10.35am: In cross-examination by barrister Michael Byrne QC, for Baden-Clay, Mr Baden-Clay said on the evening of Wednesday April 18, 2012, when he went to babysit the Baden-Clay children, news came through of the birth of a new grandchild in Canada.

He agreed on April 20, 2012 police arrived in different groupings, including three homicide detectives

"Not at that point, no, that came about later in the day when my daughter came home and reported to me there were 15 police officers at the house and nine police vehicles, that was Olivia," Mr Baden-Clay said.

"I found that alarming news and I immediately telephoned my son and said `it's probably time you had a lawyer, would you like me to organise that for you?' and he said `yes please'."

Mr Baden-Clay said a Gold Coast criminal lawyer called Darren Mahony was recommended to him through friends.

He agreed he was a registered Justice of the Peace and had been one for 25 years.

Mr Baden-Clay said he was an insurance agent and financial planner, and had been one since 1980. He sold the business in 2000.

He said he organised his daughter-in-law's "whole of life" life insurance policy when they returned from their honeymoon.

Mr Baden-Clay said his son already had one.

"It was a pure life and crisis or trauma insurance," he said.

"The trauma related to the possibility of having some traumatic event or crisis event such as cancer or heart conditions ... in addition to that there was a significant amount of death cover."

Mr Baden-Clay said his son was not in a good mental state after his wife was missing.

"He was absolutely anxious, he was just concerned about finding his wife at that point," he said.

He said he filled in a claim form through the insurance company on behalf of his son who later signed it.

"I think it's in one of the terms or conditions of the life insurance that you are to notify the insurance company as soon as the event occurs, or as soon as possible after the event occurs," he said.

Nigel Baden-Clay and Elaine Baden-Clay arrive at court during the first week of the trial. Photo Adam Armstrong. Source: News Corp Australia

In re-examination by Crown prosecutor Todd Fuller QC, Mr Baden-Clay agreed he spoke of depression suffered by his daughter-in-law

He said the couple's first child was born on July 3, 2001 and afterwards, his son would visit "quite frequently".

"Gerard was actually at home and would frequently come round to our house bringing little (child) with him," he said.

"Gerard explained to us she wasn't feeling very well, we didn't understand at the time it was depression ... but when, I think, if I am not mistaken it was probably in 2003 that this telephone call took place and subsequent visits to the hospital and specialists."

He said the couple's second child was born on September 16, 2003.

Mr Baden-Clay said he did not see manifestations of his daughter-in-law's depression in 2012.

"One of the things we came to realise was that Allison's dress was always of a dull nature, black brown or possibly cream, nothing bright in her wardrobe at all, and I think that was an indication she was a depressed person," he said.

He said his daughter-in-law had told him she loved going for an early morning walk in "lovely, safe Brookfield".

Mr Baden-Clay said he thought homicide detectives arrived at the house on April 20, 2012 but wasn't certain about how he knew this information.

He said police came to Gerard's office to tell him a body had been found under the Kholo Creek Bridge on April 30, 2012.

Mr Baden-Clay said he could not remember how soon after the discovery of the body the insurance paperwork was filed.

"I think it would have been towards the end of May," he said.

Allison Baden- Clay was found dead in April 2012. Source: News Corp Australia

Baden-Clay wept in the dock as police interviews with his distraught daughters, recorded the day their mother vanished, were played in court.

11.05am: The 28th witness in the trial is Olivia Baden-Walton, the sister of the accused.

She said she met Allison Baden-Clay in 1996 when her brother first started dating her.

Ms Baden-Walton said she graduated from the Royal Military College at Duntroon and moved to Townsville, but returned to Brisbane in 1999 after she was medically discharged as a result of a back injury.

"As I said, Gerard and Allison visited me for, I think it was either my graduation, or my younger brother's, from the Royal Military College and I don't think I saw them much between then and their wedding in August, 1997," she said.

Ms Baden-Walton said her brother and his wife moved overseas afterwards.

She said they wrote to one another and "kept in touch".

Ms Baden-Walton said the families lived "in very close proximity" to each other when in Brisbane, once Gerard and Allison returned from overseas.

"Over the years we had a lot to do with each other, we would have seen each other probably weekly, or more often," she said.

Ms Baden-Walton said her brother spent a lot of time with her and her husband following the birth of her brother's first child.

"Allison didn't visit very often, he would say she was resting... but over the years that seemed to be a more frequent reason," she said.

"Allison and I spent time together without children... we spent much time together raising our families and I think it was after their second child was born and after Allison was diagnosed with depression, and she was then on medication, she asked me if I would formally take on the role of child care for her children one day a week to give her time to either go back to work or have a day off."

Ms Baden-Walton said she lived in Kenmore and Brookfield for around 10 years until she left in June, 2012.

"When I first met Allison my recollection of her was, she was very beautiful and very quietly spoken and sweet-natured and I looked up to her a lot, she was six years older than me," she said through tears.

"I thought she was lovely. And then, at that time, when I first met her, Gerard treated her like a princess and he used to call her princess and they were very much in love and it was very obvious, I loved seeing them together and enjoyed being with them."

