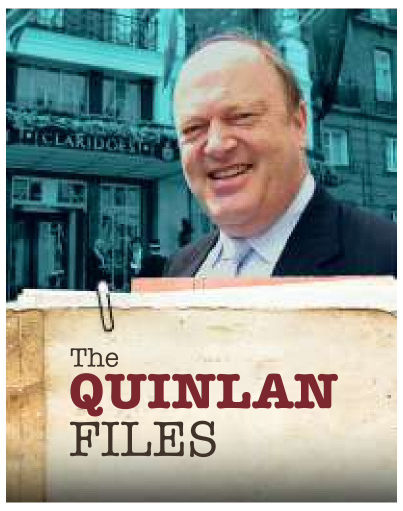
My remuneration 'was substantial': The interview transcript Derek Quinlan didn't want made public

Mark Paul

In October 2023, the Irish financier attended a meeting in London to discuss elements of his financial affairs with one of the trustees of his bankruptcy in the UK



It's just after lunch on October 2nd, 2023, at the offices of Begbies Traynor accountants, Canary Wharf, London. Bust Irish property tycoon Derek Quinlan (Quinlan) attends one of the most important meetings of his life.

It is a formal interview with one of his trustees in bankruptcy, Jacob Beake. He can seek a halt to Quinlan's discharge from bankruptcy if he is not satisfied with his answers to questions about his financial history. Beake has been examining Quinlan's affairs for eight months.

Quinlan is accompanied by his solicitor, Chris Keane. The following is an edited account of their exchanges from the official transcript. Quinlan later complained that the conversation was extremely sensitive and he feared it would become public.

Quinlan was approached by The Irish Times for comment on this transcript.

Quinlan tells Beake he was a tax inspector for six years before going out on his own as a chartered accountant in 1989. He later began assembling property consortiums.

Quinlan: Slowly I built the business, very slowly. It grew to a much bigger business over a period of time. I took my first partners in 1998, and then the business just . . . You know, Ireland Inc was in a good state at the time, and we just grew.

He discusses his role at property finance advisory firm Quinlan Private Capital. He is asked about his role as director between 2006 and 2009.

Quinlan: Namely being front of house. It was a big business then.
Beake: What was your remuneration?
Quinlan: I can't remember precisely, but it was substantial. It ran as a partnership.
Beake: What was the split in profit share?
Quinlan: I had the majority, but I can't remember precisely.
Beake: Do you recall what they [the profits he got] were?
Quinlan: I would've said £300,000 (€360,000) per month.

Quinlan tells Beake he moved into his house on Fulham Palace Road in London 12 months before. Previously, he lived in Monaco at Le Patio Palace and, before that, Le Simona. He says his wife Siobhán Quinlan paid the Monaco rent, which Nama once suggested could be €30,000 monthly.

Beake: How much is the rent on the Fulham Palace Road property?
Quinlan: About £105,000 per year. (Paid annually in advance.)
Beake: Who covers that rent?
Quinlan: Well, my wife has been.
Beake: Do you travel back to Monaco?
Quinlan: I haven't been since I left.
Beake: Do you travel anywhere else overseas?
Quinlan: Ireland. I don't think you would call that overseas.
Keane: It's overrated.
[laughter]

Quinlan is asked who covers his living expenses over and above his monthly pension of about £3,000.

Quinlan: My wife. All my money goes on living expenses, but you can't live on that with three children.
Beake: In terms of funding the children, their expenses. Is that your wife as well?
Quinlan: Yes. We've had help from a few friends. Some loans.
Beake: Are these loans formal or are they money you've agreed you would receive?
Quinlan: No. They're from people who are . . . I never thought we'd be in this situation.
Beake: So your wife's income, where does she generate her income from?
Quinlan: Well, she made some money a few years ago down south. Buying and selling property.
Beake: Which property?
Quinlan: Fibonacci Square. It's in Dublin 4.
Beake: When did she acquire the property?
Quinlan: 2015.
Beake: Where did the funds come from?

At this stage Quinlan's lawyer Chris Keane intervenes.

