

09:17:43 1 **THE TRIBUNAL RESUMED AS FOLLOWS ON THURSDAY**

2 **13TH SEPTEMBER 2007 AT 10.30 AM:**

3
4 CHAIRMAN: Good morning, Mr. O'Neill.

10:33:32 5
6 MR. O'NEILL: Morning, Mr. Chairman. Members of the Tribunal, the witness
7 scheduled for hearing today is An Taoiseach Mr. Bertie Ahern. Mr. Ahern, could
8 you come to the witness box please?
9

10:33:43 10 **BERTIE AHERN, HAVING BEEN PREVIOUSLY SWORN WAS**

11 **QUESTIONED BY MR. O'NEILL AS FOLLOWS:**

12
13 CHAIRMAN: Good morning, Taoiseach. Just to say at the outset, it would be our
14 normal practice to break at quarter to 12 for about 15 minutes. If you need
10:34:06 15 another break or any other break at any another time please say so. All right.

16 A. Thank you very much. Good morning Judge Mahon, Judge Faherty, Judge Keys.
17

18 MR. MAGUIRE: Good morning Mr, Ahern. Chairman, just before the questioning
19 starts, the Taoiseach would like to make a statement before the start of the
10:34:23 20 cross-examination.
21

22 MR. O'NEILL: Well its not the usual practice.
23

24 CHAIRMAN: That's not the normal practice.
10:34:29 25

26 MR. MAGUIRE: Well in these circumstances, Chairman, I submit that its
27 appropriate, the Taoiseach hasn't been asked for a statement in relation to the
28 matter that is -- some of the matters that are being dealt with here and he
29 hasn't had the opportunity of making a statement. He has a statement to make,
10:34:48 30 he -- you will recollect when it came to the private meeting there were matters

10:34:53 1 that were canvassed in that which were not notified to him as being the subject
2 matter of the private meeting. He hadn't an opportunity to make his inquiries
3 into some of those matters before the private meeting took place.
4

10:35:07 5 I think its fair to say that its usual that witnesses will be asked for
6 statements in relation to matters which they are being, their evidence is being
7 canvassed. There has been wide speculation, I know its not a concern of the
8 Tribunal's, but there has been wide speculation in the media in relation to a
9 lot of the matters that were subject matter of the documents which were
10:35:29 10 circulated. He hasn't had an opportunity to respond publicly in this forum
11 before to those matters, and he is here to answer any questions that may arise
12 in respect of any of these matters as he has indicated and he will do so over
13 the next two days.
14

10:35:46 15 And in those circumstances he does wish to make a statement and is ready to do
16 so.
17

18 CHAIRMAN: All right. We'll permit you to make a statement, Taoiseach.

19 A. Thank you very much, Judge.

10:36:06 20
21 Chairman and members of the Tribunal, I wish if I may, to say something before
22 commencing my evidence. I totally and utterly reject the false allegations
23 made by Mr. Gilmartin that I was a recipient of any monies from
24 Mr. O'Callaghan, directly or incorrectly relating to Quarryvale or anyone else,
10:36:22 25 or in any circumstances or for any purpose whatsoever.
26

27 Mr. Gilmartin's allegations are not based on anything other than hearsay. He
28 alleges he was told by Mr. O'Callaghan that I received certain monies. On the
29 basis of those false allegations I have been subject to an unprecedented attack
10:36:38 30 on my integrity and honesty.

10:36:41 1 I have been involved politics for over 30 years. I have never during that
2 period before offered any money from anyone in exchange for political or other
3 favours or taken money for that purpose. I have endeavoured to serve the
4 country to my utmost, I have no interest in personal gain or benefit and never
10:36:55 5 had.

6
7 The false at allegations against me and the leaking of the Tribunal documents
8 have been calculated to do me enormous personal and political damage. As the
9 Tribunal is aware, a number of wholly false allegations, some based on
10:37:10 10 forgeries, that I had a foreign account in the Deutsche Bank in (Mauritius)
11 Limited that I had 15 million in the Bank of Ireland in Jersey, that was
12 channelled to AIB O'Connell Street and that I got a 50,000 cheque from Owen
13 O'Callaghan in 1989 have been made against me and have been shown to be untrue
14 and its clear that somebody is intent on doing me maximum damage. On the
10:37:33 15 supposed 45,000 dollar lodgement on the 5th December 1994, there are a number
16 of points I want to make clear from the outset.

17
18 There are's follows: The allegation that I received monies Mr. Owen
19 O'Callaghan is baseless. The Tribunal in its opening properly and fairly and
10:37:49 20 knowledge that had there is no evidence of the payment by Owen O'Callaghan of
21 any such monies to me. After ten years of inquiries theres no evidence I did
22 anything wrong or engaged in any corrupt practice, this is not surprising as I
23 never took a bribe or abused the public trust in the discharge of my duties as
24 a politician. After ten years of inquiry by this Tribunal, not one person has
10:38:10 25 ever stated to this Tribunal that I was paid a sum of US 45,000 dollars or any
26 similar sum of US dollars. Not one bank official in AIB O'Connell Street
27 recalls a 45,000 cash lodgement.

28
29 There is so as never was a 45,000 lodgement. As Phillip Murphy of that branch
10:38:26 30 said publicly and privately to the Tribunal, there was no dollars. I never

10:38:31 1 received a sum of 45,000 dollars or any similar sum in my life. The sum of
2 45,000 or any other similar sum of US dollars has been lodged to, has never
3 been lodged to any of my accounts.
4

10:38:42 5 The first occasion I became aware of this was when the Tribunal considered the
6 possibility that I received the sum of US 45,000 dollars, was at a private
7 session which I attended with the Tribunal on the 5th April 2007. I
8 emphatically rejected the suggestion on that occasion and do so again here
9 today.

10:38:59 10
11 At the Tribunal's request I attended a private session to which I had been
12 referred was a voluntary process and not obliged as a matter of law to attend
13 that session. However, in order to assist the Tribunal in its inquiries, I
14 agreed to make myself available for this private session. The letter of the
10:39:13 15 2nd March 2007 of the Tribunal inviting me to a private session, referred to
16 five lodgements in respect of which they sought my assistance.
17

18 The supposed dollars lodgement was not one of these five lodgements. I thus
19 receive no advance warning or notice that the Tribunal were then entering the
10:39:29 20 possibility that the lodgement of the 5th December 1994, might have been the
21 sum of 45,000 dollars. If I had been so aware prior to a meeting, this
22 suggestion would have enabled me as I have now done to retain my own
23 independent expert, analyse the banking documentation and confirm my statements
24 that there was no 45,000 dollar lodgement.

10:39:49 25
26 My banking expert, Chairman, is Paddy Strong, the former Chief Operating
27 Officer of Bank of Ireland Corporate Banking, has now confirmed to me having
28 considered all the banking evidence and examined all the banking documentation
29 that the evidence does not substantiate a lodgement of 45,000 dollars.

10:40:06 30

10:40:06 1 Having been confronted for the first time on the 5th April of this year with
2 the suggestion of 45,000 dollars as a matter of moral certainty that there were
3 no dollars the allegation once floated, I realised it could be destructive to
4 me and to my party. For reason that is do not need to explore the Tribunal
10:40:23 5 even though its inquiries were then ongoing, decided circulate the transcripts
6 of the private sessions and thereby the details of the questioning concerning
7 the 45,000 dollars, this was leaked to the media and was an explosive
8 suggestion raised on the eve the general election. I was then forced to
9 respond to this scenario.

10:40:41 10

11 Since that meeting of the 5th April, the Tribunal continued to interview
12 witnesses from the bank to obtain discovery. Much information, documentation
13 is now coming to light, which when carefully analysed shows that there was no
14 lodgement of 45,000 dollars. The Tribunal lawyers have only reached a
10:40:54 15 supposition of 45,000 figure by applying wrong and notional exchange rates and
16 I also assume that AIB bank officials breached standards banking procedures.
17

18 The monies, Chairman, Michael Wall gave me at that meeting were kept in my safe
19 and because I was travelling to Brussels on official business, were then lodged
10:41:12 20 by Celia Larkin the following Monday, the 5th December 1994, to the relevant
21 AIB account in O'Connell Street. There is no mystery about this, this is what
22 happened, the position is clear. No dollars were ever received by me, no
23 dollars were lodged. Whatever monies presented by Mick Wall, whether sterling
24 or a combination of sterling and Irish and whatever amounts were the sums,
10:41:32 25 lodged in the account on the 5th of the December 1994 and they were the monies
26 I left for Celia Larkin to lodge to her account on the 5th December 1994. And
27 that is what she lodged.
28

29 It is a fact of the combination of sterling and punt gives the figure actually
10:41:45 30 lodged to Celia Larkin's account. I seek no more, Chairman, from the Tribunal

10:41:49 1 than I be treated like other witnesses and any other citizen in a Republic. I
2 seek no preference or demand no privileges. There were no dollars there were
3 never dollar its a complete red herring. The lodgement of the 25,000 sterling
4 on the 11th October 1994, a lodgement was made to my account on the 11th
10:42:08 5 October 1994, it was not UK 25,000 sterling but it did include a sterling sum
6 of about 8,000. The report submitted to this Tribunal on my behalf by Des
7 Peelo on the 20th day of April 2006, so stated. It states that the lodgement
8 was a combination of Irish punts and sterling. It stated that the sterling
9 amount was circa 8,000. At no stage have I ever asserted that the sterling
10:42:30 10 portion of this lodgement was exactly 8,000, UK sterling. Hence calculations
11 relating to this lodgement must be based on this sterling element not being
12 exactly 8,000.

13
14 I also make clear that the balance was an Irish currency sum. The sterling
10:42:44 15 amount that was lodged when monies raised at a dinner in Manchester, I did not
16 count the exact amount of sterling so received, but the monies as so received
17 were lodged to my account. There was also an Irish punt part of the lodgement
18 I will shortly address that portion of the lodgement.

19
10:42:58 20 The supposition that the lodgement on the 11th October is all sterling is
21 wrong. As I have already told the Tribunal repeatedly, part of the this
22 lodgement was sterling, there are a number of points I wish to make and they
23 are the following, Chairman:

24
10:43:09 25 It is only when one apply as wrong AIB rate for the 11th October 1994, that one
26 gets a figure of UK 25,000, as I understand the situation AIB had three set
27 rates on the day. The larger the amount changed by the client, the better the
28 rate given. The rates were set by reference to a purchase of AIB of sterling
29 up to a value of 500, a purchase of AIB of sterling up to a value of 2,500 and
10:43:33 30 a purchase of AIB of sterling up to a value of 10,000. The three set rates

10:43:38 1 were programmed into a foreign exchange calculator called a Forde Money
2 Changer. Any purchase over 10,000 required the telling to obtain an individual
3 rate from AIB foreign currency dealers. For the teller to apply the rate for
4 up to 2,500, the exchange of 25,000 sterling he would have to manually override
10:43:56 5 the machine to input the wrong rate. For the sums even to add up in the first
6 place it would mean that AIB personnel breached their own internal rules and
7 applied the second worst available exchange to a good customer who happened to
8 be a Minister for Finance. So not only is the allegation wrong, its practice
9 is unbelievable.

10:44:14 10
11 I will now explain why I am certain that the lodgement included a substantial
12 sum of Irish pounds, Chairman. A number of my friends in light of my then
13 situation and the fact that I was emerging from a difficult personal
14 matrimonial scenario collected monies to assist me with my then situation, this
10:44:30 15 I believe amounted to 16,500. I was handed these monies some time prior to the
16 10th October and probably in September. They were lodged on the 11th October
17 1994. The 10th October 1994.

18
19 There are a number of features abouts these funds that merit mentioning, they
10:44:46 20 are as follows: The sums were collected in cash for a number of personal
21 friends and presented to me by Dermot Carrew of the Beaumont House. I did not
22 count these monies that were given to me by my friends, I accepted and thus I
23 believed that the amount was 16,500 and that is why I have told that it
24 amounted to. The sum of money was stored in the safe in St. Luke's before
10:45:05 25 being lodged. I cannot at this point in time state precisely how long it
26 remained in the safe nor can I say with mathematical precision how much Irish
27 cash was then lodged. It is likely that the cash sum in my safe was later
28 added to by other cash that I used some of the accumulated cash for routine
29 expenses. This alone would account for a non rounded Irish punt sum being
10:45:25 30 lodged to my account on the 11th October. Each of my friends who gave this

10:45:28 1 money to me have so acknowledged in writing. I have returned by way of cheque
2 the monies plus interest to each of my friends. Each of my friends has
3 acknowledged in writing receipt of these cheques, each of these friends have
4 donated the monies so returned to them to a charity associated with my wife,
10:45:44 5 Ms. Miriam Ahern.

6
7 Again, I am informed by the banking expert that I have retained that there are
8 a number combinations of Irish and sterling which are about the same as the
9 Irish and sterling cash sums and I believe were received and which amount to
10:45:56 10 the Irish punt value of the lodgements of the 11th October. These are simple
11 mathematical facts.

12
13 Of the nearly 13 years, I do not recall making the specific lodgement. All
14 that I can state is the funds were lodged to my account and that these funds
10:46:09 15 included a combination of sterling and Irish punts from the sources identified
16 above. I do not believe that anyone could expect of me a precise recollection
17 to the nearest sterling or punt for the composition of the lodgement.

18
19 Converting of the 30,000 sterling. I converted Irish punt into sterling, I did
10:46:26 20 that for the reasons and the contexts which I refer. I think it is important
21 to describe the context whereby there were financial transactions between
22 myself and Mick Wall. They explain why it was in Irish cash it was converted
23 into sterling. The position can be summarised as follows:

24
10:46:41 25 In 1994, Mick Wall was intending to purchase a residence in Ireland for his own
26 use, he was setting up a business in Ireland, 44 Beresford was identified as a
27 convenient residence. I entered into an arrangement with him whereby I would
28 rent the property from him with an option to purchase and he would stay there
29 as when he required. In fact stayed there 10 to 20 times while I rented from
10:47:03 30 him and indeed I purchased Beresford from him in 1997. I am anxious to have a

10:47:08 1 residence at the time, I was anxious to have a residence at the time I became
2 Taoiseach as was then expected with in a short period of time. Mick Wall paid
3 a deposit on the property.
4

10:47:16 5 As works were to be carried out on the house he and I agreed the distribution
6 of those costs. He made this contribution by way of a cash sum, given to me in
7 St. Luke's on the 3rd December 1994, the sum was then lodged on the 5th
8 December 1994. Having gone from a situation where I was being viewed as a
9 Taoiseach elect and the leader of Fianna Fail in government, I went in a short
10:47:37 10 space of time to being a leader of Fianna Fail in opposition. My circumstances
11 were changing radically and fundamentally over a very short period of time.

12 Having suffered a disappointment of not being elected Taoiseach in strained and
13 unexpected circumstances, the urgency of proceeding with the arrangement in
14 respect of Beresford was removed, indeed I changed my mind about proceeding
10:47:56 15 with the arrangement with Wall in relation to Beresford. During the period
16 after I decided that I was not proceeding with the arrangement with Mick Wall,
17 I looked at a number of other houses which I considered purchasing. I looked
18 at a number of houses in the Beresford estate, Griffith Avenue area at that
19 time.

10:48:09 20
21 Because I'd changed my mind about proceeding with 44 Beresford, and was now
22 actively looking at acquiring a different property, I decided that I should
23 return Mick Wall's contribution to him. In that context part of the 50,000
24 that was withdrawn on the 19th January for its then intended use in
10:48:28 25 refurbishment of the house when purchase was actually used to purchase sterling
26 with the intention of returning it to Mick Wall in light of my then change of
27 mind. Eventually I decided I would not acquire any other house, I recall that
28 after Mick Wall was injured in a car accident, Celia Larkin and I visited him
29 in Manchester. During the visit we discussed the position in relation to
10:48:47 30 Beresford and that we would proceed with the conservatory and refurbishment

10:48:51 1 work. I had thus reverted to the original arrangement with Mick Wall, hence
2 the return of Mick Wall's contribution did not take place.

3
4 Thereafter some of the converted sterling was used for the original purpose
10:49:01 5 intended in respect of the contribution that he gave me on the 3rd December on
6 costs related to Beresford.

7
8 So in summary of this issue I am clear that I purchased sterling approximately
9 30,000 at some point in early 1995 in order to give that money to Mick Wall.
10:49:14 10 My inquiry to ascertain precisely when and where this occurred are ongoing. I
11 am now being asked, Chairman, to remember precise details of transactions and
12 the precise amount of foreign currency involved in those transactions
13 approximately 13 years after the event. Quite frankly I cannot remember all
14 the details at this remove.

10:49:33 15
16 Those transactions took place at a time of particular personal turmoil and
17 upset for me and at a time when I was simultaneously attempting to discharge
18 onerous public and party duties. All I can do is recount the circumstances to
19 the best of my knowledge. The years of 1994 and 1995 were periods not only of
10:49:48 20 great personal change but significant demands on my time and energy as I sought
21 to rebuild a then deflated Fianna Fail Party after we left government in late
22 1994. My own personal affairs were subordinated to those of reorganizing and
23 re-energising the Fianna Fail Party. This is thus not surprising that I cannot
24 be specific or precise in my recollection. However, I am certain as is clear
10:50:08 25 from the context set out herein, that the source of the funds used to generate
26 the sterling sums for payment to Mick Wall was the 50,000 withdrawn from the
27 AIB O'Connell Street.

28
29 In conclusion, Chairman, as the Tribunal is aware, the persons whom identified
10:50:23 30 as giving me these monies have confirmed that they did so. I am in the totally

10:50:28 1 unenviable and unfair position of having to defend my honesty and integrity
2 where there is no evidence whatsoever to support Mr. Gilmartin's allegation and
3 when in truth, I am being criticised for not being able to provide precise
4 details relating to payment confirmed by those other people so long after the
10:50:44 5 event. I had understood that the Tribunal was inquiring into the allegation
6 that I had received Irish punt sums from Owen O'Callaghan, as has been properly
7 and rightly pointed out by Tribunal counsel in the opening statement, there are
8 no documents or evidence to establish such a payment, moreover there is simply
9 no evidence that I did anything to confer a benefit directly or indirectly on
10:51:02 10 Owen O'Callaghan.

11
12 There is so because it never happened. I did not accept a bribe. I did not do
13 anything for Owen O'Callaghan. I have done nothing improper. I have done no
14 wrong and wronged no one.

10:51:14 15
16 I am very grateful, Chairman, for you allowing me to make that statement.

17
18 CHAIRMAN: All right. Now, Mr. O'Neill.

19
10:51:21 20 Q. 1 MR. O'NEILL: Now, Mr. Ahern, good morning.

21
22 This statement that you provided to the Tribunal today in the course of your
23 evidence is one upon which I take it you have deliberated over some time and in
24 particular from the 5th April of this year when you were interviewed by me and
10:51:40 25 by my colleagues at the offices of your solicitor, is that right?

26 A. That's correct.

27 Q. 2 And these are matters that occurred to you at some stage in perhaps immediately
28 after that interview or within a short time thereafter, and I think in respect
29 of which you may have published a press statement of your position, is that
10:52:00 30 right?

- 10:52:01 1 A. That's correct. I think it covers both issues since the 5th April and issues
2 before the 5th April. And I did issue a press statement on the 13th May.
- 3 Q. 3 Correct. And on the 13th May the press statement that you issued on that
4 particular occasion does not contain all the detail of the information you are
10:52:18 5 now giving, is that right?
- 6 A. That's right.
- 7 Q. 4 Its a matter of --
- 8 A. It was a lengthy statement as well.
- 9 Q. 5 It was a lengthy statement as well and it didn't include a number of the
10:52:27 10 matters which you have since elaborated upon in today's lengthy statement that
11 you are reading before the Tribunal, isn't that right?
- 12 A. That's right.
- 13 Q. 6 Yes. Obviously this is information which is now coming to the Tribunal and I
14 am not talking about the public statement, because again it wasn't furnished to
10:52:43 15 the Tribunal as your statement for the purposes of the Tribunal, it was merely
16 put on a website for public consumption, isn't that right?
- 17 A. Well I was asked publicly to address questions and I did address those
18 questions.
- 19 Q. 7 I see. You did so on a number of occasions and in a number of different media,
10:53:05 20 but obviously it was your own decision to publish the detailed statement that
21 did you on the 13th May?
- 22 A. Correct.
- 23 Q. 8 Isn't that right?
- 24 A. Yeah.
- 10:53:12 25 Q. 9 Now since the, either the ending of the interview with my colleagues and I on
26 the 5th April and today you have not sought to furnish a copy of this new
27 information to the Tribunal in advance of your attendance here today, isn't
28 that so?
- 29 A. I don't believe there was anything too new to be quite frank.
- 10:53:35 30 Q. 10 Well there are quite a number of detail which is new, Mr. Ahern. But the

- 10:53:39 1 question is, did you consider providing this new information to the Tribunal in
2 advance of your being called here today to give evidence?
- 3 A. I didn't finish my statement until late last night.
- 4 Q. 11 That may be so, but you were scheduled to give evidence, unfortunately you
10:53:57 5 aren't reached in July of this year, the Tribunal concluded its affairs on the
6 27th, had it not been for the overrun in evidence you would have been giving
7 evidence in July in relation to these matters, isn't that right?
- 8 A. That's correct.
- 9 Q. 12 And is it the case then that you had decided, irrespective of the fact that you
10:54:17 10 knew that there were further information for you to provide, that it was your
11 intention that it would be delivered upon the occasion of your being called to
12 give evidence to the Tribunal and not in advance of that, do you understand the
13 question I am putting to you?
- 14 A. I don't think I considered in July, but in the last week I considered that I
10:54:44 15 should make a comprehensive statement to the Tribunal, because I never got that
16 chance. As you will appreciate, Mr. O'Neill, I am answering these questions to
17 this Tribunal since the 8th May 2000. Its the first opportunity in seven and a
18 half years of being tormented about these issues that I have had a chance to
19 come before the justices. So it was appropriate that I should make a statement
10:54:59 20 when I got that chance. I have waited seven and a half year for this day to do
21 that.
- 22 Q. 13 I am sure you have, Mr. Ahern, and I will be dealing with that in some detail
23 in the course of my examination of you. But I just want to understand the
24 circumstances in which you indicate to the Tribunal today that this in effect
10:55:16 25 is the first opportunity that you have had of delivering this new information
26 to the Tribunal, given that your decision to do so I suggest, was taken after
27 an interview which took place in April of this year, we are now in September.
28 What took five months in which to deliver this information?
- 29 A. Well I think the information most of the information that I have referred to
10:55:44 30 today.

10:55:44 1 Q. 14 Yes.

2 A. I think there is very little it have new, Mr. O'Neill.

3 Q. 15 Well is there any point then in making the statement that you did at length

4 before the commencement of your examination in the event that you say that it

10:55:55 5 is essentially the same and is not adding any new material. What is the

6 benefit or purpose in this statement which, as you will accept, is an unusual

7 approach for a witness to take and one which the Tribunal has indulged you in

8 allowing you to make this statement in advance of your evidence?

9 A. Well my answer to that, Mr. O'Neill, I thought was fairly obvious. I have

10:56:21 10 waited since May 2000 to get an opportunity of saying, a brief few words, may

11 be lengthy I am sorry if it was too long to this Tribunal, but I don't think

12 you would deny the fact that I have to deal with this thing, issue in the

13 public media and through most of my political life for the last eight years.

14 You wouldn't take away from me to be able to come to the appropriate place and

10:56:50 15 to be able to make a statement. It seems a reasonable request and I am very

16 grateful for the opportunity.

17

18 CHAIRMAN: Can I just intervene there? I think the point Mr. O'Neill is making

19 is that it clearly would have been preferable if a lengthy statement of the

10:57:06 20 nature given by you this morning had been given to the Tribunal before today,

21 because then it allows the Tribunal look in detail at the information and

22 possibly confirm certain aspects of it and check it against information already

23 furnished.

24

10:57:27 25 That's as I understand the context, but anyway its made now. So perhaps we

26 should ...

27 Q. 16 Mr. Ahern, if I just might deal, I suppose in, at a basic level as to why you

28 are here today before the Tribunal.

29 As you indicate in the course of your statement, you are aware that information

10:57:51 30 was provided to the Tribunal by Mr. Tom Gilmartin to the effect that he had

10:57:57 1 been informed by a property developer, Mr. Owen O'Callaghan, with whom he had
2 dealings at the time, that he, Mr. O'Callaghan had paid you sums of 50,000
3 pounds and 30,000 pounds. And that information was passed to the Tribunal,
4 isn't that so?

10:58:14 5 A. Well that's just some of the allegations.

6 Q. 17 I appreciate that.

7 A. Mr. Gilmartin made. Mr. Gilmartin made several allegations about me.

8 Q. 18 He did. Now, Mr. Ahern, it may assist with the conduct of the inquiry and the
9 duration of the inquiry if, insofar as its possible to do so, you can address
10:58:34 10 the questions which are being put to you and answer those questions. I don't
11 want to cut you short in your delivery, but if you are being asked a specific
12 question, if its capable of a specific response, the questioning of you will be
13 certainly advanced or will certainly take a lesser period of time than if we
14 have to canvas side issues, do you understand that?

10:58:58 15 A. Yeah. That applies both ways does it.

16 Q. 19 Well unfortunately the position, Mr. Ahern, is that you are here for the
17 purposes of answering the questions which I must put to you through the
18 Tribunal, I am not here for the purposes of answering questions to you. You
19 appreciate that distinction?

10:59:16 20 A. I do, Mr. O'Neill, just so we get it right from the start.

21 Q. 20 That's what I would like to do.

22 A. Yeah well, if we get it right, you said that Mr. O'Callaghan made an allegation
23 of 50,000 and 30,000.

24 Q. 21 No that's not right?

10:59:28 25 A. What I said was that was one of the allegations, he made reckless and
26 scurrilous allegations, many of them never came into the public domain. Now I
27 don't want to get into all of those, but I just want to be clear, if its just
28 that allegation that's fine, but I mean --

29 Q. 22 That was specific --

10:59:50 30 A. You appreciate, I still feel sore about a lot of the other ones that he has

- 10:59:50 1 made about me.
- 2 Q. 23 Yes. Mr. Ahern, you are being asked a specific question and the question was
- 3 relating to whether or not you agree with the proposition of factual statement,
- 4 the factual statement being the following, I will repeat it. That you are
- 11:00:04 5 aware that information was provided to the Tribunal by Mr. Tom Gilmartin, you
- 6 agree with that?
- 7 A. That's correct.
- 8 Q. 24 That that information from Mr. Gilmartin was that he had been informed by
- 9 Mr. O'Callaghan that he, Mr. O'Callaghan, had paid you the sum of 30,000 pounds
- 11:00:23 10 and the sum of 50,000 pounds?
- 11 A. Yes.
- 12 Q. 25 Now, do you accept that that information was provided to the Tribunal?
- 13 A. Yes.
- 14 Q. 26 By Mr. Gilmartin?
- 11:00:32 15 A. Yes.
- 16 Q. 27 Fine. And in the light of that information, the Tribunal commenced an inquiry
- 17 to establish whether or not there was any substance in that information, which
- 18 was being passed by Mr. Gilmartin, or otherwise, isn't that correct?
- 19 A. Correct.
- 11:00:51 20 Q. 28 Yes. And in the course of that inquiry, over the path, of which has extended
- 21 over the past number of years, we have found ourselves in the position that is
- 22 you and the Tribunal, where you are informed by the Tribunal that it will
- 23 inquire into certain lodgements made to the accounts of yourself firstly, is
- 24 that right?
- 11:01:14 25 A. Correct.
- 26 Q. 29 To the accounts of Ms. Celia Larkin, is that right?
- 27 A. Correct.
- 28 Q. 30 And to the accounts particularly that Ms. Larkin operated, albeit with funds
- 29 from Mr. Michael Wall and funds provided by you, isn't that so?
- 11:01:30 30 A. That's correct.

- 11:01:31 1 Q. 31 And while that inquiry forms part of the Quarryvale Module of inquiry of the
2 Tribunal, the particular phase of the Tribunal with which we are engaged at
3 present, is limited in its scope to particular lodgements, isn't that so?
- 4 A. Correct.
- 11:01:51 5 Q. 32 And those particular lodgements are not all of the lodgements which were made
6 to the accounts that I have just mentioned, but rather only those accounts or
7 lodgements or transactions which involved foreign exchange, either in whole or
8 in part, isn't that correct?
- 9 A. They are the one that is we are now discussing.
- 11:02:13 10 Q. 33 They are the ones that this particular phase of the inquiry has been convened
11 to deal with and in respect of which the questioning of yourself over the next
12 day or two will concern itself and I believe that you are aware that that is
13 the purposes of this examination?
- 14 A. Correct.
- 11:02:30 15 Q. 34 You equally appreciate that whilst these matters are going to be looked at,
16 they can't be strictly examined in isolation, because they are part and parcel
17 of a relationship which you had with both Mr. Wall and Ms. Larkin, isn't that
18 so?
- 19 A. Correct.
- 11:02:46 20 Q. 35 And I think you will appreciate also, that the question of the other
21 lodgements, that is the non sterling lodgements, or the non foreign exchange
22 lodgements, is a matter which is going to be the subject of more detailed and
23 future examination, isn't that correct?
- 24 A. Correct. I have already given the details.
- 11:03:05 25 Q. 36 Exactly. Now, perhaps we might examine our, or firstly you might confirm with
26 me the particular foreign exchange transactions which are the subject of these,
27 this current inquiry. They are in chronological sequence, firstly the
28 lodgement which took place on the 11th October 1994, amounting to 24,838.49 to
29 your account, isn't that so?
- 11:03:36 30 A. Correct.

- 11:03:36 1 Q. 37 Secondly the lodgement of the 5th December 1994, amounting to an Irish value of
2 28,772.90 pounds made to an account opened in the name of Ms. Celia Larkin?
3 A. Correct.
- 4 Q. 38 Thirdly, the lodgement on the 15th June 1995 of the sum of 11,743.74 pounds to
11:04:08 5 an account opened in the name of Ms. Celia Larkin.
6 A. Yes.
- 7 Q. 39 Fourthly, the lodgement on the 1st December 1995, of the sum of 19,142.92
8 pounds to your account?
9 A. Correct.
- 11:04:22 10 Q. 40 Those were the, those are the lodgements which have the foreign exchange
11 element that we will be looking into, but in addition to lodgements we are also
12 enquiring into the question of the purchase by you of a sum, the equivalent of
13 30,000 pounds in sterling with Irish funds, a purchase which is said to have
14 occurred on a date between the 19th January of 1995 and the 15th June of 1995,
11:04:56 15 isn't that right?
16 A. Correct.
- 17 Q. 41 Yes. Now, obviously the -- from the point of view of the Tribunal, a link in
18 the investigative process between the investigation commenced to inquire into
19 the sums of 50,000 and 30,000, and these subsequent more specialised or more
11:05:24 20 focused inquiry into the foreign exchange transactions, and I am going to be
21 dealing with you in the inquiry process, how it came to address those
22 particular lodgements and purchases, because its not obvious that there would
23 be a connection between them in an inquiry, isn't that right? I'm not saying
24 that they are necessarily connected, I am not saying that any part of the
11:05:52 25 50,000 is reflected in any one of these lodgements, or any part of the 30,000
26 is specifically related to it. I'm outlining to you that the Tribunal's
27 inquiries have led it to the point where it is examining these particular
28 lodgements and purchase in the context of the more general inquiry that started
29 in 2004, isn't that right, have you any difficulty with that concept?
- 11:06:20 30 A. Well I understand.

