

Good Morning (Afternoon),

I'm Paul Turner, Nikki's husband and therefore also a victim of and witness to the HBOS Reading prosecution.

As Nikki said, we uncovered and started to investigate that matter over 8 years ago in 2007 and the Bank's way of dealing with it when we told them what we knew, was to make us defend our home through 22 eviction hearings between 2007 and 2010, when it then sought our consent to a general adjournment pending the outcome of the criminal investigation, now prosecution, that had commenced in June 2010.

5 years on and we are still awaiting the trials which have suffered a series of setbacks in the last 5 plus years due to – well we won't go there as it is sub judice.

Having identified some of the other victims of the matter and because of my practical experience through representing ourselves in 21 of the 22 eviction hearings, including two in the High Court, I was asked if I could assist other victims of Reading with their repossession problems and the first of these was also a victim of what the press have currently prescribed as the 'UK Acorn' matter.

UK Acorn as it is now called, is actually the replacement enterprise for a previous vehicle utilised by the same protagonist, one part of which was called UK Country Capital, a bridging finance firm which began trading in 2005.

It was marketed by its principals as a company which provided short term bridging finance usually to farms and enterprises which involved land and while the same principals were obtaining long term finance which they advised would usually be in place within a 6 month period.

A long term commercial mortgage would invariably be provided by a 'secondary' lender, if it was ever provided at all; valuations would be done by a particular RICS surveyor local to UKCC and; the conveyancing would usually be done by a particular law firm based in Bristol, who acted for mortgagee and mortgagor as well as UK.

UK and one of the secondary lenders were funded from 2005 by Barclays Capital and until 2008 in UK's case, by which time the relationship had soured and Barclays stood to lose £30 million.

By late 2006, the conduct of certain of the parties had been called into question by a series of victims and this caused the SFO and Avon and Somerset police to raid the Offices of UKCC - the RICS Surveyor - and the Law Firm, in January 2007.

Although the criminal investigation ground to a halt within a year, the SRA did commence an investigation into the conduct of the Law Firm in 2008 and that completed in 2010 with an independent third party concluding there was not enough evidence to initiate disciplinary proceedings against the solicitors involved. The agricultural division of the Firm was subsequently dissolved.

As I said, the matter is currently called UK Acorn and there was a debate in Westminster in November 2014 about the conduct and quite a lot of coverage in the national press due to the repossessions that continue to be pursued in both matters, UKCC having been placed in administration and then liquidation from 2011. Acorn Agricultural Finance is about to go the same way if HMRC's petition to wind it up is successful next Monday. UK Acorn Finance (presently) remains trading.

As I said, I came to know about this unsavoury matter when I assisted a fellow victim of HBOS Reading with the problems he was incurring in 2008 having been forced to move his banking in 2007 from Reading and, through UK, into the secondary lender, Commercial First. I won't go into his case here but as a result of helping him, I subsequently assisted several other 'UK Acorn' victims and, for the last year, a victim who is probably, in monetary and asset terms, the biggest case I have come across in the 7 years of also dealing with UK cases.

I can think of no better example of the impact of financial misconduct by and in financial institutions and failures of compliance on small businesses, than this case of a farming business brought to its knees by those failures - with devastating consequences for the large family involved. I make the point here that farming is a substantial SME sector which continues to be the recipient of financial misconduct.

This farming family were also victims of HBOS Reading and it is the conduct of one of the Defendant bankers with this family in December 2005, which forms the basis of the charge of blackmail which that banker has only had made against him.

The blackmail was 'the final straw that broke the camel's back' and, with the advice of the solicitor from the Bristol based law firm at the centre of the UK Acorn debacle, the family were persuaded to leave the frying pan that is HBOS Reading and end up in the fire that is UK Acorn.

The family comprised 4 brothers with one taking the role of the 'businessman' reliant on the advice of the professionals and, in particular, the legal adviser who had been involved with the family since 1989.

It is ironic it was this family that introduced the principal of UKCC to their solicitor also in 1989 and then they fell out with the UKCC man and did not deal with him for 15 years until persuaded to do so in 2004 by their solicitor, who suggested the UKCC man had 'cleaned up his act'.

These farm boys were very astute and had discovered there was a market for the minerals, aggregates and sand that was under certain farms in Oxfordshire.

Between 2003 and 2005, they did 5 deals with Hanson which involved selling the mineral rights while retaining a 30 year lease to utilise the surface rights at a peppercorn rent. It cost them £1.6 million to buy the farms and they sold the rights for £5.85 million.

