Smith?

- A. Mr. T. Dan Smith was a Newcastle gentleman who was at one time Chairman of the Northern Regional Economic Planning Council, and at one time his public relations firm was doing work, I think, for Mr. Poulson.
375. Q. And how had you got to know Mr. T. Dan Smith? A. I was asked by Mr. Poulson if I knew Mr. Smith; I said "No". Would I like to meet Mr. Smith, I said "Yes", because he was a much publicised Chairman of the Northern Regional Economic Planning Council, and Mr. Poulson invited me to lunch for the purpose of meeting Mr. Smith, and that would be either the last week in 1965, or the first week in January, 1966.
376. Q. Do you remember going to lunch with Mr. T. Dan Smith then and meeting him? A. I remember going to lunch with Mr. Smith and meeting him at Mr. Poulson's.
377. Q. What did you discuss with Mr. T. Dan Smith at that first meeting? A. Well, the major part of the discussion was on regional economic planning, but I think that it was at that meeting with Mr. Smith that I heard, for the first time, reference to an industrialized house that could be speedily erected, that was competitive, and that would go some long way to solving the housing problem.
378. Q. Whose housing problem? A. Pardon?
379. Q. Whose housing problem? A. The general housing problem - an acute shortage of houses at that time.
380. Q. Why should you be interested in the solution of the general housing problem? A. I happen to be a political animal and social animal.
381. Q. Was the Coal Board interested in housing? A. Not in that sense, no.
382. Q. Does the Coal Board, in fact, build houses for its employees? A. The only way in which the Coal Board come into housing is houses vested ---
383. Q. Is the answer yes or no? A. What?
384. Q. Do the Coal Board build houses for its employees? A. They did. They did, but don't.
385. Q. When you were Chairman of the Coal Board, Yorkshire Division. A. Yes.
386. Q. Did the Coal Board build houses for its employees? A. No. no.
387. Q. When did they start to build houses for their employees to your knowledge? A. To my knowledge the Coal Board set up what was

known as a Coal Industry Housing Association, and they built houses for mineworkers under the auspices of the Coal Industry Housing Association, and that was ---

388. Q. Was this before or after your time? A. You mean ---
389. Q. In Doncaster as Chairman. A. Oh, this was before my time in Doncaster. All the C.I.H.A. houses in Doncaster were built before I became Chairman of the Yorkshire ---
390. Q. If a house is built on Coal Board land --- A. If what?
391. Q. Are houses built on Coal Board land from time to time at pit sites? A. Well, I would not know, but I would think that most of the houses that were built by private enterprise would be built on colliery land.
392. Q. It is right, is it not, that you became a Director of O.S.B. in 1969? We have already heard that this morning. A. 1969, yes.
393. Q. Did O.S.B. ever build houses on Coal Board land? A. Not while I was with O.S.B., no.
394. Q. Have they ever done to your knowledge? A. Pardon?
395. Q. Have they, to your knowledge, ever built houses in connection with Coal Board land? A. Not to my knowledge, no.
396. Q. Have they ever had contracts with the Coal Board? A. Pardon?
397. Q. Have they ever had contracts with the Coal Board? A. Not to my knowledge, no.
398. Q. So, your interest in this meeting with Mr. T. Dan Smith in low cost, high rise building, was entirely general. It was nothing to do with your position on the Coal Board? A. Nothing whatsoever, no.
399. Q. I have read to you just now the letter of the 26th October, 1966. A. Yes.
400. Q. In which there is a reference to Mr. T. Dan Smith and the O.S.B. low and high rise proposals? A. Yes.
401. Q. Have you any other correspondence connected with this letter? Was a lot of information sent to you together with this letter? A. No.
402. Q. I see a moment ago when you were extracting these three letters, you were, in fact, taking them from a larger file? A. Yes.
403. Q. What is that file? A. Pardon?
404. Q. What is that file? A. This file is what I have got together. I will tell you what is in here; there are letters from Gordon Shaw, indicating that I was being consulted on