- 11:06:22 1 Q. 42 Yes.
- 2 A. If I can just say what I think you are saying, I don't know if its correct or
3 not. I think you are saying you received information from Mr. O'Callaghan that
4 I got 50,000 and 30,000 from Tom Gilmartin.
- 11:06:35 5 Q. 43 No, definitely not.
- 6 A. And they are sums of my money so you need to check it I have no problem with
7 that.
- 8 Q. 44 No had that been the case as you well know, Mr. Ahern, you would have been
9 inferred immediately had that been the case. But Mr. O'Callaghan as you well
11:06:49 10 know, has rejected firstly that he ever indicated to Mr. Gilmartin that he had,
11 in a conversation that he had paid you 50 or 30,000 and he also has rejected
12 that he in fact ever paid you those monies. So it is the case, from a very
13 early part of this investigation, that you denied that you had ever received
14 the money, isn't that right, and he, Mr. O'Callaghan, denied that he had ever
11:07:21 15 had that conversation with Mr. Gilmartin, and that there was no truth in the
16 substance of it also, isn't that right?
- 17 A. That's correct, I never even got a glass of water from Mr. O'Callaghan.
- 18 Q. 45 I beg your pardon?
- 19 A. I never got a glass of water from Mr. O'Callaghan not to mind money.
- 11:07:38 20 Q. 46 Yes. Now the Tribunal, as you know, is conducting a public inquiry, and I
21 think if we can step away from the specifics of the lodgements that I was
22 talking about for a moment, and look to the generality of what is happening in
23 relation to this Tribunal and other Tribunals.
24
- 11:08:01 25 I think you know, as a legislator and as Taoiseach, at the time when the
26 Oireachtas passed resolutions setting up both this Tribunal and the Moriarty
27 Tribunal that these were inquiries or Tribunals which were being conducted
28 under the Tribunals of Inquiry Acts as they then were, isn't that right?
- 29 A. That's correct.
- 11:08:24 30 Q. 47 Yes. And the Tribunal of Inquiry Acts commenced in 1921 and were amended in

- 11:08:33 1 Ireland in 1979 for the first time and subsequently amended in 1998, just after
2 the setting up of both of these Tribunals, isn't that right?
- 3 A. That's right.
- 4 Q. 48 So that whilst I know in your statement you addressed concerns that you have
11:08:51 5 with regard to the public and with regard to your political life, and your
6 personal life, I think you accept that when an Oireachtas resolution sets up a
7 Tribunal of Inquiry, it is set up for the purpose of conducting a serious
8 investigation into a matter of national concern, isn't that right?
- 9 A. That's correct.
- 11:09:12 10 Q. 49 And in respect of this particular Tribunal, the national concern was centred on
11 the question of whether or not there was corruption in the planning process,
12 isn't that right?
- 13 A. That's correct.
- 14 Q. 50 And I think that you would accept from me that in the event that there was
11:09:31 15 truth in the fact that a payment of 50,000 pounds and 30,000 pounds had been
16 made to you by a developer in the course of your political career for the
17 reasons stated or believed by the person making that statement, that would in
18 effect be a matter which would be properly the subject of inquiry by precisely
19 the type of Tribunal this is, isn't that right?
- 11:09:57 20 A. I'd accept that.
- 21 Q. 51 Yes. And I think you know from the legislation that the powers of a Tribunal
22 of Inquiry are in fact quite limited, they are firstly the power to examine a
23 witness on oath, as is occurring at the moment, isn't that right?
- 24 A. That's correct.
- 11:10:16 25 Q. 52 And secondly, the power to order the production of documents, those were the
26 two power that is a Tribunal of Inquiry was given in the 1921 act. And you may
27 know that in 1979, the act was amended by Section 4 to make a provision which
28 states that "a Tribunal may make such orders as it considers necessary for the
29 purpose of its functions and it shall have in relation to their making, all
11:10:48 30 such powers, rights and privileges as are vested in the High Court or a judge

11:10:57 1 of that court in respect of the making of orders" isn't that right?

2 A. That's correct.

3 Q. 53 That was another section. And whereas on one reading of that particular

4 section it would appear that a Tribunal of Inquiry is given the powers of a

11:11:07 5 High Court judge, that in fact would not be an accurate summation of what the

6 act provides and we have for assistance the determination of the Supreme Court

7 in a case brought by the late Mr. Liam Lawlor which interpreted the powers of a

8 Tribunal, isn't that right?

9 A. That's correct.

11:11:26 10 Q. 54 In particular this Tribunal. And that, as you know, indicated that the powers

11 of the Tribunal are limited in the way that I have mentioned to you a little

12 earlier, the right to conduct a public inquiry by calling a witness to the

13 witness stand to answer questions, and the right to order the production of

14 documents, isn't that correct?

11:11:48 15 A. That's correct.

16 Q. 55 And I think that you probably would agree with me that to call a witness in

17 evidence before a Tribunal without knowing what the background information and

18 what the detail was, that merited inquiry, would be in effect a pointless

19 exercise, isn't that right?

11:12:11 20 A. If you hadn't got the information.

21 Q. 56 Exactly. For example, if for example on the day after Mr. Gilmartin had

22 provided his information to the Tribunal, which was limited in the way which I

23 have described, limited in the sense that he says that he had a conversation

24 with another individual, Mr. O'Callaghan. He says that in the course of that

11:12:39 25 conversation, Mr. O'Callaghan told him he paid you a total of 80,000 pounds.

26 You may take it that that was all the information that was provided to the

27 Tribunal before it commenced this detailed inquiry.

28

29 If it were the case that the Tribunal was to have called you the day after it

11:12:57 30 received that information, as much as it could do was to put that to you and to

11:13:02 1 receive your reply that there was no substance whatsoever in it, isn't that
2 right?

3 A. That's correct.

4 Q. 57 In other words, the power to compel a witness to come before a Tribunal is an
11:13:15 5 empty power unless there is information available which would allow for an
6 effective examination of the witness on the issue, isn't that correct?

7 A. That's correct. But does that also mean that if somebody makes the allegation,
8 in the case of Mr. Gilmartin.

9 Q. 58 Yes.

11:13:34 10 A. Multiple allegations of all kinds of issues.

11 Q. 59 Yes.

12 A. That no matter what the Tribunal looks at that you believe you have to follow,
13 if all the other issues you dispense with and you don't believe and obviously
14 you dispensed with Liechtenstein 15 million, half a million, the ministerial
11:13:53 15 friends that I was meant to send off to hassle another minister, all these
16 other allegations Mr. Gilmartin made, I mean, do you go through all those and
17 knock all those out and say this is the one that I will then go about the
18 correspondence. That's what I quite frankly don't understand.

19 Q. 60 You don't understand. But I'm sure ...

11:14:11 20 A. But anyway I am here, I don't want to get into a debate, but I don't understand
21 if a person can make unfounded allegations, as in this case wild allegations,
22 scurrilous allegations which you don't even believe because you have written
23 saying you didn't follow them up, some of them I have never heard, but then you
24 follow the one and I spent as I have, you know three years cooperating, I have
11:14:34 25 no objection, like every other citizen, and I know that you have investigated
26 the earlier allegations made in 2000 to the Irish Nationwide about the accounts
27 in Cork, and I never heard what the outcome of those is. But it does seem
28 unfair to me, and I won't say it again, it seems unfair to me that if somebody
29 makes 20 allegations, 19 of them are nonsense, you come down to the 20th and I
11:14:57 30 spend three years of my life to answer that, I just think its unfair. Listen I

- 11:15:02 1 will make the laws too, so I am not in here to argue about that.
- 2 Q. 61 Right. I was just canvassing with you what your understanding was of the
- 3 investigation process and I think you have agreed with me that if a Tribunal of
- 4 Inquiry receives the information which it did in this instance, that its an
- 11:15:19 5 appropriate matter for that Tribunal to have conducted some form of
- 6 investigation into?
- 7 A. Yes.
- 8 Q. 62 I was equally putting to you that under the limited powers that are available
- 9 to a Tribunal of Inquiry under the Tribunals of Inquiry (Evidence) act those
- 11:15:35 10 powers are limited to calling a person to give evidence on oath, which could be
- 11 a totally pointless and fruitless exercise unless a prior investigation had
- 12 taken place into the circumstances, you have agreed with me on that?
- 13 A. I accept that.
- 14 Q. 63 I think equally it would have the potential of being damaging to somebody to
- 11:15:55 15 bring them forth into the public arena to merely hear their denials, to a
- 16 recital of many, many allegations of wrongdoing, because people would argue
- 17 that there is so much mud, some has to stick, and therefore the Tribunals of
- 18 Inquiry, as you know, conduct private investigations before they go to public,
- 19 isn't that right?
- 11:16:16 20 A. Yes, that's correct.
- 21 Q. 64 And you see that as being a fair procedure?
- 22 A. Yes, I do, yes.
- 23 Q. 65 And the question of the extent to which a Tribunal is entitled to seek
- 24 information from an individual was one again which was explored in some detail
- 11:16:38 25 by the late Mr. Lawlor in his challenges in the High Court, isn't that right,
- 26 you are aware of those both as a politician, as the Taoiseach of the day and
- 27 of, because Mr. Lawlor was himself a member of your party and was subject to an
- 28 internal inquiry of the party, isn't that right?
- 29 A. Correct.
- 11:17:00 30 Q. 66 So an analysis of what exactly the obligations were for an individual in his

- 11:17:06 1 dealings with the Tribunal have been consider by you, and you have certainly
2 been advised as to what they are, isn't that right?
- 3 A. Yes.
- 4 Q. 67 And I think as a result that have you know that a Tribunal doesn't have the
11:17:15 5 power to require anybody to give any statement about their affairs, isn't that
6 right? It can ask for it but it can't compel somebody to give them a
7 statement, isn't that right, you know that?
- 8 A. Yes.
- 9 Q. 68 You know that it can't compel somebody to turn up at a private interview and be
11:17:34 10 interviewed by the Tribunal legal team, although it may well prove helpful to
11 everybody if that takes place, isn't that right? The powers are limited, as I
12 say, to calling a person in evidence, or making an order for the production of
13 documents, isn't that right?
- 14 A. That's correct.
- 11:17:52 15 Q. 69 So if we turn now to deal with the inquiry which has progressed to today's
16 date, and in which the foreign exchange transactions will be the subject of the
17 Tribunal's inquiry, I think you would agree with me that the approach of the
18 Tribunal on this issue commenced with you by letter of the 15th October of
19 2004, when the details of the information which had been provided to the
11:18:25 20 Tribunal were set out in a letter to your solicitor and two courses were going
21 to be followed from that date, one was to seek a narrative statement from you,
22 which is a voluntary process, isn't that right?
- 23 A. That's correct.
- 24 Q. 70 And the second was to consider the implementation of the other power which the
11:18:49 25 Tribunal has, that is the power to order the production of documents, isn't
26 that right?
- 27 A. That's correct.
- 28 Q. 71 And if we look to page 23045 on screen, I just briefly go through some of those
29 documentation because it sets out the history leading to your attendance here
11:19:08 30 today, Mr. Ahern.

11:19:11 1 In this letter in the second paragraph your solicitor is informed that "As
2 stated in the notice letter accompanying this letter Mr. Thomas Gilmartin has
3 provided a statement to the Tribunal which states that he, that in or around
4 1992, Mr. Gilmartin was informed by Mr. Owen O'Callaghan that Mr. O'Callaghan
11:19:29 5 paid the sums of 50,000 and 30,000 to your client. Mr. Gilmartin further
6 states that he was informed by Mr. O'Callaghan that the latter payment of
7 30,000 was paid to your client for his role in blocking the Green Properties
8 PLC from obtaining special tax designation for the development in
9 Blanchardstown.

11:19:46 10
11 Mr. Gilmartin further states that during the course of a meeting with
12 Mr. O'Callaghan, Mr. O'Callaghan absented himself. Mr. Gilmartin has informed
13 the Tribunal that on Mr. O'Callaghan's return to the meeting he announced that
14 Blanchardstown was definitely not getting tax designation and that he had heard
11:20:01 15 this from "The horse's mouth". Mr. Gilmartin further states that when he
16 questioned Mr. O'Callaghan as to what he meant by the "horse's mouth" he was
17 informed by Mr. O'Callaghan that he had been given an assurance by your client,
18 the then Minister for Finance.
19

11:20:16 20 The Tribunal has now directed that a private inquiry be carried out in respect
21 of this matter and accordingly have directed that I request that your client
22 provide to the Tribunal, a detailed narrative statement dealing with this
23 matter" and it set out the matters which should be dealt with in the narrative
24 there, isn't that right?

11:20:33 25 A. Correct.

26 Q. 72 And that letter was part of what I would call the voluntary process, that is
27 where the Tribunal cannot order to you to do this but it can request to you do
28 it and it made that request.
29

11:20:49 30 On the same date then, if we look to page 22683 we will see that the Tribunal

11:20:50 1 was considering the other aspect of its powers and that is the making of an
2 order for discovery, that letter is on screen now. The Tribunal writes as
3 follows "I am directed by the Members of the Tribunal to write to a number of
4 parties concerning proposed orders for discovery of records required by the
11:21:09 5 Tribunal.

6
7 The inquiry is to be conducted by the Tribunal are being carried out as parts
8 of its private inquiry and arise from information received by the Tribunal and
9 as outlined. The investigations are being conducted pursuant to paragraph A5
11:21:21 10 of its Terms of Reference, which have been previously furnished to your
11 client."

12
13 It then repeats what was said here about the 50 and the 30.

14
11:21:31 15 It says "The members have formed the view that it will be necessary to consider
16 the making of an order for production and discovery of all documentation in
17 your client's power, possession or control in relation to all dealings your
18 client may have had with Green Properties BLC, application for special tax
19 designation. The Tribunal will also consider the making of a financial order
11:21:49 20 in terms outlined below against your client.

21
22 Accordingly notice is then given to you as is required of the fact that a
23 consideration would be given by the Tribunal on the 27th October, some 12 days
24 later of the making of an order of discovery.

11:22:08 25
26 And the proposed order then was set out, all documents and records in his
27 possession, power or control relating to all accounts held in any financial
28 institution, whether within or outside the State in his own name, either
29 individually or jointly, or for his benefit or into which he made lodgements of
11:22:26 30 money, or into which he caused or procured lodgements of money to be made or

11:22:31 1 into which lodgements of money were made for his benefit. It sets out a number
2 of other specific matters which might be covered in an order for discovery.
3 And it was indicated then that submissions could be made as to whether or not
4 it is appropriate to make such an order to the Tribunal to be received by close
11:22:52 5 of business on the 26th October of 2004.
6

7 And obviously this is a matter with which you had discussions with your
8 solicitor and we will see that there was a substantial level of agreement as to
9 providing what was to be sought in such an order, isn't that so?

11:23:11 10 A. Correct.

11 Q. 73 Yes. If we turn to page 2307, sorry 23047, this is a letter of the 26th
12 October, it was the, on the eve of the consideration of the making of such an
13 order and in effect your solicitors are saying here that they have no objection
14 in principle to the making of such an order, but they want certain matters
11:23:34 15 addressed and here we see at paragraph two your solicitor saying.

16
17 "I am instructed to inform that you that my client no objection in principle to
18 making discovery to your Tribunal. There are however a number of matters upon
19 which I require clarification in order to advise my client on the effect of the
11:23:54 20 terms of the proposed order. In the light of that clarification I may or may
21 not wish to make representations on variations to the terms of the order for
22 discovery proposed to be made against my client."
23

24 And then before dealing with that he then reverts back to a matter which you
11:24:09 25 referred to a little earlier, that is another allegation which had been made to
26 the Tribunal in relation in relation to the payment of monies to you, that is
27 the Starry O'Brien issue, isn't that right?

28 A. Correct.

29 Q. 74 Now that, at this point, was a done and dusted issue insofar as you were
11:24:27 30 concerned. You had commenced legal proceedings they had been brought to a

11:24:31 1 conclusion, your position had been vindicated, the person who made the
2 allegation against you did not offer evidence to support it, you obtained
3 judgement against him, isn't that so?

4 A. Correct.

11:24:41 5 Q. 75 And we see then that this matter is raised by your solicitor in the context of
6 the Tribunal's request for discovery arising from the information that it had
7 already outlined to you.

8
9 Before outlining the matters upon which clarification is required I wish to
11:24:59 10 avert to a number of matter they are as follows. A, on the 8th May 2000 the
11 Tribunal sought a written narrative statement from my client in relation to an
12 allegation that he had received a payment of 50,000 pounds from Mr. Denis
13 "Starry" O'Brien, made on behalf of Mr. Owen O'Callaghan in September 1989. In
14 a September dated 31st May 2000, my client informed the Tribunal as follows "I
11:25:19 15 did not receive the sum of 50,000 pounds or any sum from Mr. Owen O'Callaghan
16 or any of his representatives or agent for any purpose on any occasion
17 whatsoever.

18
19 B. In an affidavit sworn by my client on the 17th November 2000, he swore as
11:25:34 20 follows "Furthermore I say I did not receive a sum of 50,000 or any sum from
21 Owen O'Callaghan or any of his representatives or agent for any purpose or on
22 any occasion whatsoever."

23
24 A copy of this affidavit was furnished to the Tribunal in accordance with its
11:25:50 25 request as contained in its letter of the 10th October 2000.

26
27 C. As you are aware, my client commenced legal proceedings against Denis
28 "Starry" O'Brien in relation to an allegation that he had been paid 50,000 by
29 Mr. O'Brien on behalf of Mr. O'Callaghan. The learned trial judge accepted at
11:26:03 30 the hearing of the libel action that this allegation was "Fully completely and

11:26:05 1 absolutely false and untrue."
2
3 Now just if I might stop at that point there, you are referring here to
4 previous dealings you had had with the Tribunal in connection an allegation of
11:26:16 5 50,000 pounds being made by Mr. Denis "Starry" O'Brien, isn't that right?
6 A. Correct.
7 Q. 76 And that was a matter which had been the subject also of a private inquiry of
8 the Tribunal. This letter, at this point in time, has been written to you also
9 in the course of a private inquiry of the Tribunal, isn't that right?
11:26:34 10 A. Correct.
11 Q. 77 And the matters upon which the Tribunal was investigating at that time was the
12 Denis, the Starry O'Brien allegation of having paid you the money, isn't that
13 right?
14 A. Correct.
11:26:46 15 Q. 78 And that is a matter which never came to public hearing once the Tribunal had
16 conducted its preliminary investigation and satisfied itself that this was not
17 a matter which merited public hearing, isn't that right?
18 A. Its not my recollection. My recollection was that matter was investigated in
19 public hearing, because I remember Mr. Fingleton of Irish Nationwide being
11:27:09 20 before the Tribunal on that matter, about the forged book, that's my
21 recollection but perhaps you are right, back in 2000.
22 Q. 79 You were never, an allegation was never made and an inquiry was never conducted
23 publicly before the Tribunal as a module, setting out either calling
24 Mr. O'Brien to substantiate any allegation or giving any detail of this,
11:27:32 25 Mr. Fingleton provided documentation on foot of an order which was required to
26 produce documents to the Tribunal?
27 A. It was the same issue.
28 Q. 80 With respect, Mr. Ahern --
29 A. As I understand.
11:27:47 30 Q. 81 It wasn't the same issue, because it was part of a process which was being

- 11:27:51 1 carried out by the Tribunal to determine whether or not a matter merited public
2 inquiry. Do you have any difficulty in agreeing with me that the Tribunal
3 determined that it did not merit public inquiry?
- 4 A. (Shrugs).
- 11:28:11 5 Q. 82 No. The position therefore, is that was an example, I am not going to go
6 through each example that the Tribunal has had of instances in which
7 information has been provided by individuals making allegations against others,
8 or expressing beliefs of wrongdoing against others, which because they fell
9 within the Terms of Reference of the Tribunal merited, and required, the
11:28:33 10 Tribunal to conduct an investigation, but that investigation concluded without
11 the matter going to public hearing. I think you would probably accept that
12 given the nature of the Tribunal's remit that this was a matter which took
13 place on very, very many occasions, isn't that right?
- 14 A. Yes.
- 11:28:50 15 Q. 83 Now, in this instance then, what your solicitor was saying was that there was
16 no substance in the Starry O'Brien allegation, and that is matter to be borne
17 in mind when considering the new investigation, or private inquiry, which the
18 Tribunal was conducting at that time, isn't that right?
- 19 A. Yes. If memory serves me right, I am sure the reason my legal team would have
11:29:19 20 been doing that is because didn't Starry O'Brien say the money he gave me was
21 also given to him by Owen O'Callaghan, which is the same allegation again.
- 22 Q. 84 It's a similar allegation.
- 23 A. Another version.
- 24 Q. 85 A similar allegation.
- 11:29:31 25 A. Another version of the same allegation.
- 26 Q. 86 It puts Mr. O'Brien in the situation where Mr. O'Brien was saying that he was a
27 conduit for Mr. O'Callaghan of monies to you in the sum of 50,000, isn't that
28 right?
- 29 A. That's right. So instead of being in a carpark he gave it some other way then.
- 11:29:46 30 Q. 87 Exactly. And they were matters which were capable of being examined in detail

11:29:52 1 by the Tribunal by reference to dates, place, time, affidavits and could be
2 eliminated as having the evidential weight that merited public hearing, isn't
3 that so?

4 A. That's correct.

11:30:04 5 Q. 88 Now in "D" here there is a confirmation as follows "My client will be
6 furnishing a statement to you dealing with the matters requested of him in your
7 letters of the 15th and 19th. However, I am instructed to inform you that the
8 statement which is in the course of preparation will repudiate the allegation
9 that my client received 50,000, 30,000 or any other monies Mr. O' Callaghan or
11:30:23 10 any of his companies associated with him or any agent or representative by him"
11 isn't that right? So that is the consistent position, it was made clear from
12 you at the commencement of this investigative procedure that you denied that
13 this was so, isn't that right?

14 A. That's correct.

11:30:40 15 Q. 89 I think you may take it that as part of this inquiry and in view of what was
16 said in the letter of the 19th, that you weren't the only person who was being
17 asked about the substance of this information which had been provided through
18 Mr. Gilmartin, isn't that right?

19 A. Correct.

11:30:58 20 Q. 90 The inquiry process that you would expect to follow in the light of information
21 like this being inquired into with a view either to dismissing it, striking it
22 out as having no weight whatsoever or otherwise or otherwise determining that
23 it required further investigation, that was a process which was underway at
24 this time, isn't that right?

11:31:25 25
26 Now the Tribunal was asked then to provide further information as to when it
27 was that these payments may have been made and the concern was expressed, if we
28 look at page 23049, that in the light of the paragraph above, the paragraph
29 could cover truly vast amount of documentation, it is, it is intended for
11:31:56 30 instance to cover by the requirement to refer to such documents in a second

11:32:02 1 schedule, to payment slips of my client as an employee of the Mater Hospital,
2 as a TD, as Lord Mayor and so forth? It could also include mortgage
3 documentation in relation to payments in joint account of my client and his
4 wife. On the current wording, this order, particularly in the light of
11:32:17 5 allegations being made by Mr. Tom Gilmartin, would require more extensive
6 discovery. Sorry would require extensive discovery.

7
8 So I think we see here the issue of, amongst other things, the scope of any
9 order for discovery or production of documents became an issue at that point in
11:32:34 10 time, isn't that right?

11 A. Yes.

12 Q. 91 And we'll see then that this is elaborated on somewhat on the 12th November of
13 2004 at page 23050, your solicitor suggests that the interpretations to be put
14 on the Tribunal correspondence that the Tribunal's discovery should be limited
11:33:00 15 to a period from the 1st January 1989 to the 31st December 1992.

16
17 And I think it was to cover the period in which the Tribunal could say that if
18 there had been such a payment by a Mr. O'Callaghan or somebody on his behalf it
19 would have fallen within in those dates, isn't that right?

11:33:21 20 A. Yes.

21 Q. 92 And the intention here by your solicitor was to say well if there is to be
22 discovery, certainly it should be limited to that period, isn't that right?

23 A. That's correct.

24 Q. 93 And other than that the matters which had been canvassed as being the intended
11:33:35 25 orders for discovery were in the main being agreed to by your solicitor as
26 being appropriate, subject to the qualification as to time and as to, we'll see
27 a little later, as to amount, isn't that right?

28 A. Correct.

29 Q. 94 Yes. And at page 23051 we'll see that it is suggested under the heading
11:33:58 30 proposed order by your solicitor, that the proposal should be that it should be

11:34:03 1 to discovery of all documentation relevant to any lodgement to any withdrawal
2 from any of the accounts referred to in A or B above in the amount of 30,000
3 pounds or in excess of that amount for the period 1st January 1989 to the 31st
4 December 1992, again hoping to limit the discovery firstly as regards the
11:34:24 5 period in which the payment might have been made, but equally since the lowest
6 payment allegedly made was 30,000 pounds, it was seeking to limit it to amounts
7 of over that amount, isn't that right?

8 A. Correct.

9 Q. 95 This of course is a matter which is considered by the Tribunal and prior to its
11:34:40 10 making the order for discovery, which it did on the 22nd November, your
11 solicitor was informed of the Tribunal's views on this at page 22685, I think
12 if we look to the second paragraph and probably the last sentence of it is the
13 only material one "The time frame for the full order is the 1st January 1988
14 to the 31st December 1995 as set out in paragraph D of the Tribunal's letter of
11:35:11 15 the 15th October".

16
17 Then if we go to the next paragraph you will that the suggestion that the order
18 be confined was not agreed to, but it says "However the Members of the Tribunal
19 have indicated that in the first instance your client can limit production of
11:35:27 20 documents to lodgements over 30,000 pounds". You will appreciate that the
21 orders which are made by the Tribunal are orders for discovery of documentation
22 and also orders for production. There being two separate instances, the
23 discovery process, I think you are aware, involves you as the deponent listing
24 all the documentation, A which was in your possession or power, or control,
11:35:52 25 relating to the issue, and B in the second schedule, setting out the matters
26 which are no longer in your possession, power or control, but were at one time,
27 offering an explanation to what has become of those and the third obligation
28 then is to produce the documents which are actually in your custody.

29
11:36:12 30 I think what this order was doing was qualifying the order of the Tribunal so

- 11:36:18 1 that you didn't have to produce the documents, you still had to discover them,
2 isn't that right?
- 3 A. Correct.
- 4 Q. 96 And the Tribunal, in other words, took on board the submissions which had been
11:36:31 5 made and indicated that they were making the order for discovery and that that
6 order had to be complied with by the 11th January 2005. This was notified to
7 you on the 22nd of November 2004, and the order for discovery was made on the
8 24th November 2004. It was intended to cover the period from the 1st January
9 1988 to the 31st December 1995 and you will see that at page 21646.
- 11:37:06 10
- 11 Now of course in hindsight, when we look at the submissions which were being
12 made at that time, Mr. Ahern, none of the matters which are the subject of our
13 current inquiry in this phase today would have been caught by an order had it
14 been limited to the period initially proposed by your solicitor, that is from
11:37:31 15 the 1st of January 1989 to the 31st December 1992, isn't that right?
- 16 A. Yes.
- 17 Q. 97 And the reason for that, in the main, was that whilst these orders were
18 directed towards accounts of yours, you in fact had no bank accounts that you
19 were operating in your own name during that period, isn't that right?
- 11:37:52 20 A. From --
- 21 Q. 98 For the period that we are dealing with here, which is from the 1st January
22 1989 to the 31st December 1992, during that period do you agree with me that
23 you did not have any bank accounts which you were operating personally, and
24 before you answer that, I of course accept that you were an account holder
11:38:12 25 with your wife in respect of a series of accounts which had extended for years
26 before that, but which in effect were being operated solely by her after your
27 de facto separation from her in 1987, isn't that right?
- 28 A. Correct.
- 29 Q. 99 Yes. So that had there been a limitation of the discovery process to the dates
11:38:32 30 here the information or the lodgements in question that we are dealing with at

- 11:38:37 1 the moment would not have been caught by that order, isn't that right?
- 2 A. Correct, yes.
- 3 Q. 100 Yes. Now the order was to have been complied with by the 11th of January of
- 4 the following year and we'll see that on the eve of compliance on the 10th
- 11:38:54 5 January 2005, at page 23053, your solicitors wrote to the solicitor for the
- 6 Tribunal indicating the fact that the discovery required to be made by the 11th
- 7 January and saying that "our client has been endeavouring to assemble the
- 8 various documents to comply with the orders. As I am sure you will appreciate
- 9 there has been considerable work involved. The task is almost been completed
- 11:39:20 10 at this stage. There are however a number of documents still outstanding and
- 11 in these circumstances we would request an extension of time to the 31st of
- 12 January 1995", isn't that so?
- 13 A. Correct.
- 14 Q. 101 That was readily granted and we see that it was in February 2005 then, on the
- 11:39:35 15 7th February on page 19805 that the Affidavit of Discovery was provided in
- 16 compliance with the order of the 24th November 2004, isn't that right?
- 17 A. Correct.
- 18 Q. 102 Now in the interim you had in November provided the narrative statement that
- 19 was the denial of there being any connection whatsoever, isn't that right? So
- 11:39:57 20 what we are talking about here now is the ongoing discovery process which had
- 21 been initiated following the letter of the 15th of October 1994, putting you on
- 22 notice of the making, the consideration of the making of such an order, the
- 23 submissions which were received, the making of that order on the 24th November
- 24 of 2004 and now in February 2005 the order is complied with by you, swearing an
- 11:40:25 25 affidavit, isn't that right?
- 26 A. Correct.
- 27 Q. 103 And we'll get an outline in your, the letter from your solicitor, of what was
- 28 enclosed. We attach herewith copies of documents itemised in the first part of
- 29 the first schedule. If you wish to see any of the documents in their original
- 11:40:44 30 form they will be made available for inspection. The enclosed documentation

11:40:47 1 relates to all of our clients accounts. I wish to confirm that since our
2 client had no outstanding tax liability, he has not availed of any tax amnesty
3 ...
4

11:40:58 5 MR. MAGUIRE: Can that be put up on screen?

6 Q. 104 Of course, I'm sorry. Page 17805.

7
8 The third paragraph is the one I was reading there. That was indicating that
9 "Our client has no outstanding tax liability. He did not avail of any tax
11:41:19 10 amnesty. Moreover it is clear from our client's accounts there is no lodgement
11 in the sum of 30,000 or 50,000. The book entry of 50,000 which is inclusive
12 of earned interest in our client's AIB O'Connell Street Special Savings Account
13 arises because the legislation governing the Special Savings Account scheme
14 limited the total amount in such accounts to 50,000". It then goes on to
11:41:42 15 recite the Denis O'Brien previous references at the end of the page and if we
16 turn page 17806, the next page, we see here that there is an explanation as to
17 the accounts.

18
19 "In early 1987 our client separated from his wife Miriam Ahern. At this time
11:42:00 20 there were a number of bank accounts in their joint names in AIB Finglas Branch
21 and a Building Society mortgage account in the Irish Permanent Building Society
22 in O'Connell Street. After the separation these accounts were solely operated
23 by Mrs. Ahern although our client's name remained on the accounts. There was
24 only one account in existence prior 1993 in your client's own name but that was
11:42:20 25 dormant.

