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THE ATTACHED TRANSCRIPT WAS TYPED FROM A RECORDING AND NOT COPIED FROM AN ORIGINAL SCRIPT. BECAUSE OF THE RISK OF MISHEARING AND THE DIFFICULTY IN SOME CASES OF IDENTIFYING INDIVIDUAL SPEAKERS, THE BBC CANNOT VOUCH FOR ITS COMPLETE ACCURACY.

“FILE ON 4”

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ABRAMS: The major political parties have had to come to terms with intense scrutiny of their finances. But now the spotlight's turned on one of their smaller rivals, the British National Party.

ACTUALITY AT MEETING

MAN: Okay gentlemen, ladies, we're here to launch a major document – ‘Rebuilding British Democracy’, the first of its type for round about six years ...

ABRAMS: The BNP claims to be the fourth party in England, with 45 local councillors - and this Spring they're targeting the London Assembly. But they've been criticised over their financial activities.

ACTUALITY AT MEETING

CRUDDAS: I want to use this debate to make a number of points regarding the apparent illegal activity and financial irregularities in the internal operations of the British National Party ...

ABRAMS: The allegations by the Dagenham MP, Jon Cruddas, were dismissed by the party as slurs. But a File on 4 investigation, using testimony from former key figures in the party, has raised a series of questions.

Tonight we reveal how its leader, Nick Griffin, repeatedly raised funds in America, and how the party received major UK donations it never declared. And we've recovered a large quantity of BNP financial records that have been shredded. They denied these documents even existed - until we confronted their treasurer with them.

Would you like to see some copies of that material? This is a sample of the shredded material and you will see ...

WALKER: Really? How intriguing ...

ABRAMS: Receipts, cheques, financial records. There's clearly a wide range of different types of financial material.

WALKER: Obviously what you've got in front of me here is clearly very weak evidence and the BBC is clutching at straws here.

SIGNATURE TUNE

ACTUALITY AT MEETING

COTTERIL: Nick and Jackie have come over for a week here. They've paid their own fare here. At the meetings we've been going to, we've had a meeting in Richmond and a meeting in Arlington, we've been collecting some money to help pay ...

ABRAMS: This is Mark Cotteril, a founder member of the BNP, raising money in America.

COTTERIL: ... when I came in with \$50 here, I'm going to put that there. If anybody else can match \$50, one person to start off and put \$50 in. Thank you very much [applause]. Okay, can anybody match that \$50? Put your hand up high ...

ABRAMS: Mr Cotteril set up the American Friends of the BNP, a sister organisation that aimed to exploit what it saw as a deep well of potential financial support.

COTTERIL: We were looking at how Friends of Sinn Fein ran their operation out of DC and we saw that they were tapping in to quite a market over there, and I realised and Nick Griffin realised there was also a lot of people in America whose descendants went back to England, Scotland, Wales, Ulster, but there was nothing at the moment for those people, so we came up with American Friends of the British National Party.

ABRAMS: You mention Sinn Fein. Their operations were largely fundraising, weren't they? Was the American Friends of the BNP set up as a fundraising operation?

COTTERIL: It was, it was set up as a fundraiser. One of the roles of the AFBNP was to direct and help people in the USA to give money to the BNP. We could show them the website and then point to them how they could donate with a Visa or Mastercard or, if they needed to send a cheque, we may be able to help them convert that.

ABRAMS: Nick Griffin was an occasional star turn at these events.

EXTRACT FROM VIDEO, NICK GRIFFIN SPEAKS TO THE AFBNP

GRIFFIN: So South Africa was wrong, trying to have all the best for white society, but at the same time the blacks can do the dirty jobs. It was wrong, it was immoral and it was shortsighted. But nevertheless, at least it was white, a white-run Government, and every single leftist in the whole world ...

COTTERIL: This is a video of a meeting and Nick Griffin is making quite a long speech to local AFBNP supporters and other supporters of the American right wing.

GRIFFIN: ... for the North American continent as well, for a white race for all times [Applause]. This revolution is for export.

ABRAMS: But a problem arose over these fundraising activities. In England a new electoral law had been passed which banned foreign donations over £200. But Mr Cotteril thought he'd found a way he could continue to operate.

COTTERIL: In those early years, the electoral people down in London decided on the figure of £200: if you weren't a citizen of the UK and on the electoral roll you could only donate £200. What they did not say in those early days is how often you could donate that £200. When I asked them many times how often somebody could donate that, they couldn't give me an answer, because they didn't know themselves.

