

THE QUEEN

v

SEEMA MISRA

TAKE NOTICE that, in addition to the evidence before the Magistrates' Court, further evidence,
the effect of which is set out herein, may be given at the trial.

DATED this 18th day of March 2010

To: the Solicitors acting
for the Defendant
and to the Court

Signed P TAYLOR

for General Counsel to Royal Mail Group Limited
Legal Services
6a Eccleston Street
LONDON
SW1W 9LT

THE QUEEN v SEEMA MISRA

LIST OF WITNESSES (ADDITIONAL)

<u>NAME</u>	<u>PAGE NUMBERS</u>	<u>ADDRESS</u>
Jon LONGMAN	79 - 81	
Penelope Ann THOMAS	82 - 87	
Gareth Idris JENKINS	88 - 99	

NAME AND ADDRESS OF PROSECUTING SOLICITOR

MR J SINGH

.....

Agent acting on behalf
of General Counsel to
Royal Mail Group Limited

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Royal Mail Group

Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a)
and 5B, MC Rules 1981, r 70)

Statement of Jon Longman

Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of 3 (three) pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe true.

Dated 29th day of May 2009
the

Signature

GRO

Further to my statement of 6th January 2009, I would now like to add the following.

On the 20th May 2009, I made enquiries with Surrey Police Headquarters to see whether there was any record of Mr or Mrs Misra reporting any incidents to the local police whilst running West Byfleet Post Office ®. Only one crime related reference number was found and this was D/067865. I applied to Surrey Police for the full details of this incident and produce this report as exhibit JL/01. The report was instigated by Javed Bidiwala, an ex-employee of Mr and Mrs Misra's. His report alleged that Mr Misra accused him of stealing £2,000 and that Mr Misra spread these rumours around the community.

On the 9th April 2009, a letter was received from Castle Partnership Solicitors supplying the names of three previous employees of West Byfleet Post Office ®. I was asked to make the necessary enquiries in trying to trace these individuals. The following information was ascertained.

I sent a Special Delivery letter to Mr Shikhar Saxena,

GRO**GRO**on the 21st April 2009 and it was returned endorsed "addressee has gone away". I then

Signature

GRO

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Witness Statement*(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)*

Continuation of statement of Jon LONGMAN

requested a colleague of mine, Dave Posnett to make a personal visit to the address. He informed me that he visited the address on the 10th May 2009 at 17.05 hours and made a notebook entry of his findings which are as follows;

"At 17.05 hours I attended [GRO] I spoke with a Mr Kapotwe regarding the occupants of the address. Mr Kapotwe informed me that his mother was the tenant of the property and had been renting it from [GRO] for the past four or five years. He was also unable to state who the previous tenant was and that his mother would also not know"

Following this information, I then made subsequent enquiries with Kathy Hook of [GRO] [GRO] and a check of their records could find no trace of this individual as a council tenant or council tax payer.

Similar enquiries were made to try and trace the whereabouts of Mr and Mrs Bidawalla of [GRO] [GRO] Dave Posnett informed me that he visited the address on 12th May 2009 at 09.45 hours and made the following notebook entry of his findings which are as follows;

"09.45 hours I attended [GRO] There was still no answer. I spoke with a gentleman from number [GRO] and he directed me to a landing where the kitchen at [GRO] could be seen. The kitchen looked empty. I also looked through the letter box on the front door and could see no furniture. The gentleman from [GRO] gave me the details of the owner, Mary Haste (contact details omitted from statement). I spoke to Mrs Haste and she confirmed that Mr Bidawalla rented the property at [GRO] some 2 or 3 years ago. She stated that the occupants worked at West Byfleet Post Office ® and when they moved out of [GRO] they said they were going back to [GRO] She had no

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CS011A

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Jon LONGMAN

forwarding address".

Enquiries that I made with Woking Council confirmed that Mr & Mrs Bidawalla were responsible for the council tax at **GRO** between 2002 to 2004 and that the information held on their records stated that the couple returned to **GRO** leaving no forwarding address.

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Signature

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a)
and 5B, MC Rules 1981, r 70)



Statement of Penelope Anne Thomas

Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe true.