26
27 Following the separation our client did not operate any bank account until the
28 end of 1993. During this period each of his salary cheques was cashed either
29 by himself or by one of his staff. Our client paid a regular monthly sum in
11:42:33 30 cash to his wife by way of maintenance. Initially in the order of 1300 per

11:42:37 1 month. In 1988 and increased subsequently with the passage of time. Most of
2 this money was then lodged by her in the number 1 joint current account number
3 given in AIB Finglas.
4

11:42:48 5 I am also instructed that in December 1994 our client transferred funds from
6 his accounts at AIB Upper O'Connell Street, number as given, into the account
7 of his then partner Ms. Celia Larkin.
8

9 In accordance with previous correspondence and in particular your letter of the
11:43:05 10 3rd November our client has not discovered documentation in relation to his
11 position in Fianna Fail." We don't have to deal with anything further on that.
12

13 So this indicates by way of addendum to what was contained in the Affidavit of
14 Discovery, firstly the first reference to any connection, financially, between
11:43:32 15 yourself and your then partner, Ms. Celia Larkin, isn't that right, and what it
16 indicated was that you had transferred monies from your accounts. These were
17 discovered accounts, into the account of his then partner, Ms. Celia Larkin
18 isn't that right?

19 A. Correct.

11:43:46 20 Q. 105 But there is nothing in this to indicate that Ms. Celia Larkin was then to use
21 these funds for your benefit or that she did so or that it had anything to do
22 with any joint venture with Mr. Michael Wall or any connection there, isn't
23 that right?

24 A. No, but I was giving the information to the Tribunal that I had given the money
11:44:03 25 to Celia Larkin.

26 Q. 106 Yes, but from the point of view of discovery that was not a matter covered
27 within the Affidavit of Discovery, isn't that right?

28 A. They were, the accounts were in Celia Larkin's name, but I was making reference
29 that I had transferred money from my account into Celia Larkin's.

11:44:19 30 Q. 107 Yes, but it had no relevance as far as you were concerned to the discovery

11:44:25 1 obligation that you had, you had obviously transferred money to spend money
2 over time, isn't that right, you weren't given details of that either, isn't
3 that right?

4 A. Yes.

11:44:36 5 Q. 108 In any event, I just mark the fact that this is the first occasion upon which
6 Ms. Celia Larkin's name is mentioned in any dealings with the Tribunal and it
7 is mentioned in the context that she was the recipient of monies of yours but
8 not in the context of her receiving those monies for your benefit or to apply
9 them for your benefit, isn't that right?

11:44:59 10 A. Correct.

11 Q. 109 And then there is an Affidavit of Discovery which accompanied this and it was
12 an affidavit which in accordance with the agreement of the parties there was
13 one where there was an obligation to discover all the documents but the
14 production order as regards documents was limited to those matters over 30,000,
15 isn't that right?

16 A. Correct.

17 Q. 110 And again when we talk of 30,000 Irish pounds here, and we look again albeit
18 with the benefit of hindsight, we will see that non of the amounts that are the
19 subject of today's investigations with you would have been caught by the
20 production order in relation to that documentation, isn't that right?

21 A. Correct, correct.

22 Q. 111 Because all of the amounts are under 30,000. The discovery was made on the 7th
23 February 2005 and it was then considered by the Tribunal and the Tribunal
24 responded to your solicitor on the 25th February 2005 at page 17807 where it is
25 stated as follows.

26

27 "I refer to your letter of the 7th together with attached affidavit and
28 documentation.

29

11:46:07 30 I confirm that the Members of the Tribunal have now had an opportunity to

11:46:12 1 peruse the contents of same.
2
3 I am now directed by the members to write to you regarding paragraph C of the
4 Tribunal's order of the 24th November. You will recall that in the Tribunal's
11:46:20 5 letter of the 22nd November the Tribunal directed that had your client could
6 limit the production of documentation to lodgements over 30,000 pounds. The
7 Tribunal has now formed the view that it is necessary for the purpose of their
8 inquiries that your client now make discovery and produce to the Tribunal all
9 documentation in his power, possession or control as set out in paragraph C of
11:46:39 10 the Tribunal's order of the 24th November 2004.

11
12 This Tribunal have indicated that such documentation should include all
13 documents and records which would include correspondence, memoranda, financial
14 records, bank accounts documents, include bank statements, lodgements,
11:46:57 15 withdrawal slips, copy cheques, copy cheque stubs and other such documents and
16 where applicable telephone records, diaries, personal and professional, whether
17 electronically stored or otherwise, solicitor's documents, documents of other
18 advisers and other documents whatsoever which came into existence arising out
19 of the lodgements to or withdrawals from the bank accounts as covered in
11:47:18 20 paragraphs A and B of the Tribunal's order of 24th November 2004.

21
22 The Tribunal are anxious to receive this document in early course and have
23 directed that it be received not later than Friday 27th March 2005.
24

11:47:39 25 Should you wish to make any submissions in respect of this matter please ensure
26 that the submissions are produced to the Tribunal in writing no later than the
27 2nd of March 2005".
28

29 The itemised documentation I referred to a little earlier gives you an
11:47:56 30 indication Mr. Ahern of the requirement of the Tribunal. It wasn't, in other

11:47:59 1 words, limiting itself to what I might call bank statements or the normal type
2 of correspondence that might pass by way of monthly statements, between
3 customer and bank, but it extended to cover dealings with solicitors,
4 professional advisers, notes, memoranda, anything that might touch upon these
11:48:24 5 particular lodgements isn't that right?

6 A. Yes.

7 Q. 112 Yes.

8

9 CHAIRMAN: Mr. O'Neill its now quarter to 12, we might break for 15 minutes.

11:48:31 10

11 MR. O'NEILL: Very good.

12

13 **THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK.**

14 **AND RESUMED AGAIN AS FOLLOWS:**

12:08:54 15

16 MR. O'NEILL: Mr. Ahern, we were looking at a document on screen page 17807
17 which was one in which the discovery aspect of the obligation imposed on you is
18 being considered by the Tribunal and it reported upon the fact that it required
19 this documentation as set out in the final paragraph to be discovered to the
12:09:15 20 Tribunal not later than the 27th March of 2005, and I think that you will
21 appreciate that that would have included, amongst other things, your
22 obligations with regard to getting the documents from AIB bank which was your
23 principal bank for your own banking affairs once you had opened accounts, isn't
24 that right?

12:09:36 25

A. Correct.

26 Q. 113 Yes. And that had happened at the end of 1993, when you reopened a number of
27 bank accounts, including in the main savings accounts and Special Savings
28 Accounts, deposit accounts, isn't that right?

29 A. It was early '94.

12:09:56 30

Q. 114 We won't fight over it?

- 12:09:58 1 A. I think it was January or February '94.
- 2 Q. 115 Yes. I think we will find that it was December 1993 and it was into that, that
3 the first of the goodwill loan lodgements was made in December of 1993, but its
4 not particularly relevant at this point in time, certainly what is relevant is
12:10:17 5 that you had to get documentation from Allied Irish Bank, isn't that right?
6 And I think you will appreciate that Allied Irish Banks being one of the major
7 banks within this jurisdiction is a bank that would have had dealings with the
8 Tribunal in respect of other clients who were under investigation or who were
9 assisting the Tribunal in their inquiries, isn't that right?
- 12:10:39 10 A. Correct.
- 11 Q. 116 And you may be aware that there had been a protocol agreed between the Tribunal
12 and the bank, that in the first instance when dealing with the affairs of a
13 bank customer it would be sufficient for the bank to provide the bank
14 statements rather than the back-up documentation which went behind those bank
12:10:58 15 statements, so as to alleviate the burden which was being imposed on the bank
16 in respect of client's affairs, isn't that right?
- 17 A. I wasn't aware of that.
- 18 Q. 117 You weren't aware? No. In any event your solicitor was made aware that in
19 this instance, that is in the instance of compliance by you, with the
12:11:18 20 obligation imposed under the order and insofar as documents were going to come
21 from AIB in the first instance, those documents could be limited to bank
22 statements, we will see that at page 22733 where on the 22nd March 2005, there
23 is a letter to Mr. Guidera your solicitor from Ms. Gilvarry solicitor to the
24 Tribunal which says.
- 12:11:40 25
26 "I refer to the above and to my letter of the 25th February 2005" that's what
27 we saw just before the break "And to our subsequent telephone conversation on
28 Monday 21st March 2005.
- 29
12:11:50 30 I confirm having received communication from Des Kiernan, solicitor for Allied

12:11:55 1 Irish Banks who was requested that their discovery in respect of your client be
2 limited to statements only. In the first instance and should the Tribunal
3 require any additional documentation in respect of specific lodgements, same
4 could be requested from the bank at a later stage.

12:12:10 5
6 I confirm the Members of the Tribunal have now considered this application of
7 Allied Irish Banks and agree that production of documentation on foot of the
8 order against your client in the first instance can be limited to bank
9 statements. However, on the completion of the Tribunal's audit of the said
12:12:25 10 bank statements the Tribunal may require from Allied Irish Banks further and
11 detailed documentation in respect of specific lodgements.

12
13 I confirm that I have explain this had position to Des Kiernan solicitor and I
14 trust the same is in order."

12:12:38 15
16 So I think that is just illustrating what I was outlining to you a little
17 earlier, isn't that right?

18
19 The Allied Irish Banks obviously set about assembling the documentation that
12:12:53 20 would be necessary to comply with the order and we'll see that on the 27th May
21 of 2005, there was a further letter to your solicitor from the Tribunal's
22 solicitor updating Mr. Guidera on the position, vis a vis the provision of
23 documentation by the bank in relation to your affairs. Its at page 23064, 27th
24 May 2005.

12:13:22 25
26 "I refer to the above and to the Tribunal's order of the 24th November 2004,
27 together with subsequent correspondence.

28
29 The Tribunal is currently carrying out an exercise to procure background
12:13:31 30 documentation in respect of individual lodgements and withdrawals made to

12:13:36 1 Allied Irish Banks and Irish Permanent Building Society (now Permanent TSB).

2

3 In order to procure this documentation its necessary to obtain from your client

4 a detailed authority authorising both Allied Irish Banks and Permanent TSB to

12:13:51 5 release the documentation required. This is necessary as there is no order of

6 the Tribunal made directly against either of these financial institutions.

7

8 I would be obliged if you would now arrange to furnish same and I attach for

9 your information a copy of the lodgements and withdrawals which are the subject

12:14:06 10 of this exercise. I trust same is in order but should you have any queries

11 please don't hesitate to contact me."

12

13 So you will see that in that situation the bank itself was not subject of any

14 Tribunal order, the bank was carrying out work for you effectively to produce

12:14:22 15 the documentation to the Tribunal, but because you have a banker/client

16 relationship with the bank, the bank was not prepared to release this

17 documentation to the Tribunal unless you executed a written authority

18 authorising them to do so, isn't that right?

19 A. Right.

12:14:38 20 Q. 118 That's as you understand it. And attached to that letter now was a schedule

21 which had been prepared by the Tribunal setting out the lodgements which were

22 going to be the subject of this particular focus of the inquiry, you see that

23 at 23065. There is, that I should say runs also to 23066 which we can see on

24 screen also. And you may be familiar with this document, Mr. Ahern.

12:15:10 25 A. Yes.

26 Q. 119 Because I think it was to form the basis of a lot of the investigation that was

27 being carried out on your behalf by the banks and others in relation to your

28 banking affairs, isn't that right?

29 A. That's correct.

12:15:20 30 Q. 120 The Tribunal effectively had as a result of the discovery process, which you

12:15:26 1 complied with on the 7th February 2005, analysed the documentation in relation
2 to lodgements to the various accounts which are shown here, if we can revert
3 back for a moment to page 23065, we'll see just looking at the account holders
4 names here to distinguish them, the first series is in relation to yourself and
12:15:47 5 your wife, isn't that right?
6 A. Correct.
7 Q. 121 And they, we know from what you tell us were not bank accounts in which you had
8 any dealings other than to provide money to your wife which she may have lodged
9 to these to meet expenses, isn't that right?
12:15:59 10 A. That's right.
11 Q. 122 They weren't being operated by you?
12 A. No.
13 Q. 123 The next three, GA and CA are bank accounts which were held in the name of your
14 then infant daughters, Georgina and Celia, isn't that right?
12:16:13 15 A. Correct.
16 Q. 124 Though they were in fact accounts opened by you for their benefit, isn't that
17 right?
18 A. But in their name.
19 Q. 125 In their names, yes, but they were minors at the times and the money was
12:16:22 20 directed or lodged for the purpose of their advancement and education, isn't
21 that right?
22 A. That's correct, but I never withdrew money from that.
23 Q. 126 Yes.
24 A. The only withdrawals were in their names, subsequently on their education
12:16:34 25 mainly.
26 Q. 127 Right. I am just distinguishing between which of the accounts were likely to
27 have the information that would be relevant to any inquiry of the Tribunal.
28 The first one being the series with your wife, you have explained that, the
29 next batch with your children and then the next series of accounts were your
12:16:53 30 own accounts, isn't that right, running to the bottom of the page? And we can

12:16:58 1 see that the two matters which are the subject of the Tribunal's current
2 focused inquiry can be distinguished from the others, if we look to item number
3 9, you see that, there are two items there, separately distinguished from
4 others with that categorisation, isn't that right?

12:17:19 5 A. That's correct.

6 Q. 128 They show the bank account numbers ending with 011, they are two deposit
7 accounts and the first of which is the 24,838.49 which is the first goodwill
8 loan fund and Manchester lodgement, the second is the 19,142.92 pounds which is
9 the unspent funds lodgement, isn't that right, in relation to Beresford?

12:17:49 10 A. Its actually the second goodwill loan.

11 Q. 129 I'm sorry.

12 A. Its actually the second goodwill loan. You said number 9 is the first goodwill
13 loan its actually the second, its a small point.

14 Q. 130 Sorry. Yes, of course it is. Its the second goodwill loan and the Manchester
15 payment, isn't that right?

12:18:05 16 A. Correct.

17 Q. 131 The next entry beneath that then is the unspent funds, that is the monies which
18 were remaining after the expenditure on Beresford, isn't that right?

19 A. Correct.

12:18:17 20 Q. 132 And again with hindsight, we know that both of these amounts are lodgements
21 which involve foreign exchange, isn't that right?

22 A. Correct.

23 Q. 133 Yes. This schedule was being sent to you so as to authorise the bank to
24 release the documentation in relation to all of those lodgements to the
12:18:38 25 Tribunal, isn't that right?

26 A. Correct.

27 Q. 134 And it was sent on the 27th May 2007, sorry 2005 and we see at page 23067, that
28 on its 10th June 2005, your solicitor enclosed the written forms of authority
29 which had been signed by you in respect of these particular lodgements, isn't
12:19:00 30 that so?

- 12:19:01 1 A. That's correct.
- 2 Q. 135 And we'll see the actual authority then at page 23068. These are the various
3 accounts which had been scheduled in that document by the Tribunal, and the
4 authority is one which allows for the background documentation held by those
12:19:24 5 institutions in respect of the individual lodgements and withdrawals made to
6 the various accounts set out above and detailed in the schedule to be provided,
7 that was some 66 transactions, isn't that right?
- 8 A. Mm-hmm.
- 9 Q. 136 Now that process in June of 2005, was one which involved the financial
12:19:47 10 institutions obtaining this documentation, isn't that right?
- 11 A. Me obtaining it from the financial institution?
- 12 Q. 137 Well they did the work could I suggest, you didn't have this documentation, you
13 weren't going to be going through this 66 individual lodgements, this was an
14 authority to the bank for the bank to do that work and to produce it, isn't
12:20:07 15 that right?
- 16 A. Yes, that's correct.
- 17 Q. 138 I mean you didn't have these documents.
- 18 A. No, but only a small point.
- 19 Q. 139 Yes of course.
- 12:20:16 20 A. When I was doing the discovery in the first place.
- 21 Q. 140 Yes.
- 22 A. Every Saturday night I think for about ten Saturday nights because the only
23 time I could do it, I spent the time going back through all my records, finding
24 out what bank accounts I had, what Building Societies I had, everything I could
12:20:31 25 find. I spent five or six-hours every Saturday night gathering everything,
26 asking the banks for the information.
- 27 Q. 141 Yes.
- 28 A. And then getting the information from the banks, chasing them up when there was
29 periods missing, it was an enormous job, to end up with four huge folders of
12:20:48 30 items for discovery. So it wasn't done for me, I spent ten Saturday nights

12:20:52 1 trying to gather it together.

2 Q. 142 Yes. I am dealing at the moment, Mr. Ahern, with these specific lodgements
3 which are set out in the schedule that we considered a little earlier, do you
4 understand?

12:21:04 5 A. Yeah the --

6 Q. 143 The discovery obligation and the discovery process.

7 A. If I can --

8 Q. 144 Just a moment, of which you speak, had been completed by you I suggest on the
9 7th February of 2005?

12:21:16 10 A. Yes.

11 Q. 145 We have moved on from that. We are now dealing with what was taking place in
12 May and June of 2005. What I am putting to you is, that the work necessary to
13 get the back-up to these particular lodgements which were the authority which
14 you signed, was work which was going to be done by the bank, that's all I am
12:21:34 15 asking, do you agree with that?

16 A. Yes.

17 Q. 146 Now fine. Now that process involved the bank doing obviously various
18 researches behind these particular matters and they did so by reference to the
19 tabs which had been provided to them on foot of this schedule, isn't that
12:21:52 20 right?

21 A. That's correct.

22 Q. 147 And we'll see that in October they were in a position, having completed that
23 exercise, to provide information to yourself and also the information was
24 provided from Allied Irish Banks directly to the Tribunal, isn't that so?

12:22:13 25 A. Correct.

26 Q. 148 Now we'll see then by October of 2005, the Tribunal was in a position to write
27 to you, if we look to page 17816, write I should say to your solicitor, to say
28 "I refer to the above I enclose for your attention copy documentation received
29 from Allied Irish Banks on the 21st October 2005. As agreed, this
12:22:36 30 documentation is being provided to your client for the purposes of completing

12:22:41 1 his affidavit in compliance with the order of the Tribunal. I look forward to
2 receipt of your client's affidavit in early course."

3
4 Now that documentation that is referred to in that letter, Mr. Ahern, I think
12:22:53 5 you will agree is the homework or the background documentation done by Allied
6 Irish Bank, in this instance, in respect of the tabs set forth in the schedule
7 that I spoke to you about just moments ago, isn't that right?

8 A. Yes.

9 Q. 149 But part and parcel I think of the granting of an authority by you, to the
10 bank, to provide this information to the Tribunal, was that the same
11 information should be provided directly to you by the bank, isn't that so?

12 A. Yes.

13 Q. 150 So everything the Tribunal was sending and everything the Tribunal was
14 receiving by way of background documentation on this was going not only to the
12:23:34 15 Tribunal but also to you, isn't that right?

16 A. (Nods head)

17 Q. 151 And you had had it a little earlier perhaps than the Tribunal though there is
18 no great issue taken on that, isn't that right?

19 A. (Nods head)

12:23:45 20 Q. 152 But from the information that had been provided to the Tribunal on the 21st
21 October 2005, the Tribunal on the 25th October 2005, was in a position to say
22 that it required certain matters to be done, isn't that right, we'll see that
23 in this letter which is before you there? We talked about the matters beneath
24 the heading "Source of lodgements".

12:24:12 25
26 It says "In addition to the above, I enclose for your attention copy folder
27 setting out a number of lodgements to your client's accounts.

28
29 The Tribunal have carried out a preliminary review of the bank statements
12:24:21 30 furnished on foot of the Tribunal order and your client's letters of

12:24:32 1 authorisation. Arising from this review the Tribunal has in the first instance
2 isolated a number of lodgements set out in schedule hereto. The Tribunal would
3 be obliged if your client would provide the following information in respect of
4 the lodgements listed."

12:24:41 5
6 Can I just stop at that point and say that of course what had been provided to
7 the Tribunal at this point in time was cold bank information. It didn't have
8 explanations of yours as to the source of funds, it merely indicated whether
9 the lodgement was from, was of a particular amount made on a particular day,
10 isn't that right?

12:25:00 11 A. Yes.

12 Q. 153 Yes. What then was sought from you in this letter was that.

13
14 "1. Your client should in each case identify the course of each of the
15 lodgements.

16
17 2. In the event that the lodgements withdrawals may include bank transfers
18 from one account to the another, your client is required to reconcile the bank
19 transfers.

12:25:23 20
21 3. In the event that the lodgement reflect salary or expenses from employment,
22 your client is required to identify the exact name and address of employer."

23
24 And on the next page 17817.

12:25:31 25
26 "4. In the event of the lodgements arise from rental income or dividend income
27 proceeds of sale of assets, your client is required to cross-reference to tax
28 returns or other documentation available.

29
12:25:41 30 5. In the case of professional fees, political contributions, quasi political

12:25:46 1 contributions your client is required to identify the payee.

2

3 In addition to the above the Tribunal have requested that your client provide

4 detailed explanations regarding the withdrawals set out on the attached

12:25:55 5 schedule and in each case your client should identify the purpose of the

6 withdrawal and to identify in each instance where and how the money was

7 dispersed."

8

9 There were then other queries directed towards establishing:

12:26:07 10 1. Your sources of income.

11 2. Source of income from any business that you may have and thirdly, property

12 purchases. Anything that would relate to any transactions including

13 dispositions and inheritance involving the purchase or sale of lands, houses or

14 options on such carried out by him or on his behalf in the period 199 - sorry

12:26:32 15 1989 to 2002.

16

17 In addition, the Tribunal requires that your client provide a scheduled detail

18 of such assets as of the 1st January 1989 and the position as of the 31st

19 December 2002."

12:26:47 20

21 In effect what the Tribunal was looking for here was a financial make over

22 setting out your income and expenses, the sources of your monies, all that,

23 during that period, isn't that right?

24 A. Correct.

12:26:59 25 Q. 154 And as you know, this is not a matter which could, could you be ordered to do,

26 isn't that right? The discovery obligation is of course one that you are

27 obliged to comply with, you are obliged to produce original documentation, but

28 the Tribunal is not by law entitled to require you to perform this exercise,

29 isn't that right, its a voluntary process?

12:27:24 30 A. Mm-hmm.

12:27:25 1 Q. 155 Isn't that right? But the Tribunal I think outlined to you the reason why it
2 was seeking this information in the manner in which it was doing so, at the end
3 of page 17817 where it says "It is the view of the Tribunal that a detailed
4 response to the above specific questions will significantly shorten the
12:27:42 5 proposed public hearings. The Tribunal would be obliged for your client's
6 cooperation in this regard. The Tribunal is anxious to deal with the matter in
7 correspondence, insofar as that is possible."

8
9 I think you can understand the logic of that, its self evidence, isn't that
12:28:01 10 right? It was operating for everybody's benefit, if these matter cost be dealt
11 within correspondence and resolved that point, one way or the other, isn't that
12 so?

13 A. Correct.

14 Q. 156 This letter, as I say, is dated the 25th October 2005, and we'll see at page
12:28:18 15 17818, that the Tribunal indicated that the "The members are anxious to receive
16 this information at the earliest possible opportunity and accordingly have
17 directed that the same be delivered to the Tribunal no later than close of
18 business on Wednesday 30th November 2005". Isn't that so?

19 A. Correct.

12:28:36 20 Q. 157 If we stop for the moment at that point, Mr. Ahern, and review matters, a year
21 has elapsed since the Tribunal has notified you of its intention to conduct a
22 private inquiry in relation to these matters and this represents the fruits of
23 that year's endeavours, where the Tribunal has been seeking information from
24 you by way of the discovery process, isn't that right?

12:29:08 25 A. Correct.

26 Q. 158 And we see that accompanying that letter at page 22693, was a schedule and that
27 schedule in essence was a schedule which although in a different numerical
28 sequence, was dealing with many of the lodgements which had been already
29 itemised in the earlier schedule to which you had given authority to the banks
12:29:39 30 to provide the documents.

12:29:41 1 And I think if we look to the entries towards the enter there at item 14, you
2 see the number 14 against the deposit of the 11th October 1994, in the sum of
3 24,838.49 and beneath it the 1st December 1995, the 19,142.92, isn't that
4 right?

12:30:04 5 A. Correct.

6 Q. 159 So these were the matters upon which, included I should say in the detail that
7 was being sought from you by the Tribunal on that date and they were hopeful,
8 the Tribunal, that within a month and a week or thereabouts of receiving this
9 information that they would receive from you the response which would allow
10 them to consider further the source amongst other things, of this
11 documentation, isn't that right?

12 A. Correct.

13 Q. 160 Now I think we'll see that it was not, this letter was not responded to in the
14 sense that no details were provided of the, your source of these particular
15 lodgements by the date in November, and if we turn to the following year, on
16 the 3rd March 2006, at page 17819, the Tribunal wrote to your solicitor in the
17 following terms.

18
19 "The Tribunal is anxious to conclude the discovery information gathering
12:31:14 20 process as far as your client's financial and banking records are concerned as
21 soon as possible. The Tribunal is conscious of the fact that such an exercise
22 is as time consuming for you and your client as it is for the Tribunal.
23 However, in this respect I wish to draw your attention to the following.

24
12:31:31 25 1. Our letter dated 25th October 2005, was to have been replied to by the 30th
26 November 2005, has not yet been replied to. A copy of the letter is enclosed
27 herewith. I have been instructed by the Tribunal to extend the period for your
28 client's reply up to the 24th March 2006.

29
12:31:47 30 2. While the Tribunal members are anxious to receive all the information

12:31:51 1 sought in the Tribunal letter of the 25th October 2005, I have been directed to
2 request that your client prioritise dealings with the following queries."

3
4 Here we see five specific lodgements, firstly A. 15,000 cash lodgement as part
12:32:10 5 of the 22,500 composite lodgement to AIB Special Savings Account, number given,
6 on the 30th December 1993.

7
8 That I think is the first goodwill loan lodgement made on the 30th December
9 1993, isn't that so?

12:32:29 10 A. Correct.

11 Q. 161 B. 30,000 pounds cash lodgement into AIB Special Savings Account numbered
12 (27,164.44 cash) and an amount in the sum of 2,835.56 in your client's current
13 account, number given, lodged on the 25th April 1994.

14
12:32:52 15 That I think is the first savings lodgement, isn't that right?

16 A. That's correct.

17 Q. 162 3. 20,000 pounds cash lodgement into AIB account number given in the name of
18 Georgina and Cecelia Ahern on 8th August 1994, that's the second savings
19 lodgment, isn't that right?

12:33:12 20
21 D. Transfer in the sum of 24,838.49 to your client's 7 day fixed interest
22 account at AIB, number given, on the 11th October 1994. Again one of the
23 lodgements we were specifically looking at in the foreign exchange context
24 today.

12:33:29 25
26 E. Transfer in the sum of 19,142.92 to your client's 7 day fix interested
27 account at AIB, number given, on the 1st December 1994, again unspent lodgement
28 and again the subject of our focused inquiry today, isn't that right?

29 A. Correct.

12:33:46 30 Q. 163 The letter went on to say that as previously stated ...

12:33:48 1
2 JUDGE FAHERTY: Sorry, Mr. O'Neill. The last one should be 1995 I think you
3 said 1995, for the purpose of the transcript.

4 Q. 164 I stand corrected on that, Mr. Ahern. Its 1st December 1995, isn't that right?

12:34:02 5 A. Correct.

6 Q. 165 "As previously stated, the Tribunal is anxious that the lodgements set out at A
7 to E above are dealt with as a priority to the other matters set out in the
8 letter of the 25th October 2005. The Tribunal is of course anxious to receive
9 replies to all queries raised at the earliest possible opportunity. In
10 addition, the Tribunal is also anxious to receive your client's Affidavit of
11 Discovery in compliance with the Tribunal's order dated 24th November 2005".
12
13 Just to stop at this point, Mr. Ahern, whereas I have given the description
14 that we will be using to these various lodgements to you, at this point in time
15 of course that information was not known to the Tribunal, isn't that right?

12:34:37 16 A. Yes.

17 Q. 166 Isn't that so? It was merely looking at the documentation it had conducted the
18 audit prior to the 25th October, it had sent you the details, it had asked you
19 to provide the information, the information hadn't been provided by March of
20 the following year. The Tribunal was now asking you for that information but
21 particularly focusing on these five lodgements of which two form part of what
22 we are examining today, isn't that right?

23 A. Yes.

24 Q. 167 Yes. Now, as part of this process and to this date, Allied Irish Banks had not
25 been the subject of a direct order made by the Tribunal against them, in
26 relation to your affairs and we will see on the 7th March 2006, at page 17821
27 your solicitor was notified of the fact that the Tribunal was going to consider
28 the making of an order. I think and we'll see that it reads as follows.
29
30 "In addition to the queries raised therein" that is the last letter we looked

12:35:44

12:35:51 1 at "I have now been directed by the Members of the Tribunal to request that
2 your client provides to the Tribunal, details of all persons authorised on his
3 behalf to make lodgements to Allied Irish Banks during the period 1st January
4 1991 to 31st December 1998. In addition, the Tribunal members are anxious that
12:36:09 5 your client provide details of any arrangement with Allied Irish Banks to
6 facilitate the making of lodgements by such authorised parties to your client's
7 account in Allied Irish Banks. Furthermore, the Tribunal requires the names of
8 the persons in Allied Irish Bank who manage your client's account and the
9 lodgement thereto.

12:36:25 10
11 The Tribunal members are anxious to interview the person or persons who were
12 interviewed in the management and receipt of lodgements into your client's
13 accounts at Allied Irish Banks and accordingly I attach here for your
14 attention, a draft authority authorising the Tribunal to interview such
12:36:41 15 parties.

16
17 The Tribunal members would appreciate if your client would sign the attached
18 authority consenting to the Tribunal interviewing personnel of AIB.
19 The Tribunal members are anxious to proceed with this aspect of their inquiry
12:36:55 20 at the earliest possible opportunity and accordingly would be obliged to
21 receive the signed authority from your client no later than the close of
22 business on Thursday 16th March of 2006".

23
24 I think I went somewhat ahead of myself in suggesting that the discovery order
12:37:09 25 was being considered at that time. In fact what this letter was asking you to
26 do again was part of the request for voluntary cooperation with the
27 transactions or the investigation of the Tribunal by consenting to AIB's bank
28 officials being interviewed in relation to the lodgement and also by providing
29 details as to who it was who was making or authorised to make lodgements to
12:37:31 30 your accounts, isn't that right?

12:37:32 1 A. Correct.

2 Q. 168 We'll see that on the 27th March 2006, your solicitors at page 23071, responded

3 to the Tribunal in terms.

4

12:37:47 5 "I refer to your letters of the 3rd and 7th and my letter to you - I beg your

6 pardon? Yes.

7

8 "I enclose herewith our clients Affidavit of Discovery" that was the first

9 request of you that you complete the Affidavit of Discovery. That meant

10 adopting or taking on board the documentation which had been provided to you by

11 AIB for completion of your Affidavit of Discovery.

12

13 "In addition I provide herewith in four separate booklets, the documentation as

14 so discovered. You might please acknowledge safe receipt.

12:38:21 15

16 With regard to the other requests made by the Tribunal, there are some

17 important matters to thank we believe should be raised with you at this point.

18 As legal advisers to An Taoiseach we have a number of concerns. We also have a

19 number of matters in respect of which we seek clarification."

12:38:38 20

21 Before going on to deal with what the concerns were, can I just identify what

22 it was that were the requests made of the Tribunal at this point in time, which

23 were outstanding. Firstly, there was the request made on the 25th October

24 2005, for details as to the source of the various lodgements, details of your

12:39:02 25 income, details of your properties and those matters, you remember that?

26 A. Yes.

27 Q. 169 Secondly, there was the outstanding question of the prioritisation of the five

28 lodgements that we have referred to a little earlier. And thirdly, there was

29 the question of your consent being sought to interview bank personnel and the

12:39:26 30 request to provide information in relation to those persons who were authorised

12:39:31 1 to make lodgements to your accounts, isn't that so?