ABRAMS: So you exploited that loophole?

COTTERIL: I don't think I exploited that loophole, because there was many other parties doing that at that time.

ABRAMS: But if the BNP accepted repeated small foreign donations, it was breaking the law. The advice from the Electoral Commission, which was published at the time, was clear.

READER IN STUDIO: Your party should be aware of any unusual donations, for example, numerous electronic transfers of £199. In such cases, your party will need to be satisfied that these donations are not intended to evade the controls. It is a criminal offence for anyone to knowingly evade the restrictions on donations.

ABRAMS: Although the Commission never took action against Mr Cotteril or American Friends of the BNP, the American authorities did. They forced him to register as a foreign agent and eventually excluded him from the country. But that hasn't stopped Nick Griffin raising money in the States. He's found another way of doing it, which he's sure is legal.

GRIFFIN: ... or if your circumstances are such, perhaps you're a millionaire living fifteen miles from anybody else on some giant ranch, okay, well, please throw money at the British National Party. Actually you can't throw money at the British National Party, quite seriously, it's against the law, but you can throw money at a group called Civil Liberty, which helps members of the British National Party, and that's within the law. It's bizarre, but there you are, the law is an ass.

ABRAMS: That was Nick Griffin, speaking in New Orleans at a conference organised by a former leader of the Ku Klux Klan. The organisation for which he's raising money, Civil Liberty, isn't officially part of the BNP. It raises court costs for people who've lost their jobs because of their right-wing views. But appeals for cash have become a feature of Mr Griffin's trips to the States. Adrian Davies is a barrister who's often represented members of the BNP. At a conference organised by another American right wing organisation, he saw supporters virtually queuing up to give money to the BNP leader.

DAVIES: I attended the American Renaissance Conference in Washington DC in February 2006. Mr Griffin was one of the speakers; he gave rather a good speech. Mr Griffin's friends distributed a good deal of literature for Civil Liberty at the conference, and after his speech, numbers of those attending, who were obviously impressed with the speech, proceeded to give Mr Griffin substantial cash donations. They positively pressed them upon him, I don't think he needed to work the audience at all; on the contrary, people would come up to him and hand over the readies.

ABRAMS: What did you see Mr Griffin do with the money?

DAVIES: Well, I'm not going to say he put it in his pocket in any pejorative sense. He collected the money and I don't doubt he accounted for it in due course.

ABRAMS: People who donate money to Civil Liberty receive a letter from its treasurer, Kenny Smith, thanking them for their help with its valuable work. But the letter doesn't say that until very recently he was the BNP's head of administration. Nor does it say that Civil Liberty's founder, Kevin Scott, was the BNP's North East

ABRAMS cont: regional organiser. Or that the group's address, a PO Box in Newcastle, is the same address as the North East region of the BNP. According to Mr Smith these fundraising activities are perfectly legal.

SMITH: Civil Liberty is not involved in the electoral process, it's not a third party connected to the British National Party. Anybody standing up for the civil rights of British people will get help from Civil Liberty if we can afford it.

ABRAMS: There would certainly be criticisms, wouldn't there, that Civil Liberty is, in effect, a front organisation, that it provides money for members of the British National Party?

SMITH: Yes, but we are an independent organisation. We could be members of lots of other societies, the British Legion or whatever, and that doesn't mean that the British Legion is connected to the British National Party.

ABRAMS: Who are the people that you have supported who aren't BNP members, which court cases are they?

SMITH: Er, off the top of my head, I'm not entirely sure. There have been some smaller cases down south that I haven't been involved in, but I couldn't name them off the top of my head.

ABRAMS: So you can't name any names of anyone who wasn't a BNP member?

SMITH: No, no.

ABRAMS: Whatever the truth about Civil Liberty, the BNP has certainly been working hard to change its image. Under Nick Griffin it's been keen to present itself as a modern, professional political party. It's even been experimenting with some very up-to-date business ventures.

BLAKE: The BNP is a household name. It's actually a brand, and for a long time we've been trying various ways on how we can financially benefit as a party on that brand identity.

ABRAMS: Until very recently Steve Blake was the party's web editor. One of his roles was to find new ways of making money.