She said her brother was "chivalrous" around his wife

"He continued to behave that way with her... but I noticed that he, and I found it a little bit strange actually, that he would drive her everywhere and she would never drive the car on her own," she said.

She said her brother was often driving her down to the Gold Coast.

"Then it became obvious that it was because she couldn't drive," she said.

"Over the years my husband and I had observed a strain in the relationship that we perceived had begun fairly early with the children and their differing parenting styles.

We all did a parenting course together... I noticed (over the years) they weren't as close to one another as they had been or as affectionate to one another."

She said her brother and his wife were "very private" and never discussed their relationship.

"I tried really hard to be a support person to them and I know that I was, but they never really opened up privately about their personal struggle or their feelings about one another or their financial situation," she said.

She said she remembered Ms Baden-Clay visiting her in 2010 and crying on the couch about the couple's financial position.

"The last long conversation I had with Allison was on the Monday before she went missing and she was telling me about what she was doing in the business but I don't recall her telling me details about how it was going financially," she said.

Ms Baden-Walton said she travelled to Brisbane on the Sunday before her disappearance and spent a "lovely afternoon" together.

She said that night she had a migraine and ended up in hospital.

She said Ms Baden-Clay collected her from the hospital the next morning, which surprised her because she thought driving was difficult for Allison because of her anxiety.

"I must admit I was surprised that it was her who picked me up...," she said.

She said Ms Baden-Clay called her on Wednesday April 18, 2012 asking if she would be able to go to the school sports cross country for her daughters the next day.

"I also spoke to her on the Thursday evening after the cross-country," she said.

Ms Baden-Walton told the jury she took photos of her brother and his daughters at the school cross-country.

The jury was shown a photo of Baden-Clay at the cross country on April 19, 2012.

"I'm not sure if you'd describe it as an injury but he did tell me he had a very itchy spot on his neck where he said that he'd been bitten by a caterpillar," she said.

"I had my handbag with me which had the normal mother's arsenal of medication and I gave him Stingoes."

Ms Baden-Walton said she did not notice any other marks on her brother.

She said she spoke to Ms Baden-Clay that night on the phone, around 8.30pm but possibly later.

"I do remember talking to her about plans and preparations for the following day, the Friday, we had weeks earlier by email planned to have sleepovers for our children," she said.

Ms Baden-Walton said she had been out to dinner and returned to her parents' place in Kenmore when she received a call from Ms Baden-Clay.

She said she couldn't recall Ms Baden-Clay's mood.

"I suppose it's difficult to perceive mood over the phone, I do remember she was speaking very quietly and she explained that to me because she said the children were still going to sleep, which was not unusual because often the girls do have difficulty going to sleep," she said.

She said she woke the next morning by her children on Skype speaking to her younger brother in Canada.

"After we finished on Skype I was heading back to bed and my mum came and met me at the door of the room I was staying and she came in and closed the door behind her and remember her coming in and saying, 'I don't want to alarm you, but Al's missing'," she said.

She said she got dressed and because she had no credit, texted her brother, who called her back.

"I had a car that I had borrowed from my in-laws while I was in Brisbane and my plan was to go to Gerard's house or to search along the walking route," Ms Baden-Walton said.

She said her brother told her his wife usually walked down along Gold Creek Rd past the aged care home at Brookfield, or around the school.

Ms Baden-Walton said her brother told her his wife would usually stick to the roads when she walked.

She told the jury she drove along the routes Ms Baden-Clay may have walked, even stopping and speaking to a groundsman who was mowing a lawn.

Ms Baden-Walton said she saw some women on Savages Rd and spoke to them, but they asked her what Ms Baden-Clay would have been wearing.

She said she called her brother again to find out what his wife would have been wearing.

"I recall him saying something like three-quarter pants or tracksuit pants and a black or white t-shirt, he thought, and I asked if her hair would have been in a ponytail and he thought it probably would have been," she said.

## 20 minute adjournment

11.40am: The 28th witness in the trial, Olivia Baden-Walton, said her sister-in-law often asked her to help her with parenting and cooking.

She said her brother liked having the children in a regular routine, where they went to bed at a particular time, without being "coaxed or cuddled to sleep every night".

"I think he liked to have the regularity of a routine and over the years it became obvious that was something that was very difficult for Allison," she said.

Ms Baden-Walton said she first became aware of Ms Baden-Clay's diagnosis of depression in early 2004, following the birth of her brother's second child.

"She said I've been diagnosed with clinical depression and in the course of the conversation I asked her if she had told anybody else, and she said she had spoken to my mum and I asked if she had spoken to her family about it, and she said, no, she hadn't, because she didn't think they would understand," she said.

Ms Baden-Walton said her sister-in-law told her medication would help her to function on a more normal level, although it would take around 10 days to begin to work.

"I recall that week it was a very stressful week and by day 10 it hadn't started to work and she was panicking and Gerard told me it was a good idea not to put specific times on things because if it didn't happen at a specific time, it could cause a panic attack," she said.