Dated the 4 day of February 2010

Signature

GRO

I have been employed by Fujitsu Services, Post Office Account, formally ICL Pathway Ltd since 20 January 2004 as an Information Technology (IT) Security Analyst responsible for audit data extractions and IT Security. I have working knowledge of the computer system known as Horizon, which is a computerised accounting system used by Post Office Ltd. I am authorised by Fujitsu Services to undertake extractions of audit archived data and to obtain information regarding system transactions recorded on the Horizon system.

Horizon's documented procedures stipulate how the Horizon System operates, and while I am not involved with any of the technical aspects of the Horizon System, these documented processes allow me to provide a general overview.

At each Post Office there are counter positions that have a computer terminal, a visual display unit and a keyboard and printer. This individual system records all completed transactions input by the counter clerk working at that counter position. Clerks log on to the system by using their own unique password. The transactions performed by each clerk, and the associated cash and stock level information, are recorded by the computer system in a stock unit. Once logged on, all completed transactions performed by the clerk must be recorded and entered on the computer and are accounted for within the user's allocated stock unit.

The Horizon system provides a number of daily and weekly records of all completed

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GRO

Version 7.0 0398

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Penelope Anne Thomas

transactions input into it. It enables Post Office users to obtain computer summaries for individual clients of Post Office Limited e.g. Alliance & Leicester. The Horizon system also enables the clerk to produce a periodic balance of cash and stock on hand combined with the other transactions performed in that accounting period, known as a trading period.

Where local reports are required these are accessed from a button on the desktop menu. The user is presented with a parameter driven menu, which enables the report to be customised to requirements. The report is then populated from transaction data that is held in the local database and is printed out on the printer. The system also allows for information to be transferred to the main accounting department at Chesterfield.

The Post Office counter processing functions are provided through a series of counter applications: the Electronic Point of Sale Service (EPOSS) that enables Postmasters to conduct general retail trade at the counter and sell products on behalf of their clients; the Automated Payments Service (APS) which provides support for utility companies and others who provide incremental in and out payment mechanisms based on the use of cards and other tokens and the Logistics Feeder Service (LFS) which supports the management of cash and value stock movements to and from the outlet, principally to minimise cash held overnight in outlets. The counter desktop service and the office platform service on which it runs provides various common functions for transaction recording and settlement as well as user access control and session management.

Information from counter transactions is written into a local database and then replicated automatically to databases on all other counters within a Post Office outlet. The information is then forwarded over ADSL (Asymmetric Digital Subscriber Line) or other communication service, to databases on a set of central Correspondence Servers at the Fujitsu Services data centres. This is undertaken by a messaging transport system within the Transaction Management Service (TMS). Various systems then transfer information to Central Servers that control the flow of information to various support services. Details of outlet transactions are normally sent at least daily via the system. Details are then forwarded daily via a file transfer

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Version 9.0 0109

Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Penelope Anne Thomas

service to the Post Office accounting department at Chesterfield and also, where appropriate, to other Post Office Clients.

An audit of all information handled by the TMS is taken daily by copying all new messages to archive media. This creates a record of all completed outlet transaction details including its origin - outlet and counter, when it happened, who caused it to happen and the outcome. The TMS journal is maintained at each of the Fujitsu Services Data Centre sites and is created by securely replicating all completed transaction records that occurred in every Outlet. They therefore provide the ability to compare the audit track record of the same transaction recorded in two places to verify that systems were operating correctly. Records of all transactions are written to audit archive media.

The system clock incorporated into the desktop application on the counter visual display units is configured to indicate local time. This has been the situation at West Byfleet Post Office, Branch Code 126023 since 13 July 2000 when the Horizon system was introduced at that particular Post Office.

The Horizon system records time in GMT and takes no account of Civil Time Displacements, thus during British Summer Time (BST) (generally the last Sunday in March to the last Sunday in October), system record timings are shown in GMT – one hour earlier than local time (BST).

When information relating to individual transactions is requested, the data is extracted from the audit archive media via the Audit Workstations (AWs). Information is presented in exactly the same way as the data held in the archive although it can be filtered depending upon the type of information requested. The integrity of data retrieved for audit purposes is guaranteed at all times from the point of gathering, storage and retrieval to subsequent despatch to the requester. Controls have been established that provide assurances to Post Office Internal Audit (POIA) that this integrity is maintained.