BLAKE: And one of the ideas I came up with in 2006 was that we could persuade our members and supporters to take out life insurance policies, the party would get a small commission from every life insurance policy taken out, and if any individual wished to name the party as a beneficiary then the party would make a substantial amount of money. About 1% of the party's membership will actually die in any calendar year. If eighty people die a year, well if only 25% of them actually had a life insurance policy where the BNP was named as a beneficiary, we are talking about several million pounds a year.

ABRAMS: The result was a company called Albion Life. Soon it was offering its wares on the internet.

GABLE: Well I saw Albion Life advertising on the BNP's website and I contacted Albion Life by email and said to them, 'Can I get the BNP to benefit before I die, because that might be a long while,' and they said, 'Yes, there is a commission.' Well, the website for Albion Life didn't actually mention this commission.

ABRAMS: Sonia Gable, a financial researcher with the anti-racist organisation Searchlight, has been investigating Albion Life. She believes it broke the rules, which require anyone offering financial advice to be registered with the Financial Services Authority.

GABLE: Albion Life's website did say that all they're doing is introducing clients to a broker. But the online application form for customers to complete said that 'our sales team will then take your details and find you the best policy for the monthly premium you've selected.' Those statements I felt they were a lot more than merely introducing.

ABRAMS: And was it registered?

GABLE: Albion Life was not registered.

ABRAMS: Albion Life was working in partnership with a registered insurance broker in Wales. And it collapsed after he pulled out. But its founder, Steve Blake, insists its activities were quite legal.
What's your experience in these industries?

BLAKE: Anyone who's got the common sense can speak with an insurance broker and find out what information he needs. It's no different to acting as an introducer to any other professional entity, whether it's an electrician or whether it's an installer for double glazing. All I was doing was acting as an introducer.

ABRAMS: And it does seem a bit extraordinary though, doesn't it, that a political party would be indulging in a life insurance operation for which it wasn't even qualified?

BLAKE: No, no. This was a perfectly lawful operation conducted by myself as an individual, acting with a registered broker, and I pledged that all money generated from this operation would go to the British National Party. It was up to individuals who took out life insurance policies who they named as beneficiaries. So you might think it's extraordinary, but the BNP has to be quite imaginative in the way it raises funds

ABRAMS: Would you say then that you maybe slipped up with Albion Life?

BLAKE: No we didn't, sorry, there was never a case of slipping up. The only pitfall was that we couldn't find someone who was prepared to work with us because of the association with the British National party.

ABRAMS: Mr Blake says the party hardly made any money out of the scheme. The FSA did advise him he needed to change the wording on his website, but it never took any action against Albion Life. And while the party's external fundraising has raised questions, there's even more concern about some of its internal financial activities.

EXTRACT FROM NEWS

GRIFFIN: I'm facing a charge which says the truth is no defence, so I told the truth. There's a possibility I'll be found guilty. I'm facing ...

ABRAMS: In 2005, a BBC investigation led to charges of incitement to racial hatred against Nick Griffin and one of his BNP colleagues – charges of which they were later acquitted. At the same time the party was running a deficit of £95,000. Its auditors commented there was doubt about its ability to continue as a going concern. During 2006, its treasurer had an idea. He asked Sadie Graham, who worked for the party as Group Development Officer, to come off the payroll.

GRAHAM: I was paid full time on a salary, they were paying my tax, PAYE, everything, from the day I was employed up until 31st October of 2006. I was then told that I had to go self employed, didn't have a choice.

ABRAMS: Why was that?

GRAHAM: Because of the tax bill, the party's tax bill, they couldn't afford the tax bill for all the employees they had, because all I can assume was that the accounts weren't managed correctly so that the money wasn't set aside each month to pay the tax for the employees, and then when the tax bill finally came, the party didn't have the money to pay a hefty tax bill. And I was told that it wouldn't really affect me. At the end of day I'd still get my money going into my account, direct debit every month, it'd just mean that at the end of the tax year I'd have to submit my own tax return, and I was in receipt of holiday pay.

ABRAMS: Is that legal when you're working full time for the party and they were paying you into your bank and you'd already been an employee?

GRAHAM: Well I wasn't aware that it was illegal at the time, but I've since been told by my solicitor that it isn't actually legal.

ABRAMS: I suppose some people might say it was your responsibility to make sure that you did stay within the law, you were the person who was filing your accounts to the tax man.

GRAHAM: As far as I was concerned, it was the party's responsibility. I have been paying tax, so I haven't gone outside of the law at all. It wasn't given to me as an option at all.