O.S.B. matters, and ---

405. Q. What is the date of that letter? A. Pardon?
406. Q. What is the date of that letter? A. I have handed those letters to you, those are the letters.
407. Q. 26th October, yes. Yes, anything else? A. There is my letter on Meadowhead.
408. Q. What date is that? A. Pardon?
409. Q. What date is that? What was Meadowhead? A. Well, Meadowhead was an internal matter. I put together most of the ---
410. Q. What do you mean by "internal", internal to whom? A. O.S.B.
411. Q. What was Meadowhead? A. Meadowhead was -- When I joined O.S.B. there was a bill which had not been paid to a hotel in Scotland called the Meadowhead Hotel.
412. Q. How much was the bill? A. Oh, £800 odd, I think.
413. Q. Now, this must be in 1969, because you did not join the board of O.S.B., until 1969? A. That is right.
414. Q. Is that right? A. Yes. But, the bill was not for 1969, it was for a long time before then, it had not been paid.
415. Q. And you say you have correspondence relating to that? A. No, I haven't correspondence relating to it, I have got a copy of a letter that I wrote to Mr. Poulson.
416. Q. What date? A. I am just trying to find it. It is the 18th November, 1969.
417. Q. Well, that is just a month or so before you severed your association with Mr. Poulson? A. That is right, yes.
418. Q. Yes. What else have you got? A. Pardon?
419. Q. What else have you got? A. I have the letters relating to re-organization of accounting methods and my reply; minutes of the meeting held on the 20th October; minutes of a meeting of O.S.B. when I was elected Chairman.
420. Q. Yes. A. And notes from Mr. Dan Smith on 'Action'.
421. Q. The letter of the 26th October, 1966. A. Which one is that, is that the one you read?
422. Q. It says, "Mr. T. Dan Smith has been in touch with me" - that is Mr. Shaw - "apropos the O.S.B. low and high rise proposals."
- A. Yes.
423. Q. What advice did you give in relation to this letter? A. None.
424. Q. The next letter is the 29th November, 1966. "Dear Mr. Sales" - again from Mr. Shaw. A. Yes.
425. Q. "Further to our telephone conversation today, I am enclosing a copy of the cost of the three bedrooms (five person) O.S.B. houses for your personal information." A. Yes.

426. Q. And then it goes on, "In case you have not got a brochure, I am enclosing one copy of the original which you said ought to be amended." A. Yes.
427. Q. Did you make some proposals about amending the brochure? A. I did not make any proposal on the amendment, no.
428. Q. "We are preparing a new design and will let you have copies as soon as this is complete." A. Yes.
429. Q. "To confirm the other points, Mr. Roebuck will be at Pontefract on Friday morning at 10.30 with his colleagues." A. Yes.
430. Q. Who was Mr. Roebuck? A. Mr. Roebuck --- I knew Mr. Roebuck --
431. Q. Who was Mr. Roebuck? A. Mr. Roebuck as I knew him was Branch Secretary of Manvers Main Colliery.
432. Q. He was a coal miner, was he? A. Pardon?
433. Q. A coal miner? A. I said he was Branch Secretary.
434. Q. What does that mean? A. That means he was paid Branch Secretary, representing the mens' interest, but it was a paid job at pit level.
435. Q. Representing the mens' interest with the National Coal Board? A. Good Lord, no, for the N.U.M. - National Union of Mineworkers.
436. Q. But one of the bodies with whom he would no doubt constantly be dealing would be the National Coal Board - the employers of the men? A. Well, if you put it that way, but his dealings would be at pit level.
437. Q. How long have you known Mr. Roebuck? A. Mr. Roebuck, I don't know, five or six years.
438. Q. Where was Mr. Poulson based, in which town? A. Where was Mr. Poulson based?
439. Q. Where was his home town? A. Mr. Poulson?
440. Q. Mr. Roebuck. I am sorry, if I said Mr. Poulson, forget it. A. He was Mexborough.
441. Q. Was he a Councillor in Mexborough? A. Pardon?
442. Q. Was he a Councillor in Mexborough? A. Yes.
443. Q. Did the National Coal Board take an interest in building houses in Mexborough? A. No.
444. Q. Did O.S.B. take an interest in building houses in Mexborough at any time? A. Not to my knowledge.
445. Q. Are you sure? A. I am sure.
446. Q. Why should you be told that there was going to be a meeting with Mr. Roebuck at all? A. Why should I be told?
447. Q. Yes. A. Because I had had a visit from a Peter Ward who was the --