During audit data extractions the following controls apply :

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Penelope Anne Thomas

1. Extractions can only be made through the AWs which exist at Fujitsu Services, Lovelace Lane, Bracknell, Berkshire and Fujitsu Services, Sackville House, Brooks Close, Lewes, East Sussex. These sites are both subject to rigorous physical security controls appropriate to each location. All AWs are located in a secure room subject to proximity pass access within a secured Fujitsu Services site.
2. Logical access to the AW and its functionality is managed in accordance with the Fujitsu Services, Post Office Account Security Policy and the principles of ISO 17799. This includes dedicated Logins, password control and the use of Microsoft Windows NT security features.
3. All extractions are logged on the AW and supported by documented Audit Record Queries (ARQs), authorised by nominated persons within Post Office Ltd. This log can be scrutinised on the AW.
4. Extractions are only made by authorised individuals.
5. Upon receipt of an ARQ from Post Office Ltd they are interpreted by CS Security. The details are checked and the printed request filed.
6. The required files are identified and marked using the dedicated audit tools.
7. Checksum seals are calculated for audit data files when they are written to audit archive media and re-calculated when the files are retrieved.
8. To assure the integrity of the audit data while on the audit archive media the checksum seal for the file is re-calculated by the Audit Track Sealer and compared to the original value calculated when the file was originally written to the audit archive media. The result is maintained in a Check Seal Table.
9. The specific ARQ details are used to obtain the specific data.
10. The files are copied to the AW where they are checked and converted into the file type required by Post Office Ltd.
11. Windows Events generated by the counters within the branch/timeframe in question are checked to ensure the counters were functioning correctly.
12. The requested information is copied onto removal CD media, sealed to prevent modification and virus checked using the latest software. It is then despatched to the Post Office Ltd Casework Manager using Royal Mail Special Delivery. This ensures

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Witness Statement*(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)*

Continuation of statement of Penelope Anne Thomas

that a receipt is provided to Fujitsu Services confirming delivery.

ARQs 436 to 448/0910 were received on 26 February 2010 and asked for information in connection with the Post Office at West Byfleet, Branch code 126023. I produce a copy of ARQs 436 to 448/0910 as Exhibit PT/01. I undertook extractions of data held on the Horizon system in accordance with the requirements of ARQs 436 to 448/0910 and followed the procedure outlined above. I produce the resultant CD as Exhibit PT/02. This CD, Exhibit PT/02, was sent to the Post Office Investigation section by Special Delivery on 4 March 2010.

The report is formatted with the following headings:

- ID – relates to counter position
- User – Person Logged on to System
- SU – Stock Unit
- Date – Date of transaction
- Time – Time of transaction
- SessionId – A unique string relating to current customer session
- TxnId – A unique string relating to current transaction
- Mode – e.g. SC which translates to Serve Customer
- ProductNo – Product Item Sold
- Qty – Quantity of items sold
- SaleValue – Value of items sold
- Entry method - Method of data capture for Transactions (0 = barcode, 1 = manually keyed, 2 = magnetic card, 3 = smartcard, 4 = smart key)
- State – Relates to OBCS
- IOP - Order Book Number – OBCS only
- Result – Order Book Transaction Result – OBSC only
- Foreign Indicator – Indicates whether OBCS payment was made at a local or foreign outlet (0- Local, 1- Foreign). The foreign indicator defaults to a '0' for all manually entered transactions - OBCS only

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Penelope Anne Thomas

The Event report is formatted with the following headings:

- Groupid – FAD code
- ID – relates to counter position
- Date – Date of transaction
- Time – Time of transaction
- User – Person Logged on to System
- SU – Stock Unit
- EPOSSTransaction.T – Event Description
- EPOSSTransaction.Ti – Event Result
- Type – Inactivity Logout noted
- Logout Authority – User who logged out the account
- SecurityEvent.User – User who failed to log in

There is no reason to believe that the information in this statement is inaccurate because of the improper use of the system. To the best of my knowledge and belief at all material times the system was operating properly, or if not, any respect in which it was not operating properly, or was out of operation was not such as to effect the information held within it.

Any records to which I refer in my statement form part of the records relating to the business of Fujitsu Services. These were compiled during the ordinary course of business from information supplied by persons who have, or may reasonably be supposed to have, personal knowledge of the matter dealt with in the information supplied, but are unlikely to have any recollection of the information or cannot be traced. As part of my duties, I have access to these records.

Signature

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Signature witnessed by

GRO

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Royal Mail Group**Witness Statement**

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a)
and 5B, MC Rules 1981, r 70)

Statement of Gareth Idris JENKINS

Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of () page each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe true.