She said she learned more about depression, anxiety attack and anxiety.

"The fact there was a reason for her behaviour, that this very capable woman, was incapacitated by this debilitating illness," she said.

"She was a very, I observed her as being a very capable woman, but then I also equally observed her completely incapacitated to the point of being unable to get up from the couch in a darkened room because she had this debilitating mental illness."

Ms Baden-Walton also told the jury she searched around Brookfield for Allison Baden-Clay on the morning of April 20, 2012.

She said she spoke to her brother on the phone and he asked her if she thought it was too early to call the police.

"I said no, not at all," Ms Baden-Walton said.

She said she returned to the Baden-Clay home on Brookfield Rd and she comforted the couple's middle daughter, who was crying, while her brother made their lunches.

"I sensed that he was quite anxious, as we all were at that point," she said.

"I really didn't at the time notice anything. I don't recall at what point it was but I do remember at some point seeing he had cuts on his face."

She said she didn't remember if the cuts were covered.

Ms Baden-Walton said she took her brother's children to school as the police arrived at the house.

"I stayed with them until school started and then I spoke to each of the teachers and to the principal and I gave them my number so that if there were any problems, they could call me and I would come and pick them up," she said.

She said she returned to her brother's home.

"I stayed for some time but then I had a phone call from the school at about 9.30am that the middle daughter was upset, so I went to pick her up from the school," she said.

"My father had taken the car home so I just walked to pick her up."

Ms Baden-Walton said her father picked her up with the girl and she returned to her brother's house.

"I was quite alarmed to see there were about 7 or 8 police cars at the house and it may have been then that Mr and Mrs Dickie (Allison's parents) were there," she said.

In cross-examination by barrister Michael Byrne QC, for Baden-Clay, Ms Baden-Walton said she was a lieutenant in the Intelligence Corp of the Australian Army.

She said her brother was a chartered accountant before he went into real estate, working for KPMG and then joined flight centre as a travel consultant where he met his wife.

The jury was shown the photo Ms Baden-Walton took of her brother at the cross country on April 19, 2012.

It showed he had a red eye.

Ms Baden-Walton said she thought he later took an antihistamine tablet and thought he might have had some sort of allergic reaction.

She said when her brother and his wife first returned to Australia from the UK she noticed Ms Baden-Clay became withdrawn.

"Whenever we visited their home it was always very dark and the curtains were always drawn and she didn't engage in social activities as much as I had remembered her doing so before hand and I wasn't sure why that was," she said.

She said no one close to her had ever suffered depression and she did not know what to look for.

Ms Baden-Walton agreed she sensed something was not right.

"We both had one young child and it was my routine to take my daughter to playgroup and Allison sometimes also came and I recall that she asked me to pick her and her daughter up and go to playgroup, ... and I took her daughter and strapped her into the car seat for her because she wasn't confident with that," she said.

"In the three to five minute drive from her home in Kenmore to the playgroup in Chapel Hill she became increasingly agitated and anxious and worried to the point that when we arrived at the playgroup, she opened the car door and vomited into the gutter.

"I noticed that as we got out of the car she had lost control of her bladder as well inside the car.

"I wasn't sure what to do and I didn't know what was wrong ... she said she wanted to go home but didn't want to take the baby with her."

Ms Baden-Walton said she left her girls with a friend at the playgroup, helped her to change and put her to bed.

"She told me she was just not feeling well but I didn't know what was wrong with her and I don't recall what happened after that but that was a very concerning behaviour for me ... and later I learned it was anxiety and she had been suffering anxiety like that," she said.

She said her brother's wife would sometimes not attend parties or group events.

"She was unable to drive herself or the children to events and it as my understanding later that it was the anxiety that prevented her from driving and she felt concerned about her ability, that she would get lost or have an accident," she said.

Ms Baden-Walton said Ms Baden-Clay broke her ankle and spent six weeks at her house, while she did washing and cooked a meal, but it sometimes continued after the ankle had healed.

She said her brother set up his garage like a home office for a couple of years instead of working in a day-job because "he was wanting to be at home with Allison".

"He rarely went out because he was always there in case she needed him," she said.

12.15pm: The jury is continuing to hear the cross-examination of Baden-Clay's sister, Olivia Baden-Walton, who is the 28th witness in the trial.

Barrister Michael Byrne QC, for Baden Clay, asked her what her brother's relationship was like with his children.

"Gerard played a significant role in the upbringing and parenting of the children, certainly from when they were very young I observed him taking on all the normal responsibilities of a dad and also additional responsibilities in and around the home, in terms of maintaining a household," she said.

She said her brother loved being with his children and was very proud of them.

"He was a very involved dad and as I said earlier, he organised his schedule so that he was at home during that busy period in the afternoon, preparing meals and getting the children ready for bed," she said.

"He was very involved with the children and the running of the home."

Ms Baden-Walton said she complimented her sister-in-law on losing weight in 2012 and was told she was on a diet program and had been walking regularly.

She agreed her brother asked her if she thought it was too early to call the police on April 20, 2012.

"I didn't think it was too early at all to call the police," she said.