448. Q. Who was Mr. Peter Ward? A. Shall I carry on?
449. Q. Yes, carry on. A. Because I had had a visit from a Mr. Peter Ward who, I think, was employed by Mr. Dan Smith, who was anxious to know the contacts he could have from the point of view of showing films and exhibitions relating to the new house, this industrialized house.
450. Q. How could you be involved in this? A. Pardon?
451. Q. Why should they be telling you all this? A. Because I ---
452. Q. You were the Chairman of the National Coal Board, Yorkshire Division? A. But I had already been invited to take an interest in this.
453. Q. So they were going to have some sort of film show, is that right? A. I gathered so, yes.
454. Q. And you were to be informed about this? A. I was not to be informed, I was consulted on it.
455. Q. I see. Where was the film show to take place? A. I do not know, at various places.
456. Q. Mr. Roebuck, apparently, was going to come to a meeting at Pontefract. A. Mr?
457. Q. Mr. Roebuck. A. Yes.
458. Q. He was going to come with his colleagues it says, in inverted commas. Who do you think "his colleagues" were? A. I would not know.
459. Q. Representatives of the miners? A. No, I would not think so. I would think that as far as this is concerned, I would assume that his colleagues on that occasion would be representatives from local authorities.
460. Q. Now, the letter goes on, "Bradford City require 7½ acres developing with O.S.B. houses and high rise flats as a pilot scheme." A. Yes.
461. Q. "I have to see Alderman Blackburn on Saturday morning to discuss the Eastburn site at Pontefract, and in this respect enclose a photostat of the Borough Engineer's letter to us." A. Yes.
462. Q. Who was Alderman Blackburn? A. I do not think I have ever met Alderman Blackburn, but I recollect that Mr. Blackburn, I think, was on the Pontefract Council; I am not sure.
463. Q. And then it goes on, "As you know, Messrs. Harrison of Leeds are the selected contractors for the South Yorkshire area." How would you know that? A. I did not know it.

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464. Q. Did you ever reply to this letter? A. No.
465. Q. Why not? A. I did not reply to any of them.
466. Q. Why not? A. Because I was employed by the Board.
467. Q. You mean that you were frightened that the Board might find out that you were 'moonlighting', as is the common expression these days? A. I am sorry, sir, I was not frightened and I am not a very frightened person.
468. Q. Well, why --- A. I did not reply for the simple reason that I had not undertaken to do any effective work, except to be consulted on O.S.B. matters during that interim period and until I left the Board.
469. Q. Are you saying that you were in breach of your duties to the Board? A. I am not saying that I was in breach of my duties; I have never been in breach of my duties to the Board.
470. Q. But nonetheless you did not reply to any of these letters. A. I did not reply to any of those letters.
471. Q. Did you speak to Mr. Poulson about them? A. I did not speak to Mr. Poulson about them, to my recollection.
472. Q. So this is a one way train, is it? They send you information and you neither reply nor speak to Mr. Poulson about it? A. That is quite true.
473. Q. So, in fact, they are not obtaining any service from you at all? A. They were obtaining service in the sense that I advised them on film shows and on contacts as far as O.S.B. housing was concerned.
474. Q. Where is the evidence that you gave them any advice at all? A. I gave it to Peter Ward, for a start.
475. Q. Whereabouts did you see Mr. Peter Ward? A. I have told you once that Mr. Peter Ward called upon me, in company with another man whose name I do not recollect, and I understood both of them were employed by Mr. T. Dan Smith, and they came to me and asked me for my views concerning where the film should be shown and who they should get in touch with.
476. Q. Why should they be telling you what was going on at Eastburn? A. I did not get that?
477. Q. Why should they be telling you what was going on at Eastburn and at Bradford? A. I have no idea, unless it was to keep me informed and knowing, as Gordon Shaw knew, that I was due to join the company.
478. Q. Do you say that to your knowledge O.S.B. never built any houses at Mexborough? A. To my knowledge, yes.