Dated 9th day of March 2010
the

Signature

Further to my statements of 2nd February and 8th February 2010 I would like to add the following.

I have examined the 5th Interim Technical expert's report to the Court prepared by Charles Alastair McLachlan, a Director of Amsphere Consulting Ltd and have discussed some of the points raised directly with Mr McLachlan in telephone conversations of 12th February 2010 and 5th March 2010.

At paragraph 1.1 of this report Mr McLachlan has produced a table of his hypotheses and details of the conversation that we held. However, I have now had time to further assess this report and would like to add the following comments to some of Mr McLachlan's "hypotheses" and "implications of most recent information" which are reproduced in italics;

Hypothesis -The User Interface gives rise to incorrect data entry: poor user experience design can give rise to poor data entry quality.

Signature

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

Implications of most recent information -Gareth Jenkins, in a telephone interview on 12th February 2010 confirmed the evidence in his witness statement dated 2nd February 2010 that use of the Fast Cash button could result in rejected card payment being treated as over the counter cash. Further, he said that there was a possibility that when the touch screen needed recalibrating a user could believe they had pressed one button while the system recorded the pressing of a different button (the call logs to Fujitsu identify that recalibration was necessary on more than one occasion).

I have now checked all cases of Rejected Card payments and they don't explain the discrepancies so this hypothesis is irrelevant.

Hypothesis - The User Interface gives rise to incorrect data entry: inadequately user experience testing can give rise to poor data entry quality.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 confirmed the evidence in his witness statement dated 2nd February 2010 that use of the Fast Cash button could result in rejected card payment being treated as over the counter cash. In the absence of test information it has not been possible to determine whether other similar issues were identified during user experience testing.

I have now checked all cases of Rejected Card payments and they don't explain the discrepancies so this hypothesis is irrelevant.

Hypothesis - The User Interface gives rise to incorrect data entry: in cases that users are working under pressure the problems of data entry can be exacerbated.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

February 2010 confirmed the evidence in his witness statement dated 2nd February 2010 that use of the Fast Cash button could result in rejected card payment being treated as over the counter cash. The Post Office in the Midlands reports that the level of discrepancies appears to have increased as the level of card based transactions has increased.

I have now checked all cases of Rejected Card payments and they don't explain the discrepancies so this hypothesis is irrelevant.

Hypothesis - The User Interface gives rise to incorrect data entry: in cases that users are insufficiently trained the problems of data entry can be exacerbated.

Implications of most recent information - We have been provided with part of a guide that explains the process for manually dealing with a card payment that fails to be properly recorded due to a system problem. It has not been possible to establish whether the training Seema Misra received ensured that she was competent to deal with this kind of problem.

Unable to comment.

Hypothesis - The User Interface gives rise to incorrect data entry: in cases that users are using a system presented in a language different from their first language the problems of data entry can be exacerbated.

Implications of most recent information - We have been provided with part of a guide that explains the process for manually dealing with a card payment that fails to be properly recorded due to a system problem. It has not been possible to establish whether the training Seema Misra received ensured that she was competent to deal with this kind of

Signature

Signature witnessed by

CS011A

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

problem.

Unable to comment.

Hypothesis – The Horizon System fails to properly process transactions.

Implications of most recent information – Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much larger of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of any systems audit will need to ensure that any issue relating to these other systems can be excluded.

I don't see the relevance of such a statement to this observation. What happens in the Branch is recorded in the local branch logs and we now have these for the 13 moth period of Dec 06 to Dec 07. Clearly I cannot prove that nothing is missing from the logs, but there is no evidence to indicate any system faults that result in missing transactions. The back end systems are relevant to Post Office Ltd's overall accounting, but not to what is recorded and reported in the Branch accounts which is what is indicating the losses which the defendant is being accused of. I am not clear exactly what test scenarios are proposed. Given that the system has now moved on, there are no longer any test facilities for the system as it operated in 2006/2007.

Hypothesis – The Horizon System fails to properly process transactions.

Implications of most recent information – Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

larger of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of the interviews will need to engage managers and technical experts so that any possible issues relating to these other systems can be understood.

I don't see the relevance of such a statement to this observation.