"I was concerned that she suffered from depression and the inability that I had of being able to determine how she was feeling because of her depression, I was concerned about her and so I thought it was time to call the police."

She said she thought she arrived at her brother's house that morning around 7.30am.

Ms Baden-Walton said she thought police arrived at 7.45am.

She agreed a police command post was established at the Brookfield Show Grounds while a search began for her sister-in-law.

"I visited it every day until Allison's body was found and I spoke every day to one of the police officers who I understood was in charge of the search," she said.

"I became very concerned, I was shocked at how many police were at the house so soon and I spoke to a female police officer and I asked her ... if I would be able to help them and I was told that I wasn't at that time."

She said she asked police again whether she could help, offering the help of up to 50 friends who were ex-military personnel.

But she said she met police and an SES volunteer at 6am on April 30, 2012 when she was told she was not allowed to help search in an official capacity without indemnity insurance.

She said she was to be given a list of properties she could doorknock but the body was found around 11.30am.

In re-examination by Prosecutor Todd Fuller QC, Ms Baden-Walton said it was possible her sister-inlaw was pregnant when she was sick and wet herself in the car.

She agreed Ms Baden-Clay's first daughter was born in July, 2001 while her second was born in September, 2003.

Ms Baden-Walton said her sister-in-law ran resilience training programs in schools and sold healthy chemical-free household products and supplements as a side business.

"That was like a multi-level marketing arrangement where she joined as a distributor and she had a party where she played a DVD that we all watched and encouraged other people to also purchase the product," she said.

"From the purchasing of the product she got a commission."

She said her sister-in-law was also the director of a company they had together with Baden-Clay.

"I remember Gerard often commented on how clever she was at seeing a different way of doing things and she was quite an insightful woman in that regard, very gently but quite determined and was quite firm on her views about particular things as well," she said.

Ms Baden-Walton said there was nothing about her sister-in-law's mood that gave her concern in April, 2012.

"I was not concerned about her mood but I never really knew how to read her, she was very private as I said about how she was truly feeling so it was very hard to know how she was feeling ... she seemed okay, but usually did seem okay, she was good at covering up things," she said.

She said it "crossed her mind" the birth of her nephew may have been difficult for Ms Baden-Clay.

"I knew because she had told me ... that she always had wanted a boy and my younger brother showed me a beautiful note they received from Allison's parents after the birth of his son to say how much Allison always wanted a boy, so it did cross my mind that may be a concern for her even though she appeared to be so thrilled by his birth," she said.

12.45pm: The 29th witness in the trial is Allison Baden-Clay's mother, Priscilla Dickie.

She said she now lived at Ipswich in Yamanto, but previously lived on the Gold Coast for a decade.

She agreed her daughter married Gerard Baden-Clay in August, 1997.

"She was an original member of flight centre when it was set up and she had a very high position," Ms Dickie said.

She told the jury her daughter and her husband went overseas for their honeymoon and then travelled.

Ms Dickie said she visited her daughter and had regular contact with her following the birth of the couple's first daughter.

She said she feared "overstepping the mark".

Ms Dickie said her daughter only lived in rental homes with her husband.

She said she booked a holiday campervan for her daughter and family at Tallebudgera at Easter, 2012.

Ms Dickie said they met for Easter Sunday lunch with family.

"They left Tallebudgera in the afternoon to go back to Brookfield and I did ring her to see how they got on, I think they got back safely," she said.

She said they bought tickets for the girls to see the musical Annie and her daughter and grandchildren rang her afterwards to say thank you on April 11.

"She rang me up and the kids were singing out in the background, saying thanks Grandma," she said.

"She was fine, she just said thanks, not a great or long conversation."

Ms Dickie said she was a church counsellor at the Paradise Point church running a craft show when they received a call to say their daughter was missing on Friday April 20, 2012.

"We just dropped everything," she said.

She said they went straight to Brookfield Rd.

"There were a lot of cars there and we walked in and up the steps and there were police people there, I think there was a police lady and some men and Gerard, of course," she said.

"I couldn't believe it, he had a pink striped shirt on and a tie ... just calm as a cucumber. He just came over and said g'day dad, g'day mum and gave me a bit of a hug ..."

She said her son-in-law told her he went to bed last night and left his wife watching football but when he got up, she was gone.

Ms Dickie said her husband told her they slept in the same bed but hadn't heard her get up.

She said Baden-Clay offered her a cup of tea and she went into the kitchen but "the place was just sterile".

Ms Dickie said instead of the usual cup-of-tea in mugs was replaced that day by tea served in cups and saucers.

Ms Dickie said she was told to leave the house because the police wanted to cordon it off.

She said she went into the main bedroom and the bed was made.

"There was something about the place that wasn't quite right," she said.

In cross-examination by barrister Michael Byrne QC, for Baden-Clay, she said she was aware her daughter suffered post-natal depression.

She said she was there for her daughter whenever she needed her.

Ms Dickie said she received a call from Kerry Ann Walker in late, 2011 asking her to call her daughter because she was worried about her.