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479. Q. Whilst you were with the Board I suppose you had to submit income tax returns? A. I did, yes.
480. Q. How did you deal with the payments from Mr. Poulson in respect of the mortgage instalments down to the 5th April, 1967? A. My accountant dealt with them.
481. Q. How did you deal with it? A. I passed it through to my accountant.
482. Q. How did you deal with it? A. I have said so; I passed all this information through to my accountant.
483. Q. And what did he do? A. Pardon?
484. Q. What did he do with the information? A. I presume he made returns and I signed them.
485. Q. Have you no idea what was in the return? A. Pardon?
486. Q. Have you no idea what was in the return? A. I have no idea of the precise detail on the return. I do know that my accountant consulted with the accountant for the Poulson organization.
487. Q. Your accountant was Mr. Womersley, was it not? A. My accountant was, and still is, Mr. Womersley.
488. Q. On the 2nd August, 1967 -- A. Yes.
489. Q. I would like you to look at this letter of the 2nd August, 1967. A. Yes.
490. Q. Mr. Womersley wrote to Mr. Bolton, who was Mr. Poulson's accountant - Mr. Harold Bolton. A. Yes.
491. Q. "W. H. Sales, Esq. - O.S.B. Limited." A. Yes.
492. Q. "I have been asked by Mr. Sales to deal with his taxation affairs, and in this respect he has told me of the relationship which subsists between himself and the above mentioned limited liability company." A. Yes.
493. Q. "I notice that the purchase of Handley Cross, my client's residence, is financed by a mortgage from the Wakefield Building Society and that relief in respect of any interest charged on this account for the year ended 5th April, 1967, is to be claimed in his return. Mr. Sales informs me that the repayments are being made by O.S.B. Limited." A. Yes.
494. Q. "I take it, therefore, that this being so, and repayments being made by O.S.B., enter into and form part of my client's remuneration from that company in the year 5th April, 1967. I shall be most grateful if you will please supply me with details of my client's remuneration from O.S.B. Limited and income tax deducted, if any, in the year ended 5th April, 1967." A. Yes.

495. Q. Now, just consider this letter a moment. A. Yes.
496. Q. You had apparently informed your accountant, Mr. Womersley, that during the year ending 5th April, 1967, you were obtaining remuneration from O.S.B. Limited. A. No.
487. Q. You did not tell him anything of the sort? A. No.
488. Q. What did you tell him? A. I told him this, as far as I can recollect this, because at this time the whole issue became a little unclear.
489. Q. The? A. The issue became unclear.
490. Q. What issue? A. The issue of these payments.
491. Q. Why should they be unclear? A. They were unclear because my clear understanding of the consultancy was that I was considered - that my consultancy was with John G. L. Poulson, that was the consultancy.
492. Q. When was it to start? A. Pardon?
493. Q. When was it to start? A. It was to start at the time that I left the Board's service, but with the interim arrangement concerning the building society. As far as the accountant was concerned, and I explained this quite clearly to Mr. Womersley, I never knew who was paying what, and so on and so forth, and I said, "You must check up with the accountant and make absolutely certain what the position was", but my information to Mr. Womersley was that I was consultant to John G. L. Poulson, but that the work that I was doing up to that time was in respect of O.S.B. housing.
494. Q. But I thought you had not done any work up to the 5th April, 1967? A. Pardon?
495. Q. I thought you had not done any work up to the 5th April, 1967? A. I have already produced documents, letters, which clearly indicate that I was consulted in respect of ---
496. Q. But you never replied to them? A. Pardon?
497. Q. You never replied to them, you could not. A. Of course I did not reply to them, but Mr. Shaw came down, Peter Ward visited my house --
498. Q. All this in the National Coal Board's time? A. Pardon?
499. Q. Are you really saying that this all took place whilst you were still the Chairman of the Coal Board? A. I am not saying --- I am saying that all this took place and if you don't --- Now don't magnify it. This was an infinitesimal part of the total activities that I was engaged in, and insofar as being consulted

+ therefore not worth chasing + history

by Gordon Shaw, on behalf of Mr. Poulson, was concerned, then I provided such time as was necessary. When Peter Ward called at my house, probably in the afternoon or the morning.