Keane: Jake, I'm going to have to stop you there. This is an interview of Derek's. Unless you can connect Derek to this property, these questions aren't appropriate to Derek.
Beake: Well this is what we are trying to identify. If he comes back and says, 'I didn't provide the funds for the acquisition of the property,' then we can move on.
Keane: Did you provide the funds for the acquisition of the property Derek?
Quinlan: No. I had no funds then.

Quinlan is asked about €317,000 he was due from Avestus Capital Partners that he had initially not told his bankruptcy administrators about.

Quinlan: I'd completely forgotten about it.
Beake: How did you become aware of it?
Quinlan: Because after my bankruptcy, [laughs], I was reminded that there was money there, but I'd completely forgotten about it.

Quinlan is asked about a declaration in his bankruptcy questionnaire that he gave property advisory services in France from May 2022 to July 2022.

Quinlan: I advised a Norwegian family on how to structure the purchase of a property.
Beake: How much remuneration did you receive?
Quinlan: I think £120,000.
Beake: Was it Ultima Management?
Quinlan: Yes, I think that's them.

Quinlan is asked about his interest in Coroin, the company behind the Maybourne hotel group. It was the scene of a battle for control between Paddy McKillen and the Barclay brothers who owned the Daily Telegraph. Quinlan says the Barclays' Ellerman Corporation took a charge over his Coroin shares, while the rest went to Nama.

Beake: Were Nama aware of the transaction with Ellerman? Did they rubber stamp it?
Quinlan: Yes.
Beake: What was the arrangement with Ellerman?
Quinlan: The Barclay brothers were helpful to the family for a few years. They supported us. They supported our living expenses.
Beake: Was the consideration for the charge the financial assistance they provided you?
Quinlan: Well, they said they needed my support. They thought they were going to be able to take control and they needed my support.

Quinlan's lawyer explains the Maybourne situation was also connected to a separate, highly complex legal battle over the Santander building in Madrid. Quinlan also had an interest in the Santander deal, where there was also a battle for control, this time between Robert Tchenguiz and the Reuben brothers. Quinlan ended up in the middle of separate rows between warring suitors for both the hotel group and the Santander asset.

Keane: You can't just look at that deal in isolation. There was an enormous pitch around the back of it where everyone was interplaying against each other, applying pressure.
Beake: The transaction with the Barclay Brothers as a result of that, what was agreed with them?
Quinlan: They said they would support the family, and that's what they did. But in reality we supported ourselves. They provided my wife with funds and me with funds. [But] they took control of a lot of our assets, my assets, and they sold them. They took over the debt.

The trustees wanted to know which assets. Keane later tells them they included "a shopping centre in Tullamore [and] a property in New York on East 64th Street". Keane says they were sold "years ago" and Quinlan no longer holds any records.

Beake: What happened to the sale proceeds?
Quinlan: They took it over. I didn't receive anything.
Beake: The Barclays brothers gave you a loan of €500,000 in November 2010. What was that for?
Quinlan: Living expenses.
Beake: There were other loans: in 2011, £1.86 million and another €500,000. Were they also for personal expenses?
Quinlan: Yes, yes. The Barclays [later] gave me a statement saying I owed them no money.
Beake: Were any assets acquired with those funds?
Quinlan: No.
Beake: Was all of that paid to you or was it paid to . . .?
Quinlan: It was paid to my wife.
Keane: Presumably you were nervous that Nama would snaffle everything.
Quinlan: Pardon?
Keane: Were you nervous that Nama would snaffle it if it was paid to you?
Quinlan: I see you have Nama down on the list.

A few moments later, Quinlan says the Coroin affair was eight years previously and it is hard to remember all the details.