She said she called her daughter and although she accepted Ms Baden-Clay often told her "everything was all right", this day was different.

"She told us that Gerard no longer loved her and I said, `well, come and live with us on the coast if you want to' and she said `no', she wasn't going to leave him," she said.

Ms Dickie agreed she once visited her daughter when she was very down, laying on the couch, clothed in white, with dishes stacked in the sink.

"I walked in and said what's wrong with you, what's the problem? And she said `I want to be a better person'," she said.

She agreed her daughter was injecting a substance to try and get rid of fat.

Ms Dickie said it was because her daughter wanted to be "what Gerard wanted her to be and she tried everything she could for that man".

She agreed she went to her daughter and son-in-law's house on April 20, 2012.

"It was sterile, it was so clean, it was not like a home, to be honest," she said.

She described a photo of her daughter and her husband "walking into the future together" had been moved to a different place since the last time she visited and replaced with a different one.

She became guite distressed and said: "Somebody put that there."

In re-examination by Crown prosecutor Todd Fuller QC she said the occasion she turned up to find her daughter dressed only in white was after Christmas, most likely after 2011.

1.05pm: The 30th witness in the trial is Geoffrey Dickie, Allison Baden-Clay's father.

He agreed he first met the accused through his daughter, who married him in 1997.

He said he moved to the Gold Coast from Redbank in 2000.

Mr Dickie said he had lunch with his daughter and her family on Easter Sunday in 2012.

"She was happy, she was always happy to be with her family," he said.

He said he spoke to his daughter again that day when she called to thank him for tickets to see the musical Annie.

Mr Dickie said received a call from his son-in-law to say Ms Baden-Clay was missing at 9.45am on Friday, April 20, 2012.

"I said `we'll come straight up'," he said.

He said the accused met him at the front door and shook his hand, hugged his wife and offered them a cup of tea.

"He was dressed like he was going to work in a long-sleeved shirt, tie, slacks and so forth, just like he was going to work," he said.

"I noticed there was scratches on his face, on the right side."

He said his wife asked the accused where Allison was.

"I can't recall the actual answer to that question," he said.

Mr Dickie said he stayed at the house for a while, spoke with the accused, and then spoke to his daughter's best friend, Kerry Ann Walker.

He said he saw the accused's father put a vacuum cleaner in the boot of a car.

In cross-examination by barrister Michael Byrne QC, for Baden-Clay, Mr Dickie agreed he gave a statement to police that day and said his daughter was a private person who tended to "bottle-up" her emotions.

"That's right," he said.

1.10pm: The 31st witness in the trial is Allison Baden-Clay's best friend Kerry Ann Walker.

She said she had known Ms Baden-Clay for 30 years and they met in high school at Ipswich.

Ms Walker said she was aware her friend was diagnosed with depression after the birth of her first child.

She said her friend called her to come over in 2010 and told her that her husband no longer loved her and they were having problems in their marriage.

"We discussed lots of things, as best friends do, we talked all the time," she said.

"She talked about various day to day things."

She agreed Ms Baden-Clay borrowed a ball gown from her in February, 2012.

She said she last spoke to her friend at the end of March, 2012, to wish her a happy Easter.

"She was great in those months before she died, she was fantastic," she said.

She said she had lunch with Ms Baden-Clay in January, 2012, when they "talked about a lot of things".

She said her friend was "really excited" to be working back at Century 21.

"She had been excluded from working with Gerard for a long time but she was really happy about working in the company and her role at work," she said.

Ms Walker said the last contact she had with her friend was via text message on April 19, 2012.

The messages were shown to the jury, detailing that Ms Baden-Clay thanked her for the loan of the ball gown and would drop them off on her way to a real estate conference the next day.

Ms Walker: "Al – hope you're well – can you bring dresses into the office tomorrow, I need to collect KAW".

Ms Baden-Clay: "Of course! Sorry you had to chase them up. I am in city all day at the convention centre so can drop them off on my way home about 6pm?? Is that okay or do you need them for tomorrow night?? ALX"

Ms Walker said she went to her friend's house with Geoff and Priscilla Dickie on the day she was reported missing.

She said the accused had "weeping" scratches on his face

Ms Walker said her friend never told her that her husband was having an affair

adjourned for lunch

2.40pm: The jury is continuing to hear evidence from the 31st witness in the trial, Allison Baden-Clay's best friend, Kerry Ann Walker.

In cross-examination by barrister Michael Byrne QC, for Baden-Clay, Ms Walker agreed her friend was "always trying to lose weight" and always on "one diet or another".

"Allison was a perfectionist, she was always working to better herself so we knew each other inside out, there were things that she didn't tell me that she perhaps thought she shouldn't and there were other things we talked about quite openly," she said.

Ms Walker said she suggested to her friend that her husband was having an affair but was always met with denial.

"I think she never told me about the affair because she knew I would jump straight in and pull her out of it and she didn't want that," she said.

She agreed Ms Baden-Clay never told her about an affair up to April, 2012.

"She was very open about her post-natal depression, she told me about it," she said.