ABRAMS: She wasn't alone. Kenny Smith, then Head of Administration, told us he too had been forced to come off PAYE.

SMITH: We were basically given Hobson's Choice. We were told, you know, you need to go self employed and we're going to have to cut the staff.

ABRAMS: After you went self employed, were you invoicing or were you still being paid directly just into your bank account?

SMITH: The same situation applied. We were still paid directly into the bank account. We were never ever asked for any of the invoices.

ABRAMS: So you were just really paid automatically?

SMITH: Paid automatically and the BNP was effectively my only client, so I think what they were doing was not strictly by the book, if you ask my opinion. We were forced to go self employed and we had no choice in it.

ABRAMS: The tactic seems to have worked - during 2006 the party managed to halve its £36,000 bill for unpaid tax. But the rules on income tax are quite clear - if the employee works set hours for set money and is paid by the month, the employer must handle the tax. The party's treasurer, John Walker, admits it's had difficulty paying its bills. But he denies doing anything illegal.

WALKER: Yes indeed, there was lateness in the payment of taxes. However, that's not unusual for small companies and organisations to struggle financially at the year end, and sometimes yes, you do pay the taxman as late as possible.

ABRAMS: Two of your former employees, Sadie Graham and Kenny Smith, have told us that in 2006, after being on payroll, paying PAYE, they were asked to come off it to save the party money. Is that correct?

WALKER: No certainly not. They were not forced to come off; it was an internal decision and entirely a matter between us and them. And I'm really not at liberty to discuss the cases of private individuals and their remuneration, it wouldn't be appropriate.

ABRAMS: You would have been aware, I presume, that that was breaking the law.

WALKER: It was not breaking the law, no.

ABRAMS: We've been told by more than one tax expert that you will probably face charges, penalties and back tax bills because you have actually broken the rules.

WALKER: As I say, if that situation arose then I would have to look at that situation. But, you know, for you to ask me to surmise now, I feel that's unfair.

ABRAMS: The two people who were told to come off the payroll were both sacked in December 2007 after facing allegations of disloyalty. There'd been growing internal criticism of the party's leadership. Sadie Graham, who was a member of its Central Advisory Council, says some of her problems were related to questions she'd asked about financial management.

You were a member of the advisory council, which of course is the senior ruling body within the party. Did you ask to see details that would have verified whether things were being run properly?

GRAHAM: Yes we did on numerous occasions. When we did have advisory council meetings we would ask to see copies of accounts. At every meeting Treasury were supposed to have accounts there, presentable to people, but not at every advisory council they were there.

ABRAMS: How often did you see them?

GRAHAM: As far as I can recall I've seen them once, and we weren't actually allowed to see them, they were read out to us. We weren't actually allowed to take copies or take them away. They were read out to us rather quickly, a lot of things didn't make sense to us. We weren't able to question it because it was the Treasury department and Treasury department were always considered higher up the internal food chain. Never ever was I handed a copy of accounts, no.

ABRAMS: Despite these internal concerns about the transparency of the party's finances, it does have to make a whole range of information available to the public - via the Electoral Commission. However, we've seen evidence raising questions about that, too.

ACTUALITY ON STEPS OF COURT

GRIFFIN: This evening millions of people in Britain will be holding their heads a little higher, walking a little taller and telling the truth the way they want to tell it. This is a tremendous victory ...

ABRAMS: In February 2006 Nick Griffin was cleared of charges of incitement to racial hatred. He was jubilant – and he said the publicity had brought an added bonus.

GRIFFIN: This has given us the largest wave of donations in the history of the party, the best publicity in the history of the party, and if the Crown Prosecution Service feel they must continue to persecute us simply for telling the truth, then we'll see them in court.

ABRAMS: Mr Griffin went on to tell the waiting press that the party had just received its biggest ever single donation - £20,000. Sharon Ebanks, a BNP member who went to the court to support Mr Griffin, had been busy fundraising - so she was pleased when she received a personal thank you.

EBANKS: I'd gone into the cafeteria at Leeds Crown Court, because it was absolutely freezing outside, I'd gone in for a cup of tea, and I was approached by David Hannam, who thanked me very much, that they'd just received a donation of £20,000.

ABRAMS: This is the deputy treasurer of the party?