What happens in the Branch is recorded in the local branch logs and we now have these for the 13 moth period of Dec 06 to Dec 07. Clearly I cannot prove that nothing is missing from the logs, but there is no evidence to indicate any system faults that result in missing transactions. The back end systems are relevant to Post Office Ltd's overall accounting, but not to what is recorded and reported in the Branch accounts which is what is indicating the losses which the defendant is being accused of.

Hypothesis - The Horizon System fails to properly process transactions

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much larger of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of testing process will need to ensure that end to end testing across these other environments is possible if the problems cannot be reproduced in the Fujitsu environment alone.

I don't see the relevance of such a statement to this observation. What happens in the Branch is recorded in the local branch logs and we now have these for the 13 moth period

Signature

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

of Dec 06 to Dec 07. Clearly we can't prove that nothing is missing from the logs, but there is no evidence to indicate any system faults that result in missing transactions. The back end systems are relevant to Post Office Ltd's overall accounting, but not to what is recorded and reported in the Branch accounts which is what is indicating the losses which the defendant is being accused of. I am not clear exactly what test scenarios are proposed. Given that the system has now moved on, there are no longer any test facilities for the system as it operated in 2006 2007.

Hypothesis - Incorrect data entry is not resolved by sub post office reconciliation and relies on the consistent, accurate and timely resolution of discrepancies by the Post Office and operators of the Horizon system.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 explained that branch transaction logs are extremely detailed records of all branch actions as well as any branch system exceptions (e.g. network failure). They are routinely archived for 7 years and a Fujitsu employee is engaged full-time to provide recovery of logs from the archive in a routine batch process which, he said, has been forensically examined to demonstrate a full chain of evidence necessary for the logs to be used in court. In addition, he explained that software is provided by Fujitsu for converting the logs into a readily accessible spreadsheet format for system and accounting audit purposes.

The logs are now available and I have started looking at them. There are 431,490 transactions in the 13 month period.

Hypothesis - The Horizon system does not appear to be a single monolithic mainframe

Signature

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

based system with computer terminals with no independent processing capability: each of these components could give rise to faults that result in discrepancies.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much larger set of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of systems audit process will need to ensure that end to end audit of transaction records is conducted if the issue cannot be identified in the Fujitsu systems alone.

The back end systems are irrelevant for problems in the branch accounts. The logs are now available

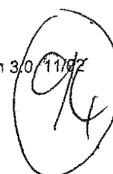
Hypothesis - The end to end dialogue between the counter terminal, the card authorisation terminal, the network, the core Horizon system, the electronic funds transfer component, the authorising merchant service and the central post office branch accounting system is a long running transaction with multiple points of possible failure.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much larger set of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of systems audit process will need to ensure that end to end audit of transaction records is conducted if the issue cannot be identified in the Fujitsu systems alone.

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

This is not relevant. The Branch accounts are based purely on whether the Branch thinks the Debit Card was authorized or not. Any subsequent failures are irrelevant to the branch accounts.

Hypothesis - Complex systems rarely have sufficient capability built in to deal with all possible failure points and discrepancies are very likely to arise which require manual intervention based on the reconciliation of paper and electronic logs at different points in the system.

Implications of most recent information - Gareth Jenkins, in a telephone interview on 12th February 2010 explained that the Horizon system managed by Fujitsu is only part of a much larger set of integrated systems used by the Post Office to manage their counters business. In particular, SAP, a data warehouse and technology connecting to a merchant service provider for card payment services is involved. The scope of the technical documentation will need to cover all of these systems.

This is not relevant. The Branch accounts are based purely on whether the Branch thinks the Debit Card was authorized or not. Any subsequent failures are irrelevant to the branch accounts.

In addition to responding to this report I have also obtained the transaction logs from 1st December 2006 to 31st December 2007 which amount to nearly half a million transactions (431,490 to be precise).

I have searched through the logs looking for all examples of Debit Card transactions which have not been successful, since this seems to be one of the defence's main attacks on the

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Witness Statement*(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)*

Continuation of statement of Gareth Idris JENKINS

system.

There are 92 such failed transactions for a total value of £117,149.98. I've analysed all those with an individual value of more than £1,000 (leaving £6,113.55 worth that I've not analysed).

In all the cases I've analysed one of 3 things has happened:

1. The Customer session was then settled by a Cheque (and so the failure must have been noticed by the clerk)
 2. The Customer session was abandoned (ie any goods were returned and the transactions cancelled and the only item from the session is the failed Debit Card payment).
 3. The Customer session was settled to Cash (which could have been accidental).
- However, in all such cases the transaction was subsequently reversed resulting in the cash also being reversed.