Quinlan: Yes, and I have been very ill. I've been in intensive care. I've been dying.
Beake: Well, I'm sorry to hear that.
Quinlan: Yes, so last year I was dying twice.
Beake: Well if you think you can . . .
Quinlan: So, stress is not good for me.
Beake: Let's just touch on Nama. What was your overall relationship like with Nama?
Quinlan: I was very compliant with Nama.
Beake: What was their view? Were they satisfied that you were compliant with them?
Quinlan: I don't know, I did everything I was asked. I was apparently their biggest debtor.
Beake: Were there any assets they were seeking that weren't resolved as part of the settlement?
Quinlan: No, everything was sold and sold at the wrong time.
Keane: His paintings and everything.
Quinlan: It was terrible. It's not a very pleasant time.
Beake: Was it purely Nama's strategy as to just disposing of everything, a kind of fire sale?
Quinlan: Yes, the best real estate fire sale. I did pay them back €3.1 billion.
Beake: Do you recall discussing any settlement with Nama?
Quinlan: Well, Nama originally said to me in 2014, 'Answer these five questions and then we will let you out. We'll forgive what you owe.' I did all of that and then they said 'no'. Then in 2015 the government brought in an inquiry into the banking crisis in Ireland, and of course I was called. I had no choice. It was three hours in the parliament and Nama got on to me and said 'under no circumstances can you say anything negative', which I didn't. The politicians were dying for me to say something negative. I never said anything about them. Anyway, I'd prefer – and this is absolutely – Nama are not happy about me. They have kept me . . . I had to go bankrupt. So I'm not happy with them.
Keane: All the other big names, millions of listed debt forgiveness.
Quinlan: Hundreds of millions of debt. Not ten million. Hundreds.
Beake: They didn't even bring [debt forgiveness] as an option to you? Why do you think that was?
Keane: Because you were the biggest fish?
Quinlan: I don't know. Possibly because the first chairman of Nama [Frank Daly] was a former chairman of the Revenue. He was very unhappy that a former tax inspector like me was in the situation. I never met him. I never spoke to him. What was there to see?

■ Derek Quinlan: The financier attended a formal interview with one of his trustees in bankruptcy, Jacob Beake, who had been investigating Quinlan's affairs for months. PHOTOGRAPH: DARA MAC DÓNAILL

> **My tax affairs were complicated. As you know, I was a tax inspector – there were certain files we hated taking out because they were messy. And I would have been one of those**

Quinlan is asked about a €2.5 million tax rebate he got from Revenue in 2018, which he immediately transferred on to his wife. The trustees noticed it in bank statements they obtained. Quinlan had not told them about it.

Quinlan: I was due a refund. I had overpaid tax. It was from 2004.
Beake: Why hadn't they paid you it until 2018?
Quinlan: Because my tax affairs were complicated. As you know, I was a tax inspector – there were certain files we hated taking out because they were messy. And I would have been one of those. The Revenue just never dealt with it. It was a joint assessment with my wife.
Beake: Joint in what way?
Quinlan: We didn't have separate tax returns. We had the same tax return. I don't know what the situation is here. In Ireland you can have one return for the family.
Keane: What, for married couples?
Quinlan: You didn't even have to be married in Ireland.
Beake: Can it be anyone or . . .?
Quinlan: Well, obviously, sorry, you couldn't just pick a random stranger outside the station here and say, 'Would you do a tax return with me?' [But] the Revenue were very liberal in terms of their interpretation. So if you were living with somebody, you could certainly file a joint return.
Beake: You could offset gains and losses among the two of you?
Quinlan: Yes.
Beake: That's enormous . . . If you were doing really well in business, had lots of gains, you could just bring someone into your house who was making lots of losses.
Quinlan: No it wouldn't be quite as straightforward as that. They would probably know.
Beake: I have so many questions about the Irish tax system.

Quinlan is asked to confirm the number of his Aviva pension policy, as the company couldn't identify the number he had given the bankruptcy trustees. Beake asks him if he has a contact at Aviva.

Quinlan: Good luck. My Aviva payments stopped this year because when I went bankrupt, when Barclays found out, they closed my account. I wasn't told. And I contacted Aviva and said I can't get my money, it has to go to another account. It took four months to get paid. So, best of luck. By the way, when you ring up, you'll speak to some nice lady or gentleman on the other side of the world.

Quinlan is asked who has been paying his legal bills.

Quinlan: A friend.
Beake: Who was the friend?
Quinlan: It was a friend in New York.
Beake: Why was he or she contributing?
Quinlan: He was helpful.
Beake: What was their name?
Quinlan: Do I have to say?
Keane: Can I take instructions on that point? There might be a commercial sensitivity.
Quinlan: There might be a political sensitivity. The person in America would have very significant regulations. My friend is very connected politically.