EBANKS: That's correct. That they had just received this donation of £20,000 and it had come in due to my internet activity. I used to spam forums around the website, begging for money basically for the British National Party and leaving links. Apparently this gentleman, they didn't state his name, but this gentleman had donated £20,000. It was a cheque, and that this man was to be made an honorary lifetime member.

ABRAMS: Under electoral law the names of all donors who give more than £5,000 to a political party must be made public via the Electoral Commission – if the cheque was valid, it should have been declared. The party was recently pulled up by the Electoral Commission for failing to register a £5,000 cheque. But its Treasurer, John Walker, says that was an isolated incident.

WALKER: There was one case where there was a single donation of the third quarter of 2007. It was missed. There was clearly no attempt to conceal the donation and the Commission contacted me and pointed me out that it hadn't been declared. I made an internal investigation. It amounted to just over £5,000. One single donation to one of our London branches.

ABRAMS: But there have been other occasions, haven't there? I'd just like to read you a quote from Nick Griffin, standing on the steps of Leeds Crown Court in February 2006. 'This case has brought us more donations than ever before, including one of £20,000, the biggest in our history.' What happened to that? That was never registered, was it?

WALKER: Yes, it's a slightly amusing one. We did indeed receive a cheque for £20,000. It turned out to be bogus. It actually bounced. I can provide a copy of the cheque and the bounced statement for that, no problem at all.

ABRAMS: Despite this offer, Mr Walker wasn't able to produce the cheque. He said his deputy was the only person with access to the filing system - and he'd gone away. File on 4's discovered other issues that raise questions about the way the BNP declares its donations.

ACTUALITY WITH COMPUTER

ABRAMS: This is the Electoral Commission website, and if I click here on 'register of donations to political parties' I can search for all the major donations given to the British National Party over the last few years. And what it shows is quite interesting. Here's 2004 and during that year there are great big long lists of donations. There are in total thirty-six large donations that year and they add up to more than £85,000. But if you look at 2005, when Nick Griffin was facing those race hate charges, there's a few in the early part of the year, there's one here in July from Catherine Craig, and then nothing till October 2006. Since then there've only been two major donors named - and they had to be reminded about one of those.

MAKIN: I know next to nothing about the British National Party and I've absolutely no axe to grind in any direction, but there are things which I find odd.

ABRAMS: Chris Makin's a forensic accountant. We asked him to look at the BNP's accounts for us, and he was puzzled by some of what he found.

MAKIN: We do get a heading in the account which is 'meeting collections' and that's £80,000. But then there's another for the year which is 'donation income - other' - in other words, by definition, not at meetings, and that is a little over £62,000, and I just question how that £62,000 has been arrived at, because £62,000 is a surprisingly high amount to be other unspecified.

ABRAMS: You would expect more of those to be in the category where they would need to be declared?

MAKIN: Exactly, exactly so yes. It is surprising.

ABRAMS: John Walker, the party's Treasurer, doesn't think it's significant.

During a period of fifteen months, you never registered a single donation of over £5,000.

WALKER: Absolutely correct, but this shows the BBC's misunderstanding of the way the Electoral law works. The average donation to the British National Party is about £25, we don't have to declare any of those donations on the quarterly returns.

ABRAMS: It looks odd, though, doesn't it, when you look at the Electoral Commission register during 2004, you registered a whole list of large donations and then you have a period of fifteen months when you have the biggest publicity you've ever had, your chairman is standing on the steps of the court building saying that you've had huge amounts of donations coming in, and there isn't a single one that you feel it's necessary to register.

WALKER: No, quite simply because they were all under the £5,000 reportable threshold. And I find it incredible that we come under such close scrutiny when we've seen the high level corruption within the parties of Government. And I think for the BBC to drag the National Treasurer of a small political party like the BNP in to face questioning like this, hostile questioning, I find it absolutely incredible.

ABRAMS: There were other things that concerned our forensic accountant, Chris Makin. He noted not all the party's expenditure was properly recorded. And he said it was doing too many of its transactions in cash.

MAKIN: There's a significant amount of petty cash each year. At the end of 2006 it was almost £11,000, it had been almost £14,000 the year before that, so it's quite a sizeable sum. And the Treasurer explains that - and I quote 'a considerable amount of expenditure was paid for by cash, which because of the nature of cash transactions was not subject to such strict control as cheque expenditure and was not always recorded'. Now that, I'm sorry to say, is really quite disappointing. The auditor draws reference to that and says that he has to rely on assurances from the Treasurer that transactions have been carried out properly, and what he's saying in using those words is 'I as auditor cannot be sure that transactions have been carried out and recorded properly'.