2 A. Correct.

3 Q. 170 They were the outstanding matters. All of those matters of course at that
4 point in time being matters which required your voluntary cooperation, you
12:39:46 5 couldn't be forced to provide that information in narrative, isn't that right?

6 A. That's correct.

7 Q. 171 The letter here identifies at this point in time, concerns which the solicitors
8 acting on your behalf raised about other matters that may bare upon your
9 consideration of responding to the requests made of you by the Tribunal, and I
10 will read from page, sorry page 23071 paragraph 4.

11
12 "We would like the Tribunal to identify the precise allegations relating to our
13 client that the Tribunal is currently investigating. This query arising in the
14 following context.

12:40:28 15
16 1. By letter of the 12th May 2005, the Tribunal stated that it had received
17 details of an allegation that your client has or holds the sum of 15 million
18 pounds in an account in the Bank of Ireland in Jersey. That letter also stated
19 that information had been received. That a substantial portion of the alleged
12:40:45 20 15 million was channelled through Allied Irish Bank in O'Connell Street and the
21 matter was handled by a Bank of Ireland official there named and it now appears
22 that the allegation was first made to the Tribunal by Mr. Tom Gilmartin on the
23 26th September 2002.

24
12:41:02 25 Our client has denied this allegation in a letter from his office to you on the
26 24th May 2005, and sought information and documentation from you. In that
27 letter we made it clear that the only account our client ever held with the
28 Bank of Ireland was an account number given in Drumcondra, Dublin. The balance
29 of that account -- next page -- never exceeded 45 pounds. Our client gave to
12:41:22 30 the Tribunal various authorisations in relation to discovery from Allied Irish

12:41:27 1 Bank and indeed has made discovery of his bank accounts."

2

3 Can I just stop at that point for a moment? This was essentially addressing

4 queries which were not the subject of the discovery orders or the requests for

12:41:41 5 details from Allied Irish Banks, but they were referring to the fact that the

6 Tribunal had notified you, through your solicitor, of a series of other

7 allegations which were being made, some allegations being made by Mr. Tom

8 Gilmartin, others recitals by him of what he had been told by others, isn't

9 that right?

12:42:00 10 A. That's correct.

11 Q. 172 Now, I think you are aware that the Tribunal's endeavours had been the subject

12 of, that is endeavours to conduct its affairs had been the subject of judicial

13 reviews including one by Mr. O'Callaghan in the High Court, isn't that right?

14 A. That's correct.

12:42:20 15 Q. 173 And as a result of that the Tribunal altered its procedures so that when

16 dealing with matters in a modular fashion, it circulated persons with the

17 information in relation to all allegations which had been made against any such

18 person by any other witness who was a witness in that module so as to allow for

19 cross-examination as to credibility to take place in relation to that witness,

12:42:46 20 isn't that right? And I think that allowed or as a result of that process, you

21 became aware of a whole series of allegations and detail that Mr. Gilmartin was

22 attributing which would adversely reflect on you, if true, isn't that right?

23 A. It certainly would.

24 Q. 174 And in the detail of the letter which you set out here, we'll see that a number

12:43:09 25 of those matters are being addressed by your solicitor and he is requiring the

26 Tribunal to provide details in respect of that in the context of correspondence

27 passing on the subject of your providing a voluntary cooperation with the

28 detail about an already existing inquiry which had proceeded to that point for

29 about 14 or 15 months, that is the inquiry into the allegation as to whether 50

12:43:39 30 and 30 was paid to you, isn't that right?

12:43:42 1 A. Yes.

2 Q. 175 Would you agree that that is a summary of the position?

3 A. Yes.

4 Q. 176 To point in time?

12:43:46 5 A. I would, Mr. O'Neill, but could you just put the start of that letter again

6 please?

7 Q. 177 Of course, yes that's page 23071. Now is there --

8 A. Just the first paragraph.

9 Q. 178 The first paragraph?

12:43:58 10 A. While its raising those points that you have just gone through and I have no

11 difficulty about that, its not withholding any of the information. I mean the

12 paragraph two:

13

14 "I enclose herewith our client's Affidavit of Discovery. In addition I provide

12:44:20 15 herewith four separate booklets the documentation are discovered. You might

16 please acknowledge same." So while the other points are detail my solicitors

17 were not withholding anything on the basis of that. That was the information

18 that we had gathered over December, January, February of '05 and that was bank

19 statements, some of them we had already given on the 7th February '05. It was

12:44:38 20 a documentation I received from Allied Irish, the documentation, some of it I

21 actually received from the Tribunal because I hadn't got it from the banks, you

22 kindly gave it to me. I also, you asked me to get all my telephone records of

23 every where I had an office, from the Department of Labour, to the Department

24 of Finance to Leinster House, to the various offices, I moved house, I had

12:44:59 25 civil service income and expenditure. So I just want to make the point and I

26 know you weren't complaining, but just in case somebody looking at it which

27 would think why was he taking some months, it took me months and considerable

28 hardship and knee bending and begging and pleading to get the information that

29 was required.

12:45:16 30

12:45:16 1 Now, I don't know if anyone did anything with it, but I actually -- it took me
2 months to collect it.

3 Q. 179 Right.

4 A. I just want to make that point.

12:45:23 5 Q. 180 Fine. In relation to the --

6 A. I would of course have got it in a week if that was possible but, I think,
7 let's be fair.

8 Q. 181 I think we are being fair.

9 A. I think you are, but I just, you didn't say anything, but I just don't want
12:45:37 10 somebody thinking there was a gap. The gap was because I had to go to a huge
11 level of detail, Mr. O'Neill, a huge level of detail, that took practically all
12 my personal time for weeks to get this information, which to be quite frank, I
13 wonder did anyone ever look at it.

14 Q. 182 Well can I just revert, Mr. Ahern, for a moment to the fact that what the
12:46:00 15 Tribunal was looking for, from - sorry, for from you was specific information
16 as of the 25th October 2005, which came from a distillation of documents which
17 you had provided to the Tribunal and which required you to provide an
18 explanation for those particular lodgements, isn't that right?

19 A. That's it. I am not arguing with you, I am just saying what I was providing
12:46:28 20 and I had to provide for was a second Affidavit of Discovery.

21 Q. 183 Yes.

22 A. I am not making an issue about it but I don't want somebody to think that the
23 gap was a gap where I should have had it all by November. To gather all the
24 data and the information and to get the telephone records of when I was leader
12:46:45 25 of the opposition, when I was Minister for Labour and I did painstakingly go
26 through that, as is my obligation to do that, but I just don't want the
27 impression created that this was something handy to achieve. And then I
28 followed up later on with the 92 items, but I just want to make reference
29 there, when my solicitor is raising points, I think the crucial part of that,
12:47:09 30 he is not raising any points. "I enclose herewith my client's Affidavit of

12:47:15 1 Discovery" which was a painstaking effort to get those four booklets. I know
2 you are not making an issue I don't want it seen that it took me time to do it.
3 I didn't have that data of the telephone records of Leinster House or
4 Department of Labour or Finance or TSB or God knows where but I went and got
12:47:32 5 them and delivered to you on that day. That's the only point I am making for
6 the records.

7 Q. 184 Fine. At page 23072, Mr. Ahern, there is set out a number of the allegations
8 that were made. I don't think that its material that we consider them, because
9 they were matters which were outside a particular inquiry that we are looking
12:47:50 10 at at the moment, but if you want to comment on them of course do.

11

12 Your solicitor I --

13

14 MR. MAGUIRE: Sorry Chairman, I think that in the context, if my friend is
12:48:00 15 going into the level of detail that he appears to be intent on doing, in order
16 to set the context of the way in which the Taoiseach's advisors were dealing
17 with all of this, it is important to read the rest of this letter.

18

19 MR. O'NEILL: I'm happy do so.

12:48:15 20

21 CHAIRMAN: That's fine.

22

23 Q. 185 You see the document which is on screen here Mr. Ahern, it raises, firstly it
24 was a continuation of the page before which was dealing with the allegation of
12:48:26 25 the 15 million pound account and if I could start at the top of the page then.

26 "Our client gave", I have already read that, sorry.

27

28 "We do not know whether the requests of the 25th October 2005 and/or 3rd and
29 7th March 2006 relate to this allegation. If the Tribunal has made a decision
12:48:45 30 to investigate this allegation and if the requests are related thereto we will

12:48:58 1 require access to the following documentation and information.

2

3

A. Any documentation discovered by Bank of Ireland relating to and/or
4 confirming the non-existence of the alleged Jersey account. The documentation
12:49:01 5 we have received to date, from the Tribunal contains no such documentation.

6

7

B. Any statement or correspondence from the bank official who allegedly was
8 the official at the Bank of Ireland who dealt with the transfer of the alleged
9 sum of 15 million. No statement or correspondence was included in the
12:49:18 10 documents furnished to us by the Tribunal.

11

12

C. Any other document or information concerning the allegation.

13

14

2. On the 21st April 2005 we received a letter from you to the effect that the
12:49:29 15 Tribunal had received information that in or around March 1994, our client had
16 received monies from Mr. Owen O'Callaghan indirectly in respect of the Golden
17 Island Shopping Centre, Athlone, County Westmeath. The sum of 150,000 pounds
18 was purported to have been paid to a third party and the information given to
19 the Tribunal was that our client may have received a share of these monies. In
12:49:50 20 addition the letter stated that further information had been received, that our
21 client may have "Held accounts" in Jersey, Liechtenstein, Dutch Antilles,
22 England.

23

24

We responded to your letter on the 22nd April 2005 rejecting these allegations
12:50:05 25 and seeking further information.

26

27

We do not know whether the request of the 25th October 2005 and/or 3rd and 7th
28 March 2006 relate to this allegation. If the Tribunal has made the decision to
29 investigate this allegation and if the requests are related thereto, we would
12:50:19 30 require access to the following documentation and/or information.

12:50:25 1
2 A. The identity of the bank or banks with which our client allegedly held
3 accounts.

12:50:31 5 B. Any documentation obtained from such banks concerning the alleged holding
6 of an account with them.

7 C. Any correspondence or statements obtained by the Tribunal from these banks
8 or any third party.

9
12:50:42 10 The documentation that was furnished to this office by the Tribunal contains no
11 documentation of the nature sought in this letter.

12
13 As the Tribunal is aware, neither of the allegations referred to at 1 and 2
14 above are contained in the statement of Mr. Tom Gilmartin made to the Tribunal
12:50:55 15 on the 25th May 2001.

16
17 The order for discovery made against our client on the 24th November 2004 was
18 made in the context of an allegation by Mr. Gilmartin that in or around 1992 he
19 was informed by Mr. Owen O'Callaghan that he, Mr. O'Callaghan, gave our client
12:51:13 20 the sums of 50,000 and 30,000 pounds. Your letter of the 3rd November 2004
21 subsequently clarified that the allegation was to the effect that 50,000 was
22 paid in 1989 and the 30,000 pounds sometime between the 1st January 1989 and
23 31st December 1992. This allegation was included in the statement from
24 Mr. Gilmartin of the 25th May 2001, but our client was first informed of the
12:51:38 25 allegation in the Tribunal's letter of the 15th October 2004.

26
27 Our client has made extensive discovery relating to the aforesaid allegation.
28 See Affidavits of Discovery of the 7th February 2005 and of today's date. Our
29 client has also provided a narrative statement emphatically denying the
12:51:56 30 allegation.

12:51:57 1
2 The request of the 25 October 2005 and 3rd and 7th March 2006 seem to go much
3 further and extend much wider than the allegation referred to in the Tribunal's
4 letter of the 15th October 2004.

12:52:10 5
6 Our client has been informed by an accountant, retained by his lawyers, for the
7 purpose of assisting and advising in this process, that the task of complying
8 with your requests are truly gargantuan. Detail have been sought for instance
9 in respect of the period from 1989 to 2002, although non of the allegations
12:52:30 10 relating to our client relate to 2002 but on the contrary refer to a much
11 earlier period.

12
13 We would also point out that while our client is anxious to cooperate with the
14 Tribunal his lawyers are concerned about the implications of the current
12:52:43 15 O'Callaghan litigation for this entire process. The outcome of this litigation
16 may render the work unnecessary. In those circumstances our client would have
17 been put to enormous effort and expense needlessly.

18
19 We would be grateful to receive clarification and additional information and
12:52:57 20 documentation as sought herein. We will then address the best and effective
21 mechanisms for cooperation in relation to the allegations that are being
22 investigated by the Tribunal. We would also be obliged to receive a copy of
23 the pleadings and any court orders in the current O'Callaghan litigation to
24 ascertain the extent to which if any they effect our client's position.

12:53:21 25
26 We would also like to refer to earlier correspondence written in relation to
27 allegation against our client and in particular our letters of the 22 April
28 2005, 24 May 2005 and 13 June 2005. As you know in those letters we asked
29 specific information on a number of matters. While we have received under
12:53:37 30 cover of your letter of the 1st November 2005 the prior statements of Mr.

12:53:41 1 Gilmartin with some redactions, a number of our requests for information and
2 documents remain unanswered. We would be obliged to hear from you in this
3 regard.

12:53:50 5 Should you have a query in relation to the above please do not hesitate to
6 contact me. Yours sincerely, Liam Guidera."

7
8 That was the complete letter, I think where there is a reference to the
9 O'Callaghan litigation here, I think it is correct to say that whilst the
12:54:02 10 documentation had been provided to you on foot of the O'Callaghan decision,
11 there was a pending appeal in relation to the O'Callaghan decision and that
12 perhaps was the reference here to what was to take place. I'm not quite sure
13 what the reference was, but certainly it was linking your response, I think, to
14 the Tribunal to the O'Callaghan litigation, isn't that so?

12:54:26 15 A. Yes. I think at that time Mr. O'Neill, is when I became aware that it wasn't
16 just an allegation of the 30,000 and the 50,000, but that there were far more
17 extensive allegations about the 15 million in the Jersey account and the
18 Liechtenstein and Luxembourg and, wherever, and some of the more serious
19 allegations that worried me. Some of the allegations, Chairman, where, you
12:54:59 20 know where Mr. Gilmartin was accusing me of getting colleagues of mine to go
21 and bribe another colleague, he made all of these allegations.

22 Q. 186 Yes. And whilst all these were allegations which were, as evident by the fact
23 that the Tribunal had communicated them to you, they were matters which were
24 receiving to some extent or other, consideration from the Tribunal, the one
12:55:26 25 which had been ongoing to this point in March 2006 was the ongoing inquiry in
26 relation to the 50,000 and 30,000 allegation and it was in that context that
27 the information was being sought from you, isn't that right?

28 A. Yeah, I have no point, difficulty with that.

29 Q. 187 Yes.

12:55:46 30 A. Mr. O'Neill, I never had any difficulty. But I was concerned at that time was

12:55:51 1 that all of these other allegations were being made which quite frankly had
2 nothing to do with money, but if they had been true, or if they had been leaked
3 or if they had been - I would have been in serious trouble, because effectively
4 I was being accused not only of having money, which is bad enough, not only of
12:56:09 5 having accounts and offshore accounts, it is having difficulty enough having
6 onshore accounts never mind offshore accounts but that's neither here nor
7 there, that was my personal life but this man who has been, you know, down my
8 neck for seven and a half years was accusing me of blackmail and these were
9 very serious allegations.

12:56:26 10 Q. 188 Yes, but could you agree with me Mr. Ahern, these were from the point of view
11 of the Tribunal inquiry that we are conducting at the moment, these were
12 separate issues?

13 A. They were all his allegations.

14 Q. 189 I know they are allegations, you know that there are all sorts of allegation
12:56:39 15 made against all sorts of persons, but the Tribunal has to conduct its work in
16 a way in which it can try and isolate individual items that can be investigated
17 fully, either for the purposes of establishing that they have no merit or of
18 establishing whether they have merit and that can't be done in the global
19 sense, isn't that right.

12:57:00 20 A. I accept that.

21 Q. 190 You accept that?

22 A. But they weren't just allegations, I get allegations ten a penny as you know
23 yourself it goes with the turf. But these were allegations made to the senior
24 counsel for the Tribunal that was acting under law. So that put them into a
12:57:15 25 different light in my. View, I don't want to proceed with it, but that's what
26 was worrying me at that stage, I didn't care about complying with the 50,000 or
27 the 30,000 or sterling or any of that, because I never got it, but I did
28 concern myself and if I was losing sleep it wasn't about those issues, it was
29 about the fact that this man was saying all kinds of mad things, crazy things,
12:57:39 30 including the fact that I set up two colleagues to go and blackmail another

12:57:51 1 colleague and if that had been true I would have been finished. It was far
2 worse than money.

3 Q. 191 I think would you agree with me Mr. Ahern that if any one of these allegations,
4 including the current allegation, that is being examined in this inquiry was
12:57:56 5 true it would have exactly the same consequence?

6 A. I think I would, to be honest with you Mr. O'Neill I wouldn't agree with that.

7 Q. 192 I see?

8 A. The fact if I got, none of them are true. You're right on that. But the
9 difference of having got money or trying to blackmail somebody, blackmail a
12:58:12 10 colleague, that's a very different reason.

11 Q. 193 I see. Well I think we can move on.

12 A. None of them are true anyway. I don't want to make an issue, but that was the
13 reason that was the concern, our issue wasn't a row with the Tribunal, I have
14 no row with the Tribunal at all. What I was worried about were these issues
12:58:30 15 and that was the first time that I started getting the redacted information
16 about the information that this, these things this man was saying. That was
17 what was worrying me. I have no row with the Tribunal on that matter. I am
18 just saying what was my concern at this stage and that's why you were getting
19 long-winded letters from my legal team setting out the facts.

12:58:49 20 Q. 194 I think we can move on to see what the concern of the Tribunal was as expressed
21 in a letter of the 30th March three days late to your solicitor, page 17822
22 where the Tribunal says as follows:
23
24 "The Tribunal is concerned to note that your client has not furnished the
12:59:05 25 information sought in relation to the five cash lodgements to his accounts
26 prioritised in my letter to you of the 3rd March 2006.
27
28 The bank documents scheduled in your client's Affidavits of Discovery of the
29 7th February 2005 and 27th March 2006 record the fact of such lodgements, but
12:59:24 30 provide no information as to the source of such lodgements. It appears from

12:59:28 1 consideration of your client's Affidavits of Discovery that he himself
2 maintained no records showing the receipt or expenditure of funds, and that he
3 did not prepare annual accounts or have any accountant or professional agent
4 prepare accounts, audits or reconciliations of cash received by him.

12:59:47 5 Consequently, the discovery process to date has not provided any information in
6 relation to the source of the cash deposits made to your client's accounts or
7 the reasons for their having being made.
8

9 The cash lodgements which your client was requested to address as a matter of
13:00:04 10 priority totalled 108,981.41 pounds and were made between December 1993 and
11 December 1995 during part of which time your client was Minister for Finance.
12 The Tribunal is engaged in a number of inquiries in which the payment of any
13 money to your client could be of relevance. Hence the request made of your
14 client. The Tribunal believes that it will assist the Tribunal in its
13:00:29 15 inquiries to establish the nature and source of these lodgements.
16

17 Because of the inquisitorial nature of a Tribunal of Inquiry matters frequently
18 arise in the course of the Tribunal's work which require explanation from
19 others. The fact that such queries are raised does not mean that the Tribunal
13:00:46 20 has been in receipt of allegations of wrongdoing, or that the information being
21 sought from a person is being sought in the context of an allegation of
22 wrongdoing made by others against them. The request for information is part of
23 an information gathering process, and does not mean that the Tribunal itself is
24 making any allegation of wrongdoing on the part of the person from whom the
13:01:08 25 information is being sought.
26

27 The Tribunal is conscious of the privacy rights of individuals and endeavours
28 to respect such rights by seeking information on matters of personal finance in
29 correspondence whenever it is possible to do so, compatible with the Tribunal's
13:01:22 30 obligations to thoroughly investigate matters. This process has not resulted

13:01:26 1 in the Tribunal receiving the information which it has sought from your client
2 to date.

3
4 Where it has not proved possible to ascertain the information sought by means
13:01:35 5 of correspondence, the Tribunal is obliged whenever necessary to do so to
6 inquire into the matter at a public hearing of the Tribunal. The Tribunal will
7 follow this course in the event that it does not receive the information sought
8 from your client to the queries raised to date in respect of the five specific
9 cash lodgements detailed in my letter of the 3rd March 2006.

13:01:56 10
11 The Tribunal has decided to extend the time available to your client to respond
12 in correspondence and to provide the information sought to the 21st April 2006.
13 I am to inform you that in the event that the Tribunal does not receive the
14 information requested by that date it will consider issuing a summons directed
13:02:15 15 to your client requiring him to attend at a public session of the Tribunal
16 which will be listed to take place not earlier than Tuesday 2nd May 2006. At
17 such hearing your client will be questioned in relation to the already
18 mentioned five cash lodgements.

19
13:02:30 20 Should your client elect to provide the information sought by way of
21 correspondence prior to the 21st April 2006 his response should deal with the
22 following:

23
24 1. The origins or origins of the cash sums which were lodged on each occasion.
13:02:46 25 If any lodgement was a composite lodgement of individual cash amounts the
26 origins of each such component part should be separately dealt with. The
27 information in relation to origin includes identification of the person or body
28 who provided the money to your client, including but not limited to the
29 identity of the physical donor of the money.

13:03:05 30

- 13:03:05 1 2. The form in which the cash lodgement was first received by your client,
2 whether in cash, draft, money transfer or otherwise. If initially received
3 other than in cash the manner in which the payment was translated into cash
4 should be detailed.
- 13:03:18 5
6 3. The reason why the donor of the money paid it to your client. Any personal
7 or professional or other relationship between the donor and your client should
8 be set out, whether it is the stated reason for the payment being made to him
9 or otherwise.
- 13:03:32 10
11 4. The nature of the payment, whether as remuneration, gift, donation,
12 dividend, interest payment or otherwise.
13
14 5. The reason for the lodgement being made in cash and the manner which the
13:03:41 15 lodgement came to be assembled in cash prior to the lodgement.
16
17 6. The identity of the person, if other than your client personally, who
18 attended at the bank and made the lodgement in each case.
19
- 13:03:51 20 7. The identity of the bank official who received the lodgement to the account
21 of your client in each case.
22
23 In the event that this information is provided to the Tribunal by your client
24 it may be that the Tribunal will have no further reason to concern itself with
13:04:05 25 these lodgements. However, such decision can only be made once the information
26 has been provided to the Tribunal and assessed by it. If the information
27 provided in correspondence is such that the Tribunal considers that it requires
28 to be the subject of public inquiry you will be so advised in advance of any
29 public hearing.
13:04:22 30

13:04:22 1 I will deal under separate cover with the queries raised in your letter of the
2 27th March 2006".

3
4 As I say, those were the queries looking for information from the Tribunal to
13:04:32 5 back-up the allegations which were being made by Mr. Gilmartin, if such was
6 available.

7
8 CHAIRMAN: It's one o'clock.

9
10 MR. O'NEILL: I see it's one o'clock.

11
12 CHAIRMAN: So we will adjourn to two o'clock.

13
14 **THE TRIBUNAL THEN ADJOURNED FOR LUNCH.**

15
16
17
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19
13:04:49 20

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30

THE TRIBUNAL RESUMED AS FOLLOWS AT 2 PM:

13:04:56 1

2

3 CHAIRMAN: All right Mr. O'Neill.

4

14:07:57 5 MR. O'NEILL: If we can have document 12722 back on screen please?

6

7 Mr. Ahern, before the brief lunch interval we were considering this document

8 which was a letter which was written to Mr. Guidera on the 30th March of 2006,

9 as part of the discovery process, and we'll see the second paragraph thereof

10 that the concerns of the Tribunal and indeed it's evaluation insofar as it was

11 possible to do so, of the information that had been provided through the

12 discovery process to that date, was set out here and there are a number of

13 statements of fact which the letter makes in connection with the nature of the

14 material which had been discovered to that point.

14:08:51 15

16 I just want to check with you whether or not you would agree with me that it

17 accurately reflects the level of the documentation or the nature of the

18 documentation that had been provided and in particular the absence of certain

19 classes of documentation?

14:09:09 20

21 If we look to the second paragraph it says:

22

23 "That the bank documents record the fact of such lodgements but provide no

24 information as to the source of the lodgements." I don't think you dispute

14:09:21 25 that, we have already seen the schedules of documents, the lodgements in

26 question, there is nothing, no narrative with them, isn't that right?

27 A. Yes, that's right.

28 Q. 195 It appears from consideration of your client's affidavits of discovery that he

29 himself maintained no records showing the receipt or expenditure of funds, do

14:09:47 30 you understand what that is suggesting? Its indicating that leaving the bank

- 14:09:51 1 documentation aside, that you personally didn't maintain your own records if I
2 might call them that, of your expenditure of funds, isn't that right? Either
3 the receipt of expenditure of funds?
- 4 A. I put my -- paid ESB bills and gas bills and that, I kept receipts.
- 14:10:13 5 Q. 196 You think that, sorry you are saying that you kept the receipts for utilities?
- 6 A. Yes.
- 7 Q. 197 Yes. But as regards any of the cash lodgements, any of the other monies that
8 are the subject of the inquiry here, particularly the 108,000 pounds that was
9 identified in the schedule of five documents, they aren't reflected in any
10 personal accounts kept by you?
- 11 A. No.
- 12 Q. 198 Isn't that right? I'll repeat the statement in the letter "It appears from
13 consideration of your client's affidavits of discovery". So we are looking at
14 the limited documents that were contained in the Affidavit of Discovery. "That
14:10:57 15 he himself maintained no records showing the receipt or expenditure of funds".
16 Perhaps if we deal with receipt first.
17
18 Did you keep any records to record the receipt of funds and were they
19 discovered?
- 14:11:14 20 A. No, there is no receipt other than what's in the bank statements. That's the
21 receipt.
- 22 Q. 199 Yes. But what is said here, I mean this is said in the context that the bank
23 documents record the fact of the lodgements, but they provide no information as
24 to the source of the lodgements, you don't dispute that?
- 14:11:30 25 A. No, no.
- 26 Q. 200 No and it goes on to say that you yourself apparently kept no records of your
27 receipt of funds because presumably had you done so, you would have discovered
28 them and they are not discovered in the discovery process, isn't that right?
- 29 A. That's correct.
- 14:11:45 30 Q. 201 Fine.

- 14:11:45 1 A. But, my income and that, not these particular ones, you are talking about these
2 five ones.
- 3 Q. 202 Well your income was effectively as a PAYE worker and its those matters ...
- 4 A. I discovered those.
- 14:12:00 5 Q. 203 You discovered the payments, but I think you indicated that the encashment of
6 those payments was a matter which you hadn't recorded and had no records as to
7 where your expenditure went, isn't that right?
- 8 A. That's right.
- 9 Q. 204 So the statement that it appears from consideration of your client's Affidavit
10 of Discovery that he himself maintained no records showing the receipt or
11 expenditure of funds, that's accurate isn't it?
- 12 A. Yes.
- 13 Q. 205 Yes. And that he did not prepare annual accounts. We'll stop at that point.
14 You didn't, at the end of every year, work out what your income was and what
14:12:35 15 your expenditure was and detail how you had spent, well firstly what money you
16 had received and secondly what money you had spent, isn't that right?
- 17 A. I had enough to do.
- 18 Q. 206 I'm sorry?
- 19 A. I had enough to do.
- 14:12:47 20 Q. 207 You had enough to do. I see. But as a statement of fact, it's correct?
- 21 A. It is, yeah.
- 22 Q. 208 From the Tribunal's point of view, looking at the documentation which it was
23 looking at with the intention of establishing whether or not any of the funds
24 received by you were received other than legitimately, it would be an essential
14:13:06 25 document as I suggest, to see, certainly it would be helpful to the Tribunal,
26 to know where your money came from, and where it went, isn't that right?
- 27 A. Well I think the Tribunal, if I can correct you, the Tribunal would know -- I
28 gave my pay master cheques, my government cheque and I gave these individual
29 receipts, so the Tribunal knew precisely where I got the money. If your
14:13:33 30 question, on an individual, like every other individual, I am not a PLC, I am

14:13:38 1 not a sole trader, I didn't keep audited accounts, I am not scheduled D
2 taxpayer, just pay as you earn. So all of the records are effectively
3 available, the fact that I cashed my cheques, its public information what
4 cheques, what expenses I got and I did, for the entire period provide to the
14:14:03 5 Tribunal the information that the pay master cheques gave me, the expenses I
6 got, any remittances I got, and then these lodgements.
7
8 So it is correct to say I have no audited account, but I'd have to say to you
9 it wouldn't take an accountant more than half a day to work out where my income
14:14:24 10 was.
11 Q. 209 To this point I'm not asking you about audited accounts or any requirement to
12 have the documentation prepared by a professional, the question I was asking
13 you is whether or not you yourself had prepared any annual accounts and I think
14 the answer to that is no?
14:14:41 15 A. No, no. Yes.
16 Q. 210 Yes. The Tribunal them went on to say that "Or to have any accountant or
17 professional agent prepare accounts" and you have explained that you see
18 yourself as not being a PLC therefore you have no obligation to do that and in
19 fact you didn't do so. But the statement of fact that's contain there had is
14:15:01 20 accurate, isn't it?
21 A. Yes.
22 Q. 211 Right. There were no accounts, audits or reconciliations of cash received by
23 you, isn't that right?
24 A. Correct.
14:15:09 25 Q. 212 Throughout this period?
26 A. Correct.
27 Q. 213 And therefore I take it, you wouldn't dispute the conclusion here, that the
28 discovery process to date has not provided any information in relation to the
29 source of the cash deposits made to your client's account or the reasons for
14:15:25 30 their being made, isn't that right?

14:15:27 1 A. Yes.

2 Q. 214 Yes. He then goes on to address the fact that you were, the cash "The cash

3 lodgements which your client was requested to address as a matter of priority

4 totalled 108,981.41 and were made between December 1993 and December 1995,

14:15:46 5 during part of which time your client was Minister for Finance. The Tribunal

6 is engaged in a number of inquiries in which the payment of any money to your

7 client could be of relevance, hence the request made of your client. The

8 Tribunal believes that it will assist the Tribunal in its inquiries to

9 establish the nature and source of these lodgements."

14:16:05 10

11 Now they were the five specific lodgements, isn't that right?

12 A. (Nods head)

13 Q. 215 And we see that each one of them is a substantial cash sum, isn't that right?

14 A. Yes.

14:16:14 15 Q. 216 And they would exceed by far any monthly pay master general cheque that you

16 would have received during the period, isn't that right?

17 A. Correct.

18 Q. 217 And equally I think you accept, that in respect of each one of those payments,

19 none of them actually represent payments for services or earnings directly,

14:16:34 20 isn't that right?

21 A. Correct.

22 Q. 218 Yes. This of course is not a matter which is known to the Tribunal at the date

23 of the writing of this letter and would you agree with me that it was clear

24 that at this point in time on the 30th March 2006, the inquiries which the

14:16:52 25 Tribunal had been conducting since October of 2005, had led them nowhere as

26 regards establishing what the source of your accounts were in connection with

27 large cash lodgements, particularly the five mentioned, isn't that right?

28 A. That's correct.

29 Q. 219 Yes. If we can turn to the next page of the letter then at 17823, the Tribunal

14:17:28 30 indicated that that was the situation that couldn't continue and that it had

14:17:33 1 decided, we'll see at the fourth paragraph down to extend the time available to
2 you, to respond in correspondence and to provide the information sought and
3 that extension was up to the 21st April, indicating that in the event that it
4 wasn't there would have to be a public hearing.