"More recently she certainly was not depressed, in the months before she died we would have lots of discussions about how she was standing up for herself more, becoming more assertive in her marriage ... there was a marked difference in her attitude in those last couple of times we had got together and she was working hard in her marriage.

"It was great to see her so positive and so in control."

Ms Walker said she was aware her friend suffered from depression but said her friend only ever referred to it as "post-natal depression".

"Allison was very hard on herself and she did used to say she suffered from anxiety, and we talked through that ... and she went to see professionals about that as well," she said.

She said her friend told her she was anxious from time to time in 2011.

"I never observed that she was anxious ... she always had a positive aspect and she was always talking about the good things, her children who she loved and her husband that she loved," she said.

Ms Walker said her friend told her she was taking medication again but never told her she was anxious, in a low mood, or teary and did not mention Zoloft.

"I think I know her better than most, yes," she said.

"On her best days as a mother, she was twice the mother I am. If she was talking about feeling down, it was just trying to cope with all the things we had to cope with as mothers with children."

Ms Walker said it would not surprise her if her friend told a doctor in March, 2012, that she was experiencing bad mood swings around the time of her period.

She said her friend never asked her about increasing her dose of Zoloft from 50mg to 100mg at that time, either.

3pm: The 32nd witness is Daryl Clifford Joyce who was kayaking in the Brisbane River near the area of Kholo Creek on April 30, 2012.

He said he was on holidays at the time when he paddled into the Kholo Ck entrance.

"The bridge is only a very short distance in from the Brisbane River so as soon as I got under the bridge I saw the body," he said.

"It was on my right-hand side as I was going up the creek and on the Brisbane side of the creek as distinct from the Ipswich side."

He said the body was positioned like it was "sleeping" and could not see the face.

"Like someone lying on their side, asleep," he said.

"I paddled past a little ways and then I did a U-turn when I figured out what was going on and went straight back to the boat ramp."

Mr Joyce said he stayed about 5m to 10m from the body.

He said he did not get out of his kayak as it was "too slippery and deep".

Mr Joyce said he phoned police.

He said the flow rate of the creek was "significant" and the water level "high" because there had been recent big rainfall.

"There was a lot of fresh mud suspended in the creek," he said.

He said the body was "directly underneath" the Kholo Creek bridge.

In cross-examination by barrister Michael Byrne QC, for Baden-Clay, Mr Joyce agreed he would paddle the Brisbane River on his kayak most Sunday mornings.

"It was definitely flowing out into the main river because you could see the light brown colour," he said.

He said there was heavy rain on the Saturday before.

"As I recall it was really torrential rain," he said.

Mr Joyce said it was his experience there was "sticky mud" in the Brisbane River and besides, the bank was very steep.

He said Kholo Creek was deep enough for him to paddle a kayak in.

3.10pm: The 33rd witness in the trial is the woman Gerard Baden-Clay was having an affair with, Toni Cheri McHugh.

She said she commenced working as a salesperson at Century 21 at Kenmore in April, 2007.

Ms McHugh said the business had a sales component and a rental roll.

She said she first met Baden-Clay as the agent she chose to sell her block of land a "couple of years earlier".

Ms McHugh said she had just finished a teaching contract when Baden-Clay's mother suggested she work in the business.

"I saw it as a time to take a few risks and maybe step into a sales role," she said. She said she came to meet Baden-Clay's parents while selling her block of land.

She said Nigel Baden-Clay was still assisting in sales and the accounting side of the business while Elaine Baden-Clay was on front reception duties.

Ms McHugh said she was in a sales role for six weeks before she was asked to assist in property management for two to three months.

She said at the time, the rent roll was sold to Harcourts at Kenmore and she returned to her role in sales.

Ms McHugh said the business was running very well at that time.

"I wasn't at all aware of how the business was functioning in a big picture way, I just knew that I was doing what I was required to do, I was finding that I was successful and that was helping the business and morale in the team was very strong," she said.

"I enjoyed the energy, the challenge. (It came) predominantly from Gerard, he was excellent at motivating people, excellent at enhancing a team atmosphere."

She said she admired Baden-Clay and his drive.

"I admired his ability to be able to really make people feel that they had something to contribute ... he was an excellent teacher and I felt that I had a fabulous basis to learn real estate," she said.

Ms McHugh said she became closer to the accused as friends, initially.

"If I was to say an exact date, or time and place, it was August of '08," she said.

She said she knew Baden-Clay was married.

"Allison would come into the office very rarely so I guess I had spoken to her when she had come into the office," she said.

She said they exchanged pleasantries but shared little other conversation between them.

Ms McHugh said she was living with her partner and two children at Bellbowrie at the time.

"I ended my relationship with Rob, my partner of 17 years in November of '08 and he remained living at the house until January and he then left and moved to a unit close to his work in January," she said.

She said her estranged husband and her had custody of their children "one week on, one week off".

Ms McHugh said she would see the accused in the evening and was explained with: "I need to work back".

She said on the weeks she did not have her children she would see Baden-Clay three or four times a week and rarely on weekends.