ABRAMS: Is there ever an excuse for an organisation which has to produce audited accounts not recording its expenditure?

MAKIN: I don't think there is, I really can't see it. You assume they're honest, how can you be sure that they are? It just doesn't seem that the managing of finances is rigorous enough for a political party.

ABRAMS: Again the party's Treasurer, John Walker, doesn't feel there's been any serious impropriety.

WALKER: Sometimes, for reasons of flexibility, the chairman and other officials need to have spending power when they're out in the field that cannot, for practical reasons, be monitored by the National Treasurer for every single cheque and every single penny that comes out of those accounts. However I ..

ABRAMS: That's what the law says, isn't it? And of course there has been an issue with this which has been mentioned by the auditors with large amounts of cash being spent and not accounted for.

WALKER: Well there's been no large amounts of cash that haven't been accounted for.

ABRAMS: There is cash not accounted for. That's mentioned in the accounts.

WALKER: There is a lack of receipts for expenditure. However, I'm confident that the expenditure has been correct and there's been nothing within those small parts of the accounts that have given me any cause for concern.

ABRAMS: How can you be sure if you can't see the receipts?

WALKER: It's quite simple. You can see patterns emerging. If there was such a major problem as you're implying, Fran, the auditor would have refused to sign these accounts off.

ABRAMS: Whatever the truth about the accuracy of the accounts, last month the BNP was fined £1,000 for filing them late.

ACTUALITY AT WATERTON PARK

ABRAMS: The BNP does have one fundraising arm which in financial terms has been an unqualified success. It's called the Trafalgar Club and its members meet once a year for a dinner to celebrate the anniversary of the battle. In 2006 they came here, to the plush Waterton Park Country House Hotel near Wakefield.

CASS: All the raffle prizes, to try and keep to the point, the first prize was a picture of Nelson which was hand painted. The second prize was a bottle of Nelson's favourite drink, rum.

ABRAMS: Nick Cass was a regional organiser and he was in charge of the Trafalgar Club dinner at the Waterton Park. He admits the club's a way for BNP sympathisers to give money without their identities being made public.

CASS: There were some people there who have got a lot of money and that's the way they donate, rather than be involved politically or as a member. Unfortunately for our party, a lot of these people that are in there are successful business people and professionals, but because of the political climate in this country, and how people are persecuted for their political beliefs, and it's impossible for them to come out and just donate money to us as they would in a conventional way to other parties.

ABRAMS: But the party's two previous treasurers have both complained about the way the Trafalgar Club operated. One of them, John Brayshaw, refused to sign off the party's accounts because he wasn't given access to all the records he wanted to see. He wouldn't be interviewed because he feared repercussions. But we've seen a letter he wrote to the Electoral Commission in 2005. In it, he claimed he'd seen serious offences being committed.

READER IN STUDIO: I resigned as Treasurer of the BNP as a number of irregularities had come to light, including missing invoices and receipts from the Trafalgar Club. Mr John Walker and Mr David Hannam visited my home for a week to complete the accounts. I did not assist them but did witness some unusual activities, namely the shredding of a large number of documents and invoices. I have not seen what the party sent to the Commission, but do not believe it is a full and accurate set of accounts for the BNP. Mr Walker instructed me to burn the shredded documents after he left my home.

ABRAMS: Under the tax regulations, all financial records must be kept for a minimum of six years. But the Electoral Commission didn't share Mr Brayshaw's sense of alarm. It took just two weeks to dismiss the matter - without even asking to see his evidence. Its response to him was blunt:

READER IN STUDIO: With regard to a breach of the Political Parties, Elections and Referendums Act, we currently have no reason to believe that such a breach has taken place.

ABRAMS: We wanted to ask the Commission how it made this judgement in such a short time without even meeting Mr Brayshaw. It agreed to an interview but later changed its mind. In a statement, it said it said its officials did meet the former Treasurer – after he'd approached them again - to discuss the issue.

READER IN STUDIO: Additional evidence was submitted after our response. After discussions with the police and examination of the material submitted, we decided that there was insufficient evidence.

ABRAMS: But there is solid evidence. Mr Brayshaw never burned those documents as he'd been told to do. He kept them, because he felt sure something improper had taken place. And now we've tracked them down.