14:17:51 5
6 But also indicating that if you did elect to provide the information, it should
7 deal with a number of specific queries. The last two paragraphs on the page
8 starting with paragraph one, we read them before lunch, Mr. Ahern, but I think
9 you'd agree with me that these particular queries which are raised one to seven
14:18:14 10 here, were specific and detailed as regards seeking from you the background
11 information in respect of each one of these lodgements, the answers to which
12 should resolve one way or the other what the lodgements were about, isn't that
13 right?

14 A. Correct.

14:18:33 15 Q. 220 You don't dispute that. Now, it was also indicated to you that although the
16 discovery process had come to this point it hadn't produced anything, there was
17 still this process of correspondence which was, it was hoped would produce
18 information and that the possibilities were that if the information resolved
19 the issues that the matter would be determined to that point, isn't that right?

14:18:57 20 A. Correct.

21 Q. 221 Now, in addition to that voluntary process, if we can look to page 17825 on the
22 next day, the Tribunal was writing to your solicitor in connection with the AIB
23 documentation in particular and putting you on notice, I think we only have to
24 consider the last paragraph here that "the Tribunal would consider making an
14:19:34 25 order for discover directed to Allied Irish Banks PLC for discovery and
26 production of documents.

27 Those being A. All files maintained by AIB whether within or without the State
28 relates to bank accounts of Mr. Bertie Ahern into which lodgements had been
29 made by or on behalf of Mr. Ahern between the 1st January 1991 and January
14:19:55 30 1998". And advising you that you could make submissions in relation to that,

14:20:01 1 isn't that right?

2 A. Correct.

3 Q. 222 So that the Tribunal had decided at this point to move to the side perhaps and

4 to go directly to the banks and make orders against them to deliver or discover

14:20:20 5 their files in relation to your dealings during that period, isn't that right?

6 A. Correct.

7 Q. 223 And the letters to which I have referred are responded to by your own solicitor

8 at page 17827 on the 6th April.

9

14:20:35 10 MR. MAGUIRE: Sorry, Chairman, there is a second letter dated the same day as

11 the 30th March, which also deals with the context in which the earlier letter

12 was read out. And I'd ask that that letter, if we are going to this level of

13 detail, which Mr. O'Neill seems determined to do, then I would ask that that

14 letter also be read.

14:20:55 15

16 MR. O'NEILL: Well I have to say, just before My Friend finishes, perhaps on

17 that issue, I accept that all of the correspondence which has passed between

18 Mr. Ahern and the Tribunal on all issues at this time is not contained, or will

19 not be referred to me by me in the course of my examination of Mr. Ahern, that

14:21:15 20 is because focus of my questioning is to deal with the process through which

21 the information was sought by the Tribunal and responded to by Mr. Ahern's

22 solicitors as we go through the correspondence.

23

24 I have to say that the correspondence on other issues is very, very extensive,

14:21:31 25 it runs to by my calculations, at least four volumes of documentation, and I

26 make no apology in other words for not opening every single letter, that's

27 there. If I -- I will get the letter that Mr. Maguire is referring but I do

28 want to flag --

29

14:21:54 30 CHAIRMAN: I presume Mr. Maguire is concerned that its topical to the issue

14:21:58 1 that's being dealt with.

2

3 MR. MAGUIRE: Yes. Well its clear in fact from the reply that's given by Mr.

4 Ahern's solicitors on the following -- following this series of correspondence

14:22:11 5 deals with all three letters which includes the two letters of the 30th and --

6 essentially this is integrated correspondence. There were three letters

7 responding to a first letter and then a response to those three letters

8 contained in a single letter.

9

14:22:32 10 CHAIRMAN: All right.

11

12 MR. O'NEILL: I accept that that is so of course, but all of the correspondence

13 is to an extent integrated. I don't intend to make an issue of it but I am

14 highlighting the difficulties that arise in the event that it's to be suggested

14:22:47 15 that every single piece of documentation ...

16

17 CHAIRMAN: I don't think Mr. Maguire is suggesting that.

18

19 MR. O'NEILL: I will happily open the letter but I'm not sure that I can put it

14:22:57 20 on screen in so far as ...

21

22 MR. MAGUIRE: Chairman, I just want to place on the record that we are not

23 insisting on the correspondence being opened -- all of the correspondence being

24 opened. That is not ...

14:23:02 25

26 CHAIRMAN: That's fine. Obviously if you have a concern about a particular

27 letter, there is no difficulty about having it opened in public, if its not

28 done by Mr. O'Neill.

29

14:23:13 30 MR. MAGUIRE: And can I also place on the record also, that the concern we have

14:23:16 1 in respect of this is that there is, there are questions being asked some of
2 which draw inferences in relation to delay or failure to produce documentation
3 etc, which are against a background of an enormous series of inquiries being
4 made of the Taoiseach in relation to an enormous number of matters which he is
14:23:36 5 coping with and dealing with at the time that we are talking about. So as to
6 come to any inference or to ask that any inference to be drawn from the
7 correspondence must, if one goes that route, must take into account all of
8 these other matters which otherwise might not be pertinent.
9

14:23:53 10 CHAIRMAN: Absolutely. Its our understanding that this process has been gone
11 through by Mr. O'Neill because of the fact that there has been criticism or
12 implied criticism of the Tribunal for the delays in, between the start point in
13 relation to this particular investigation and the point that we are now at, so
14 because we are a public inquiry its important that the public would know the
14:24:18 15 extent of the correspondence and the communication between Mr. Ahern's
16 solicitors and the Tribunal. It does not necessarily follow that there is
17 criticism being implied, but its important that it be made clear, the basis
18 upon which this particular inquiry is based.
19

14:24:42 20 MR. O'NEILL: I think we see the document now on screen, Mr. Ahern, in front of
21 you, if you require a hard copy I can get it for you. I'm not sure if it was
22 allocated a reference number so far, but its a second letter of the 30th March
23 2006, to your solicitor and I will read it.
24

14:24:59 25 "Dear Mr. Guidera, I acknowledge receipt of your letter of 27th March 2006,
26 together with your client's Affidavit of Discovery of the same date and the
27 four booklets of documents accompanying it.
28

29 In your letter you seek to identify the precise allegations relating to your
14:25:14 30 client that the Tribunal is currently investigating. Furthermore you seek

14:25:25 1 details from the Tribunal in relation to the Tribunal's inquiries carried out
2 in relation to certain allegations made by others which have been brought to
3 your attention to date by the Tribunal.
4

14:25:26 5 I should firstly point out that the Tribunal's inquiries are not necessarily
6 the result of allegations having been made to the Tribunal by others, nor does
7 the Tribunal require to have an allegation of wrongdoing made to it before
8 conducting its inquiries into any given matter. The fact that the Tribunal is
9 seeking further information in the matter does not mean that it necessarily
10 will be the subject of a public inquiry.
11

12 Where the Tribunal has decided that it will conduct a public inquiry into a
13 given matter, it will circulate a brief of documents containing witness
14 statements and relevant documents to all persons effected in advance of such
15 hearing. Prior to the publication of a date for hearing of a particular
16 module, the evidence which will be heard at such public hearing will not be
17 circulated. I should point out that the Tribunal does not impart information
18 in relation to ongoing inquiries to potential witnesses in advance of the
19 circulation of the brief, unless there are particular circumstances which merit
20 the Tribunal adopting this course.
21

22 In the event that the allegations referred to in your letter were to the
23 subject of public inquiry, you would be furnished in advance of the public
24 hearing concerning such matters with the brief as outlined above.
25

14:26:29 26 The Tribunal is conducting a public inquiry in relation to the Quarryvale lands
27 which includes reference to the alleged payment of 50,000 pounds and 30,000
28 pounds said to have been paid to your client by Mr. Owen O'Callaghan. The
29 extent of the material relevant to this allegation is contained in the
30 Quarryvale II brief which has been circulated to you already.
14:26:46

14:26:48 1 The Tribunal has not decided to conduct a public inquiry into the allegation,
2 1. That your client held or holds the sum of 15 million pounds in an account
3 in Bank of Ireland in Jersey.

4 2. Your client may have held accounts in A Jersey, B, Liechtenstein, C, Dutch
14:27:07 5 Antilles, D, England and consequentially information gathered in the
6 preliminary investigative stage of that inquiry, will not be circulated other
7 than the material which comprises prior statements of witnesses who may be
8 cross-examined as to credibility arising there from.

9
14:27:20 10 The Tribunal has decided conduct public inquiries into tax designation, not
11 limited to matters involving Mr. O'Callaghan and in this context payments
12 receive by your client which may be referable to the period which he served as
13 Minister for Finance may be inquired into. Once the Tribunal has completed
14 assembly of the brief of documents and the witness statement it is will
14:27:41 15 circulate the brief of documents to all effected parties in advance of these
16 public hearings.

17
18 The O'Callaghan case:

19
14:27:48 20 In your letter you make reference to the judicial review proceedings brought by
21 Mr. O'Callaghan and Mr. Deane against the Tribunal. You suggest that the
22 outcome of that case may render your client's compliance with the requests of
23 the Tribunal unnecessary. The O'Callaghan judicial review seeks to prevent the
24 Tribunal from conducting further public inquiries involving Mr. O'Callaghan and
14:28:07 25 Mr. Deane. The claimed basis for doing so is an allegation of bias on the part
26 of the Tribunal members which is such as to prevent the Tribunal from dealing
27 fairly with Mr. O'Callaghan or Mr. Deane. It is claimed that the Tribunal's
28 dealings with Mr. Tom Gilmartin by contrast to Mr. O'Callaghan and Mr. Deane
29 were unfair. I'm not clear as to how you can you contend that these issues
14:28:30 30 have any bearing upon your client's obligations to comply with the orders of

14:28:34 1 the Tribunal or to provide the information sought voluntarily on matters which
2 are exclusively within your client's own knowledge. Both Mr. O'Callaghan and
3 your client have denied that any monies were paid by Mr. O'Callaghan to your
4 client and consequentially, the Tribunal's request for details of specific cash
14:28:50 5 lodgements made to your client's account cannot be effected in anyway by the
6 O'Callaghan proceedings.

7
8 Your request for copies of the pleadings an court orders in relation to the
9 O'Callaghan proceedings is noted. However, as your client is not a party to
14:29:04 10 these proceedings it is not open to the Tribunal unilaterally to furnish you
11 with copy thereof. The case in question has, as you know, been at public
12 hearing in the High Court for the past number of days and will continue to be
13 heard in the course of the next week. If your client wishes to be appraised of
14 the issues involved in greater detail a watching brief of the proceedings will
14:29:22 15 no doubt so inform him. If Mr. O'Callaghan consents to the pleadings and court
16 orders being provided to you, the Tribunal will reconsider your request for
17 such documents.

18
19 In your letter of the 27th, you make reference to queries raised by you in
14:29:36 20 correspondence of the 22nd April 2005, 24th May 2005 and 13th June 2005. In
21 respect of all of these matters, the information sought is not the type of
22 information which is provided by the Tribunal in the course of ongoing
23 inquiries. The inquiries were made of you in the preliminary investigative
24 stages of the Tribunal for the purposes of establishing what your client's
14:30:01 25 response to the allegations was and as earlier indicated, it is only once the
26 Tribunal has determined that the matter merits public inquiry and the brief has
27 been prepared for circulation to effected parties, that is such information is
28 disseminated from the Tribunal.

29
14:30:14 30 I trust that the above explains the position to your satisfaction."

14:30:18 1 That was one letter, the last of those which we see referred to now on screen
2 at page 17827, which was the reply of the 6th April, 17827 please. If we can
3 enlarge that somewhat?
4

14:30:38 5 This is the reply of the 6th April by your solicitor to that last letter that I
6 read and the two preceding letters.
7

8 "Dear Ms. Gilvarry, I refer to your three letters of the 30th ult, received in
9 this office on the 3rd.

14:30:52 10
11 My client notes that the Tribunal has decided to conduct inquiries into tax
12 designation, not limited to matters involving Owen O'Callaghan and if in this
13 context may inquire into any payment received by him which may be referable to
14 his period as Minister for Finance. It is important to state that this is the
14:31:09 15 first time that my client has become aware that the Tribunal is enquiring into
16 actual tax designation orders signed by him and that the prior requests for
17 information and discovery made of him included that issue. This has changed
18 the context of our letter to you of the 27th ult.
19

14:31:22 20 My client's legal advisors had been under the impression that the Tribunal's
21 requested related solely to the allegations by Mr. Gilmartin that
22 Mr. O'Callaghan had made payments of 50,000 pounds and 30,000 pounds to our
23 client in the period 1989 to 1992. We assume that had all of the Tribunal's
24 correspondence up until the 30th March 2006, related to Tom Gilmartin/Owen
14:31:45 25 O'Callaghan matters.
26

27 Thus in view of the proceedings which have been brought by Mr. O'Callaghan
28 against the Tribunal, and in particular the injunction which it is understood
29 prevents the Tribunal from investigating Mr. O'Callaghan pending the outcome of
14:31:57 30 the proceedings, my client's legal advisors had taken the view that there was a

14:32:02 1 danger that my client's responses to same could in some way infringe the
2 injunction. Hence we sought from you a copy of the proceedings and the court
3 order.

14:32:11 5 Furthermore as expressed in my letter to the Tribunal of the 27th ult, there
6 was also a concern that compliance with the Tribunal's requests could,
7 depending on the outcome of the O'Callaghan proceedings, involve my client in
8 needless effort and expense and that the Tribunal's request to partly related
9 to the additional allegations by Mr. Gilmartin in relation to 15 million pounds
14:32:32 10 in Jersey and to the accounts in Jersey, Liechtenstein, England and the Dutch
11 Antilles, allegations which were manifestly false.

12
13 Now that we have learned that the Tribunal's requests include the issue of tax
14 designation but not limited to matters involving Mr. O'Callaghan, the position
14:32:48 15 is clarified. My client is happy to deal with whatever matters the Tribunal is
16 investigating in relation to the issue of tax designation.

17
18 My client also notes that the Tribunal will not be conducting a public inquiry
19 into the allegations made by Tom Gilmartin that my client holds the sum of 15
14:33:06 20 million pounds in an account in the Bank of Ireland in Jersey or that he held
21 accounts in Jersey, Liechtenstein, the Dutch Antilles or England.

22
23 As regards particular requests made by the Tribunal, the following is the
24 position" and that will set out the responses I think to the matters which were
14:33:22 25 then current from the point of view of this inquiry that we are discussing.

26
27 Now before opening those, I just want to refer believably to what is said in the
28 last paragraph, that is "My client also notes that the Tribunal will not be
29 conducting a public inquiry etc. into the allegations of the 15 million" in
14:33:45 30 fact what was stated relation to that was to refer to the earlier letter, page

14:33:51 1 2 of it, "The Tribunal has not decided conduct a public inquiry into those
2 matters".

3
4 You will appreciate I think that there is a difference, Mr. Ahern, between
14:34:00 5 deciding not to investigate something and not deciding to investigate
6 something, they are quite separate, isn't that right? It seems to have been
7 taken up in this correspondence as meaning that the Tribunal had made a
8 decision that it was not going to investigate the matters. Whereas in fact
9 what was indicated to you was that the Tribunal had not made a decision to
10 investigate?

11 A. Same effect, would it not?

12 Q. 224 Quite the contrary I would think.

13
14 MR. MAGUIRE: Sorry, Chairman, I don't want to continue interrupting, but it
14:34:29 15 has to be said that the way in which this was responded to was never corrected
16 or challenged by the Tribunal. The assumption is the same.

17
18 CHAIRMAN: All right. Well its just to explain the slight distinction between
19 the two.

14:34:48 20 Q. 225 Now to turn to page 17828, where the responses are given to the matters which
21 are, the reply is being given to the matters which were sought in the earlier
22 correspondence at 1 it is said "Lodgements to my client's bank at account in
23 AIB were ordinarily made by A, Bertie Ahern, B, Grainne Caruth, giving her
24 address, C, Sandra Cullagh." That's answering the question as to who was
14:35:14 25 authorised to make lodgements to your account, so there are three persons
26 named.

27
28 "Secondly my client consents to the Tribunal interviewing personnel of AIB and
29 has signed authority attached. The bank officials my client dealt with during
14:35:26 30 the period in question were in particular Jim McNamara and Phillip Murphy and

14:35:30 1 the bank manager was Michael Burns now retired, who my client recalls meeting
2 once. These people may be contacted through AIB. My client notes that his
3 usual banking practice at the time was to deal with the staff at the counter in
4 the bank on duty at the time.

14:35:47 5
6 3. The proposed order for discovery to be made by the Tribunal is noted. The
7 Tribunal has already made orders for discovery against AIB to which my client
8 has already consented and it has obtained that discovery. We would refer to
9 you earlier correspondence in this regard. We are unclear to what purpose a
10 further order would serve but if the Tribunal considers such a further order is
11 necessary, in these circumstances, then our client has no objection to the
12 making of such an order.

13
14 So far as my client is concerned he had no special arrangement with AIB in
14:36:17 15 regard to lodgements. My client does recall a bank official calling to his
16 office on at least one occasion to discuss his financial affairs."

17
18 It goes on to say then that "The information sought in your letter of the 3rd
19 March, will be furnished by the deadline of the 21st April 2006 - April next,
14:36:38 20 that was 2006.

21
22 He goes on to say "My client will continue to cooperate with the Tribunal as he
23 has done in the past. I am sure the Tribunal will understand my client's chief
24 concerns that wild and false allegations about 15 million pounds in Jersey or
14:36:54 25 his ownership of foreign bank accounts are seen to be baseless, hence my
26 client's request for information and documentation from you concerning those
27 allegation.

28
29 As my client has made clear in previous communications from the Tribunal, he
14:37:05 30 received no monies Mr. Owen O'Callaghan or Mr. Tom Gilmartin. He confirms that

14:37:10 1 he received no monies in relation to tax designation". That concludes that
2 letter.

3
4 The reference to deadline being met was in relation to the Tribunal's request
14:37:20 5 that it would receive from you answers to the queries which had been raised in
6 the letter, that is the 11 issues seeking, in effect very detailed information
7 about the five specific lodgements. And the Tribunal received them from your
8 solicitor, a report from Mr. Des Peelo, isn't that right? We will see at page
9 17830, the front page of a report marked "Strictly private and confidential,
14:37:50 10 Peelo and Partners" it was received by the Tribunal as shown by its receipt
11 stamp there on 21st April. It's dated 20th April and it concerns Mr. Bertie
12 Ahern TD, An Taoiseach. It's prepared by Des Peelo, Peelo and partners
13 chartered accountants, isn't that right?
14

14:38:11 15 Now, if we look to page 17831 of that, we'll see the genesis of this report at
16 paragraph 3. "This report is based on the documents scheduled in Mr. Ahern's
17 Affidavits of Discovery of the 7th February 2005 and 27 March 2006, and on
18 detailed discussions with Mr. Ahern re the five lodgements as referred to in
19 the foregoing Tribunal letters." isn't that so?

14:38:37 20 A. Correct.

21 Q. 226 So I think that tells us how it came about that this report was prepared, isn't
22 that so?

23 A. Correct.

24 Q. 227 And I think that it was your intention that the request of the Tribunal that
14:38:49 25 you would provide the answers set out numbers 1 to 11 in correspondence, that
26 that would be satisfied by a report prepared by your accountant, is that right,
27 that was your reading?

28 A. Correct.

29 Q. 228 Though I think there was no requirement of, placed on you, to have you engage
14:39:11 30 an accountant to do this exercise isn't that right? The Tribunal had invited

14:39:16 1 your response, what it received was the response of Mr. Peelo, isn't that
2 right?

3 A. That's correct.

4 Q. 229 And the report is a relatively lengthy one, I don't think its necessary for us
14:39:27 5 go through the entire of it, Mr. Ahern, because we are dealing solely with two
6 of the lodgements in this particular mode of the inquiry which are covered
7 within that report, the 1st of those being the lodgement of 24,838.49 which we
8 see at page 17837 of the report, isn't that right?

9 A. Correct.

14:39:51 10 Q. 230 Now, the query that had been raised in relation to this was the transfer in the
11 sum of 24,838.49 to your client's 7 day fixed interest accounts at Allied Irish
12 Banks numbered, on the 11th October 1994.
13 Obviously that is in parenthesis here and it reflects the belief of the
14 Tribunal at the time that it involved a transfer, isn't that right?

14:40:18 15 A. Yes.

16 Q. 231 We know it wasn't a transfer now, it was a direct lodgement, isn't that right?

17 A. Correct.

18 Q. 232 And this sets out the explanation which I think was the explanation gleaned by
19 Mr. Peelo from his detailed discussions with you to answer the query framed
14:40:40 20 here, isn't that right?

21 A. Yes.

22 Q. 233 I'll read it. "A. Mr. Ahern attended and spoke at a private dinner in
23 Manchester circa this time. The dinner was organised by Manchester Irish
24 businessmen and Mr. Ahern had attended similar dinners on prefers occasions.
14:40:55 25 The dinner was not organised as a fundraiser. At the end of the dinner
26 unsolicited by Mr. Ahern, he was presented with cash of circa 8,000 pounds
27 sterling made up by individual contributions from the attendance. There is no
28 list of contributors in this regard. (John Kennedy one of the Manchester
29 businessmen involved and Senator Tony Kett, who attended the dinner can confirm
14:41:18 30 the foregoing).

14:41:19 1 B. The exact amount of the sterling cash is not known. At the then (11th
2 October 1994) sterling/punt exchange rate of 0.9883, the sterling equivalent of
3 Irish 7,938.49 pounds was circa sterling 7,845.61. (note: 7,938.49 plus
4 16,500 pounds Irish equals 24,438.49). The balance of Irish 16,500 in the
14:42:03 5 lodgement was made up as follows:

6

7

Paddy Reilly: Three and a half thousand.

8

Joe Burke: Three and a half thousand pounds.

9

Barry English: 5,000 pounds.

14:42:14 10

Dermot Carrew: Four and a half thousand pounds."

11

The asterix indicated a different Paddy Reilly than listed at 15A, that was

12

another lodgement we needn't concern ourselves with at the moment.

13

14

"All of the above persons are personal friends of Mr. Ahern. The amounts were

14:42:30 15

entirely unsolicited and represented a goodwill loan from friends towards the

16

building up of Mr. Ahern's personal finances re possible purchases of a house".

17

There is a blank reference there dealing with your matrimonial proceedings,

18

isn't it?

19

A. Correct.

14:42:45 20

Q. 234 "C. The lodgement of 24,838.49 was made personally by Mr. Ahern. The AIB bank

21

official who received the lodgement was either Phillip Murphy or Jim McNamara."

22

23

The next entry then I'd ask you to consider, Mr. Ahern, is at page 17838, this

24

is expressed to be in response to transfers in the sum of 19,142.92 to your

14:43:15 25

client's 7 day fixed interest account at Allied Irish Banks, number given, on

26

the 1st December 1995.

27

28

"A. This was a return of monies his then partner Celia Larkin, which arose in

29

the following circumstances.

14:43:31 30

14:43:31 1 B. As shown on the attached chart, a total of 50,000 pounds was given to Celia
2 Larkin for the purpose of organising on Mr. Ahern's behalf the fit out of the
3 house below.

14:43:44 5 22,000 pounds, 5th December 1994 account number given.

6 28,000 pounds, 6th December 1994, account number given.

7
8 C. Mr. Ahern had rented a house at the time with an option to purchase it,
9 which he did circa September 1997. Expenditure on household furnishings
10 totalling some 30,000 pounds (invoices available) were made from the foregoing
11 50,000 pounds during 1995.

12
13 D. The sum of 19,142.92 was the balance remaining from the 50,000 pounds and
14 was re-lodged on the 1st December to Mr. Ahern as already existing AIB deposit
15 account number given."

16
17 So those I think Mr. Ahern were the responses which were given on your behalf,
18 via your solicitors represented by the analysis conducted by your accountant
19 Mr. Peelo, he having done that on the basis of detailed affidavits, detailed
20 discussions which he had with you, isn't that right?

21 A. Correct.

22 Q. 235 And I think as we see from, to revert to page 17831, the first page of the
23 report, insofar as Mr. Peelo's report was based on documents, it was based on
24 the documents which had been discovered to the Tribunal, isn't that right?

14:45:21 25 A. That's correct and bank records.

26 Q. 236 I beg your pardon?

27 A. And for the bank records.

28 Q. 237 Which were the bank records?

29 A. Yes.

14:45:28 30 Q. 238 Yes. I just want to clarify, that Mr. Peelo in making this report on your

- 14:45:36 1 behalf, was considering no greater a range of documents or actual documents
2 themselves than had been provided to the Tribunal itself, isn't that right?
- 3 A. Yes.
- 4 Q. 239 And I think you have agreed with me that in relation to the documents which
14:45:49 5 have been provided to the Tribunal itself, they hadn't involved any personal
6 accounts of yours or any reconciliations of accounts of yours, or any records
7 of your expenditure or your, other than as you have referred to the fact that
8 you paid cheques or paid monies for services, electricity etc, it didn't
9 contain any background documentation as regards income and expenditure, isn't
14:46:18 10 that right?
- 11 A. Correct.
- 12 Q. 240 Yeah. Would you agree with me that in effect Mr. Peelo, in preparing this
13 report, and in particular in delivering his report on the two deposits that we
14 have referred to here, was reliant solely upon the detailed discussions that
15 you had with him as regards the source of these monies, because I am suggesting
14:46:35 16 to you that the document, whilst they record the fact of the lodgements, were
17 not helpful from the point of view of source, isn't that right?
- 18 A. Correct.
- 19 Q. 241 Yes. So at this point in time in April 2006, to the best of your knowledge and
14:46:59 20 recollection and available information at that particular time, you believed
21 that this was a comprehensive response to the queries which had been raised by
22 the Tribunal in relation to these specific lodgements, isn't that right?
- 23 A. That's correct.
- 24 Q. 242 And it was intended, effectively, to answer the 11 questions or the 11 subject
14:47:19 25 matters that were to be covered in such a response, isn't that right?
- 26 A. Correct.
- 27 Q. 243 And I'll just refer back now to page 17823, where the wish of the Tribunal was
28 expressed at the bottom of that page as to what should be dealt with.
29
- 14:47:33 30 "1. The origins of the cash sums which were lodged on each occasion. If any

14:47:38 1 lodgement was a composite lodgement of individual cash amounts, the origins of
2 each such component part should be separately dealt with. The information in
3 relation to origin includes identification of the person or body who provided
4 the money to your client including, but not limited to the identity of the
14:47:56 5 physical donor of the money.

6
7 The form in which the cash lodgements was first received by your client whether
8 in cash, draft, money transfer or otherwise. If initially received other than
9 in cash, the manner in which the payment was translated into cash should be
14:48:09 10 detailed.

11
12 The reason why the donor of the money paid it to your client. Any personal or
13 professional or other relationship between the donor and your client should be
14 set out, whether it is the stated reason for the payment being made to him or
14:48:23 15 otherwise.

16
17 The nature of the payment whether as remuneration, gift, donation, dividend,
18 interest payment or otherwise.

19
14:48:30 20 The reason for the lodgement being made in cash and the manner in which the
21 lodgement came to be assembled in cash prior to the lodgement.

22
23 The identity of the person, if other than your client personally who attended
24 at the bank made and the lodgement and the identity of the bank official who
14:48:46 25 received the lodgement to the account in each case."

26
27 So very specific information was sought and I am sure that in seeking to
28 respond to it, consideration was given to what exactly the Tribunal was looking
29 for, isn't that right?

14:48:57 30 A. Correct.

- 14:48:57 1 Q. 244 And if we look then to the response firstly in relation to the 24,838.49 which
2 is at page 17837, this is the Manchester dinner and the second goodwill loan
3 monies. As far as your concerned, does that answer adequately and completely
4 the questions which were put by the Tribunal in relation to this particular
14:49:25 5 lodgement?
- 6 A. Well it was considered at the time by both Mr. Peelo and myself that that was a
7 fair account of what happened, yes.
- 8 Q. 245 Well do you think that it includes all the relevant material sufficient to
9 satisfy the specific queries which were contained in the Tribunal's letter of
14:49:44 10 the 30th March 2006, because I suggest to you that that was the purposes of the
11 reply and that it should follow as a consequence that that is the case, isn't
12 that right?
- 13 A. Well when Mr. Peelo and myself sat down to do that report we were basing it on
14 the information that you would require and we believed that that was the
14:50:04 15 information that you required.
- 16 Q. 246 Yes. Now as regards Mr. Peelo having a belief, he personally could have no
17 belief as to what the source of this information was or what the detail was,
18 because he was reliant, not on any interpretation of documentation, but he was
19 reliant upon your giving him detailed instructions in relation to this issue,
14:50:25 20 isn't that right?
- 21 A. Yes. And the chart that he gave you, in fact he was able to make up from the
22 records and the banking records and the correspondence without even discussing
23 with me, I think there was one substantial change from what he put together in
24 the examination of the records.
- 14:50:43 25 Q. 247 I see. Well the chart you are referring to I think is a bar chart which
26 accompanied this report and we'll put it on screen, I don't know that it offers
27 any information as to source, but it does show butt it does show a money trail,
28 isn't that right?
- 29 A. Correct.
- 14:51:03 30 Q. 248 Of circulation of the monies the subject of the, of the report.

14:51:26 1 So you see it on screen, having accounting experience I am quite sure it
2 probably is something that's immediately intelligible to you, but it takes a
3 little bit of working around, doesn't it, this document?
4 A. It does.

14:51:37 5 Q. 249 It does. And certainly as regards indicating the initial or the origin of the
6 money, it doesn't record the origin of the money, it merely traces its movement
7 through the deposit accounts, the various deposit accounts involved, isn't that
8 right?
9 A. Yes the origin of the money, if you take the 24,838.49.

14:52:01 10 Q. 250 Yes.
11 A. The origin of the money is at 18A and 18B.
12 Q. 251 Yes. 18A and 18B being the narrative that we considered a little earlier at
13 page 17837, that is the document I read out to you there, containing the detail
14 of how this money came to be put together, isn't that right?

14:52:23 15 A. Yes, the details of the source.
16 Q. 252 The details of the source. The details of the composition of the funds, both
17 as regards Irish currency and otherwise, isn't that right?
18 A. That's correct.
19 Q. 253 Yes.

14:52:39 20
21 CHAIRMAN: What's the page number?
22 Q. 254 MR. O'NEILL: Sorry its 17837. In effect its the narrative of the explanation
23 for the first payment which has been called the second goodwill loan payment
24 and Manchester donation because of the two separate elements of this particular
14:53:09 25 payment, isn't that right?
26 A. That's correct.
27 Q. 255 And as far as you are concerned in embarking upon this exercise, this document
28 was intended to reflect your best recollection at the time of the events and it
29 is set out here, isn't that right?
14:53:24 30 A. Yes.