"I had moved, he came to the Bellbowrie house a few times but then I ended up putting tenants into that house and I moved into the city in St Lucia and yes, he would come to my unit in St Lucia," she said.

"I went to his house on two occasions."

3.30pm: Toni McHugh told the jury she would contact Gerard Baden-Clay by email, text and phone.

"For quite a long time we just used the work email but then it did change to the Bruce Overland email," she said.

She said she couldn't remember when that first happened.

Ms McHugh said staff at Century 21 eventually became aware of her affair with Baden-Clay.

She said a colleague confronted her with the fact that she thought "something was happening" between her and Baden-Clay.

"I was surprised about it, she picked it up. It would have been towards August," she said.

She said she thought two partners knew about the relationship with Baden-Clay.

"I did have a function at my house in Bellbowrie with all the staff members and Allison attended and I attended John Bradley's engagement party and I can't, I think that Allison was also there at Phil's wife's birthday party," she said.

Ms McHugh said Ms Baden-Clay rarely attended the Century 21 office at Kenmore.

She said the business moved premises to Taringa over Christmas 2010, and she continued to be in a relationship with the accused.

Ms McHugh said there were discussions with Baden-Clay about their future.

"It was up and down all the time, year after year, yes there would be discussions about having a future," she said.

"Gerard was very adamant that he didn't have a relationship with his wife, that he didn't love his wife, but at the same time he was never, ever disrespectful or callous or spiteful, hurtful."

She said they discussed him leaving his wife.

"Gerard was very fearful of Allison not being able to manage a separation or a divorce. He had voiced concerns about her mental strength... I was very aware of Allison's depression from day one when Gerard told us all about her illness," she said.

"He was very concerned that she wouldn't handle it and that would impact on the girls."

Ms McHugh said she was with Baden-Clay at a conference when they began openly discussing a car together but their conversation would also swing the other way, too.

"It was a rollercoaster," she said.

She said the business was not running well and there was "a lot of stress" after moving to a bigger premises at Taringa and following the employment of a large number of inexperienced real estate agents.

"And the floods," she said.

Ms McHugh said her relationship with Baden-Clay was seen as the catalyst for the business failing.

She said two partners left the business shortly afterwards and portions of the rent roll were sold between them.

Ms McHugh said she had travelled to interstate conferences together but had not "gone away" as such, beyond day trips.

"Immediately, as soon as Allison found out," she said of the day she stopped working at Century 21.

She said she was in a staff meeting or sales meeting when Baden-Clay was called away.

"When I came back, he still hadn't returned, and I asked one of the ... I said does anyone know where G is and I was told one of the girls is not well," she said.

"So I rang to see if everything was okay and that's when Gerard said: 'we need to talk, she knows'."

3.50pm: Toni McHugh told the jury she met Gerard Baden-Clay at her unit in St Lucia to discuss his wife finding out about the affair.

She said the accused told her his wife found out at the school canteen, from a person who had known one of the former partners in the Century 21 business.

"It's over. I said 'I'm not going back to work', I guess I reacted with disbelief at first," Ms McHugh said.

She said they had been together for an hour when Baden-Clay told her the affair was over.

"I think we talked about that ... that was the right thing to be doing," she said.

Ms McHugh said she was angry the partner had betrayed the trust of both of them.

She said she tried to phone and text Baden-Clay and asked him to reconsider.

Ms McHugh said she started a new job at Ray White and was "starting to feel like I was accepting his choice", roughly two or three months later.

She said Baden-Clay contacted her one Saturday morning, just before Christmas in 2011.

"I was actually at work, I was driving to a property, and he rang, he said 'It's me, can we talk?'... yes I can meet you afterwards at a café," she said.

She said they met at a coffee shop.

"He explained to me that he wasn't ready to leave his wife but he was going to leave his wife and that he wanted me to know that," she said.

"That he loved me and one day he did want to come to me unconditionally."

Ms McHugh said she knew Ms Baden-Clay had started working in the business "pretty much from day one" since her departure.

She said she began to see the accused again, either in daytime hours, or in a very brief window after his wife had gone to collect his children.

"Phone calls, no texting and email," she said.

Ms McHugh said she saw Baden-Clay almost on a daily basis, except for weekends, from that time onwards.

She said she last saw the accused at a coffee shop in Kelvin Grove.

"We talked about not seeing each other again," she said.

"No longer actually meeting physically. It was too hard and I agreed, it was too hard."

Ms McHugh said she was surprised.

"I questioned whether he was having doubts about being together and I asked him, I said if you need to be with your wife, if that's the decision you are making, make it, say it," she said.

She said he told her: "I am leaving my wife".

Toni McHugh (inset) and Gerard Baden-Clay. Source: Supplied Ms McHugh said she pressed Baden-Clay for information when he told her: "I will be out of my marriage by 1 July."

She said were discussions between them about the future of the relationship but no formal plans were made.

Ms McHugh said she talked about living arrangements and would "entertain it but never really got practical with anything".

The jury was shown an email Ms McHugh wrote to the Bruce Overland account, in which she told him she was "sick of being second best" and gave him an ultimatum.

She explained it was written when she was angry.