ACTUALITY WITH MATERIAL

ABRAMS: Well this is the shredded material that John Brayshaw was talking about. It's a huge bin bag full of pieces of paper, and if you look closely, I'm pulling out handfuls of this stuff now. There's all sorts in here, you can see quite clearly some of these are petrol receipts, bits of cheques, there's names of key officials such as Nick Griffin, and the Trafalgar Club.

It's odd that that we've managed to recover this material. Because six weeks ago, John Walker, the BNP's Treasurer, dismissed Mr Brayshaw's allegations as 'pure fantasy.' He said everything was held on computer, so nothing could have been shredded.

Is it true that you personally went to the home of your predecessor and shredded a large quantity of financial material?

WALKER: That's a lie.

ABRAMS: John Brayshaw made a serious allegation to the Electoral Commission. He says that you and your deputy spent a week at his house, you brought with you financial records and invoices that he hadn't been allowed to see, and that at the end of that week you shredded the whole of that material.

WALKER: No, that's a lie. All the invoices were held by John Brayshaw. We turned up with nothing because he had failed to make the books balance and we had to make a set of accounts out of the mess that he left them in. Draft accounts that may have errors and dates and things like that, because you're trying to reconcile the accounts. Of course you shred documents, it's quite natural to shred documents. But for Mr Brayshaw

ABRAMS: You said that this was total fantasy, that nothing was held on paper, it was all on computer and that therefore it would be impossible to shred financial records. Are you now saying that that wasn't true?

WALKER: No. When I say financial records, I mean the actual original accounting documents. To anyone's common sense that would mean shredding a bank statement, which clearly I wasn't speaking about that.

ABRAMS: Or cheques or invoices?

WALKER: No, certainly not.

ABRAMS: Would you like to see some copies of that material? This is a sample of the shredded material that John Brayshaw has kept.

WALKER: Good Lord.

ABRAMS: And you will see, if you look carefully, and I can show you because we've some repaired some documents here ...

WALKER: Really? How intriguing.

ABRAMS: Receipts, financial records, including the names of senior party members such as Nick Griffin, such as Mr Griffin's parents, there's material here from the Trafalgar Club.

WALKER: These are small parts of working copies of printouts of the accounts ...

ABRAMS: These are not printouts, these are cheques, for example, aren't they? These are receipts.

WALKER: As regards a cheque that's been shredded, I have no way of knowing who shredded that cheque. And you do get a large amount of bounced cheques and stop payment cheques, and really once they're scanned into the system, there's no real need to keep copies of the originals.

ABRAMS: Well there is a need to keep copies of all your financial records for six years, isn't there?

WALKER: Yes, I can see these are just working printouts ...

ABRAMS: These are receipts. Look, there's a petrol receipt here which failed to be shredded. There's clearly a wide range of different types of financial material here, isn't there?

WALKER: Obviously your listeners can't see what you've got in front of me, but what you've got in front of me here is clearly very weak evidence and the BBC is clutching at straws here.

ABRAMS: But the questions for the Electoral Commission remain. Did it ever actually ask to see the shredded material? How could it say in just two weeks there wasn't enough evidence to take any action? And did the Commission ever question the BNP about this? Jon Cruddas, the MP who's been pressing for a full investigation of the party's finances, says these are questions the Electoral Commission must now answer.

CRUDDAS: What I had in front of me, courtesy of the BBC, the shredded documents of the BNP, when you put together some of these shredded details they give you cheques, they give you receipts, they give you, for example, receipts from Excalibur, which is a merchandising arm of the BNP, and I'm going to be taking it up with the Electoral Commission and hand over these materials, because these again should be the basis of a much more thorough investigation.

ABRAMS: What do you think now of their behaviour at the time, given what we now know?

CRUDDAS: Well it's extraordinary, because I've literally, as we speak, I'm going through these materials, looking at them, looking at the way they are pieced together, deliberately shredded, but which the Electoral Commission were made aware of by the BNP's ex Treasurer of their existence, and all they did is submit, in response to his charges – remember he had oversight of the whole of the BNP operations, these materials were shredded in his own house and he at the time had in his belonging these shredded documents – all they did was a somewhat cursory response. Now the seriousness of these charges mean that this cannot be laid to rest without the most thorough of investigations by the Electoral Commission, so I'll be knocking on their door again today.

SIGNATURE TUNE