Quinlan is then asked about a slew of historical property deals he was involved in, and also who his various advisers were throughout the years. The interview draws to a close.

Beake: The time is quarter past five and I'll terminate the interview.

Seven weeks later, Beake and the Official Receiver ask a judge to suspend Quinlan's discharge from bankruptcy because he is "not co-operating in any meaningful way".

Tech firms lead decline in European stocks

Markets report

LAURA SLATTERY

Europe's main stock index fell 1 per cent to its lowest in over a month yesterday, as technology stocks led a broader market decline in the aftermath of disappointing corporate earnings and some key economic data.

Benchmark indices on the big regional bourses including those of Germany, France, Spain and Italy dropped 0.7 per cent to 1.2 per cent.

DUBLIN

The Iseq slid 0.8 per cent in line with the weak performance across most European markets.

Bank of Ireland was the key faller, declining 2.8 per cent to €8.49 despite issuing a solid trading update. Investors were concerned about its interest income in 2025 as the ECB cuts rates and potential costs stemming from an ongoing regulatory investigation into the UK car finance industry.

AIB ended 1.3 per cent lower at €4.83. **Kerry Group** was also in the red, finishing down 1.2 per cent at €93.30, while **Ryanair** dropped 0.7 per cent to close at €17.56.

Insulation-maker **Kingspan Group** was among the climbers, adding 0.6 per cent to finish at €80.80, while **Cairn Homes** rose 0.5 per cent to €2.19.

LONDON

The FTSE 100 fell 0.7 per cent with the blue-chip index weighed down by pharma giants **AstraZeneca** and **GSK**. But mid-cap stocks got a lift notwithstanding a £40 billion (€48 billion) tax-raising package in the UK budget.

The domestically focused FTSE 250 rose 0.3 per cent as market players deemed the new Labour government's first budget to be less punitive on businesses than many had previously feared.

Pub stocks enjoyed a lift after chancellor of the exchequer Rachel Reeves announced a cut to duties on alcoholic drinks in pubs, and extended England's business rates relief for retail and hospitality.

But AstraZeneca fell 2.8 per cent after the pharma giant said its China president is under investigation and is co-operating with Chinese authorities. GSK dropped 3 per cent after it warned that its vaccine sales would fall this year, after weaker-than-expected sales for its respiratory syncytial virus (RSV) and shingles vaccines in the third quarter.

Spirits maker **Diageo** fell 2.6 per cent after its Italian peer Campari tumbled.

EUROPE

The pan-European Stoxx 600 closed 1.3 per cent lower, having hit its lowest level since mid-September during the day, and is on track for its worst monthly performance in a year.

The tech sector, which includes chipmakers, fell over 2 per cent, with analysts noting negative sector-wide implications from downbeat forecasts by Belgium's largest semiconductor-supplier **Melexis** and two US chip companies.

Shares in French IT consulting group **Capgemini** fell 6 per cent after it cut its 2024 revenue forecast for the second time this year.

Campari slumped 19 per cent after the Italian spirits group significantly missed third-quarter earnings expectations.

NEW YORK

Wall Street stocks advanced in the first hours of trading, with the tech-heavy Nasdaq rising to a record high as investors assessed corporate earnings as well as data showing the economy maintained a steady pace of growth in the third quarter.

Google parent **Alphabet** soared 5.4 per cent after it beat expectations for third-quarter revenue and profit on the strength of its cloud business and YouTube ad sales.