- 14:53:25 1 Q. 256 Yes. Similarly in relation to the next page, which is 17838, this was to
2 represent your best recollection as to the source of the 19,142.92, isn't that
3 right?
- 4 A. Yes.
- 14:53:42 5 Q. 257 Yes. I think in relation to this lodgement, probably the first thing one would
6 have to say about it is that it can be distinguished from the last lodgement in
7 in the context of a foreign exchange inquiry because it makes no reference
8 whatsoever to this sum being 20,000 pounds sterling, isn't that right?
- 9 A. That's correct.
- 14:54:03 10 Q. 258 Yes. Although that is I think you accept, what this lodgement represented?
- 11 A. Yes.
- 12 Q. 259 Before we move on, and we will be considering this in some greater detail when
13 we are analysing each one of the individual lodgements is there a particular
14 reason why at this point in time, you did not indicate in this response through
14:54:33 15 Mr. Peelo that this sum represented 20,000 pounds sterling?
- 16 A. Yes, while I suspected that might have been either fully or partially sterling,
17 when I had checked with the banks and tried to get the details behind that to
18 clarify that, they had given me the information in Irish pounds, it was their
19 view that it wasn't sterling.
- 14:54:51 20 Q. 260 I see. We'll see then that in paragraph A of 19, that's A, "this was a return
21 of his monies from his then partner Celia Larkin and it arose in the following
22 circumstances".
23
24 Can we take it that in this document this was the first reference to the fact
14:55:16 25 that the monies firstly that you were in receipt of monies from her? We know
26 from the reference which I drew your attention to this morning, that there had
27 been a reference in the letter which accompanied the discovery in February
28 2005, that you had paid money to Ms. Larkin, isn't that right?
- 29 A. Yes and I gave the amount, 50,000.
- 14:55:38 30 Q. 261 Yes. This is the first -- this is the first occasion upon which you indicated

- 14:55:46 1 that she had paid money to you, isn't that right?
- 2 A. That's correct.
- 3 Q. 262 Whilst you just indicated that in your letter or rather in your solicitor's
- 4 letter of the 7th February 2005, the reference to Ms. Larkin was that you had
- 14:56:11 5 paid money to her, you went on to say that it indicated that you paid her
- 6 50,000 pounds, could I correct you on that point, Mr. Ahern, and say that what
- 7 you said on that occasion at 17806 was, and this is if accurately reflected by
- 8 your solicitor:
- 9
- 14:56:31 10 "I am also instructed that in December, our client transferred funds from his
- 11 account in Upper O'Connell Street number given, into the account of his then
- 12 partner Ms. Celia Larkin."
- 13
- 14 It didn't specifically mention that she had been paid 50,000 pounds, isn't that
- 14:56:47 15 right?
- 16 A. Well, our client transferred funds from his account to AIB numbers into the
- 17 account of his then partner, its quite clear I transferred funds from my
- 18 account into Celia Larkin's account.
- 19 Q. 263 I am saying there is no reference to this being a 50,000 pounds sum, in the
- 14:57:08 20 letter?
- 21 A. Oh in the letter sorry.
- 22 Q. 264 Yes. Now, so here if we return to 17838, we see that for the first time
- 23 Ms. Larkin is identified as being a person who provided the funds to you which
- 24 were to be the subject of the lodgement of 19,142.92 to your account on the 1st
- 14:57:29 25 December 1995, isn't that right?
- 26 A. That's correct.
- 27 Q. 265 And as we see at paragraph B then it, refers to the source of the 50,000 pounds
- 28 which had been given to her, isn't that right?
- 29 A. That's correct.
- 14:57:42 30 Q. 266 Referring back to the exercise which had taken place on the 5th December and

- 14:57:50 1 6th December where two individual accounts of yours had provided the 50,000
2 pounds which found itself with her initially, isn't that right?
- 3 A. Correct.
- 4 Q. 267 Then we see at C a reference to a house in which it is indicated that "Mr.
14:58:08 5 Ahern had rented a house at this time with an option to purchase it, which he
6 did in September 1997. Expenditure on house furnishings, household furnishings
7 totalling some 30,000, invoices available were made from the foregoing 50,000
8 during 1995."
9
- 10 And then D, the sum of 19,142.92 was the balance remaining from the 50 and was
11 re-lodged on the 1st December to Mr. Ahern's already existing AIB deposit
12 account and gives the number of it, isn't that right?
- 13 A. That's correct.
- 14 Q. 268 Now of course we know at this point in time that the matter was considerably
14:58:48 15 more complex from a transferring of funds point of view than is reflected in
16 this, isn't that right?
- 17 A. That's correct.
- 18 Q. 269 Yes. Amongst other things there is no reference here to the fact that while
19 money had been given to Ms. Larkin on the 5th December, the entire sum was
14:59:07 20 returned by Ms. Larkin to you on the 19th January, some six, a little less than
21 six weeks later, isn't that right?
- 22 A. Correct.
- 23 Q. 270 There is no reference to the fact that the monies which were actually expended
24 on household furnishings by Ms. Larkin totalling 30,000 pounds were funded from
14:59:40 25 subsequent monies which you gave to her, commencing first on the 15th June
26 1995, with a payment to her in cash of 11,743.74 pounds, which is one of the
27 foreign exchange amounts that is being inquired into in this particular phase,
28 isn't that right?
- 29 A. Correct.
- 15:00:06 30 Q. 271 When dealing with the 19,142.92 in paragraph D, it is stated that "it was the

15:00:17 1 balance of the remaining 50 and was re-lodged on that particular date to your
2 account". But I think a fair appreciation and understanding of what was being
3 said in the course of that was that 50,000 had been given to Ms. Larkin,
4 Ms. Larkin had expended 30 of that 50 for your benefit, she had a balance of
15:00:40 5 approximately 20 left, she, that 20 was re-lodged, being the unspent funds of
6 the 50, isn't that right?
7 A. That's correct. Well it was, as we know, it was the unspent balance of the 50.
8 Q. 272 Well I think we'll probably be exploring that in a little more detail?
9 A. Yes it went around, but it is still the balance.
15:01:04 10 Q. 273 Well put it this way, Ms. Larkin didn't have 50,000 pounds available to her,
11 sorry she didn't have possession of 50,000 pounds of your money as and from the
12 20th January, isn't that right?
13 A. No, I had it.
14 Q. 274 You had it. When she came to expend the money, which she did insofar as it was
15:01:27 15 your expenditure, it was given to her in three separate amounts which she
16 lodged to another account of hers, isn't that right?
17 A. Correct.
18 Q. 275 There was no balance in Ms. Larkin's hands, because she never expended any part
19 of the 50, isn't that right?
15:01:47 20 A. That's correct.
21 Q. 276 Yes. Now this account given to the Tribunal I take it Mr. Peelo, you intend
22 that had this would be your comprehensive response, I beg your pardon, Mr.
23 Ahern, it was Mr. Peelo's response, but it was intended to reflect your
24 response, isn't that right?
15:02:10 25 A. That's correct.
26 Q. 277 And it was received by the Tribunal and considered by the Tribunal and we'll
27 see that on the 3rd of May, at page 17840, a letter was written to you by the
28 Tribunal.
29
15:02:29 30 Now, because this letter is going to be responded to by Mr. Guidera in another

15:02:34 1 letter which makes reference to specific paragraphs in this letter I am going
2 to refer to the copy of this letter, sorry the original of this letter which
3 Mr. Guidera had in his possession because he uses this for the purposes of
4 making comment on it. But just to establish that this is the Tribunal copy of
15:02:54 5 the letter that we see on screen at the moment. I am now going to move to the
6 original of this letter which was received by your solicitor and which was
7 marked by him in a particular way, so that he could respond to the issues which
8 are there.
9

15:03:08 10 So if we move to page 21695, you will see the letter which was received by
11 Mr. Guidera, the manuscript entry that we see on the front of it here is that
12 of Frank Ward & Company the solicitors who received it, Okay? But the letter
13 reads.
14

15:03:28 15 "The Tribunal has now considered the content of the report of Mr. Des Peelo
16 chartered accountant, which was furnished by you in response to the queries
17 raised of your client by the Tribunal in my letter of the 6th March 2006.
18

19 It appears from Mr. Peelo's report that the sources of the cash lodgements
15:03:45 20 queried in my letter have been identified as being:
21

22 A. 50,000 pounds in cash, being part of a cash fund in excess of 50,000 pounds
23 which was accumulated by Mr. Ahern between the years 1987 and 1993 and held by
24 him in two safes at his constituency office and his department office.
15:04:09 25

26 B. Goodwill loans of 31,500 pounds made by friends of Mr. Ahern.
27

28 C. An unsolicited, sterling donation made to Mr. Ahern in or about October
29 1994, which was added to a loan of 16,500 pounds so as to make a lodgement of
15:04:31 30 24,838.49 pounds.

15:04:33 1 D. The reimbursement to Mr. Ahern's account of funds which had been advanced
2 to Ms. Celia Larkin by Mr. Ahern to be expended on his behalf and which
3 remained unspent. The original advance being 50,000 pound and the
4 reimbursement amounting to 19,142.92."

15:05:00 5
6 Just considering that analysis of the Tribunal for a moment, Mr. Ahern. Would
7 you agree that that seemed to be, at that point in time, an accurate summation
8 of the information which had been provided to the Tribunal comprising the
9 report of Mr. Peelo, which had been prepared on your instruction and with
10 detailed consultation with you, isn't that right?

11 A. Yes.

12 Q. 278 Now the letter went on to say "Mr. Peelo's report is based on documents
13 scheduled in Mr. Ahern's affidavits and on detailed discussions with Mr. Ahern
14 in relation to the five lodgements queried. As none of the documents
15 discovered by Mr. Ahern contain any explanation for the underlying financial
16 transactions identified in the document, it appears to follow that Mr. Peelo's
17 report is based on the content of detailed discussions he had with Mr. Ahern.

18
19 In order to consider Mr. Ahern's response to the queries raised by the Tribunal
15:06:02 20 the Tribunal has directed me to obtain the following information from your
21 client.

22
23 1. Copies of all documents considered by Mr. Peelo in reaching his
24 conclusions, including all notes and memoranda provided to him or prepared by
15:06:15 25 him following discussion with Mr. Ahern.

26
27 2. All instructions or briefing documents provided to Mr. Peelo in advance of
28 the preparation of his report.

29
15:06:23 30 3. All recorded information provided to Mr. Peelo by any of the persons

15:06:28 1 identified in his report as having donated funds made lodgements or handled
2 cash which was subsequently re-lodged."

3
4 If we can go back now on screen to, please the copy of the Tribunal document
15:06:50 5 from, of which this is the original, try and maintain the confidentiality of
6 some of the material which is not relevant to the Tribunal's inquiry.

7
8 This is at page 17841, I think we can probably skip perhaps to the next page in
9 the original rather than deal further, which is 21697. Mr. Ahern, I am just
10 trying to avoid unnecessary involvement of your personal affairs in this, and I
11 think we can get to the point really by looking at page 21967, which really
12 indicates that notwithstanding that Mr. Peelo had provided a report and had
13 provided the detail in respect of the two lodgements which are the subject of
14 this particular focused inquiry today, there were further questions which were
15 arising because of the information provided, it wasn't considered by the
16 Tribunal that it represented a complete response, isn't that right?

17 A. I think the, just not to go long-winded about it.

18 Q. 279 Yes.

19 A. I think the third letter, you got the 20th April, because you had asked for
15:08:34 20 your nine, 11 questions. I sat down with Mr. Peelo, we gave a detailed report,
21 based on the bank, based on my recollection at the time. You got that report,
22 you weren't happy with that and you asked me about 30 questions in all on the
23 letter of the 3rd May.

24 Q. 280 Yes.

15:08:52 25 A. And you know, to save you grief I answered them on the 6th July or June.

26 Q. 281 Indeed. And you are certainly not causing me any grief, Mr. Ahern, but the
27 fact of the matter is that not with standing that you had given the two pages
28 that we have considered of Mr. Peelo's report, it was apparent to the Tribunal
29 that that was not comprehensive as regards detail, full detail of the matters
15:09:21 30 that had been raised with you, isn't that right?

- 15:09:23 1 A. I accept that. But could I just say this Mr. Peelo that.
- 2 Q. 282 Sure.
- 3 A. Mr. Peelo, sorry, calling each other names. When I looked at that Mr. O'Neill,
- 4 that just to be conscious of what I was responding to, I was responding to what
- 15:09:42 5 you were investigating, which was two allegations that I had 50,000 and 30,000.
- 6 I readily admit I didn't go into every last detail at that stage because I
- 7 didn't think you were that interested what moved around, but we gave the list
- 8 of accounts, gave the data and then when you answered the question subsequently
- 9 I went back through that detail.
- 15:10:06 10 Q. 283 Just on that point, Mr. Ahern, I think you would accept from me, that the
- 11 moment one looks at the accounts of yours to see if there is 50,000 lodged or
- 12 30,000 lodged and finds that there isn't a lodgement in either of those sums,
- 13 that doesn't necessarily bring the inquiry to a conclusion. Where if on
- 14 examination of the documents it would appear that there are lodgements of funds
- 15:10:31 15 which are apparently unaccounted for which exceed the total of that sum, do you
- 16 understand what I am --
- 17 A. I do , yes.
- 18 Q. 284 So that it would be a very simplistic approach to say merely because your
- 19 accounts didn't show the lodgement of 50 and 30 on the dates in question, that
- 15:10:49 20 matters should cease at that point in time, because could I suggest to you that
- 21 it was abundantly clear from October of 2005, to you, that there were
- 22 considerable numbers of lodgements of monies to your accounts which would
- 23 require explanation if the Tribunal was to be in a position to rule out the
- 24 question that you had received monies of that magnitude, isn't that right?
- 15:11:20 25 A. That's correct, there were a number of sums.
- 26 Q. 285 And I think you accept, as a matter of fact, that if somebody was to receive
- 27 monies in 1993, they might well bring that money back into their accounts for
- 28 the purpose of expenditure in a year other than 1993, isn't that so?
- 29 A. That's correct.
- 15:11:41 30 Q. 286 Yes. So that there is, I suggest to you, absolutely nothing untoward or

15:11:45 1 nothing unusual and indeed it would be extraordinary if the Tribunal did
2 otherwise, but to try and follow the money trail which became apparent in the
3 discovery process, in respect of which in these five instances there was
4 108,000 pounds which was not accounted for, isn't that right?

15:12:07 5 A. Well not accounted for insofar as, on the Peelo report I had specified where I
6 got them. I am not taking issue with the fact that you wouldn't continue as
7 you did, to raise questions I am not disputing that.

8 Q. 287 No. And would you agree with me that it was entirely reasonable for the
9 Tribunal to do so, given the nature of the information which was provided in
10 Mr. Peelo's report?

11 A. Yes, I accept that, but when you say not accounted for, I have a difficulty
12 with that because --

13 Q. 288 Okay.

14 A. I don't want to jump on you, but jump a period on it, but effectively I was
15:12:50 15 asked about 92 lodgement, I was asked about 86 lodgements and I think six
16 withdrawals, that was 92 questions and I answered those as comprehensively as I
17 could then or today.

18
19 In the other Peelo report we answered the questions, I accept not fully to your
15:13:11 20 satisfaction and you quite rightly asked further questions to follow the money
21 trail, I accept that, but to say that there wasn't detail in the Peelo report,
22 I don't accept, because I stated precisely where I got the, talk about the
23 24,838, I said precisely where I got the 16 and a half thousand and I said
24 precisely where I got the eight, that was the position then on the 20th April
15:13:37 25 of '06 and its the position today on the 13th September 2007. So I think to
26 say that it wasn't clear where it came from, I can understand all the
27 additional questions, but to say it wasn't clear where it came from, I don't
28 accept.

29 Q. 289 Right. The question I put to you, Mr. Ahern, was firstly that these sums had
15:13:56 30 not been accounted for, and I think you would agree with me that there is no

15:14:02 1 separate accounting for these lodgements conducted at the time the lodgements
2 were made, we have been through this before I think, but just to ensure there
3 is no ambiguity in your response, the fact of the matter is that none of these
4 lodgements had been accounted for by you insofar as you had not prepared any
15:14:21 5 document on any of the days you made the lodgements recording the fact that you
6 had made the lodgement or what the source of that money was or what the purpose
7 of the donation or obtaining of that money was, isn't that right?

8 A. That's correct.

9 Q. 290 So that when I say that these were unaccounted for monies, it was clear from
15:14:43 10 the documentation which is represented by the bank statements that these monies
11 were received by you and lodged to your account on the dates that are mentioned
12 but the question as to where they came from was unresolved until such time as
13 on the 20th April 2006, in respect of these lodgements, I am talking now of a
14 specific five that had been prioritized an account is given, that is a
15:15:12 15 statement is given as to how and where that money came to be obtained in the
16 first instance and how it came to be lodged.

17 A. That's the point.

18 Q. 291 Isn't that right?

19 A. That's the point I was making.

15:15:24 20 Q. 292 And you say that what is contained in Mr. Peelo's report is as true today as it
21 was when that information was provided and it is as comprehensive a report or
22 description of the circumstances as is being given today, is that the position?

23 A. No I am saying, I took the example of the 24,838.

24 Q. 293 Yes.

15:15:46 25 A. It sets in that who the four people who gave me the money, it states the amount
26 and it say where is the remainder comes from, Manchester. In all of the other
27 issues perhaps its not the comprehensive detail, but its certainly as I
28 thought, set out a fair response to the 11 points, by the Tribunal, but when I
29 got the letter of the 3rd May, I then, I accept that, the Tribunal weren't
15:16:13 30 happy with the comprehensive explanation that is thought I had given you and

15:16:16 1 gave me about 30 further questions which I answered on the 6th June.

2 Q. 294 Mr. Ahern, I think in that response you are acknowledging that the detail of

3 the particular two lodgements we are now concerned with, was not fully set out

4 in the response of Mr. Peelo of the 20th April of 2006, and that in the

15:16:43 5 interim, further information has been provided to the Tribunal, including

6 information I suggest as recent as today, which modifies elaborates or alters

7 the information contained within that account?

8 A. Yes, I did in several of the replies I gave you further information, after the

9 Peelo report was produced.

15:17:08 10 Q. 295 You did what in several occasions?

11 A. I gave you further information.

12 Q. 296 Right. Does it follow from that that the initial information was not

13 comprehensive on all of the issues that had been raised in the letter sent to

14 you specifying the 11 questions which the Tribunal would hope that your

15:17:26 15 response would deal with?

16 A. Well Mr. O'Neill, we felt it was a comprehensive response.

17 Q. 297 When you say we, Mr. Ahern, I'm wondering?

18 A. Mr. Peelo and I were sitting down trying to respond to it. But I accept that

19 the Tribunal had further questions. But in relation to the 24,838 the one I

15:17:49 20 mentioned, it states on the letter of the 20th April, that I got Paddy Reilly,

21 three and a half thousand; Joe Burke, three and a half thousand; Barry English,

22 5,000; and Dermot Carrew, four and a half thousand, and approximately eight

23 from Manchester. Now the point I am making, the point I am making, I don't

24 think that has changed comprehensively from then till this. Some of the other

15:18:10 25 issues perhaps I didn't go into enormous detail on, because it was our belief

26 at that stage it mightn't be necessary.

27

28 That was, you then sent a letter on the 3rd May which, and I totally accept

29 that and then I set about answering those questions. But your inference was

15:18:27 30 that there was kind of no information on the 20th April and that is not

15:18:31 1 correct.

2 Q. 298 No, no, I didn't suggest suggest for a moment and I hope didn't inner my
3 questioning of you, Mr. Ahern, that the report of Mr. Peelo did not contain
4 information, what I had hoped to convey to you was that it was not
15:18:48 5 comprehensive information?

6 A. I accept that.

7 Q. 299 In the sense , yes, in the sense that the detail of it did not encompass all of
8 the material questions that had been asked of you, and I think you accept that?

9 A. I accept that, yes.

15:19:02 10 Q. 300 You accept that. So if we turn now you see page 21690, which is the response
11 which was given to the queries which are raised in that letter I referred to a
12 little earlier of the 3rd May, and that was a letter sent on the 6th June and
13 Mr. Guidera had numbered the various paragraphs in the letter and firstly he
14 sought to clarify the circumstances in which Mr. Peelo was engaged. Mr. Peelo
15:19:34 15 was engaged as an expert by this office on the advice of counsel. Mr. Peelo
16 had no previous professional relationship with Mr. Ahern. His engagement was
17 solely in the legal context of the Tribunal and its dealings with my client,
18 the consultations with Mr. Ahern referred to in Mr. Peelo's report were
19 organised by the writer. I attended these consultations as my client's legal
15:19:56 20 advisor.

21

22 In the light of the above factual matters, legal professional privilege clearly
23 applies in relation to the information and documentation sought from Mr. Peelo
24 in your letter dated 3rd May. Notwithstanding that this is so, I am instructed
15:20:11 25 without hereby waiving any legal privilege to disclose the following
26 information.

27

28 1. The documentation relied on Mr. Peelo in reaching his conclusion consisted
29 solely of the documentation that has been discovered to the Tribunal no notes
15:20:27 30 or memoranda were provided to Mr. Peelo or prepared by him following discussion

15:20:31 1 with Mr. Ahern.

2

3 2. As for the above except for letter of instruction, to Mr. Peelo issued by

4 this office over which legal professional privilege is claimed, there were also

15:20:43 5 further communications between Mr. Peelo and this office in connection with

6 those instructions over which legal professional privilege is claimed.

7

8 No recorded information was provided to Mr. Peelo in this regard."

9

15:20:53 10 The letter I think goes down then to set out the detail of the questions which

11 had been raised in relation to which I think you would accept was the first

12 indication to the Tribunal that the money had come in the three ways that were

13 addressed in the letter of the 3rd, you had saved 50,000 pounds over a period

14 of years from '87 until 1993, you had done so in cash. You had then decided

15:21:29 15 that you would re-lodge these monies. Sorry, you decided you would lodge these

16 monies to your account and you did so, not in one lodgement but in a number of

17 lodgements as set out. And in particular in relation to the second goodwill

18 loan and Manchester lodgement you provided details of that, all of which was

19 being actively inquired into by the Tribunal, isn't that right?

15:21:54 20 A. Correct.

21 Q. 301 And I think you accept, Mr. Ahern, that what the Tribunal was looking for at

22 that point in time was to see whether or not that account of events as given by

23 Mr. Peelo could be confirmed by any documentation that might support the

24 explanations, isn't that right?

15:22:18 25 A. Correct.

26 Q. 302 And if we look to the first of those documents, it's 17837, there is a

27 reference to from having been a dinner for example in Manchester, it was a

28 dinner attended by a large number of people, it was a dinner at which

29 contributions were made and it was a dinner where at least three individuals

15:22:42 30 could be identified, isn't that right?

- 15:22:44 1 A. Correct.
- 2 Q. 303 I think you would find nothing unusual in the fact that the Tribunal took it on
3 itself to inquire from you as to the date of the dinner and the people who
4 attended it with a view to seeing whether these persons would confirm it and
15:23:01 5 therefore we could move on and deal with other matters, isn't that right?
- 6 A. Yes.
- 7 Q. 304 And that was a process that commenced with the letter of the 3rd May and in
8 correspondence which passed from that time onward, as information was provided
9 by you, through your solicitors to the Tribunal, there seemed to be other
15:23:21 10 queries arising from the information provided, isn't that right?
- 11 A. Correct.
- 12 Q. 305 I think its correct to say that it was not only yourself who was providing
13 information to the Tribunal at this stage on this issue, but the Tribunal as
14 you can expect, was receiving communications from the people who had been named
15:23:39 15 as being involved in the transactions themselves, isn't that right?
- 16 A. Yes they had made statements.
- 17 Q. 306 Yes. There were communications with them, they in turn had to be followed up,
18 they in turn had to be asked for details and included in those persons were as
19 we see in relation to the second matter that is at 17838, Ms. Celia Larkin,
15:24:07 20 isn't that right?
- 21 A. Correct.
- 22 Q. 307 As you can expect Ms. Celia Larkin was asked essentially questions that centred
23 upon the involvement of her accounts and your accounts, monies given by you to
24 her, the return of monies and all that, isn't that right?
- 15:24:30 25 A. Correct.
- 26 Q. 308 And we have heard the evidence of Ms. Larkin on that yesterday and the
27 references to the interview which took place between her and Members of the
28 Tribunal legal team, the provision by her of a statement and documents and
29 various matters of that nature, isn't that right?
- 15:24:50 30 A. Correct.

- 15:24:51 1 Q. 309 Now just to revert to the ongoing process that was involved here to this point
2 in May of 2003, the discovery process had to be ...
3
4 CHAIRMAN: 2006.
- 15:25:07 5 Q. 310 I beg your pardon 2006. The discovery process had been brought to a certain
6 point, there now was a narrative given for the first time which explained a
7 particular lodgement and that involved further questions being raised of you,
8 but there still remained the question of the letter of the 25th of October
9 2005, in which the 86 lodgements in toto were outstanding, isn't that right?
- 15:25:37 10 A. Correct.
- 11 Q. 311 We'll see at page 17843 on the 7th June 2006 your solicitor, Mr. Guidera
12 responded to those queries under the heading source of lodgements.
13
14 "The Tribunal has listed 86 lodgements and six withdrawals. For ease of
15:25:58 15 reference the lodgements and withdrawals have been numbered 1 to 92. A
16 numbered list is attached to the letter" isn't that right?
- 17 A. Correct.
- 18 Q. 312 And essentially what was being used as the template for this response was the
19 schedule of payments that had been sent with the letter of the 25th of October
15:26:19 20 requiring responses. We looked at it this morning Mr. Ahern, it started with
21 the BA and MA, it went onto the GA and CA, then dealt with the BA accounts, by
22 that I am referring accounts of yourself and your wife, then accounts in the
23 name of your children and then your own accounts and it set it out, isn't that
24 right?
- 15:26:41 25 A. Correct.
- 26 Q. 313 Whilst these in other words, this was the response to the queries which were
27 not the prioritized queries, but rather the generality of the queries which had
28 been raised in those specific instances, isn't that right?
- 29 A. (Nods head)
- 15:26:56 30 Q. 314 I don't think its necessary for us to consider each one of these responses in

15:27:00 1 detail, but I think that it would be fair to say that in respect of the vast
2 majority of the round sum lodgements and other lodgements which were made to
3 your own personal accounts, they were responded to in terms where you believed
4 that these monies represented the proceeds of salary cheques or accumulations
15:27:27 5 of salary cheques which were lodged by either yourself or by the two named
6 members of your staff, or that having been cashed, that the cash was then used
7 in whole or in part to make these lodgements, isn't that right?

8 A. Correct.

9 Q. 315 And I think that probably accurately reflects the way in which you had
15:27:45 10 conducted your financial dealings over that period of time, which in synopsis
11 was that you received a salary as TD, you received a salary as Minister, isn't
12 that right, they were paid in separate pay master general payments, isn't that
13 right?

14 A. Correct.

15:28:05 15 Q. 316 They came to different locations, I think one to your home and one to your
16 ministerial office, your ministerial salary being received in your ministerial
17 office, is that right?

18 A. Correct.

19 Q. 317 And you treated those in different ways. So that from the point of view of
15:28:22 20 approaching the task of trying to reconcile your lodgements to your accounts to
21 your income, as much as could be said is that by looking at the lodgements
22 could you make a guess, an educated guess perhaps, that these were probably
23 salary cheques, isn't that right?

24 A. Correct.

15:28:43 25 Q. 318 I think it was clear that from that that the other matters, that is the
26 lodgements, the five prioritized lodgements essentially couldn't be tied into
27 your salary cheques, or pay master general cheques or earnings within the
28 period during which the Tribunal was examining it, that is in other words from
29 '93 to '95. These lodgements could not be related to any earnings of yours,
15:29:20 30 isn't that right?

- 15:29:20 1 A. Correct.
- 2 Q. 319 Yes. Now you endeavoured to respond to the queries of the Tribunal in relation
3 to the lodgements, and on the 29th June 2006, at page 17849, what I might call,
4 it was a legal issue as regards the Peelo question of whether that was a
15:29:59 5 legally privileged exchange of information took place, isn't that right?
- 6 A. Correct.
- 7 Q. 320 And that was to take up some of the correspondence between the parties, I don't
8 think it is material as regards the information gathering process because the
9 Tribunal did not have further information at the end of the day from Mr. Peelo
15:30:20 10 in the course of this correspondence until we get to the following year, isn't
11 that right?
- 12 A. (Nods head)
- 13 Q. 321 But when the Tribunal was dealing with the ongoing queries of you and I will
14 now be looking at a response of your solicitor of page 17852, which is on the
15:30:49 15 26th July, there was a general review effectively by your solicitor of what he
16 saw the position to be, vis a vis the ongoing inquiries of the Tribunal and the
17 requests that it was making for further information, isn't that right?
- 18 A. Correct.
- 19 Q. 322 And its a very lengthy letter, it runs to 18 pages, about nine pages of it deal
15:31:21 20 with the general or specific concerns that your solicitor was expressing on
21 your behalf and the other remaining nine pages were dealing perhaps with the
22 specific responses to details that were being sought by the Tribunal, in
23 summary, is that right?
- 24 A. Correct.
- 15:31:42 25 Q. 323 The general concerns I think of your solicitor can be seen at page 17852, where
26 under the heading general he says "I regret the tone of your letter of the 19th
27 July 2006, which I believe is unfair and inappropriate in all the
28 circumstances. My client has fully complied with his discovery obligations.
29 Apart from the issue which arises in relation to the documents relating to the
15:32:11 30 matrimonial proceedings" that was an aspect that was to continue to be an issue

15:32:18 1 for sometimes "Your letter of the 29th July seeks information and explanation
2 which my client is not legally bound to provide but has volunteered to do so.
3 Notwithstanding that he is not legally bound to do so. My client in the past
4 has also voluntarily provided information and explanations. In many cases the
15:32:36 5 information and explanationness relate however to matters which occurred very
6 many years ago and having regard to my client's other commitments he is and was
7 entitled to a reasonable opportunity to provide the information and and/or
8 explanations and to explain his concerns or difficulties with regard to the
9 Tribunal's requests."

15:32:53 10
11 I think you would interpret that as being probably a criticism of the Tribunal
12 with regard to the timescale that it was imposing upon you with regard to
13 responding to the requests of the Tribunal, isn't that right?

14 A. Yes. At all times, whether it was voluntary or not, I genuinely tried to
15:33:18 15 respond quickly and efficiently to the Tribunal. I accept that some times that
16 took a period to do it but I think both I and who assisted me never
17 intentionally delayed the Tribunal.

18 Q. 324 Equally I think you don't suggest that the Tribunal was in anyway dillitory in
19 the way in which it approached the task which it was given, and that was to
15:33:42 20 inquire into this, isn't that right?

21 A. No, I accept that.

22 Q. 325 The process was one which involved a considerable degree of consideration,
23 documentation, over a lengthy period of time. I think we will see that on the
24 next page then, 17853 under the heading "Threat of public hearing" your
15:34:02 25 solicitor refers to the letter of the 30th March 2006, in which he quotes an
26 extract from it, the quoted extract being as follows: This is of a Tribunal
27 letter:

28
29 "Where it has not proved possible to ascertain the information sought by means
15:34:17 30 of correspondence, the Tribunal is obliged where ever necessary to do so, to

15:34:23 1 inquire into the matter at a public hearing of the Tribunal. The Tribunal will
2 follow this course in the event that it does not receive the information sought
3 from your client in relation to the queries raised to date in respect of the
4 five specific cash lodgements detailed in my letter of the 3rd March 2006".

15:34:40 5
6 I think we know that that's the letter which, directly or otherwise prompted
7 the response in the form of Mr. Pielow's report received by the deadline of the
8 21st April, isn't that right?

9 A. (Nods head)

15:34:54 10 Q. 326 And your solicitor goes on to say "The Tribunal is only entitled to conduct a
11 public enquiry where sufficient evidence exists in relation to the relevant
12 matters. I am surprised therefore that the Tribunal should see fit to threaten
13 a public inquiry in these circumstances, particularly where it knows only too
14 well the enormous damage which the airing of unjustified allegations in public
15:35:15 15 would do to my client. My client's position is made even more difficult by the
16 fact that he still does not know the extent or nature of the precise
17 allegations being investigated by the Tribunal, despite numerous requests to
18 clarify precisely those allegations."
19

15:35:29 20 I think in relation to the last matter those allegations are not the
21 allegations of the 50 and the 30, but they are the ones to which we have
22 referred to earlier, isn't that right?