500. Q. Are you saying it was worth £84 a month? A. Pardon?
501. Q. Are you saying it was worth £84 a month? A. What I am saying to you is this, that Mr. Poulson got a very cheap bargain as far as I was concerned.
502. Q. So you are saying it was well worth £84 a month? A. I am saying that if I agree to act as consultant, then I am willing to be consulted on any matter which they wish to refer to me, and they did so. That is what I am saying.
503. Q. And, this, all the while with you being Chairman of the National Coal Board? A. This during four or five months.
504. Q. No, from May, 1966. A. It is not from May, 1966. The letters ---
505. Q. I beg your pardon, that was when you agreed to come into it, on your version. A. You are referring -- If you will pardon me, sir, you are referring to letters which I have handed over to you from Gordon Shaw; you yourself read out the dates of those letters, and I am saying that insofar as the dates of those letters are concerned that you will find that it is four or five months before I actually retired from the Board. You gave October and November, I think, as the dates of the letters. I have not got them, because I handed them over to you.
506. Q. Would you look, please, at the letter of the 2nd August, 1967, from Mr. Womersley? A. From Mr. Womersley. Yes.
507. Q. Would you look at the last paragraph, the last sentence. "I shall be most grateful if you will please supply me with details of my client's remuneration from O.S.B., if any, in the year ended 5th April, 1967." Do you say you had no remuneration from O.S.B. during that year? A. No remuneration during that year. What I am saying is that if there was any remuneration paid to me then it would be returned to Mr. Womersley, and as far as I am concerned I don't think I received anything from O.S.B. I didn't join O.S.B. until 1969, in March.
508. Q. But you did receive monies via Mr. Poulson? A. I received monies via Mr. Poulson, which I have already explained to my certain knowledge were consultancy fees to John G. B. Poulson.

509. Q. Why then, if you will now look at your solicitor's letter of the 14th September, 1972 - the letter you were looking at earlier this morning. A. Yes, this one here, yes.
510. Q. "The only other monies received from Mr. Poulson were fees paid by Mr. Poulson to Mr. Sales as a consultant. These were as follows: in the tax year 1967/68 £1,596 gross." A. Yes.
511. Q. Have you any idea how that figure of £1,596 is calculated? A. That £1,596, if my memory serves me right - because here I think there is a letter, surely, on the file from Mr. Bolton to my accountant which explains why this was put in as a gross amount.
512. Q. Well, would you like to tell his Honour why it was put in as a gross amount for the year 1967/68? A. Because it was put in for the year 1967/68 because I had made it perfectly clear that I did not want to receive any fees at all during the time when I was Chairman of the Board.
- X 513. Q. Why did you make that clear? A. Because I would have thought that it was inconsistent.
514. Q. To whom did you make that clear? A. Pardon?
515. Q. To whom did you make that clear? A. I made that perfectly clear to Mr. Poulson, I made it perfectly clear to Mr. Bolton, I made it perfectly clear to my own accountant.
516. Q. Did you, in fact, receive any money from Mr. Poulson during the previous year, that is between April, 1966, and April, 1967? A. No.
517. Q. None at all? A. None at all.
518. Q. What about the instalments that he paid to the building society in November, 1966, £252 - I referred to them this morning? A. Well, if they were paid then they were paid during that time.
519. Q. So they were paid, and this letter is not true? A. Well, that is alright, I am not denying it.
520. Q. They were paid? A. I assume that they were paid.
521. Q. Did you tell the Inland Revenue they were paid in the year 1966/67? A. I told my accountant.
522. Q. He was acting on your instructions. A. He was not acting on my instructions. He was acting in accordance with the information that I gave him, and I gave him the information as I have given it to you, sir.
523. Q. Mr. Poulson's records show that in 1966 he paid £252 to the