There are business rules that control whether transactions can be cancelled or if they have to be committed and then reversed (which is the main difference between cases 2 and 3 above). I suspect (but cannot necessarily prove) that in case 2 the sessions were for purchase of Foreign Currency. In case 3 the sessions were all for purchase of Premium Bonds.

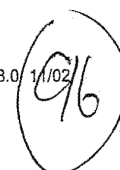
I think this refutes the assertion that failed Debit Card Payments are the cause of the losses.

Without a clear directive from the defence as to what specific transactions they say have caused errors on Horizon, I am unsure what further analysis to carry out. However, I have identified some possible areas to pursue:

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Signature witnessed by



Witness Statement*(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)*

Continuation of statement of Gareth Idris JENKINS

I have looked at Pouch Reversals (where cash or currency is packed for despatch to Post Office® Ltd's Cash Centre) and the Pouch is subsequently Cancelled. This is a method by which cash losses can be partially hidden and was mentioned in the defendant's interviews. For December 2006 there were no such examples.

Each night there should be a Cash Declaration made for each Stock Unit in the Branch indicating the current cash in the till. It is also possible to look at all the cash movements for each Stock Unit by looking at the Cash transactions. I've tried to compare the Cash movements in terms of the Transactions and also in terms of differences in Declarations and there seems to be very little correlation indicating that the cash declarations are probably inaccurate

As part of the monthly Balancing process, special transactions are recorded to reflect Stock Adjustments and Discrepancies detected by the system as part of this process. These all result in the system assuming that Cash it put into (or removed) from the Till to reflect these Adjustments / Discrepancies.

I have been requested to comment on the issue raised by the defence in relation to a Post Office® called Callender Square, Falkirk that was mentioned at the Castleton Trial. I have examined our records and can confirm the following;

The problem occurred when transferring Cash or Stock between Stock Units. Note that West Byfleet Post Office® does operate multiple Stock Units so the issue could have occurred. It manifests itself by the Receiving Stock Unit not being able to "see" the Transfer made by the "sending" Stock Unit and is compounded by attempting to make a further

Signature

CS011A

Signature witnessed by

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Witness Statement*(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)*

Continuation of statement of Gareth Idris JENKINS

transfer. Please note that such transactions usually reappear the next day. It is clearly visible to the User as a "Receipts and Payments mismatch" at the time that one of the Stock Units is Balanced. This usually results in the Branch raising a call. There are no such calls in Andy Dunks' Witness Statement of 29th January 2010 which summarises the calls raised by West Byfleet. Also this can be checked on any Balance Reports / or Branch Trading Statements that are available from the Branch which should show that Receipts and Payments do match and that the Trading Position is zero. The problem is also visible when looking at system events associated with the Branch. The System events from 30/06/2005 to 31/12/2009 for West Byfleet have been checked and no such events have been found. The problem was fixed in the S90 Release which went live in March 2006 and so would not have been relevant at the time of the detailed Transaction Logs obtained for West Byfleet between December 2006 and December 2007.

Therefore I can conclude that the problems identified in Calendar Square, Falkirk are not relevant to West Byfleet Post Office.

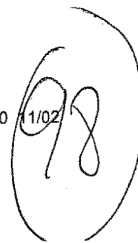
On 2nd October 2009 I produced a report about Horizon Data integrity. Within this report are details about transactions (sometimes known as EPOSS transactions) and various scenarios that could occur following system failures. In rare circumstances it is possible for transactions to not be recorded on the local system but in all such cases the user would be aware of this. I produce this report as exhibit GJ/01.

As with any large system there will be occasional faults such as the one found in Callender Square, Falkirk. Any such faults, whether found during testing or from live user feedback

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Witness Statement

(CJ Act 1967, s9; MC Act 1980, ss 5A(3)(a) and 5B, MC Rules 1981, r 70)

Continuation of statement of Gareth Idris JENKINS

would be investigated and resolved appropriately. I am not aware of any such faults that have been raised by West Byfleet Post Office®. If specific transactions can be identified where the user feels the system has caused losses then further investigation can be made.

Signature

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GUILDFORD CROWN COURT

THE QUEEN

v

SEEMA MISRA

NOTICE OF ADDITIONAL EVIDENCE (4)

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