23 A. Precisely.

24 Q. 327 Yes. And then the Tribunal's attention is drawn to political campaign and
15:35:46 25 various allegations.
26

27 MR. MAGUIRE: Sorry, Chairman, the allegations also include the tax allegation,
28 tax designation, which has never been clarified.
29

15:35:58 30 CHAIRMAN: Well whatever about that but I accept that the, they are dealing

15:36:01 1 with a number of allegations.

2

3 MR. MAGUIRE: And may I say in passing and judging by the answer that Mr, or
4 the question asked by Mr. O'Neill in relation to the 15 million this morning

15:36:12 5 and as to whether that's still alive or not, I don't know.

6

7 CHAIRMAN: Well that, the Tribunal is not engaged in investigating that, that's
8 a fact. That has been made clear to ...

9

15:36:26 10 MR. MAGUIRE: Well given by the analysis of the way the answer was given in the
11 first instance that was, that clarity seemed to have been removed but that's
12 comment on my part.

13

14 CHAIRMAN: No I am saying that's a fact that there is no, any such

15:36:40 15 investigation underway.

16

17 MR. MAGUIRE: I'm obliged for that, Judge.

18

19 MR. O'NEILL: The letter then talks of political campaign and various
15:36:48 20 allegations before dealing with the specific of your letter "its important to

21 record my client's concern already mentioned in the letter, that he is the

22 subject of a campaign by a third party or third parties to inflict severe

23 political and personal damage on him. My client's concerns in this matter are

24 heightened by the fact that he still does not know the precise mattering being

15:37:10 25 investigated by the Tribunal in private session."

26

27 Now of course, you will appreciate I think, Mr. Ahern, that the Tribunal has an

28 obligation to conduct various forms of investigation, many of which are in

29 private, many of which will never come into the public domain and insofar as

15:37:25 30 persons who are being inquired into in those investigations are concerned,

15:37:30 1 their involvement starts at a time when the Tribunal believes that there is
2 material which necessarily involves their being contact on that issue.

3
4 In other words can I put to you that it is simply an impossible request, demand
15:37:45 5 or belief, that anybody could have that everybody should be kept advised of
6 what the Tribunal has been told at all times throughout its working, that would
7 simply be an impossible situation, isn't that right?

8 A. I can understand the difficulty, but I think, Mr. O'Neill, you see the
9 difficulty from my side, when you are trying to answer the questions and you
10 are trying to interpret from the letters and to give replies, its useful to
11 know where you are coming from and you know. I think quite frankly if some of
12 this had been clearer at times maybe I could have maybe dug deeper at times and
13 got the information quicker, but I understand the position and particularly
14 when dealing with somebody like Mr. Gilmartin, I can understand the
15 difficulties because he is just about accused me of everything.

16 Q. 328 I think you can understand that it is for the reason that there are wideranging
17 inquiries and allegations that might be made against a whole range of persons,
18 that the Tribunal endeavours to be specific when it is asking you for details,
19 both as regards the nature of documentation it wants, the period in which that
15:38:35 20 information is to be provided and it is a process of reduction that has been
21 going on in this instance to the date here, the 26th July 2006, from the
22 initial correspondence in October of 2005, isn't that right? That's what the
23 inquiry process is about at this stage?

24 A. Well I understand that, I don't want to make a big issue of it, but I need you
15:39:01 25 to understand from the 15th October 2004, I was dealing with one allegation, an
26 allegation that, well a whole lot of allegation of Mr. Gilmartin but
27 particularly what I thought the Tribunal was a 50,000 and 30,000, because I had
28 something to do with blocking Quarryvale or Blanchardstown or one of them, I
29 had nothing to do with any of them but, then that moved then in your own
15:39:53 30 correspondence into a general query about all of the orders that I would have

15:39:56 1 signed, as Minister for Finance of the day signs all of the orders, I know you
2 know the process very well, but you don't actually deal with any of the detail,
3 I would sign hundreds of orders but deal with non of the detail, I don't even
4 you know, have a right, I can say yes or no, but in your correspondence you
15:40:14 5 switch from that 50 and 30 into a position where you are saying that it was tax
6 designation and I think you switched out again, but that is clear in your
7 correspondence.

8 Q. 329 The correspondence wasn't directed towards specifically asking you any detail
9 in respect of any specific tax inquiry, you would agree with that?

15:40:32 10 A. If you tell me that.

11 Q. 330 Sorry, the correspondence which passed with you, other than to refer to the
12 Green Properties PLC matter which is within Quarryvale, did not identify any
13 specific matter or require you to explain any specific matter, isn't that
14 right?

15:40:51 15 A. I think both I and my ...

16 Q. 331 Your complaint was that it was that it wasn't specified?

17 A. Yes.

18 Q. 332 Yes but equally it follows from that is, you weren't being asked about any
19 specific tax designation, isn't that right?

15:41:06 20 A. We assumed that's what was in your mind.

21 Q. 333 I think the position, could I suggest to you was made perfectly clear as to
22 what the obligation was to provide information in relation to the Quarryvale
23 Module in a letter which was written on the 4th August 2006, at page 23092, to
24 your solicitor, acknowledging the letter of the, which we have just referred to
15:41:29 25 ...

26 A. Sorry, Mr. O'Neill, I don't want to delay you that's the last thing I want to
27 do, but I think in my reply to the letter you have just mentioned.

28 Q. 334 Yes.

29 A. It says in that letter, by letter of the 21st April 2005, the Tribunal informed
15:41:45 30 me that it had received information that my client might have received monies

15:41:49 1 indirectly of Mr. O'Callaghan in respect of Golden Island Shopping Centre in
2 Athlone, now that isn't in Quarryvale.

3 Q. 335 Yes, but what I am saying to you, Mr. Ahern, is that you weren't being asked
4 for the detail of that in the correspondence that was directed towards seeking
15:42:04 5 your cooperation in relation to the Quarryvale matter?

6 A. Well if you say so, but when I saw reference to being asked about Golden Island
7 Shopping Centre and other designations, and the advice I received that it was
8 far more broader, but I am delighted to hear what you are saying.

9 Q. 336 Well I am just taking you through the sequence of events the information
10 gathering process which brought us here today, in which the information in
11 relation to the foreign exchange transactions surfaced to the point that they
12 were considered to be matters which merited investment by the Tribunal, and we
13 have got to the point where two of them have been identified in Mr. Peelo's
14 report. One is identified as a foreign exchange transaction, the other for the
15:42:28 15 present still remains as an Irish amount, the lodgement of the balance of funds
16 of 19,142.92, its still an Irish amount in the correspondence that's passing
17 between the parties, and I want to bring it to the point as to where the
18 unfolding queries of the Tribunal bring themselves to the specific lodgements
19 that are the subject of this detailed examination.

15:43:17 20
21 That's the reason for it and I just want to establish how that sequence of
22 events took place, the document at page 23092 is a response of the Tribunal to
23 the concerns that we have just dealt with a little earlier, which were
24 expressed about how the Tribunal was dealing with the matter, and under the
15:43:38 25 heading "general" it says "The Tribunal is is is disappointed to to note that
26 you have taken its tone of my letter of the 19th July to be unfair and
27 inappropriate. The Tribunal has no wish to be unfair or to convey its requests
28 in an unfair or inappropriate manner and I as the writer, had no such intention
29 when writing to you?

15:43:58 30 The Tribunal believes that the tone of my letter conveys the appropriate level

15:44:01 1 of concern and the wish that the Tribunal's requests of your client be dealt
2 with the appropriate degree of urgency and importance. The Tribunal is of
3 course aware of the limited powers of compulsion which it has under the
4 Tribunals of Inquiry (Evidence) Acts to compel persons to provide assistance to
15:44:18 5 the Tribunal. It none the less believes that it is entitled to call upon any
6 citizen to cooperate with it in providing information and assistance to it
7 despite the absence of such powers and to expect to receive such assistance and
8 information promptly.

9
15:44:32 10 In requesting the voluntary cooperation of persons the Tribunal is always
11 mindful of the fact that to do so involves personal effort on the part of such
12 persons and may involve the disclosure of personal and private details as well
13 as incurring cost and expenditure of their time which might otherwise be
14 gainfully spent elsewhere.

15:44:53 15
16 The Tribunal believes that it has afforded your client, Mr. Ahern, every
17 opportunity and sufficient time, to allow him to provide meaningful assistance
18 to the Tribunal and every opportunity to consult with you and to other
19 professional advisers, in relation to the requests for assistance made of him to
15:45:09 20 date.

21
22 Threat of public hearing: The Tribunal rejects your suggestion that the
23 Tribunal's quoted statement of the letter of the 30th March, should be daylight
24 with under the heading threat of public hearing. The Tribunal has not issued
15:45:22 25 any threat to you or your client. In advising you of its procedures on the
26 30th March, the Tribunal was addressing the range of options open to the
27 Tribunal where the Tribunal's attempts to obtain relevant information on a
28 voluntary basis through correspondence had failed. Such information was
29 imparted to you in circumstances where the Tribunal's requests for information
15:45:42 30 contained in my letter of the 25th October 2005, remained unanswered and where

15:45:47 1 no indication had been given as to when this information would be provided, if
2 at all.

3
4 In any event it was not deemed necessary to conduct a public hearing in order
15:45:56 5 to obtain the requisite information as a response was received from you prior
6 to the date upon which the Tribunal would have considered conducting a public
7 hearing. Had a public hearing been conducted, it would have been for the
8 purposes of eliciting information from your client which had not been provided
9 to that date. The Tribunal did not threaten to air unjustified allegations
10 against Mr. Ahern, in public nor would this have been the consequence of a
11 public hearing held to obtain responses to the queries raised by the Tribunal
12 in correspondence.

13
14 Mr. Ahern's capacity to respond to the Tribunal's queries which related to his
15:46:31 15 personal finances is not dependent upon his having knowledge of the extent or
16 nature of any allegations which are under investigation by the Tribunal.

17
18 Political campaign: The Tribunal is mindful of the fact that persons may seek
19 to use the existence of a Tribunal of Inquiry as a means of damaging the
15:46:48 20 reputation of others by making false statements either anonymously or
21 otherwise. The Tribunal therefore seeks to conduct its inquiries into matters
22 which may subsequently be the subject of public inquiry in private in the first
23 instance. As you are aware of the Tribunal has pursued a policy which has
24 ensured that the allegations made by others are not needlessly circulated. To
15:47:10 25 achieve this result, the Tribunal does not provide the precise details of its
26 investigations to persons from whom it is seeking assistance or information.

27
28 The context of the requests of the 29th June letter: The letter of the 29th
29 June 2006, was written to address voids in the information provided to the
15:47:29 30 Tribunal arising upon consideration of earlier correspondence on the issue. It

15:47:33 1 was also in the context of addressing your claim to exercise legal professional
2 privilege over Mr. Peelo's communications and notes and to reject your
3 contention that Mr. Ahern was precluded from, by law from making the
4 documentation relating to his matrimonial separation available to the Tribunal.

15:47:54 5
6 The letter of the 29th June was part of a series of a letters and orders which
7 were made in order to provide information to the Tribunal so as to allow it to
8 identify the source of funds lodged to Mr. Ahern's accounts during his tenure
9 of office as Minister for Finance and thereafter.

15:48:08 10
11 The reasons for seeking such information from your client arise from the fact
12 that bank statements of your client show lodgements which are in excess of your
13 client's gross salary at that time. The Tribunal believes that this issue
14 requires to be resolved in the context of its inquiry into tax designations
15 during the period in which Mr. Ahern served as Minister for Finance.

15:48:25 16
17 In the letter of the 25th October 2005, the Tribunal sought Mr. Ahern's
18 cooperation in providing information in relation to the sources of specific
19 lodgements made to his bank accounts. All sources of income 1989 to 2002. Any
15:48:42 20 business income received, details of all transactions involving the purchase or
21 sale of land or buildings or options between 1989 and 2002.

22
23 In the absence of your client providing this information as requested by the
24 30th November 2005, I was instructed to write to you on the 3rd March seeking a
15:49:00 25 response by the 24th March and requesting your client to prioritise his
26 response in relation to five specific cash lodgements totalling 108,981.42 made
27 to his accounts.

28
29 No response to this request was received until the 21st April when Mr. Peelo's
15:49:18 30 report was furnished to the Tribunal. This report states that the lodgement of

15:49:24 1 19,142.92 was made in December 1995 was a re-lodgement of funds earlier lodged
2 and withdrawn so that the total amount of lodgements in respect of which the
3 Tribunal sought a prioritized response amounted to 89,838.14 in cash together
4 with a non-cash element of 7 and a half making a total of 97,338.49. This sum
15:49:50 5 represents the total amount of four separate lodgements made to Mr. Ahern's
6 accounts between the 30th December 1993 and the 11th October 1994. At that
7 time Mr. Ahern's sole income derived from his Dail and ministerial salary and
8 amounted to approximately 42,000 per annum gross.
9

15:50:07 10 In the report the source of the funds is attributed to the 50,000 pounds
11 representing accumulated cash savings between 1987 and '93 and lodged to bank
12 account for the first time in 1994 as 30,000 and 20 repetitively.
13

14 31,500 being the cash element of the two separate loans of 22,500 and 16,500
15:50:31 15 made by two separate groups of friends and lodged to his account on the 22nd,
16 sorry lodged to his account as 22,500 in December '93 and 24,838.47 in October
17 '94.
18

19 7,500 being the non-cash element of the 22,500 pound lodgement represented by a
15:50:51 20 bank draft for 5,000 and a cheque for two and a half thousand."
21

22 Now, the reference to matrimonial proceedings, just to deal that very briefly,
23 Mr. Ahern, that led to your making application which resolved that issue in
24 favour of yourself and your wife and indicated that, that documentation was not
15:51:35 25 documentation which you were obliged or anybody was obliged to provide to the
26 Tribunal, isn't that right?

27 A. Correct.

28 Q. 337 And that was the matter of a separate application by you to which the Tribunal
29 was a notice party. But to go on to page 23095, in relation to the five
15:51:56 30 lodgements and the unspecified allegations, the Tribunal responded to that by

15:52:01 1 indicating that in this letter here, that "The Tribunal notes your observation
2 that the discovery process involves the identification of documents not the
3 provision of explanations, its precisely for that reason that two separate
4 requests were made of your client, one the discovery process which can be
15:52:22 5 legally enforced the other a request for assistance."
6
7 CHAIRMAN: Sorry can we put that up on the screen?
8 Q. 338 Sorry page 23095, sorry it's only the bottom part of that, D and from D down
9 that I am concerned with, if we can focus on D, flagging what's in front of it
15:52:43 10 please.
11
12 D the five lodgements. "Its precisely for that reason that the two separate
13 requests were made of your client, one the discovery process which can be
14 legally enforced, the other the request for assistant, which is voluntary and
15:53:03 15 dependent upon cooperation. The Tribunal's view on the obligation of persons
16 to cooperate with the Tribunal's requests are as stated in the earlier
17 correspondence and reiterated in paragraph A.
18
19 The Tribunal does not believe that it is necessary to provide your client with
15:53:15 20 any further details of the Tribunal's investigations at this time in order for
21 Mr. Ahern to deal with the matters, the subject of the Tribunal's request for
22 information as to your client's financial affairs."
23
24 The next page then deals with the Peelo privilege which is not being
15:53:33 25 necessarily pursued, the Tribunal reiterated its view. And then the letter
26 deals with the responses of Mr. Peelo and the nature of those responses.
27
28 I will just deal with that at G. "The Tribunal sought Mr. Ahern's account and
29 explanations not those of Mr. Peelo. It is happy to receive Mr. Peelo's report
15:54:01 30 and to consider its contents as representing Mr. Ahern's account of events, but

15:54:06 1 it cannot presume it to be so in the absence of being so advised by you. You
2 have informed the Tribunal that the report was sent with Mr. Ahern's approval.
3 This was never questioned by the Tribunal. What you were asked was whether the
4 Tribunal was correct in assuming that Mr. Ahern had been shown the report and
15:54:23 5 whether he adopted its contents.

6
7 In the event that matters require to be corrected at a future date, the
8 Tribunal would wish to know whether the correction arose from the manner which
9 Mr. Ahern's instructions were reflected by Mr. Peelo in his report, or whether
10 the correction arose from an error on Mr. Peelo's (sic) part in recounting the
11 history of events to Mr. Peelo. This is not to suggest that the Tribunal has
12 found Mr. Peelo's report to be erroneous, it is to deal with any potential
13 issue which might arise from the fact that Mr. Peelo's report is of necessity
14 one step removed from Mr. Ahern's account of events."

15:55:05 15
16 Just on that point, I think we will have to visit the, as you know, the detail
17 of Mr. Peelo's report as set against the information which subsequently has
18 been provided to the Tribunal and which you acknowledge to be in addition to
19 that which is contained in Mr. Peelo's report. But can we just at this point
15:55:26 20 perhaps, establish from you that you accept, I think, that insofar as
21 Mr. Peelo's report may be short of any information, that stems from the
22 information you gave to him, rather than from his failure to transcribe the
23 information you did give to him in the report, isn't that right?

24 A. Yes.

15:55:48 25 Q. 339 You are accepting responsibility firstly and fully for it, isn't that right?

26 A. Yes.

27 Q. 340 Now, that was a letter which was written in, on the 4th August of 2006, and
28 there was the intervention of the the break of the Tribunal over the summer
29 vacation at that point in time. But if we can just stop at that point to
15:56:15 30 review matters as they stood.

15:56:17 1 I think you would agree, Mr. Ahern, that a number of other lines of inquiry had
2 opened up on Mr. Peelo's report having been provided, and one of the major ones
3 was the Beresford inquiry, isn't that right? That inquiry involved dealings
4 with Mr. Wall, dealings with the UK, dealing with another firm of solicitors,
15:56:42 5 dealing with Ms. Larkin in relation to it, isn't that right? It was part and
6 parcel and it is part and parcel of the Quarryvale II process, but the
7 information which was being provided in relation to your finances was still
8 running through that correspondence, isn't that right?

9 A. That's correct.

15:57:04 10 Q. 341 Yes. And I think that when matters resumed in the new term of the inquiry
11 another issue arose which was to be a matter of substantial correspondence,
12 time and effort between the Tribunal and yourself and that was the fact that on
13 the 22nd September of 2006, the Irish Times published material which was
14 confidential material to the Tribunal in relation to an inquiry being made of
15:57:40 15 one of the named contributors to the goodwill loans, isn't that correct?

16 A. Correct.

17 Q. 342 And as a result of that matters came into the public domain relating to this
18 inquiry which drove you to making responses in public about matters which would
19 be, and were being dealt with at that time with the Tribunal, isn't that right?

15:58:04 20 A. That's correct.

21 Q. 343 In relation to that, there was a considerable volume of correspondence passing
22 between yourself, your solicitors I should say, and the Tribunal, but you also
23 were involved in a process of dealing with the media and you issued various
24 public statements, you made a speech in the Dail, you set out details of
15:58:31 25 various dealings you had had with the Tribunal over the past number of years in
26 relation to the specific inquiries that were being made, isn't that right?

27 A. Correct.

28 Q. 344 I am not going to go into the detail of that, because it was not a process
29 which was being conducted with a view to providing information which is the
15:58:51 30 process that we are analysing at the moment, but I think it is correct to say

15:58:55 1 that it was a matter which took up a considerable amount of your time and the
2 time of the Tribunal, and when it came back to dealing with matters in
3 connection with your financial affairs, that that really didn't get back on
4 track until such time as the leaks issue, if I can call it that it, had been
15:59:18 5 dealt with by you in correspondence and had been dealt within its public phase,
6 through your Dail contributions and through your public statements, isn't that
7 right?

8 A. That's right.

9 Q. 345 And --

15:59:34 10
11 CHAIRMAN: Its now nearly four o'clock. What I think we might do is rise for
12 may be five minutes and perhaps Ms. Gilvarry might talk to Mr. Ahern's
13 solicitor with a view to identifying what further time we can spend today and
14 Mr. Ahern's availability tomorrow and we can resume for whatever remaining time
16:00:00 15 then, in about five minutes, all right?

16
17 MR. MAGUIRE: Perhaps, Chairman, it will obviously be necessary for me to
18 consult with my client as well, so it may be just longer than five minutes.

19
16:00:11 20 CHAIRMAN: All right that's fine. Ten minutes.

21

22 **THE TRIBUNAL THEN ADJOURNED FOR A SHORT BREAK.**

23 **AND RESUMED AGAIN AS FOLLOWS:**

24

16:14:28 25 MR. MAGUIRE: Chairman, having discussed the matter with Mr. O'Neill and having
26 taken the instructions of the Taoiseach in relation to the matter, we are
27 prepared to sit on on the basis Mr. O'Neill has indicated to me not later than
28 five.

29

16:14:43 30 CHAIRMAN: I understand we will be sitting for another half an hour or 45

16:14:47 1 minutes or so.

2

3

MR. MAGUIRE: Yes, Chairman.

4

16:14:49 5 CHAIRMAN: Thank you.

6

7

MR. O'NEILL: Mr. Ahern, just before the break we were just dealing with the matters that had involved the Tribunal and yourself with regard to the process

9

of providing information in relation to these particular lodgements which are

16:15:04 10 the subject of the Tribunal's inquiries at the moment, and I indicated to you

11

that there were issues that had arisen or perhaps not issues but certainly

12

inquiries which were being pursued of others based upon the information

13

provided in Mr. Peelo's report. There was then the issue of the disclosure of

14

material which was confidential in September and all that followed upon that,

16:15:35 15 and that in effect, that put matters on hold as regards the information process

16

until the following year, January 2007, I think you accept that that's so.

17

A. Yes.

18

Q. 346 And if we turn to page 17877, you will see where on the 29th January of 2007,

19

the Tribunal returned specifically to deal with an aspect of the report of

16:16:03 20 Mr. Peelo which is set out here, namely the 19,142.92 pounds, and as you may

21

know from the evidence of the Allied Irish Bank witnesses, the Tribunal had in

22

the early part of January 2007, conducted inquiries centred upon the

23

possibility of there being foreign exchange elements to certain of the

24

lodgements made to your accounts over and above those which had been known by

16:16:43 25 the Tribunal to that point in time, if I can put it that way.

26

27

And it also extended to deal with the lodgement of monies namely the 28,772.90

28

pounds which was the money which Mr. Wall had in the account of Ms. Celia

29

Larkin, which was opened to receive that on the 5th December of 1994, isn't

16:17:12 30

that so?

16:17:13 1 A. (Nods head)

2 Q. 347 Now in this letter, the letter says.

3

4 "Important point 19 of Mr. Peelo's report he provides Mr. Ahern's explanation

16:17:25 5 for the lodgement of the sum of 19,142.92 to his account numbered on the 1st

6 December 1995. It is stated that this sum was the balance remaining from the

7 50,000 pounds given to Ms. Celia Larkin by Mr. Ahern which was re-lodged to

8 Mr. Ahern's account that day. It is stated that a total of 50,000 pounds had

9 been given to Ms. Celia Larkin in December 1994, for the purpose of organising

16:17:49 10 the fit out of 44 Beresford Avenue on Mr. Ahern's behalf and that expenditures

11 on household furnishings totalling some 30,000 were made from the foregoing

12 50,000 during 1995.

13

14 Ms. Celia Larkin has provided information to the Tribunal which confirms the

16:18:05 15 receipt of 50,000 pounds in December 1994. However, she indicates that she

16 returned the entire 50,000 to Mr. Ahern in cash in January 1995. The

17 expenditure incurred by her on the fit out of 44 Beresford Avenue was not

18 funded from the 50,000 pounds given to her in December 1994. It was funded

19 through an account in her name at Allied Irish Bank O'Connell Street, which was

16:18:30 20 opened on the 22nd June 1995. This account was opened with a lodgement by her

21 of the sum of 9,684.71 representing funds from Mr. Michael Wall and the sum of

22 11,743.74 representing the funds of Mr. Ahern."

23

24 I don't think we have to deal with the subsequent lodgement, but on the next

16:18:56 25 page it says: "Ms. Larkin did not have a balance of funds on hand from the

26 50,000 which had been given to her in December and which had been returned to

27 her in January 1995, nor from the monies given to her by Mr. Wall and Mr. Ahern

28 in June and by Mr. Ahern in July 1995. Ms. Larkin did not return a balance of

29 19,142.92 or any sum to Mr. Ahern having completed any of her expenditure upon

16:19:26 30 44 Beresford Avenue.

16:19:27 1 The Tribunal has requested me to seek clarification of the circumstances
2 surrounding the payment of monies to Ms. Larkin and the involvement of
3 Mr. Michael Wall in Mr. Ahern's financial affairs. The Tribunal would
4 appreciate Mr. Ahern's assistance in providing his responses to the following
16:19:43 5 queries." There are then 11 queries set out here.
6
7 "1. In what circumstances was 50,000 pounds given to Ms. Larkin in December
8 1994, given that the purchase of 44 Beresford was not completed until 30th
9 March 1995?
16:19:58 10
11 2. Was the 50,000 pounds paid to Ms. Larkin in December 1994, returned to Mr.
12 Ahern in January 1995, and if so, why?
13
14 3. Was the sum of 50,000 pounds received by Mr. Ahern in cash from Ms. Larkin
16:20:12 15 and if so, why?
16
17 4. If the sum was received cash, where was this money kept before being spent?
18
19 5. Does the payment of 11,743.74 pounds in June 1995, to Ms. Larkin represent
16:20:27 20 a payment in cash from the 50,000 pounds returned to Mr. Ahern in January 1995?
21
22 6. Why was it decided to pay the sum of 11,743.74 pounds to Ms. Larkin in June
23 1995? You may note that the subsequent withdrawal of funds from this account
24 made in June 1995 was limited to one withdrawal of 10,000 pounds even.
16:20:51 25
26 7. Was Mr. Ahern aware of the fact that the funds of Mr. Ahern and Mr. Michael
27 Wall were used to open a bank account in the name of Celia Larkin at Allied
28 Irish Bank O'Connell Street on the 122nd June 1995? What is Mr. Ahern's
29 explanation for this account being set up.
16:21:09 30

16:21:09 1 8. Have Mr. Ahern and Mr. Wall accounted to each other for the expenditure of
2 Ms. Larkin's account number given of the sums of 9,684.71 and 11,743.74
3 respectively and if so, when and how have their respective interests been
4 reconciled?

16:21:26 5
6 9. Is the 9,655 pounds lodged to Ms. Larkin's account on the 24th July 1995,
7 said to be part of the 50,000 pounds in cash returned to her by Mr. Ahern in
8 January 1995. That should be returned by her to Mr. Ahern in July 1995.
9 Please indicate why the sum of 50,000 pounds received by Mr. Ahern in January
16:21:52 10 1995, was not re-invested by him in a deposit account or SSA account between
11 January and December 1995.
12

13 10. Why was the sum of 19,142.92 pounds lodged to a bank account on the 19th
14 December 1995?

16:22:16 15
16 That of course should read the 1st December 1995.
17

18 11. Is Mr. Ahern aware of any other accounts being operated for his benefit by
19 Ms. Larkin or any other person whether in his name or otherwise other than
16:22:23 20 those already discovered to the Tribunal by him?
21

22 The Tribunal would appreciate Mr. Ahern's early response to these queries."
23

24 I think that there was another letter which is related to that, but coming at
16:22:37 25 it from the point of view of the payments to Mr. Wall written on the 9th
26 February, I refer to it now because of the responses to both letters are in
27 Mr. Guidera's response at a later date.
28

29 So if we look to page 17879, reference your client An Taoiseach, Mr. Bertie
16:23:03 30 Ahern re: Mr. Michael wall and nominee bank account.

16:23:06 1 "Dear Mr. Guidera. The Tribunal has been informed that Ms. Celia Larkin
2 operated bank accounts in her name on behalf of Mr. Ahern and also on behalf of
3 Mr. Michael Wall in 1994 and '95. On the 5th December 1994, a sum of 50,000
4 pounds of Mr. Ahern's money was lodged to an account in Ms. Celia Larkin's name
16:23:25 5 at AIB O'Connell Street, account number given. This money remained on deposit
6 in that account until the 19th January 1995, when the sum was withdrawn in full
7 and lodged to Ms. Larkin's cashsave account number given where it remained
8 until the 27th January 1995, before being withdrawn in full on that date in
9 cash."

16:23:46 10
11 In fact that's in error and it was, that error was arising from the fact that
12 the bank records would have suggested that in fact it was the 19th January as
13 we now know that the money was taken out, I don't think its material
14 particularly at this point.

16:24:00 15
16 "Ms. Larkin believes she returned the full amount of 50,000 pounds to Mr. Ahern
17 in January 1995. Please ascertain from Mr. Ahern whether this sequence of
18 events is correct. The Tribunal would appreciate receiving Mr. Ahern's
19 explanation for this series of events.

16:24:16 20
21 On the same day as Ms. Larkin opened the account into which she lodged 50,000
22 pounds of Mr. Ahern's money, she opened another account in her own name into
23 which she lodged the sum of 28,772.90 pounds on behalf of Mr. Michael Wall.
24 You have informed the Tribunal that 9,684.71 was transferred on the closing of
16:24:39 25 this account as part of a debit dated the 19th June 1995, to an account number
26 given, on the 22nd June 1995. Ms. Larkin informed the Tribunal that the
27 account into which these monies were lodged was an account operated for the
28 benefit of Mr. Ahern. The Tribunal wishes know why 9,684.71 of Mr. Wall's
29 money was lodged to an account in Ms. Larkin's name operated for the benefit of
16:25:03 30 Mr. Ahern? Ms. Larkin informs the Tribunal that the opening balance on this

16:25:08 1 account included a sum of 11,743.74 of Mr. Ahern's money. Please ascertain
2 from Mr. Ahern whether or not this sum represents part of the 50,000 pounds in
3 cash returned to him in January 1995 and if so, the explanation for lodging
4 this sum to a bank account in June 1995.

16:25:29 5
6 A further lodgement of 9,655 pounds was made to this account on the 24th July,
7 please ascertain from Mr. Ahern whether or not this sum represents part of the
8 50,000 pounds cash returned to him in January 1995, and if if so please seek
9 his explanation for lodging this amount to a bank account in July 1995.

16:25:48 10
11 Please ascertain how Mr. Ahern accounted to Mr. Wall for the 9,684.71 which was
12 lodged to the account numbered on the 22nd June 1995.

13
14 The Tribunal would be grateful to receive Mr. Ahern's response in early
16:26:06 15 course."

16
17 Now, in relation to those two letters, Mr. Ahern, I think we will be able to
18 note firstly that the 11,747.43 that is referred to in the letter of the 29th
19 January 2007, again is one of the lodgements in which I think its now agreed
16:26:29 20 there is a substantial foreign exchange element in the lodgement, isn't that
21 right?

22 A. Yes, 10,000 pounds sterling.

23 Q. 348 10,000 pounds sterling, exactly. Though that is not a fact that's known
24 obviously at the time of the writing of this letter, though the lodgement
16:26:41 25 itself is to be the subject of the inquiry, isn't that right?

26 A. Correct.

27 Q. 349 And equally in relation to the next letter, that is the letter of the 9th
28 February, this is now dealing more with the Mr. Wall side of things, we are
29 talking about a figure here of 28,772.90 pounds, though to this point as much
16:27:04 30 as is known about it is that Ms. Larkin, in the course of her interview, had

16:27:10 1 initially indicated that it represented a sum of, which she believed to be a
2 sterling sum, isn't that right?

3 A. (Nods head)

4 Q. 350 And there was then an issue which could only be resolved when Mr. Michael Wall
16:27:23 5 was interviewed as to whether or not that sum was in fact sterling, isn't that
6 right?