In 2005 and when the Reading relationship was deteriorating rapidly, the family were persuaded by their lawyer to use UKCC to purchase another farm with mineral potential and refinance their business with Barclays, a bank they had severely fallen out with 15 years before.

Promises were made and the first phase of re-banking was completed in February 2006 with a combination of Barclays, Commercial First and UKCC. The next phase never happened as the man from Barclays left 6 weeks later to work for UKCC.

It was at this time the brother who dealt with the business side, was diagnosed with bowel cancer and had his first operation, which meant he was not as 'on the case' as he would otherwise have been.

The farm that was purchased with £2 million of bridging finance, was offered to Hanson at £5 million for the mineral rights and they accepted. By mid-2006, the Hanson offer had risen to circa £15 million because of the extent of the minerals involved. However and by mid-2006, the Barclays banker had quit to work for UKCC, Barclays had turned nasty and placed the farming business in Barclays Business Support and the refinancing package that had been agreed to be implemented in stages, was not fulfilled.

Barclays later claimed the reason for placing the business in business support was because that was where it had been when it banked with HBOS, that being Reading and we are yet to ascertain exactly what Reading was and this will be forthcoming in the trials early next year –if they happen.

The Hanson deal did complete in 2008 but the family business saw little of the £15 million. Barclays and others took most of it leaving only a small amount for trade creditors and this caused the banking relationship to totally break down along with the deterioration in the cancer stricken brother's health.

Struggling with both situations, susceptible to manipulation by the professionals and constantly seeking remedies to the host of problems which had arisen because of the situation, the family were advised to do a 'pre-pack' administration and, in January 2013, they applied to the Court to go into administration even though, in the September 2012 draft accounts for the business, those stated a balance sheet of circa £28.5 million with a net profit of £500,000 on a turnover of £2.6 million.

Even the 'pre-pack' went sour with a creditor getting a second administrator appointed. What was intended to be a rescue package for the business turned into its destruction despite the promise by the IP to a dying man, this would not happen.

In short, the majority of the farm and land was sold off at what appears to have been an undervalue; the meat processing plant and associated haulage business was shut down with the vehicles disposed of on the cheap; a large proportion of the farm machinery was also disposed of and; the 600 strong prize herd of Charolais cows which the family had built up over the previous 15 years, was auctioned on site after 40 security guards, auctioneers and police had arrived at the farm unannounced, barricaded the families into their respective houses and herded the cattle from the fields into the large cowsheds in order they could be auctioned.

The whole event took 3 days with at least 100 cows aborting their calves because of the trauma and they were all sold for killing, whether or not they were in calf but the family could do nothing about it.

That was in September 2013 and the family have since been trying to get their main farm where they live, back under their control.

There is, of course, a lot more detail I could give as I have been investigating and compiling the evidence in order that the family can get their lives back.

We have managed to source substantial funding on reasonable rates and we had hoped to have completed the refinancing by now but and despite providing irrefutable proof of funding being available since 29th July 2015, we have still to complete a transaction that has been agreed and because of the financial institutions, Insolvency practitioners and lawyers who continue to milk the situation for their fees.

I make the point, the family are confirmed victims of a massive crime perpetrated against them and their business between 2002 and 2007 and there is a trial of that matter due to commence, we hope, in January 2016.

Having been 'raped' once by a financial institution, they were encouraged to move to an alternative situation which this case will prove was also fraudulent, so they were raped again. If that was not enough, the outcome of those two situations are that they were then raped again by the insolvency compounded by the brothers and their wives being made personally bankrupt in November 2013.

The businessman brother finally succumbed to his cancer in April 2014 and passed away, a broken man but we will all be by his grave to tell him we have got the farm back and hopefully that will be in a matter of a few days.

The buck has not stopped with any authority, regulator or financial institution because what went on prior to the financial crisis of 2008, has been repeated with the blessing of the authorities in order to rebuild the balance sheets of all the institutions involved.

In my opinion, which I voiced in our meeting at 10, Downing Street in March this year, the only way all these damaging occurrences will ever be resolved is not through the civil Justice system – it is far too costly in health, wellbeing and money - but by putting in place a truth and reconciliation process.

This will allow the truth of the conduct to come out, criminal sanction to be made if applicable and compensation to be forthcoming for all those who have repeatedly suffered the injustice.

That means the buck will stop where it should, with all those who should not have been given the opportunity to put greed before good business and then the faith and trust upon which financial institutions are supposed to be founded, can start to be rekindled.

Thank you for your time.