Chip stocks tumbled, weighed by dour forecasts from Advanced **Micro Devices** and **Qorvo**, which lost 9.6 per cent and 27 per cent respectively. – Additional reporting: Reuters

MARKETS DATA

Data provided by MORNING STAR

Dublin closing prices main market

Company	Close €	Change €	12mth High	12mth Low	+P/E Ratio	+Div Yield	Mkt Cap (€m)	Vol Traded (000s)
AIB Group	4.83	-0.06	5.60	3.63	10.21	-	11386	10976.6
Bank of Irl Grp	8.49	-0.24	10.80	7.73	13.23	-	8770	3056.8
Cairn Homes	2.19	0.01	2.23	1.09	-726.67	-	1370	3316.7
Dalata Hotel	4.22	-0.01	5.08	3.86	22.32	-	915	6837.2
Datalex	0.33	0.00	0.66	0.32	-	-	62.09	89.00
FBD	12.40	-0.20	14.35	10.80	48.46	-	514	0.1
Glanbia	15.59	-0.16	19.20	14.53	22.02	0.80	4097	409.2
Glenveagh	1.58	-0.02	1.66	0.90	-	-	916	1179.8
Hostelworld	1.70	0.15	2.00	1.20	170.00	4.44	212	100
Irish Contin'l	5.38	-0.02	6.00	4.27	17.36	2.08	923	131.5
Irish Res Prop REIT	0.87	0.01	1.19	0.84	7.68	3.66	455	1717.3
Kenmare	4.24	0.00	4.82	3.38	-16.01	-	378	20.0
Kerry	93.30	-1.10	95.60	71.36	31.26	0.55	16051	346.3
Kingspan	80.80	0.45	92.15	62.06	56.74	0.34	14613	375.4
Molten Ventures	4.58	-0.20	4.96	2.60	4.01	-	604	-
Permanent TSB	1.52	-0.02	1.93	1.28	-2.54	-	840	179.0
Ryanair	17.56	-0.12	21.80	13.41	16.89	-	19315	2634.0
Uniphar	2.33	0.03	3.00	1.98	-	-	634.76	653.6

§ Stock trades mainly in London - price changes only on Dublin trades.

Euronext Growth Closing Prices

Company	Close €	Change €	12mth High	12mth Low	+P/E Ratio	+Div Yield	Mkt Cap (€m)	Vol Traded (000s)
Donegal Investment	16.50	0.00	18.00	15.70	46.61	0.97	25.07	13.00
FD Technologies	19.20	0.10	19.20	11.90	47.50	1.10	588	541
Great Western	0.00	0.00	0.00	0.00	-0.50	-	4.173	2.00
Greencoat	0.91	0.03	1.02	0.82	-	-	1.01	1.28
HVIVO PLC	0.31	-0.01	0.36	0.23	-27.19	-	233	-
Malin Corp	5.70	-0.10	6.50	3.84	-2.74	-	112	0.0
Mincon	0.44	0.00	0.66	0.38	10.05	4.55	93.48	2.1
Origin Enterprises	3.19	0.04	3.64	2.73	6.88	7.65	349	69.0
Ovoca Bio	0.02	0.00	0.03	0.01	-1.78	-	1.769	30.0
Petroneft	0.00	0.00	0.01	0.00	-0.07	-	-	-

Irish companies quoted in London

	Price	Change		Price	Change
Aminex	p1.35	-0.02	Grafton	p1043.20	43.70
Bank of Irl Grp	€8.45	-0.44	Greeencore	p213.00	-0.50
C&C	p152.40	-2.40	Kainos Group	p855.00	-11.00
Cairn Homes	p183.80	3.60	Kenmare	p352.50	1.50
CRH	p7390.00	176.00	Kerry	€93.15	3.15
Dalata Hotel	p349.00	6.00	Smurfit Kappa	p3656.00	124.00
DCC	p5040.00	-10.00	Tullow	p24.26	1.06
Glenveagh	€1.63	-	Uniphar	p192.50	-0.50
			United Oil & Gas	p0.14	0.01

AIM companies of Irish interest

	Price	Change		Price	Change
Arkle Resources	0.25	-	Karelian Diamond	1.55	-0.05
Botswana Diamonds	0.28	-	Origin Enterprises	3.20	-
Clontarf Energy	0.04	0.00	Ovoca Bio	1.65	-
Conroy Gold & Nat Res	4.75	-	Petrel Res	0.70	-0.03
EQTEC	0.73	-	Petroneft Resources	0.09	-
FD Technologies	1738.00	-8.00	Roebuck Food	16.80	-
Gt West Mining	0.03	0.00	San Leon Energy	16.50	1.50