A second email on March 27, 2012 showed Ms McHugh was looking at rental properties.

The final email sent to Ms McHugh from the Bruce Overland account on April 3, 2012 said: "I have given you a commitment and I intend to stick to it – I will be separated by 1 July."

She said she did not know why Baden-Clay suggested July 1.

"In actual fact I just didn't believe it, I didn't believe it at all," she said.

Another email from the Bruce Overland account to Ms McHugh on April 11 was shown to the jury, in which was written: "I love you GG. Leave things to me now."

She said she was angry a lot.

4.15pm: Gerard Baden-Clay's mistress Toni McHugh told the jury she had just started a new job on April 19, 2012.

"I do recall he touched base to see how that was going," she said.

She said there was a property management conference on April 20 and she had been in her new job for just one week.

Ms McHugh said she remembered telling Baden-Clay about the conference in passing on April 19.

She said she often called the accused after work.

"He was in the supermarket getting some food for dinner, to take over to his mum and dads," she said.

Ms McHugh said she was hoping the property management conference would give her a boost.

"That's when he said, 'Yeah, well, I've got to tell you about that, two of my staff members are going'," she said.

"I knew who the staff members were and I said: 'Allison is going?'"

Ms McHugh said she "lost it" and "went it into a rage".

She said she told the accused: "How could you put us in that situation?"

Ms McHugh said was angry and felt like she was "being played again".

She said she told Baden-Clay it was not fair to put either of them in that situation.

"I said I need to know what is going on, what is happening here — what is your plan, what are you going to do to change things for us to be able to be together? And he said 'I'm thinking of selling the businesses and I said 'And are you going to do that before you leave your wife or after you leave your wife'. 'After'," she said.

Ms McHugh said Baden-Clay had to get off the phone and she could hear his daughters on the other end of the line.

She said she did not talk to him again that night.

Ms McHugh said she went to the conference the next day but did not see Ms Baden-Clay or her colleague.

"We broke for lunch around 1pm and I rang to say 'Where is Allison?' but I didn't get that chance. He sounded, I don't know, distressed," she said.

"He said 'Allison's gone missing'."

Ms McHugh asked him what had happened and asked if they had argued.

"No, there was nothing. She's just gone missing," she said Baden-Clay told her.

"He said 'I can't talk' and I asked him to please stay in touch and that's when he said, 'Look, we need to not communicate and lay low'."

Ms McHugh said she next spoke to Baden-Clay on Saturday morning, April 21, 2012.

"He rang to tell me the police would want to speak with me," she said.

"I was frightened, I didn't know what was happening and I said 'What am I supposed to say?' and he said 'Just tell the truth'."

She said she got another phone call from the accused while in the police interview room.

Ms McHugh said Baden-Clay asked her if she could talk and then asked if she had told police they were back together again.

She told the jury she replied that she had.

Ms McHugh said she spoke to Baden-Clay after he called her at his work.

She said he told her: "I need you to know I don't know what's happened to her, I need you to know I love you."

Ms McHugh said she went to meet Baden-Clay at a studio unit in Fortitude Valley.

"We didn't talk about what was happening because I knew that I couldn't talk to him, that he'd been instructed not to talk about it and that if I probed or asked questions he would be ... and I was in a situation as well that I wasn't comfortable in," she said.

She said the accused told her she would "have to fall in love with someone else" and that he suspected that "things were not looking good for him".

The jury was shown a hand-drawn diagram of her flat in Kelvin Grove and said the hand-writing on it looked like the accused's.

She said she was sitting outside of a fish and chip shop on the night she spoke to Baden-Clay on April 19, 2012.

Ms McHugh said she knew from the accused that the business had not improved.

She said their relationship had been physical.

In cross-examination by barrister Michael Byrne QC, for Gerard Baden-Clay, his mistress Toni McHugh agreed the relationship she had with the accused had been up and down from 2008 to 2012.

She agreed Baden-Clay would sometimes talk about their future together and would then swing the other way, "highs and lows"

Ms McHugh agreed Baden-Clay never did anything to leave his wife, despite telling her he would.

She agreed he was never disrespectful towards his wife and always expressed respect towards her.

"Well, the affair was disrespectful," she said.

Ms McHugh agreed there was a clear watershed moment when his wife found out and Baden-Clay told her their affair had to end, and "chose Allison".

"He did," she said.

Ms McHugh said she tried to continue the relationship by calling him, but he rarely responded.

"He would reiterate that he was sorry but nothing had changed and he had made a decision and a commitment," she said.

Ms McHugh agreed the accused made it clear to her that he was moving on and she should too.

She said she was upset when Baden-Clay ended the relationship in 2011.

Ms McHugh agreed she spoke to the accused about having friends who taught in south-east Asia and he encouraged her to pursue them.

She agreed she once discussed going to Japan to teach English or the United Kingdom to work as a nanny.

"He was encouraging me ... I didn't want him sitting at home waiting," she said.

Mr Byrne: "It was apparent, I suggest, that he didn't want you waiting at home either?"

Ms McHugh: "Maybe so."