7 A. That's correct.

8 Q. 351 So these letters were written on the basis and at a time when certainly to the
9 knowledge of the Tribunal there was nothing to confirm that either of these two
16:27:40 10 specific lodgements were sterling amounts, isn't that so?

11 A. Correct.

12 Q. 352 And equally they were matters which arose out of or were connected with the
13 subject matter of Mr. Peelo's initial report to the Tribunal in April 199 -
14 sorry April 2006, isn't that right?

16:28:03 15 A. Yes.

16 Q. 353 Insofar as we are dealing with the 19,000 pounds element of it, isn't that
17 right?

18 A. (Nods head)

19 Q. 354 Now obviously this was a letter seeking further information and I take it that
16:28:18 20 you have no issue to take but that that these were appropriate inquiries to
21 make, particularly in the light of the new information which had come to hand
22 because they would significantly qualify what was contained in Mr. Peelo's
23 original report, isn't that right?

24 A. Unless there were additional information.

16:28:37 25 Q. 355 Yes. And we'll see that these matters were the subject of a response by your
26 solicitor on the 27th of February 2007 at page 222 -- sorry, 22352, I beg your
27 pardon. 22325, a letter of the 27th February.

28

29 "Dear Ms. Gilvarry. I refer to your letter of the 29th January, in replying to
16:29:11 30 the foregoing letter please also refer to our separate letter of the today's

16:29:15 1 date which replies to your separate letter of the 9th February. Your letters
2 of the 29th January 2007, and 9th February 2007, largely refer to the same
3 matter.

16:29:24 5 I reply as follows to the 11 questions set out in your letter of the 29th
6 January 2007.

7
8 1. The 50,000 pounds was not used to purchase 44 Beresford Avenue. The fit
9 out of the house was funded in part from these monies, as explained in our
16:29:41 10 reply to your letter of the 9th February 2007. The money was given to
11 Ms. Larkin by Mr. Ahern in December 1994, in anticipation of the purchase of
12 the house by Mr. Wall."

13
14 That question I should say was "In what circumstances was 50,000 pounds given
16:30:02 15 to Ms. Larkin in December 1994, given that the purchase of 44 Beresford was not
16 completed until the 30th March 1995?" The response was that it was not used
17 for the purchase.

18
19 The second query was "Was the 50,000 pounds paid to Ms. Larkin in December
16:30:22 20 1994, returned to Mr. Ahern in January 1995, and if so why? The answer at 2.
21 "Yes it became apparent to Mr. Ahern around this time that it would be more
22 convenient for the monies to be held in cash.

23
24 Question 3. "Was the sum of 50,000 pounds received by Mr. Ahern in cash from
16:30:43 25 Ms. Larkin and if so, why?" Answer 3. Yes. See reply to 2 above. The reply
26 to 2 above being "yes it became apparent to Mr. Ahern around this time that it
27 would be more convenient for the money to be held in cash."

28
29 Question 4. If the sum was received cash where was this money kept before
16:31:01 30 being spent? Answer. In the safe in Mr. Ahern's constituency office.

16:31:05 1 Question 5. Does the payment of 11,743.74 in June '95 to Ms. Larkin represent
2 a payment in cash from the 50,000 pounds returned to Mr. Ahern in January 1995?
3 Answer: Yes.
4

16:31:22 5 Question 6. Why was it decided pay a sum of 11,774 to Ms. Larkin in June of
6 1995 going on to say, you made note to the subsequent withdrawal made in June
7 was limited to one withdrawal of 10,000 pounds even.
8 Answer 6, page 22326. "Our clients's recollection is the that 11,743.74 was
9 paid to cover anticipated expenses arising from the fit out. The sum of 10,000
16:31:53 10 pounds withdrawn from the account was a payment on account to Kinsella
11 Interiors as previously explained.
12

13 Question 7: Was Mr. Ahern aware that the fact that the funds of Mr. Ahern and
14 Mr. Michael Wall were used to open a bank account in the name of Celia Larkin
16:32:09 15 at Allied Irish Bank on the 22nd June 1995? What is Mr. Ahern's explanation
16 for this account being set up.
17 Answer 7: Yes. As stated our reply to your letter of the 9th February 2007,
18 it was agreed between Mr. Wall and Mr. Ahern that they would jointly renovate
19 the premises, loosely on the basis of Mr. Wall doing the structural work and
16:32:29 20 Mr. Ahern the interior. It was agreed that Ms. Celia Larkin would organise the
21 detail of the work. In these circumstances both Mr. Ahern and Mr. Wall paid
22 monies to Ms. Larkin to be used by her in dischargeing the expenses of the
23 renovation.
24

16:32:42 25 Question 8: Was, had Mr. Ahern and Mr. Wall accounted to each other for the
26 expenditure from Mr. Larkin's account in the sum of 9,684.71 and 11,743.74
27 respectively and if so, when and how have their respective interests been
28 reconciled?
29 Answer 8: In November 1995, following completion of the fit out and other
16:33:07 30 works the parties agreed all costs etc. involved.

16:33:11 1 Question 9: Is the 9,655 lodged to Celia Larkin's account of the 24th July
2 said to be part of the 50 in cash returned to her by Mr. Ahern, as I say that
3 should be returned by her to Mr. Ahern in January 1995, please indicate why the
4 sum of 50 received by Mr. Ahern in January '95 was not re-invested by him in a
16:33:38 5 deposit account or SSA account between January and December 1995?

6 The answer to that was: Yes. This was a matter of personal choice for Mr.
7 Ahern. In view of the impending expenses in connection with the renovation of
8 44 Beresford Avenue, Mr. Ahern was of the view that it would be more convenient
9 for the monies to be held in cash.

16:33:59 10
11 Question 10: Was, why was the sum of 19,142.92 lodged to a bank account on the
12 19th, it should be the 1st December 1995, the answer was: Following the
13 completion of the work it was not necessary to hold the remaining cash. In
14 this context I refer to the statement earlier in your letter that "Ms. Larkin
16:34:20 15 did not return a balance of 19,142.92 pounds or any sum to Mr. Ahern, having
16 completed any of her expenditure upon 44 Beresford Avenue". It is important to
17 note that this amount represented the balance of the original 50,000 pounds
18 remaining in Mr. Ahern's possession after the various transactions.

19
16:34:42 20 Question 11: Is Mr. Ahern aware of any other accounts being operated for his
21 benefit by Ms. Larkin or any other person whether in his name or otherwise
22 other than those already discovered to the Tribunal by him?

23 And the response to that is: Mr. Ahern does not accept that any of
24 Ms. Larkin's accounts were operated for his benefit. The circumstances in
16:35:01 25 which the lodgements were made to her accounts have already been described
26 above and in the reply to your letter of the 9th February, Mr. Ahern is not
27 aware of any accounts operated for his benefit."

28
29 So that was the response to that letter, I think for completeness we have to
16:35:17 30 look to the reply to the letter of the 9th February 2007, which was referred to

16:35:22 1 on a number of occasions in the body of that letter, that is at page 17888, a
2 letter of the 27th February 2007, from your solicitor.

3
4 "I note your letter is headed Mr. Michael Wall and nominee bank accounts. My
16:35:41 5 client does not accept that any of the said accounts were nominee bank
6 accounts.

7
8 The background has already been explained to the Tribunal in Mr. Peelo's report
9 dated 20th April 2006, and in our letter to you of the 26th July 2006. In
16:35:56 10 summary I would point out the following:

11
12 1. After our client's marital separation in November 1993, and following a
13 number of years of not having a settled residence our client sought a property
14 to purchase or rent. Some time was spent in 1994 seeking a suitable property.

16:36:11 15
16 2. In summer 1994, Mr. Michael Wall, a friend of our client from Manchester
17 decided to purchase a house in Dublin for his own accommodation on his
18 increased visits to the city.

19
16:36:21 20 3. Mr. Wall located and purchased 44 Beresford Avenue, Mr. Ahern's present
21 residence, shortly afterwards in discussion with Mr. Ahern he agreed to rent
22 the premises to him and also agreed an option for Mr. Ahern to purchase the
23 house at market value at a point in the future when his financial circumstances
24 became more secure.

16:36:40 25
26 4. It was agreed by Mr, between Mr. Ahern and Mr. Wall that they would jointly
27 renovate the premises loosely on the basis of Mr. Wall doing the structural
28 work and Mr. Ahern doing the interior.

29
16:36:53 30 5. It was agreed that Ms. Celia Larkin would organise the detail of the work

16:36:57 1 being Mr. Ahern's partner and close friend of Mr. Wall.
2
3 6. In December 2004, Mr. Ahern transferred to Ms. Larkin, the sum of 50,000
4 pounds. Around the same time Mr. Wall also transferred the sum of 28,772.90
16:37:12 5 pounds to Ms. Larkin. These monies were lodged in two accounts opened by
6 Ms. Larkin in AIB 37 Upper O'Connell Street, Dublin as follows, account number
7 28,772.90 from Mr. Wall and 50,000 from Mr. Ahern.
8
9 7. The source of Mr. Ahern's 50 was from his bank accounts detail given,
16:37:34 10 28,000 and 22,000. The details of the above accounts have previously been
11 furnished to the Tribunal.
12
13 8. On the 19th January 1995, Ms. Larkin withdrew 50,000 pounds as previously
14 provided by Mr. Ahern in December 1994, in cash and Mr. Ahern kept, I think
16:37:51 15 probably the word it is missing here, kept in the safe in his constituency
16 office for use in the pending refurbishment work.
17
18 9. The work on 44 Beresford Avenue did not commence until summer 1995 as
19 Mr. Wall had been involved in a very serious accident.
16:38:06 20
21 10. Ms. Larkin opened a new bank account number given on the 22nd June 1995,
22 with AIB, three lodgements were made to this account as follows:
23 22nd June, 9,684.71 from account given, see paragraph 12 below.
24 22nd June 1995, 11,743.74 from cash furnished to Ms. Larkin by Mr. Ahern which
16:38:32 25 he had been holding in the safe in his constituency office.
26 24th July 1995, 9,655 from cash furnished to Ms. Larkin by Mr. Ahern which he
27 had been holding in the safe in his constituency office.
28
29 The above 11,743.74 was first lodged to Ms. Larkin's account number given on
16:38:53 30 15th June 1995, and then transferred on 22nd June, to the above account number

16:38:59 1 given.
2
3 11. Stamp duty of 8,422 was debited on the 5th May from Ms. Larkin's account
4 on the 15th May, with with withdrawal of 20,050.91 from Ms. Larkin's account
16:39:15 5 number comprised the following, 2,116.20 Brown Thomas payment, 3,000 all
6 seasons payment, note a second amount of 3,000 was later provided by Mr. Ahern
7 from the funds kept in the safe in the constituency office making a total
8 payment of 6,000 to All Seasons. 5,220 pounds weather glaze. 9,684.71 lodged
9 to account number, see paragraph 10 above.

16:39:41 10
11 For ease of reference we attach herewith copies of the following bank
12 statements recently furnished to us by Ms. Larkin. And you have bank
13 statements I think the three bank accounts that were given to you by Ms. Larkin
14 that we have referred to earlier.

16:39:55 15
16 We trust that the above covers all of the matters raised in the
17 correspondence."
18

19 Now just on that, again Mr. Ahern, we see here that there has been a considered
16:40:07 20 response delivered to detailed queries seeking to establish the nature of these
21 particular payments, their purpose, their source etc. isn't that right?

22 A. That's correct.

23 Q. 356 And obviously there is a detailed response which I have just read at length and
24 I take it that that is a response which could only have been provided by your
16:40:25 25 solicitors following upon details being given to your solicitors by you of
26 these individual items, because there is no explanation other than that from
27 your point of view, isn't that right?

28 A. Yes, it was. Quite a sizable amount of that data is based on the receipts, the
29 actual receipts of payments that were made to individual payments, and the make
16:40:51 30 up of the withdrawals of the 20,000 and that's a break down, records that I

- 16:40:55 1 would have given, stamp duty records, so these are all backed up, not just by
2 my memory but by actual receipts and bills and payment.
- 3 Q. 357 I take it you are referring to the items referred to at paragraph 12, that is
4 the Brown Thomas, the All Seasons the weather glaze etc, but as regards the
16:41:13 5 source of the monies, that came into Ms. Larkin's possession, that detail is
6 detail which doesn't appear from her bank accounts statements which are
7 referred to here, it comes from information which you provided in relation to
8 specific queries, isn't that right?
- 9 A. That's correct. The transfer of the 28,000 from one of my accounts, the 22,000
16:41:37 10 from another into her account.
- 11 Q. 358 Yes. That deals with the initial receipt by her of the 50,000, this is the
12 first occasion upon which you are explaining how it came about that the 50,000
13 was returned to you, isn't that right?
- 14 A. Correct.
- 16:41:50 15 Q. 359 And how it was returned in cash, isn't that correct?
- 16 A. Correct.
- 17 Q. 360 And what became of that cash?
- 18 A. Correct.
- 19 Q. 361 It went into a safe, and it went there until such time as it came out to pay
16:42:02 20 Ms. Larkin, isn't that right?
- 21 A. Correct, correct.
- 22 Q. 362 Now in the body of that of course we'll note that there is no reference to the
23 11,743.74 being sterling, though we know that the 10,000 pounds sterling
24 element of that represented the majority of those funds, isn't that right?
- 16:42:19 25 A. That's correct it, wouldn't have shown up on the statement as sterling.
- 26 Q. 363 Sorry.
- 27 A. It wouldn't have shown up on the statement as sterling, the amount was
28 11,743.47.
- 29 Q. 364 Of course it wouldn't show up in the bank statement as sterling but what was
16:42:32 30 being queried what what was the nature of this payment was and where it came

16:42:36 1 from, what was being indicated in your response was that it came from the
2 50,000?

3 A. Exactly.

4 Q. 365 But in fact what happened as you now say; that it came from the 30,000 which
16:42:49 5 you had purchased with the 50, isn't that right?

6 A. Yes.

7 Q. 366 Yes.

8 A. Still out of the 50.

9 Q. 367 Sorry.

16:42:55 10 A. Still out of the 50.

11 Q. 368 Well its original source was the 50. It had been transmuted from punts to
12 sterling and then been taken out and?

13 A. Yes.

14 Q. 369 That detail we will be exploring in greater detail when we deal with the
16:43:09 15 individual responses, but I just want to confirm with you that to this point,
16 certainly the information received by the Tribunal does not indicate that
17 either of these sums was a sterling amount and I'm talking now about the
18 information that's provided by you to the Tribunal, isn't that right?

19 A. Yes.

16:43:26 20 Q. 370 And briefly then you will see that the letter of the 27th of February, there
21 was a further letter I think from your solicitor, complaining about the way in
22 which the Tribunal was dealing with you and suggesting it was unfair and
23 inaccurate, isn't that right, this is the 28th February?
24

16:44:06 25 I will just find that letter for you, Mr. Ahern. 23100, a letter from your
26 solicitor, it crossed with another letter and you will by now have our letters
27 responding to yours of the 25th January, the 29th January and the three letters
28 of the 9th February.
29

16:44:28 30 The letter says "The tone of your letter of the 22nd February and the unfair

16:44:32 1 and inaccurate portrayal of the facts and of our client's position require
2 further comment. Our client is at a loss to understand why he should be
3 threatened with a public hearing at this time based on such inaccuracies and
4 unfairness? The threat is all the more unjustified when my client is still
16:44:48 5 awaited a response from the Tribunal to a request contained in a number of
6 letters written on his behalf for particulars of the tax designations which are
7 apparently being investigated by the Tribunal. We have repeatedly made clear
8 that this is greatly prejudiced my client in his dealing with the Tribunal.
9

16:45:05 10 My client takes particular exception to the statement in your letter that the
11 amounts lodged to his account in the year '94 and '95 exceed his known source
12 of income. Such statement fails to have regard to the information provided to
13 you by my client in correspondence and in Mr. Peelo's report which make it is
14 abundantly clear to the Tribunal that Mr. Ahern had accumulated a cash balance
16:45:26 15 of in excess of 50,000 pound over the seven years from '87 to '93 at a time
16 when Mr. Ahern did not maintain any personal bank or Building Society accounts.
17

18 Your letter indicates a concern on the part of the Tribunal that the letters of
19 the 25th January, 29th January and 9th February remain unanswered and
16:45:43 20 implicitly suggested a delay on his part in responding to your requests for
21 information. This criticism is unwarranted. My client has at all times
22 cooperated fully with the Tribunal and has endeavoured to deal with all its
23 numerous queries. The Tribunal does not appear to be giving any contribution
24 to the considerable demands which the office of An Taoiseach necessarily makes
16:46:03 25 on my client's time.
26

27 Apart from a daily arduous schedule of meeting he is is very frequently
28 required to travel throughout the country and abroad. Despite this he has
29 devoted considerable time and effort to dealing with the Tribunal's requests.
16:46:16 30 In the period to which the Tribunal refers it had addressed five separate

16:46:19 1 letters to my client, each letter containing numerous and detailed requests.
2 All of these letters were responded to in a period of less than one month. On
3 any measures the Tribunal's letters were replied to within a reasonable period.
4

16:46:32 5 My client fails to understand the statement in your letter that questions
6 remain as to the source of the funds lodged and the purpose for which such
7 payments were made. My client's previous correspondence and Mr. Peelo's report
8 makes the source of the lodgements abundantly clear to the Tribunal. The
9 purpose for which any monies were received by Mr. Ahern has also been fully
16:46:50 10 explained. Furthermore, this reference to the purpose of the payments is
11 particularly unfair in circumstances where the Tribunal has steadfastly refused
12 to provide the requested details of the tax designations being investigated.
13

14 Not for the first time, the Tribunal has made a threat to my client of
16:47:08 15 conducting an examination of him in public. As before my client believes this
16 to be both unfair and unjustified in circumstances where he has provided all
17 information requested of him. It is manifestly unjust that he would be
18 required to answer questions in public from the Tribunal without even knowing
19 the nature of the allegations to which the questions relate. The nature of the
16:47:29 20 injustice is all the more obvious against the background of the uncertainty of
21 a General Election within a short number of months and the previous political
22 embarrassment caused to my client by the unauthorised disclosure of Tribunal
23 documents in sent of last year. My client has already raised all of these
24 matters with the Tribunal in previous correspondence most recently in our
16:47:50 25 letter of 28th November last but extraordinarily the Tribunal has failed to
26 reply in any substantive way to the points raised. In that regard, I would
27 point in particular to the Tribunal's letter of the 20th December 2006."
28

29 I don't intend to necessarily go into any of that, but just to bring you on to
16:48:07 30 the point where the Tribunal having considered everything and in particular

16:48:15 1 the, these responses, wrote to your solicitors as follows on the 2nd March of
2 this year, at page 22938.

3
4 "The Tribunal has now considered the content of your letter of the 22nd
16:48:28 5 February 2007, and your letters of the 27th February 2007, written in response
6 to the Tribunal's inquiries of your client made by letter of the 25th January
7 2007, 29th January 2007 and 9th February 2007.

8
9 Having considered these responses and earlier correspondence dating from the
16:48:48 10 25th October 2005, the Tribunal is of the opinion that the information so far
11 provided via correspondence does not resolve the Tribunal's inquiries as to the
12 source of the following payments made to Mr. Ahern and subsequently lodged as
13 set out hereunder or the purposes for which such payments were made to him.

- 16:49:07 15 1. Lodgement of 22,500 on 30th December 1993.
16
17 2. Lodgement of 30,000 broken down, on the 25th April 1994.
18
19 3. Lodgement of 20,000 to the account in the name of Georgina and Celia Ahern
16:49:26 20 on the 8th August 1994.
21
22 4. Lodgement of 24,838.49 pounds on 11th October 1994.
23
24 5. Lodgement of 19,142.92 pounds on 1st December 1995.

16:49:43 25
26 The Tribunal is of opinion that the information provided to date does not
27 resolve the Tribunal's inquiries into the source of funds paid by Mr. Ahern to
28 Ms. Celia Larkin in the sum of 50,000 pounds lodged to an account in the name
29 of Ms. Celia Larkin on the 5th December 1994.

16:50:00 30

16:50:00 1 2. 11,743.74 lodged to an account in the name of Ms. Larkin on the 15th June
2 1995.

3
4 3. 9,655 pounds lodged to an account in the name of Ms. Larkin on the 24th
16:50:14 5 July 1995.

6
7 The Tribunal is further of the opinion that the informations provided to date
8 does not resolve the Tribunal's inquiries in relation to the acquisition of
9 number 44 Beresford Avenue, Drumcondra by Mr. Michael Wall in 1995, the funding
16:50:29 10 of the said acquisition, the expenditure of funds on refurbishing the property
11 between 1995 and 1997, Mr. Ahern's occupation of the premises between 1995 and
12 1997 and the subsequent sale of the premises to Mr. Ahern in 1997.

13
14 In the light of the information presently available to the Tribunal, the
16:50:49 15 Tribunal believes that it may assist the Tribunal in its inquiries if Mr. Ahern
16 was to attend an interview in private with Members of the Tribunal legal team
17 in relation to his knowledge and his involvement in the above matters.

18
19 I am accordingly directed by the Tribunal to invite Mr. Ahern to attend such an
16:51:05 20 interview at the earliest opportunity suitable to him.

21
22 I would be grateful if you would revert to me once you discussed the matter
23 with Mr. Ahern and I await hearing from you at your earliest convenience."

24
16:51:18 25 Before dealing with the invitation to attend for interview, Mr. Ahern, I think
26 this letter represents the culmination of the a procedure that started in 2005
27 involving requests for a narrative statement, it had also dealt with the
28 discovery process which had been commenced at the same time and which had
29 involved two orders for discovery being directed towards you and which were
16:51:41 30 complied by you in 2005 and in 2006, and it represented the culmination of the

16:51:50 1 Tribunal's analysis of correspondence, detailed correspondence in relation to
2 explanations which has just been opened to you, isn't that right?

3
4 And following upon this then there was contained within the letter of the
16:52:05 5 invitation to attend at an interview and in advance, firstly you agreed to
6 attend such an interview, and it was arranged to facilitate you in the offices
7 of your solicitor on the 5th of April of this year, isn't this right?

8 A. Correct.

9 Q. 371 And in advance of that, on the eve of it, the Tribunal received further
16:52:23 10 documentation at page 19634, again being an addendum or supplement of Mr. Des
11 Peelo described as a memorandum prepared by Des Peelo FCA, Peelo & Partners
12 chartered accountants on the instructions of Frank Ward & Co, solicitor for Mr.
13 Ahern. And it continues at page 19635, the purpose of this memorandum is to
14 provide explanatory charts re the various moments/transactions involving the
16:52:59 15 lodgements set out in the Tribunal letter of the 2nd March 2007. All of the
16 information herein has already been provided to the Tribunal.

17
18 It then lists a number of lodgements as chart 1, including the 24,838.49 of the
19 11th October 1994, isn't that so?

16:53:18 20 A. (Nods head)

21 Q. 372 And in the chart two it deals specifically with the 19,142.92, the 11,743.74
22 and the 50,000 which was lodged on the 5th December, isn't that right?

23 A. (Nods head)

24 Q. 373 And then on the following page, you will see the chart that is 19636 and this
16:53:45 25 is setting out a narrative in the first instance and also a figurative drawing
26 showing the progress of the money from start to finish, that is initial
27 lodgement to destination, isn't that right?

28 A. Correct.

29 Q. 374 And when we look to this document insofar as it relates to the payments that
16:54:06 30 we're currently looking into and that is the, on this page the Manchester and

16:54:13 1 second goodwill loan to you, its in the right hand column under the heading
2 11th October 1994, loans totalling 16,500 plus Manchester 8,338.49 pounds,
3 isn't that right?
4 A. (Nods head)

16:54:31 5 Q. 375 For the purposes of Mr. Peelo's exercise he has calculated the sterling element
6 to be 8,338.49 pounds, is that so?
7 A. I think so.

8 Q. 376 Is this again --
9 A. I think there was an error in that was there.

16:54:48 10 Q. 377 Well you tell me?
11 A. I think subsequently it, that he had an error.

12 Q. 378 He had an error in his initial report, Mr. Ahern, where he specified that the
13 amount of the lodgement was a figure of some 9,743 pounds, but this is a
14 separate figure, this is a figure which represents the difference in, between
16:55:17 15 16,500 pounds Irish and the ex factor which would have to be added to that sum
16 so as to meet the, a lodgement of 24,838.49 pounds, and he has it here as
17 8,338.49 pounds. I am wondering in advance of this document being provided by
18 your solicitors to the Tribunal on the eve of this consultation, is this a
19 document which had again been prepared by Mr. Peelo in consultation with you?

16:55:53 20 A. I'm not as familiar with that document, I see that date is dated 20th March.

21 Q. 379 Sorry Mr. ...
22
23 CHAIRMAN: It was prepared on the 4th April.

24 Q. 380 The document I am looking at is page 19637, sorry 636, I beg your pardon, you
16:56:24 25 see that document there?
26 A. Yes.

27 Q. 381 This is again an addendum or again an alteration, and I suggest a variation to
28 the information initially provided by Mr. Peelo and its being provided on the
29 eve of the interview that's to take place with yourself and what I drew your
16:56:37 30 attention to was the fact that in that it shows the Manchester sterling element

16:56:41 1 to be 8,338.49 pounds Irish value. Now, I have to say because we are talking
2 about beneath that an Irish value of 24,838.49. Mr. Peelo is here showing the
3 make up of this amount in this fashion and I am asking you whether or not in
4 advance of this document you had spoken to Mr. Peelo again in connection with
16:57:12 5 the detail which he shows in this document?
6 A. I am sure I had, yes.
7 Q. 382 You are sure you had?
8 A. I'm sure I had.
9 Q. 383 And again then on the next page we can turn to 19637, here we are dealing with
16:57:30 10 information in relation to two items which had not been covered in Mr. Peelo's
11 initial report, isn't that right? If we look to the narrative 5th December
12 1994, lodgement 50,000 pounds Celia Larkin account. That information was in
13 the original report, isn't that right?
14 A. That's correct.
16:57:51 15 Q. 384 The information beneath it was not in the initial report, it says, 19th January
16 1995 cash 50,000 withdrawn and returned to Mr. Ahern. Cash kept in
17 constituency office. You see that?
18 A. Yes.
19 Q. 385 That again is obviously an account you gave to Mr. Peelo as to what you did in
16:58:12 20 January 1995, with the 50,000 that had been returned to you in cash, isn't that
21 right?
22 A. Correct.
23 Q. 386 And then it deals with the opening of the account on the 22nd June 1995, Celia
24 Larkin opens account and gives the account number, that information was
16:58:29 25 contained in the first report, is that right?
26 A. Correct.
27 Q. 387 And then it gives a narrative, 22nd June, cash lodgement 11,743.74 from Mr.
28 Ahern, first lodged to account given on 15th June then transferred. Isn't that
29 right?
16:58:51 30 A. (Nods head)

- 16:58:51 1 Q. 388 Then at the bottom of the page it deals with the 19,142. The note reads
2 "Starting with 50,000 pounds cash on 19th January 1995, Mr. Ahern lodged
3 11,743.74 plus 9,655, total 21,298.74 to Celia Larkin account, number given.
4 Other house expenditure was made in cash at this time, circa mid-late 1995, the
16:59:24 5 remaining cash balance of 19,142.92 was lodged on 1st December 1995, to Mr.
6 Ahern's already existing AIB deposit account as it was no longer required"
7 isn't that right?
- 8 A. Correct.
- 9 Q. 389 And in that document, again we would see that while there are references in
16:59:45 10 this instance to the figure that we know that includes 10,000 pounds sterling
11 that's the 11,743.74, and to the figure which is represented by the 20,000
12 pounds sterling lodgement, that is on the 1st December 1995, Mr. Peelo makes no
13 reference in his report to either of these sums being sterling amounts, isn't
14 that right?
- 17:00:09 15 A. That's right.
- 16 Q. 390 Yes. Do you know why that is so, given that this is information which I take
17 it is current as regards the level of knowledge of Mr. Peelo as of the 4th of
18 April of 2007?
- 19 A. Obviously that, he would have discussed with me what date exactly he discussed
17:00:42 20 with me, but that was obviously in preparation for the private interview.
- 21 Q. 391 Yes.
- 22 A. But obviously at that stage I hadn't identified it as sterling because
23 otherwise he would have put it in.
- 24 Q. 392 I see. And we know then that on the day following this there was an interview
17:00:58 25 conducted at the offices of your solicitor in the presence of your solicitor
26 and counsel by counsel for the Tribunal and solicitor to the Tribunal, and that
27 interview reviewed the specific lodgements which are the subject of this
28 particular inquiry, and in particular the foreign exchange lodgements; isn't
29 that correct?
- 17:01:21 30 A. Correct.

- 17:01:21 1 Q. 393 So that the cumulation of the process which has led to your appearance here
2 today from the point of view of the passing of information between the requests
3 I should say for information from the Tribunal and the passing of information
4 to the Tribunal through you including the entire discovery process, narrative
17:01:45 5 statement process, process of interview, had all taken place by the 5th April
6 of this year, isn't that right?
7 A. That's correct.
- 8 Q. 394 And I think you would agree with me that it was on that occasion, of that
9 interview for the first time, the Tribunal was made aware of the fact through
17:02:08 10 its counsel having been informed by you, that these were in fact foreign
11 exchange lodgements made by you to these various accounts, isn't that right?
12 A. That's correct, that's correct.
- 13 Q. 395 And from that date to this the matter progressed to the extent of your being
14 circulated with the volume of documentation which is in the brief on this
17:02:26 15 issue, isn't that right, all of the documentation that relates to this issue
16 being the statements and interviews of Mr. Michael Wall, the documentation
17 representing statements and interview of Ms. Celia Larkin, the bank accounts of
18 Mrs. Celia Larkin insofar as they exist, and the correspondence and details of
19 the Tribunal's endeavors to obtain information in relation to the foreign
17:03:03 20 exchange element of these transactions from AIB bank, starting in January and
21 running through and indeed continuing past the date of this interview, isn't
22 that right?
23 A. That's correct.
- 24 Q. 396 All of that information was available to you and it allowed you to have a
17:03:17 25 complete picture of what the Tribunal was told in relation to these lodgements
26 by persons other than yourself, isn't that right?
27 A. That's correct.
- 28 Q. 397 And could I suggest to you that on that basis, you had a complete picture, if
29 you needed one, of what the Tribunal's information gathering process had been
17:03:37 30 leading to the request to have you examined on, in evidence before the Tribunal

17:03:46 1 on this issue, isn't that right?

2 A. Yes.

3 Q. 398 And would you agree with me that that process, a lengthy process, that has
4 taken place between October 2004 and April of 2005, notwithstanding the detail

17:04:06 5 of it, did not in fact establish the foreign currency elements of these
6 accounts until it was disclosed in the course of the interview?

7 A. That's correct.

8 Q. 399 Isn't that right? And I think Mr. Ahern, that will conclude my direct
9 questioning of you today and tomorrow we will be resuming with an examination
17:04:26 10 in respect of each one of the financial transactions that are foreign currency
11 with a view to establishing the information which you now offer to the Tribunal
12 as your detailed account of those transactions. Thank you for your attendance.

13 A. Thank you.

14

17:04:42 15 CHAIRMAN: Thank you Mr. Ahern, are we sitting at half ten or ten.

16

17 MR. O'NEILL: Half ten.

18

19 CHAIRMAN: Half past ten.

17:04:48 20

21 **THE TRIBUNAL THEN ADJOURNED TO THE FOLLOWING DAY.**

22 **FRIDAY 14TH SEPTEMBER 2007 AT 10.30 AM.**

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