- building society. A. Yes.
524. Q. On the 26th November, 1966, and £252 on the 17th January, 1967.
A. Yes.
525. Q. That is £504. A. Yes.
526. Q. Do you say that he was paying it on your behalf, or on his own behalf? A. I think he must have been paying it on my behalf.
527. Q. Did you declare those payments -- A. Pardon?
528. Q. Did you declare those payments to the Inland Revenue? A. They were declared by my accountant, and I think --
529. Q. For 1966 or 1967? A. I think, I am not sure, but I think that my accountant - and this can be checked. I think that my accountant got in touch with Mr. Bolton, who at that time was acting as the accountant for Mr. Poulson, and I think that on the basis of the information which he received from Mr. Bolton my Inland Revenue returns were made out.
530. Q. How, Mr. Sales, was it possible to take the payments in 1966/67 -- £252 in November and £252 in January, 1967 -- and treat them as if they had been made after April, 1968? A. I am not an accountant.
531. Q. Are you saying that you are a party to giving misleading information to the Inland Revenue? A. I certainly gave no misleading information to the Inland Revenue.
532. Q. Well, why did they not form part of your 1966/67 income?
A. I left that to my accountant. I gave my accountant the information scrupulously honestly, scrupulously fairly, he then --
533. Q. Acting -- A. Wait one moment. He then got in touch with the accountant for Mr. Poulson, and I left my income tax affairs to him.
534. Q. You are saying that if misleading information has been given, it has been given by Mr. Womersley; is that right? A. I am saying -- I do not suppose -- Mr. Womersley would not stoop to give misleading information.
535. Q. And you certainly would not? A. And I certainly would not stoop to give misleading information.
536. Q. Would you now look, please, at a letter dated 8th August, 1967? This is a letter from Mr. Bolton. A. Yes.
537. Q. To Mr. Womersley. Have you seen any of these letters before?
A. Pardon?
538. Q. Have you ever seen any of these letters before? A. No. I have seen -- There is this one, but --

539. Q. Well, let us read it. A. I have seen this one.
540. Q. "I thank you for your letter of the 2nd August, and I have tried unsuccessfully to ring you up to discuss this question. Mr. Sales will have mentioned to you that we met to have a discussion in Mr. Poulson's office and Mr. Sales agreed that the repayments made to the building society on Mr. Sales' behalf would have to be considered as a fee paid to him, and on which he would suffer tax, but he would obtain an allowance for the interest debited by the building society." Have you any idea what meeting is there being referred to at Mr. Poulson's office, attended by you and Mr. Bolton, and probably Mr. Womersley?
A. Mr. Womersley was not there.
541. Q. But you had a meeting with Mr. Bolton yourself? A. I discussed this with my accountant; my accountant said to me, "The best thing for you to do is, first of all, to have a discussion and see what has happened at that end."
542. Q. Why should you not know what had happened? A. Pardon?
543. Q. You were the chap that was being paid, why did you not know what was happening? A. Because I did not know. I have already explained to you how these fees were canalised into the repayment of the mortgage of the house. I did not even know whether they were so being paid or not. I, therefore, asked Mr. Poulson, as I said I wanted to make absolutely certain that my Inland Revenue returns were correct, and he said, "The best thing to do is for me to arrange for you to meet my accountant." I met Mr. Bolton and Mr. Poulson, in Mr. Poulson's office, which this reference refers to, and it was subsequent to that that my accountant then got in touch with Mr. Bolton.
544. Q. Who else was present at this meeting in Mr. Poulson's office?
A. No-one.
545. Q. What did you discuss? A. Pardon?
546. Q. What did you discuss at this meeting? A. At this meeting the question that was discussed was the question of the consultancy fees paid to me by Mr. Poulson and their proper return for Inland Revenue purposes.
547. Q. Why should there be so much trouble over a simple matter of this sort that you had to see Mr. Poulson and call in his accountant to sort it all out? A. Because - it may seem strange to you, sir, but I do not think I have ever filled in an Inland Revenue form in my life. When I was working for the Coal Board my